

# **Town of Granby Connecticut**



## **Comprehensive Annual Financial Report**

**Fiscal Year Ended June 30, 2008**

# **Town of Granby Connecticut**

## **Comprehensive Annual Financial Report**

**Fiscal Year Ended June 30, 2008**

Prepared by:

Administration/Finance Departments

William F. Smith, Jr.  
Town Manager



Barbarajean C. Scibelli  
Administration Finance Officer

**TOWN OF GRANBY, CONNECTICUT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**JUNE 30, 2008**

**TABLE OF CONTENTS**

<b>Introductory Section</b>		<b>Page</b>
	List of Principal Officials	i
	Organizational Chart	ii
	Letter of Transmittal	iii-viii
	GFOA Certificate of Achievement	ix
<b>Financial Section</b>		
	Independent Auditors' Report	1-2
	Management's Discussion and Analysis	3-15
<b><u>Exhibit</u></b>		
	<u>Basic Financial Statements</u>	
	<u>Government-Wide Financial Statements</u>	
I	Statement of Net Assets	16
II	Statement of Activities	17
	<u>Fund Financial Statements</u>	
	<u>Governmental Funds:</u>	
III	Balance Sheet	18-19
IV	Statement of Revenues, Expenditures and Changes in Fund Balances	20-21
	<u>Proprietary Funds:</u>	
V	Statement of Net Assets	22
VI	Statement of Revenues, Expenses and Changes in Fund Net Assets	23
VII	Statement of Cash Flows	24
	<u>Fiduciary Funds:</u>	
VIII	Statement of Fiduciary Net Assets	25
IX	Statement of Changes in Plan Net Assets - Pension Trust Fund	26
	Notes to Financial Statements	27-45
	<u>Required Supplementary Information</u>	
RSI-1	Schedule of Revenues and Other Financing Sources - Budget and Actual	46-47
RSI-2	Schedule of Expenditures and Other Financing Uses - Budget and Actual	48-49

**Exhibit****Page****Supplemental, Combining and Individual Fund Statements and Schedules**

<b><u>General Fund</u></b>		
A-1	Comparative Balance Sheet	50
A-2	Report of Tax Collector	51
<b><u>Nonmajor Governmental Funds</u></b>		
B-1	Combining Balance Sheet	52-56
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	57-61
<b><u>Agency Funds</u></b>		
C-1	Combining Balance Sheet	62
C-2	Combining Statement of Changes in Assets and Liabilities	63-64

---

**Statistical Section**

---

**Table**

<b>Financial Trends:</b>		
1	Net Assets by Component	65
2	Changes in Net Assets	66
3	Fund Balances, Governmental Funds	67
4	Changes in Fund Balances, Governmental Funds	68
<b>Revenue Capacity:</b>		
5	Assessed Value and Estimated Actual Value of Taxable Property	69
6	Principal Property Taxpayers	70
7	Property Tax Levies and Collections	71
<b>Debt Capacity:</b>		
8	Ratios of Outstanding Debt by Type	72
9	Statement of Debt Limitation	73
10	Legal Debt Margin Information	74
<b>Demographic and Economic Statistics:</b>		
11	Demographic and Economic Statistics	75
12	Principal Employers	76
<b>Operating Information:</b>		
13	Full-Time Equivalent Town Government Employees by Function/Program	77
14	Operating Indicators by Function/Program	78
15	Capital Asset Statistics by Function/Program	79

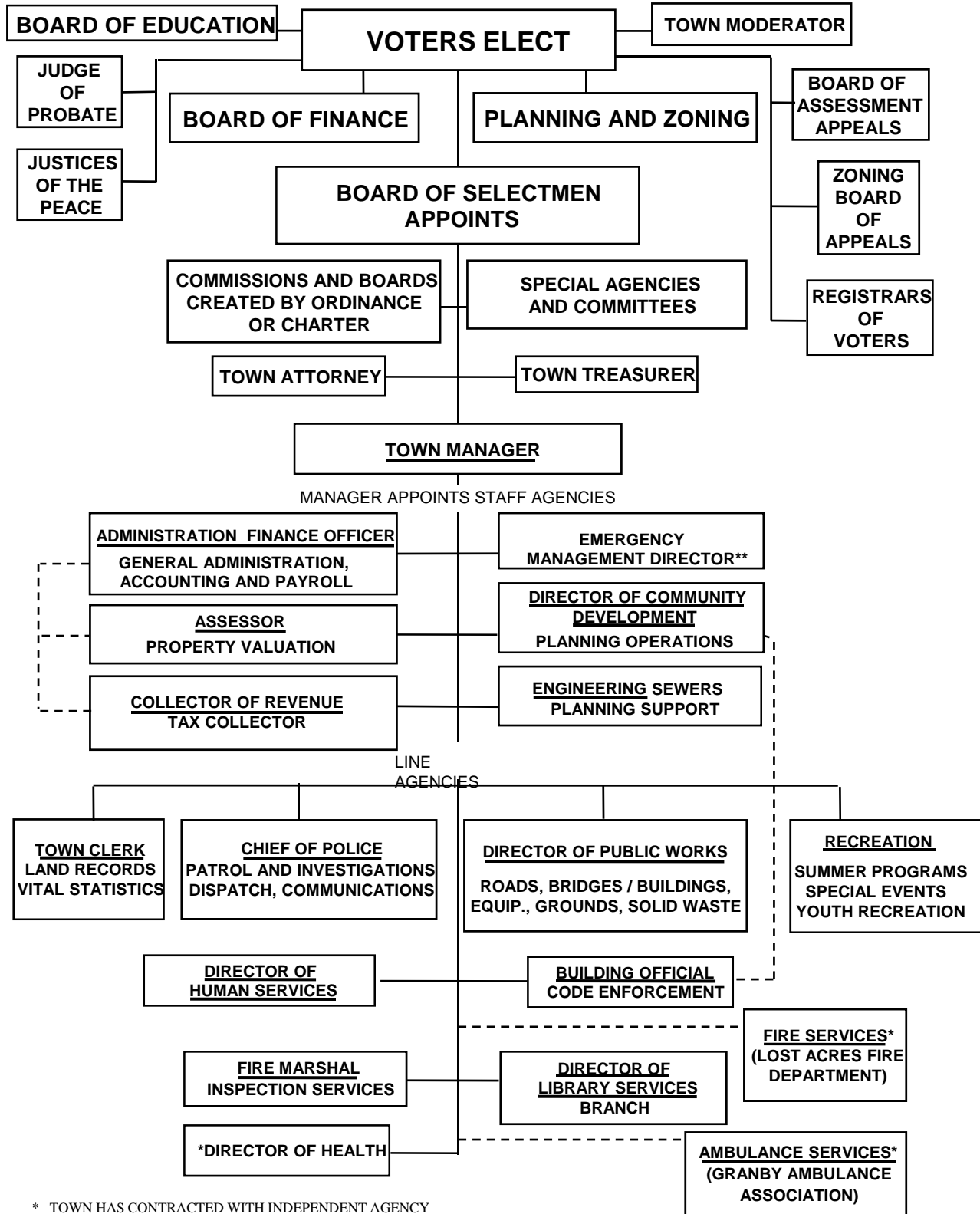
# **Introductory Section**

## TOWN OF GRANBY

### Principal Municipal Officials

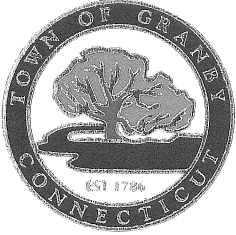
<u>Office</u>	<u>Name</u>	<u>Manner of Selection</u>	<u>Term</u>
First Selectman	John E. Adams	Elected	2 years
Selectman	Mark Neumann	Elected	2 years
Selectman	Ronald F. Desrosiers	Elected	2 years
Selectman	Frank D. Judice, Jr.	Elected	2 years
Selectman	Sally S. King	Elected	2 years
Town Manager	William F. Smith, Jr.	Appointed	Indefinite
Town Clerk	Karen I. Hazen	Appointed	Indefinite
Collector of Revenue	Lauren C. Stuck	Appointed	Indefinite
Assessor	Susan J. Altieri	Appointed	Indefinite
Treasurer	Roger A. Hensdorf	Appointed	2 years
Administration Finance Officer	Barbara Jean C. Scibelli	Appointed	Indefinite
Board of Finance - Chair	Michael B. Guarco, Jr.	Elected	4 years
Board of Education - Chair	James C. Heminway, Jr.	Elected	4 years
Superintendent of Schools	Gwen E. Van Dorp, Ed.D.	Appointed	3 years
Town Attorney	Donald R. Holtman	Appointed	2 years

# TOWN GOVERNMENT GRANBY, CONNECTICUT



\* TOWN HAS CONTRACTED WITH INDEPENDENT AGENCY

\*\* THE EMERGENCY MANAGEMENT DIRECTOR HAS A COOPERATIVE RELATIONS WITH ALL TOWN DEPARTMENTS, AND EXTERNAL AND SUPPORT AGENCIES.



**TOWN OF GRANBY**  
*Incorporated 1786*

**15 NORTH GRANBY ROAD**  
**GRANBY, CONNECTICUT 06035-2125**  
**(860) 844-5300**

**WILLIAM F. SMITH, JR.**  
**TOWN MANAGER**

December 18, 2008

Town of Granby  
Granby, Connecticut

To the members of the Board of Selectmen, Board of Finance, and citizens of the Town of Granby:

I am pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Town of Granby (the Town) for the fiscal year ended June 30, 2008. The appointed auditors from Blum, Shapiro & Company, Certified Public Accountants, have issued an unqualified opinion on Granby's financial statements for the Fiscal Year 2007-08. The independent auditors' report is located at the front of the financial section of this report. Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and are reported in a manner to present fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town is required to undergo an annual audit in conformity with the provisions of the Federal Single Audit Act and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, as well as the Connecticut Single Audit Act. Information related to these single audits, including the schedule of expenditures of federal awards and state financial assistance, findings and recommendations, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, are issued under separate cover and are not included in this report. Copies of these reports are on file in the Town Clerk's office.

Profile of the Government

The Town of Granby covers approximately 40.8 square miles and is located sixteen miles northwest of Hartford. Granby is surrounded by the Connecticut towns of Canton, Hartland, Suffield, East Granby, Simsbury, and the Massachusetts towns of Granville and Southwick located to the north of Granby. Granby is primarily a rural residential community; however, there



are a number of commercial business establishments in the Town. The Town's population, as of 2008, is estimated at 11,112. The Town, originally part of the Town of Simsbury, was incorporated in 1786.

The Town functions under the Selectmen-Town Manager and Charter form of government, first adopted in 1960. The Town Charter was last revised November 5, 2002.

The legislative body of the Town is the Board of Selectmen. The Board of Selectmen consists of five members, and a separately elected First Selectman is the Chairman and presiding officer of the Board. The Board and the First Selectman each are elected at-large for two-year terms. The Board of Selectmen appoints the Town Manager who is the Chief Executive Officer of the Town. The Town Manager is responsible to the Board of Selectmen for the supervision and administration of town departments and its boards and commissions, except those elected by the people. The Board of Selectmen appoints the Town Treasurer and the Town Attorney for two-year terms.

The Board of Education membership consists of seven members who are elected at-large for four-year overlapping terms. The election of members is conducted in accordance with the Town Charter and section 9-204b of the General Statutes.

A six-member elected Board of Finance serves as the town's budget-making authority. Board members are elected for four-year overlapping terms. The Board of Finance appoints the town auditors and recommends the annual town budget for town meeting approval.

The Administration Finance Officer oversees the accounting division and assists the Town Manager in administration of finance and administrative operations. This office administers the accounts for all town funds. The Assessor's office discovers, lists and prices real estate, personal property, and motor vehicles for the purposes of taxation. The Collector of Revenue collects taxes, interest, and fees on all taxable property in the Town. This office also bills, collects, processes, and deposits money from all town departments. The Town Treasurer oversees the Town's bank deposits and trust funds and countersigns all checks for payment made with town funds.

The Town provides the following municipal services as authorized by Charter or by the Board of Selectmen: public safety (police protection and dispatch services for fire and ambulance); library; parks and recreation; public works; health and social services; community development; education; and general administrative services.

### Economic Condition and Outlook

Granby's local economy is primarily a component of residential properties and local businesses. The 2007 estimated number of Granby housing units was 4,008, up by 20 from 3,988 in 2006. Granby's housing base is made up primarily of single-family homes. In 2006-07 the median sales price of a single family home in Granby was \$325,000. Of the 29 Capitol Region Towns, only five towns had median sales that exceeded this value. In fact, the median sales price within the 29 towns was \$63,000 less than that of Granby's. The Town's residential component comprises about 94% of its tax base. In Granby there are six condominium developments containing 301 units as of 2008. The median sales price of a condominium in 2006-07 was \$218,000. The Hunt Glen condominium development sold out in 2007. This adult community of 69 units is located in a new mixed-use area of the Town and shares its entrance with a new Stop and Shop Supermarket development. The Town of Granby was instrumental in laying the foundation for this

development through creative zoning and its rapid reconstruction of an existing road intersection. In addition to Hunt Glen and Stop and Shop, this area has seen the construction of a new TJ Maxx. As often happens, this activity was the catalyst for additional new retail and service development; most recently the 12,000 square foot Horses and Hounds retail store. Recognizing the changes that were occurring within this area, the Town has adopted a new transitional zoning district within the immediate area. A new YMCA complex is located in the area and its membership goals were exceeded in the first year of operation. Additional mixed-use development is anticipated within the area and the Town is confident that it has provided the means for future quality construction that can serve Granby and the surrounding communities. The above is but one recent example of how the Town of Granby responds to and supports positive growth.

In addition to the above, located just north of the Stop and Shop Plaza is the world headquarters of Imperial Nurseries, a division of Griffin Land and Nurseries, Inc. Imperial is one of the largest growers of ornamental woody and herbaceous plants in containers in the eastern United States with operations in Connecticut and Florida. Griffin Land owns over 300 undeveloped acres within this area, which is zoned for economic development.

Overall, business activity is designed primarily to serve Town residents and, to a lesser degree, the region. Most retail, office, and personal services are located within the Granby Center. Granby Center has experienced significant changes over the years and now includes a 20,000 square foot medical office complex. In addition to the previously existing medical offices, the Center has attorney, real estate, financial, architectural, engineering, surveying, and other office types normally found within a thriving Town Center. Retail services range from national and local drug stores, a supermarket, health food store, cell phone store, specialty stores, hardware and carpeting stores, package store, and more. The latest addition to the Center is a new Cumberland Farms store constructed in a traditional design which includes a gas station. Naturally, the Center has several restaurants. These range from the fast food national chain stores to a bagel shop, local eateries, and a Starbucks. Also included are restaurants serving Mexican, Chinese, Italian, and continental cuisine. The Center's nighttime music offerings were praised in a Hartford Advocate newspaper article. The Town has supported its Center businesses with flexible zoning regulations, through business linkage initiatives and most recently through the installation of traditional street lighting. The lighting was placed along Bank Street. There are four banks located within Granby Center. The Town is currently working on a creative mixed use zoning plan for the Town Center.

A variety of businesses are located to the north of Granby Center. These businesses include: Arrow Concrete, a state of the art industrial concrete plant which recently expanded its main operations building to 50,000 square feet; State Line Oil and the newly constructed 9,000 square foot State Line Propane. An additional 6,000 square feet was constructed for Grass Helper Lawn Care and Rhino Linings, USA, and a 3,200 square foot building was constructed in the area for Maximum Tree Service, Inc. Another 12,000 square foot building is approved for the area but construction has yet to begin. Overall this area should see additional industrial construction to meet the demand of local contractors.

While Granby is known as a highly desirable residential community, it has a vibrant commercial base. Local government in Granby has earned a solid reputation for working effectively to foster new business, as well as assisting existing businesses.

The Grand List is comprised of a balanced mix of manufacturing and light industry and its top ten taxpayers represent about 3.97% of the total assessed value on the October 1, 2006 Grand List.

The Town's last revaluation is effective for the October 1, 2007 Grand List. A state mandated revaluation is scheduled for the Town's October 1, 2012 Grand List. The Town's 2006 Grand List saw an increase of 1.73%. The Town's property tax collection rate for the year ended on June 30, 2008 was \$388,653 above the budgeted amount. This represents a 101.3% tax collection rate. For Fiscal Year 2008, building permit activity fees totaled \$106,041. Town Clerk fees for 2007-08 were \$277,437. This was a decrease of a little over \$50,000 due to the reduction in re-mortgaging. As of 2007, Granby's Median Household income was \$100,693. This exceeded the country average of \$61,485 by \$39,208 and exceeded the state average by \$34,834. The Town's 2007 average unemployment rate of 3.3% compared favorably to the statewide average of 4.4%.

### Budgetary Control

On or before March 31<sup>st</sup> of each year, the Town Manager submits to the Board of Selectmen a proposed budget including estimated revenues for the Town for the ensuing fiscal year beginning July 1. The proposed budget includes proposed expenditures for the town, except for the Board of Education operations, which are separately submitted to the Board of Finance. On or before the first Monday in April, the Board of Selectmen and the Board of Education each present to the Board of Finance a proposed annual operating budget. Before the second week of April, at least one public hearing is called by the Board of Finance. The annual town meeting is then held on the fourth Monday in April; that meeting may adopt the budget by a majority vote of two-thirds present, provided at least 230 eligible voters are present. If the budget is not adopted at the meeting, the budget goes to referendum on the following Monday and every two weeks thereafter until it is passed by a machine vote majority at referendum and the budget may be amended at any time by the Board of Finance.

The Board of Finance may transfer appropriations from one classification to another within the same department, except within the Board of Education. The Board of Finance may also make additional special appropriations, provided that the resolution making the appropriation includes certification from the Town Manager that the appropriation does not exceed 1-½% of the annual tax levy. Special appropriations above 1-½% require special town meeting approval called by the Board of Selectmen.

The Town's budgeting system for the General Fund requires accounting for certain transactions to be on a basis other than Generally Accepted Accounting Principles (GAAP). The major difference between a Budget basis and a GAAP basis is that on a Budget basis encumbrances are recognized as a charge against a budget appropriation in the year in which the purchase order is issued. On a Budget basis, encumbrances outstanding at year-end are recorded in budgetary reports as expenditures in that year. On a GAAP basis, encumbrances at year-end are recorded as reservations of fund balance. Additionally, the State of Connecticut makes payments, on-behalf of Granby teachers, into the state teacher retirement system. They are reported for GAAP purposes only.

Budgetary control is maintained by an encumbrance system. All purchases, except certain services as outlined in the Town's Purchasing Policy, require a purchase requisition and a purchase order. In addition, purchases over \$500 require evidence that bids or at least three quotations were received and that the lowest quote, consistent with quality, was selected.

