Town of Canaan

Board of Finance Regular Meeting Minutes

Monday, November 9, 2026, 7:00 p.m.
Town Hall, 108 Main Street, Falls Village, Connecticut
In Person and via Zoom

Attendance

Members Present

- In Person: Ginger Betti (Chair), Martin Deeg, Andrea Downs, Vanessa Pereira, Amy Wynn
- Via Zoom: Karl Munson

Members Absent

- None

Alternate Members Present

- In Person: Hazel McGuire, Kathy Clark

Alternates Absent

- John Haddon

Also Present Treasurer Michelle Hansen; First Selectman David Barger; Selectmen Christopher Kinsella and Judy Jacobs; Board of Education Chair Pat Machare; Principal Jill Johnson; Assistant Superintendent Dr. Andrew Deacon; and members of the public.

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1. Call to Order

Chair Betti called the meeting to order at 7:00 p.m.

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2. Seating of Alternates

No alternates were seated.

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3. Election of Chair

Nominations for Chair were opened. Ginger Betti was the sole nominee.

Motion: Elect Ginger Betti as Chair of the Board of Finance.

Moved by: Wynn

Seconded by: Downs

Vote: Unanimous. Motion carried.

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4. Public Comment

A member of the public commended the Board of Education for its strong fiscal management, noting that expenditures were maintained within approximately one percent of budget and citing effective budget oversight and financial controls.

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5. Agenda/ Amendments to Agenda

The Board added **FY 2025-2026 Line Item Transfers** as Item 10(c).

Motion: Add FY 2025-2026 Line Item Transfers to the agenda.

Moved by: Wynn

Seconded by: Deeg

Vote: Unanimous. Motion carried.

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6. Communications

Written Communications

- Letter regarding FY 2027-2028 budget requests and spending plans.
- Invitation to participate in "The Game of Rent, Northwest Connecticut."

Oral Communications

Opportunities for municipal leaders and committee members to participate in *The Game of Rent, Northwest Connecticut*, scheduled for November 18, 2026, from 5:30 p.m. to 6:45 p.m. at the David M. Hunt Library.

7. Reports

a. Secretary's Report

October 13, 2026 Regular Meeting Minutes

Motion: Approve the October 13, 2026 Regular Meeting Minutes.

Moved by: Wynn

Seconded by: Deeg

Vote: Passed, with Downs abstaining.

October 15, 2026 Special Meeting Minutes

Motion: Approve the October 15, 2026 Special Meeting Minutes.

Moved by: Wynn

Seconded by: Deeg

Vote: Passed, with Downs abstaining.

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b. Treasurer's Report

1. Board of Finance Expenditures

The report was not available and was tabled until the next meeting.

2. August 2026 Treasurer's Report

The Board reviewed reserve account balances, reporting practices, reserve fund interest earnings, and the potential consolidation of reserve accounts. Further discussion was deferred to the December meeting. Questions regarding balance sheet entries remained unresolved.

Motion: Receive the August 2026 Treasurer's Report.

Moved by: Wynn

Seconded by: Deeg

Vote: Failed.

The report was not received pending clarification of balance sheet questions.

3. September 2026 Treasurer's Report

Discussion focused on legal expenditures exceeding budget due to costs associated with Freedom of Information matters, employee handbook development, and legal consultation services.

Motion: Receive the September 2026 Treasurer's Report.

Moved by: Wynn

Seconded by: Deeg

Vote: Unanimous. Motion carried.

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c. Tax Collector's Report

October 2026 Report

Motion: Receive the October 2026 Tax Collector's Report.

Moved by: Wynn

Seconded by: Deeg

Vote: Unanimous. Motion carried.

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d. Board of Education Report

October 2026 Report

Motion: Receive the October 2026 Board of Education Report.

Moved by: Wynn

Seconded by: Pereira

Vote: Unanimous. Motion carried.

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e. Selectmen's Report

Veterans Tax Exemptions

The First Selectman reported that discussions with the Assessor will be undertaken to review available veterans' tax relief programs and exemptions.

Blue Ribbon Committee

The Committee continues its work on economic development initiatives. Recommendations are expected at a future meeting.

Budget Preparation

The Board noted that development of the FY 2027-2028 budget will begin earlier than in previous years. A proposed budget calendar will be discussed at the December meeting.

35 Railroad Street

No new developments were reported. Legal review remains ongoing.

Affordable Housing Task Force

No updates were reported.

Scholarship Bingo

An announcement was made regarding the upcoming Scholarship Bingo fundraiser.

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f. STEAP Report

The Board reviewed the STEAP report and discussed project reporting formats and supporting documentation requirements.

Motion: Receive the STEAP Report.

