

Canaan Budget Committee Meeting  
Wednesday, January 11, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Philip Smith, Sadie Wells; Committee members not in attendance: Bill Crowther. Town administrator Michael Samson; recorded by Roger Lohr.

Final Minutes

1. Call to Order

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

Budget documents for the Warrant Articles and revenues were distributed to the committee members.

Town Administrator Mike Samson stated that the budget had remained the same as presented at \$3,569,830 and he reviewed the water and sewer budgets. The sewer budget was up \$5,000 to \$95,255 and the water budget was \$87,846 with increases due to billing expenses, postage, and inspection costs. The water and sewer budget had revenue of \$133,220. There is a need to raise the water and sewer rates to generate enough revenue for capital reserves related to water and sewer.

Denis Salvail made a motion which was seconded by Martha Pusey to accept \$183,101 for the water and sewer budget in the town of Canaan for 2017. The motion passed unanimously 8-0.

Al Posnanski made a motion which was seconded by John Bergeron to accept \$1,484,676 as anticipated non-property tax revenue in the town of Canaan for 2017. The motion passed unanimously 8-0.

2. Warrant Articles

Town Administrator Mike Samson explained the Warrant Articles. He explained the current issues with the Department of Revenue Administration regarding handling the \$95,000 funding for the Capital Improvement Reserve. He explained two options for accounting for the issue and was hopeful that the issue would be finalized by the Budget Committee's Public Hearing scheduled for January 12 at 7:30 PM. The Budget Committee decided to not vote on Warrant Articles 5, 8, 9 and 10 as they were related to the CIP dispute with the DRA.

The Budget Committee reviewed the Warrant Articles:

Article 2, which raises and appropriates the operating budget at \$3,569,830 was recommended by the Budget Committee 7 Yes and 1 no.

Article 3, which is the Canaan water and sewer appropriation was recommended by the Budget Committee: 8 Yes and 0 no.

Article 4, which is for the purchase of a truck from the Highway Equipment Capital Reserve Fund was recommended by the Budget Committee; 7 Yes and 1 No.

Article 6, which is for adding \$50,000 to the Fire Truck Capital Reserve Fund was recommended by the Budget Committee: 8 Yes and 0 No.

Article 7, which is for adding \$120,000 to the Highway Equipment Capital Reserve Fund to be taken from funds that are available from the Unreserved Fund Balance was recommended by the Budget Committee: 8 Yes and 0 No.

Article 11, which is for establishing a Library Building Renovation Capital Reserve Fund was recommended by the Budget Committee: 8 Yes and 0 No.

Article 12 was to use funds from the Transfer Station Special Revenue Account to purchase a trailer and it was recommended by the Budget Committee: 8 Yes and 0 No.

#### Petitioned Warrant Articles

Articles 13 -- Public Health Council formerly the Mascoma Valley Health Initiative services: the Budget Committee Does Not Recommend: 4 Yes and 4 No.

Article 14 -- Grafton County Senior Citizens Council: the Budget Committee Does Not Recommend: 4 Yes and 4 No.

Article 15 -- Advance Transit: the Budget Committee Does Not Recommend: 3 Yes and 5 No.

Article 16 -- Visiting Nurse Association & Hospice: the Budget Committee Does Not Recommend: 3 Yes and 5 No.

Article 17 -- West Central Behavioral Health: the Budget Committee Does Not Recommend: 2 Yes and 5 No and 1 abstention.

Article 18 -- WISE: the Budget Committee Does Not Recommend: 3 Yes and 5 No.

Article 19 -- Tri-County Cap: the Budget Committee Does Not Recommend: 3 Yes and 5 No.

#### 3. Other Business

The Canaan Budget Committee public hearing meeting is 7:30 PM on Thursday, January 12 at the Fire Station. Committee assignments for the public hearing were distributed previously. Town Administrator Mike Samson invited Budget Committee members to contact him if they have any questions about their assignments for the Public Hearing.

Town Administrator Mike Samson commented about the school funding formula and associated activities in Canaan and the participating towns regarding that issue.

#### 4. Minutes Approval

A motion was made by Phil Smith and seconded by Sadie Wells to approve the Canaan Budget Committee meeting minutes of December 15, 2016 as submitted. The motion passed with 7 in favor and one abstention (Duszynski).

