Join Zoom Meeting
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Meeting ID: 867 3823 0302
Passcode: 374728

TOWN OF GRANBY BOARD OF FINANCE
Special Meeting
Monday, October 26, 2026
6:30 p.m.
Senior Center

AGENDA

1. Call To Order
2. Bond Issuance Overview And Financial Condition - Matt Spoerndle, Phoenix Advisors

   Documents:

   2 10.26.26 GRANBY BOF PRESENTATION - FINAL.PDF
3. Audit Presentation - David Flint, CliftonLarsonAllen (CLA)

   Documents:

   SIGNED FINAL REPORT AND FINANCIAL STATEMENTS.PDF
   GRANBY PRESENTATION 2026 CLA.PDF
4. Public Session
5. Approval Of Minutes

   5.I. Board Of Finance Regular Meeting Minutes - September 28, 2026

   Documents:

   5 BOF MINUTES 09-28-2026.PDF
6. Communications

   6.I. Historical Analysis Of Parks & Recreation Special Revenue Fund

   Documents:

   6.1 2026 GRANBY PARKS AND REC FUND ASSESSMENT.PDF

   6.II. FY28 Preliminary Recommended Budget Instructions

   Documents:

   6.2 GRANBYBUDGETFY28INSTRUCTIONS.PDF

   6.III. Town Of Granby Purchasing Policy

Documents:

6.3 TOWN OF GRANBY PURCHASING POLICY.PDF

6.IV. Town Of Granby Asset Disposal Policy

Documents:

6.4 TOWN OF GRANBY CAPITAL ASSET DISPOSAL POLICY.PDF

6.V. Bonding Communications

Documents:

6.5 2027 CAPITAL BOND PAGE, PROOF 1, 10.14.2026.PDF

7. Statement Of Accounts

7.I. Town Budget Operations - September 2026

Documents:

7.1 26-09 BUDGET OPERATIONS.PDF

7.II. Board Of Education Budget Expense Report - September 2026

Documents:

7.2 BUDGET EXPENSE REPORT - SEPTEMBER 2026.PDF

8. Confirm Date Of Next Meeting

9. Adjournment

Town of Granby, CT



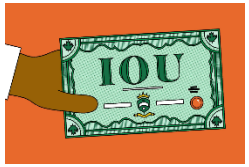
Debt/Credit/Future Bonding Overview

Presented by: Matthew Spoerndle, Phoenix Advisors
October 26, 2026

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WHAT IS A MUNICIPAL BOND?

- Indebtedness issued by a government entity, promising to repay borrowed money at a fixed rate of interest over a specified time period
  - "munis" are issued to fund day-to-day obligations and finance capital projects



- Short Term (Note) vs Long Term Debt Obligations
- Applicable Uses of Proceeds



- Nature of Obligations
  - G.O. / Special Assessment / Revenue / Conduit Financings
- Bond Ordinance Adoption by Legislative Body
  - Appropriation and Authorization

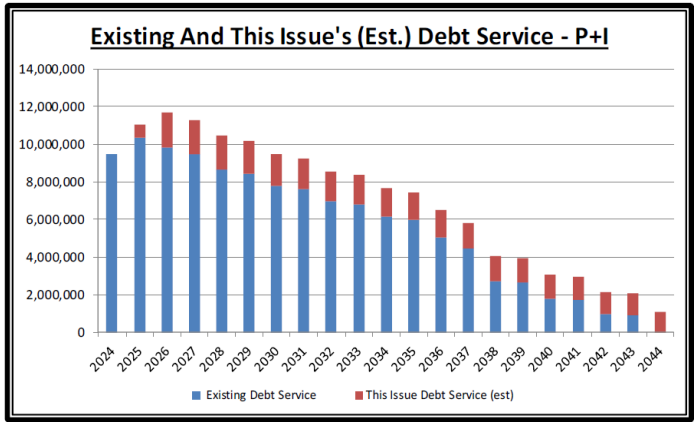
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Pre-Issuance

- Identify Capital Priorities / CIP
- Assemble Finance Team
  - The Issuer, Bond Counsel, Financial Advisor, Paying Agent, BOE Rep, Engineer, Underwriter (if necessary)
- Determine Method of Funding Projects
  - Cash
  - Debt (Bonds/BANs)
  - Grants (State/Federal)
  - Combination of above

Pre-Issuance

- Develop Financing Plan
  - Short-term versus Long-term Financing
    - Impact of Grants
    - Project Cash Flows
  - For Bonds – Determine Structure
    - Review existing debt service
    - Analyze Budget Impacts
    - Term (useful life, etc.)
    - Statutory limitations
    - Rating implications
  - Future needs



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Pre-Issuance

- Debt Authorization Requirements
  - Bonds and BANs
    - Bond Ordinance – needed to borrow

- Credit Ratings
  - Critically important
  - Public!
  - Main Consideration:
    - Finances
    - Debt
    - Economic Activity
    - Management
    - Long Term Liabilities
    - Etc…

INVESTMENT GRADE	Moody's			S & P / Fitch		
Best	Aaa			AAA		
High	Aa1	Aa2	Aa3	AA+	AA	AA-
Upper Medium	A1	A2	A3	A+	A	A-
Lower Medium	Baa1	Baa2	Baa3	BBB+	BBB	BBB-
NON-INVESTMENT GRADE						
Speculative - Moderate Risk	Ba1	Ba2	Ba3	BB+	BB	BB-
Speculative - High Risk	B1	B2	B3	B+	B	B-
Speculative - Substantial Risk	Caa			CCC		

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Pre-Issuance

- Effective presentations to rating agencies
  - First of all – Remove Politics from the Process!
  - Key Personnel Only
  - Preparation is Essential
  - Awareness of new criteria and factors
  - Be Proactive
- The Presentation Document:
  - Incorporate Trend AND Comparative Analyses
  - Tax Base (growth, new developments/redevelopments)
  - Fund Balance
  - Operating Results
  - Debt Ratios
  - Policies
  - Things beyond your control
  - Leave no stone unturned! (good or bad…)

The Rating Presentation

Rating Agency Presentation

by the

Town of Cheshire, Connecticut

$20,000,000
General Obligation Bonds
Issue of 2024

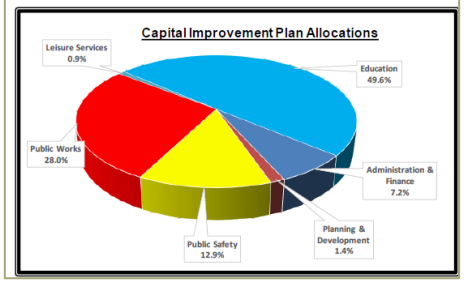
Meeting Date:
March 21, 2024

II. Financial Administration & Debt Management

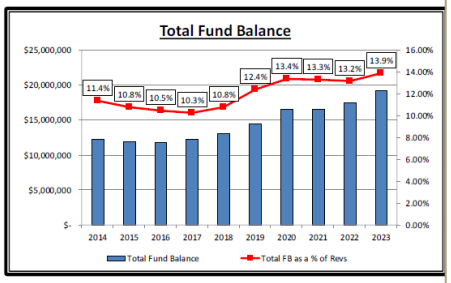
- *Capital Projects*

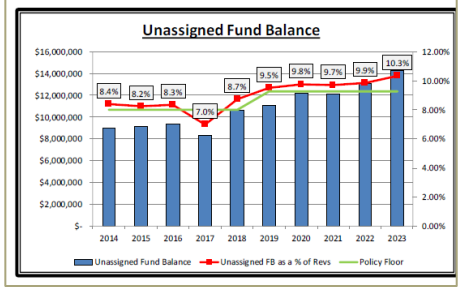
Department	Fiscal Year 2023-24	2024-25	2025-26	2026-27	2027-28	Total
Administration & Finance						
Finance	$ 465	$ 360	$ 360	$ 660	$ 360	$ 2,205
General Services	353	570	287	420	243	1,873
Public Property	975	1,605	550	370	-	3,500
Planning & Development						
Land Acquisition	1,230	150	-	-	100	1,480
Public Safety						
Police	75	655	-	-	-	730
Fire	2,650	-	1,675	7,050	1,475	12,850
Public Works						
Roads, Sidewalk, Drainage & Trees	3,340	5,265	5,190	4,694	4,279	22,768
Sewer & Water	735	1,680	2,250	800	1,300	6,765
Leisure Services						
Recreation	100	589	-	240	-	929
Education	3,765	14,820	16,550	9,210	7,925	52,270
Total	$ 13,688	$ 25,694	$ 26,862	$ 23,444	$ 15,682	$ 105,370
Funding Sources						
Bond/Note Proceeds	$ 11,127	$ 22,346	$ 20,792	$ 16,368	$ 11,479	$ 82,112
Grants	643	1,807	4,598	5,420	2,640	15,108
Capital & Non-recurring						
Expenditures Fund	1,918	1,541	1,472	1,656	1,563	8,150
Total Funding Sources	$ 13,688	$ 25,694	$ 26,862	$ 23,444	$ 15,682	$ 105,370

Note: The above is based on the Town Council's approved Five Year Capital Plan for Fiscal Years 2024 through 2028.



II. Financial Administration & Debt Management





III. Economic Development

- Stone Bridge Commons – The 110 Acre master planned development is under construction. The 160,000SF retail portion is anchored by a Whole Foods Market joining over 400 residential units and a Hilton Hotel.







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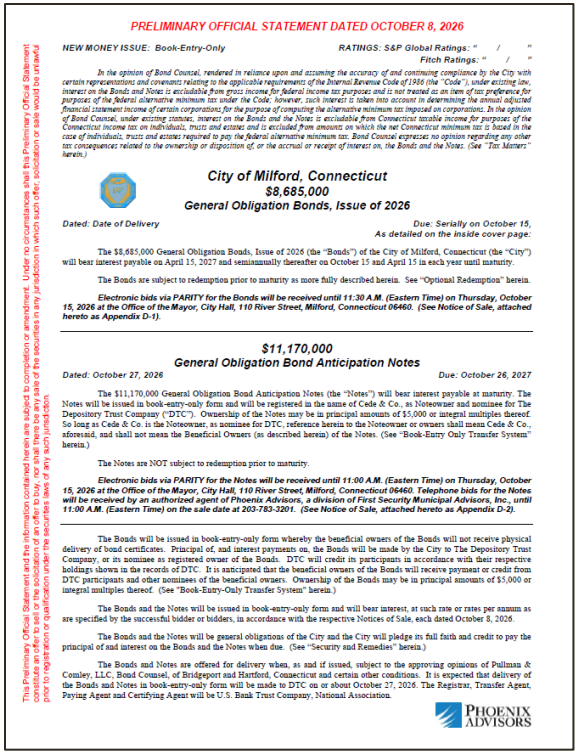
Current Rating

- Granby's Current Rating: **AA+**
  - Issued by S&P Global on July 12, 2021
  - Excerpts from the final report:
    - *The rating reflects the town's strong financial operations, evidenced by continued positive general fund results and increased available reserves during the past few fiscal years;*
    - *Strong budgetary performance, with operating surpluses in the general fund;*
    - *Very strong economy, with access to a broad and diverse MSA;*
    - *Very strong budgetary flexibility….available fund balance at 19% of operating expenditures;*
    - *Very strong liquidity;*
    - *Very strong debt-and-contingent-liability profile…and rapid amortization.*

The Official Statement

- **Who, what, where, when, why?**
  - Details of the Issuer and the sale, as well as the purpose of these bonds
  - OS usually set up in 7 parts giving an overview of the municipality and it finances (a detailed resume)

- I - Bond Information
- II - Issuer
- III - Economics and Demographics
- IV - Tax Base Data
- V - Debt Summary
- VI - Financial Administration
- VII - Legal and Other Information



PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 8, 2026

NEW MONEY ISSUE: Book-Entry-Only

RATINGS: S&P Global Ratings: " / "
Fitch Ratings: " / "

In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the City with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), under existing law, interest on the Bonds and Notes is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds and the Notes is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds and the Notes. (See "Tax Matters" herein.)

City of Milford, Connecticut
$8,685,000
General Obligation Bonds, Issue of 2026

Dated: Date of Delivery

Due: Serially on October 15, As detailed on the inside cover page:

The $8,685,000 General Obligation Bonds, Issue of 2026 (the "Bonds") of the City of Milford, Connecticut (the "City") will bear interest payable on April 15, 2027 and semiannually thereafter on October 15 and April 15 in each year until maturity.

The Bonds are subject to redemption prior to maturity as more fully described herein. See "Optional Redemption" herein.