Moved by: Downs

Seconded by: Pereira

Vote: Unanimous. Motion carried.

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8. Old Business

a. Capital Plan

The Board agreed to revisit reserve accounts and long-range capital planning during the upcoming budget cycle.

b. Budget Timeline

The Board agreed to finalize the FY 2027-2028 budget timeline at its December meeting.

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9. Suspense Items

No suspense items were presented.

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10. New Business

a. 2027 Regular Board of Finance Meeting Dates

The Board discussed continuing its practice of meeting on the second Monday of each month, with the exception of October 2027, when the meeting would be held on Tuesday, October 12, due to the Columbus Day holiday. The Board also discussed holding July meetings only as needed and adjusting the regular meeting start time.

Motion: Change the regular Board of Finance meeting time from 7:00 p.m. to 6:30 p.m., or immediately following meetings of the Board of Selectmen, beginning January 2027.

Moved by: Wynn

Seconded by: Deeg

Vote: Unanimous. Motion carried.

b. Discussion with the Board of Education

The Board of Finance and Board of Education reviewed FY 2025-2026 budget variances. Concerns were raised about differences between reports. Both boards agreed to improve communication and coordination throughout future budget development processes.

c. FY 2025-2026 Line Item Transfers

The Board reviewed year-end departmental budget variances for FY 2025-2026. The Treasurer presented a transfer worksheet identifying accounts that exceeded appropriations and accounts with available balances for transfer. Despite several individual departmental overruns, the overall municipal budget concluded the fiscal year with an underspend of **$45,821.40.**

Motion: Approve the FY 2025-2026 line item transfers from departments with year-end surpluses to departments with year-end deficits in accordance with the transfer worksheet presented.

Moved by: Deeg

Seconded by: Wynn

Vote: Unanimous. Motion carried.

Departments Over Budget

Account	Amount	Reason
Town Hall Expenses (1002)	$5,710.30	Fuel oil usage and technology repairs
Legal Expenses (1003)	$3,214.32	Additional legal services and meeting-related costs
Health Insurance (1016)	$18,471.54	Employee benefit elections
Public Health (1018)	$0.36	TAHD payment adjustment
W.M. Surdam Building (1020)	$703.02	Fuel oil usage
107 Main Street (1202)	$3,393.11	Accounting treatment change for rental income
35 Railroad Street (1203)	$1,599.01	Fuel oil usage
Road Maintenance (3001)	$1,902.56	Overtime expenditures
Total Over Budget	**$34,994.22**	

Departments Under Budget

Total available balances from under-budget departments totaled **$80,815.62**.

Approved Transfer Sources

Over-Budget Account	Transfer Source
Road Maintenance (3001)	Town Garage (3002)
Town Hall Expenses (1002)	Board of Finance (1007)
Legal Expenses (1003)	Town Clerk (1010)
W.M. Surdam Building (1020)	Planning & Zoning (1011)
107 Main Street (1202)	Street Lights (1021)
35 Railroad Street (1203)	Board of Assessors (1004)
Health Insurance (1016)	Waste Management (6001)
Public Health (1018)	Remaining available balances

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11. Any Other Business

Board of Education Non-Lapsing Funds

The Board discussed state provisions permitting boards of education to retain up to two percent of their annual budget in a non-lapsing account. Discussion focused on the potential use of such funds for future roof replacement projects and on the procedures and deadlines required for implementation.

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12. Public Comment

A concern was expressed regarding compliance with Connecticut statutes governing budget transfers. Discussion referenced historical town practices and requirements related to budget appropriations and transfer approvals. The Board indicated that the matter would receive further review.

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13. Adjournment

Motion: Adjourn the meeting.

Moved by: Deeg

Seconded by: Wynn

Vote: Unanimous. Motion carried.

The meeting adjourned at 8:20 p.m.

Attachments

1. August 2026 Treasurer's Report
2. September 2026 Treasurer's Report
3. FY 2025-2026 Line Item Transfer Worksheet
4. October 2026 Tax Collector's Report
5. STEAP Grant 2025 Financial Summary
6. Memorandum from the Board of Finance to the Board of Education
7. Board of Education Profit and Loss Statement, FY 2025-2026
8. Board of Education Expenditure Report, FY 2025-2026
9. Board of Education Profit and Loss Statement, July-October 2026