The Deliberative Session is scheduled for February 11 at 9:00 AM at the Canaan Hall and voting will take place on Tuesday, March 14 from 8:00 AM to 7:00 PM at Canaan Hall.

There are three (3) openings on the Budget Committee for 2017 (positions currently held by Crowther, Posnanski, and Pusey).

#### 4. Adjournment

Sadie Wells made a motion which was seconded by Phil Smith to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:50 PM.

Canaan Budget Committee Meeting & Public Hearing  
Thursday, January 12, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Philip Smith, Sadie Wells; Not in attendance: William Crowther. Town administrator Michael Samson; 3 public attendees: Scott Borthwick, Dave McAlister, Alan Ricard; recorded by Roger Lohr.

Final 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 2017 budget for the town, the revenue budget, the default budget, and the warrant articles. The Committee had to vote on Warrant Articles 5, 8, 9, and 10.

2. Proposed 2017 Canaan Budget

Various updated budget documents were distributed to the members of the committee and public. The Budget Committee members reviewed the line item sections announcing the bottom line amount of each section recommended by the Committee and stating the previous year's budget.

Al Posnanski, the Select Board representative reviewed town administration, town moderator, tax collection, and election expenses.

Phil Smith reviewed financial administration, budget committee, treasurer, data processing, and trustee of the Trust Funds expenses.

Patty Duszynski reviewed legal, personnel administration, planning board, and government building expenses.

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

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

Al Posnanski reviewed transfer station, health, and welfare expenses.

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

Sadie Wells reviewed debt service, capital outlay for equipment, and improvements other than buildings.

Mike Samson reviewed the sewer and water accounts.

Town Administrator Samson reviewed the recommendation from the DRA regarding semantics to put funds into the reserves using the Warrant Articles and the operating budget. He also commented that a meeting will be held in April to adjust the water and sewer rates.

The proposed 2017 Canaan operating budget is \$3,569,830 and if it is rejected by voters the default budget is \$3,463,197 (a difference of \$106,000). 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.

With regard to the Warrant Articles that were not yet approved the Budget Committee voted on reserve transactions:

- 8-0 on Article 5 for the police cruiser
- 8-0 on Article 8 for the bridge
- 8-0 on Article 9 for revaluation
- 8-0 on Article 10 for government buildings

Chair Davis also reviewed the revenue budget with revenues other than taxes, which totaled \$1,329,676 and \$2,240,432 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 the he asked the members of the Budget Committee to stop by the town office sign the MS7 document on Wednesday or Thursday.

The public hearing was closed at 8:12 PM.

### 3. Meeting Schedule

The Deliberative Session will be held on February 11<sup>th</sup> at 9:00 AM at the Canaan Hall.

The next Budget Committee meeting will be tentatively held on Thursday, March 30, 2017 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 Bill Crowther, Al Posnanski, and Martha Posey.

### 4. Minutes Approval

Sadie Wells made a motion which was seconded by Philip Smith to approve the Canaan Budget Committee meeting minutes of January 11, 2017 as submitted and amended. The motion passed unanimously.

### 5. Adjournment

Sadie Wells made a motion which was seconded by Philip Smith to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:20 PM.

Town of Canaan New Hampshire Budget Committee

Minutes of February 11, 2017 Deliberative Session Meeting -- FINAL VERSION -- Accepted March 30, 2017

Canaan Hall, Orange Road, Canaan, NH

Prepared by Eleanor J. Davis, Budget Committee Chairman on February 11, 2017

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

The Budget Committee continued to meet at the adjournment of the Deliberative Session at 10:20AM.

The following Warrant articles were amended at Deliberative Session: Article 12 removed reference to the size of 100 yard transfer station trailer, Articles 13 and 14 were amended to add a reference to the voters present being in favor of passing the articles for the Public Health Initiative and the Senior Citizens Council. None of the original appropriation amounts were changed, but since they all require an appropriation the chairman polled the members present for a re-vote on their recommendations.

Results: Article 12 was recommended by a vote of 7 in favor and 0 against.