Electronic bids via PARITY for the Bonds will be received until 11:30 A.M. (Eastern Time) on Thursday, October 15, 2026 at the Office of the Mayor, City Hall, 110 River Street, Milford, Connecticut 06460. (See Notice of Sale, attached hereto as Appendix D-1).

$11,170,000
General Obligation Bond Anticipation Notes

Dated: October 27, 2026

Due: October 26, 2027

The $11,170,000 General Obligation Bond Anticipation Notes (the "Notes") will bear interest payable at maturity. The Notes will be issued in book-entry-only form and will be registered in the name of Cede & Co., as Noteowner and nominee for The Depository Trust Company ("DTC"). Ownership of the Notes may be in principal amounts of $5,000 or integral multiples thereof. So long as Cede & Co. is the Noteowner, as nominee for DTC, reference herein to the Noteowner or owners shall mean Cede & Co., aforesaid, and shall not mean the Beneficial Owners (as described herein) of the Notes. (See "Book-Entry Only Transfer System" herein.)

The Notes are NOT subject to redemption prior to maturity.

Electronic bids via PARITY for the Notes will be received until 11:00 A.M. (Eastern Time) on Thursday, October 15, 2026 at the Office of the Mayor, City Hall, 110 River Street, Milford, Connecticut 06460. Telephone bids for the Notes will be received by an authorized agent of Phoenix Advisors, a division of First Security Municipal Advisors, Inc., until 11:00 A.M. (Eastern Time) on the sale date at 203-783-3201. (See Notice of Sale, attached hereto as Appendix D-2).

The Bonds will be issued in book-entry-only form whereby the beneficial owners of the Bonds will not receive physical delivery of bond certificates. Principal of, and interest payments on, the Bonds will be made by the City to The Depository Trust Company, or its nominee as registered owner of the Bonds. DTC will credit its participants in accordance with their respective holdings shown in the records of DTC. It is anticipated that the beneficial owners of the Bonds will receive payment or credit from DTC participants and other nominees of the beneficial owners. Ownership of the Bonds may be in principal amounts of $5,000 or integral multiples thereof. (See "Book-Entry-Only Transfer System" herein.)

The Bonds and the Notes will be issued in book-entry-only form and will bear interest, at such rate or rates per annum as are specified by the successful bidder or bidders, in accordance with the respective Notices of Sale, each dated October 8, 2026.

The Bonds and the Notes will be general obligations of the City and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds and the Notes when due. (See "Security and Remedies" herein.)

The Bonds and Notes are offered for delivery when, as and if issued, subject to the approving opinions of Pullman & Comley, LLC, Bond Counsel, of Bridgeport and Hartford, Connecticut and certain other conditions. It is expected that delivery of the Bonds and Notes in book-entry-only form will be made to DTC on or about October 27, 2026. The Registrar, Transfer Agent, Paying Agent and Certifying Agent will be U.S. Bank Trust Company, National Association.

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This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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Issuance

- Method of Sale
  - Competitive vs Negotiated
- Redemption provisions (aka: Call Feature)
- Distribution/Marketing of the Offering documents
- Timing Considerations
  - Interest Rate Environment
  - Supply/Demand
  - Major economic releases
  - ELECTIONS
  - Holidays

Bond Sale

- What impacts the end results??
- Evaluation of Bids
- Making the formal award
- Distribution of sale results
  - Communication to the market
  - Begin “closing process” (DTC, Bidder, Paying Agent)
    - Settlement letters, etc
  - Coordinate document signing

Meriden
$58,340,000 General Obligation Bonds, Issue of 2026

The following bids were submitted using ***PARITY***® and displayed ranked by lowest TIC.
Click on the name of each bidder to see the respective bids.

Bid Award*	Bidder Name	TIC
☑ Reoffering	J.P. Morgan Securities LLC	4.242923
☐	PNC Capital Markets LLC	4.244842
☐	FHN Financial Capital Markets	4.267562
☐	Oppenheimer & Co., Inc.	4.276664
☐	Loop Capital Markets, LLC	4.284060
☐	BNYMellon Capital Markets	4.286021
☐	Raymond James & Associates, Inc.	4.292255
☐	TRB Capital Markets, LLC	4.299695
☐	Mesirow Financial, Inc.	4.344418
☐	Wells Fargo Bank, National Association	4.446752
☐	Robert W. Baird & Co., Inc.	4.527030



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Post Issuance

- Debt service payments
  - When, how much, to whom?
  - Paying Agent / Depository Trust Company (DTC)
- Continuing Disclosure
  - Annual financial information
    - Granby has **exceptional** filing history
  - Material events



- Investment of bond proceeds (if applicable)
  - Arbitrage Considerations

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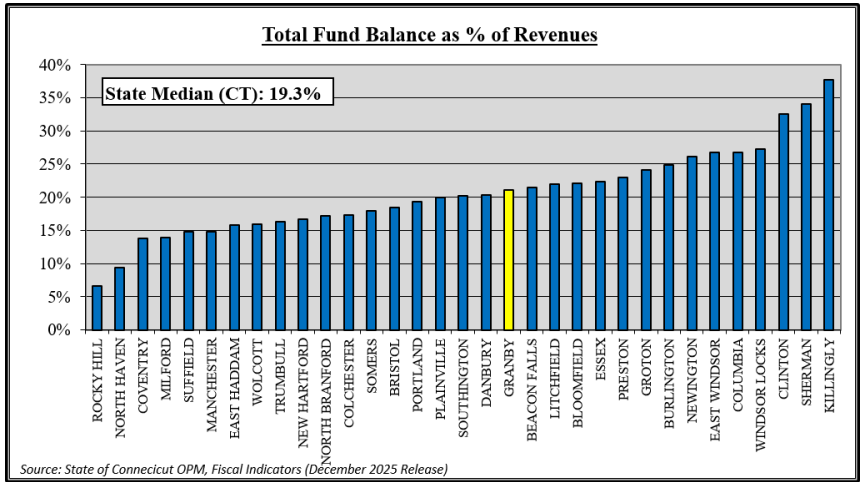
Granby Credit Overview

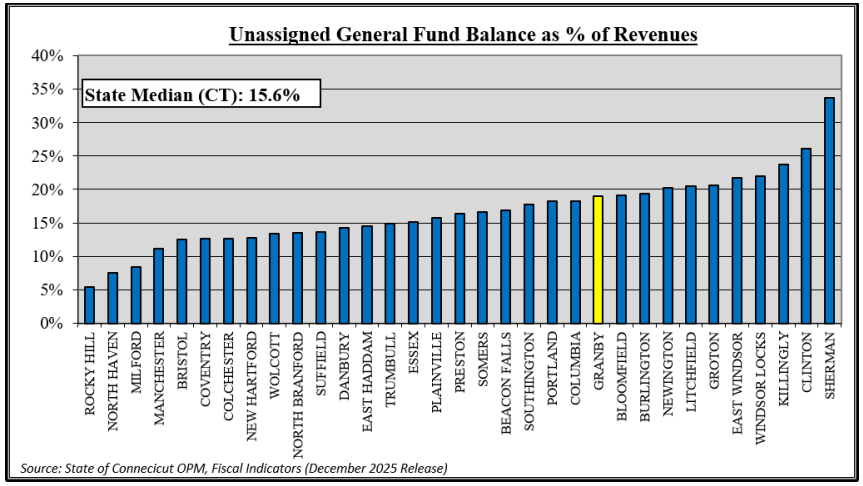
Peer Analysis vs AA+ S&P CT Local Issuers

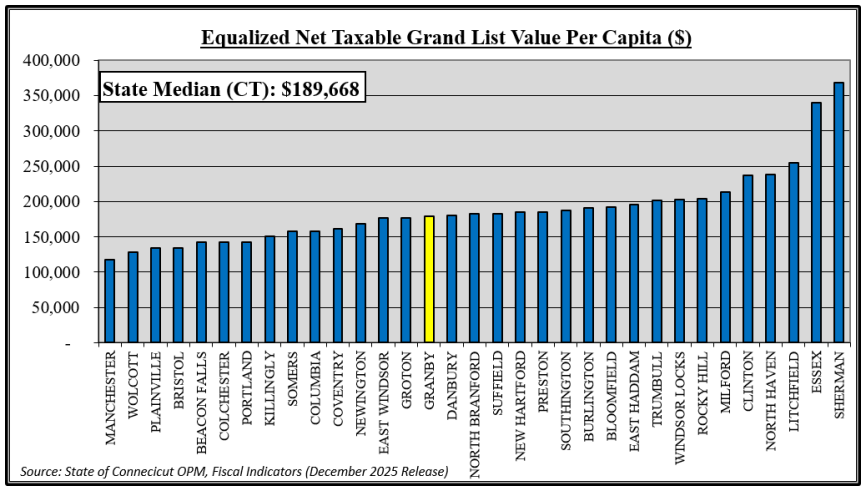
Municipality	S&P Rating
BEACON FALLS	AA+
BLOOMFIELD	AA+
BRISTOL	AA+
BURLINGTON	AA+
CLINTON	AA+
COLCHESTER	AA+
COLUMBIA	AA+
COVENTRY	AA+
DANBURY	AA+
EAST HADDAM	AA+
EAST WINDSOR	AA+
ESSEX	AA+
GRANBY	AA+
GROTON	AA+
KILLINGLY	AA+
LITCHFIELD	AA+
MANCHESTER	AA+

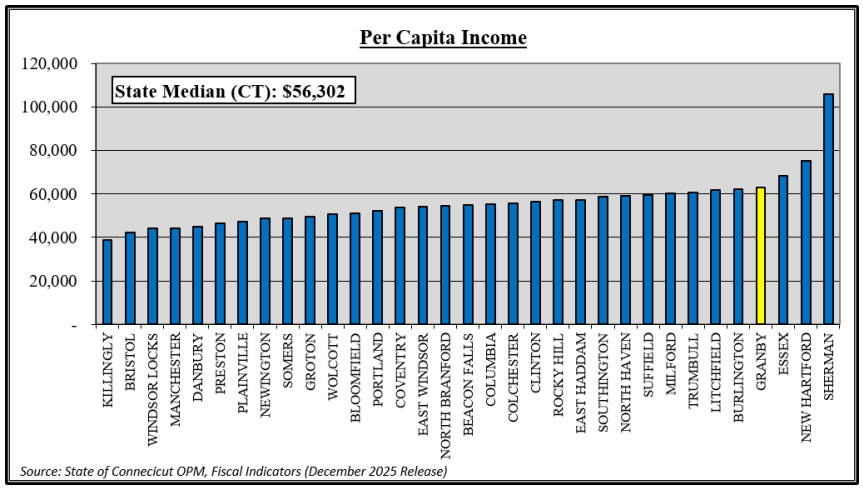
Municipality	S&P Rating
MILFORD	AA+
NEW HARTFORD	AA+
NEWINGTON	AA+
NORTH BRANFORD	AA+
NORTH HAVEN	AA+
PLAINVILLE	AA+
PORTLAND	AA+
PRESTON	AA+
ROCKY HILL	AA+
SHERMAN	AA+
SOMERS	AA+
SOUTHINGTON	AA+
SUFFIELD	AA+
TRUMBULL	AA+
WINDSOR LOCKS	AA+
WOLCOTT	AA+

Overview of Granby: AA+ Comps (Finance/Wealth)