Motion / Action Chart

Item	Motion/Action	Moved By	Seconded By	Result
Election of Chair	Elect Ginger Betti as Chair	Wynn	Downs	Passed Unanimously
Agenda Amendment	Add FY 2025-2026 Line Item Transfers	Wynn	Deeg	Passed Unanimously
Oct. 13 Minutes	Approve Regular Meeting Minutes	Wynn	Deeg	Passed (Downs abstained)
Oct. 15 Minutes	Approve Special Meeting Minutes	Wynn	Deeg	Passed (Downs abstained)
August Treasurer Report	Receive Report	Wynn	Deeg	Failed
September Treasurer Report	Receive Report	Wynn	Deeg	Passed Unanimously
Tax Collector Report	Receive October Report	Wynn	Deeg	Passed Unanimously
BOE Report	Receive October Report	Wynn	Pereira	Passed Unanimously
STEAP Report	Receive Report	Downs	Pereira	Passed Unanimously
Meeting Time Change	Move meeting start time to 6:30 p.m. beginning Jan. 2027	Wynn	Deeg	Passed Unanimously
FY 2025-2026 Transfers	Approve Line Item Transfers	Deeg	Wynn	Passed Unanimously
Adjournment	Adjourn Meeting	Deeg	Wynn	Passed Unanimously

Amendments Chart

Agenda Item	Amendment
Agenda/Amendments to Agenda	Added FY 2025-2026 Line Item Transfers as Item 10(c)

Tabled / Deferred Items Chart

Item	Status	Next Step
Board of Finance Expenditures Report	Tabled	Review at next meeting
August Treasurer's Report	Not received	Await clarification of balance sheet questions
Reserve Accounts / Interest Earnings Discussion	Deferred	Continue discussion in December
Questions Regarding Balance Sheet Entries	Unresolved	Further review needed

Follow-Up Items Chart

Topic	Follow-Up Action
Reserve Accounts and Capital Planning	Revisit during budget cycle
Board of Finance / BOE Coordination	Improve communication during future budget development
Budget Transfer Compliance Questions	Further review of legal/statutory requirements
Board of Education Non-Lapsing Funds	Continue discussion of implementation procedures and deadlines

Respectfully submitted, Board of Finance Secretary, Patti Fife

FY 25/26 Line Item Transfers

Departments Over Spent

Line	Amount	Reason
1002-Town Hall Expenses	$ 5,710.30	Fuel oil usage and technology repairs
1003-Legal Expenses	$ 3,214.32	More town meetings then planned
1016-Health Insurance	$ 18,471.54	Employee who was entitled to single person plan decided to take the benefit
1018-Public Health	$ 0.36	TAHD payment over by $.36
1020-WM Surdam Building	$ 703.02	Fuel oil usage
1202-107 Main Street	$ 3,393.11	Change in accounting practices for income from rental
1203-35 Railroad Street	$ 1,599.01	Fuel oil usage
3001-Road Maintenance	$ 1,902.56	More overtime then expected
Total	$ 34,994.22	

Departments Under Spent

Line	Amount
1001-Selectman	$132.20
1004-Board of Assessors	$2,064.03
1007-Board of Finance	$6,602.25
1008-Tax Collector	$1,847.40
1009-Treasurer	$16.75
1010-Town Clerk	$4,315.36
1011-Planning & Zoning	$3,840.81
1012-Zoning BD of Appeals	$500.00
1014-Registrar of Voters	$9,017.86
1015-Insurance	$6,114.81
1017-Economic Development	$1.00
1019-Social Services	$2,695.21
1021-Street Lights	$1,068.77
1023-Fund for Non-Muni	$392.25
1024-Inland Wetlands	$250.00
1025-Debt Service Interest	$2,496.64
1027-General Public Safety	$11,024.92
2001-Fire Commission	$187.97
3002-Town Garage	$1,907.94
4001-Rec Commission	$11,300.28
6001-Waste Management	$15,039.17
Total	$80,815.62

Total Municipal Budget Under Spent **$45,821.40**

Canaan Board of Education
Profit & Loss Budget vs. Actual 2025-26
July 2025 through June 2026