Article 13 was NOT recommended by a vote of 4 against and 3 in favor.

Article 14 was NOT recommended by a vote of 4 against and 3 in favor.

There will not need to be any changes to the MS/3/ to go to DRA.

The chairman motioned to amend the minutes of December 15, 2016 in the next to last paragraph say "October 20, 2016" instead of "October 15, 2016". Second by John Bergeron. Vote to amend was 7-0 in favor.

The chairman motioned to amend the minutes of January 12, 2017 to correct Alan Ricard's name as an attendee and to correct Section 3 to read "Bill Crowther, Al Posnanski, and Martha Pusey" instead of "Patty Duszynski, Philip Smith, and Sadie Wells". Second by Denis Salvail. Vote to amend was 7-0 in favor.

The chairman adjourned the Budget Committee meeting at 10:40AM. The next meeting will be on March 30, 2017 at 7PM at the Fire Station.

*Eleanor J. Davis*

Town of Canaan NH Budget Committee FINAL Minutes

March 30, 2017 Meeting at Canaan Fire Station

Prepared by Eleanor J. Davis - March 31, 2017

Revised October 19, 2017 per approval of Budget Committee

Chairman Davis called the meeting to order at 7:00PM. In attendance were committee members Eleanor Davis, Sadie Wells, John Bergeron, Denis Salvail, Jamie Jukosky, Stephen Freese, and Mike Riese. Also in attendance was Al Posnanski, ex-officio, from the Selectboard. Members of the public present were Zakary Largus and Jessica Longley. Members absent were Phil Smith, Jr. and Patty Duszynski.

Al Posnanski made a motion to accept the minutes of February 11, 2017 and Denis Salvail seconded. Unanimous in the affirmative with abstentions by new members Freese, Jukosky, and Riese.

Chairman Davis then asked for nominations for officers as Chairman, Vice Chairman, and Secretary after going over the duties of each office.

Al Posnanski nominated Eleanor Davis for Chairman with a second by Denis Salvail. Unanimous in the affirmative.

John Bergeron made a motion to nominate Steve Freese as Vice Chairman with second by Al Posnanski. Unanimous in the affirmative.

Eleanor Davis made a motion to nominate Sadie Wells as Secretary with second by Denis Salvail. Unanimous in the affirmative.

Chairman Davis went over the importance of members being familiar with RSA 32, the Municipal Budget Act, as well as RSA 91-A, the Right to Know Law. Input was also given from other members to help new members become familiar with their duties and customs of the committee. The schedule that was sent out earlier to all members was discussed and none of the members present had any known conflicts. Meetings will be the third Thursday of the month from September through December and will take input from department heads and the selectboard.

The meeting was adjourned at 7:32PM after a motion by Sadie Wells and second by Denis Salvail. Unanimous in the affirmative.

*Eleanor J Davis*

Canaan Budget Committee Meeting  
Thursday, September 21, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Patty Duszynski, Stephen Freese, Jamie Jukosky, Al Posnanski, Mike Riese, Philip Smith Jr., Sadie Wells; Budget Committee members not in attendance: Denis Salvail, Canaan Town position holders: Barbara Hayward, Vicky McAlister, Nelson Therriault, 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.

**2. Committee Discussion**

Town Administrator Mike Samson distributed two budget documents that included the 2017 Approved Budget, Year to Date Expended, 2017 Encumbrance and Balance, line item budget variances, and the proposed 2018 Budget for town expenses; and an overview memo citing unassigned fund balance, 1.1% increase in the tax base this year, and a list of significant expense variances.

Mike Samson explained the budget process in Canaan and stated that payroll will increase by 3%, but the proposed increase still must be adopted by the Selectboard. There would also be increases in retirement. Payroll has been juggled in some departments with 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 other similarly sized towns. This staff salary issue is also a factor in other town positions.

A. Welfare: Nelson Therriault reviewed the welfare section of the budget. There were 29 cases in 2016 for assistance (rent, electric, fuel) and 72 people who needed help. In 2017 there have been 31 cases and 76 people to date including 14 new cases and 27 new people. Food assistance has benefited by aid at the pantries.

