

**TOWN OF GRANBY  
BOARD OF FINANCE  
REGULAR MEETING  
MINUTES  
MARCH 26, 2012**

**PRESENT:** Michael Guarco, Chairman; Gordon Bischoff, Francis Brady, Robert Clark, Frederick Moffa, OD; and Al Wilke

**Also present:** Board of Selectmen: John E. Adams, First Selectman; Ronald Desrosiers, Mark Neumann; William F. Smith, Jr., Town Manager; Roger Hensdorf, Town Treasurer; Barbarajean Scibelli, Administration Finance Officer; Board of Education: Chairman Cal Heminway, Edward Ohannessian, Lynn Guelzow, Alan Addley, Superintendent of Schools; and Harry Traver, Business Manager

Chairman Guarco confirmed a quorum and called the regular meeting to order at 7:30 p.m.

**MINUTES**

The Board reviewed the minutes for the meeting of February 23, 2012.

**ON A MOTION** by Mr. Bischoff seconded by Mr. Brady, the Board voted (4-0-2) to approve the minutes of February 23, 2011 as presented. Mr. Wilke and Dr. Moffa abstained.

**STATEMENT OF ACCOUNTS**

Harry Traver, BOE Business Manager, reported on the February Statement of Accounts. He reported the overall budget shows a favorable amount of \$117,588. It was noted under Maintenance, an unfavorable amount (\$115,000) shows. Several maintenance repairs were done such as sewer boxes, sidewalks. The revenue side remains essentially the same from the previous month.

Town Manager Smith indicated the overall accounts are holding fairly well. Tax collection revenues are in excess by approximately \$65,000. The state education cost sharing account shows a 50% collection, which is in line with the payment schedule. On the local revenue side, a shortfall from Short Term Investments is expected, but it is anticipated to be made up from other accounts. The General Maintenance account shows favorable because of the unusual light winter storm activity we experienced.

In response to how much money was billed out for auto supplement, Mrs. Scibelli answered \$249,000. It was also noted that the town no longer receives VNA rentals of \$600 a quarter.

The Fund Balance is expected to be at 5% or more at year-end based on the financial model created.

**2011-2012 BUDGETS FROM THE BOARD OF EDUCATION AND BOARD OF SELECTMEN**

Board of Education Chairman Cal Heminway presented the Board of Education budget using a slide presentation.

He highlighted the school's:

- Vision: Every student educated in Granby Public Schools to graduate on time and be prepared for 21<sup>st</sup> century citizenship.
- Mission: All students will become thinkers, collaborators, and contributors.
- Achievement Goal: Enable students by 2015 to demonstrate powerful thinking by systemically solving problems through analyzing and synthesizing information and articulating/defending a position.

He expressed the environment as a contributing factor to realizing the mission statement and mentioned some of the challenges as low operating budgets (three-year average was 0.93%), multi-year funding challenges, Year of Education Reform on all levels of government, and the Board of Finance's budget guideline.

Board of Education Chairman Heminway reported that the budget goals were met. The highlights are:

1. Supports the mission, vision, values, and goals of the district;
2. Recognizes the economic climate, realizes efficiencies, and is responsive to the financial guidelines set by the Board of Finance;
3. Maintains levels of personnel, programs, infrastructure, and services that meet the essentials needs of the district;
4. Supports strategic Board initiatives; and,
5. Begins to address high school reform and Common Core Standards.

The Budget Summary slide highlighted their budget as:

Operating Budget Request	\$27,252,831
Educational Capital Improvement Fund	\$625,000
Quality and Diversity Fund	\$690,930
Board of Education Appropriation Request	<b>\$28,568,761</b>

Mr. Heminway mentioned that school enrollment is dropping as well as staff. Some other highlights from the slides were:

- Major Changes FY2013 vs. FY2012 – percentage of total budget increase is 1.0% or \$269,830 in the categories of salaries, benefits, special education (tuition and transportation), utilities, regular education transportation, and other.
- Health and dental benefits showed an increase in spending in FY2013.
  - Gross Costs \$4,162,297 -- % change 4.9%
  - Employee Contributions (\$660,821) -- % change 10.3%
  - Retiree Contributions (\$562,670) -- % change 2.0%
  - Grant Funded (\$58,352)
  - Net Cost Increase to Board of Education \$2,880,454 -- % change 3.0%
- Revenue and % Change from FY12 to FY13
  - State Revenues
    - Education Cost Sharing \$5,477,633 -- 1.5%
    - School Transportation \$62,970 -- (18.8%)
    - Adult Education \$3,051 -- 0%
    - Special Education - Excess Cost Grant \$142,717 -- (3.8%)
  - Local Revenues
    - Tuition-Other Towns Reg. Education \$755,851 -- 7.0%
    - Tuition-Other Towns Spec. Education \$100,000 -- (9.5%)