	Jul '25 - Jun 26	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Expense				
100 · Salaries				
Certified Salaries				
1201101 · Substitutes Salary	41,621.33	17,680.00	23,941.33	235.4%
1111105 · Title One Teacher	73,392.86	73,750.00	-357.14	99.5%
1111104 · Extra Pay/Extra Duty	14,585.14	14,070.00	515.14	103.7%
1111100 · Teachers Salary	814,265.82	838,073.00	-23,807.18	97.2%
1112410 · Principal's Salary	140,590.78	151,925.00	-11,334.22	92.5%
Total Certified Salaries	1,084,455.93	1,095,498.00	-11,042.07	99.0%
Non Certified Salaries				
1122213 · Paraprofessional 2	28,489.22	32,131.00	-3,641.78	88.7%
1122223 · Library Manager	36,466.65	36,570.00	-103.35	99.7%
1122134 · Nurse Salary	61,791.73	58,504.00	3,287.73	105.6%
1122630 · Summer Custodian	3,750.00	3,640.00	110.00	103.0%
1122112 · Paraprofessional 1	34,286.46	34,876.00	-589.54	98.3%
1122411 · Office Administrator	68,744.00	68,744.00	0.00	100.0%
1122312 · Board Clerk Salary	13,874.00	13,874.00	0.00	100.0%
1122610 · Custodian Salary	70,634.69	70,803.00	-168.31	99.8%
1132610 · Overtime Custodian	2,269.07	4,793.00	-2,523.93	47.3%
1122620 · Evening Custodian	13,186.67	13,267.00	-80.33	99.4%
Total Non Certified Salaries	333,492.49	337,202.00	-3,709.51	98.9%
Total 100 · Salaries	1,417,948.42	1,432,700.00	-14,751.58	99.0%
200 · Benefits				
Health Benefits				
2102621 · Non-Certified Dental	4,916.94	7,400.00	-2,483.06	66.4%
2101102 · Certified Dental	9,910.17	12,679.00	-2,768.83	78.2%
2101101 · Health Insuranc Certified Staff	230,207.02	268,478.00	-38,270.98	85.7%
2102620 · Health Insurance Non-Certified	113,746.75	104,599.00	9,147.75	108.7%
Total Health Benefits	358,780.88	393,156.00	-34,375.12	91.3%
Social Security				
2202100 · Social Sec. Other	22,783.97	19,059.00	3,724.97	119.5%
Total Social Security	22,783.97	19,059.00	3,724.97	119.5%
Medicare				
2211101 · Medicare Certified Staff	19,313.03	18,572.00	741.03	104.0%
Total Medicare	19,313.03	18,572.00	741.03	104.0%
Pension/Annuities				
2401101 · Reimbursement Graduate Credits	3,640.50	14,615.00	-10,974.50	24.9%
2302100 · Pension - Libraria	2,594.53	2,560.00	34.53	101.3%
2302110 · Pension Paraprofessionals	1,029.79	2,010.00	-980.21	51.2%
2302120 · Pension Nurse	4,358.56	4,095.00	263.56	106.4%
2302130 · Pension Office Adminstrator	4,812.08	4,812.00	0.08	100.0%
2302140 · Pension Custodian	5,070.12	4,956.00	114.12	102.3%
Total Pension/Annuities	21,505.58	33,048.00	-11,542.42	65.1%
Insurance				
2502310 · Unemployment Insurance	12,260.75	500.00	11,760.75	2,452.2%
2602310 · Workers' Compensation Insurance	5,658.89	6,898.00	-1,239.11	82.0%
2701100 · Life Insurance	1,731.34	3,049.00	-1,317.66	56.8%
Total Insurance	19,650.98	10,447.00	9,203.98	188.1%
Total 200 · Benefits	442,034.44	474,282.00	-32,247.56	93.2%
300 · Educational Services				
Educational Services				
3222211 · Food Service Expense	7,225.15	7,500.00	-274.85	96.3%
3211101 · Student Activities	7,106.60	2,500.00	4,606.60	284.3%
3222283 · Inservice Learning	6,597.34	15,000.00	-8,402.66	44.0%
3231005 · Middle School Sports & Act.	12,979.77	9,907.00	3,072.77	131.0%
3051100 · LHK Yearbook	1,068.08	1,000.00	68.08	106.8%
3211102 · Outdoor Education	5,967.50	6,860.00	-892.50	87.0%
3211103 · Assembly Programs	2,362.00	2,500.00	-138.00	94.5%
3221100 · Staff Development	2,338.48	6,457.00	-4,118.52	36.2%
Total Educational Services	45,644.92	51,724.00	-6,079.08	88.2%

Canaan Board of Education
Profit & Loss Budget vs. Actual 2025-26
July 2025 through June 2026

