

Canaan Budget Committee Meeting
Wednesday, January 13, 2021
On Line via Zoom, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Nathan Deleault, Stephen Freese, Cindy Neily, Al Posnanski (Select Board liaison), Mike Riese, Denis Salvail, Sadie Wells, Karen Wolk; Town Administrator Mike Samson. Recorded by Roger Lohr.

Approved Minutes

1. Call to Order

Chair Sadie Wells called the meeting to order at 7:31 PM.

2. Operating Budget

A motion was made by Stephen Freese and seconded by Karen Wolk to approve the Canaan Budget Committee meeting minutes of December 17, 2020 as submitted.

Discussion: Committee member Davis commented that Stephen Freese was not in attendance at the meeting.

The motion passed with 9-0-1 (Freese abstained).

Town Administrator Mike Samson stated that there were changes to the budget such as Tipping Fees which were increased to \$82,000. The bottom line for the General Fund amount is \$4,127,514.

A motion was made by John Bergeron and seconded by Stephen Freese for the Canaan Budget Committee to approve the town of Canaan 2021 operating budget in the amount of \$4,127,514 and the default budget in the amount of \$4,099,977.

Discussion: A question was raised about compensation for Canaan department heads and Town Administrator Mike Samson stated that raises have not been requested but there are transition plans when positions are to be replaced such as a six month overlap between outgoing and newly hired employees in those positions. The accounting position was also suggested as a position replacement that would benefit from such an overlap.

The motion passed with 9-1 (Davis)-0.

3. Water/Sewer Budget

Town Administrator Mike Samson reviewed the water/sewer rate increases and showed a chart of the Canaan water customers.

A motion was made by Al Posnanski and seconded by Sadie Well for the Canaan Budget Committee to approve the Canaan 2021 Water/Sewer budget in the amount of \$115,748 for water and \$87,723 for sewer for a total of \$203,471.71. The motion passed with 8-2 (Davis, Freese)-0.

4. Revenue Budget

A motion was made by Stephen Freese and seconded by John Bergeron for the Canaan Budget Committee to approve the Canaan Revenue budget in the amount of

\$4,537,581.

Discussion: The motor vehicle taxes and estimated revenue was reported to be realistic by the town administrator as it was higher in 2020 and has shown growth in the preceding three years. The tax rate under the approved documents was slated to be a 0.97% increase above last year. If there is a change to the inflation rate that is used there will be an impact on revenue.

The motion passed with 10-0-0.

5. Warrant Articles

A motion was made by Al Posnanski and seconded by Stephen Freese for the Canaan Budget Committee to conduct a vote on the proposed 2021 Warrant Articles. The motion passed with 10-0-0.

Town Administrator Mike Samson explained the Warrant Articles. Some typos were highlighted in the some of the items on the warrant document and some changes were recommended to one of the articles. The Budget Committee decided it was unnecessary to vote on Warrant Articles where there were no appropriations associated with those articles.

The Budget Committee reviewed the Warrant Articles:

Article 03, which is a bond/note authorization for the Canaan water and sewer project appropriation for a \$550,000 bond or note, and to authorize a \$150,000 withdrawal from the Water and Sewer Account. There are other sources of potential funding for the group of projects (total of \$1.2 million) such as government grants. 3/5 ballot vote is required for the bond to pass. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Article 04 is the General Fund Appropriation in the amount of \$4,127,514 and the default budget is \$4,099,997. The Budget Committee recommended the budget: 9 Yes and 1 No (Davis).

Article 05 is the Water and Sewer budget in the amount of \$203,471 including \$115,748 for water and \$87,723 for sewer to be raised by water and sewer fees. The Budget Committee recommended this article: 8 Yes and 2 No (Davis, Freese).

Article 06, which is for the purchase of a police cruiser by withdrawing \$38,000 from the Police Cruiser Capital Reserve Fund and any proceeds from the sale of the old cruiser will be applied to reduce the purchase price within the appropriated \$38,000. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Article 07 which is for partial funding of the flood mitigation improvement projects in Canaan in the amount of \$155,689 from the Unassigned Fund Balance. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Article 08 involves the sale of the Cozy Corner property intended to be used as a site for a Canaan community/youth center whereby the proceeds from the sale would be put into an account for Community Center Capital Reserve Account to fulfill the intent of the stipulation connected to the receipt of the land. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Town Administrator Samson will alter the original language of Cozy Corner property article to reflect the Budget Committee discussion.

Article 09, which is to appropriate money in the amount of \$35,000 to add to the Bridge Capital Reserve Fund to come from taxes. The Budget Committee recommended this article: 10 Yes and 0.

Article 10 which is to appropriate the amount of \$10,000 to be added to the Revaluation Capital Reserve Fund to come from the Unassigned Fund Balance. The Budget Committee recommended this article: 10 Yes and 0.