All unencumbered appropriations lapse at year-end, except in the capital projects funds where appropriations are continued until the completion of projects. Budgetary control in a capital project fund is achieved by constraints imposed by project authorization or grant awards related to the fund.

### Cash Management

Connecticut law restricts investments of municipal funds to direct and indirect securities of the U.S. Government and deposits at qualified banks. Any uninsured and uncollateralized deposits in institutions must be invested in “qualified public depositories” covered under Connecticut General Statutes. State law requires that each financial institution accepting public deposits be responsible for pledging collateral for its public deposits, based on each bank’s risk-based capital ratio. In addition, by Connecticut statute, a public depository may not accept deposits from any one municipality, which would exceed 75 percent of the capital of the depository.

During the fiscal year, idle cash is invested principally in: Municipal Bond Investors Assurance Corporation (MBIA), Cooperative Liquid Assets Security System (CLASS) accounts; the State of Connecticut Treasurer’s Short-term Investment Fund (STIF); State Street Bank’s Financial Investors Trust; TD Banknorth, NA; and STIF. Short term interest rates fluctuated throughout the year decreasing significantly during the year as a result of actions by the Federal Reserve and the stock market. Simsbury Bank, where a large portion of the Town’s idle cash is invested, yielded 5.01% on July 1<sup>st</sup> and by year-end (June 30, 2008) investment income decreased to 3.06%.

### Risk Management

The Town has a partially self-insured Administered Services Only account with the employee health insurance carrier, Anthem Blue Cross/Blue Shield which is accounted for in the Town Health Benefits Fund (Internal Service Fund). The Town, Board of Education, and employees contribute funds to cover costs associated with providing medical benefits to current full-time employees and eligible former employees. The Town pays claims up to \$100,000 per participant per year with an individual stop loss policy covering amounts exceeding that limit. After careful review, the aggregate stop loss policy that would cover claims exceeding 125% of total estimated claims for the year was dropped. The Town seeks to maintain a reserve in the Health Benefits Fund of at least 25% of expected claims. This reserve is intended to cover the Town’s claims exposure; that is, the difference between the expected or estimated claims for the plan year, which the Town budgets annually. The Granby Employee Health Benefits Advisory Committee reviews the Town’s health benefit budget requirements with the assistance of Lindberg & Ripple Inc., the Town’s agent for employee health insurance benefits.

In 2007, the Town engaged, for the second time, the actuarial firm of Milliman USA to prepare a valuation as to how the Town and the Board of Education might be fiscally impacted relative to providing post-retirement healthcare benefits for eligible retirees. The Town expects to meet the mandatory implementation date, as required in GASB Statement No. 45, by adopting a systematic plan to phase in the costs associated with *Accounting and Financial Reporting by Employers for Post Employment Benefits Other than Pensions* (OPEB). In addition, the Town will update the valuation every two years.

The Town has insurance coverage for workers compensation, general liability, automobile liability, physical damage and professional liability. Coverage is provided from the Connecticut Interlocal Risk Management Association (CIRMA). The Town engaged Robert J. Dean Associates to determine the Town’s insurance needs, and they review insurance proposals, loss data and other information, and make recommendations to the Town Manager and Board of Education to review and monitor our insurance program and experience.

## Other Information

### Independent Audit

Connecticut General Statutes require that all municipalities have their accounts audited annually by an independent public accountant as required under Connecticut General Statutes Section 7-392. The Board of Finance appointed Blum, Shapiro & Company, certified public accountants, to conduct the 2007-08 Town's audit. The independent auditors' report is included in this document.

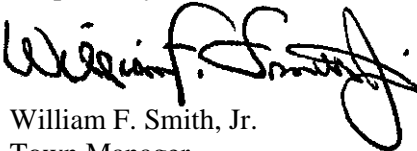
### Certificate of Achievement

This report has been prepared following the guidelines of the Government Finance Officers Association (GFOA) of the United States and Canada and the Governmental Accounting Standards Board (GASB). The GFOA awards a Certificate of Achievement for Excellence in Financial Reporting to governmental units that publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement, which is valid for one year only, is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment for a government unit and its management. The Town has received this award for two years now. The Town intends to submit this report to GFOA for review under this program.

### Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Board of Selectmen, Board of Finance, and the Finance Department, especially Administration Finance Officer, Barbarajean C. Scibelli and her staff. I would like to express my appreciation to them and other town departments who assisted in compiling this report. My office aims to provide support and advice necessary to carry out the policies of the Granby Board of Selectmen and Board of Finance, along with the many challenging issues confronting Granby in the years ahead.

Respectfully submitted,



William F. Smith, Jr.  
Town Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Granby  
Connecticut

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Oliver S. Cox*

President

*Jeffrey R. Emer*

Executive Director

## **Financial Section**



## Independent Auditors' Report

Board of Finance  
Town of Granby, Connecticut

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Granby, Connecticut, as of and for the year ended June 30, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Granby, Connecticut's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Granby, Connecticut, as of June 30, 2008 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2008 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Management's discussion and analysis on page 3 through 15 and budgetary comparison information on pages 46 through 49 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Blum, Shapiro & Company, P.C.*

December 18, 2008

## Management's Discussion and Analysis

This Annual Financial Report is compiled using the financial reporting requirements of the Government Accounting Standards Board (GASB) Statement 34. GASB Statement 34 requires that we, as the managers of the Town of Granby, prepare a report that focuses on our most important, or "major" funds, including the general fund.

Fund statements measure and report the "operating results" of many funds by measuring cash on hand and other assets that can easily be converted to cash. These statements show the short-term performance of individual funds using the same measures government's use when financing current operations. On the other hand, if we charge a fee to users for services, fund information will continue to be based on accrual accounting. Budgetary compliance remains an important part of governmental accountability. Our financial statements include the *original* budget as well as the final amended budget.

Our hope is to provide you, the reader, with an objective and readable analysis of our financial performance for the year. Taken together, the following statements should enable you to assess whether Granby's financial position has improved or deteriorated as a result of the year's operations. The annual financial report includes government-wide financial statements prepared on the accrual basis for all of the government's activities. Accrual accounting measures not just current assets and current liabilities, but long-term assets and liabilities as well. It also reports all revenues and all costs of providing services each year, not just those received or paid in the current fiscal year (or shortly thereafter).

In summary, the government-wide financial statements will assist the reader to:

- Assess the finances of Granby in its entirety, including the year's operating results;
- Determine whether our overall financial position improved or deteriorated;
- Evaluate whether our current-year revenues were sufficient to pay for current-year services;
- See the costs of providing you the services you have requested of us;
- See how we finance the programs you have asked for - through user fees and other program revenues versus general tax revenues;
- Understand the extent to which your government has invested in capital assets, including roads, bridges, schools, parks, and other infrastructure assets;
- Make better comparisons between governments.

The Annual Financial Report includes the following information and financial statements as defined by GASB Statement 34:

- \* **Management's Discussion and Analysis (MD&A)** - An introduction to the basic financial statements and an analytical overview of the government's financial activities. The MD&A provides an objective and easily readable analysis of the Town's financial activities based on currently known facts, decisions or conditions. The MD&A
  - Includes comparisons of the current year to the prior year based on government-wide information;

- Provides an analysis of our overall financial position and the results of operations to assist you in assessing whether our financial position has improved or deteriorated as a result of the year's activities;
- Analyzes significant changes in fund and major budget variances;
- Describes capital asset and long-term debt activity during the year;
- Concludes with a description of currently known facts, decisions or conditions that are expected to have a significant effect on our financial position or the results of our operations.

✳ **Basic Financial Statements**

- **Government-Wide Financial Statements** are designed to provide readers with a broad overview of the Town of Granby's finances, in a manner similar to private-sector business.
  - *Government-Wide Financial Statements* include a *statement of net assets* which presents information on all of the Town of Granby's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town of Granby is improving or deteriorating. The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused employee vacation and sick leave). The statement of activities is prepared using the economic resources measurement focus and the accrual basis of accounting. These statements report all assets, liabilities, revenues, expenses, and gains and losses of the government. Both of the government-wide financial statements distinguish functions of the Town of Granby that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, public works and environment, education, interest on long-term debt, and recreation and social services.
  - Fiduciary activities whose resources are not available to finance our governmental programs are excluded from these statements.

Capital assets, including infrastructure, are reported along with accumulated depreciation expense in the statement of net assets. Net assets are reported as capital assets net of related debt, restricted and unrestricted. Permanent endowments or permanent fund principal amounts included in restricted net assets are shown as either expendable or nonexpendable.

Expenses are presented reduced by program revenues, resulting in a measurement of "net (expense) revenue" for each of the government's functions. Program expenses include all direct expenses. General revenues such as taxes and special and extraordinary items

are reported separately, ultimately arriving at the change in net assets for the period. Special items are significant transactions or other events that are either unusual or infrequent and are within the control of management.

- ***Fund Financial Statements*** are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Granby, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.
  - *Governmental fund* financial statements include financial data for the general fund, special revenue funds, capital projects, debt service and permanent funds and are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The focus of governmental funds is narrower than that of the government-wide financial statements, thus it is useful to compare the information presented for *governmental activities* in the government-wide financial statements with similar information presented for *governmental funds* in the long-term impact of the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. The Town of Granby maintains thirty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the capital projects fund, both of which are considered to be major funds. Data from the other thirty-three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the thirty-three nonmajor governmental funds is provided in the form of *combining statements* under Supplemental Information, *Exhibits B1 and B2*. The Town of Granby adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with budget appropriations.
  - *Proprietary fund* financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The Town of Granby maintains one type of proprietary fund, an internal service fund. *Internal service*

*funds* are an accounting device used to calculate and allocate costs internally among the Town of Granby's various functions. The Town uses an internal service fund to account for its employee health benefits, collecting employer and employee payments and disbursing payments as required. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

- *Fiduciary fund* financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the Town of Granby's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Fund financial statements are presented for primary government and proprietary funds. Governmental fund statements include a balance sheet and a statement of revenues, expenditures and changes in fund balances. Proprietary fund statements are comprised of a statement of net assets, a statement of revenues, expenses and changes in net fund assets and a statement of cash flows. A summary reconciliation of the fund and government-wide statements accompanies the fund financial statements.

Separate columns are shown for the general fund and for the capital projects fund, the two major governmental funds. Major funds are funds whose revenues, expenditures/expenses, assets or liabilities (excluding extraordinary items) are at least 10% of corresponding totals for all governmental or enterprise funds and at least 5% of the aggregate amount for all governmental and enterprise funds. Nonmajor funds are reported in the aggregate in a separate column as are internal service funds on the proprietary fund statements.

Governmental fund balances are segregated into reserved and unreserved categories.

Proprietary fund net assets are reported in the same categories required for government-wide financial statements. Proprietary fund statements of net assets distinguish between current and non-current assets and liabilities and display restricted assets.

The statements distinguish between operating and nonoperating revenues and expenses in proprietary fund statements of revenues, expenses and changes in net fund assets. At the bottom of these statements, we reflect capital contributions, contributions to permanent and term endowments, special and extraordinary items and transfers in arriving at the all-inclusive change in fund net assets.

We present separate fiduciary fund statements used to report assets held in a trustee or agency capacity for others and which cannot be used for our own programs. We must

show a statement of fiduciary net assets and a statement of changes in fiduciary net assets. Fiduciary fund statements also disclose interfund loans, interfund services provided and used and interfund transfers.

➤ Notes to the Financial Statements

- Consist of notes that provide information essential to your understanding of the data provided in the government-wide and fund financial statements.

➤ Required Supplementary Information (RSI)

- Consists of MD&A and budgetary comparison schedules.
- Includes budgetary comparison schedules for the general fund to demonstrate whether resources were obtained and used in accordance with the legally adopted budget.

The combining statements referred to earlier in connection with nonmajor governmental funds and fiduciary funds are presented immediately following the required supplementary information.

As management of the Town of Granby, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here and in the Town's financial statements, Exhibits I to IX.

### **Financial Highlights**

- The assets of the Town of Granby exceeded its liabilities at the close of the most recent year by \$56,231,761 (net assets). Of this amount, \$11,175,749 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$1,094,557. The net increase was comprised of \$2,581,492 in bond and capital lease payments and \$979,904 capital outlays. The rise in assets was offset, however, by \$2,096,518 in depreciation charges, \$654,500 in new lease financing, and a \$428,076 drop in school construction grants receivable.
- As of the close of the current fiscal year, the Town's governmental funds reported a combined ending fund balance of \$11,528,620, an increase of \$381,231 in comparison with the prior year. *Unreserved fund balances* amounted to a collective \$9,874,619.
- At the end of the 2008 fiscal year, unreserved fund balance for the general fund was \$5,379,654, or 11.67% of total general fund expenditures of \$46,089,174, and total general fund balance of \$5,693,238 amounted to 12.35% of expenditures. Excluding the non-cash accounting entry of the State of Connecticut on-behalf-of contribution to the State Teachers' Retirement Fund of \$9,099,553, those same ratios would be 14.54% and 15.39%, respectively.
- The Town of Granby's bonded debt decreased by \$2,082,500 (5.95%) during the current fiscal year to \$32,910,000.

## Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Granby, assets exceeded liabilities by \$56,201,761 at the close of the most recent fiscal year. By far the largest portion of the Town's net assets, \$43,701,103 (77.72%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Granby uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table 1. Net Assets**

	Governmental Activities 2008	Governmental Activities 2007
Current and Other Assets .....	\$15,686,057	\$15,446,358
Capital Assets .....	77,791,371	78,899,296
Total Assets.....	<u>93,477,428</u>	<u>94,345,654</u>
Long-Term Liabilities .....	35,663,534	37,459,996
Other Liabilities .....	1,612,133	1,778,434
Total Liabilities.....	<u>37,275,667</u>	<u>39,238,430</u>
Net Assets:		
Invested in Capital Assets, net of debt ...	43,701,103	42,366,515
Restricted .....	1,324,909	1,272,573
Unrestricted.....	<u>11,175,749</u>	<u>11,468,116</u>
Total Net Assets.....	<u>\$56,201,761</u>	<u>\$55,107,204</u>

A portion of the Town's net assets, \$1,324,909 (2.36%), represents resources that are subject to external restrictions on how they may be used. \$1,308,164 is set aside for debt service and \$16,745 is restricted for expendable trust purposes. The remaining balance of *unrestricted net assets*, \$11,175,749, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town of Granby is able to report positive balances in all three categories of net assets both for government as a whole as well as for its separate governmental activities. The same situation held true for the prior fiscal year.

The government's net assets increased by \$1,094,557 from operations during the current fiscal year. The Town brought in total general revenues of \$31,606,460 which exceeded its net program expenditures of \$30,511,903 by the amount of the net asset increase. Gross expenses of \$50,553,467 were offset by \$3,985,417 in charges for services, \$73,600 in capital grants and contributions, and \$15,982,547 in operating grants and contributions of which \$9,099,553

represented the State's on-behalf-of payment. Of the net program expenditures, \$19,905,034 was accounted for by the Board of Education. Net public works and environment expenditures accounted for \$3,319,409, general government \$2,766,356, public safety \$2,081,562, interest on long-term debt \$1,577,361, and recreation and social services \$862,181. The majority of the Town's total revenues of \$51,648,024 came in the form of \$30,207,910 of local property tax collections, \$436,571 as unrestricted grants and contributions, and \$961,979 of unrestricted investment earnings and miscellaneous income.

**Governmental activities.** Governmental activities increased the Town's net assets by \$1,094,557 as shown below, accounting for 100% of the total growth in our net assets. Key elements of this increase are as follows:

**Table 2. Changes in Net Assets**

	Governmental Activities 2008	Governmental Activities 2007
Revenues:		
Program Revenues:		
Charges for Services .....	\$ 3,985,417	\$ 3,215,889
Operating Grants and Contributions.....	15,982,547	7,224,147
Capital Grants and Contributions...	73,600	178,730
General Revenues:		
Property Taxes .....	30,207,910	28,665,613
Grants and Contributions not Restricted to Specific Purpose .....	436,571	889,768
Unrestricted Investment	804,556	939,760
Earnings .....		
Other General revenues.....	157,423	184,665
Total Revenues .....	<u>51,648,024</u>	<u>41,298,572</u>
Program Expenses:		
General Government.....	3,393,895	2,535,398
Public Safety.....	2,497,765	2,185,930
Public Works and Environment.....	3,993,779	4,060,797
Recreation and Social Services.....	1,367,514	1,216,887
Education .....	37,638,452	27,188,508
Interest on Long-Term Debt .....	1,662,062	1,738,927
Total Program Expenses.....	<u>50,553,467</u>	<u>38,926,447</u>
Increase in Net Assets .....	\$ <u>1,094,557</u>	\$ <u>2,372,125</u>

Total revenues from the prior year increased \$2,691,495 (6.8%) ignoring the distortions of the \$9,099,553 non-cash on-behalf-of payment in 2008 and \$1,441,596 in 2007. We charged \$672,993 more for services provided by the school system, and we realized \$1,542,297 more in property tax collections. However, other grants and revenues were lower which offset some of the gains above. Expenses rose \$2,527,467 (6.49%), disregarding the on-behalf-of distortion, due to increased bond principal payments (\$825,238), higher fuel and energy costs, and increased salary and benefit payments.