B. Town Clerk and Elections - Vicky McAlister reviewed the town clerk and election sections of the proposed Canaan budget for 2018. There are 3 elections next year. There are increases for mortgage search, software, and salaries. Mike Samson explained the "in and out" nature of money in some of the account activity. Ms. McAlister explained the mortgage process, liens, deed notices, and forbearance agreements. There is such activity on about 10-15 homes each year.

C. Cemetery

Barbara Hayward reviewed the cemetery section of the budget. There will be salary increases and a full time position during the summer. The in and out money was explained. The burial pricing, lots, and deeds were explained and the mapping project



Page 2 Canaan Budget Committee September 2017 Meeting Minutes

was described. The funding for the mapping project can be encumbered and used for one additional year.

D. Planning Board

John Bergeron reviewed the planning board section of the budget, which is the same as the previous year's budget. Most of the fees are in and out money paid for various service fees. Mike Samson spoke about using Mosaic to provide layered plans which is used instead of the preferred GIS.

E. Treasurer

There is no significant change to the treasurer line item in the budget.

F. Building Inspector and Health

The building inspection and health sections have increased salary. It is anticipated that there will be changes in the permit system used in Canaan and Mike Samson spoke about the issue. In the health line item, the funding applies to state regulations on safety for example in daycare centers or rental unit landlord-tenant issues. They are 7-8 cases per year.

G. Budget Committee

The committee discussed the budget committee expenses for 2018 and it was suggested that since there will be fewer meetings, that the minutes taker be paid \$150 per meeting as requested.

H. Town Administration

Town Administrator Samson's memo on the year-to-year budget variances showing the most significant increases anticipated in the 2018 proposed town budget.

The increased health insurance and other insurance premiums are not known yet and more should be known in November. Samson explained that the town may not exceed the gross budget that is passed by voters and the budget has placeholders for some line items. No new budget purposes are allowed by state law. Funding can be moved around if necessary.

I. Financial Administration

Gloria Koch's position and significance on bookkeeping for the town were explained. She prepares for the audit work and provides information to the treasurer. It is important that she attend training for new state regulations and keep current with software contracts.

J. Assessing

The assessment department process is expected to be reviewed before November and there may be changes. The tax mapping is expected to be on line by the end of the year. Samson spoke about DRA valuation as a significant factor for Canaan taxes.

K. Data Processing

Sharon Duffey runs the town website and the flash email, which is subscribed by 900 households in Canaan. Some of her salary comes from the Administrative Support line item in the budget. She is also working on the town filing system to access all old documents so they are indexed in the computer. Allen Treadwell also works on IT in the DP equipment upgrades line item. There has been a need to replace computer equipment destroyed during electrical storms to the tune of about \$39,000.

L. Higher legal costs are anticipated as the utility assessment case continues with about a million dollars in revenue at stake annually. There is proposed legislation on this matter that would benefit the utility companies. Another legal area involves enforcement of violations pertaining to, for example junkyards and septic systems. More effective methodologies are needed to enforce rules on these matters.

M. Government Buildings has increased salaries and a separate line for cleaning to be done at all government buildings.

N. General Government has little changes on supplies, mileage, telephone, etc.

O. The Emergency Management will have an increase of dispatch costs from Hanover.

P. The Transfer Station has reduced expenses in processing and transportation using an outlet in Maine. Canaan has one of the largest net profits on recycling in the state. Certification requires training. Household hazardous waste was mentioned and the increased cost of fuel is anticipated.

Q. The Recreation budget covers about a quarter of the salary of the Director, (shared with Enfield). The recreation programs generate fees and additional netted funds can be directed toward the director's salary. The history of the Canaan recreation department was explained and successful after school programs were cited. The Lake and Goose Pond Recreation Association line items were cited.

**3. Other Business**

It was decided to table approval of the March Budget meeting minutes.

Budget Committee meetings are scheduled for October 19, November 16 (if necessary) and on December 21. The Warrant Articles and other items for the Public Hearing preparation will be on January 10, 2018 and the Budget Committee Public Hearing will be held on January 11, 2018.

