

Canaan Budget Committee Meeting
Thursday, January 7, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Scott Borthwick, William Crowther, Patty Duszynski, Ellie Davis, Al Posnanski, Martha Pusey, Denis Salvail, Philip Smith Jr. Sadie Wells. Canaan Town Administer Mike Samson; recorded by Roger Lohr, not in attendance.

Final Approved Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:01 PM.

2. Selectboard's Proposed Budget and CIP Changes

The Selectboard's 2016 budget bottom line is \$3,463,197.

Following the Committee's December meeting, John Bergeron had emailed changes in the CIP to the Canaan Budget Committee members. Some of the police vehicles were incorrectly listed. The Highway Mobile Equipment was increased by \$20,000 for 2016 with a rollover from the 2015 CIP. There was Transfer Station Mobile Equipment of \$25,000 that was delayed from 2018-19 to 2019-20. Lastly, there were math errors in the CIP that were corrected in the reserve values on a table of mobile equipment. The bottom line of the CIP did not change much taking into account all of the updated information.

A motion was made by Scott Borthwick and seconded by Bill Crowther to accept the 2016 Town of Canaan budget of \$3,463,197. The motion passed with 8 in favor and one opposed. (Ellie Davis).

3. Revenues

Town Administrator Mike Samson distributed the revenue document and explained the changes, which were positive by \$67,000. The current property tax increased by .5%. The motor vehicle income was \$667,200 and was \$10,000 less than anticipated so the actual motor vehicle number from 2015 will be incorporated in the 2016 revenue budget. The town took in about \$40,000 for motor vehicles during the last two weeks of December. The revenue budget left \$2,237,292 that needs to be raised by taxes.

Samson and Posnanski discussed transferring into the budget from the reserves.

4. Committee Assignments

Chair Ellie Davis announced that the Committee's budget presentation assignments for the Pubic Hearing scheduled for Thursday, January 14, 2016 have been emailed to the Committee members.

Business Administrator Mike Samson stated that Committee members are welcome to contact him if they have any questions about the information that they will present in the Public Hearing.

5. Minutes Approval

A motion was made by Al Posnanski and seconded by Denis Salvail to approve the Canaan Budget Committee meeting minutes of November 19, 2015. The motion passed unanimously.

Committee minutes taker Roger Lohr was requested to send the final document to the Committee Chair to be posted on the town website. Additionally, the other meeting minutes draft documents will be sent to the Committee Chair, Vice Chair, and Secretary.

6. Next Meetings Schedule

The Budget Committee will meet to vote on the Warrant Articles on Wednesday, January 13, 2016 at 7:30 PM in the Canaan Fire Station. This is necessary because the final deadline to submit Warrant Articles is the prior day. The Committee's Public Hearing will be held on Thursday, January 14, 2016 at 7:30 PM in the Canaan Fire Station. If the meeting is postponed the rain date is January 19.

The Deliberative Session is scheduled for Saturday, January 30, 2016 at 1:00 PM at the Canaan Elementary School.

Mike Samson commented that there have been new personnel hired for the Highway and Police departments.

7. Adjournment

Scott Borthwick made a motion which was seconded by Denis Salvail to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 7:32 PM.

Next meeting of the Canaan Budget Committee is January 13, 2016 at 7:30 PM.

Canaan Budget Committee Meeting
Wednesday, January 13, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Scott Borthwick, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Phillip Smith, Sadie Wells; Town Administrator Michael Samson; Public attendee: Dave McAlister; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Chair Ellie Davis called the meeting to order at 7:30 PM.

The Warrant Article document was distributed to the committee members.

2. Warrant Articles

Chair Ellie Davis read the Warrant Articles for the committee to consider and recommend.

Article 2, which is the Town of Canaan budget for 2016 of \$3,463,197 and default budget \$3,555,099, which was recommended by the Budget Committee; 9 Yes and 1 No.

Article 3, which is the Canaan water and sewer appropriations was recommended by the Budget Committee; 9 Yes and 1. A typo was discovered in the Water budget amount that was checked and was changed.

