

**TOWN OF GRANBY
BOARD OF FINANCE
PUBLIC HEARING MINUTES
APRIL 13, 2015**

PRESENT: Michael Guarco, Chairman; Gordon Bischoff, Francis Brady, Kelly Rome, Frederick Moffa, OD; and Al Wilke

Also present: B. Scott Kuhnly, First Selectman; William F. Smith, Jr., Town Manager; Barbarajean C. Scibelli, Administration Finance Officer; Ronald S. Walther, Board of Education Chairman; and Harry Traver, BOE Business Manager

The public hearing was called to order at 7:00 p.m. by Board of Finance Chairman Guarco. He identified the Board of Finance members, First Selectman Kuhnly, and Board of Education Chairman Walther.

He opened the public hearing by stating that according to Town Charter this hearing is held on the second Monday in April to present the budget proposal for the upcoming fiscal year. The budget machine vote will be held on the fourth Monday, April 27, 2015 from 12 noon – 8 p.m. at the Town Hall Meeting Room.

Chairman Guarco stated the order in which presentations would be made: Board of Finance overview, town operations budget, school operations budget, and questions and answers or comments would follow.

Chairman Guarco gave a quick overview of the budget. Highlights were:

- Restrict overall spending
- The mill rate was 35.52 for FY 2015 and increases to a proposed mill rate of 36.22 for FY 2016, a 1.97% change.
- For the last seven (7) years, the average mill rate change was 1.5%.

Chairman Guarco commented the budget proposed holds the line on spending and taxes, showing sensitivity to the fiscal financial straits residents may find themselves in these days. The budget must be responsive to meet the needs of the town and responsible for cost to the taxpayers, and this budget meets these parameters.

First Selectman Kuhnly presented the Board of Selectmen's FY 2015-16 budget. He thanked the Board of Selectmen, Town Manager William F. Smith, Jr., Administration Finance Officer Barbarajean Scibelli, and Department Heads. First Selectman Kuhnly mentioned how town goals and mandates within the budget reflect a continuation of town services. He then commented on recent capital project activities 1) Sidewalk extension – Granby center to Salmon Brook Park, 2) Generator at Granby Middle School for emergency sheltering, 3) Public Works wash bay and storage, and 4) Holcomb Farm – North Barn Pavilion and improved parking.

First Selectman Kuhnly stated the FY 2015-16 budget request is \$43,913,410 of which \$15,194,903 is the municipal services budget, including debt service. The operations portion of the budget is proposed to increase by 2.5%.

First Selectman Kuhnly gave further detail of the budget amount by section spending.

Section	Amount	%
Administration	\$3,630,391	24
Personal & Property Protection	2,518,139	16
Public Works & Environment	3,001,414	20
Libraries, Recreation & Social Services	909,024	6
Capital Budget	1,100,000	7
Economic Development Funds (0.04%)	6,500	0
Debt Service	3,760,745	25
CNEF Levy	268,690	2
TOTAL	\$15,194,903	

The municipal budget highlights are:

- Total operations net change - \$245,345
- Salary reserves - \$38,770
 - One of the town's labor agreements is in negotiation.
- Fringe benefits - \$29,491
 - Includes \$17,830 increase in pension and \$11,661 in FICA and Medicare.
 - Election Services - \$6,400
 - Insurances - \$22,260
 - Fire Prevention - \$4,998
 - Police Operations and Communications - \$4,845
 - Public Works Department - \$9,510
 - Library Services and Social-Senior-Youth Services - \$4,750
- 2015-16 budget reductions totaled \$96,700.
- Progress and Accomplishments for 2015
 - Natural gas line extension from Stop & Shop Plaza to town center (includes most schools and town complex)
 - Updating Granby Plan of Development
 - Senior Center is in the process of a National Council on Aging Re-Accreditation for its third time.
 - Library Improved Service Delivery program has received over 15,000 reservations since the beginning of our present budget year.
 - Recreation Department services is over 80% self-sufficient compared to Canton and Suffield that are at 50% or below for self-sufficient programs. Over 200 youth and adult programs are offered.
 - Intra-Board Advisory Committee's update concluded that the overall buildings and grounds activity has efficiently assumed increased responsibilities commensurate with increased community resources (new athletic fields, new Park House, Holcomb Farm activity). Solar energy, joint purchasing and finance operations are just a few matters that are still being reviewed.
 - Town Owned Land Study Committee (TOLSC) was formed by the BOS to research property owned by the town and develop recommendations for its future use.
 - Granby received a bond rating upgrade from Standard & Poor's to AA+ and has been awarded a "Certificate of Achievement for Excellence in Financial Reporting" for 8 years.