- Rental Fees \$75,000 -- 0%
- Pay-for-Play \$50,300 – 0%
- Comparison of Per Pupil Expenditure and CAP Performance in All Connecticut School Districts (see attached copy of slide. The slide represents a good return on our town's education investment.)
- Quality and Diversity FY13 revenues and expenditures total \$690,930
  - FY13 New Expenditures
    - Extended/Full Day Kindergarten program - \$328,424
    - Chinese Mandarin III - \$15,420
    - Extracurricular advisor stipends for two clubs - \$1,636
  - Small Capital Plan – Transportation \$218,723; Building Maintenance \$160,037; Furniture and Equipment \$15,000, Technology \$231,240.
  - Large Capital Priorities – Athletic Fields and High School Electronics Lab. (no cost provided)

In response to a question about retiree healthcare share, the retiree receives two years as a benefit and picks up 100% in the third year or finds another insurance carrier.

Mr. Wilke commented the Board of Education budget showed innovative ways and resourcefulness in dealing with the budget that allowed reductions in some areas while increasing in other areas or adding as new.

A transmittal letter of the Board of Selectmen's FY 2013 budget was distributed to the Board of Finance in advance. The municipal operations budget is \$13,628,317 and represents a 0.9% increase in spending over last year's budget. He further explained how this amount is distributed.

- \$9,172,907 – Operational expenses, an increase of 2%
- \$1,100,00 - General Fund contribution for capital fund, an increase of 18.3%
- \$40,000 – Capital Non-Recurring Expenditure Fund, a decrease of \$90,000 from last year
- \$10,000 – Economic Development Funds, funded at the same level as past years.
- An increase of \$180,190 in operations spending is dominated by an increase amount of \$44,017 in health care, pension contributions and taxes; and a reserve of \$57,000 in contingency, which includes projections for two municipal union contracts.

First Selectman Adams spoke about the continued eroding of services provided by the municipal government when a 2% increase in the budget is requested. He noted the budget starts to add back some library part-time but it still represents a small portion of what was cut from the library budget three years ago. The primary complaint by our users is that they don't know when the library is open. An additional \$50,000 would be required to establish regular library hours.

First Selectman Adams commented the increase in the public works budget is a result of a savings anticipated from solid waste tip fees. However, the savings may be short-lived as the town may have a potential exposure of over \$200,000 in a current litigation between Connecticut Resources Recovery Authority (CRRRA) and Metropolitan District Commission (MDC). The Department of Public Works (DPW) has been short staffed for the past three years with an elimination of a maintainer. The restructuring of the town's relationship with Holcomb Farm and the purchase of the Evonsion Farm adds additional burdens to DPW.

He noted the Police Department has high demands for services. A detective position, which would also serve as a youth resource officer, would allow the police force to respond to our citizens expectations, such as solving burglaries, cyber bullying, etc.

First Selectman Adams stated there are other areas that have real needs too. These areas include recreation administration, fire prevention, and finance department.

First Selectman Adams requested that the Board of Finance work with the Board of Selectmen to develop a plan to address these needs and continue to keep Granby a safe and prosperous community.

Mr. Bischoff commented if any add backs were given is there a priority to them, giving an example of \$50,000 for an add back.

Town Manager Smith responded yes to the question. The add back would give an opportunity to review and present an analysis to the three priorities of Police Department, Department of Public Works, and Libraries.

Chairman Guarco discussed the Financial Model LT2012-4 that included \$40,000 CNEF use and proposing a 1.96% mill rate increase.

The Board of Finance commended both boards in presenting their budgets. The Board of Finance's consensus of the budget was they fully supported the budgets presented, noted the mill rate increase was under 2.0%, and a need to focus on a short-term and long-range plan to address the town and school needs.

**ON A MOTION** by Frederick Moffa, OD, seconded by Al Wilke, the Board voted (6-0-0) to adopt the proposed budgets to be sent to a public hearing scheduled for April 9, 2012 which would reflect a mill rate increase of less than 2.0%. Specific reference to the numbers are outlined in the Financial Model LT2012-4 (attached).

**ON A MOTION** by Frederick Moffa, OD, seconded by Al Wilke, the Board voted (6-0-0) to adopt the proposed other funds budget to be sent to a public hearing scheduled for April 9, 2012 as articulated on page two of the transmittal letter to Chairman Guarco, Board of Finance, dated March 26, 2012.

## **ADJOURNMENT**

Chairman Guarco announced that a public hearing on the proposed budget is scheduled for April 9, 2012 at 7:00 p.m. in the High School Auditorium. A Special Meeting of the Board of Finance will be held on April 9, 2012 at 8:00 p.m. or immediately following the public hearing on the 2012-13 proposed town budget. The meeting could be continued to the following evening, if needed.

The Annual Town Meeting on the proposed budget is scheduled for April 23, 2012 at 7:00 p.m. in the High School Auditorium.

**ON A MOTION** by Gordon Bischoff, seconded by Francis Brady, the Board voted unanimously (6-0-0) to adjourn the meeting at 8:50 p.m.

Respectfully submitted,

Patricia I. Chieski  
Recording Secretary