Article 4, which is for the purchase of a truck from the Highway Equipment Capital Reserve Fund was recommended by the Budget Committee; 9 Yes and 0 No and 1 abstention.

Article 5, which is for the purchase of a 4 wheel drive vehicle from the Police Cruiser Capital Reserve Fund was recommended by the Budget Committee; 10 Yes and 0 No.

Article 6, which is for adding \$40,000 to the Fire Truck Capital Reserve Fund was recommended by the Budget Committee; 10 Yes and 0 No.

Article 7, which is for adding \$120,000 to the Capital Reserve Fund for Highway Equipment was recommended by the Budget Committee; 10 Yes and 0 No.

Article 8, no vote.

Article 9, which is for re-characterizing an account for the Library; 10 Yes and 0 No.

Article 10, which is for closing the landfill account and re-characterizing it as the Economic Development Account, which was recommended by the Budget Committee; 10 Yes and 0 No.

Article 11, which is for appointing the voters as agents to expend the Historical Museum Fund was recommended by the Budget Committee; 10 Yes and 0 No.

Article 12, which is for changing the Library Renovation Trust Account to the Library Renovation Capital Reserve Account was recommended by the Budget Committee; 10 Yes and 0 No.

Articles 13 and 14 and 15 did not require the Budget Committee's input and there were no votes on those articles.

Article 16, which is for spend \$10,500 for Transfer Station bathroom installation, purchase of a shipping container and reimbursement for purchase of a skid steer in 2015 was recommended by the Budget Committee; 10 Yes and 0 No.

Article 17, which is for the 2016 Fifth Year Cyclical Revaluation was recommended by Budget Committee 10 Yes and 0 No.

PETITIONED ARTICLES

Article 18: Mascoma Valley Health Initiative: the Budget Committee Does Not Recommend; 5 Yes 5 No. Sadie Wells is involved with the Board of the Public Health Council. The vote on this article was not a majority, therefore the committee does not recommend this article.

Article 19: Grafton County Senior Citizens Council, Inc.: the Budget Committee Does Not Recommend; 4 Yes and 6 No.

Article 20: Advance Transit, Inc.: the Budget Committee Does Not Recommend; 3 Yes and 6 No and 1 abstention.

Article 21: Visiting Nurse Association & Hospice: the Budget Committee Does Not Recommend; 3 Yes and 7 No.

Article 22: West Central Behavioral Health: the Budget Committee Does Not Recommend; 2 Yes and 7 No and 1 abstention.

Article 23: WISE: the Budget Committee Does Not Recommend; 4 Yes and 6 No.

Article 24: Tri-County CAP: the Budget Committee Does Not Recommend; 3 Yes and 6 No and 1 abstention.

Article 25: Headrest, Inc.: the Budget Committee Does Not Recommend; 3 Yes and 7 No.

Article 26: no vote.

3. Other Business

Minutes Approval

A motion was made by Philip Smith and seconded by Scott Borthwick to approve the Canaan Budget Committee meeting minutes of December 17, 2015 as submitted. The motion passed with 7 in favor and 3 abstentions Wells, Pusey, Duszynski).

A motion was made by Philip Smith and seconded by Scott Borthwick to approve the Canaan Budget Committee meeting minutes of January 7, 2016 as submitted. The motion passed unanimously.

4. Adjournment

Scott Borthwick made a motion which was seconded by Philip Smith to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:30 PM.

Canaan Budget Committee Meeting & Public Hearing
Thursday, January 14, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Phillip Smith, Scott Borthwick, Sadie Wells; Town administrator Michael Samson; 1 public attendee: Dave McAlister; recorded by Roger Lohr.

Final
~~Draft~~ Minutes

1. Call to Order of the Public Hearing

Chair Ellie Davis called the Public Hearing to order at 7:30 PM and took attendance of the members of the Canaan Budget Committee. She announced that the intention of this public hearing meeting was to review the Budget Committee's proposed 2016 budget for the town, the revenue budget, the default budget, and the warrant articles.