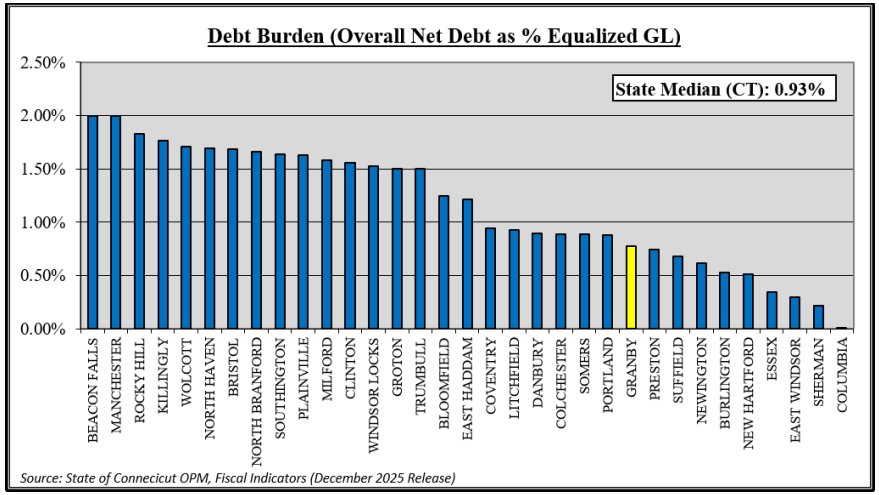


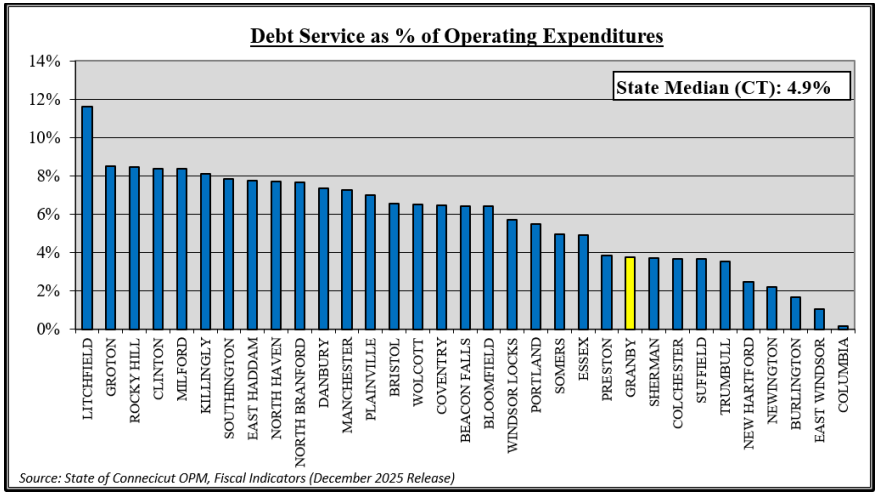


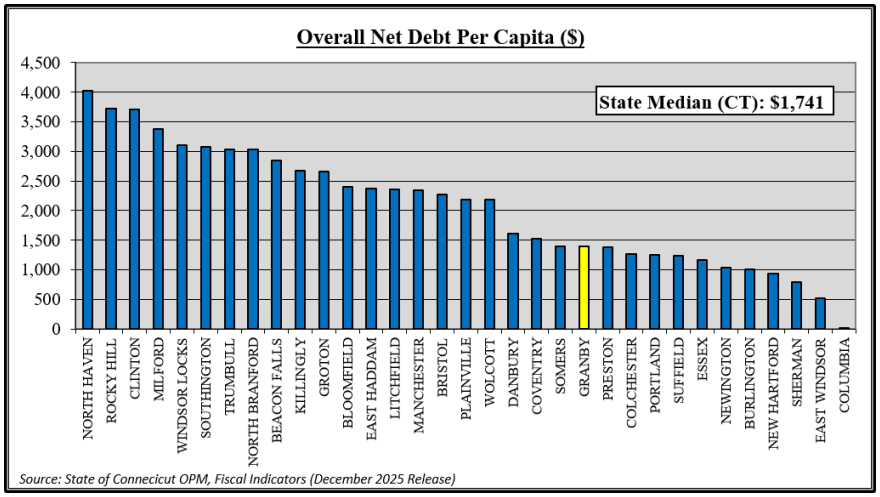


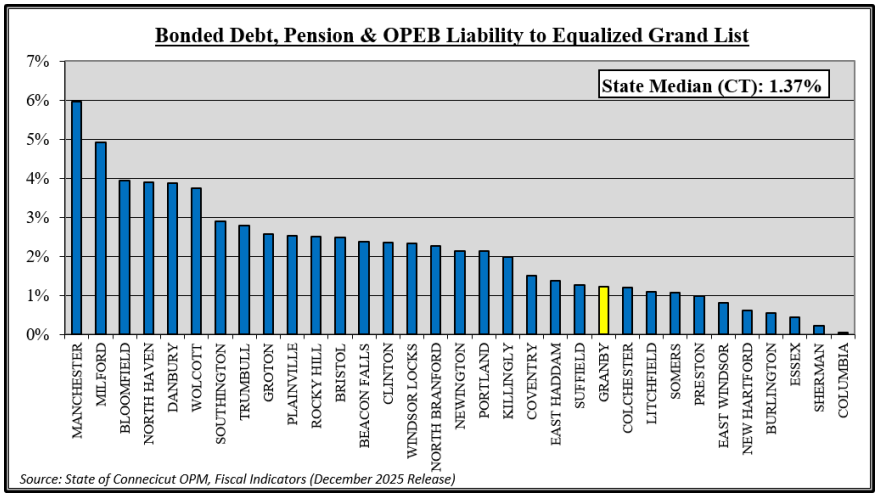
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Overview of Granby: AA+ Comps (Debt/Liabilites)









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Granby Peer Analysis Highlights

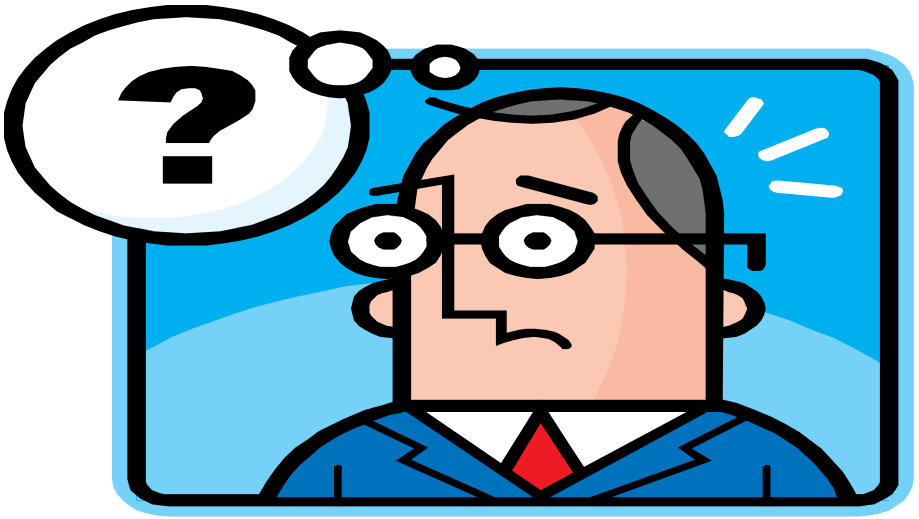
- Fund Balance levels are strong at levels above the AA+ medians
- Per capita income is very strong and among the highest in the group
- Overall Debt Burden is low both when compared to the grand list and per capita, as well as the percentage of the annual budget
- Pension and OPEB liabilities are relatively low in comparison to other AA+ communities

*The expectation would be that the Town would maintain the current **AA+** rating as a result of the current credit strengths and assuming fiscal stability moving forward, even with the additional debt.*

Debt Forecasting Model

- Assumptions:
  - $21,450,000 in total under consideration
    - $19,450,000 Net (non-self funded)
  - Bonding Terms: 20 years
  - Main Objective:
    - ***Debt service through 2032 (net) will not exceed $1.8 million on an annual basis thru FYE2032***
  - Preliminary Bond Issue Timing:
    - $10 million in November 2027
    - $9.45 million in November 2028
    - Note: The Town will adjust sizing and timing of the bond issues as to not exceed $1.8 million in net annual debt service

Questions?



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Town of Granby
Connecticut

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2026

TOWN OF GRANBY
CONNECTICUT

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2026

Prepared by:

Finance Department

Kimi Cheng
Director of Finance

TOWN OF GRANBY, CONNECTICUT
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INTRODUCTORY SECTION

TOWN OF GRANBY
Incorporated 1786

15 NORTH GRANBY ROAD
GRANBY, CONNECTICUT 06035-2125

(860) 844-5300

KIMI CHENG
DIRECTOR OF FINANCE

October 22, 2026

Town of Granby
Granby, Connecticut

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

This Annual Comprehensive Financial Report (ACFR) of the Town of Granby (the "Town") is submitted for the fiscal year ended June 30, 2026. The appointed auditors from CliftonLarsonAllen LLP, Certified Public Accountants, have issued an unmodified opinion on Granby's financial statements for the Fiscal Year 2025-26. 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 is reported in a manner to present fairly the financial position and results of operations of the Town. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient dependable information for the preparation of the Town's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Town's detailed configuration of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. 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 Uniform Guidance, 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 Granby Town Clerk's office and electronically at www.granby-ct.gov.

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 Barkhamsted, 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 of single-family homes, with a growing mix of multifamily housing developments and housing for the elderly. Throughout the years, a wide variety of commercial businesses have followed the residential growth. The Town's 2020 Census population was 10,903 (see Table 12 for population based on American Community Survey Data). The Town, originally part of the Town of Simsbury, was incorporated in 1786.

The Town functions under the Selectmen-Town Manager form of government. A Town Charter was first adopted in 1960. The Town Charter was last revised on November 7, 2023. A Charter Revision Committee was appointed in the fall of 2022 to comply with the requirements of the Town Charter and the Connecticut General Statutes. The vote on November 7, 2023, approved the changes recommended by the Charter Revision Committee.

The legislative body of the Town is the Board of Selectmen. The Board of Selectmen consists of five members, including a separately elected First Selectman who serves as 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, 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 Auditor and recommends the annual town budget for town approval.

Local Economic Condition and Outlook

Granby's local economy is primarily a component of residential properties and local businesses. Granby's housing base is made up primarily of single-family homes. The median home value in Granby is $367,900, which is $1,000 above the median home value in the State of $366,900. Recent sales show home sales prices ranging from $200,000 to over $1,000,000. The Town's residential component comprises about 92% of its tax base, based on real property. In addition to the single-family homes, Granby has six condominium developments containing 301 units and two elderly housing developments containing 86 units.

Granby's multifamily housing is located primarily within Granby Center and along the southern Route 10 corridor, where public water, natural gas, and public sewer are available. In this area, 235 apartment units just north of Granby Center on Salmon Brook Street were constructed. The Copper Brook, Planned Unit Development, just south of Granby Center on Salmon Brook Street, added 33 single-family homes in a common interest community. In the southeast part of Granby, The Grand residential community, added 130 apartment units in 5 separate buildings and 75 housing units, which are a mix of single-family homes and duplexes. Also within this area is the Greenway Village apartment complex, which has 34 units. This area has experienced the greatest amount of new development, with over 150,000 square feet of new building space constructed. The area infrastructure can support additional commercial and residential development.

The extension of natural gas lines has facilitated economic activity and provided significant cost savings for the Town. The Granby Memorial Middle School and High School and the Town's Municipal Complex are served by natural gas. Property owners along this gas line have been converting to natural gas, and the line was extended to serve the Meadowbrook Nursing Home. The gas line was also extended to the Bank Street area; many existing businesses have expressed interest in connecting to the line. The Town will request regular updates from the gas company regarding plans for further expansion and increased capacity to serve future developments. In addition to the extension of gas lines, the Town extended the sewer line by approximately 3,000 feet along Canton Road, Archie Lane, and Burleigh Drive. Residents have connected to this line, which has generated additional investment within the area.

Overall, Granby business activity is designed primarily to serve Town residents and, to a 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 medical, attorney, real estate, financial, and other office types normally found within a thriving Town Center. Retail services range from a national drug store, a supermarket, specialty stores, a hardware store, package store, and more. Naturally, the Center has several restaurants. These range from the chain stores to a bagel shop, local eateries, and a Starbucks. Also included are restaurants serving Mexican, Asian, Italian, and continental cuisines. The Town has supported its Center businesses with flexible zoning regulations, through business linkage initiatives, sidewalks, and the installation of traditional street lighting. Over the past few years, there have been sidewalk improvements to this area, including an additional 2,500 feet of sidewalk extending from the Center to Salmon Brook Park and sidewalks along East Granby Road that were installed as part of a Connecticut Department of Transportation project. Overall, these Center commercial, residential, and infrastructure improvements are bringing to fruition the Town's goal of creating a walkable Village 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 containing 50,000 square feet; and State Line Oil & Propane which provide local fuel delivery service and retail and wholesale sales to the area. There are a variety of other industrial and retail service buildings within this area and the area continues to see new business occupancies and general improvements to buildings. A self-storage and a car storage facility were also constructed in this area. Overall, this area should see additional industrial and commercial construction to meet the demand of local contractors and businesses.

While Granby is known as a highly desirable residential and educationally based community, it continues to build on its commercial base. The Town has earned an exemplary reputation for its work in fostering new business, as well as assisting existing businesses.

The Town's Grand List is comprised of a balanced mix of manufacturing and light industry and its top ten taxpayers represent about 7.11% of the total assessed value on October 1, 2024 Grand List. The Town's 2024 Grand List saw a total increase of 1.13%. The last revaluation was completed by the Assessor for the October 1, 2022 Grand List and the next revaluation will be effective and scheduled for the October 1, 2027 Grand List.