Chart 1 following presents the costs of each of the Town's six programs as well as each program's net cost (total cost less revenues generated by the activities). The Net Cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

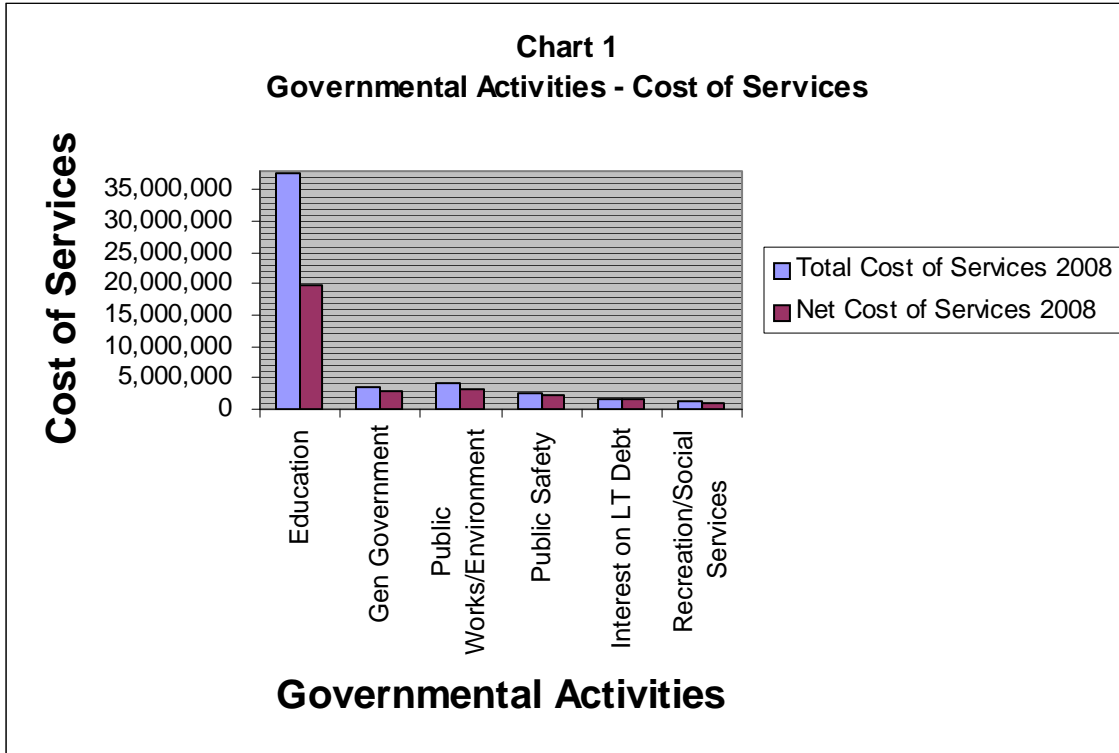
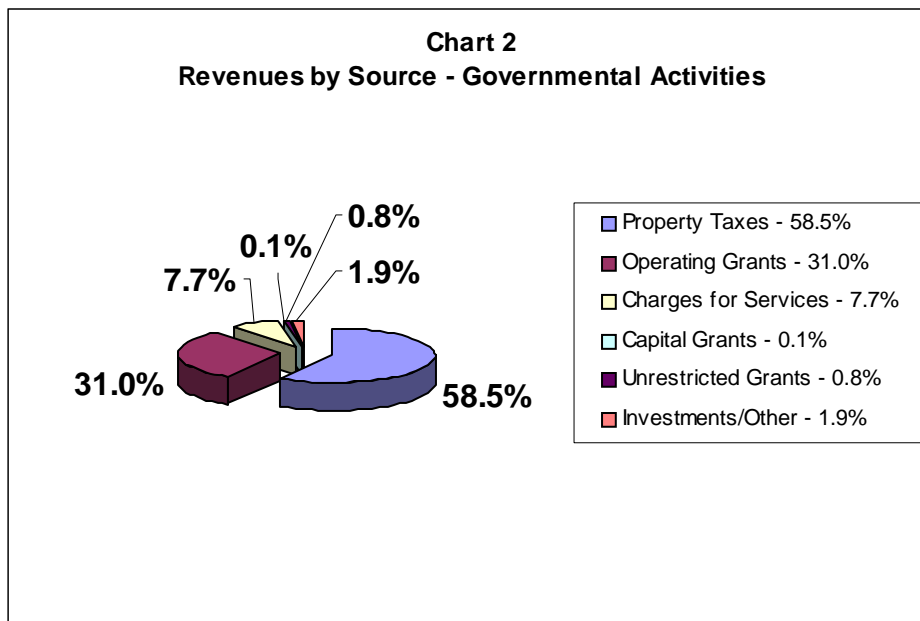


Chart 2 following indicates the sources of all Town revenues and the percentage of total Town revenue these individual revenues represent.



For the most part, increases in gross expenses closely parallel inflation and growth in the Town's population. Slightly larger expenditures over FY 2007 reflect no new general government programs and are largely the result of implementation of contractual collective bargaining agreements, higher fuel costs, and extended winter weather services.

### **Financial Analysis of the Government's Funds**

As noted earlier, the Town of Granby uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Town's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town of Granby's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$11,528,620, an increase of \$381,231 in comparison with the prior year. Unreserved fund balance, which is available for spending at the government's discretion, amounts to \$9,874,619. The General Fund, the Capital Projects Fund and the Nonmajor Governmental Funds all posted positive fund balances for the year. Reserved fund balance in the amount of \$1,654,001 is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period \$313,584; 2) to pay debt service of \$1,308,164; 3) to reserve \$15,508 for the cafeteria fund and education quality and diversity; and 4) to reserve \$16,745 for permanent funds.

The general fund is the chief operating fund of the Town of Granby. At the end of the current fiscal year, unreserved fund balance of the general fund was \$5,379,654 while total fund balance reached \$5,693,238. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 14.54% of total general fund expenditures of \$36,989,621 (exclusive of the State on-behalf-of payment of \$9,099,553), and total general fund balance amounted to 15.39% of expenditures.

The fund balance of the Town's general fund increased by \$283,821 during the current fiscal year as a result of larger than expected local tax collections of \$388,653, more intergovernmental grants than budgeted of \$885,643 which included \$815,434 of unbudgeted State Educational Cost Sharing grants, and better returns on the Town's investments of \$448,463. All major Town departments spent less than their budgets with the effect of "saving" \$136,854. A substantial portion of these favorable budgetary operations, \$1,089,817, was transferred to other funds or uses at the end of the year, primarily to capital project accounts in the amount of \$900,000, to fund continuing capital improvements throughout the Town. The overall net effect of these budget variances was to add \$1,940,106 of additional revenue to the year's operations.

**Proprietary fund.** The Town of Granby's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. As indicated earlier, we use an internal service fund to account for employee health benefits.

Net assets of the internal service fund at the end of the year amounted to \$1,628,629, up \$75,020 from FY 2007, all of which is unrestricted. The total increase in net assets for the fund arose due to health insurance claims and administrative costs (\$4,036,637) coming in less than revenues collected and earned (\$4,111,657).

### **General Fund Budgetary Highlights**

The difference between the original expenditure budget of \$38,196,651 and the final amended budget of \$38,368,429 amounted to a net increase of \$171,778. The revenue budget was adjusted through additional transfers from General Fund surplus to equal \$1,771,778. The significant actions, approved by the Board of Finance, are noted below.

- \$1,089,817 additional transfers to a number of primarily capital expenditure line items and projects fully enumerated in Exhibit RSI-2 of this report: Other Financing Uses - Transfers Out;
- Boards and Commissions were increased \$57,500 to provide \$25,000 for studies regarding the Town and Board of Education athletic fields, \$25,000 to study improvements to the Salmon Brook Park bath house, and \$7,500 to study additional storage and wash bay requirements for Public Works;
- A number of transfers were made in Public Works netting a \$25,000 increase primarily for building maintenance and town roads, planning and engineering services, and equipment maintenance.

All of the increased appropriations were to be paid from available fund balance and reductions in other budget line items. During the year, actual revenues exceeded budgeted revenues by \$1,803,252 and actual expenditures were \$136,854 under budget, providing a positive budget variance of \$1,940,106. Even though \$1,600,000 of general fund surplus was budgeted in the final FY 2008 budget, no drawdown of general fund balance was required. For additional information, please see Exhibit RSI-1 and RSI-2 under Required Supplementary Information contained in this report.

### **Capital Asset and Debt Administration**

**Capital assets.** The Town of Granby's investment in capital assets for its governmental assets includes land, buildings and system improvements, machinery and equipment, park facilities, roads, highways and bridges. The total net increase in the Town's investment in capital assets for the current fiscal year, before depreciation, was \$855,564.

Major capital asset events during the current fiscal year included the following:

- We acquired \$173,600 of land comprising 1.85 acres gifted to us on Cider Lane and the purchase of 57 acres for open space on Old Messenger Road with the help of a \$49,500 grant from the State of Connecticut;
- General Government acquired \$451,311 of vehicles including new police cruisers, a variety of pickup trucks and a loader;

- The Board of Education acquired new fixed and capital assets as partially detailed below:
  - Three buses for \$227,366;
  - Library books valued at \$179,758;
  - Site improvements at various buildings worth \$71,000;
  - \$187,750 spent for new or upgraded technology;
  - Various pieces of telephone equipment amounting to \$43,268.
- We disposed of a variety of old dump trucks, pickup trucks, a Kubota loader and obsolete computer equipment in the total amount of \$197,940.

A summary of our capital asset condition is as follows:

**Table 3. Capital Assets at Year-end (Net of Depreciation)**

	Governmental Activities	
	2008	2007
Land (not depreciated).....	\$ 5,698,676	\$ 5,525,076
Construction in Progress (not depreciated).....	24,894,997	24,894,997
Buildings and Improvements.....	28,610,832	29,522,923
Vehicles and Equipment.....	2,982,018	2,645,099
Infrastructure .....	15,604,848	16,311,181
Totals .....	<u>\$77,791,371</u>	<u>\$78,899,276</u>

Additional information on the Town of Granby’s capital assets can be found in Note 5 of this report.

**Long-term debt.** At the end of the current fiscal year, the Town of Granby had \$32,910,000 of long-term bonded debt outstanding and no short-term debt. One hundred percent of Granby’s indebtedness is general obligation debt secured by the full faith and credit of the Town.

**Table 4. Long-Term Debt**

<u>Bonds</u>					
Date	Purpose	Rate %	Original Issue	Debt Outstanding	Fiscal Year Maturity
3/1/84	Sewer	5.00	\$ 1,050,000	\$ 150,000	2012
6/15/91	School	7.90-5.90	6,000,000	900,000	2011
4/1/92	School	6.70-6.00	3,500,000	550,000	2011
12/15/98	Public Improvement, School, Refunding	3.75-4.10	9,090,000	2,835,000	2019
2/1/00	School	5.25-7.00	11,560,000	1,925,000	2020
3/24/05	Public Improvement, Refunding	3.90	9,750,000	9,750,000	2019
2/15/06	Public Improvement	3.75-5.00	10,000,000	9,000,000	2026
8/15/06	School	3.75-5.00	7,800,000	7,800,000	2021
			<u>\$58,750,000</u>	<u>\$32,910,000</u>	

The Town of Granby’s bonded debt decreased by \$2,082,500 (5.95%) through scheduled principal reductions on our outstanding bonds.

The State of Connecticut subsidizes a portion of the Town's cost of school bond principal and interest for such bonds issued prior to 1996. As of June 30, 2008, the Town expects to receive \$1,094,561 in school bond principal payments from the State over the life of the remaining qualified school bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to seven times its tax collections plus interest and lien fees. For June 30, 2008, the maximum amount of borrowing permitted under the formula would be \$210,876,974. In computing the statutory debt limit, \$1,489,277 of school debt authorized but unissued is included. With net borrowings of \$33,304,716, the Town's outstanding general obligation debt is \$177,572,258 below the maximum debt limitation (See Note 7 - Long-Term Debt of this report and Table 9 - Statement of Debt Limitation).

Standard & Poor's Corporation (S&P), one of the three nationally recognized municipal credit rating agencies, rates our outstanding bonded debt "AA".

### **Economic Factors and Next Year's Budget**

- The unemployment rate for the Town of Granby was 3.7% as of June 30, 2008, which is an increase from a rate of 3.3% from a year ago. This compares favorably to the state's average unemployment rate of 5.7% and the national average rate of 5.7% (not seasonally adjusted).
- Inflationary trends in the region compare favorably to the national indices.
- The FY 2009 budget was approved on the first vote at a Town Meeting held April 28, 2008.

The FY 2008 - 09 budget incorporates several goals and objectives:

- ✓ Continue to maintain or increase the effectiveness and efficiency of Town services through technology and best practice methods;
- ✓ Attempt to hold the line with the number of full-time Town personnel. In the past, this has been accomplished by continuously evaluating services and examining alternative methods of service delivery without sacrificing quality of service;
- ✓ Payments for debt service requirements to be met by budgeting from the Town's capital reserve set aside fund. Although these reserves are no longer contained in the budget, the concept remains intact. These set-asides are in place to meet future planned capital project costs. Therefore, retaining a sufficient fund balance to meet unanticipated needs, AND to maintain flexibility in the event of economic shifts, continues to remain an important component of this goal;
- ✓ Pay by cash for capital expenditures when deemed appropriate or phase in or combine the impact of smaller capital projects. Consider equipment lease purchases if it will avoid future major shifts in tax increases. Eliminate lease purchases when practical;
- ✓ Continue to update the Town's long range operating and capital forecast models to meet the endorsed "statement of commitments" and to better predict the mill rate impact of large capital needs;

- ✓ Charge reasonable user fees to fund certain essential, and some non-essential but desirable, programs, projects or non-mandatory services.

Overall, for FY 2008 - 09 Granby's Board of Selectmen budget rose \$752,435 (5.76%) to \$13,823,562 and the Board of Education budget rose \$1,124,480 (4.48%) to \$26,250,004 for a town-wide total budget of \$40,073,566, an increase of 4.91%. The local real estate, personal property and motor vehicle tax levy grew \$2,154,766 (7.40%) to help meet the new budget demands. To meet the levy, the mill rate would have grown from 35.97 to 36.33 (1.01%), but the implementation of revaluation on the grand list of October 1, 2007 generated a drop in the mill rate to 29.35. Expected use of fund balance to offset further tax increases amounted to \$1,858,000, up from \$1,600,000 as budgeted in the prior year.

General government expenditures of \$8,678,836 (before capital expenditures and debt service) are 21.66% of the total budget while the Board of Education's \$26,250,004 share amounted to 65.50% of the budget. The remainder of the budget is devoted to capital improvements (\$944,000 - 2.36%) and debt service (\$4,188,226 - 10.45%). Debt service, almost all of which is education related, rose by \$335,225 reflecting the delayed effect of our latest bond issues.

The Board of Education realized its most significant increases in the areas of certified and administrative salaries and benefits (\$545 thousand). Of the Board increases, the salary and benefit impact was driven by existing contractual agreements and new building maintenance requirements. The ever-rising cost of fuel oil drove up the budget by \$94 thousand for heating which is also reflected in the student transportation category with an increase of \$69 thousand.

All of these factors were considered in preparing the Town of Granby's budget for the 2009 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund was reported at \$5,379,654. The Town has appropriated \$1,858,000 of this amount for spending in the 2009 fiscal year budget.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town of Granby's finances for all those with an interest in the government's operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town Manager or to the Administration Finance Officer, Town of Granby Town Hall, 15 North Granby Road, Granby, CT 06035-2125.

# **Basic Financial Statements**

## TOWN OF GRANBY, CONNECTICUT

## STATEMENT OF NET ASSETS

JUNE 30, 2008

	<b>Governmental Activities</b>
Assets:	
Cash and cash equivalents	\$ 13,758,868
Investments	332,073
Receivables, net	1,592,654
Inventory	2,462
Capital assets not being depreciated	30,593,673
Capital assets being depreciated, net	47,197,698
Total assets	<u>93,477,428</u>
Liabilities:	
Accounts and other payables	878,937
Unamortized bond premium	332,452
Unearned revenue	400,744
Noncurrent liabilities:	
Due within one year	4,106,121
Due in more than one year	31,557,413
Total liabilities	<u>37,275,667</u>
Net Assets:	
Invested in capital assets, net of related debt	43,701,103
Restricted for:	
Debt service	1,308,164
Trust purposes:	
Expendable	16,745
Unrestricted	<u>11,175,749</u>
Total Net Assets	<u>\$ 56,201,761</u>

The accompanying notes are an integral part of the financial statements



**TOWN OF GRANBY, CONNECTICUT**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2008**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Assets</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u>
Governmental activities:					
General government	\$ 3,393,895	\$ 492,893	\$ 61,046	\$ 73,600	\$ (2,766,356)
Public safety	2,497,765	360,838	55,365		(2,081,562)
Public works and environment	3,993,779	455,355	219,015		(3,319,409)
Recreation and social services	1,367,514	424,764	80,569		(862,181)
Education	37,638,452	2,251,567	15,481,851		(19,905,034)
Interest on long-term debt	<u>1,662,062</u>		<u>84,701</u>		<u>(1,577,361)</u>
Total	<u>\$ 50,553,467</u>	<u>\$ 3,985,417</u>	<u>\$ 15,982,547</u>	<u>\$ 73,600</u>	<u>(30,511,903)</u>
General revenues:					
Property taxes					30,207,910
Grants and contributions not restricted to specific programs					436,571
Unrestricted investment earnings					804,556
Miscellaneous					157,423
Total general revenues					<u>31,606,460</u>
Change in net assets					1,094,557
Net Assets at Beginning of Year					<u>55,107,204</u>
Net Assets at End of Year					<u>\$ 56,201,761</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF GRANBY, CONNECTICUT

## BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2008

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 12,887,322	\$ 200,000	\$ 586,917	\$ 13,674,239
Investments	332,073			332,073
Receivables, net	1,556,501		36,153	1,592,654
Due from other funds	185,909	1,365,778	4,213,569	5,765,256
Inventories			2,462	2,462
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 14,961,805</u>	<u>\$ 1,565,778</u>	<u>\$ 4,839,101</u>	<u>\$ 21,366,684</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and accrued liabilities	\$ 321,761	\$	\$ 41,400	\$ 363,161
Due to other funds	7,436,347		185,909	7,622,256
Deferred revenue	1,510,459	200,000	142,188	1,852,647
Total liabilities	<u>9,268,567</u>	<u>200,000</u>	<u>369,497</u>	<u>9,838,064</u>
Fund balances:				
Reserved	313,584		1,340,417	1,654,001
Unreserved, reported in:				
General Fund	5,379,654			5,379,654
Special Revenue Funds			3,129,187	3,129,187
Capital Project Funds		1,365,778		1,365,778
Total fund balances	<u>5,693,238</u>	<u>1,365,778</u>	<u>4,469,604</u>	<u>11,528,620</u>
Total Liabilities and Fund Balances	<u>\$ 14,961,805</u>	<u>\$ 1,565,778</u>	<u>\$ 4,839,101</u>	<u>\$ 21,366,684</u>

(Continued on next page)

## TOWN OF GRANBY, CONNECTICUT

## BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

JUNE 30, 2008

Reconciliation of the Balance Sheet - Governmental Funds  
to the Statement of Net Assets:

Amounts reported for governmental activities in the statement of net assets (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)		\$ 11,528,620
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$ 108,046,883	
Less accumulated depreciation	<u>(30,255,512)</u>	
Net capital assets		77,791,371
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:		
Property tax receivables greater than 60 days		294,515
Interest receivable on property taxes		62,827
Receivable from the state for school construction projects		1,094,561
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net assets.		
		1,628,629
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
Net pension obligation		(91,994)
Bonds and notes payable		(32,910,000)
Interest payable on bonds and notes		(508,236)
Compensated absences		(1,078,412)
Capital lease		(1,695,769)
Unamortized bond premium		(332,452)
Deferred charges on refunding		515,501
Landfill post closure		<u>(97,400)</u>
Net Assets of Governmental Activities (Exhibit I)		\$ <u>56,201,761</u>