Article 11 which will raise the amount of \$30,000 to be added to the Government Buildings Capital Reserve Fund to come from taxes. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Article 12 which is to add the amount of \$155,000 to the Highway Equipment Capital Reserve Fund to come from the Unreserved Fund Balance as of December 31, 2020. The Budget Committee recommended this article: 10 Yes and 0.

Article 13 which is to raise the amount of \$30,000 to be added to the Police Cruiser Capital Reserve Fund to come from the Unreserved Fund Balance as of December 31, 2020. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Article 14 which is to add the amount of \$55,000 to the Fire Truck Capital Reserve Fund to come from taxes. The Budget Committee recommended this article: 10 Yes and 0.

Article 15 which is to consider approval of the collective bargaining agreement between the Town of Canaan and the AFSCME Local 3657 Police Department Employees Union to come from taxes. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Article 16 which is to appropriate the amount of \$44,000 to add to the Capital Reserve Fund for Highway Equipment to come from anticipated insurance proceeds related to the loss of equipment in a fire. The Budget Committee recommended this article: 10 Yes and 0.

Article 17 which is to authorize the payment of \$10,117 from the non-lapsing Transfer

Station Special Revenue Account to partially reimburse the General Fund for the purchase and outfitting of a live floor haul trailer. The Budget Committee recommended this article: 9 Yes and 1 No (Davis).

Petitioned Warrant Articles (funded by taxation)

Article 18 - Grafton County Seniors Citizens Council in the amount of \$13,000; the Budget Committee Recommends: 6 Yes (John Bergeron, Cindy Neily, Mike Riese, Sadie Wells, Karen Wolk, Stephen Freese) and 3 No (Posnanski, Salvail, Davis) and 1 Abstention (Delault).

Article 19 – Mascoma Community Health Center in the amount of \$10,000; the Budget Committee Recommends: 6 Yes (John Bergeron, Cindy Neily, Mike Riese, Stephen Freese, Sadie Wells, Karen Wolk) and 3 No (Posnanski, Salvail, Davis) and 1 Abstention (Delault).

Article 20 - Advance Transit in the amount of \$9,550; the Budget Committee Does Not Recommend: 5 Yes (John Bergeron, Cindy Neily, Stephen Freese, Sadie Wells, Karen Wolk) and 3 No (Davis, Salvail, Posnanski) and 2 Abstentions (Delault, Riese).

Article 21 - Visiting Nurse Association & Hospice in the amount of \$9,700; the Budget Committee Does Not Recommend: 5 Yes (John Bergeron, Cindy Neily, Stephen Freese, Sadie Wells, Karen Wolk) and 3 No (Davis, Salvail, Posnanski) and 2 Abstentions (Delault, Riese).

Article 22 - West Central Behavioral Health in the amount of \$2,200; the Budget Committee Does Not Recommend: 5 Yes (John Bergeron, Cindy Neily, Stephen Freese, Sadie Wells, Karen Wolk) and 3 No (Davis, Salvail, Posnanski) and 2 Abstentions (Delault, Riese).

Article 23 – WISE in the amount of \$2,100; the Budget Committee Does Not Recommend: 5 Yes (John Bergeron, Cindy Neily, Stephen Freese, Sadie Wells, Karen Wolk) and 3 No (Davis, Salvail, Posnanski) and 2 Abstentions (Delault, Riese).

Article 24 - Public Health Council in the amount of \$2,957; the Budget Committee Does Not Recommend: 5 Yes (John Bergeron, Cindy Neily, Stephen Freese, Sadie Wells, Karen Wolk) and 3 No (Davis, Salvail, Posnanski) and 2 Abstentions (Delault, Riese).

Committee member John Bergeron stated that he will research the rules for the committee's majority decisions. The above committee votes that had a majority of voters in favor, but not the majority of the standing committee membership roster takes into account abstentions as votes that are negative. Town Administrator Samson also stated that he would speak with the town counsel about the committee votes and handling of abstentions. He also reviewed the process with the DRA and that the Canaan Budget

Committee members will need to sign the official form for the budget at the town office.

The next Canaan Budget Committee meeting is scheduled for January 14, 2021 for a Public Hearing on the Canaan 2021 budget at 7:30 PM. The Town of Canaan Deliberative Session is scheduled for Saturday, February 6 at 1:00 PM in-person at the Canaan High School Auditorium and there will be a non-participatory Zoom option to watch the proceedings. There will be voting at the in-person deliberative session.

3. Adjournment

Denis Salvail made a motion which was seconded by Karen Wolk to adjourn the meeting. The motion passed 8-0-0. The meeting was adjourned at 9:26 PM.