**4. Adjournment**

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

Canaan Budget Committee Meeting  
Thursday, October 19, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Patty Duszynski, Stephen Freese, Jamie Jukosky, Al Posnanski, Mike Riese, Denis Salvail, Philip Smith Jr., Sadie Wells;

Public attendees: Canaan Town Administer Mike Samson, Sam Frank, Cindy Neily, Amy Thurber; Dave McAlister; 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.

A. Police Department

Sam Frank said that budget has remained the same in the last few years besides salary increases and some minor adjustments. The union contract is being negotiated and it expires on March 31. The police salary increase will be equivalent to other town staff (3%). The electricity line shows a large difference in the actual-vs-budget amount because the building is much more efficient but the town administrator wanted to keep the energy budget the same for two years for the new building. The oil and propane is currently under bid but is expected to be about the same. The staff benefits (FICA, Medicare) will be updated soon.

The Canaan police have many more calls compared to surrounding towns. The Committee discussed police activity background in Canaan. Mr. Frank explained officer overtime and traffic enforcement with the state reimbursement.

B. Emergency Management

There is a budget increase in the dispatch service for police, fire, and ambulance, which is anticipated at 9-10%. The salary line incorporates a correction to an error last year. There are three people associated with emergency management and they attend meetings, command local emergency activities, update the emergency plan and manual, and represent the town on the Public Health Council.

Mike Samson spoke about the budget saying that the town has kept the budget increases down for seven years and the tax base has increased to help keep the budget flat over the years. Each town department reviews their respective budgets and it is not one department against another.

C. Fire Department

Mike Samson reviewed the fire department budget citing the increase in the salaries. Mike Samson referenced the increase in the fire chief salary so that it becomes more competitive with other towns. There is a substantial decrease in the equipment line.

D. Trustees of the Trust Funds

Cindy Neily discussed the trust funds and how the flow works taking money from the funds and using it for items from other accounts such as legal. There are only three line items in the trust fund budget area and the legal line item is a placeholder.

E. Canaan Budget Committee Meeting Schedule

Mike Samson stated that there will be a revision to the Highway Department that will impact the overall budget. Other issues that will happen soon include the Selectboard's budget and the health insurance expense. The Committee decided to schedule the next meeting for November 2 (replacing November 16) devoted to revisions to the Highway Department and the following meeting (revenues, default, warrant articles) is tentatively scheduled for Thursday, December 7 or 21.

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. She noted programs such as the one intended to encourage families to help their student children. Program participation numbers were in the data. Circulation has declined at the library but the number of cardholders has increased. Some periodicals have been discontinued. There is reciprocal usage with residents from Grafton and Enfield. There is a volunteer at the library.

G. Mechanic

The Mechanic salary is significantly higher (\$10,000). The mechanic is working well with the other departments that rely on him and there is a placeholder to hire an assistant mechanic. Some backlogged projects have been completed. The mechanic supplies line is declining by \$5,000 and the petroleum products line items may be lowered, too. The subscriptions for diagnostic software are expensive but they are important to maintain.

H. Highway

Town Administrator Mike Samson spoke about the Highway Department superintendent salary issue in comparison to the mechanic salary, who earns overtime on top of salary. It is difficult to find people to fill these positions at present salary levels. Samson supported a \$2,500 increase in the Highway Department superintendent salary as well as the 3% increase. The Highway staff has done a good job responding to town needs and in emergency situations. Some of the highway employees are volunteer firefighters. The Committee was asked to weigh in on the superintendent/mechanic salary issue and a discussion ensued. The Committee requested information about the job descriptions and general job evaluations. A statement was made regarding the role of the Budget Committee and the Selectboard with regard to such hiring and budget issues.

2. Meeting Minutes Approval

## Page 3 Canaan Budget Committee October 2017 Meeting Minutes

Sadie Wells made a motion which was seconded by Denis Salvail to approve the March 31, 2017 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed with one abstention 9-0-1 (Smith).

The changes included name spellings and Chair Davis would finalize the minutes since the Minutes Taker was not requested to cover the meeting.

Sadie Wells made a motion which was seconded by John Bergeron to approve the September 21, 2017 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed 9-0-1 (Salvail abstained). The changes included the dates on the document and the in the headings.

### 3. Adjournment

Sadie Wells made a motion which was seconded by John Bergeron to adjourn the meeting. The motion passed 10-0-0. The meeting was adjourned at 9:22 PM.