The accompanying notes are an integral part of the financial statements

## TOWN OF GRANBY, CONNECTICUT

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 30,076,452	\$	\$	\$ 30,076,452
Intergovernmental	16,102,098		1,297,402	17,399,500
Licenses, fees and charges for services	389,278		2,505,365	2,894,643
Investment income	603,463	22,427	106,685	732,575
Other revenues	281,350	2,897	411,644	695,891
Total revenues	<u>47,452,641</u>	<u>25,324</u>	<u>4,321,096</u>	<u>51,799,061</u>
Expenditures:				
Current:				
General government	2,733,375		202,264	2,935,639
Public safety	2,007,812		393,581	2,401,393
Public works and environmental	2,724,812		312,662	3,037,474
Recreation and social services	650,673		651,228	1,301,901
Education	34,128,755		2,328,928	36,457,683
Capital outlay		2,094,493		2,094,493
Debt service	3,843,747			3,843,747
Total expenditures	<u>46,089,174</u>	<u>2,094,493</u>	<u>3,888,663</u>	<u>52,072,330</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,363,467</u>	<u>(2,069,169)</u>	<u>432,433</u>	<u>(273,269)</u>
Other Financing Sources (Uses):				
Transfers in	10,171	1,205,000	259,817	1,474,988
Transfers out	(1,089,817)	(70,000)	(315,171)	(1,474,988)
Proceeds from capital leases		654,500		654,500
Total other financing sources (uses)	<u>(1,079,646)</u>	<u>1,789,500</u>	<u>(55,354)</u>	<u>654,500</u>
Net Change in Fund Balances	283,821	(279,669)	377,079	381,231
Fund Balances at Beginning of Year	<u>5,409,417</u>	<u>1,645,447</u>	<u>4,092,525</u>	<u>11,147,389</u>
Fund Balances at End of Year	<u>\$ 5,693,238</u>	<u>\$ 1,365,778</u>	<u>\$ 4,469,604</u>	<u>\$ 11,528,620</u>

(Continued on next page)

## TOWN OF GRANBY, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2008

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund  
Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 381,231
Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay	979,904
Depreciation expense	(2,096,518)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	73,600
The statement of activities reports losses arising from the trade-in of existing capital assets to acquire new capital assets. Conversely governmental funds do not report any gain or loss on a trade-in of capital assets.	(64,891)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:	
School building grant receipts	(428,076)
Property tax receivable - accrual basis change	120,985
Property tax interest and lien revenue - accrual basis change	10,473
Change in pension assets and liabilities	914
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:	
Bond principal payments	2,082,500
Capital lease payments	498,992
Capital lease financing	(654,500)
Amortization of bond premiums	14,455
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:	
Compensated absences	(48,353)
Accrued interest	202,247
Amortization of deferred charge on refunding	(66,426)
Landfill post closure care	13,000
Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.	<u>75,020</u>
Change in Net Assets of Governmental Activities (Exhibit II)	<u><u>\$ 1,094,557</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF GRANBY, CONNECTICUT

## PROPRIETARY FUND

## STATEMENT OF NET ASSETS

JUNE 30, 2008

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Assets:	
Cash and cash equivalents	\$ 84,629
Due from other funds	<u>1,857,000</u>
Total assets	<u>1,941,629</u>
Liabilities:	
Accounts and other payables	7,540
Risk management claims	<u>305,460</u>
Total liabilities	<u>313,000</u>
Net Assets:	
Unrestricted	\$ <u><u>1,628,629</u></u>

The accompanying notes are an integral part of the financial statements

## TOWN OF GRANBY, CONNECTICUT

## PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2008

	<b>Governmental Activities</b>
	<b>Internal Service Fund</b>
Operating Revenues:	
Contributions	\$ 3,932,966
Employee contributions	106,653
Other	57
Total operating revenues	<u>4,039,676</u>
Operating Expenses:	
Health insurance claims	3,327,435
Administrative and management fees	709,202
Total operating expenses	<u>4,036,637</u>
Operating Income	3,039
Nonoperating Revenue:	
Revenues from use of money	<u>71,981</u>
Change in Net Assets	75,020
Net Assets at Beginning of Year	<u>1,553,609</u>
Net Assets at End of Year	<u>\$ 1,628,629</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT**  
**PROPRIETARY FUND**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

	<u><b>Governmental Activities Internal Service Fund</b></u>
Cash Flows from Operating Activities:	
Cash received from charges for services and contributions	\$ 3,910,783
Cash paid for claims, premiums and fees	<u>(4,005,493)</u>
Net cash used in operating activities	(94,710)
Cash Flows from Investing Activities:	
Income on investments	<u>71,981</u>
Net Decrease in Cash and Cash Equivalents	(22,729)
Cash and Cash Equivalents at Beginning of Year	<u>107,358</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 84,629</u></u>
Reconciliation of Operating Income to Net Cash Used in Operating Activities:	
Operating income	\$ <u>3,039</u>
Adjustments to reconcile operating income to net cash used in operating activities:	
(Increase) decrease in due from other funds	(128,893)
Increase (decrease) in accounts payable	1,479
Increase (decrease) in risk management claims	<u>29,665</u>
Total adjustments	<u>(97,749)</u>
Net Cash Used in Operating Activities	<u><u>\$ (94,710)</u></u>

The accompanying notes are an integral part of the financial statements



## TOWN OF GRANBY, CONNECTICUT

## FIDUCIARY FUNDS

## STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2008

	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
	<u>                    </u>	<u>                    </u>
Assets:		
Cash and cash equivalents	\$	\$ 279,324
Investments - mutual funds	10,583,972	
Accounts receivable		<u>231,031</u>
Total assets	10,583,972	\$ <u><u>510,355</u></u>
Liabilities:		
Due to employees and others		\$ <u><u>510,355</u></u>
Net Assets:		
Held in trust for pension benefits	\$ <u><u>10,583,972</u></u>	

The accompanying notes are an integral part of the financial statements

## TOWN OF GRANBY, CONNECTICUT

## FIDUCIARY FUNDS

STATEMENT OF CHANGES IN PLAN NET ASSETS  
PENSION TRUST FUND

FOR THE YEAR ENDED JUNE 30, 2008

Additions:	
Contributions:	
Employer	\$ 299,515
Employee	163,255
Total contributions	<u>462,770</u>
Investment income:	
Net depreciation in fair value of investments	(592,747)
Interest and dividends	388,469
Total investment loss	<u>(204,278)</u>
Total additions	<u>258,492</u>
Deductions:	
Benefits	254,735
Administration	49,736
Total deductions	<u>304,471</u>
Net Decrease	(45,979)
Net Assets Held in Trust for Pension Benefits at Beginning of Year	<u>10,629,951</u>
Net Assets Held in Trust for Pension Benefits at End of Year	<u>\$ 10,583,972</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF GRANBY, CONNECTICUT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Granby (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the Town are described below.

**A. Reporting Entity**

The Town operates under a Charter as revised in November 2002. The form of government includes an elected Board of Selectmen, consisting of a First Selectman and four other members, an elected seven member Board of Education, and an elected six member Board of Finance.

Generally, the legislative power of the Town is vested with the Board of Selectmen. The Board of Selectmen may enact, amend or repeal ordinances and resolutions. The administration of Town offices and agencies, with the exception of the Board of Education, is the responsibility of the Town Manager who is appointed by the Board of Selectmen.

The Board of Finance is responsible for financial and taxation matters as prescribed by Town Charter and Connecticut General Statutes, and is responsible for presenting fiscal operating budgets for Town Meeting approval. The Town has the power to incur indebtedness by issuing bonds or notes as provided by Town Charter and Connecticut General Statutes.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The various funds included in the financial statements are described below:

### **Governmental Funds**

Governmental Funds are those through which most governmental functions typically are financed.

*General Fund* is the primary operating fund of the Town. This fund is used to account for all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property taxes, state and federal grants, licenses, permits, charges for service and interest income.

*Special Revenue Funds* account for revenue derived from specific sources (other than major capital projects) that are restricted by legal and regulatory provisions to finance specific activities.

*Debt Service Fund* is used to account for the accumulation of resources for, and the payment of, general long-term principal, interest and related costs.

*Capital Project Funds* account for all financial resources used for the acquisition or construction of major capital facilities not being financed by proprietary funds.

*Permanent Funds* are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

### **Proprietary Funds**

Proprietary funds are used to account for activities that are similar to those often found in the private sector. These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. The following is the Town's proprietary fund:

*Internal Service Funds* account for the financing of goods or services provided by one department to other departments or agencies of the Town on a cost-reimbursement basis. The Self Funded Health Insurance Fund is the Town's only internal service fund.

### **Fiduciary Funds**

Fiduciary Funds are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations and other governments. Fiduciary funds are not included in the government-wide statements. The fiduciary funds are as follows:

*Pension Trust Fund* accounts for the Public Employee Retirement System.

*Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. The High School Activity, Middle School Activity, Kelly Lane School Activity, Kearns School Activity, Wells Road School Activity and Contract Security Fund are the Town's agency funds.

## **C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for risk management activities of the Town.

The Pension Trust Fund accounts for the activities of the Town's Pension Plan, which accumulates resources for pension benefit payments to qualified Town employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town does not have any business-type activities or enterprise fund to report.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town's functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's internal service fund are charges to customers for services. Operating expenses for the internal service fund include the cost of benefits and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **D. Deposits and Investments**

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

#### **E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables, are shown net of an allowance for uncollectibles.

Based upon the annual budget as adopted, the Board of Finance establishes the tax rate to be levied on the taxable property for the ensuing year.

Property taxes are levied in June on all assessed property on the grand list of October 1 prior to the beginning of the fiscal year. Real and personal property tax bills in excess of \$100 are payable in two installments, July 1 and January 1; and motor vehicle taxes are payable in one installment on July 1. Taxes become delinquent 30 days after the installment is due. Delinquent taxes are billed at least twice a year, with interest at the rate of 1.5% per month. In accordance with state law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are normally liened each year prior to June 30 with legal demands and alias warrants used in the collection of personal property and motor vehicle tax bills. Additional property taxes are assessed for motor vehicles registered subsequent to the grand list date through July 31, and are payable in one installment which is due January 1.

Property tax revenues are recorded as receivable on the due date and are recognized as revenues to the extent collected during the fiscal year or collected soon enough thereafter (within sixty days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as deferred revenue in the fund financial statements. Property taxes receivable at June 30, 2008 is stated net of allowance for estimated uncollectible amounts of \$48,480.

The Town levies special assessments for the purpose of financing the construction of sanitary sewers. Such assessments are collectible in installments as provided by the Connecticut General Statutes. Assessment revenues are recognized when they are collected.

#### **F. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

## G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	15-25
Public domain infrastructure	30-60
Vehicles	3-15
Office equipment	5-10
Computer equipment	5-10

## H. Compensated Absences

A limited amount of vacation time earned may be accumulated by employees until termination of their employment. Vacation leave is valued using current salary costs, as well as any salary related payments that are directly and incrementally connected with leave payments to employees. Sick leave accruals are also based on current salary costs as well as salary-related payments.

## I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

## **2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

### **A. Budgetary Information**

For purposes of preparing the annual budget, the Town Manager compiles preliminary estimates of all departments and agencies, with the exception of the Board of Education, for presentation to the Board of Selectmen. After making such alterations or changes as it deems necessary, the Board of Selectmen presents the compiled budget to the Board of Finance. The Board of Education submits its estimates directly to the Board of Finance.

The Board of Finance may make such revisions to the Selectmen's and Education budget estimates as it deems desirable, and then holds public hearings and presents a proposed budget to the Annual Town Meeting held on the fourth Monday in April.

Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen and certification on availability of the funds by the Town Manager. In this function, department budget accounts serve as the legal level of control. As a result of additional appropriations during fiscal year 2008, the original General Fund operating budget was increased by \$171,778.

Unencumbered appropriations lapse at the end of the fiscal year except for those in the capital projects and special revenue funds. Appropriations for these funds are continued until completion of the applicable projects which often last more than one fiscal year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Budgets for Special Revenue Funds which are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. In some instances, such budgets comprehend more than one fiscal year or a fiscal period which does not coincide with the Town's fiscal year.

Legal authorization for Capital Projects is provided by the related bond ordinances and/or intergovernmental grant agreements. Capital appropriations do not lapse until the purpose for which they are designated is completed.

Expenditures which will exceed the adopted budgets can be made only upon the authority of a supplemental appropriation or an approved budgetary transfer.

## **3. CASH, CASH EQUIVALENTS AND INVESTMENTS**

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a "qualified public depository" as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an "out of state bank," as defined by the Statutes, which is not a "qualified public depository."

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States



and its agencies and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds does not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

**A. Cash and Cash Equivalents**

The following is a summary of cash and cash equivalents at June 30, 2008:

Deposits:	
Demand accounts	\$ 2,739,596
Certificates of deposit	4,691,286
Total deposits	<u>7,430,882</u>
Petty cash	1,225
Cash equivalents:	
Financial Investors Trust	1,692,758
Cadre Securities	361,974
MBIA, Inc. - Cooperative Liquid Assets Securities System (CLASS)	282,498
State Short-Term Investment Fund (STIF)	4,400,928
State Tax Exempt Proceeds fund (TEPF)	200,000
Less certificates of deposit classified as investments	<u>(332,073)</u>
 Total Cash and Cash Equivalents	 \$ <u><u>14,038,192</u></u>

**Deposits**

At June 30, 2008 the carrying amount of the Town deposits was \$7,430,882 and the bank balance was \$9,333,852.

*Custodial Credit Risk* - Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. Of the June 30, 2008 bank balance, \$567,009 was covered by federal depository insurance. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk based capital ratio. A minimum of \$876,684, based on June 30, 2008 deposits, was collateralized (collateral held by the pledging bank’s trust department is not in the Town’s name). The balance of deposits of \$7,890,159 was uninsured and uncollateralized.

**Cash Equivalents**

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. At June 30, 2008, the Town’s cash equivalents amounted to \$6,938,158. The following table provides a summary of the Town’s cash

equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard and Poor's</u>	<u>Moody's Investor Service</u>	<u>Fitch Ratings</u>
State Short-Term Investment Fund (STIF)	AAAm		
Financial Investors Trust	AAAm		
Cadre Securities	AAAm		
MBIA, Inc. – Cooperative Liquid Assets Securities System (CLASS)	AA	Aaa	AAA
State Tax Exempt Proceed Fund (TEPF)*			

\*not rated

## B. Investments

Investments as of June 30, 2008 in all funds are as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Certificates of Deposit	\$ 332,073	0.31
Pooled open-end mutual fund accounts: UBS Fiduciary Trust Company	<u>10,583,972</u>	
	<u>\$ 10,916,045</u>	

*Interest Rate Risk* - The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk - Investments* - As indicated above, State Statutes limit the investment options of cities and towns. The Town has no investment policy that would further limit its investment choices.

*Concentration of Credit Risk* - The Town's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's total investments.

*Custodial Credit Risk* - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2008, the Town did not have any uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the Town's name.

#### 4. RECEIVABLES

Receivables as of year end for the Town's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:			
Interest	\$ 62,827	\$	\$ 62,827
Taxes	430,187		430,187
Intergovernmental	1,094,561	36,153	1,130,714
Other	17,406	231,031	248,437
Gross receivables	<u>1,604,981</u>	<u>267,184</u>	<u>1,872,165</u>
Less allowance for uncollectibles	<u>(48,480)</u>		<u>(48,480)</u>
Net Total Receivables	<u>\$ 1,556,501</u>	<u>\$ 267,184</u>	<u>\$ 1,823,685</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable (principal and interest)	\$ 357,342	\$
Advanced tax collections		58,556
Grant drawdowns prior to meeting all eligibility requirements		342,188
Intergovernmental receivable	<u>1,094,561</u>	
Total Deferred/Unearned Revenue for Governmental Funds	<u>\$ 1,451,903</u>	<u>\$ 400,744</u>

## 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 5,525,076	\$ 173,600	\$	\$ 5,698,676
Construction in progress	24,894,997			24,894,997
Total capital assets not being depreciated	<u>30,420,073</u>	<u>173,600</u>	<u>-</u>	<u>30,593,673</u>
Capital assets being depreciated:				
Buildings and improvements	40,785,640			40,785,640
Vehicles and equipment	9,336,752	879,904	(197,940)	10,018,716
Infrastructure	26,648,854			26,648,854
Total capital assets being depreciated	<u>76,771,246</u>	<u>879,904</u>	<u>(197,940)</u>	<u>77,453,210</u>
Less accumulated depreciation for:				
Buildings and improvements	(11,262,717)	(912,091)		(12,174,808)
Vehicles and equipment	(6,691,653)	(478,094)	133,049	(7,036,698)
Infrastructure	(10,337,673)	(706,333)		(11,044,006)
Total accumulated depreciation	<u>(28,292,043)</u>	<u>(2,096,518)</u>	<u>133,049</u>	<u>(30,255,512)</u>
Total capital assets being depreciated, net	<u>48,479,203</u>	<u>(1,216,614)</u>	<u>(64,891)</u>	<u>47,197,698</u>
Governmental Activities Capital Assets, Net	<u>\$ 78,899,276</u>	<u>\$ (1,043,014)</u>	<u>\$ (64,891)</u>	<u>\$ 77,791,371</u>

Depreciation expense was charged to functions/programs of the Town as follows:

Governmental activities:	
General government	\$ 50,864
Public safety	65,638
Public works and environment	860,026
Recreation and social services	57,464
Education	<u>1,062,526</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 2,096,518</u>

## Construction Commitments

The Town has active construction projects as of June 30, 2008. The projects include Kelley Lane School, Wells Road School and Bridge Renovations. At year end the Town's commitments with contractors are as follows:

	<u>Appropriation</u>	<u>Expenditures and Encumbrances</u>	<u>Unexpended Balance</u>
Kelly Lane School	\$ 12,120,140	\$ 12,019,782	\$ 100,358
Wells Road School	12,307,080	12,244,280	62,800
Bridge Program	1,107,000	1,000,999	106,001

The commitments are being financed through General Fund appropriations, State and Federal grants, and the issuance of general obligation bonds.

## 6. INTERFUND RECEIVABLE AND PAYABLE BALANCES

During the course of operations, transactions are processed through a fund on behalf of another fund. Additionally, revenues received in one fund are transferred to another fund. A summary of interfund balances as of June 30, 2008 is presented below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 185,909
Capital Projects Fund	General Fund	1,365,778
Nonmajor Governmental Funds	General Fund	4,213,569
Internal Service Fund	General Fund	<u>1,857,000</u>
Total		<u>\$ 7,622,256</u>

Interfund receivables and payables represent temporary balances arising from reimbursement type transactions.