As of 2025, Granby's median household income was $120,275. This exceeded the state median household income of $95,781 by $24,494. The Town's June 2026 unemployment rate of 4.0% compared favorably to the statewide average of 4.9% and the national average of 4.4%.

Major initiatives

The Friends of Holcomb Farm: The Town worked closely with the Hartford Foundation for Public Giving to secure the acquisition of 87 Simsbury Road, a 5.5-acre parcel that was formerly home to the United Methodist Church. In August 2025, the Town amended its Lease and Use Agreement with the Friends of Holcomb Farm to place the parcel under their control. The Friends of Holcomb Farm have raised significant funds through donations and transformed the former church into a vegetable washing facility to expand Fresh Access outreach, a farm store offering Granby-produced agricultural goods to the community, and office and locker room space for farm employees.

ARPA Projects: The Town completed the awarded $3.41 million ARPA funding projects. The ARPA funding allowed the Town to improve technology infrastructure and replace technology equipment in all Town buildings; add a second virtual meeting room at the Senior Center; purchase online building permit submission software and other software to improve efficiency and effectiveness; invest in public safety software and equipment; complete HVAC replacement and improvement projects at Granby Memorial High School and Wells Road Intermediate School; renovate the Salmon Brook Park basketball courts; complete various building improvements at the Library, Police Department, Animal Shelter, Holcomb Farm, and Town Hall; and facilitate potential future planning for the Town Center, Library, Wastewater Facilities, Salmon Brook Park, and Ahrens Park.

Emergency Radio Communications: The voter-approved $4.6 million emergency radio communications upgrade is progressing, with the new system expected to be online by the end of 2026. Renovations and upgrades to radio and dispatch equipment have been completed at the Dispatch Center located within the Police Department. A new radio tower on Mountain Road is under construction and, when completed, will provide improved radio transmission coverage and state-of-the-art radio and transmission equipment for our Police, Fire, Ambulance, Public Works, and CERT service providers.

Kearns School Developing into Senior and Workforce Housing: Negotiations with the preferred developer, 7-Summits, continue, with a Development Terms Sheet framework in place that allows the developer to explore whether the project qualifies for federal and state loans and grants. The goal is to transform this concept into a housing reality. All development projects take time to unfold, and transforming a former town building into senior and workforce housing is particularly complex and slow-moving. However, Granby will continue working toward this much-needed development.

Granby Ambulance Association – Increased Town Contribution: Because declining insurance reimbursements are not keeping pace with the rising cost of operations, a new operating agreement is under review by the Town and the Association's Board of Directors. The agreement would result in an increase in the Town's contribution to the Association. This higher contribution was incorporated into the fiscal year 2026-27 Town budget to help stabilize the Association's financial condition. Once accepted and approved, the new agreement will establish a regular governance framework between the Town and the Association, while allowing the Association to focus its endowment and charitable contributions on long-term capital planning.

Solar Arrays and Building Envelopes – Exploring Energy Efficiency: With the assistance of the Conservation Commission, the Town is exploring opportunities to install solar arrays on Town-owned land and buildings. The Town, with assistance from Eversource, and the Board of Education have completed energy assessments of our buildings. We will work with CCM (Connecticut Conference of Municipalities) to explore grant and no-interest loan programs that could help address identified and needed energy infrastructure improvements.

RPIP (Regional Performance and Incentive Program) Grants: The Town is working cooperatively with the Town of East Granby to share a Human Resources Director, with Granby covering 80% of the position and East Granby covering 20%. The State of Connecticut encourages these types of shared service arrangements, and as a result, the Office of Policy Management (OPM) is considering a grant to the Town of Granby to further offset the cost of this program.

Volunteers Recognized Through an Appreciation Gathering: The Town of Granby benefits from the frequent and generous support of dozens of volunteers who contribute to a wide range of community activities, from assisting with Election Day administration to planning and executing a 250th community birthday celebration, to raising funds for the library through the annual book sale. The list of residents who give their time, talents, and resources to the community is long. In July 2026, the Town formally recognized their contributions at its first Volunteer Appreciation Gathering. Nearly 100 people attended the celebration, sharing food, laughter, and fellowship while honoring the long tradition of Granby residents giving back to the community they call home.

Town Hall Organizational Changes and Other Work that May Impact the Organization: With an eye toward fiscal austerity, the Town continues to examine each position as we work toward an organization that is responsive to residents' needs, delivers services in the most economical manner, and is resilient to the changes and challenges we face. Position reductions through attrition have been made in Public Works, Parks and Recreation, and now in the Town Manager's Office, resulting in an overall 6% reduction in the Town workforce compared to two years ago.

Long-Term Financial Planning

Town staff develop a multi-year, long-range financial model for operations and major capital projects that incorporates historical budget activity and proposed future activity. The model considers estimated future Grand List growth, revenue projections, operating budgets, fund balance and other reserves, and potential mill rate increases. The Town also developed a single 10-year capital plan addressing the capital needs of both the Town and Board of Education. This plan will be used by the Capital Program Priority Advisory Committee (CPPAC) to evaluate the Town's capital needs and priorities and make informed recommendations to taxpayers regarding future capital and bond funding.

By resolution, the Board of Selectmen appoints the CPPAC to oversee and report to the Board of Selectmen on major capital projects. The Committee consists of two members from each of the Boards of Selectmen, Finance, and Education, with the Town Treasurer serving as the seventh member. Once CPPAC proposes a major capital program, it is presented to the Board of Selectmen for review and approval.

The Committee approved $19,450,000 in capital projects at its February 2, 2026 meeting and voted to forward the projects to the Board of Selectmen for consideration. Using CPPAC's recommendations, the Board of Selectmen approved five bond questions including $10,450,000 for the track and baseball/softball field work at the High School, $3,000,000 for the Middle School mechanical work that may lead to a future building renovation, $1,500,000 for the sewer pump maintenance and repairs, $500,000 for the pickleball courts and a year-round bathroom at Salmon Brook Park, and $6,000,000 for the Library expansion at their August 3, 2026 meeting and referred those questions to the Board of Finance who will consider them at their September 28, 2026 meeting. Once approved, a Town meeting will be held on December 1, 2026 and the voters, in another show of direct democracy, will have their say on the five questions on December 8, 2026.

If one or more of the bond questions are approved by voters, a Public Building and Capital Project Committee (PBCPC) has been assembled to guide, shepherd, and execute the work. The members of the PBCPC include six capable residents with project management, construction, and capital project financing experience paired with three elected officials, one from the Board of Selectmen, Education, and Finance to ensure voter's dollars are spent wisely.

At its August 12 meeting, the PBCPC created a subcommittee to review the eleven engineering RFP submissions. The goal is to hire at least one engineering firm to determine why the high school track is failing. The selected engineering firm would then provide potential solutions and identify what a responsible, cost-effective approach could look like should voters approve funding when they vote on the five bond questions on December 8, 2026.

Relevant Financial Policies

Every fall, a Plus-One Budget is developed for short-term budget planning. It identifies existing budget needs, typically items over $5,000, for the upcoming fiscal year. The Plus-One Budget is reviewed by the operating boards and forwarded to the Board of Finance. A three-board meeting (Board of Selectmen, Board of Education, and Board of Finance) is then held in January to review the financial status of the Town. This leads to developing a budget guideline for the boards to prepare their budget for the ensuing fiscal year.

During budget preparation, goals and objectives are reviewed annually. They have remained consistent for several years. Some of the priorities and goals are to deliver and maintain excellent Town services that maximize the highest quality of life for all residents while budgeting in a conservatively and fiscally responsible manner, explore alternative methods of providing services and ways to expand revenue sources to minimize property tax increases, provide appropriate funding to maintain the Town assets and to meet long-term capital needs of the Town, move away from lease borrowing and fund cash purchases in the Capital Equipment/Improvement Fund, develop a multi-year plan to maintain unassigned fund balance reserves at a minimum of fifteen percent, and improve and fund communication strategies with residents and business in all areas of government.

The Purchasing Policy provides all departments with the guidelines for purchasing goods and services, from small to large purchases. A reference code is provided to the Finance Department that shows the department is following protocols. Individual departments keep records of their compliance with this policy.

The Town's debt service policy includes establishing criteria for issuing debt obligations, providing consistency and continuity to public policy development through its Capital Improvement Program, and transmitting a message to investors and rating agencies of the community's commitment to financial management.

The Town Charter and applicable sections of the Connecticut General Statutes govern the Town's debt issuance as it pertains to town and state mandates. With the new debt approved in June 2019 for over twenty-five million, the Town will conduct its debt management functions in a manner designed to maintain or enhance its existing credit rating.

The Town Manager adopted an investment policy for the Town's defined benefit plan that outlines the goals and objectives of the plan. The policy is intended to provide guidelines for managing the plan and establish specific investment policies governing how these goals will be achieved. The policy is used by the Town and its investment firm, Fiducient Advisors, LLC.

In 2014, the Town appointed a seven-member committee to explore opportunities and methods to improve Town and School District services, known as the Intra-Board Advisory Committee (IBAC). On January 18, 2022, a modified IBAC was established. The newly constituted committee was tasked with prioritizing and recommending projects for the use of the American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Funds. As of June 30, 2026, the Town had fully spent the awarded amount of $3,405,503.38. On July 13, 2026, the IBAC held its first meeting since 2022 to explore the possibility of establishing a Centralized Administrative Unit (CAU) jointly by the Town and the Board of Education. After reviewing eight responses to the joint Town and BOE Request for Proposal (RFP) seeking a consultant with significant experience in implementing municipal government shared services, the members of IBAC shortlisted three firms and held in-person interviews on August 10. IBAC ultimately selected CliftonLarsonAllen (CLA) at a cost of $28,350. The IBAC will approve the CLA contract and funding source at its next meeting on September 14.

The CLA engagement is expected to begin immediately thereafter, with a 12-week execution period. A final report outlining potential shared-service opportunities is expected to be presented to IBAC and the associated boards shortly after the beginning of the new year for their consideration.

Budgetary Control

On or before the third Monday in March of each year, the Town Manager submits to the Board of Selectmen a proposed General Fund budget that is annually appropriated. The proposed budget includes estimated revenues and proposed expenditures for the Town for the ensuing fiscal year beginning July 1, except for 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. On or before the second Monday in April, a public hearing is called by the Board of Finance. An annual budget vote is held on the second Monday after the conclusion of the public hearing on the budget; the vote may adopt the budget. If the budget is not adopted, the budget goes to another informational hearing and votes until passed. Prior to the vote, the budget may be amended by the Board of Finance.

Per the Town Charter, no person, including the Town Manager, shall involve the Town in any obligation to spend money for any purpose in excess of the amount appropriated per the adopted budget by the voters. Upon request from the Town Manager and with approval by the Board of Selectmen, the Board of Finance may transfer appropriations from one classification to another, 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 current tax levy. Special appropriations above 1-½% and up to 3% 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 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 reserved 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 $1,000 require evidence that bids or at least three quotations are received and that the lowest quote, consistent with quality, is 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.

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 CliftonLarsonAllen LLP, certified public accountants, to conduct the 2025-26 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 Annual Comprehensive 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, is the highest form of recognition in the area of governmental accounting and financial reporting. Receiving this award represents a significant accomplishment for a governmental entity and its management.

The Town has received this award for 19 consecutive years and is currently awaiting completion of the review of its 2024-25 ACFR. The Town intends to submit this report to the GFOA for review under the Certificate of Achievement program.

Acknowledgments

The preparation of this report reflects the dedication and commitment of the Finance Department staff. I extend my sincere appreciation to them, as well as to the many other Town departments that assisted in compiling this report.

The Finance Department strives to provide the support, guidance, and financial expertise necessary to carry out the Charter and policies of the Granby Board of Selectmen and Board of Finance, while also addressing the complex and evolving issues that may confront the Town in the years ahead.