Canaan Budget Committee Meeting  
Thursday, November 2, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Patty Duszynski, Stephen Freese, Al Posnanski, Mike Riese, Denis Salvail, Philip Smith Jr., Sadie Wells;  
Town staff: Mike Samson, Tom Marlar, Bob Scott. Committee members not attending: Ellie Davis, Jamie Jukosky.

Approved Minutes

1. Call to Order

Committee Secretary Sadie Wells called the meeting of the Canaan Budget Committee to order at 7:00 PM and took attendance.

2. Minutes Approval

**Sadie Wells made a motion which was seconded by John Bergeron to approve the October 19, 2017 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed 7-0-1 (Smith abstained).** The changes included adding Dave McAlister to the attendee list and changing the vote numbers to reflect 9 committee members.

3. Changes to the Proposed 2018 Canaan Budget

Town Administrator Mike Samson reviewed the changes that were made to the proposed budget after the personnel changes related to the highway department. The town select board has approved the proposed budget, but there will be additional changes such as health insurance.

The personnel budgets were changed in the Government Buildings and Cemetery accounts so that the highway staff could work on the roads in the winter and in the other departments in the other seasons. In the cemetery budget line, a part time employee will be replaced and a full time person will be added. The health insurance is currently \$425,000 in the Personnel Administration line.

The Data Processing line was reduced by \$1,000. Personnel Administration was about \$2,000 more for next year on worker's compensation. The Government Buildings budget and Cemetery budget were changed to include the highway personnel. The building cleaning was moved out of the Government Buildings account.

The Mechanic budget was discussed. More repairs had been done in house rather than sending jobs out, which saved about \$21,000. The Mechanic petroleum products line also was reduced substantially. Overall the Mechanic budget was reduced by \$13,000 due mostly to the new mechanic.

The highway salary and retirement were reviewed. Road salt was reduced to \$40,000. Street lighting rates have increased. The Transfer Station budget was reviewed with the hazardous waste line increased. There is a proposal from Orange to use the Canaan transfer station that will need to be finalized. Some considerations on the transfer station

include earlier hours and bulky waste collection. The fee set up is being looked at and there is a scale acquisition in the CIP. An increase in revenue associated with the transfer station is anticipated. A chipper was moved from the operating budget to Capital Reserve.

The total increase to the proposed budget was \$96,000 or a 1.71% increase to taxes. Capital reserves and social services will also impact Canaan taxes. There is a need for more funding for buildings (improvements, expansion) in the CIP.

Samson spoke about the fire department facility, which needs more storage area and he cited the fire truck and equipment line items. The amount \$4,183,000 less capital reserves and revenue of \$3,739,000 means that there is \$264,000 needed to be raised. Of that amount \$215,000 will be from undesignated or unplanned revenues so the total needed to be raised is \$49,000. With current growth from, for example permit fees, there will be another \$22,000 in revenue so that the real amount needed is about \$26,000.

Samson spoke about the tax rate in Canaan, which has been flat for about 10 years. The school tax rate increase will be low this year and there is a surplus. Samson explained how using too much of the surplus can impact future budgets. He also spoke about tax rebates related to the Cardigan Mountain School solar array in the amount of \$30,000 that needs to be addressed.

#### 4. Library and Water/Sewer Budgets

Mike Samson cited the Library account where payroll has been brought in line for about \$2,000 and reviewed issues related to the Water/Sewer budget, which is \$184,000. Samson then spoke about the history of the Canaan water/sewer services and that the town has the capability of a bond for emergencies, which of course would need to be paid off. He explained the value of setting up a capital reserve fund that is funded by user fees. This year he expects there to be \$27,000 available to put into the Water/Sewer Capital Reserve fund. He explained electricity savings in the Water/Sewer operations.

#### 5. Discussion Regarding Staff Salary

Town Administrator Samson referenced savings related to the town fire department and mechanic operations. He also cited the Hurricane Irene response time and lack of overtime needed to address the damage in town. He cited the trash/recycling operation in Canaan and entrepreneurial methods used to get things accomplished less expensively without using outside companies.