Interfund transfers:

	<u>Transfers In</u>			
	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Transfers out:				
General Fund	\$	\$ 900,000	\$ 189,817	\$ 1,089,817
Capital Projects			70,000	70,000
Nonmajor Governmental Funds	<u>10,171</u>	<u>305,000</u>	<u>          </u>	<u>315,171</u>
Total Transfers Out	<u>\$ 10,171</u>	<u>\$ 1,205,000</u>	<u>\$ 259,817</u>	<u>\$ 1,474,988</u>

Transfers are used to move unrestricted general fund revenues to finance various capital projects in accordance with budgetary authorizations, as well as to transfer amounts provided as subsidies or matching funds for various grant programs.

## 7. LONG-TERM DEBT

### Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2008 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 34,992,500	\$ -	\$ 2,082,500	\$ 32,910,000	\$ 2,712,500
Less deferred amounts:					
For issuance discounts on refunding	<u>(581,927)</u>		<u>(66,426)</u>	<u>(515,501)</u>	
Total bonds payable	34,410,573	-	2,016,074	32,394,499	2,712,500
Capital leases	1,540,261	654,500	498,992	1,695,769	431,510
Claims and judgments	275,795	3,327,435	3,297,770	305,460	305,460
Compensated absences	1,030,059	664,160	615,807	1,078,412	643,651
Landfill post closure	110,400		13,000	97,400	13,000
Net pension obligation	<u>92,908</u>		<u>914</u>	<u>91,994</u>	
Total Governmental Activities Long-Term Liabilities	<u>\$ 37,459,996</u>	<u>\$ 4,646,095</u>	<u>\$ 6,442,557</u>	<u>\$ 35,663,534</u>	<u>\$ 4,106,121</u>

### General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Town.

General obligation bonds currently outstanding, their purpose and interest rate are as follows:

<u>Description</u>	<u>Principal Amount</u>
\$1,050,000 - Sewer improvement bonds issued March 1, 1984 and maturing March 1, 2012; interest at 5%	\$ 150,000
\$6,000,000 - School improvement bonds issued June 15, 1991 and maturing June 15, 2011; interest from 5.9% to 7.9%	900,000
\$3,500,000 - School improvement bonds issued April 2, 1992 and maturing April 1, 2011; interest from 6.0% to 6.7%	550,000
\$9,090,000 - General, school improvement and refunding bonds issued December 15, 1998 and maturing December 15, 2019; interest from 3.75% to 4.1%	2,835,000
\$11,560,000 - School improvement bonds issued February 1, 2000 and maturing February 1, 2020; interest from 5.25% to 7.0%	1,925,000
\$9,750,000 - General obligation refunding bonds issued March 24, 2005 and maturing on February 1, 2020; interest rate 3.9%	9,750,000
\$10,000,000 - General obligation bonds issued February 15, 2006 and maturing on February 15, 2026; interest rate from 3.8% to 5.0%	9,000,000
\$7,800,000 - General obligation bonds issued August 15, 2006 and maturing August 15, 2020; interest rate from 3.56% to 4.13%	<u>7,800,000</u>
Total Bond Indebtedness	<u>\$ 32,910,000</u>

The following is a schedule of future debt service requirements as of June 30, 2008:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 2,712,500	\$ 1,465,722	\$ 4,178,222
2010	2,967,500	1,335,432	4,302,932
2011	2,827,500	1,198,710	4,026,210
2012	2,357,500	1,072,913	3,430,413
2013	2,325,000	970,410	3,295,410
2014-2018	11,705,000	3,363,597	15,068,597
2019-2023	6,395,000	1,045,950	7,440,950
2024-2025	<u>1,620,000</u>	<u>162,000</u>	<u>1,782,000</u>
Total	\$ <u>32,910,000</u>	\$ <u>10,614,734</u>	\$ <u>43,524,734</u>

The Town's indebtedness does not exceed the legal debt limitations as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General purpose	\$ 67,781,885	\$ 27,624,000	\$ 40,157,885
Schools	135,563,769	5,530,716	130,033,053
Sewers	112,969,808	150,000	112,819,808
Urban renewal	97,907,167		97,907,167
Pension deficit	90,375,846		90,375,846

The definition of indebtedness includes bonds outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding. School building grants receivable for bond principal of \$1,094,561 are reflected in the computation of net indebtedness.

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation (\$210,876,974).

In prior years, the Town defeased the various General Obligation Bonds by creating a separate irrevocable trust. New debt has been issued and the proceeds have been used to purchase U.S. government securities that were placed in the trust. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore are no longer counted in computing Town's debt for statutory debt limit purposes. As of June 30, 2008, the amount of defeased debt outstanding amounted to \$9,500,000.

## 8. LEASES

### Capital Leases

The Town leases various vehicles, equipment and technology under capital lease arrangements. These leases vary in duration through January 10, 2013 and interest rates from 3.25% to 5.65%.

The Town has entered into capital lease agreements for the purchase of several vehicles and technology equipment.

	<u>Amount</u>
Assets:	
Vehicles and equipment	\$ 2,824,545
Less accumulated depreciation	<u>(1,003,691)</u>
 Total	 <u>\$ 1,820,854</u>

A summary of future minimum lease payments required by the lease agreements together with the present value of the net minimum lease payments as of June 30, 2008 is as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2009	\$ 490,211
2010	490,023
2011	419,725
2012	296,664
2013	<u>143,827</u>
Total	1,840,450
Less amount representing interest	<u>(144,681)</u>
 Total	 <u>\$ 1,695,769</u>

## 9. LANDFILL POSTCLOSURE CARE COSTS

The Granby landfill stopped accepting solid waste, except for brush, in 1988. The landfill has been capped and final closing procedures are in the process of being completed as required by the U.S. Department of Environmental Protection adopted regulations, 40 CFR, Part 258 (“Subtitle”).

An authorization was established in the Solid Waste Sanitation Fund for landfill closing costs based on estimates made by the Town Engineer. This fund incurred \$13,000 in expenditures associated with the closing of the landfill for the year June 30, 2008.

The landfill closure obligation of \$97,400 reported in the statement of net assets represents an estimate made by the Town Engineer of the postclosure monitoring costs to be incurred by the Town over the next twenty years.

## 10. FUND BALANCE RESERVED

The following is a summary of fund balances reserved as of June 30, 2008:

Reserved for encumbrances:	
General Fund	\$ 313,584
Nonmajor Governmental Funds:	
Special Revenue Funds:	
Education Quality and Diversity	13,046
Reserved for inventory:	
Nonmajor Governmental Funds:	
Special Revenue Funds:	
Cafeteria Fund	2,462



Reserved for trust funds:	
Nonmajor Governmental Funds:	
Permanent Funds:	
Universal Cemetery	12,522
Cossitt Library	4,223
Reserved for debt service:	
Nonmajor Governmental Funds:	
Debt Service Fund	1,308,164

## 11. FUND BALANCE DESIGNATED

The following is a summary of fund balances designations as of June 30, 2008:

Designated for subsequent year's expenditures	
General Fund	\$ 1,858,000
Designated for specific purposes	
Nonmajor Governmental Funds:	
Special Revenue Funds:	
Capital Nonrecurring Expenditures	28,643
Open Space	100,103
Police Grants	537
Board of Education Severance	69,608
COPS Secure Our Schools	103,637

## 12. RISK MANAGEMENT

The Town is exposed to various risks of loss including torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town generally obtains commercial insurance for these risks, but has chosen to retain the risks for employee insurance coverage. There has been no significant reduction in insurance coverage from the prior year for the categories risk insured commercially. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The Town retains the risk associated with employee health insurance (medical and dental claims plus prescription drugs) up to a maximum of \$100,000 per individual claim with an aggregate stop loss estimated at \$3,100,000. As of June 30, 2008, the Town has established a liability of \$305,460 to cover health insurance claims incurred but unreported. This claim liability is based on the requirements of Governmental

Accounting Standards Board Statement No. 10, which requires that a liability claims be reported if information prior to the issuance of the financial statements indicates it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability were:

	<u>Liability</u>		<u>Current Year</u>		<u>Claim</u>		<u>Liability</u>
	<u>July 1,</u>		<u>Claims and</u>		<u>Payments</u>		<u>June 30,</u>
			<u>Changes in Estimates</u>				
2006-2007	\$ 316,968	\$	3,091,699	\$	3,132,872	\$	275,795
2007-2008	275,795		3,327,435		3,297,770		305,460

### **13. CONTINGENT LIABILITIES**

The Town of Granby is a defendant in a number of lawsuits. It is the opinion of management that such pending litigation will not be finally determined so as to result in a judgment or judgments against the Town which would materially affect its financial position.

### **14. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

#### **A. Plan Descriptions**

The Town of Granby is the administrator of a single-employer Public Employee Retirement System (PERS) established and administered by the Town to provide pension benefits for its employees. The PERS is considered to be a part of the Town of Granby's financial reporting entity and is included in the Town's financial reports as a Pension Trust Fund. The Plan does not issue a separate stand alone financial report.

The Town provides retirement benefits through a single employer, contributory, defined benefit plan. All employees of the Town hired prior to age 25 may elect to participate on their date of hire. Bargaining unit employees hired on or after October 1, 2000 may elect to participate after one year of continuous service. Under the plan, for regular certified officers of the police department, the retirement benefit is calculated at 2.5% of the average of the annual salaries, including overtime of the 5 calendar years with the highest average multiplied by up to 20 years of service plus 1.5% of the average of the annual salaries, including overtime, of the 5 calendar years with the highest average multiplied by in excess of 20 years maximum 10 years of service. For non-union members other than regular certified officers of the police department, the retirement benefit is calculated at 2% of the average of the annual salaries of the last 5 years immediately prior to retirement multiplied by years of service. Effective June 1, 2000 for Bargaining unit members the retirement benefit is calculated at 2% of the average of the annual salaries of any 5 years period producing the highest average prior to retirement multiplied by years of service. Participants are 100 percent vested after 5 years of service. If an employee leaves covered employment before 5 years of service, accumulated employee contributions and related investment earnings are refunded. Benefits and contributions are established by Town ordinance and may be amended. The major features of the plan are as follows:

**Normal Retirement Age:** Age 62 with 35 years of continuous service (effective July 1, 1994, age 62 and 25 years for a certified police officer), rule of 80 (age plus years of service) or age 65 regardless of service.

**Credited Service:** All service from date of participation in the plan until Normal Retirement Date, including all full months of Continuous Service.

**Early Retirement:** May be elected with the consent of the Board of Selectmen or Education upon completion of at least 15 years of Continuous Service and age 55.

**Late Retirement:** With consent of Boards of Selectmen/Education. Benefit accrues until actual Retirement Date.

**Disability Retirement:** Available on total and permanent disability after 15 years of continuous service and age 50. Benefit is the same as for early retirement.

**Death:** Before retirement, refund of Participant's contributions plus interest. After retirement, refund of excess, if any, of Participant's accumulated contributions as of his or her retirement date over total of benefits paid.

At July 1, 2006 PERS membership consisted of:

Retirees and beneficiaries currently receiving benefits	\$ 22
Terminated employees entitled to benefits but not yet receiving them	10
Current employees:	
Vested	57
Nonvested	<u>12</u>
Total	<u>\$ 101</u>

## B. Summary of Significant Accounting Policies and Plan Asset Matters

**Basis of Accounting:** The PERS financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

**Method Used to Value Investments:** Investments are reported at fair value. Investment income is recognized as earned. Gains and losses on sales and exchange of investments are recognized on the transaction date. There are no investments in any organization, other than U.S. Government notes and bonds, that represent 5% or more of net assets available for benefits.

## C. Funding Status and Progress

Certified police officers are required to contribute 6.0% of their salary, including overtime, educational incentive pay and longevity pay to the PERS. All other members contribute 5.0% of their gross salary, including overtime and any other form of additional compensation. The Town is required to contribute the remaining amounts necessary to finance coverage. The Town's annual required contribution for June 30, 2008 was \$299,515 or 9.3% of covered payroll. Benefits and employee contributions may be amended by the Board of Selectmen through ordinance.

## D. Annual Pension Cost and Net Pension Obligations

The Town's annual pension cost and net pension obligation to the Town's Retirement System for the current year were as follows:

Annual required contribution	\$ 299,515
Interest on net pension obligation	6,558
Adjustment to annual required contribution	<u>(7,472)</u>
Annual pension cost	298,601
Contributions made	<u>299,515</u>
Increase in net pension obligation	(914)
Net pension obligation at beginning of year	<u>92,908</u>
Net Pension Obligation at End of Year	<u>\$ 91,994</u>

The following is a summary of certain significant actuarial assumptions and other PERS information:

Actuarial valuation date	July 1, 2006
Actuarial cost method	Entry age normal
Amortization method	Level Dollar
Remaining amortization period	20 years declining
Asset valuation method	Adjusted Fair Value
Actuarial assumptions:	
Investment rate of return*	8.0% per annum
Projected salary increases	4.0% per annum

\*Includes inflation at a rate of 2.5%.

#### E. Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/06	\$ 287,470	\$ 285,404	99.9%	\$ 91,929
6/30/07	308,256	307,277	99.7	92,908
6/30/08	298,601	299,515	100.3	91,994

#### F. Pension Plan Required Supplementary Information

##### Schedule of Funding Progress

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability(AAL) (b)</u>	<u>Excess of Assets Over AAL (a-b)</u>	<u>Funded Ratio (a-b)</u>	<u>Covered Payroll (c)</u>	<u>Excess as a % of Covered Payroll ((a-b)/c)</u>
7/1/02	\$ 6,342,632	\$ 7,338,622	\$ (995,990)	86.4%	\$ 3,142,265	(31.7)%
7/1/03	7,602,992	9,239,604	(1,636,612)	82.3	3,316,245	(49.4)
7/1/05	8,236,615	9,918,890	(1,682,275)	83.0	3,232,478	(52.0)
7/1/06	8,236,615	9,918,890	(1,682,275)	83.0	3,232,478	(52.0)

## Schedule of Employer Contributions

		<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/03	\$	294,232	50%
6/30/04		294,232	50%
6/30/05		286,552	100%
6/30/06		285,404	100%
6/30/07		307,277	100%
6/30/08		299,515	100%

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation is presented in Section D above.

### G. Teachers' Retirement

All Town of Granby Board of Education certified employees participate in the State of Connecticut Teachers' Retirement System under Section 10.183 of the General Statutes of the State of Connecticut. A teacher is eligible to receive a normal retirement benefit if he or she has: 1) attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut, or 2) attained any age and has accumulated 35 years of credited service, at least 25 years of which are service in the public schools of Connecticut.

The Board of Education withholds 7.25% of all teachers' annual salaries and transmits the funds to the State Teachers' Retirement Board. The retirement system for teachers is funded by the State based upon the recommendation of the Teachers' Retirement Board. Such contribution includes amortization of actuarially computed unfunded liability. The Town does not have any liability for teacher pensions. For the year ended June 30, 2008, the Town has recorded, in the General Fund, intergovernmental revenue and education expenditures in the amount of \$9,099,553 as payments made by the State of Connecticut on behalf of the Town. This amount is significantly greater than last year because the State of Connecticut issued pension obligation bonds to partially fund the plan.

The State of Connecticut Teacher Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

**Required Supplementary  
Information**

## TOWN OF GRANBY, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Property taxes:				
Current year taxes	\$ 29,117,799	\$ 29,117,799	\$ 29,456,979	\$ 339,180
Prior year's taxes	185,000	185,000	189,180	4,180
Supplemental motor vehicle	285,000	285,000	303,668	18,668
Total	<u>29,587,799</u>	<u>29,587,799</u>	<u>29,949,827</u>	<u>362,028</u>
Interest and lien fees	<u>100,000</u>	<u>100,000</u>	<u>126,625</u>	<u>26,625</u>
Total property taxes	<u>29,687,799</u>	<u>29,687,799</u>	<u>30,076,452</u>	<u>388,653</u>
Intergovernmental revenues:				
School transportation	113,476	113,476	114,969	1,493
Transportation reimbursement	15,390	15,390		(15,390)
Reimbursement of local tax disability exemption	1,200	1,200	1,177	(23)
Manufacturing machines and equipment	37,000	37,000	64,102	27,102
Elderly tax relief	72,000	72,000	59,446	(12,554)
Education Equalization Grant	4,329,550	4,329,550	5,144,984	815,434
School Building Grant - interest and principal	515,053	515,053	512,777	(2,276)
Education Services for the Blind			11,511	11,511
Excess grant - Special Education	151,524	151,524	166,804	15,280
State owned property	16,680	16,680	18,248	1,568
Veterans Exempt Grant	4,800	4,800	3,863	(937)
Telephone Grant	30,000	30,000	44,347	14,347
Boat Grant	2,000	2,000	2,115	115
Tuition other towns	716,003	716,003	614,929	(101,074)
Pequot Indian Fund	43,326	43,326	51,224	7,898
Tax abatement	8,900	8,900	9,933	1,033
Other	60,000	60,000	182,116	122,116
Total intergovernmental revenues	<u>6,116,902</u>	<u>6,116,902</u>	<u>7,002,545</u>	<u>885,643</u>
Investment income	<u>155,000</u>	<u>155,000</u>	<u>603,463</u>	<u>448,463</u>
Local revenues:				
Town Clerk fees	180,000	180,000	277,437	97,437
Planning and Zoning	10,000	10,000	3,694	(6,306)
Zoning Board of Appeals	1,000	1,000	833	(167)
Building permits and licenses	200,000	200,000	106,041	(93,959)
Inland wetlands	5,000	5,000	1,104	(3,896)
Sale of maps and ordinances	100	100	59	(41)
Driveway permits	500	500	110	(390)
Total local revenues	<u>396,600</u>	<u>396,600</u>	<u>389,278</u>	<u>(7,322)</u>

(Continued on next page)

## TOWN OF GRANBY, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other revenues:				
Snow plowing and grading	\$ 2,700	\$ 2,700	\$ 3,718	\$ 1,018
Photocopying	1,500	1,500	1,207	(293)
Rents	73,900	73,900	70,918	(2,982)
Contracted building inspection	9,600	9,600	9,600	-
Police dispatch services	25,500	25,500	25,500	-
Police photos and records	1,000	1,000	624	(376)
Library operations	23,700	23,700	29,584	5,884
Miscellaneous	20,000	20,000	64,502	44,502
Returned checks fee	350	350	388	38
Bulky waste	45,000	45,000	60,309	15,309
Pay for participation	27,000	27,000	15,000	(12,000)
Prior year unliquidated encumbrances			22,637	22,637
Total other revenues	<u>230,250</u>	<u>230,250</u>	<u>303,987</u>	<u>73,737</u>
Other financing sources:				
Transfers from other funds:				
Economic Development	10,000	10,000	10,000	-
Cossitt Library	100	100	171	71
Total other financing sources	<u>10,100</u>	<u>10,100</u>	<u>10,171</u>	<u>71</u>
Total	<u>\$ 36,596,651</u>	<u>\$ 36,596,651</u>	38,385,896	<u>\$ 1,789,245</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted			9,099,553	
Cancellation of prior year encumbrances are recognized as budgetary revenue			<u>(22,637)</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV			<u>\$ 47,462,812</u>	