	Jul '25 - Jun 26	Budget	$ Over Budget	% of Budget
Professional & Tech. Services				
3402210 · Telecommunication/Internet	1,309.50	1,659.00	-349.50	78.9%
3092620 · Environmental Testing Services	350.00	1,000.00	-650.00	35.0%
3222210 · Professional Services	25,332.08	8,000.00	17,332.08	316.7%
3402211 · Technical Support Services	13,960.00	21,261.00	-7,301.00	65.7%
Total Professional & Tech. Services	40,951.58	31,920.00	9,031.58	128.3%
Total 300 · Educational Services	86,596.50	83,644.00	2,952.50	103.5%
400 · Property Services				
Utilities				
4112620 · Water	1,163.04	2,400.00	-1,236.96	48.5%
Total Utilities	1,163.04	2,400.00	-1,236.96	48.5%
Maintenance Services				
4302400 · Copier/Lease	5,053.69	5,000.00	53.69	101.1%
4242630 · Lawn Care	6,000.00	6,000.00	0.00	100.0%
4302620 · Equipment Maintenance	635.20	3,500.00	-2,864.80	18.1%
4302610 · Septic Tank Maintenance	1,820.00	1,000.00	820.00	182.0%
4302640 · Facility Maintenance	32,043.24	16,000.00	16,043.24	200.3%
4302630 · Building Improvements	3,710.78	10,000.00	-6,289.22	37.1%
Total Maintenance Services	49,262.91	41,500.00	7,762.91	118.7%
Total 400 · Property Services	50,425.95	43,900.00	6,525.95	114.9%
500 · Purchased Services				
Transportation Services				
5102700 · Transportation / Bus Contract	156,253.95	156,100.00	153.95	100.1%
5102710 · Field Trips / Bus	4,575.79	6,634.00	-2,058.21	69.0%
Total Transportation Services	160,829.74	162,734.00	-1,904.26	98.8%
Insurance				
5213200 · Physicals-Students	0.00	150.00	-150.00	0.0%
5222620 · Cyber Insurance	6,793.00	9,270.00	-2,477.00	73.3%
5202620 · Property/Liability Insurance	16,380.70	18,437.00	-2,056.30	88.8%
5212620 · Student Insurance	133.65	250.00	-116.35	53.5%
Total Insurance	23,307.35	28,107.00	-4,799.65	82.9%
Communication				
5312400 · Telephone	4,530.13	4,200.00	330.13	107.9%
5302410 · Postage	452.24	1,400.00	-947.76	32.3%
5502540 · Printing & Advertising	826.86	500.00	326.86	165.4%
Total Communication	5,809.23	6,100.00	-290.77	95.2%
Tuitions				
5601401 · Summer School	541.87	3,336.00	-2,794.13	16.2%
Total Tuitions	541.87	3,336.00	-2,794.13	16.2%
Travel				
5801101 · Travel -Staff	1,056.36	1,200.00	-143.64	88.0%
5801102 · Travel- Principal	383.40	800.00	-416.60	47.9%
Total Travel	1,439.76	2,000.00	-560.24	72.0%
Total 500 · Purchased Services	191,927.95	202,277.00	-10,349.05	94.9%
600 · Supplies				
Supplies				
4012400 · Professional Publications	383.35	250.00	133.35	153.3%
6122410 · Graduation/Awards	971.75	1,700.00	-728.25	57.2%
6102310 · Accounting Services/Supplies	3,604.69	2,000.00	1,604.69	180.2%
6101105 · Student Testing Services	221.60	500.00	-278.40	44.3%
6101106 · Science Supplies	1,643.75	3,000.00	-1,356.25	54.8%
6101104 · Athletic Supplies	541.54	1,350.00	-808.46	40.1%
6101103 · Music Supplies	911.13	1,350.00	-438.87	67.5%
6101102 · Art Supplies	1,048.39	1,350.00	-301.61	77.7%
6102223 · Library Software	2,517.12	2,100.00	417.12	119.9%
6101100 · Board of Educ Office Supplies	362.80	250.00	112.80	145.1%
6102134 · Nurse's Supplies	783.19	1,500.00	-716.81	52.2%
6102410 · Office Supplies	862.56	800.00	62.56	107.8%
6101101 · Instructional Supplies	19,309.84	15,000.00	4,309.84	128.7%
6102224 · Technology Applications	26,915.21	25,897.00	1,018.21	103.9%
2223104 · Library Supplies	420.27	850.00	-429.73	49.4%

Canaan Board of Education
Profit & Loss Budget vs. Actual 2025-26
July 2025 through June 2026

