




# TOWN OF GRANBY

## MEMORANDUM

DATE: May 29, 2025

**TO:** The Granby Board of Selectman

**FROM:** Mike Walsh, Granby Town Manager 

**REGARDING:** Board of Education FY25 Operating Surplus Transfer to Capital Fund

---

### Background

As a result of several favorable budget issues which are more fully explained in the attached memo from Nickie Stevenson, BOE Director of Finance and Operations, the BOE would like to transfer \$650,000 of projected operations surplus from the FY 25 budget to the Town's Capital Fund.

The purpose of the transfer will allow the BOE to use the surplus funds for priority capital items including a replacement roof on the BOE administration building, new bleachers at the high school, and as an additional contribution toward the overall school security plan (there is already \$440,000 in place today, so this will get the BOE closer to their \$1.2M need)

### Next Steps

The BOE and the BOF have already acted favorably on these transfers, so the Board of Selectmen now has an opportunity to consider this transfer.

Please see the attached memo from Finance Director Kimi Cheng and accompanying motion, which if approved, will facilitate both the transfer and the corresponding spending on those items.

I will be on hand at the meeting to answer any questions you may have on this transaction.

CC: Kimi Cheng, Director of Finance

# GRANBY PUBLIC SCHOOLS

## BUSINESS OFFICE

15-B North Granby Road

Granby, CT 06035

(860) 844-5253

*stevensonn@granbyschools.org*

To: Cheri P. Burke, Superintendent of Schools

From: Nickie Stevenson, Director of Finance & Operations

Re: April 2025 Budget Expense Report

Date: May 16, 2025

---

Please find attached the April 2025 budget expense report for this fiscal year encompassing transactions through 5/15/2025.

### Personnel and Program Accounts

The overall budget remains aligned with projected annual expenditures. As is typical, during the school year both realized and anticipated savings, are identified to support both unplanned needs and yearend initiatives, while maintaining fiscal responsibility. Unspent funds may be returned to the Town for future educational use or deposited into the BOE Non-Lapsing Education Fund, reinforcing our commitment to Granby's public education.

As yearend progresses, fund transfers will increase to support key purchases and initiatives, including covering negative account balances via line-item transfers. Transfer requests requiring Board pre-approval are included at the end of this memo.

Currently, the personnel unallocated line has a balance of approximately \$267,000 due to staffing changes, vacancies, and leaves. These funds are no longer needed for FY 2025 personnel expenses. Additional program savings, particularly in special education, are also expected. Please note that invoices for goods and services received in May and June will continue to be processed through July.

### Special Education

As previously mentioned at various times throughout the year, special education expenses are trending well below budget due to a variety of reasons. Such reasons consist of three (3) main contributing factors comprising of certified personnel, tuition and transportation.

- HS Psychologist (certified salary) – this employee resigned during the school year and due to the unique needs of this position, the district was unable to fill this position in FY 2025.
- Outplacement Tuition – throughout the course of the year three (3) students changed placement where they returned to in-district from their initial out-of-district placements. Additionally, there were four (4) students who withdrew from their outplaced program for various reasons (i.e., moved out of Granby, homeschooling, etc.)
- Transportation – there were significant savings this year in transportation due to a renegotiated daily contract rate, as well as the reduction of transportation for outplacements. As students leave outplacements as referenced above, transportation also ceases, which also garners savings. Finally, our special education department has been diligent in creating cost savings by alleviating



solo riders when possible and arranging ride shares. All-in-all, this year the district saved \$490,000 in special education transportation alone.

Please take note this type of surplus in special education is uncommon and can drastically change at what seems like a moment's notice. However, at this point in time we do not foresee any major shifts or changes prior to June 30<sup>th</sup>.

#### **Quality and Diversity Fund (Q&D)**

The forecast for the Q&D fund continues to remain consistent and positive. The fund is expected to end the year with a balance of approximately \$200,000.

#### **BOE Reimbursements to the Town**

The total reimbursement revenue to the Town for FY 2025 is anticipated to be \$2,327,563, which is \$165,588 less than originally budgeted. Even though the district experienced a large decrease (\$587,815) in the expected special education excess cost grant, tuition reimbursements as a whole increased \$422,227, thereby offsetting the decreased grant revenue. Most monies have been received, with the exception of tuition revenue from Hartford. However, we do fully expect to receive those funds by June 30<sup>th</sup>.

#### **Transfer Requests**

We request the following transfers from other line items with available program balances (e.g., utilities) to cover current supply line items with negative balances. Any supply line items that cannot be covered with other available supply accounts, require transfers from other categories. This type of transfer requires Board pre-approval. The accounts that require such transfers are listed below.

- \$12,000 for custodial and maintenance supplies
- \$60,197 for the purchase of the K-3 reading program and French textbooks

Additionally, as the fiscal year progresses and comes to a close, additional savings will accumulate. Given the substantial number of accounts (over 650), even the slightest amounts in each account can rapidly accumulate. Therefore, we request that additional yearend balances and unallocated funds first be transferred to balance all accounts as needed through June 30<sup>th</sup>. As FY 2025 comes to a close, the numbers for the board of education budget are highly favorable, where spending was less than the budgeted amount, demonstrating efficiency and effectiveness of current operations.

Therefore, in continued collaboration with the Town Board of Finance and the Board of Selectman, it is suggested to utilize a substantial portion of any remaining general fund monies (not to exceed \$650,000), for BOE small capital projects. Such designated funds, with the amount to be finalized after the closing of the fiscal year on 6/30/25, will be deposited into the BOE small capital fund and thereby requires approval from the Board of Education. This transfer of funds would create an appropriation for the following projects.

\$100,000 – BOE Central Office Roof  
\$130,000 – GMHS Main Gym Bleachers  
\$420,000 – Safety and Security\*  
\$650,000 – Total

\*Please note, this amount could fluctuate depending upon final yearend expenses, as well as Board approval of any non-lapsing fund deposits. Any amount deposited in the small capital fund for the purpose of safety and security will be coupled with the current FY25 appropriated amount of \$439,603.



# TOWN OF GRANBY

## MEMORANDUM

DATE: May 29, 2025

**TO:** The Granby Board of Selectmen

**FROM:** Kimi Cheng, Director of Finance

**REGARDING:** Consideration of Transfer of Funds from BOE General Fund to Capital Equipment/Improvement Fund

---

### Background

The Board of Education is expecting approximately \$650,000 unexpended surplus from its general fund budget due to a \$250K saving on the transportation contract that was successfully re-negotiated, a few special education students that were able to take back within the district, and a decrease in the out-of-district students because they moved out of the town or homeschooling.

Recognizing the funding need for the Board of Education capital projects, the Board of Education recommends transferring the BOE general fund surplus to the Capital Equipment/Improvement Fund to support the following projects:

\$100,000 for the BOE Central Office Building Roof Replacement  
\$130,000 for the Granby Memorial High School Gymnasium Retractable Blenders Replacement project  
\$420,000 for the BOE Safety and Security project

Note that the actual transfer amount will be determined and finalized after the closing of FY25.

This transfer request was approved by the Board of Education at its May 21, 2025 meeting and by the Board of Finance at its May 27, 2025 meeting. The Board of Selectmen approval is required.

### **PROPOSED MOTION:**

I move that the Board of Selectmen authorizes a transfer of funds in the amount not to exceed \$650,000 from the Board of Education line item from the General Fund to the Building Maintenance and Improvement line item in the Capital Equipment/Improvement Fund.