Respectfully submitted,



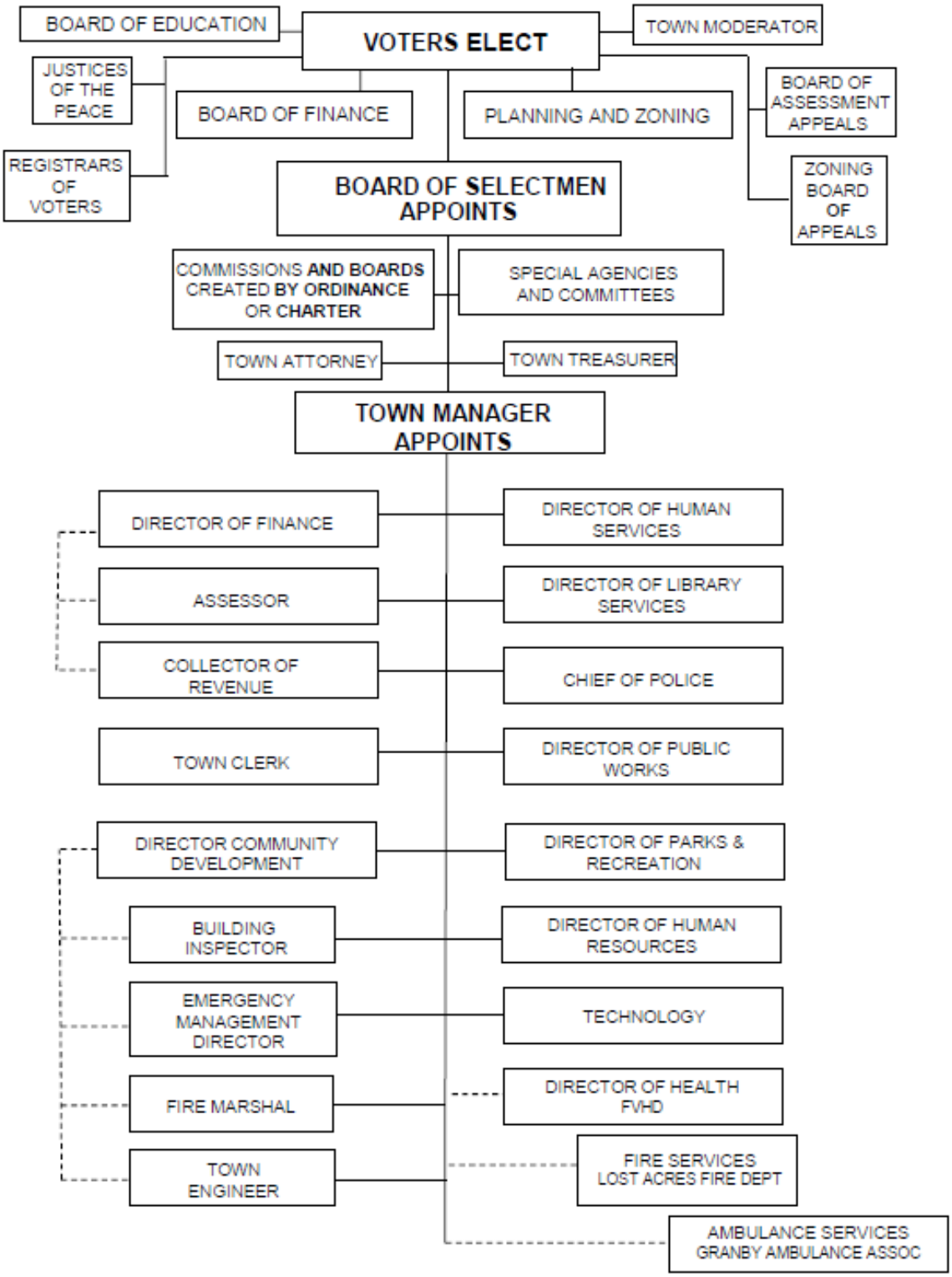
Kimi Cheng
Director of Finance

TOWN OF GRANBY

Principal Municipal Officials
As of June 30, 2026

Office	Name	Manner of Selection	Term
First Selectman	Mark H. Fiorentino	Elected	2 years
Selectman	Mark C. Neumann	Elected	2 years
Selectman	Margaret Q. Chapple	Elected	2 years
Selectman	Frederick A. Moffa, O.D.	Elected	2 years
Selectman	Kimberly Becker	Elected	2 years
Town Manager	Mike Walsh	Appointed	Indefinite
Director of Finance	Kimi Cheng	Appointed	Indefinite
Town Clerk	Jen Espinal	Appointed	Indefinite
Collector of Revenue	Kendra Gilbert	Appointed	Indefinite
Assessor	Susan J. Altieri	Appointed	Indefinite
Treasurer	John E. Adams	Appointed	2 years
Board of Finance - Chair	Michael B. Guarco, Jr.	Elected	4 years
Board of Education - Chair	Heather Lombardo	Elected	4 years
Superintendent of Schools	Cheri P. Burke	Appointed	3 years
Town Attorney	Richard P. Roberts	Appointed	2 years

TOWN GOVERNMENT GRANBY, CONNECTICUT



FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Finance
Town of Granby, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2026, and the related notes to the financial statements, which collectively comprise the Town of Granby, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2026, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Granby, Connecticut and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 15 to the financial statements, the Town identified an error in previously issued financial statements related to the omission of a special revenue fund. Accordingly, beginning net position of the governmental activities and beginning fund balance of the nonmajor governmental funds as of July 1, 2025, have been restated to correct the error. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Granby, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Granby, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Granby, Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information and the pension and OPEB schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Granby, Connecticut's basic financial statements. The combining and individual nonmajor fund financial statements and report of tax collector are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and report of tax collector are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2026, on our consideration of the Town of Granby, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Town of Granby, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Granby, Connecticut's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

West Hartford, Connecticut
October 22, 2026

Management of the Town of Granby, Connecticut (the Town), presents this Management's Discussion and Analysis (MD&A) for the fiscal year ended June 30, 2026. This narrative provides readers with a clear and accessible overview of the Town's financial performance, significant results, and economic conditions affecting the fiscal year. The MD&A is a required component of the Town's Annual Comprehensive Financial Report (ACFR) under Governmental Accounting Standards Board (GASB) Statement No. 34, with additional interpretive guidance provided by GASB Statement No. 103.

The purpose of this MD&A is to provide management's perspective on the Town's financial condition and to enhance the usefulness of the accompanying financial statements. It highlights significant financial results, explains material changes in net position and fund balances, discusses significant budgetary variances, and provides context for the Town's capital and debt activities. It also addresses significant financial trends and economic factors that influenced the Town's financial position and fiscal decisions during fiscal year 2026 and were therefore incorporated into next year's budget.

This report should be read in conjunction with the accompanying government-wide and fund financial statements, notes to the financial statements, required supplementary information, and other accompanying information. Together, these documents provide a comprehensive view of the Town's financial condition and activities, as well as its stewardship of public resources.

The fiscal year ended June 30, 2026, was marked by several significant developments affecting the Town's finances. These included the receipt of two payments from Broadleaf Solar related to one-time conveyance tax associated with the change of the farmland use at 90 Salmon Brook Street and 35 Floydville Road, strong investment performance in the Town's pension and OPEB funds, received grant reimbursements for the high school roof project and Griffin bridge project, continued investment in capital infrastructure, including the Emergency Communication Project, and completion of the Town's American Rescue Plan Act (ARPA) projects.

The Town remains committed to prudent financial management, maintaining adequate reserves, strategically investing in community infrastructure, and ensuring the long-term sustainability of essential public services. These priorities are reflected in the Town's fiscal year 2026 financial results and its continued focus on sound budgeting, responsible debt management, long-term planning, and effective stewardship of public resources. This MD&A provides a transparent overview of the Town's financial results and the significant factors influencing its financial condition during the fiscal year.

If you have questions about this report or require further information, contact the Finance office at townofgranby@granby-ct.gov.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Town's annual financial report consists of three primary components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to basic financial statements. This structure provides both a broad overview and a detailed, fund-specific view of the Town's financial position.

Government-Wide Financial Statements

Government-wide financial statements provide readers with a long-term, broad perspective on the Town's financial health. These statements are prepared using the accrual basis of accounting, similar to financial reporting used by private-sector entities.

The Statement of Net Position presents information on all of the Town's assets, liabilities, and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the Town's overall financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. Revenues and expenses are recognized when earned or incurred, regardless of when the related cash transactions occur. This statement highlights the relative financial burden or benefit of each major program on the Town's taxpayers.

Government-wide financial statements report on the Town's activities in the following category:

- Governmental Activities – These include the Town's primary governmental functions, such as general government, public safety, public works and environment, recreation and social services, education, and interest in long-term debt. These activities are primarily supported by property taxes, intergovernmental revenues, charges for services, operating grants and contributions, capital grants and contributions, investment earnings, and other general revenues.

Fund Financial Statements

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. These funds focus on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Town's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- Governmental fund financial statements include financial data for the general fund, capital projects fund, ARPA fund, special revenue funds, debt service fund, 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 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 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 maintains thirty-three individual governmental funds. The thirty special revenue funds, one debt service fund, one fox fund, and one permanent fund are included in the nonmajor governmental funds category. 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, the capital projects fund, and the ARPA fund, 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 B-1 and B-2. The Town 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 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'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 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'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 position, a statement of revenues, expenses, and changes in net fund position, 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, the capital projects fund, and the ARPA fund, the three major governmental funds. Major funds are funds whose revenues, expenditures/expenses, assets, and deferred outflows of resources or liabilities and deferred inflows of resources (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. Non-major 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 five categories: nonspendable, restricted, committed, assigned, and unassigned. (See Exhibit III - Balance Sheet, Governmental Funds; Note 1.N. Fund Balance; and Note 9, Fund Balance, of the Notes to the Financial Statements June 30, 2026, for a detailed explanation).

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

The statements distinguish between operating and non-operating 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 position.

We present separate fiduciary fund statements used to report assets held in a trustee capacity for others, and which cannot be used for our own programs. We must show a statement of fiduciary net position and a statement of changes in fiduciary net position. Fiduciary fund statements also disclose interfund loans, interfund services provided and used, and interfund transfers.

Notes to the Financial Statements

The notes provide essential disclosures and details that are fundamental to understanding the financial statements. They include information on accounting policies, detailed schedules, capital assets, pension and OPEB plans, long-term liabilities, budgetary compliance, and other key elements.

Required Supplementary Information (RSI)

Following the basic financial statements, RSI includes budgetary comparison schedules, pension and OPEB trend data, and funding progress information that further support the financial statements.

FINANCIAL HIGHLIGHTS

The following financial highlights summarize the Town's overall financial activity for the fiscal year ended June 30, 2026. These highlights reflect notable trends, material events, and significant factors influencing both government-wide and fund-level results.

- At the close of fiscal year 2026, the Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $81,127,527, representing an increase of approximately $1.7 million or 2.14%, compared to June 30, 2025. This increase in net position reflected an improvement in the Town's overall financial condition. Of the total net position, $14,149,204 is unrestricted and may be used to meet the Town's ongoing obligations to its citizens and creditors.

- At the close of the fiscal year 2026, the Town's governmental funds reported combined ending fund balances of $25,621,319, an increase of approximately $2.6 million compared to the prior year. Unassigned fund balances totaled $9,817,293, representing 13.59% of the total governmental funds revenues of $72,243,905.

- At the close of the fiscal year 2026, the General Fund reported an unassigned fund balance of $10,359,491, an increase of approximately $1.3 million compared to the prior year. The unassigned General Fund balance represented 16.12% of total General Fund operating revenues of $64,253,422.

- At the close of the fiscal year 2026, the Town's Internal Service Fund reported net position of $1,939,430, an increase of $357,527 or 22.60% compared to the prior year. The increase in net position might help the Town mitigate the financial pressure associated with rising health insurance costs.

- At the close of fiscal year 2026, the Town's capital assets, net of accumulated depreciation, totaled $70,472,346, representing a decrease of approximately $1.1 million, or 1.52%, compared to the

prior year. This decrease was primarily attributable to the completion of two major bridge projects in fiscal year 2025.

- During fiscal year 2026, the Town paid $1,505,000 in bond principal and $199,169 in principal on note payable. The Town also issued a new note payable of $875,000 during the fiscal year, resulting in an outstanding notes payable of $936,434 at year-end.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Government-wide financial analysis provides a comprehensive overview of the Town's financial condition by examining changes in assets, liabilities, and net position. This analysis is based on the government-wide financial statements, which are prepared using the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash flows occur.

OVERVIEW OF NET POSITION (Table 1 and Table 2)

As of June 30, 2026, the Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $81.1 million, compared to $79.4 million as of June 30, 2025. This represents an increase in net position of $1,702,382 during fiscal year 2026. This change is primarily attributable to strong investment earnings, reductions in general obligation bonds resulting from scheduled debt payments, a significant decrease in long-term OPEB liability, the pension plan achieving full funding resulted in net pension asset, and operational efficiencies resulting from organizational restructuring initiatives.