	Jul '25 - Jun 26	Budget	$ Over Budget	% of Budget
6102225 · Technology Supplies	288.48	950.00	-661.52	30.4%
6132620 · Custodial Supplies	6,503.13	13,000.00	-6,496.87	50.0%
Total Supplies	67,288.80	71,847.00	-4,558.20	93.7%
Energy				
6222620 · Electricity	18,366.53	21,800.00	-3,433.47	84.3%
6242622 · Propane Gas	10,803.76	10,000.00	803.76	108.0%
6242620 · Fuel Oil	8,693.42	8,664.00	29.42	100.3%
6242621 · Diesel Fuel	10,572.33	10,545.00	27.33	100.3%
Total Energy	48,436.04	51,009.00	-2,572.96	95.0%
Books				
6401101 · Textbooks	21,815.60	12,196.00	9,619.60	178.9%
6402222 · Library Books	956.08	2,700.00	-1,743.92	35.4%
Total Books	22,771.68	14,896.00	7,875.68	152.9%
Total 600 · Supplies	138,496.52	137,752.00	744.52	100.5%
700 · Property Equipment				
Equipment				
5902540 · Technology Hardware	12,311.85	7,890.00	4,421.85	156.0%
7302520 · Non-Instructional Equipment	3,205.62	1,500.00	1,705.62	213.7%
7301101 · Instructional Equipment	226.38	4,500.00	-4,273.62	5.0%
Total Equipment	15,743.85	13,890.00	1,853.85	113.3%
Total 700 · Property Equipment	15,743.85	13,890.00	1,853.85	113.3%
800 · Dues				
Dues & Fees				
2082213 · Ed Advance	310.00	320.00	-10.00	96.9%
1012310 · Dues & Fees	1,013.00	1,500.00	-487.00	67.5%
Total Dues & Fees	1,323.00	1,820.00	-497.00	72.7%
Total 800 · Dues	1,323.00	1,820.00	-497.00	72.7%
900 · Capital				
0015200 · Technology Capital Fund	0.00	0.00	0.00	0.0%
0005200 · Building Capital Fund	0.00	0.00	0.00	0.0%
Total 900 · Capital	0.00	0.00	0.00	0.0%
950 · Region One Tuition Assessments				
Region One Tuition Assessments				
5605201 · HVRHS Tuition	1,023,337.00	1,023,337.00	0.00	100.0%
5605202 · Pupil Services Tuition	400,964.00	400,964.00	0.00	100.0%
5605203 · RSSC Tuition	119,384.00	119,384.00	0.00	100.0%
Total Region One Tuition Assessments	1,543,685.00	1,543,685.00	0.00	100.0%
Total 950 · Region One Tuition Assessments	1,543,685.00	1,543,685.00	0.00	100.0%
Total Expense	3,888,181.63	3,933,950.00	-45,768.37	98.8%
Net Ordinary Income	-3,888,181.63	-3,933,950.00	45,768.37	98.8%
Net Income	**-3,888,181.63**	**-3,933,950.00**	**45,768.37**	**98.8%**

From: Ginger Betti on behalf of gbetti30@outlook.com
To: "Pat Mechare"
Subject: RE: BOE - November 9th
Date: Tuesday, November 3, 2026 10:27:00 PM

Hi Pat –

The budget timeline has not been fully established yet. We asked that the BOS start the process earlier. A discussion regarding establishing an exact timeline will be established in a future meeting.
The budget that BOF members are asking about relates to 2025-2026 fiscal year.
In addition - I received the following from a board member this week.

Below are the list of line items that are either over or under that I am looking for more explanation about. It would be great if either the Principal or the BOE could speak on these.

2401101 - Reimbursement of graduate credits
3222283 - in service learning
4302640 and 4302630 - maintenance vs improvements ?
5222620 - Cyber insurance
7301101 - Instructional equipment
2101101 - Health insurance for Certified Staff
2102620 - Health insurance for non-certified staff
21202100 - Social security

If possible, it would be helpful if you and the principal or another BOE member were able to attend to discuss verbally. If IN PERSON is not an option, then remote can be coordinated.

Thank you - Pat

Ginger Betti, CHFP
Email: gbetti30@outlook.com
Cell: 860-307-8848

Sent from Outlook

From: Pat Mechare <curtmechare@comcast.net>
Sent: Wednesday, October 28, 2026 1:21 PM
To: gbetti30@outlook.com
Subject: Re: BOE - November 9th

Afternoon Ginger:

Likely need to speak to you sometime soon about the B of F timeline for proposed spending plans for 2027-2028. I have some real concerns regarding how accurate our proposal can be if the deadline is earlier than usual. To be clear, would you please

indicate what you mean by last year's budget? I don't want to make an assumption. Please also inform me as to how you would like the answers to your questions to be transmitted

Pat.

> On Oct 27, 2026, at 9:25 PM, Ginger Betti <gbetti30@outlook.com> wrote:
>
> Hi Pat –
>
> We will be starting our Budget Process in November. The selectman will be sending their yearly letter out in early November. Once I have a better timeline I will share with you.
>
> I asked for some questions from the BOF – This is what I have so far…
>
> Regarding last year's budget year…
>
> Some of the categories are significantly over budget. There are BOF members who would appreciate a short explanation as to why.
>
> Professional & Tech Services - 128% over budget
> Maintenance Services - 119% over budget
> Books - 153% over budget
> Property Equipment - 113% over budget
>
> For the future budget….
>
> How are you addressing low enrollment?
> Have you thought about sign up for bus transportation?
> What is the status of early PreK?
> Any big expense for next year's budget?
>
> Thank you!
>
> Ginger Betti, CHFP
> Email: gbetti30@outlook.com
> Cell: 860-307-8848
>
> Sent from Outlook

Memorandum

TO: Canaan Board of Finance

FROM: Canaan Board of Education / Office of the Principal

DATE: November 9, 2026

SUBJECT: Financial Rationale for Fiscal Year 2025–2026 Budget Expenditures

Executive Summary

The Canaan Board of Education presents this rationale for final expenditures for the 2025–2026 fiscal year in response to the inquiry from the Board of Finance.