## TOWN OF GRANBY, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
General government:				
General administration	\$ 328,160	\$ 330,635	\$ 327,765	\$ 2,870
Legal fees	19,000	19,000	17,082	1,918
Fringe benefits	1,361,849	1,348,849	1,339,255	9,594
Town Clerk operations	135,187	135,187	130,723	4,464
Probate	1,065	1,065	1,062	3
Contingency	24,371	9,421	7,193	2,228
Election services	30,586	30,586	27,545	3,041
Boards and commissions	45,348	102,848	94,883	7,965
Revenue collections	101,224	101,224	100,284	940
Property assessments	163,756	163,756	162,999	757
Fiscal management	253,104	255,579	255,022	557
Insurance	282,498	295,498	294,441	1,057
Economic development	10,000	10,000	9,218	782
Total general government	<u>2,756,148</u>	<u>2,803,648</u>	<u>2,767,472</u>	<u>36,176</u>
Public safety:				
Building inspection	137,879	127,879	120,096	7,783
Fire prevention	242,434	242,434	241,303	1,131
Civil preparedness	800	800	755	45
Health services	107,180	107,180	106,768	412
Police Department administration	274,369	274,369	273,496	873
Communications and dispatching	274,552	269,552	262,634	6,918
Police operations	1,018,564	1,018,564	1,011,817	6,747
Total public safety	<u>2,055,778</u>	<u>2,040,778</u>	<u>2,016,869</u>	<u>23,909</u>
Public works and environment:				
Public Works administration	152,007	152,007	151,552	455
General maintenance	829,971	829,971	824,605	5,366
Solid waste and recycling	926,802	896,802	885,576	11,226
Equipment maintenance	308,404	323,404	318,811	4,593
Street lights and signals	20,175	20,175	20,100	75
Planning and engineering services	51,500	61,500	61,498	2
Building maintenance and Town grounds	476,310	506,310	496,277	10,033
Total public works	<u>2,765,169</u>	<u>2,790,169</u>	<u>2,758,419</u>	<u>31,750</u>
Recreation and social services:				
Library	446,489	446,489	438,288	8,201
Social services	83,897	83,897	83,564	333

(Continued on next page)

## TOWN OF GRANBY, CONNECTICUT

**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Recreation and social services (cont.):				
Recreation administration	\$ 76,790	\$ 76,790	\$ 75,439	\$ 1,351
Community support	2,600	2,600	2,472	128
Senior citizen activities	83,716	55,716	53,022	2,694
Total recreation and social services	<u>693,492</u>	<u>665,492</u>	<u>652,785</u>	<u>12,707</u>
Debt service	<u>3,853,001</u>	<u>3,853,001</u>	<u>3,843,747</u>	<u>9,254</u>
Education	<u>25,125,524</u>	<u>25,125,524</u>	<u>25,102,466</u>	<u>23,058</u>
Total budgeted expenditures	<u>37,249,112</u>	<u>37,278,612</u>	<u>37,141,758</u>	<u>136,854</u>
Other financing uses:				
Transfers out:				
Open Space Program		55,000	55,000	-
Senior Initiative		40,000	40,000	-
Senior Activity Fund		47,278	47,278	-
Capital Equipment	900,000	900,000	900,000	-
Dog Fund	7,000	7,000	7,000	-
Youth Services	40,539	40,539	40,539	-
Total other financing uses	<u>947,539</u>	<u>1,089,817</u>	<u>1,089,817</u>	<u>-</u>
Total Budgeted Operations	<u>\$ 38,196,651</u>	<u>\$ 38,368,429</u>	38,231,575	<u>\$ 136,854</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted	9,099,553
Encumbrances for purchases and commitments ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year received for financial reporting purposes	(313,584)
Encumbrances for purchases and commitments ordered in the previous year, that were received and liquidated in the current year, are reported for financial statement reporting purposes	<u>161,447</u>

Total Expenditures and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 47,178,991

**Combining and Individual  
Fund Statements and Schedules**

**General Fund**

## **GENERAL FUND**

The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund budget is legally adopted at the Annual Town Meeting. The General Fund utilizes the modified accrual basis of accounting.

**TOWN OF GRANBY, CONNECTICUT**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEET**

**JUNE 30, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 12,887,322	\$ 12,775,627
Investments	332,073	273,652
Property taxes receivable, net	381,707	250,106
Due from other funds	185,909	149,255
Interest receivable	62,827	52,354
Other Receivables	17,406	65,077
Intergovernmental receivables	<u>1,094,561</u>	<u>1,522,637</u>
 Total Assets	 <u>\$ 14,961,805</u>	 <u>\$ 15,088,708</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 321,761	\$ 424,433
Due to other funds	7,436,347	7,432,625
Deferred revenues	1,451,903	1,748,521
Advances collections	58,556	73,712
Total liabilities	<u>9,268,567</u>	<u>9,679,291</u>
 Fund equity:		
Fund balance:		
Reserved for encumbrances	313,584	184,084
Unreserved:		
Designated for subsequent year's budget	1,858,000	1,600,000
Undesignated	<u>3,521,654</u>	<u>3,625,333</u>
Total fund balance	<u>5,693,238</u>	<u>5,409,417</u>
 Total Liabilities and Fund Balance	 <u>\$ 14,961,805</u>	 <u>\$ 15,088,708</u>

## TOWN OF GRANBY, CONNECTICUT

GENERAL FUND  
REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2008

Grand List	Current Levy	Uncollected Taxes July 1, 2007	Lawful Corrections		Transfers To Suspense	Adjusted Taxes Collectible	Collections	Uncollected Taxes June 30, 2008
			Additions	Deductions				
2006	\$ 30,371,951	\$	\$ 119,361	\$ 402,965	\$	\$ 30,088,347	\$ 29,750,069	\$ 338,278
2005		218,343	1,732	1,623	4,860	213,592	147,628	65,964
2004		50,564	1,216	393	5,431	45,956	30,082	15,874
2003		14,840		75	2,793	11,972	8,123	3,849
2002		9,070			2,481	6,589	3,211	3,378
2001		2,551			1,575	976	98	878
2000		1,295			663	632		632
1999		738			480	258		258
1998		89			59	30		30
1997		85			50	35		35
1991		1,011				1,011		1,011
Total	\$ 30,371,951	\$ 298,586	\$ 122,309	\$ 405,056	\$ 18,392	\$ 30,369,398	29,939,211	\$ 430,187
							Interest, liens and fees collections	124,556
							Suspense collections	2,069
							Total collections	30,065,836
							Property taxes receivable considered available	
							June 30, 2007	(76,576)
							June 30, 2008	87,192
							Total Property Tax Revenue	\$ 30,076,452

**Nonmajor  
Governmental Funds**



**NONMAJOR GOVERNMENTAL FUNDS**

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specified purposes. The Special Revenue Funds utilize the modified accrual basis of accounting.

<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
Capital Nonrecurring Expenditures	Various funding sources	Set asides for economic development and major capital projects
Dog	License fees and State grants	Animal population control
Town Aid Road	State and Federal grant	Construction and maintenance of roads
Senior Activity	User fees grants and donations	Fund various senior activities
LOCIP	State grant	Capital Improvement Fund
Solid Waste Sanitation	Licenses, fees and investment income	Operation of towns solid waste disposal program
Sidewalk and Beautification Improvement	Donations and Investment income	Improve sidewalks and other Town property
Local Assistance	Donations	Provide support for low income individuals
Open Space	Sale of land and investment income	Preserve undeveloped land
Police Community Education	Donations	Public safety education
Public Schools	Various funding sources	Various educational support programs
Revaluation	Investment income and transfers	Fund property revaluation
Small Cities Block Grant	Federal grant	Rehabilitation of private residential structures
Police Forfeited Property	Assets seized by police in drug enforcement activities	Police enforcement
Youth Services Grant	State grant	Youth and community activities
Cafeteria	Federal, State and local	School lunch programs
Ambulance Association	Fees	Administer salaries and benefits for ambulance employees
Federal and State Educational Grants	State and Federal grants	Education programs
Sewer Utility	User fees	Operation of sewer system
Communications	Fees from cell phone companies	Maintenance of cell towers
Police Grants	State and Federal grants	Various police support programs
Education Quality and Diversity	State and Federal grants	Educational support programs
Board of Education Severance	Transfers	Account for severance payments to retired board employees
Contractor Payment	Licenses, fees and charges	Account for police and engineering contract fees
Granby Public Library	State grants and contributions	Support of Town library
Parks and Recreation	Licenses, fees and charges	Administration of recreational services
Playground Improvements	Donations	Improve Town playgrounds
Dog Park	Donations	Construct and maintain Town dog parks
Historic Documents	State grant	Preservation of Town's records
Trail Link	State and Federal grants	Construct recreational trails
COPS Secure Our Schools	State and Federal grants	School Security
Cossitt Improvement	Various funding sources	Library repairs
Senior Center Initiative	Private Grants	Services for Seniors and Youths

Debt Service Fund is used to account for the accumulation of resources for debt payments.

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

<b>Fund</b>	<b>Funding Source</b>	<b>Function</b>
Universal Cemetery	Investment income	Maintain Town's cemeteries
Cossitt Library	Investment income	Maintain Cossitt Library

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET**

**JUNE 30, 2008**

Special Revenue Funds

	<u>Capital Nonrecurring Expenditures</u>	<u>Dog</u>	<u>Town Aid Road</u>	<u>Senior Activity</u>	<u>LOCIP</u>	<u>Solid Waste Sanitation</u>	<u>Sidewalk and Beautification Improvement</u>	<u>Local Assistance</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$	\$
Due from other governments					25,818			
Due from other funds	197,519	9,518	137,347	87,569		892,715	107,405	1,392
Inventories								
Total Assets	<u>\$ 197,519</u>	<u>\$ 9,518</u>	<u>\$ 137,347</u>	<u>\$ 87,569</u>	<u>\$ 25,818</u>	<u>\$ 892,715</u>	<u>\$ 107,405</u>	<u>\$ 1,392</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued liabilities	\$	\$	\$	\$	\$	\$	\$	\$
Due to other funds					25,818			
Deferred revenue								
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,818</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:								
Reserved:								
Encumbrances								
Inventory								
Trust funds								
Debt service								
Unreserved:								
Designated	28,643							
Undesignated	168,876	9,518	137,347	87,569		892,715	107,405	1,392
Total fund balance	<u>197,519</u>	<u>9,518</u>	<u>137,347</u>	<u>87,569</u>	<u>-</u>	<u>892,715</u>	<u>107,405</u>	<u>1,392</u>
Total Liabilities and Fund Balances	<u>\$ 197,519</u>	<u>\$ 9,518</u>	<u>\$ 137,347</u>	<u>\$ 87,569</u>	<u>\$ 25,818</u>	<u>\$ 892,715</u>	<u>\$ 107,405</u>	<u>\$ 1,392</u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (CONTINUED)**

**JUNE 30, 2008**

Special Revenue Funds

	<u>Open Space</u>	<u>Police Community Education</u>	<u>Public Schools</u>	<u>Revaluation</u>	<u>Small Cities Block Grant</u>	<u>Police Forfeited Property</u>	<u>Youth Services Grant</u>	<u>Cafeteria</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$	\$	\$ 159,192	\$	\$ 99,212	\$	\$	\$ 69,877
Due from other governments								10,335
Due from other funds	100,103	21,830		12,570		5,837	57,237	
Inventories								2,462
<b>Total Assets</b>	<u>\$ 100,103</u>	<u>\$ 21,830</u>	<u>\$ 159,192</u>	<u>\$ 12,570</u>	<u>\$ 99,212</u>	<u>\$ 5,837</u>	<u>\$ 57,237</u>	<u>\$ 82,674</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable and accrued liabilities	\$	\$	\$	\$	\$	\$	\$	\$ 41,400
Due to other funds								
Deferred revenue					99,212			
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,212</u>	<u>-</u>	<u>-</u>	<u>41,400</u>
Fund Balances:								
Reserved:								
Encumbrances								
Inventory								2,462
Trust funds								
Debt service								
Unreserved:								
Designated	100,103							
Undesignated		21,830	159,192	12,570		5,837	57,237	38,812
Total fund balance	<u>100,103</u>	<u>21,830</u>	<u>159,192</u>	<u>12,570</u>	<u>-</u>	<u>5,837</u>	<u>57,237</u>	<u>41,274</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 100,103</u>	<u>\$ 21,830</u>	<u>\$ 159,192</u>	<u>\$ 12,570</u>	<u>\$ 99,212</u>	<u>\$ 5,837</u>	<u>\$ 57,237</u>	<u>\$ 82,674</u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (CONTINUED)**

**JUNE 30, 2008**

Special Revenue Funds

	<u>Ambulance Association</u>	<u>Federal and State Educational Grants</u>	<u>Sewer Utility</u>	<u>Communications</u>	<u>Police Grants</u>	<u>Education Quality and Diversity</u>	<u>Board of Education Severance</u>	<u>Contractor Payment</u>
<b>ASSETS</b>								
Cash and cash equivalents	\$	\$ 258,636	\$	\$	\$	\$	\$	\$
Due from other governments								
Due from other funds	2,610		302,176	67,088	537	217,606	69,608	23,014
Inventories								
<b>Total Assets</b>	<u>\$ 2,610</u>	<u>\$ 258,636</u>	<u>\$ 302,176</u>	<u>\$ 67,088</u>	<u>\$ 537</u>	<u>\$ 217,606</u>	<u>\$ 69,608</u>	<u>\$ 23,014</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable and accrued liabilities	\$	\$	\$	\$	\$	\$	\$	\$
Due to other funds		160,091						
Deferred revenue		42,976						
<b>Total liabilities</b>	<u>-</u>	<u>203,067</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>								
<b>Reserved:</b>								
Encumbrances						13,046		
Inventory								
Trust funds								
Debt service								
<b>Unreserved:</b>								
Designated					537		69,608	
Undesignated	2,610	55,569	302,176	67,088		204,560		23,014
<b>Total fund balance</b>	<u>2,610</u>	<u>55,569</u>	<u>302,176</u>	<u>67,088</u>	<u>537</u>	<u>217,606</u>	<u>69,608</u>	<u>23,014</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 2,610</u>	<u>\$ 258,636</u>	<u>\$ 302,176</u>	<u>\$ 67,088</u>	<u>\$ 537</u>	<u>\$ 217,606</u>	<u>\$ 69,608</u>	<u>\$ 23,014</u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (CONTINUED)**

**JUNE 30, 2008**

Special Revenue Funds

	<u>Granby Public Library</u>	<u>Parks and Recreation</u>	<u>Playground Improvements</u>	<u>Dog Park</u>	<u>Historic Documents</u>	<u>Trail Link</u>	<u>COPS Secure Our Schools</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$	\$	\$	\$	\$	\$	\$
Due from other governments							
Due from other funds	3,779	167,455	406	5,941	9,765	255,409	103,637
Inventories							
Total Assets	<u>\$ 3,779</u>	<u>\$ 167,455</u>	<u>\$ 406</u>	<u>\$ 5,941</u>	<u>\$ 9,765</u>	<u>\$ 255,409</u>	<u>\$ 103,637</u>
<b>LIABILITIES AND FUND BALANCES</b>							
Liabilities:							
Accounts payable and accrued liabilities	\$	\$	\$	\$	\$	\$	\$
Due to other funds							
Deferred revenue							
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Reserved:							
Encumbrances							
Inventory							
Trust funds							
Debt service							
Unreserved:							
Designated							103,637
Undesignated	3,779	167,455	406	5,941	9,765	255,409	
Total fund balance	<u>3,779</u>	<u>167,455</u>	<u>406</u>	<u>5,941</u>	<u>9,765</u>	<u>255,409</u>	<u>103,637</u>
Total Liabilities and Fund Balances	<u>\$ 3,779</u>	<u>\$ 167,455</u>	<u>\$ 406</u>	<u>\$ 5,941</u>	<u>\$ 9,765</u>	<u>\$ 255,409</u>	<u>\$ 103,637</u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING BALANCE SHEET (CONTINUED)**

**JUNE 30, 2008**

	Special Revenue Funds			Permanent Fund			Total Nonmajor Governmental Funds
	Cossitt Improvement	Senior Center Initiative	Total	Debt Service	Universal Cemetery	Cossitt Library	
<b>ASSETS</b>							
Cash and cash equivalents	\$	\$	\$ 586,917	\$	\$	\$ -	\$ 586,917
Due from other governments			36,153			-	36,153
Due from other funds	3,955	24,632	2,888,660	1,308,164	12,522	4,223	16,745
Inventories			2,462			-	2,462
<b>Total Assets</b>	<b>\$ 3,955</b>	<b>\$ 24,632</b>	<b>\$ 3,514,192</b>	<b>\$ 1,308,164</b>	<b>\$ 12,522</b>	<b>\$ 4,223</b>	<b>\$ 16,745</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable and accrued liabilities	\$	\$	\$ 41,400	\$	\$	\$ -	\$ 41,400
Due to other funds			185,909			-	185,909
Deferred revenue			142,188			-	142,188
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>369,497</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>369,497</b>
<b>Fund Balances:</b>							
<b>Reserved:</b>							
Encumbrances			13,046			-	13,046
Inventory			2,462			-	2,462
Trust funds			-		12,522	4,223	16,745
Debt service			-	1,308,164		-	1,308,164
<b>Unreserved:</b>							
Designated			302,528			-	302,528
Undesignated	3,955	24,632	2,826,659			-	2,826,659
<b>Total fund balance</b>	<b>3,955</b>	<b>24,632</b>	<b>3,144,695</b>	<b>1,308,164</b>	<b>12,522</b>	<b>4,223</b>	<b>16,745</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,955</b>	<b>\$ 24,632</b>	<b>\$ 3,514,192</b>	<b>\$ 1,308,164</b>	<b>\$ 12,522</b>	<b>\$ 4,223</b>	<b>\$ 16,745</b>