2. Proposed 2016 Canaan Budget

Various budget documents were distributed to the members of the public. The Budget Committee members reviewed the line item sections announcing the bottom line amount of each section recommended by the Committee and explaining any significant variances from the previous year's budget.

Borthwick reviewed executive, town administration, town clerk, and election expenses.

Smith reviewed printing, bookkeeping, budget committee, assessments, treasurer, and trustee expenses.

Duszynski reviewed legal, personnel, and government building expenses.

Bergeron reviewed cemetery, insurance, general government, police, ambulance, fire department, building inspector, and emergency management expenses.

Salvail reviewed mechanic, road agent, highway, bridge inspection, and street lighting expense.

Posnanski reviewed transfer station, health, and welfare expenses.

Pusey reviewed recreation, library, cultural, patriotic, and conservation accounts.

Wells reviewed debt service, capital equipment, and improvements.

Crowther reviewed the sewer and water accounts.

The proposed 2016 Canaan operating budget is \$3,463,197 and if it is rejected by voters the default budget is \$3,555,099. Chair Davis reviewed the items that were included in the default budget. Chair Davis reviewed the Warrant Articles and corresponding fund

amounts on the articles and whether the Select Board and Budget Committee recommended voting for the articles. Chair Davis also reviewed the revenue budget with revenues other than taxes, which totaled \$1,795,734 and \$2,151,643 needed to be raised by taxes. The residents at Town Meeting can amend the Warrant Articles but can not go above the Budget Committee recommendations by more than 10% (about \$400,000).

Town Administrator Samson will submit the budget information to the DRA and expects to receive the MS/ for the Budget Committee to sign. He asked the members of the Budget Committee to stop by the town office sign the MS/ document on Wednesday or Thursday.

The public hearing was closed at 7:50 PM.

Dave McAlister expressed appreciation for the work done on the budget by the committee members, the chair and particularly the Town Administrator Samson.

3. Meeting Schedule

The Deliberative Session will be held on January 30th at 1:00 PM at the Canaan Elementary School.

The next Budget Committee meeting will be held on Thursday, March 31, 2016 at 7:00 PM for a reorganization meeting, to approve minutes, and share the annual committee schedule of meetings. The committee members who have terms that are up include Patty Duszynski, Philip Smith, and Sadie Wells.

4. Minutes Approval

Scott Borthwick made a motion which was seconded by Philip Smith to accept the Canaan Budget Committee meeting minutes of January 13, 2016 as submitted and amended. The motion passed unanimously. The change was to add Dave McAlister to the attendee roster.

5. Adjournment

Scott Borthwick made a motion which was seconded by Philip Smith to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:00 PM.

Town of Canaan New Hampshire Budget Committee

Minutes of January 30, 2016 Deliberative Session Meeting

Canaan Elementary School Gymnasium

Prepared by Eleanor J. Davis, Budget Committee Chairman on February 4, 2016

Budget Committee Members present: Eleanor J. Davis (Chairman), John Bergeron (Vice Chairman), Bill Crowther (Secretary), Sadie Wells, Al Posnanski, Denis Salvail, Martha Pusey, Phil Smith, Jr., and Selectman Scott Borthwick. Budget Committee members absent: Patty Duszinsky.

The Budget Committee continued to meet at the adjournment of the Deliberative Session at 3:45PM.

The only warrant article with an appropriation that was amended during the session was Article 16. The total was changed to \$8,000 from \$10,500 with \$2,500 removed on recommendation of DRA for the skid steer. Since this article requires an appropriation, the budget committee was required to re-vote on its recommendation. Chairman Davis polled all members present and the vote was 9 votes in favor of recommending the article, with one absent. Unanimous. This will change the amount on the MS-737 to go to DRA after March 8, 2016. The Budget Committee adjourned the meeting at 3:50PM.