For FY 2025–2026, the total adopted operating budget was **$3,933,950.00**, and total actual expenditures were **$3,888,181.63**. The district ended the fiscal year with an overall net surplus of **$45,768.37** (representing an operating spend at 98.8% of budget).

Through careful fiscal oversight and strategic alignment with our core educational beliefs, savings realized in certified staffing and health insurance allowed the district to absorb several unbudgeted, mandatory operational requirements—including state literacy mandates, essential facility safety repairs, and unexpected legal defense costs.

In accordance with **C.G.S. § 10-222**, money appropriated for the maintenance of public schools is expended under the discretion of the Board of Education. The Board's management of the 2025–2026 budget demonstrates responsible stewardship: when emergency facility needs and state instructional mandates arose adjustments were made within our total appropriation, allowing us to put **$45,768.37** into our Board Non-Lapsing Funds per **C.G.S. § 10-248a**.

Overspent Line Items (Major Variances)

- **Certified Staffing & Operations**
    - **1201101 – Substitutes Salary:** Budgeted $17,680.00 | Actual $41,621.33 | Variance +$23,941.33 (235.4%)
        - *Rationale:* Overspend was driven by extended maternity leave coverage for two certified teachers (one from January through June 2026, and a second from mid-May through June 2026), alongside standard medical absence coverage.
    - **2202100 & 2211101 – Social Security / Medicare:** Budgeted $37,631.00 combined | Actual $42,097.00 combined | Variance +$4,466.00
        - *Rationale:* Increases directly correspond to additional statutory payroll taxes associated with increased substitute coverage and extra-duty stipends.
    - **2502310 – Unemployment Insurance:** Budgeted $500.00 | Actual $12,260.75 | Variance +$11,760.75

        - *Rationale:* Unbudgeted, mandatory unemployment compensation paid to a former certified staff member.
- **Professional Services & Administrative**
    - **3222210 – Professional Services:** Budgeted $8,000.00 | Actual $25,332.08 | Variance +$17,332.08 (316.7%)
        - *Rationale:* Unbudgeted legal fees incurred defending the district in a Special Education case brought before the Connecticut State Department of Education (CSDE) on behalf of a former student against Region One. The district successfully prevailed on all but one count.
    - **6102310 – Accounting Services / Software:** Budgeted $2,000.00 | Actual $3,604.69 | Variance +$1,604.69 (180.2%)
        - *Rationale:* Unbudgeted mandatory software upgrade for the district's QuickBooks accounting platform.
- **Facilities, Maintenance, & Operations**
    - **4302640 – Facility Maintenance:** Budgeted $16,000.00 | Actual $32,043.24 | Variance +$16,043.24 (200.3%)
        - *Rationale:* Required immediate structural remediation for active termite infestation discovered in April 2026, emergency plumbing/heating repairs by Perrotti & Sons, and Board-approved installation of snow guards ($6,500.00) on the K–2 wing to address building safety hazards.
    - **4302610 – Septic Tank Maintenance:** Budgeted $1,000.00 | Actual $1,820.00 | Variance +$820.00 (182.0%)
        - *Rationale:* Initial budget anticipated pumping one septic tank; field inspection mandated maintenance pumping for both tanks.
- **Instructional & Program Equipment**
    - **6401101 – Textbooks:** Budgeted $12,196.00 | Actual $21,815.60 | Variance +$9,619.60 (178.9%)
        - *Rationale:* Primary driver was the mandated purchase of the *Benchmark Advance* core literacy program to comply with Connecticut's *Right to Read* legislation.
    - **5902540 & 7302520 – Technology & Non-Instructional Equipment:** Budgeted $9,390.00 combined | Actual $15,517.47 combined | Variance +$6,127.47
        - *Rationale:* Unbudgeted replacement of a 35-year-old audiometer required for state-mandated student hearing screenings ($3,205.62) and scheduled technology hardware refreshes.

Underspent Line Items (Major Variances & Offsets)

- **Benefits & Personnel Savings**
    - **2101101 – Health Insurance (Certified Staff):** Budgeted $268,478.00 | Actual $230,207.02 | Variance -$38,270.98 (85.7%)
        - *Rationale:* Savings resulted from administrative staffing transitions shifting plan coverage from family to single tier, along with premium contributions from staff transitioning to unpaid leave status.