Table 1. Net Position

	Governmental Activities	
	2026	2025
Assets:		
Current and Other Assets	$ 35,889,817	$ 32,303,158
Capital Assets, Net of Accumulated Depreciation	70,472,346	71,561,081
Total Assets	106,362,163	103,864,239
Deferred Outflows of Resources	1,482,544	1,941,221
Liabilities:		
Long-Term Debt Outstanding	16,092,946	20,106,188
Other Liabilities	3,378,159	2,661,802
Total Liabilities	19,471,105	22,767,990
Deferred Inflows of Resources	7,246,075	3,612,325
Net Position:		
Net Investment in Capital Assets	58,104,655	58,039,026
Restricted	8,873,668	7,401,758
Unrestricted	14,149,204	13,984,361
Total Net Position	$ 81,127,527	$ 79,425,145

Governmental Activities:

- Governmental activities reported an increase of $1,702,382, or 2.14% compared to fiscal year 2025.
- Current and other assets increased significantly by $3.6 million or 11.10%, to $35,889,817 in fiscal year 2026. This increase was primarily due to the recognition of a $1.5 million net pension

asset and the Town's prudent cash management practices. Maintaining strong cash balances enabled the Town to benefit from investment earnings through the State of Connecticut Short-Term Investment Fund (STIF). The net pension asset was reported as restricted net position.

- Long-term liabilities decreased significantly during fiscal year 2026, primarily due to a $2.1 million reduction in the net OPEB liability. This reduction was largely attributable to the favorable effect of economic/demographic gain, an additional $300,000 employer contribution to the OPEB plan, and strong investment return. As a result, the OPEB plan's net position as a percentage of the total OPEB liability increased to 72.87% as of June 30, 2026 from 56.53% in fiscal year 2025. In addition, the Town's pension plan's net position as a percentage of the total pension liability reached 105.77%, indicating that plan assets exceeded the actuarial pension liability by $1.5 million.
- Deferred inflows of resources increased by approximately $3.6 million, or 100.59%, to $7,246,075 at the close of fiscal year 2026. This increase was primarily attributable to favorable actual investment earnings on pension plan investments and favorable differences between expected and actual experience in the OPEB plan.
- A portion of the Town's net position, $8,873,668 (10.94%), consists of a nonexpendable trust of $400,000, a restricted amount of $209,318 set aside for debt service, $15,962 for the cemetery, $4,854 for the library, $56,348 for scholarships, $330,489 for student activities, $1,257,955 for Fox Fund, $1,540,625 for net pension asset, and $5,058,117 for grants. The remaining balance of unrestricted net position, $14,149,204, may be used to meet the government's ongoing obligations to citizens and creditors.

Table 2. Changes in Net Position

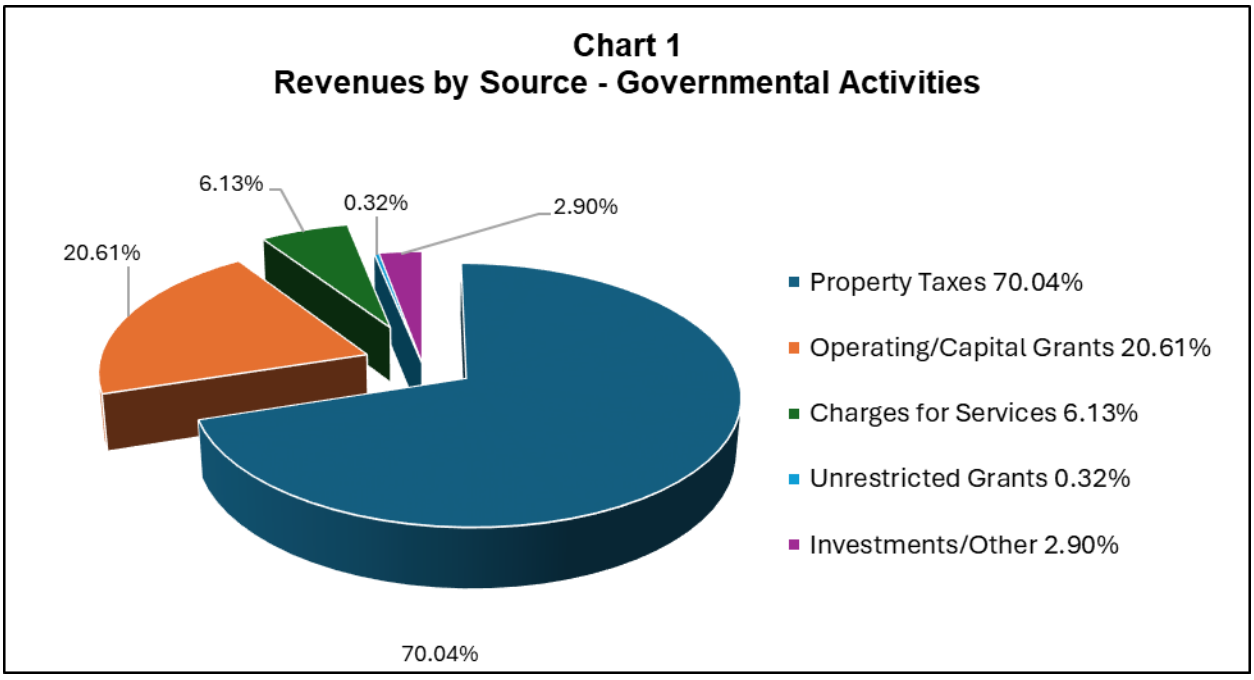
	Governmental Activities	
	2026	2025
Revenues:		
Program Revenues:		
Charges for Services	$ 4,259,496	$ 2,942,267
Operating Grants and Contributions	14,231,927	17,776,550
Capital Grants and Contributions	80,657	1,909,905
General Revenues:		
Property Taxes	48,637,005	46,299,898
Grants and Contributions Not Restricted to Specific Purpose	222,319	110,320
Unrestricted Investment Earnings	1,450,996	1,348,601
Other General Revenues	563,811	262,262
Total Revenues	69,446,211	70,649,803
Program Expenses:		
General Government	6,254,015	6,542,323
Public Safety	3,837,910	3,264,135
Public Works and Environment	5,762,354	6,349,482
Recreation and Social Services	2,535,525	2,068,240
Education	49,267,554	47,528,824
Interest on Long-Term Debt	86,471	234,922
Total Program Expenses	67,743,829	65,987,926
Change in Net Position	1,702,382	4,661,877
Net Position - Beginning of Year	79,425,145	73,593,012
Restatement	-	1,170,256
Net Position - End of Year	$ 81,127,527	$ 79,425,145

Revenues (Chart 1)

Government-wide revenues totaled $69.4 million, a slight decrease from fiscal year 2025 due to the decrease in grant reimbursements from the State and Federal for the school and bridge projects. Key revenue sources included:

- Property taxes totaled $48.6 million, an increase of $2.3 million or 5.05% from fiscal year 2025, reflecting a healthy collection rate of 100.09% for the current tax levy, mill rate increase, and one-time conveyance tax revenue received from Broadleaf Solar in connection with the change in the use of farmland.
- Operating grants and contributions totaled $14.2 million, a decrease of $3.5 million or 19.94% from fiscal year 2025. The decrease was primarily due to lower grant-related revenues as America Rescue Plan Act-funded projects neared completion and a significant reduction in state teacher retirement revenue from $5.9 million to $3.1 million.
- Capital grants and contributions totaled $80,657, a decrease of $1.8 million or 95.78% from fiscal year 2025. The decrease was primarily due to the absence of grant revenue from the Small Town Economic Assistance Program (STEAP)-funded project during fiscal year 2026 and the near completion of grant reimbursements for the school and bridge projects.
- Charges for services totaled $4.3 million, an increase of $1.3 million or 44.77% from fiscal year 2025, and the majority of the increase was related to the Board of Education (BOE) deferred outflows and net pension liability.
- Beginning net position and fund balance were restated by approximately $1.17 million to reflect the proper classification of the Fox Fund. The Town determined that the Fox Fund should be reported as a special revenue fund, resulting in a restatement of the beginning balances to ensure consistency with the applicable governmental accounting and financial reporting requirements. See Note 15 for more information.

Chart 1 below illustrates the sources of all Town revenues and the percentage of total Town revenue each individual source represents.



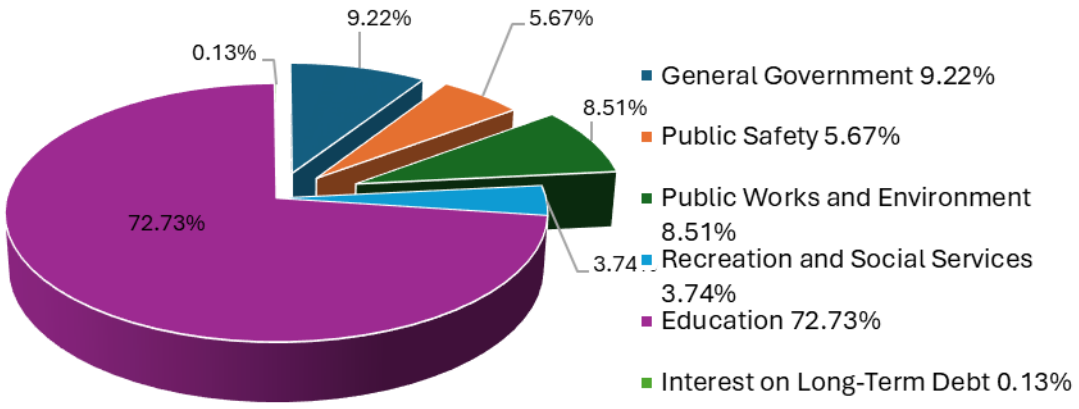
Expenses (Chart 2)

Total program expenses increased by $1.76 million or 2.66%, led by:

- Education totaled $49.3 million, an increase of $1.7 million from fiscal year 2025, reflecting continued increases in special education and personnel costs. Education continued to represent the Town's most significant governmental program, accounting for over 72.73% of governmental expenses.
- Public Safety totaled $3.8 million, an increase of $573,775 from fiscal year 2025, driven by the addition of a patrol officer and wages increases under the negotiated union contract.
- Recreation and social services, an increase of $467,285 from fiscal year 2025, resulting from wages increases under the negotiated union contract.

Chart 2 below illustrates the functions of all Town expenses and the percentage of total Town expenses each individual function represents.

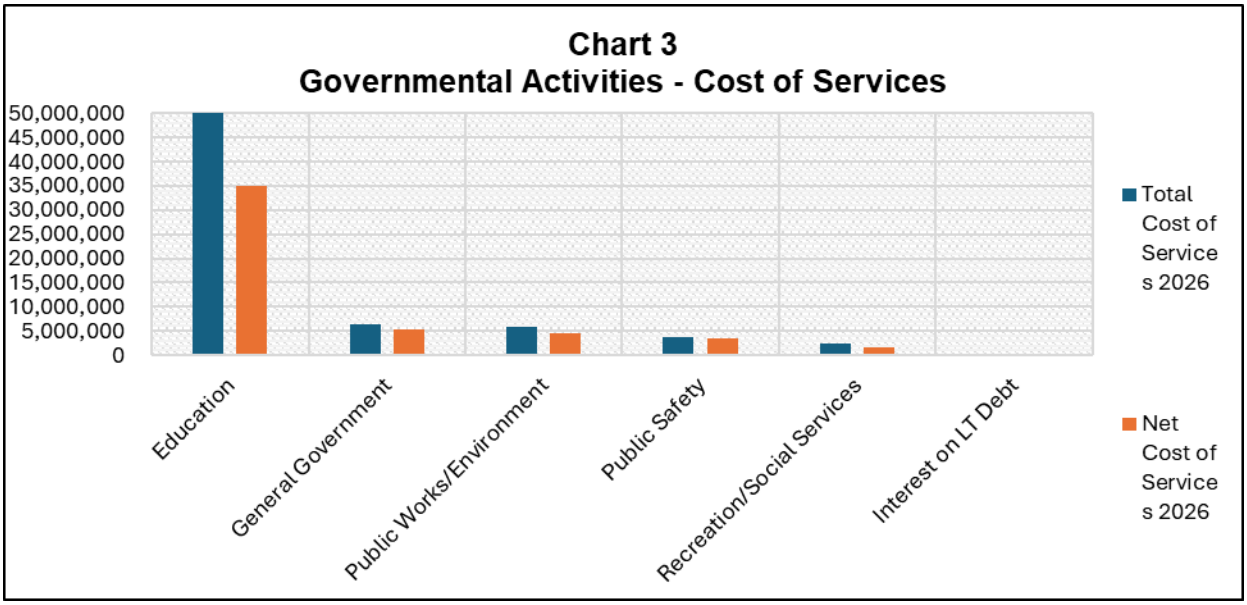
Chart 2
Expenses by Function- Governmental Activities



Net Program Costs (Chart 3)

Chart 3 below presents the costs of each of the Town's six programs, as well as the net cost of each program (total cost minus revenues generated by the activities). The Net Cost indicates the financial burden imposed on the Town's taxpayers by each of these functions. Key trends include:

- The net cost of Education increased by $3.2 million, or 10.48%, as state and federal grant funding did not increase proportionately to offset the rising costs of special education.
- The net cost of Recreation and Social Services increased by $2.1 million, reflecting a $1.5 million reduction in ARPA grant funding in fiscal year 2026 as the majority of the ARPA projects were completed in fiscal year 2024 and fiscal year 2025.
- The relatively stable net costs of Public Works and Public Safety reflected the Town's continued commitment to maintaining public infrastructure and providing essential public safety services.