Eleanor J. Davis

Canaan Budget Committee Meeting
Thursday, March 31, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron; William Crowther, Ellie Davis, Patty Duszyński, Al Posnanski, Denis Salvail, Sadie Wells; recorded by Roger Lohr. Not in attendance: Scott Borthwick, Martha Pusey, Phillip Smith.

Final Minutes

1. Call to Order

Ellie Davis called the meeting to order at 7:00 PM.

2. Election of Officers

Al Posnanski nominated the slate of officers to remain the same as the previous year and the nomination was seconded by Sadie Wells. The slate of officers included Ellie Davis as committee chair, John Bergeron as committee vice chair, and Bill Crowther as committee secretary. There being no other nominations the committee members voted and the nominations passed unanimously.

3. Approval of Minutes

A motion was made by Sadie Wells and seconded by Bill Crowther to approve the Canaan Budget Committee meeting minutes of January 14, 2016 as submitted. The motion passed unanimously (7-0).

A motion was made by Denis Salvail and seconded by Sadie Wells to approve the Canaan Budget Committee meeting minutes of January 30, 2016 as submitted. The motion passed with 6 in favor and one abstention (Duszyński) (6-0-1).

4. 2016-17 Budget Committee Meeting Schedule

There was a committee consensus for the proposed calendar with the understanding that some of the meetings may be unnecessary and the committee would be notified if any meetings were to be canceled or changed. The calendar included meetings in 2016 on:

September 15;

October 20;

November 17;

December 15;

It was understood that the November meeting may be postponed depending on when information about insurance premiums is received. In 2017, January 11 and 12 are tentative dates; Deliberative session and town meeting: January 28 or February 4 (per selectboard).

Page 2. of the 4/1/16 Canaan Budget Committee minutes continued

5. Adjournment

Denis Salvail made a motion which was seconded by Bill Crowther to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 7:15 PM.

Canaan Budget Committee Meeting
Thursday, September 15, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Philip Smith Jr., Sadie Wells;

Budget Committee members not in attendance: Denis Salvail,

Public attendees: Vicky McAlister, Nelson Therriault, Phil Carter, Joe Frazier, Bill Wilson, Sam Frank.

Canaan Town Administer Mike Samson; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM and took attendance. She announced that Al Posnanski is now the Select Board representative on the Budget Committee.

2. Committee Discussion

Town Administrator Mike Samson distributed the Canaan Budget document that included the 2016 Approved Budget, Year to Date Expended, 2016 Encumbrance and Balance, line item budget variances, and the proposed 2017 Budget for town expenses.

A. Nelson Therriault reviewed the welfare section of the budget. There were 50 cases this year for assistance (rent, electric, fuel) and more people who need help. The cost of aid for heat ranged from \$650-1,200 per household. Food assistance is not included in the welfare budget as it is offered by the food banks in the region. The Welfare Budget totals \$58,600.

B. Town Administrator Mike Samson stated that there was a 3% increase in wages/benefits for Canaan employees, which includes 2% for cost of living and a 1% increase in salary. Payroll has been juggled in some departments with changes in part time and other staffing in the data processing, cemetery, and executive support. The fire chief has been underpaid and he will retire within a few years so there was an attempt to bring that salary up to be more comparable to fire chiefs in other similarly sized towns.

C. Town Clerk and Elections - Vicky McAlister reviewed the town clerk and election sections of the proposed Canaan budget for 2017. There is only one election next year, which will save funds. The town clerk budget is \$87,902 and the election budget is \$4,650.

D. Cemetery

Phil Carter reviewed the cemetery section of the budget. There will be salary increases and the overtime will be reimbursed using the trust fund for property maintenance. There is now a full time person and a part time person working in the cemetery department. The Committee discussed burial prices,

the purchase of a small truck, and the outside contracted services used for weekends. The cemetery budget is \$41,738.

E. Treasurer

Joe Frazier reviewed his four budget line items and spoke about the town funds. The Treasurer budget is \$6,654.