The committee discussed the department head salary issue compared to other towns and how much more it will cost to find employee replacements after retirements. The Select Board passed the decision on salaries to the Budget Committee, but some members of the committee felt that it would be good to review statistics to consider salary issues. Samson stated that the Canaan highway department head salary level was among the bottom third of comparable towns. The position would be \$60-65,000 if it needed to be filled today. The police chief and town administrator positions will also require much higher salaries to attract experienced people when they are replaced. It was stated by a committee

member that the town administrator is very competent and that his recommendation was to be respected.

**John Bergeron made a motion which was seconded by Al Posnanski to approve a 5% adjustment for the Highway Department head and 3% for other employees, and explore the salary situation for the next annual budget. No vote was taken.**

**Denis Salvail amended the motion, which was seconded by Phil Smith for the Proposed 2018 Canaan Budget to include a 6.6% salary increase for the Highway Department head and 3% for the other town of Canaan employees. The motion passed 6-0-2. (Bergeron, Posnanski abstained).**

#### 6. Adjournment

**Sadie Wells made a motion which was seconded by John Bergeron to adjourn the meeting. The motion passed 8-0-0. The meeting was adjourned at 8:30 PM.**

The next meetings of the Canaan Budget Committee are scheduled for December 7 and 21.



Canaan Budget Committee Meeting  
Thursday, December 7, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Jamie Jukosky, Al Posnanski, Mike Riese, Denis Salvail, Philip Smith Jr., Sadie Wells;  
Town staff: Mike Samson. Committee members not attending: Patty Duszynski, Stephen Freese. Recorded by Roger Lohr.

Approved Minutes

1. Call to Order

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

2. Update on the Budget Expenses

Town Administrator Mike Samson reviewed the updates on the Canaan 2018 budget. Health insurance is expected to increase \$410,000. The Property and Liability Insurance will be \$58,469. There were corrections to Medicare and retirement. The Transfer Station budget now includes the contract with town of Orange and Samson reviewed details in the contract. The Transfer Station is up \$13,000 in revenue and \$8,000 in expenses so there is a net of \$5,000 associated with the Orange contract.

The overall expense budget has increased by \$98,000 and voters will be asked to approve \$3,569,000. Capital reserves for buildings will increase \$20-30,000 with reserves for the Highway Department getting a \$10,000 increase, Fire Department getting \$10,000 and Buildings getting \$15,000.

The social services will be about the same with a few agencies increasing requests. The overall budget increase is \$103,000. The tax rate will increase 1.8% while the tax base will increase by 2.8%.

The water and sewer department will increase the fees by 15% to raise about \$172,000 so that \$20-25,000 can be put aside for future capital needs. There are claims with worker compensation and there is a savings on unemployment which was reduced \$4,100. The Capital Reserve funds will increase significantly and staffing has been added for government buildings.

The budget is projected to be underspent by \$74,000 this year and there is a need to raise \$295,000 for capital reserves from either the surplus and/or excess revenue. If these unassigned balances do not cover the needs, then there would be taxes to cover it. Overall, the spending is less than 9 years ago.

---

Samson spoke about the storm and the related town spending. It is projected that the Federal government will cover 80% and the town will cover 20% of the emergency expenses associated with the storm and in total \$150,000 is expected to be reimbursed. This amount will be accepted by Canaan as unanticipated revenue and will likely be received next year.

### 3. Update on Budget Revenues

It is projected that the town will bring in more revenue than budgeted. Samson referenced the low level of delinquent taxes in Canaan, but there are an increasing amount of foreclosures. It is estimated that 2018 will see about \$88,000 more in revenue compared to 2017 and it is assumed that there will be 1% more in revenue based on new property taxes.

The projection for revenue is \$4,225,000 this year and Samson reviewed efforts regarding foreclosures. There was discussion of town accounting, the town audit, DRA interpretations of various issues, and how reporting is handled.

The next Budget Committee meeting on December 21<sup>st</sup> will be to review warrant articles and the default budget. The Budget Committee meetings where the committee members will vote are on January 10 and 11<sup>th</sup>. Chair Davis stated that the DRA wants the committee to vote on a line-by-line budget.