OVERALL FINANCIAL ANALYSIS

The Town's government-wide financial results reflected an improvement in net position, reductions in long-term liabilities, and continued investment in critical infrastructure. Despite rising material costs and other fiscal pressures, the Town's net position increased modestly, reflecting its ongoing commitment to prudent financial management and responsible stewardship of public resources.

TOWN FUNDS FINANCIAL ANALYSIS

Fund financial statements provide detailed information about the Town's major funds, emphasizing current financial resources, budgetary compliance, and short-term fiscal accountability. This perspective differs from the government-wide financial analysis, which focuses on the Town's overall financial position and long-term economic resources. The following discussion examines the financial performance of the Town's governmental, proprietary, and fiduciary funds for the fiscal year ended June 30, 2026.

Governmental funds

The Town reports three major funds individually in the governmental fund financial statements. Those funds are the general fund, the capital projects fund, and the ARPA fund. At the end of the fiscal year 2026, the Town's governmental funds reported combined ending fund balances of $25,621,319, an increase of $2,579,696 or 11.20% in comparison with the prior year. The General Fund, the Capital Projects Fund, the ARPA Fund, and the Other Nonmajor Governmental Funds posted positive fund balances for the year. Nonspendable fund balance in the amount of $887,644 is not available for new spending because it represents amounts that cannot be spent: $485,191 was for the interfund loans between the general fund and the capital project funds, $2,453 was for the prepaid items in the capital project funds, and $400,000 was for the Holcomb Farm Trust fund. The restricted fund balance of $3,941,018 represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments, specifically, $15,205 for ARPA, $209,318 for debt service, $56,348 for scholarships, $330,489 for student activities, $15,962 for the cemetery, $4,854 for the library, $1,257,955 for Fox Fund and $2,050,887 for grants.

Those three major funds are shown in Table 3 and are discussed in more detail below.

Table 3. Revenues, Expenditures, and Changes in Fund Balances

	General Fund		Capital Projects Fund		ARPA Fund	
	2026	2025	2026	2025	2026	2025
Total Revenues	$64,253,422	$60,981,395	$1,697,194	$1,565,041	$38,981	$1,542,837
Total Expenditures	60,370,081	57,632,136	4,758,564	4,711,052	83,006	1,670,760
Excess (deficiency) of revenues over expenditures	3,883,341	3,349,259	(3,061,370)	(3,146,011)	(44,025)	(127,923)
Other Financing Sources (Uses)						
Transfers In	-	18,431	3,421,986	6,759,205	-	14,500
Transfers Out	(3,044,835)	(6,339,375)	-	-	-	-
Issuance of Leases	-	-	875,000	438,000	-	-
Total other financing sources (uses)	(3,044,835)	(6,320,944)	4,296,986	7,197,205	-	14,500
Net Changes in Fund Balance	838,506	(2,971,685)	1,235,616	4,051,194	(44,025)	(113,423)
Fund Balances - Beginning of Year	12,022,023	14,993,708	3,956,802	(94,392)	59,230	172,653
Fund Balances - End of Year	12,860,529	12,022,023	5,192,418	3,956,802	15,205	59,230

- General Fund: The General Fund is the Town's primary operating fund. At the end of fiscal year 2026, the General Fund's unassigned fund balance was $10,359,491, an increase of 14.77% from the prior fiscal year, while total fund balance was $12,860,529, an increase of 6.97%. The fiscal year's change in fund balance included an increase of $838,506, primarily attributable to a strong 100.09% collection rate on the current-year tax levy.
  As a measure of the Town's liquidity, the unassigned fund balance of the General Fund and the total fund balance of all governmental funds may be compared to their respective total revenues. The General Fund's unassigned fund balance represented 16.12% of total General Fund revenues of $64.2 million, while the total fund balance of governmental funds represented 13.59% of total governmental fund revenues of $72.2 million.
- Capital Projects Fund: The Capital Projects Fund balance increased by $1,235,616, or 31.23%, primarily due to a year-end additional appropriation of $690,000 from the General Fund to the Capital Projects Fund, approved by the Board of Selectmen and the Board of Finance, as well as an increase in notes payable. The decrease in transfers-in reflected the one-time $2.9 million transfer to the emergency communication project in fiscal year 2025.
- ARPA Fund: The ARPA fund had a balance of $15,205, which was mainly from the cumulative interest earnings and would be transferred out in the next fiscal year. The Town completed the ARPA close-out procedure with the U.S. Department of Treasury in August 2026.

Proprietary fund

The Town's proprietary fund provides the same type of information presented in the government-wide financial statements, but in greater detail. The Town uses an internal service fund to account for employee health benefits.

At the end of fiscal year 2026, the internal service fund reported net position of $1,939,430, an increase of $357,527 from fiscal year 2025, all of which was unrestricted. The increase in net position was primarily attributable to a 3% increase in medical and vision premiums, a slight increase in investment income, and a relatively modest increase in claims expense of $16,256.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original revenue budget of $55,678,713 was increased by $13,778 to $55,692,491 to reflect grant revenues received in fiscal year 2026, including $7,344.28 from a PETPETIA grant for two interactive displays in the Library, one of which was donated to the BOE; $3,433.50 to support a summer intern in the library; and $3,000 from a GTCF grant to fund smoke alarms for residents.

The original expenditure budget of $57,863,713 was increased by $703,778 to $58,567,491. The adjustments reflected the expenditures associated with the three grants described above, as well as an additional appropriation of $690,000 to the Capital Projects Fund.

Revenues

During fiscal year 2026, actual revenues exceeded budgeted revenues by $3,288,722, primarily due to tax revenues exceeding budget by approximately $1.6 million, including one-time conveyance tax receipts; proceeds from the sales of 83 Salmon Brook Street ($245,000) and 603 Cider Lane ($101,000); and conservative budgeted in investment income and building permits and licenses. Investment income exceeded budget by $429,573, while building permit and license revenues exceeded budget by $206,802.

Expenditures

Actual expenditures were $394,072 below budget, reflecting prudent expenditure management and savings associated with delays in filling positions following retirements and other employee separations.

The unspent balance of $72,521 in the BOE budget was approved for transfer to the non-lapsing BOE fund by the BOE in September 2026, with the transfer to be completed in early fiscal year 2027. The non-lapsing fund is intended to set aside unspent BOE appropriations for future one-time and nonrecurring educational expenses. Following this transfer, the fund balance is expected to total $237,791.09.

The combination of revenues exceeding budget and expenditures below budget resulted in a favorable overall budget variance of $3,682,794.

For additional information regarding the budget, please see Exhibits RSI-1 and RSI-2 under Required Supplementary Information contained in this report.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2026, the Town's capital assets totaled $70.5 million (net of depreciation), representing a decrease of $1.1 million from the prior fiscal year. Capital assets include land, buildings and building improvements, machinery and equipment, park facilities, roads, highways, bridges, and construction in progress (CIP).

Major capital additions during fiscal year 2026 included:

- $883,542.76 equipment for department of public works.
- $642,240 assessed value for donated church at 87 Simsbury Road.
- $130,000 bleachers at high school.
- $125,663.66 for police cruisers.

Table 4 provides detailed information on capital assets by category. These investments reflect the Town's ongoing commitment to maintaining safe, efficient, and modern infrastructure for residents, businesses, and visitors.

Table 4. Capital Assets at Year-End (Net of Depreciation)

	Governmental Activities	
	2026	2025
Land (Not Depreciated)	$ 8,635,805	$ 8,635,805
Construction in Progress (Not Depreciated)	2,127,949	397,732
Buildings and Improvements	36,038,185	38,124,883
Vehicles and Equipment	4,694,540	4,703,642
Equipment	350,400	438,000
Infrastructure	18,625,467	19,261,019
Total	$ 70,472,346	$ 71,561,081

CIP included $799,685 for the emergency communication project, $12,051 for Doherty bridge, $11,140 for SABP Connector to Auxiliary parking project, and $907,341 for the BOE Safety and Security project.

Significant capital project events during the fiscal year 2026 included the following:

- Replacement of the main gym bleachers at the high school.
- Removal of underground oil tanks at Kelly Lane Elementary School and Wells Road Middle School
- Buttress wall repairs and tile replacement at the middle school
- Replacement of the Central Office roof
- Installation of sound barriers at the Salmon Brook Park tennis courts

Administrative preparations for the Simsbury Bridge and Doherty Bridge projects have been completed. Construction on the Simsbury Bridge is expected to begin soon, as the closure dates have already been announced. Construction on Doherty Bridge is expected to begin following the issuance of a request for proposals (RFP), selection of a contractor, and receipt of the required state approvals.

Additional information on the Town of Granby's capital assets can be found in Note 4, Capital Assets of this report.

Debt Limits

At the end of the fiscal year 2026, the Town of Granby had $9,985,000 of long-term bonded debt and no short-term debt, as shown in Table 5. The Town paid off $1,505,000 of bond principal and $86,471 of interest in fiscal year 2026.

Table 5. Long-Term Debt

Date	Purpose	Rate	Original	Debt	Fiscal Year Maturity
2/15/2006	Public Improvement	3.8-5.0	$ 10,000,000	$ -	2026
3/3/2021	Public Improvement	2.0-4.0	3,400,000	2,550,000	2041
3/3/2021	Public Improvement	0.35-2.1	5,255,000	3,435,000	2041
7/14/2021	Public Improvement	2.0-5.0	5,000,000	4,000,000	2041
	Total		$ 32,355,000	$ 9,985,000	

One hundred percent of Granby's indebtedness is general obligation debt secured by the full faith and credit of the Town. Standard & Poor's Corporation (S&P), one of the three nationally recognized municipal credit rating agencies, rates our outstanding bonded debt "AA+".

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, 2026, the maximum amount of borrowing permitted under the formula would be $323,866,445. With total borrowings of $9,985,000 and an aggregate $9,171,597 of debt authorized but unissued, the Town's outstanding general obligation debt is $304,709,848 below the maximum debt limitation (See Note 6. Long-Term Debt, of this report and Table 10 - Statement of Debt Limitation).

Lease Liability – In fiscal year 2025, the Town entered into a lease agreement with TD Equipment Finance, Inc., for vehicles and equipment totaling $438,000. During fiscal year 2026, the Town made principal payments of $88,957, reducing the outstanding lease liability to $349,043 at year-end. See Note 8, Lease Liability, for additional information.

Notes Payable – At the end of fiscal year 2026, outstanding notes payable totaled $936,434, reflecting principal payments of $199,169 and the issuance of a new note payable of $875,000 during the fiscal year. The Town's notes payable have varying maturities extending through December 2030 and bear interest rates ranging from 2.50% to 4.00%. See Note 7, Notes Payable, for additional information.

Long-Term Liability Management

In addition to bonded debt, the Town manages long-term liabilities such as:

- OPEB Obligations – well-funded through disciplined contribution practices.
- Pension obligations – well-funded through great investment earnings and continued disciplined contribution practices.
- Compensated absences and accrued benefits.