F. Planning Board

John Bergeron reviewed the planning board section of the budget, which is the same as the previous year's budget. The building permit revenue is up 40% in revenue.

G. Building Inspector and Health

Bill Wilson spoke about the Building Inspector and Health budget items. The building inspection and health sections will be the same as the previous year's budget with salary increases. There will be increased inspection enforcement in coming years and more health violations on rental housing and businesses (currently 5-6 per year).

H. Budget Committee

The committee reviewed the budget committee expenses for 2017 and it was stated that since there will be fewer meetings, that the minutes taker has been paid more per meeting. There may not be tax rate information in time for the November Budget Committee meeting and if that is the case, that meeting will be postponed.

I. Budget Overview

Town Administrator Mike Samson stated that the tax rate will increase by 1% but the rate will be 8.5% lower than 2008. Mr. Samson met with department heads in June and asked for wish lists. The department heads showed restraint but raised the issue of wage comparability. Wages in the proposed budget are up 3% to try and be more comparable with wages in other small towns. Insurance was increased by 9% and health insurance was increased by 10% but more accurate premiums will not be known until the end of the year. Dispatch service and criminal prosecution service are expected to have large increases.

The revenue is expected to increase by \$125,000 and taking that into account will require that the amount to be raised by the town is \$28,000 and that will result in a higher tax rate between a 1-1.3% increase.

Some significant variances include decreases in fuel costs, police equipment, salt purchase, and highway contracted services. There are increases in mechanic software, signs, culverts, the audit, repairs and maintenance for vehicles, solid waste due to falling recycled material prices, recreation contracted services, retirement and other areas.

J. Police Department

Sam Frank stated that fuel and equipment budget accounts are down but a new server is needed after damage from a storm. The overtime involves court time. The town of Canaan had 375 arrests last year, which was one of the highest in the Upper Valley. There is a high conviction rate and a \$49,000 prosecutor budget projection for next year. There were 50 felonies last year and 30 of them went through the court process while the balance of the cases involved a plea. There are currently 6 full time officers and one part time officer and the part time secretary. The chief would like additional part time officers to fill staffing needs.

3. Adjournment

John Bergeron made a motion which was seconded by Bill Crowther to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:50 PM.

Canaan Budget Committee Meeting
Thursday, October 20, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Denis Salvail, Sadie Wells;
Budget Committee members not in attendance: Martha Pusey, Philip Smith Jr.
Public attendees: Dave McAlister, Bob Scott, Bill Bellion, Bayne Stone, Cindy Neily, Denise Reitsma, Amy Thurber, Susan Remacle.
Canaan Town Administer Mike Samson; recorded by Roger Lohr (not in attendance).

Approved Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM and took attendance.

2. Committee Discussion

Town Administrator Mike Samson distributed the Canaan Budget revenue document.

A. Highway Department

Bob Scott reviewed the highway department budget referencing the budget variances compared to last year's budget. There are decreases in the purchase of salt, fuel, road signs and culverts. The mowing brush equipment was discussed. There is an adjustment to contracted services. Uniforms have been increased for winter needs. The number of gallons of fuel that was used was discussed and Mike Samson commented about how the town purchases fuel. The committee asked about paving. Mr. Samson explained contingency planning and noted how the town managed repair funding associated with Hurricane Irene. Homeowners are responsible for culverts under driveways and if they are replaced the homeowner has to reimburse the town.

B. Mechanic

Bayne Stone stated that there are increases for the diagnostic computer and repairs and parts line item in the mechanic budget.

C. Fire Department

Chief Bill Bellion reviewed the fire department budget citing the increase in the line items for equipment. Mike Samson referenced the increase in the fire chief salary so that it becomes more competitive with other towns. There are increases for the other fire department hourly staff. The deputy chief budget line is for two people. The Committee discussed inspections and insurance company issues with the chief. There is an Emergency Management grant for \$3,000.

D. Trust Funds

Cindy Neily stated that there were only three line items in the trust fund budget area. She also said that the legal line item is a placeholder.