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<b>Special Revenue Funds</b>							
	<b>Capital Nonrecurring Expenditures</b>	<b>Dog</b>	<b>Town Aid Road</b>	<b>Senior Activity</b>	<b>LOCIP</b>	<b>Solid Waste Sanitation</b>	<b>Sidewalk and Beautification Improvement</b>	<b>Local Assistance</b>
Revenues:								
Intergovernmental	\$		\$ 134,015	\$	\$ 85,000	\$	\$	\$
Investment income	7,978					30,809	4,317	
Contributions				9,698				30,114
Licenses, fees and charges for goods and services		8,123		62,738		57,035		
Other						187,215		
Total revenues	<u>7,978</u>	<u>8,123</u>	<u>134,015</u>	<u>72,436</u>	<u>85,000</u>	<u>275,059</u>	<u>4,317</u>	<u>30,114</u>
Expenditures:								
Current:								
General government								
Public safety		12,168						
Public works and environment	2,525					14,798	3,077	
Recreation and social services				113,600				37,611
Education								
Total expenditures	<u>2,525</u>	<u>12,168</u>	<u>-</u>	<u>113,600</u>	<u>-</u>	<u>14,798</u>	<u>3,077</u>	<u>37,611</u>
Excess (deficiency) of revenues over expenditures	<u>5,453</u>	<u>(4,045)</u>	<u>134,015</u>	<u>(41,164)</u>	<u>85,000</u>	<u>260,261</u>	<u>1,240</u>	<u>(7,497)</u>
Other financing sources (uses):								
Transfers in		7,000		47,278				
Transfers out	(10,000)		(135,000)		(85,000)			
Total other financing sources (uses)	<u>(10,000)</u>	<u>7,000</u>	<u>(135,000)</u>	<u>47,278</u>	<u>(85,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,547)	2,955	(985)	6,114	-	260,261	1,240	(7,497)
Fund Balance, Beginning of Year	<u>202,066</u>	<u>6,563</u>	<u>138,332</u>	<u>81,455</u>	<u>-</u>	<u>632,454</u>	<u>106,165</u>	<u>8,889</u>
Fund Balance, End of Year	<u>\$ 197,519</u>	<u>\$ 9,518</u>	<u>\$ 137,347</u>	<u>\$ 87,569</u>	<u>\$ -</u>	<u>\$ 892,715</u>	<u>\$ 107,405</u>	<u>\$ 1,392</u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<b>Special Revenue Funds</b>							
	<b>Open Space</b>	<b>Police Community Education</b>	<b>Public Schools</b>	<b>Revaluation</b>	<b>Small Cities Block Grant</b>	<b>Police Forfeited Property</b>	<b>Youth Services Grant</b>	<b>Cafeteria</b>
Revenues:								
Intergovernmental	\$	\$	\$	\$	\$	\$	\$ 23,118	\$ 89,828
Investment income	5,950			1,458	80	231		
Contributions		805					13,028	
Licenses, fees and charges for goods and services			1,125,123				4,855	427,465
Other					99,730		1,069	0
Total revenues	<u>5,950</u>	<u>805</u>	<u>1,125,123</u>	<u>1,458</u>	<u>99,810</u>	<u>231</u>	<u>42,070</u>	<u>517,293</u>
Expenditures:								
Current:								
General government				89,896	99,810			
Public safety								
Public works and environment	149,000							
Recreation and social services							63,232	
Education			989,876					482,728
Total expenditures	<u>149,000</u>	<u>-</u>	<u>989,876</u>	<u>89,896</u>	<u>99,810</u>	<u>-</u>	<u>63,232</u>	<u>482,728</u>
Excess (deficiency) of revenues over expenditures	<u>(143,050)</u>	<u>805</u>	<u>135,247</u>	<u>(88,438)</u>	<u>-</u>	<u>231</u>	<u>(21,162)</u>	<u>34,565</u>
Other financing sources (uses):								
Transfers in	55,000			70,000			40,539	
Transfers out								
Total other financing sources (uses)	<u>55,000</u>	<u>-</u>	<u>-</u>	<u>70,000</u>	<u>-</u>	<u>-</u>	<u>40,539</u>	<u>-</u>
Net change in fund balance	(88,050)	805	135,247	(18,438)	-	231	19,377	34,565
Fund Balance, Beginning of Year	<u>188,153</u>	<u>21,025</u>	<u>23,945</u>	<u>31,008</u>	<u>-</u>	<u>5,606</u>	<u>37,860</u>	<u>6,709</u>
Fund Balance, End of Year	<u>\$ 100,103</u>	<u>\$ 21,830</u>	<u>\$ 159,192</u>	<u>\$ 12,570</u>	<u>\$ -</u>	<u>\$ 5,837</u>	<u>\$ 57,237</u>	<u>\$ 41,274</u>

(Continued on next page)



**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES (CONTINUED)**

**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Special Revenue Funds</u>							
	<u>Ambulance Association</u>	<u>Federal and State Educational Grants</u>	<u>Sewer Utility</u>	<u>Communications</u>	<u>Police Grants</u>	<u>Education Quality and Diversity</u>	<u>Board of Education Severance</u>	<u>Contractor Payment</u>
Revenues:								
Intergovernmental	\$	\$ 599,274	\$	\$ 49,679	\$	\$ 254,928	\$	\$
Investment income				3,355				
Contributions								
Licenses, fees and charges for goods and services	235,000		133,758	81,991		28,100		16,292
Other		55,950	746					
Total revenues	<u>235,000</u>	<u>655,224</u>	<u>134,504</u>	<u>135,025</u>	<u>-</u>	<u>283,028</u>	<u>-</u>	<u>16,292</u>
Expenditures:								
Current:								
General government								
Public safety	233,526							
Public works and environment			126,945					13,567
Recreation and social services								
Education		599,655				256,669		
Total expenditures	<u>233,526</u>	<u>599,655</u>	<u>126,945</u>	<u>-</u>	<u>-</u>	<u>256,669</u>	<u>-</u>	<u>13,567</u>
Excess (deficiency) of revenues over expenditures	<u>1,474</u>	<u>55,569</u>	<u>7,559</u>	<u>135,025</u>	<u>-</u>	<u>26,359</u>	<u>-</u>	<u>2,725</u>
Other financing sources (uses):								
Transfers in								
Transfers out				(85,000)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(85,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,474	55,569	7,559	50,025	-	26,359	-	2,725
Fund Balance, Beginning of Year	<u>1,136</u>	<u>-</u>	<u>294,617</u>	<u>17,063</u>	<u>537</u>	<u>191,247</u>	<u>69,608</u>	<u>20,289</u>
Fund Balance, End of Year	<u>\$ 2,610</u>	<u>\$ 55,569</u>	<u>\$ 302,176</u>	<u>\$ 67,088</u>	<u>\$ 537</u>	<u>\$ 217,606</u>	<u>\$ 69,608</u>	<u>\$ 23,014</u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2008**

		<u>Special Revenue Funds</u>						
		<u>Granby Public Library</u>	<u>Parks and Recreation</u>	<u>Playground Improvement</u>	<u>Dog Park</u>	<u>Historic Documents</u>	<u>Trail Link</u>	<u>COPS Secure Our Schools</u>
Revenues:								
Intergovernmental	\$					\$ 7,000		\$ 54,560
Investment income								
Contributions		4,717			6,244			
Licenses, fees and charges for goods and services			324,114					
Other						2,328		
Total revenues		<u>4,717</u>	<u>324,114</u>	<u>-</u>	<u>6,244</u>	<u>9,328</u>	<u>-</u>	<u>54,560</u>
Expenditures:								
Current:								
General government		5,558				7,000		
Public safety								147,887
Public works and environment								
Recreation and social services			317,019		3,521		79,033	
Education								
Total expenditures		<u>5,558</u>	<u>317,019</u>	<u>-</u>	<u>3,521</u>	<u>7,000</u>	<u>79,033</u>	<u>147,887</u>
Excess (deficiency) of revenues over expenditures		<u>(841)</u>	<u>7,095</u>	<u>-</u>	<u>2,723</u>	<u>2,328</u>	<u>(79,033)</u>	<u>(93,327)</u>
Other financing sources (uses):								
Transfers in								
Transfers out								
Total other financing sources (uses)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance		(841)	7,095	-	2,723	2,328	(79,033)	(93,327)
Fund Balance, Beginning of Year		<u>4,620</u>	<u>160,360</u>	<u>406</u>	<u>3,218</u>	<u>7,437</u>	<u>334,442</u>	<u>196,964</u>
Fund Balance, End of Year	\$	<u><u>3,779</u></u>	<u><u>167,455</u></u>	<u><u>406</u></u>	<u><u>5,941</u></u>	<u><u>9,765</u></u>	<u><u>255,409</u></u>	<u><u>103,637</u></u>

(Continued on next page)

**TOWN OF GRANBY, CONNECTICUT**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Special Revenue Funds</u>			<u>Permanent Fund</u>			<b>Total Nonmajor Governmental Funds</b>
	<u>Cossitt Improvement</u>	<u>Senior Center Initiative</u>	<u>Total</u>	<u>Debt Service</u>	<u>Universal Cemetery</u>	<u>Cossitt Library</u>	
Revenues:							
Intergovernmental	\$	\$	\$ 1,297,402	\$	\$	\$	\$ 1,297,402
Investment income			54,178	51,839	497	171	668
Contributions			64,606				-
Licenses, fees and charges for goods and services		771	2,505,365				-
Other			347,038				-
Total revenues	<u>-</u>	<u>771</u>	<u>4,268,589</u>	<u>51,839</u>	<u>497</u>	<u>171</u>	<u>668</u>
Expenditures:							
Current:							
General government			202,264				-
Public safety			393,581				-
Public works and environment	2,750		312,662				-
Recreation and social services		37,212	651,228				-
Education			2,328,928				-
Total expenditures	<u>2,750</u>	<u>37,212</u>	<u>3,888,663</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(2,750)</u>	<u>(36,441)</u>	<u>379,926</u>	<u>51,839</u>	<u>497</u>	<u>171</u>	<u>668</u>
Other financing sources (uses):							
Transfers in		40,000	259,817				-
Transfers out			(315,000)			(171)	(171)
Total other financing sources (uses)	<u>-</u>	<u>40,000</u>	<u>(55,183)</u>	<u>-</u>	<u>-</u>	<u>(171)</u>	<u>(171)</u>
Net change in fund balance	(2,750)	3,559	324,743	51,839	497	-	497
Fund Balance, Beginning of Year	<u>6,705</u>	<u>21,073</u>	<u>2,819,952</u>	<u>1,256,325</u>	<u>12,025</u>	<u>4,223</u>	<u>16,248</u>
Fund Balance, End of Year	<u>\$ 3,955</u>	<u>\$ 24,632</u>	<u>\$ 3,144,695</u>	<u>\$ 1,308,164</u>	<u>\$ 12,522</u>	<u>\$ 4,223</u>	<u>\$ 16,745</u>

## **Fiduciary Funds**

## **AGENCY FUNDS**

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds are as follows:

Student Activity Fund - to account for the collection and payment of expenses for education extra-curricular activities at the high school, middle schools and grammar schools.

Contractor Security Fund - to account for all bonds collected from contractors - these bonds will be returned to payee upon successful completion of related construction projects.

## TOWN OF GRANBY, CONNECTICUT

## AGENCY FUNDS

## COMBINING BALANCE SHEET

JUNE 30, 2008

	<u>High School Activity</u>	<u>Middle School Activity</u>	<u>Kelly Lane School Activity</u>	<u>Kearns School Activity</u>	<u>Wells Roads School Activity</u>	<u>Contract Security</u>	<u>Total</u>
<b>ASSETS</b>							
⌘ Cash and cash equivalents	\$ 143,078	\$ 54,392	\$ 29,928	\$ 44,679	\$ 7,247	\$	\$ 279,324
Accounts receivable						231,031	231,031
Total	<u>\$ 143,078</u>	<u>\$ 54,392</u>	<u>\$ 29,928</u>	<u>\$ 44,679</u>	<u>\$ 7,247</u>	<u>\$ 231,031</u>	<u>\$ 510,355</u>
<b>LIABILITIES</b>							
Due to student groups and others	\$ 143,078	\$ 54,392	\$ 29,928	\$ 44,679	\$ 7,247	\$	\$ 279,324
Due to contractors						231,031	231,031
Total	<u>\$ 143,078</u>	<u>\$ 54,392</u>	<u>\$ 29,928</u>	<u>\$ 44,679</u>	<u>\$ 7,247</u>	<u>\$ 231,031</u>	<u>\$ 510,355</u>

## TOWN OF GRANBY, CONNECTICUT

## AGENCY FUNDS

COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES

FOR THE YEAR ENDED JUNE 30, 2008

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2008</u>
<b>High School Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>126,927</u>	\$ <u>488,125</u>	\$ <u>471,974</u>	\$ <u>143,078</u>
Liabilities:				
Due to student groups and others	\$ <u>126,927</u>	\$ <u>488,125</u>	\$ <u>471,974</u>	\$ <u>143,078</u>
<b>Middle School Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>42,926</u>	\$ <u>281,067</u>	\$ <u>269,601</u>	\$ <u>54,392</u>
Liabilities:				
Due to student groups and others	\$ <u>42,926</u>	\$ <u>281,067</u>	\$ <u>269,601</u>	\$ <u>54,392</u>
<b>Kelly Lane School Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>30,456</u>	\$ <u>70,315</u>	\$ <u>70,843</u>	\$ <u>29,928</u>
Liabilities:				
Due to student groups and others	\$ <u>30,456</u>	\$ <u>70,315</u>	\$ <u>70,843</u>	\$ <u>29,928</u>
<b>Kearns School Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ <u>44,142</u>	\$ <u>32,766</u>	\$ <u>32,229</u>	\$ <u>44,679</u>
Liabilities:				
Due to student groups and others	\$ <u>44,142</u>	\$ <u>32,766</u>	\$ <u>32,229</u>	\$ <u>44,679</u>

(Continued on next page)

## TOWN OF GRANBY, CONNECTICUT

## AGENCY FUNDS

COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2008

	<u>Balance</u> <u>July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2008</u>
<b>Wells Road School Activity Fund</b>				
Assets:				
Cash and cash equivalents	\$ 4,513	\$ 44,962	\$ 42,228	\$ 7,247
Liabilities:				
Due to student groups and others	\$ 4,513	\$ 44,962	\$ 42,228	\$ 7,247
<b>Contract Security</b>				
Assets:				
Accounts receivable	\$ 311,275	\$ 39,500	\$ 119,744	\$ 231,031
Liabilities:				
Due to contractors	\$ 311,275	\$ 39,500	\$ 119,744	\$ 231,031
<b>Total All Funds</b>				
Assets:				
Cash and cash equivalents	\$ 248,964	\$ 917,235	\$ 886,875	\$ 279,324
Accounts receivable	311,275	39,500	119,744	231,031
Total	\$ 560,239	\$ 956,735	\$ 1,006,619	\$ 510,355
Liabilities:				
Due to student groups and others	\$ 248,964	\$ 917,235	\$ 886,875	\$ 279,324
Due to contractors	311,275	39,500	119,744	231,031
Total	\$ 560,239	\$ 956,735	\$ 1,006,619	\$ 510,355



## **Statistical Section**

## Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

## TOWN OF GRANBY, CONNECTICUT

## NET ASSETS BY COMPONENT

LAST SIX FISCAL YEARS  
(In Thousands)

	FISCAL YEAR					
	2008	2007	2006	2005	2004	2003
Governmental Activities:						
Invested in capital assets, net of related debt	\$ 43,701	\$ 42,948	\$ 31,341	\$ 22,643	\$ 20,615	\$ 17,047
Restricted	1,325	1,273	1,219	1,141	1,102	1,051
Unrestricted	11,176	10,886	7,080	9,160	6,926	8,512
Total Governmental Activities Net Assets	<u>\$ 56,202</u>	<u>\$ 55,107</u>	<u>\$ 39,640</u>	<u>\$ 32,944</u>	<u>\$ 28,643</u>	<u>\$ 26,610</u>

65

## NOTES:

- (1) Schedule prepared on the accrual basis of accounting
- (2) The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003

## TOWN OF GRANBY, CONNECTICUT

## CHANGES IN NET ASSETS

## LAST SIX FISCAL YEARS

(In Thousands)

	FISCAL YEAR					
	2008	2007	2006	2005	2004	2003
Expenses:						
General government	\$ 3,394	\$ 2,535	\$ 2,595	\$ 2,196	\$ 2,618	\$ 2,308
Public safety	2,498	2,186	2,050	2,010	1,966	1,910
Public works and environment	3,994	4,061	3,472	2,950	2,547	2,498
Recreation and social services	1,368	1,217	1,130	1,189	1,142	1,260
Education	37,638	27,188	27,270	24,345	22,410	21,539
Interest on long-term debt	1,662	1,739	1,512	1,102	1,254	1,309
Total governmental activities expenses	<u>50,554</u>	<u>38,926</u>	<u>38,029</u>	<u>33,792</u>	<u>31,937</u>	<u>30,824</u>
Program Revenues:						
Governmental activities:						
Charges for services:						
General Government	493	604	704	716	710	588
Education	2,252	1,579	1,633	1,116	757	823
Other	1,241	1,033	955	851	970	852
Operating grants and contributions	15,983	7,224	7,242	5,955	5,978	5,816
Capital grants and contributions	74	179	6,051	3,639	1,210	1,458
Total governmental activities program revenues	<u>20,043</u>	<u>10,619</u>	<u>16,585</u>	<u>12,277</u>	<u>9,625</u>	<u>9,537</u>
Net (expense) revenue:						
Governmental activities	<u>(30,511)</u>	<u>(28,307)</u>	<u>(21,444)</u>	<u>(21,515)</u>	<u>(22,312)</u>	<u>(21,287)</u>
General revenues and other changes in net assets:						
Governmental activities:						
Property taxes	30,208	28,665	26,964	25,036	23,440	21,877
Grants and contributions not restricted to specific purposes	437	890	279	225	264	304
Unrestricted investment earnings	804	940	562	329	125	193
Other general revenues	157	184	335	226	134	201
Total governmental activities	<u>31,606</u>	<u>30,679</u>	<u>28,140</u>	<u>25,816</u>	<u>23,963</u>	<u>22,575</u>
Changes in net assets:						
Governmental activities	<u>\$ 1,095</u>	<u>\$ 2,372</u>	<u>\$ 6,696</u>	<u>\$ 4,301</u>	<u>\$ 1,651</u>	<u>\$ 1,288</u>

## Notes:

- (1) Schedule prepared on the accrual basis of accounting
- (2) The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003

**TOWN OF GRANBY, CONNECTICUT**  
**FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST SIX FISCAL YEARS**  
(In Thousands)