Ronald S. Walther, Chairman of the Board of Education (BOE), presented their budget. He thanked the Board of Education, Superintendent of Schools, Business Manager, Board of Finance and the community for their continued support of the school system.

BOE Chairman Walther reported the FY 2015-16 budget request is \$28,718,508. Their budget supports the goals of the Board of Education and represents a 2.39% increase of the operating budget. He indicated the FY2015-16 budget reflects challenges offered by federal and state mandated educational reform, flat economic growth, and declining enrollment and revenues.

Chairman Walther highlighted the following items concerning the budget:

- Curriculum / Activities Additions -- World Language (Grades K-1); Pre-K Expansion (2 sections);
- 1-to-1 Computing (Grades 11-12); Secondary Math/Science Consulting Teacher; HS Chorus, Drama, Math, Big History, Literature; and Athletics - offset additional football expenses (multi-year plan).
- Declining enrollment is being addressed accordingly with regards to staffing and use of schools. Projected 30 student decline and 269 less students from FY 2015 through 2020.
- State Educational Reforms (unfunded mandates) is being implemented for common core and teacher evaluations.
- Special Services Outplacements have increased for tuition and transportation.
- Revenues -- Intergovernmental revenues up \$20K; District initiated tuition revenues down \$98K; Pay-for-Play down \$6K; \$203K special education expenses reimbursed to the town and expensed to the BOE; Medicaid reimbursement for Special Education Related Services (\$20K).
- Staffing Levels (+2.9 FTEs) summary -- -3.50 FTE enrollment-related positions; +1.0 FTE 1st Grade; +1.0 FTE Secondary Math/Science Consulting Teacher; +0.7 Teaching Assistant (ISS, College & Career); +0.3 FTE Arts FY16 requires significant sharing of MS/HS staff; the next two positions are part of SPED +1.94 FTE Special Education TAs (IEPs) and +1.46 FTE Pre-K expansion.
- Salaries and Benefits -- Increase of \$620,469 (2.2% of budget increase) from FY15.
- Quality and Diversity Fund Expenditures -- 1) magnet school tuition \$221K; 2) 1-to-1 computing \$144K; and 3) Enrichment for high achieving students, Grades 3 & 4 (\$19K, Renzulli Learning).
- Small Capital (\$600K) -- \$146K for furniture, equipment and maintenance; \$190K for existing transportation leases; \$3,100 for new lease for a small tractor, \$227K for existing technology leases and \$33K for new technology lease.
- Other -- \$162K year-to-year savings from conversion to gas from oil; \$70K reduction in year-to-year utility costs.
- FY15 Budget Breakdown -- Regular education, salaries and benefits \$18,572,223 or 64.7%; Special education, salaries and benefits \$3,681,122 or 12.8%; Other special education costs \$1,777,432 or 6.2%; Supplies, purchase services, and student activities \$2,203,340 or 7.7%; Building maintenance, legal, insurance and miscellaneous \$1,014,804 or 3.5%; Buses \$804,545 or 2.8%; Utilities \$665,041 or 2.3%; totaling \$28,718,507.
- Budget Summary
 - Continues recent funding trends of 1.1% average budget increase over 6 years and efficiency initiatives of greater than \$900K over the last 7 years essentially managed the lean budgets
 - Return on investment continues to be high and Granby's per pupil expenditure (PPE) is \$13,273, which is the lowest spending in the District Reference Groups.
 - Future considerations for this year and out
 - Special Education costs are legally mandated and rising quickly
 - Competitive salaries are behind neighboring towns
 - Declining enrollment drives for the development of an expedited plan to handle the issue
 - State and Federal mandates continue
 - As an extracurricular sport, the long-term plan to fully fund football is being addressed

PUBLIC INPUT FY 2015-16 BUDGET

Board of Finance Chairman Guarco opened the budget discussion to the public.

There were eleven comments from residents, majority were in favor. General comments were:

1. Thanked the efforts of the boards and mentioned they were in support of the budget.
2. Several residents expressed concerns regarding school enrollment decline, clarification of PPE cost \$13,000 (the PPE cost is a state formula to use as a comparison from town-to-town), football activity support, and business tax.
3. A few mentioned they liked the budget event to hear about the budget and controversies, which cannot be achieved with less than 100 people in attendance. There was disappointment in the turnout for this public hearing.
4. Representatives from the Granby Robotics Club took this opportunity to speak about the achievements of the school, and in particular a request to support the Robotics Club's activity.

ADJOURNMENT

There being no further public input, Chairman Guarco adjourned the public hearing at 8:25 p.m.

Respectfully submitted,

Patricia I. Chieski
Recording Secretary