E. Other Budget Items

Canaan Town Administer Mike Samson reviewed other proposed Canaan 2017 budget line items including executive, town meetings, tax assessor, and elections. There were slight increases in some of these line items. An increase is expected for the audit. Data processing will increase salary. Overtime has not been used in data processing. Costs associated with the utilities decision and appeal is uncertain at this time. The health insurance premium rates are expected in mid-November and the unemployment budget line item is solid.

F. Library

Amy Thurber distributed a document of library-related statistics and reviewed highlights of the document. She noted the Friends of the Library support that is outside of the Canaan budget and as an example cited the purchase of machines for the curtains.

Other library revenue offsets such as sales in the library for books, tote bags, and note cards are occurring. Circulation and searches have increased at the library. The Committee discussed contributions from other towns whose residents have priviledges at the Canaan Library.

G. Other Budget Items Continued

Canaan Town Administer Mike Samson continued reviewing other proposed Canaan 2017 budget line items including government buildings where he explained using the building budget in the general fund to prepare for longer term projects rather than using the CIP as a way to protect the budget for these building improvement projects. There are 15 towns in New Hampshire using this practice currently and the practice was announced at the Canaan Deliberative Session. Heating is down in the building budget but repair/maintenance is increased to do things that were deferred.

Property and liability insurance premium rates are pending. In General Government there is a need for more filing cabinets. Street lighting has been decreased by \$1,000. With regard to the Transfer Station budget, Mr. Samson reported that the participation in recycling remains about 8-9%. Sale of recyclables increased and while it may still be a volatile market, recycling is a less expensive way to dispose of waste compared to the landfill. There was \$11,000 spent for hazardous waste disposal.

There was a trailer removed that the town is being reimbursed for at \$75 per month. The Recreation budget has been increased for electricity and hourly part time. There has been good participation in recreation programs and the manager needs help. The Committee discussed the Canaan Lake and Goose Pond recreation groups.

Overall the budget is expected to change about \$5-6,000 and there is a \$100,000 delta compared to last year's budget. There is new revenue coming in and a growth in the tax base from new construction. Mr. Samson reviewed revenue budget items such as vehicle

Page 3 Canaan Budget Committee September 2016 Meeting Minutes

fees and the NH Meals & Rooms taxes. A block grant is expected to be received in December.

He cited the sale of scrap metal and discussed the sale of properties related to delinquent taxes. There has been very little difference in delinquent taxes in the last decade (less than \$10,000 increase over the years while the taxes have increased a total of 20%).

The budget is \$3,728,000 with a \$224,000 net and \$70,000 worth of excess revenue is projected. More town income will be needed to cover capital reserve investment needs. Mr. Samson spoke generally about the town budget and school budget in terms of the tax base.

3. Next Meetings

Chair Davis reviewed the scheduling options for upcoming Budget Committee meeting and it was decided to set December 1 as the next meeting when there will be information about the CIP, health insurance, and water and sewer.

4. Meeting Minutes Approval

Sadie Wells made a motion which was seconded by Denis Salvail to approve the September 15, 2016 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed with one abstention 6-0-1 (Salvail).

The changes included the number of Canaan police arrests compared to other towns in the Upper Valley and clearing up the sentence about the cemetery employees.

Sadie Wells made a motion which was seconded by Denis Salvail to approve the March 31, 2016 Canaan Budget Committee meeting minutes as submitted. The motion passed unanimously.

5. Adjournment

Sadie Wells made a motion which was seconded by Al Posnanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 9:05 PM.

Canaan Budget Committee Meeting
Thursday, December 15, 2016
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Al Posnanski, Martha Pusey, Denis Salvail, Philip Smith, Sadie Wells;
Budget Committee members not in attendance: Patty Duszynski
Public attendees: Dave McAlister, Scott Borthwick, Claude Lemoi
Canaan Town Administer Mike Samson; recorded by Roger Lohr (not in attendance).

Final Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM and took attendance.