	<b>FISCAL YEAR</b>					
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Fund						
Reserved	\$ 314	\$ 184	\$ 147	\$ 346	\$ 362	\$ 461
Unreserved	<u>5,380</u>	<u>5,225</u>	<u>3,957</u>	<u>3,421</u>	<u>3,005</u>	<u>3,125</u>
Total General Fund	<u>\$ 5,694</u>	<u>\$ 5,409</u>	<u>\$ 4,104</u>	<u>\$ 3,767</u>	<u>\$ 3,367</u>	<u>\$ 3,586</u>
All other governmental funds:						
Reserved	\$ 1,340	\$ 1,734	\$ 4,463	\$ 6,093	\$ 2,320	\$ 1,292
Unreserved, reported in:						
Special revenue funds	3,129	2,816	2,376	2,445	1,939	2,143
Capital projects funds	<u>1,366</u>	<u>1,188</u>	<u>(5,088)</u>	<u>(10,810)</u>	<u>(2,680)</u>	<u>(241)</u>
Total All Other Governmental Funds	<u>\$ 5,835</u>	<u>\$ 5,738</u>	<u>\$ 1,751</u>	<u>\$ (2,272)</u>	<u>\$ 1,579</u>	<u>\$ 3,194</u>

NOTE: Schedule prepared on the modified accrual basis of accounting

**TOWN OF GRANBY, CONNECTICUT**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST SIX FISCAL YEARS**

	FISCAL YEAR					
	2008	2007	2006	2005	2004	2003
Revenues:						
Property taxes	\$ 30,076	\$ 28,704	\$ 26,933	\$ 25,148	\$ 23,464	\$ 21,882
Intergovernmental	17,400	9,265	14,374	10,588	7,138	7,946
Licenses, fees and charges for services	2,895	2,398	2,282	2,127	2,291	1,969
Investments income	732	863	513	302	112	188
Other	696	461	521	341	285	532
Total revenues	<u>51,799</u>	<u>41,691</u>	<u>44,623</u>	<u>38,506</u>	<u>33,290</u>	<u>32,517</u>
Expenditures:						
General government	2,936	2,675	2,447	2,142	2,454	2,231
Public safety	2,401	2,134	1,962	1,930	1,885	1,803
Public works and environment	3,037	3,069	2,809	2,650	2,299	2,378
Recreation and social services	1,302	1,140	1,067	1,125	1,086	1,214
Education	36,458	26,905	25,514	22,915	21,834	20,681
Capital outlay	2,094	6,264	14,107	8,649	3,049	1,904
Debt service						
Principal	2,083	1,703	1,698	1,693	1,713	1,713
Interest	1,761	1,342	1,216	1,229	1,233	1,332
Total expenditures	<u>52,072</u>	<u>45,232</u>	<u>50,820</u>	<u>42,333</u>	<u>35,553</u>	<u>33,256</u>
Excess of Revenue Over (Under) Expenditures	<u>(273)</u>	<u>(3,541)</u>	<u>(6,197)</u>	<u>(3,827)</u>	<u>(2,263)</u>	<u>(739)</u>
Other Financing Sources (Uses):						
Transfers in	1,475	2,349	3,570	3,076	2,816	3,459
Transfers out	(1,475)	(2,349)	(3,570)	(3,076)	(2,816)	(3,459)
Premium on Bond		347				
Proceeds from capital leases	654	686	558	322	429	309
Proceeds from sale of bonds		7,800	10,000			
Proceeds from refunding bonds				9,750		
Payment to refunded bond escrow agent				(9,696)		
Total Other Financing Sources (Uses)	<u>654</u>	<u>8,833</u>	<u>10,558</u>	<u>376</u>	<u>429</u>	<u>309</u>
Net Change in Fund Balances	<u>\$ 381</u>	<u>\$ 5,292</u>	<u>\$ 4,361</u>	<u>\$ (3,451)</u>	<u>\$ (1,834)</u>	<u>\$ (430)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>7.52%</u>	<u>7.81%</u>	<u>7.90%</u>	<u>8.70%</u>	<u>9.10%</u>	<u>9.70%</u>

NOTE: Schedule prepared on the modified accrual basis of accounting

TOWN OF GRANBY, CONNECTICUT

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Total Taxable Assessed Value	Total Direct Tax Rate	Taxable Estimated Actual Taxable Value	Assessed Value As a Percentage of Actual Taxable Value
	Residential	Commercial	Industrial						
2008	\$ 698,583,640	\$ 37,285,550	\$ 5,581,730	\$ 16,625,490	\$ 78,991,050	\$ 837,067,460	35.97	\$ 1,195,810,657	70
2007	692,650,170	32,430,720	3,550,050	16,120,880	78,045,330	822,797,150	34.67	1,175,424,500	70
2006	673,217,360	35,889,080	3,550,050	15,084,710	72,510,150	800,251,350	33.41	1,143,216,214	70
2005	658,402,170	34,732,810	3,042,690	14,027,760	68,055,610	778,261,040	31.97	1,111,801,486	70
2004	641,660,560	33,908,560	1,824,060	12,881,770	69,968,610	760,243,560	30.6	1,086,062,229	70
2003	474,958,390	28,197,820	1,747,410	11,701,910	66,935,010	583,540,540	37.06	833,629,343	70
2002	463,361,000	25,771,300	1,747,410	11,294,710	64,133,770	566,308,190	35.74	809,011,700	70
2001	446,774,160	25,479,400	1,747,410	10,301,540	61,158,970	545,461,480	34.46	779,230,686	70
2000	435,931,050	25,178,540	1,746,990	8,579,710	55,540,410	526,976,700	33.53	752,823,857	70
1999	507,601,900	31,850,020	4,616,560	8,103,210	50,826,930	602,998,620	27.81	861,426,600	70

Source: Town of Granby Office of Tax Assessor

TABLE 6

**TOWN OF GRANBY, CONNECTICUT**

**PRINCIPAL PROPERTY TAX PAYERS**

**2006 AND 1997**

<u>Taxpayer</u>	<u>October 1, 2006</u>			<u>Taxpayer</u>	<u>October 1, 1997</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Town Taxable Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Town Taxable Assessed Value</u>
Connecticut Light & Power	\$ 5,779,610	1	0.69	Baygrape Associates	\$ 3,827,820	1	0.63
Granby Developers	4,690,000	2	0.56	Halmar Inc	3,655,730	2	0.61
Arrow Concrete Products	4,467,130	3	0.53	Connecticut Light & Power	3,104,050	3	0.51
Baygrape Associates	3,377,700	4	0.44	Gersten, Charles D. Trustee	2,518,960	4	0.42
Granby Holdings LLC	3,213,420	5	0.38	Conn Valley Land Dev.	2,220,020	5	0.37
Riverbend Associates	2,745,430	6	0.33	Riverbend Associates	1,700,170	6	0.28
Halmar Inc	2,727,060	7	0.33	Granby Center Assoc	1,610,430	7	0.27
Guarco, Michael, David, etc	2,329,560	8	0.28	Garrity Bros. of Simsbury	1,386,640	8	0.23
Pierce Properties	2,096,590	9	0.25	Barberino, John S.	1,304,550	9	0.22
Hunt Glen Granby LLC	<u>1,749,720</u>	10	<u>0.21</u>	Kanaras, Peter & Jane	<u>1,271,070</u>	10	<u>0.21</u>
Total	\$ <u>33,176,220</u>		<u>4.00</u>		\$ <u>22,599,440</u>		<u>3.75</u>

70

Source: Town of Granby Assessor's Office



TABLE 7

**TOWN OF GRANBY, CONNECTICUT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**

**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30,</b>	<b>Tax Rate In Mills</b>	<b>Taxes Levied For The Fiscal Year</b>	<b>Collected Within The Fiscal Year of Levy</b>		<b>Collections In Subsequent Years</b>	<b>Total Collections to Date</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2008	35.97	\$ 30,371,951	\$ 29,759,749	97.98%	\$	\$ 29,759,749	97.98%
2007	34.67	28,856,288	28,340,088	98.21	149,766	28,490,595	98.73
2006	33.41	27,083,704	26,609,098	98.25	196,429	26,805,527	98.97
2005	31.97	25,178,903	24,714,282	98.15	216,238	24,930,520	99.01
2004	30.6	23,525,883	23,112,573	98.24	209,545	23,322,118	99.13
2003	37.06	21,996,982	21,551,982	97.98	243,914	21,795,896	99.09
2002	35.74	20,546,761	20,118,778	97.92	175,666	20,294,444	98.77
2001	34.46	19,104,390	18,682,393	97.79	206,117	18,888,510	98.87
2000	33.53	17,986,571	17,528,642	97.45	186,066	17,714,708	98.49
1999	27.81	17,023,286	16,629,138	97.68	232,758	16,861,896	99.05

**TOWN OF GRANBY, CONNECTICUT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Capital Leases</u>	<u>Ratio of Debt to Taxable Assessed Value</u>	<u>Debt Per Capita</u>
2008	\$ 32,910	\$ 1,696	4.13%	\$ 3,114
2007	34,993	1,540	4.25%	3,084
2006	26,895	1,217	3.51%	2,488
2005	20,592	996	2.77%	1,947
2004	21,580	1,014	2.97%	2,056
2003	23,293	980	4.16%	2,233
2002	25,005	1,001	4.59%	2,431
2001	26,088	959	4.96%	2,523
2000	26,650	931	5.23%	2,663
1999	15,778	894	2.76%	1,731

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements

## TOWN OF GRANBY, CONNECTICUT

## STATEMENT OF DEBT LIMITATION

JUNE 30, 2008

Total tax collections (including interest and lien fees) for year ended June 30, 2008					\$	30,065,836
Reimbursements for revenue loss for the year ended June 30, 2008:						
Tax relief for the elderly						<u>59,446</u>
Base					\$	<u>30,125,282</u>
		<b>General Purpose</b>	<b>Schools</b>	<b>Sewers</b>	<b>Urban Renewal</b>	<b>Pension Deficit</b>
Debt Limitation						
2-1/4 times base	\$	67,781,885	\$	\$	\$	\$
4-1/2 times base			135,563,769			
3-3/4 times base				112,969,808		
3-1/4 times base					97,907,167	
3 times base						90,375,846
Total debt limitation		<u>67,781,885</u>	<u>135,563,769</u>	<u>112,969,808</u>	<u>97,907,167</u>	<u>90,375,846</u>
Indebtedness:						
Bonds and notes payable		27,624,000	5,136,000	150,000		
Bonds authorized and unissued			1,489,277			
School building grants receivable			(1,094,561)			
Net indebtedness		<u>27,624,000</u>	<u>5,530,716</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$	<u>40,157,885</u>	\$	<u>130,033,053</u>	\$	<u>112,819,808</u>
					\$	<u>97,907,167</u>
					\$	<u>90,375,846</u>

Note: In no case shall total indebtedness exceed \$210,876,974 or seven times annual receipts from taxation

**TOWN OF GRANBY, CONNECTICUT**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
**(In Thousands)**

	<b>FISCAL YEAR</b>									
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Debt limitation	\$ 210,877	\$ 201,266	\$ 189,279	\$ 176,243	\$ 165,012	\$ 153,227	\$ 143,542	\$ 133,635	\$ 126,444	\$ 121,242
Total net debt applicable to limit	<u>33,305</u>	<u>36,482</u>	<u>35,147</u>	<u>46,356</u>	<u>19,779</u>	<u>19,962</u>	<u>21,206</u>	<u>21,829</u>	<u>22,169</u>	<u>10,955</u>
Legal Debt Margin	\$ <u>177,572</u>	\$ <u>164,784</u>	\$ <u>154,132</u>	\$ <u>129,887</u>	\$ <u>145,233</u>	\$ <u>133,265</u>	\$ <u>122,336</u>	\$ <u>111,806</u>	\$ <u>104,275</u>	\$ <u>110,287</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>15.79%</u>	<u>18.22%</u>	<u>18.57%</u>	<u>26.30%</u>	<u>11.99%</u>	<u>13.03%</u>	<u>14.77%</u>	<u>16.33%</u>	<u>17.53%</u>	<u>9.04%</u>

Source: Comprehensive annual financial report - Schedule of Debt Limitation

Note: See Table 9 for calculation of current year debt limitation

**TOWN OF GRANBY, CONNECTICUT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**

**LAST TEN CALENDAR YEARS**

<b>Calendar Year</b>	<b>Population(1)</b>	<b>Per Capita Income(2)</b>	<b>Median Age(2)</b>	<b>School Enrollment(3)</b>	<b>Unemployment Rate(4)</b>	<b>Total Personal Income(2)</b>
2008	11,112	\$ 33,863	42	2,202	3.70%	\$ 52,648
2007	11,344	33,863	39.6	2,280	3.30%	52,648
2006	11,300	33,863	39.6	2,270	2.40%	52,648
2005	11,088	33,863	39.6	2,222	3.70%	52,648
2004	10,989	33,863	39.6	2,198	3.60%	52,648
2003	10,869	33,863	39.6	2,155	4.00%	52,648
2002	10,696	33,863	39.6	2,094	3.30%	52,648
2001	10,721	33,863	39.6	2,032	1.90%	52,648
2000	10,356	33,863	39.6	1,918	1.40%	52,648
1999	9,629	N/A	N/A	1,882	1.90%	N/A

(1) Source: Connecticut Department of Health and Census

(2) Source: Census - Based upon most recent info from 2000 census

(3) Source: Annual Budget

(4) Source: Connecticut Department Labor

TABLE 12

## TOWN OF GRANBY, CONNECTICUT

## PRINCIPAL EMPLOYERS

2008 AND 1998

<u>Employer</u>	<u>Nature of Business</u>	<u>2008</u>			<u>1998</u>		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Town of Granby	Local Municipal Government	473	1	19.6	358	1	18.3
YMCA	Recreation and Social Services	302	2	12.5			
Imperial Nursery	Company Headquarters/Nursery Production	295	3	12.2	346	2	17.7
Meadow Brook Nursing Home	Medical Services	182	4	7.5	90	3	4.6
High Meadow - Seasonal	Entertainment	149	5	6.2	83	5	4.3
Stop and Shop	Supermarket	145	6	6.0			
Geissler's Supermarket	Retail Sales	105	7	4.3	85	4	4.4
76 Salmon Brook Vet Hospital	Veterinary Hospital	65	8	2.7	52	7	2.7
Stateline Oil	Service/fabrication	66	9	2.8	75	6	3.8
CVS	Retail	52	10	2.2	34	8	1.7
Arrow Concrete	Industrial	37	11	1.5	32	9	1.6
Old Mill Pond Village	Retail				25	10	1.3
Total		<u>1,871</u>		<u>77.5</u>	<u>1,180</u>		<u>60.4</u>

Source: Town of Granby, Community Development Office/Assessor

## TOWN OF GRANBY, CONNECTICUT

## FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

## FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES AS OF JUNE 30, 2008

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
<b><u>Function/Program</u></b>										
General government	11	11	11	11	11	11	11	11	11	11
Police	22	22	22	22	22	22	22	20	20	20
Fire	0	0	0	0	0	0	0	0	0	0
Refuse collection	0	0	0	0	0	0	1	1	1	1
Other public works	17	17	16.5	16	16	16	15	15	15	15
Parks and recreation	2	2	2	2	2	2	2	2	2	2
Library	4	4	4	4	4	4	4	4	4	4
Education	<u>320.8</u>	<u>317.9</u>	<u>311.1</u>	<u>311.2</u>	<u>302.2</u>	<u>296.3</u>	<u>280.7</u>	<u>266.05</u>	<u>257.04</u>	<u>240.5</u>
Total	<u><u>376.8</u></u>	<u><u>373.9</u></u>	<u><u>366.6</u></u>	<u><u>366.2</u></u>	<u><u>357.2</u></u>	<u><u>351.3</u></u>	<u><u>335.7</u></u>	<u><u>319.05</u></u>	<u><u>310.04</u></u>	<u><u>293.5</u></u>

## TOWN OF GRANBY, CONNECTICUT

## OPERATING INDICATORS BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General government:										
Building permits issued	700	739	899	934	613	776	855	837	972	814
Building inspections conducted	1,560	1,300	1,400	1,100	1,138	1,200	1,038	1,143	1,574	1,440
Police:										
Physical arrests	163	143	206	302	255	250	223	293	267	194
Parking violations	0	0	0	0	0	2	3	2	7	2
Traffic violations	1,039	1,793	705	705	822	894	1,126	1,184	1,769	1,024
Fire:										
Emergency responses	226	214	188	186	188	194	221	210	214	219
Fires extinguished	41	10	7	12	20	18	28	19	32	15
Inspections	56	42	38	36	28	28	26	22	20	22
Refuse collection:										
Refuse collected (tons per day)	14.9	16.6	17.57	17.18	16.74	16.3	15.61	15.46	14.98	14.21
Recyclables collected (tons per day)	3.2	3	4.1	4.3	3.89	4.06	4.11	4.11	4.23	4
Other public works:										
Street resurfacing (miles)	3.3	3.4	3.4	3.42	3.31	6.98	4.35	7.68	7.83	6.41
Potholes repaired	150	200	215	200	225	200	185	200	190	200
Parks and recreation:										
Athletic field permits issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community center admissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Library:										
Volumes in collection	72,411	70,429	70,785	72,238	69,021	66,871	64,782	60,262	60,760	60,116
Total volumes borrowed	165,171	158,039	161,809	160,362	161,147	160,716	140,303	138,232	130,641	129,716
Water:										
New connections	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Water main breaks	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Peak daily consumption (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater:										
Average daily sewage treatment (thousands of gallons)	188,000	160,000	128,000	125,000	136,000	126,000	125,000	124,000	128,000	130,000
Transit:										
Total route miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Passengers	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Annual Reports, Budgets, and Department records



## TOWN OF GRANBY, CONNECTICUT

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

## LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR									
	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	0	0	0	0	0	0	0	0	0	0
Patrol units	9	9	9	9	10	10	10	8	8	8
Fire stations	3	3	3	3	3	3	3	3	3	3
Refuse collection:										
Collection trucks	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other public works:										
Streets (miles)	95.11	94.25	94.25	93.97	92.34	91.4	90.55	89.34	88.68	87.34
Highways (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streetlights	151	151	151	151	151	151	151	151	151	149
Traffic signals	6	6	6	6	5	5	5	5	3	3
Parks and recreation:										
Acreage	161.8	161.8	161.8	161.8	161.8	117.3	117.3	117.3	117.3	117.3
Playgrounds	2	2	2	2	2	1	1	1	1	1
Baseball/softball diamonds	6	6	6	6	5	5	5	5	5	5
Soccer/football fields	10	10	10	10	7	7	7	7	7	7
Community centers	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire hydrants	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Storage capacity (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wastewater:										
Sanitary sewers (miles)	4.77	4.77	4.77	4.77	4.77	4.77	4.77	4.77	4.77	4.77
Storm sewers (miles)	11.4	11.4	11.4	11.3	11.3	11.3	11.2	11.2	11.2	11.2
Treatment capacity (thousands of gallons)	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Transit - mini-buses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Annual Reports, Budgets and Department records