- **2401101 – Graduate Credit Reimbursement:** Budgeted $14,615.00 | Actual $3,640.50 | Variance -$10,974.50 (24.9%)
  - *Rationale:* Lower teacher utilization of contractually available tuition reimbursement funds during this fiscal cycle.
- **1111100 & 1112410 – Certified Salaries & Administration:** Budgeted $989,998.00 combined | Actual $954,856.60 combined | Variance -$35,141.40
  - *Rationale:* Breakage and salary adjustments realized during certified staff transitions.

- **Professional Development & Instruction**
  - **3222283 & 3221100 – Inservice & Staff Development:** Budgeted $21,457.00 combined | Actual $8,935.82 combined | Variance -$12,521.18
    - *Rationale:* Shifted professional learning to internal staff-led models rather than outside consultants, while additionally maximizing Federal Title II grant coverage.
  - **7301101 – Instructional Equipment (Music Program):** Budgeted $4,500.00 | Actual $226.38 | Variance -$4,273.62 (5.0%)
    - *Rationale:* Generous donation from *The Spirit of Shea* fully covered the purchase of new string instruments, eliminating the need for general operating fund expenditures.
- **Operations, Utilities, & Risk Management**
  - **4302630 – Building Improvements:** Budgeted $10,000.00 | Actual $3,710.78 | Variance -$6,289.22 (37.1%)
    - *Rationale:* Reallocated planned capital project funds to address immediate facility maintenance priorities (termite remediation and snow guards).
  - **5222620, 5202620 – Cyber & Property Insurance:** Budgeted $27,707.00 combined | Actual $23,173.70 combined | Variance -$4,533.30
    - *Rationale:* Anticipated premium increases for cyber insurance did not materialize, maintaining costs at previous fiscal year levels.
  - **6132620 – Custodial Supplies & Utilities:** Budgeted $15,400.00 combined | Actual $7,666.17 combined | Variance -$7,733.83
    - *Rationale:* Efficient bulk purchasing of custodial materials and reduced water utility usage.

TO: All Boards/Commissions/Departments
FROM: Michelle Hansen, Treasurer and
Dave Barger, First Selectman For the Board of Selectmen
RE: 2027 - 2028 Proposed Spending Plans
DATE: November 02, 2026

It's time to begin our Annual Budget Process. We know that you all realize that we are under the usual budgetary restraints that we can expect as well as not knowing what the Town of Canaan will receive from the State of Connecticut. Further, we have to educate our children and that is an expensive proposition given the size of its student body. Additionally, the Town will continue to have future annual costs for capital projects which will have to be factored into any Proposed Spending Plan. Consequently, as always, fiscal conservatism should be our byword in approaching this upcoming year.

Please let's keep in mind that we would like to propose a lean spending plan. We ask each of you to analyze every line item in your Proposed Spending Plan and adjust them appropriately. Our goal is to have a budget that comes as close to a zero percent increase as possible and this can only occur if each of us eliminates any expenses that are not necessary.

A summary printout of your current (2026 - 2027) budget will be placed in your mailbox by the end of the week. If you need a detailed printout for your budget, please contact Michelle as soon as possible. A detailed report will show dates, check numbers, payee and a brief description of the expense, if necessary. We also ask that you continue to utilize the *Capital Project Request Form* that has been distributed for those requests/projects that you wish to see come to fruition in the next 5 - 10 years.

The Board of Selectmen will have its first workshop for budget planning in late December. **The final date for submission of your Proposed Spending Plan is Thursday, December 03, 2026**. It is critical that it be submitted by that date so that there can be proper review of all submissions and the Board of Selectmen can have a completed Proposed Spending Plan for the 2027 - 2028 fiscal year well in advance of our presentation to the Board of Finance sometime in early February. **Should any Board/Commission/Department fail to submit their Proposed Spending Plan by December 03, 2026, the budget for the 2026 - 2027 fiscal year will be put in place for the 2027 - 2028 fiscal year. Completed Proposed Spending Plans and Capital Project Request Forms should be directed to Michelle and would be very much welcomed prior to the December 03, 2026 deadline.**

Town of Canaan Falls Village
"Liberty and Property"

Putting our timeline in perspective, our budget hearing will likely be scheduled for sometime in early April and the Town Meeting and vote on the Proposed Spending Plan for the 2027 - 2028 fiscal year will likely be planned for sometime in late March or early April. Should you have any questions or concerns feel free to contact either Michelle or me. Thank you very much for being part of the process. It is very much appreciated.