2. Committee Discussion

A. CIP

Canaan's Capital Improvement Program for the years 2017-2022 was discussed. It contains capital items submitted by town departments, with modifications by the CIP Committee. The advisory report identifies anticipated capital needs, and doesn't ensure that funds will be expended in this manner, since needs and priorities will change as time progresses. The town office is reaching capacity and has some legal and safety deficiencies. Exact plans are not known, but solutions (\$300k) may include additional square footage, electronic records, and/or renovation of the third floor above the library. A fire truck will need to be replaced in a few years, due to its age at about \$300,000. As the town has grown, the highway trucks and equipment have outgrown the existing highway garage. An addition to the structure \$180,000 is needed to keep loaded salt/sand trucks warm in the winter, while still providing room to service other vehicles. Gristmill Hill Road bridge will need to be replaced in 2022 (\$140k) and 2023 (\$600k).

Some of the Capital Reserve activity requires a Warrant Article approval. There are many smaller items in the CIP, but CIP items should be at least \$5,000 and have a 3-year life cycle. The highway garage project is the number one priority and the town office project is second. The mobile equipment is regularly replaced. Town administrator Samson prefers that the Capital Reserve grows incrementally rather than with large increases and that the town thinks ahead while it slowly builds savings. Currently the town does not have big debt. The Budget Committee Chair said she liked the report format.

B. Budget Review

Canaan Town Administer Mike Samson reviewed the budget. He raised issues such as select board salary increases. There is a discussion between the town and the state regarding how Capital Reserve accounts are handled and money is being put into the operating budget but will be on a separate warrant article to be approved by the voters.

Page 2 Canaan Budget Committee December 2016 Meeting Minutes Continued

Samson explained the line items in the budget that are placeholders for transfers to the Capital Reserve at the end of the year. He also discussed how grants are handled in the budget.

The committee discussed the decrease in electricity in some accounts. The warrant articles that transfer funds into the Capital Reserve will include the language such as "no additional money would raise by taxes for this transaction."

The budget expenses are \$166,000 higher than last year's budget. There is \$116,000 from other tax revenue, which will result in no tax increase for what is a lower budget in 2017.

The budget and warrant articles will total about \$3,714,000, which is about \$14,000 less than last year. There may be some tax increase associated with exemptions but many of the Capital Reserve items will be covered with the unassigned fund balance at the end of the year. The fund balance is projected to be \$200,000-250,000.

C. Water and Sewer

Canaan Town Administer Mike Samson spoke about the sewer and water, which are up \$5,000 and \$9,000 respectively. The account total will be \$183,000 up about \$15,000 and there will likely be a 10% increase in water/sewer charges to cover Capital Reserve needs for that department.

D. Revenue

Canaan Town Administer Mike Samson distributed a document and spoke about revenue for 2017. The revenue amount \$2,240,000, which is the same as last year is projected in 2017 and that incorporates conservative estimates in some areas. Samson commented about various revenue accounts such as taxes from sales of properties and refunds on insurance premiums.

The extra amount of revenue estimated at \$162,000 will be used for Capital Reserves. Samson will have the MS737 corrected and have it signed at the next Budget Committee meeting.

E. Budget Approval

A motion was made by Phillip Smith and seconded by Martha Pusey to approve the Canaan Budget for 2017 as presented in the amount of \$3,569,830. The motion passed 7-1-0 (Davis opposed).

3. Next Meetings

Chair Davis reviewed the upcoming Budget Committee meeting on January 11 when the committee can approve the revenue budget and the warrant articles. Assignments will be sent to the Committee members for the January 12 public hearing.

4. Meeting Minutes Approval

Page 3 Canaan Budget Committee December 2016 Meeting Minutes Continued

Sadie Wells made a motion which was seconded by John Bergeron to approve the October 20, 2016 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed with one abstention 6-0-2 (Pusey, Smith abstained). The changes included adding to the attendee roster Dave McAlister and Susan Remacle .

5. Adjournment

Sadie Wells made a motion which was seconded by Al Posnanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:39 PM.