### 4. Minutes Approval

**Sadie Wells made a motion which was seconded by Denis Salvail to approve the November 2, 2017 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed 7-0-1 (Davis abstained).** The changes included the spelling of the mechanic Marlar and some typos.

### 5. Adjournment

**Denis Salvail made a motion which was seconded by Sadie Wells to adjourn at 8:10 PM. The motion passed 8-0-0.**

---

Canaan Budget Committee Meeting  
Thursday, December 21, 2017  
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Stephen Freese, Jamie Jukosky, Al Posnanski, Mike Riese, Denis Salvail, Sadie Wells;  
Town staff: Mike Samson. Public: Claude Lemoi  
Committee members not attending: Patty Duszynski, Philip Smith Jr.  
Recorded by Roger Lohr.

Approved Minutes

1. Call to Order

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

Town Administrator Mike Samson distributed documents for the proposed budget including expense and revenue reports, CIP Program Committee report, MS-737 document, MS-DTB document, police contract, and update proposed budget report.

2. CIP

Claude Lemoi of the CIP Committee reviewed the CIP document and discussed the accelerated state plan to replace the Potato Road Bridge. He reviewed items that will be covered by the CIP over six years for \$3,330,994, which is 20% higher than last year.

The Highway Department needs more investment and there is a set aside for buildings each year at \$35,000, which is not enough requiring other steps to fund building projects. The three highlights include that the chart which is for six years of municipal funding is the same as last year so it is on track with the exception of the Potato Road Bridge and not counting the water and sewer needs. The two projects that consume the major portion of the increase in the CIP budget are the accelerated construction of the Potato Road Bridge and the Rotary Building plan.

The first CIP priority this coming year is the highway garage. The town office renovation is under consideration but it will not be decided in the near future. The town office should be about 2,500 square feet and needs to be ADA compliant.

Samson commented that FEMA reimbursements become surplus in the general fund and these funds could be incorporated in the CIP, which has an adjusted schedule each year. He discussed how grants and unanticipated revenue is handled.

---

3. Police Contract

Samson commented about the three-year police contract that does not include step increases or bonuses for the employees because of collaborative work with the selectboard. The increases are limited to cost of living and there have been some changes with health insurance with the police department.

#### 4. Default Budget

The default budget in document MS-DTB was cited along with the variances from the proposed budget.

#### 5. Revenue Budget

The revenue budget will be voted on by the Budget Committee on January 10 along with the Warrant Articles. Samson stated that he estimates revenues conservatively and applies the surplus from accounts such as new car purchase vehicle taxes to the unassigned fund balance. He does not include one time income and he explained unanticipated revenue such as redemptions and block grants. There is \$155,000 in this unanticipated revenue in the budget.

#### 6. Proposed 2018-19 Budget

Samson reviewed the changes to the budget and encumbered expenses since the last Budget Committee meeting.

The state law requires that a majority of the Budget Committee sign the MS-737 and vote on the Warrant Articles. Chair Davis felt that the Budget Committee must vote on each budget area or category. Town Administrator Samson stated that he was unable to find any law that required the committee to vote on each part of the budget. He stated that the vote should be related to the numbers put forward on the bottom line of the MS-737 document and the Warrant Articles (which includes the MS-737 number).

An omission was noted in the salary line of the town historian related to the 3% salary increase that was not applied to \$1,273 (about \$38), which will be corrected. Samson informed the committee about an error associated with the accounting related to the live floor in 2015, which is being dealt with in 2017.

**John Bergeron made a motion which was seconded by Stephen Freese to approve the 2018 Canaan Budget as presented. The motion passed 7-1-0 (Davis opposed).** The budget will include the correct historian salary amount.

#### 7. Minutes Approval

**Sadie Wells made a motion which was seconded by Denis Salvail to approve the December 7, 2017 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed 7-0-1 (Freese abstained).** The change included the correction of a typo.

---

#### 8. Next Meetings

The next Budget Committee meetings where the committee members will vote are on January 10 and 11<sup>th</sup> at 7:30 PM (a later time to accommodate the school district meeting).

#### 9. Adjournment

**Sadie Wells made a motion which was seconded by Denis Salvail to adjourn at 9:01 PM. The motion passed 8-0-0.**