The Town's capital and debt management practices demonstrate a strong commitment to maintaining financial stability and responsibly funding essential public infrastructure. Strategic investment in long-term capital assets, coupled with prudent debt management, positions the Town to address future community needs while preserving long-term fiscal sustainability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Key economic strengths and challenges impacting the economic outlook

As of June 30, 2026, the Town's economic outlook remained generally favorable, supported by a stable local economy, recent Grand List growth, and proactive financial planning. While the Town continues to monitor factors that may affect future budgets, its commitment to responsible fiscal management,

strategic investment, and a diversified tax base positions it to address future needs while maintaining long-term financial stability. The following highlights key opportunities and considerations for the Town's financial outlook:

1. Capital investment and debt management: The proposed $21.45 million in capital projects, subject to resident approval in December 2026, represents a significant opportunity to invest in the Town's schools, library, sewer infrastructure, and recreational facilities. The projects include $19.45 million for school and library improvements, $1.5 million for the sewer pump project, and $500,000 for improvements at Salmon Brook Park. The Board of Finance remains focused on prudent debt management and aims to keep debt service expenditures relatively level. The maturity of a bond and continued transfers of budget surpluses to the Capital Projects Fund are expected to help mitigate the impact of new borrowing.
2. Labor market: Granby's unemployment rate was 4.0% as of June 30, 2026, not seasonally adjusted, compared with 2.9% in the prior year. Despite the increase, Granby's rate remained below Connecticut's rate of 4.9% and close to the national rate of 4.4%, both also not seasonally adjusted. These figures provide useful context for monitoring local economic conditions and planning for the Town's future workforce and service needs.
3. Labor relations and budget planning: The BOE's GEA and TA union contracts are scheduled to expire on June 30, 2027. Upcoming negotiations provide an opportunity to evaluate compensation and staffing needs while balancing the importance of attracting and retaining qualified educators with responsible budget management. In addition, the school bus transportation contract is approaching the end of its term. Rising fuel costs and the limited number of available transportation providers may increase costs under a new contract, placing additional pressure on future budgets. Continued coordination between the Town and the BOE, along with proactive planning, will help anticipate these potential cost increases and assess their impact on future budgets.
4. Grand List growth and revenue diversification: Recent Grand List growth has exceeded expectations, providing a positive contribution to the Town's tax base. Although annual growth is expected to moderate to less than 1% in the coming years, continued efforts to encourage sustainable development and diversify the tax base may create additional opportunities for long-term revenue growth. A broader tax base can strengthen the Town's financial resilience and help distribute the tax burden more evenly among taxpayers.
5. Potential shared services: The Town and the BOE have engaged CLA to identify opportunities for shared services across the Information Technology, Finance, Public Works, and Human Resources departments. Building on existing collaborations, including shared IT personnel and School Resource Officer services, the initiative offers an opportunity to further improve operational efficiency, strengthen coordination, and maximize the use of public resources while maintaining effective service delivery to residents and students.
6. Reorganization: As employees retire or leave Town service, the Town evaluates opportunities to reorganize within and across departments to improve operational efficiency and effectiveness. Rather than automatically filling vacant positions, the Town takes a strategic approach to staffing decisions, carefully assessing organizational needs and opportunities to optimize resources and maximize the value of taxpayer dollars.

Fiscal Year 2026-2027 budget

The Granby Board of Finance adopted the fiscal year 2027 budget on May 18, 2026, following two unsuccessful budget referendums amid increased resident pressure to reduce personnel costs in the BOE's central office. In response, the Board of Finance reduced the BOE's budget from its requested $40.9 million to $40.4 million, lowering the proposed budget increase from 3.80% to 2.47%.

In compliance with the Town Charter, the mill rate was set at 34.47, a 0.76% increase from the fiscal year 2026 adopted budget of 34.21. The mill rate for motor vehicles is capped at 32.46 per state law.

The fiscal year 2027 adopted budget incorporates several goals and objectives:

- Deliver and maintain excellent Town services that benefit all residents while budgeting in a conservatively and fiscally responsible manner.
- Explore alternative methods of providing services and ways to expand revenue sources to minimize property tax increases.
- Explore methods for creating efficiency and reducing costs.
- Provide appropriate funding to maintain all Town assets and to meet the long-term capital needs of the Town. Examine the current process for developing the Capital Improvement Program.
- Explore alternatives to note payable direct borrowing, including cash purchases from the Capital Equipment/Improvement Fund, where appropriate and advisable.
- Develop a multi-year plan to maintain unassigned fund balance reserves at a minimum of fifteen percent.
- Continually strive to improve and fund communication strategies with residents and businesses in all areas of government.

For fiscal year 2027, Granby's operating budget increased by $1,753,100, while the transfer from the General Fund decreased by $200,000, resulting in a net budget increase of $1,553,100, or 2.68%, compared with fiscal year 2026. The fiscal year 2027 budget also included an additional $160,000 contribution to the OPEB Trust Fund for the Board of Education's OPEB liability, in addition to the recommended actuarially determined contribution (ADC).

The Town utilized fund balance to help minimize the increase in the mill rate and mitigate the property tax burden on residents during a period of economic uncertainty.

Revenues

The local tax levy on real estate, personal property, and motor vehicles for October 1, 2025 Grand List increased by $1,041,471 to $47,837,854, primarily due to an increase in residential property values. The overall increase in the 2025 Grand List was 1.51%. Intergovernmental revenues also increased by $782,940, primarily due to a higher special education excess cost grant resulting from increased special education costs.

The use of General Fund balance to support the budget decreased by $200,000, from $2,185,000 in the prior year to $1,985,000, a 9.15% reduction. After accounting for these changes and other budget adjustments, the net increase in the fiscal year 2027 budget was $1,553,100, or 2.68%.

Expenditures

General government expenditures, excluding capital expenditures and debt service, totaled $14,479,306, an increase of $370,103 over the prior year, and represented 24.37% of the total budget. The increase was primarily attributable to public safety, which increased by $240,370, and public works and environment, which increased by $128,244. In public safety, the increases were mainly due to wage adjustments under the union contract, a higher overtime budget to support the goal of maintaining two officers per shift, and the newly signed CAD/RMS contract. In public works and environment, the increases primarily reflected personnel wage and salary adjustments required under contractual obligations.

The BOE budget totaled $40,391,434, an increase of $973,292 over the prior year. This represented 67.98% of the total budget of $59,416,813.

The capital and debt service budgets remained generally consistent with the prior year, with a $55,000 decrease in the General Fund transfer to support capital expenditures and a $104,705 increase in debt service.

Summary

The Town remains committed to prudent financial management, proactive grant seeking, and strategic investment to address emerging fiscal pressures and support sustainable growth. Through continued collaboration, thoughtful resource allocation, and careful planning, the Town seeks to maintain financial stability while meeting the evolving needs of its residents.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This Annual Comprehensive Financial Report (ACFR) is intended to provide residents, taxpayers, investors, policymakers, and other interested parties with a clear and comprehensive understanding of the Town of Granby's financial condition and its stewardship of public resources.

The Town is committed to maintaining high standards of financial reporting and transparency. Questions regarding this report, requests for clarification of specific financial information, or inquiries about the Town's financial operations, budget, and long-term planning efforts may be directed to:

Director of Finance
Town of Granby
15 North Granby Road
Granby, CT 06035-2125

Additional financial information is available on the Town's website at www.granby-ct.gov under the Finance Department, including:

- Adopted budgets
- ACFRs
- Annual Reports and Calendars
- 10-Year Capital Improvement Plan
- Other Post-Employment Benefits Program Valuation Reports
- Pension Valuation Reports
- GO Bond Official Statements

The Town appreciates the engagement and support of its residents and stakeholders and remains committed to responsible financial management, transparency, and the continued delivery of high-quality public services.

BASIC FINANCIAL STATEMENTS

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2026

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	$ 27,558,201
Investments	1,868,388
Receivables, Net	4,920,150
Prepaid Items	2,453
Net Pension Asset	1,540,625
Capital Assets Not Being Depreciated	10,763,754
Capital Assets Being Depreciated/Amortized, Net	59,708,592
Total Assets	106,362,163
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	324,853
Deferred Outflows Related to OPEB	1,157,691
Total Deferred Outflows of Resources	1,482,544
LIABILITIES	
Accounts and Other Payables	1,912,250
Accrued Interest	112,824
Unearned Revenue	990,285
Claims Payable	362,800
Noncurrent Liabilities:	
Due Within One Year	2,137,175
Due in More Than One Year	13,955,771
Total Liabilities	19,471,105
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	3,467,934
Deferred Inflows Related to OPEB	3,696,762
Deferred Charge on Refunding	64,304
Advance Property Tax Collections	17,075
Total Deferred Inflows of Resources	7,246,075
NET POSITION	
Net Investment in Capital Assets	58,104,655
Restricted for:	
Nonexpendable Trusts	400,000
Net Pension Asset	1,540,625
Debt Service	209,318
Cemetery	15,962
Library	4,854
Grants	5,058,117
Student Activities	330,489
Donations	1,257,955
Scholarships	56,348
Unrestricted	14,149,204
Total Net Position	$ 81,127,527

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2026

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Governmental Activities
GOVERNMENTAL ACTIVITIES					
General Government	$ 6,254,015	$ 980,155	$ 11,272	$ 42,000	$ (5,220,588)
Public Safety	3,837,910	219,765	5,488	24,298	(3,588,359)
Public Works and Environment	5,762,354	852,515	371,179	14,359	(4,524,301)
Recreation and Social Services	2,535,525	877,085	70,623	-	(1,587,817)
Education	49,267,554	1,329,976	13,773,365	-	(34,164,213)
Interest on Long-Term Debt	86,471	-	-	-	(86,471)
Total Governmental Activities	$ 67,743,829	$ 4,259,496	$ 14,231,927	$ 80,657	(49,171,749)
GENERAL REVENUES					
Property Taxes					48,637,005
Grants and Contributions Not Restricted to Specific Programs					222,319
Unrestricted Investment Earnings					1,450,996
Miscellaneous					563,811
Total General Revenues					50,874,131
CHANGES IN NET POSITION					1,702,382
Net Position - Beginning of Year, as Originally Reported					78,254,889
Restatement					1,170,256
Net Position - Beginning of Year, As Adjusted or Restated					79,425,145
NET POSITION - END OF YEAR					$ 81,127,527

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2026

	General	Capital Projects	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 26,359,252	$ -	$ -	$ 1,185,869	$ 27,545,121
Investments	-	-	-	1,868,388	1,868,388
Receivables, Net	1,547,656	2,165,899	-	960,855	4,674,410
Advance to Other Funds	485,191	-	-	-	485,191
Due from Other Funds	17,346	6,874,013	15,205	4,716,079	11,622,643
Prepaid Items	-	2,453	-	-	2,453
Total Assets	$ 28,409,445	$ 9,042,365	$ 15,205	$ 8,731,191	$ 46,198,206
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	$ 1,354,766	$ 355,444	$ -	$ 187,680	$ 1,897,890
Due to Other Funds	13,663,067	-	-	17,346	13,680,413
Advance From Other Funds	-	485,191	-	-	485,191
Unearned Revenue	-	843,413	-	146,872	990,285
Total Liabilities	15,017,833	1,684,048	-	351,898	17,053,779
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Property Taxes	514,008	-	-	-	514,008
Unavailable Revenues - Grants	-	2,165,899	-	826,126	2,992,025
Advance Tax Collections	17,075	-	-	-	17,075
Total Deferred Inflows of Resources	531,083	2,165,899	-	826,126	3,523,108
FUND BALANCES					
Nonspendable	485,191	2,453	-	400,000	887,644
Restricted	-	-	15,205	3,925,813	3,941,018
Committed	-	5,732,163	-	3,227,354	8,959,517
Assigned	2,015,847	-	-	-	2,015,847
Unassigned	10,359,491	(542,198)	-	-	9,817,293
Total Fund Balances	12,860,529	5,192,418	15,205	7,553,167	25,621,319
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 28,409,445	$ 9,042,365	$ 15,205	$ 8,731,191	$ 46,198,206

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2026

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds (Exhibit III)	$ 25,621,319
Amounts reported for governmental activities in the statement of net position Exhibit I) are different because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:	
Governmental Capital Assets	148,185,560
Less: Accumulated Depreciation/Amortization	(77,713,214)
Net Capital Assets	70,472,346
Other long-term assets and deferred outflows are not available to pay for current-period expenditures and, therefore, are not recorded in the funds:	
Property Tax Receivables Greater Than 60 Days	365,380
Interest Receivable on Property Taxes	148,628
Grant Receivables Greater Than 60 Days	2,992,025
Deferred Outflows of Resources Related to Pensions	324,853
Deferred Outflows of Resources Related to OPEB	1,157,691
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 position.	1,939,430
Long-term liabilities and deferred inflows, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:	
Net Pension Asset	1,540,625
Bonds and Notes Payable	(9,985,000)
Interest Payable on Bonds and Notes	(112,824)
Deferred Charges on Refunding	(64,304)
Compensated Absences	(1,150,273)
Notes Payable	(936,434)
Lease Liability	(349,043)
Unamortized Bond Premium	(677,466)
Net OPEB Liability	(2,994,730)
Deferred Inflows of Resources Related to Pensions	(3,467,934)
Deferred Inflows of Resources Related to OPEB	(3,696,762)
Net Position of Governmental Activities as Reported on the Statement of of Net Position (Exhibit I)	$ 81,127,527

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2026

	General	Capital Projects	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	$ 48,642,704	$ -	$ -	$ -	$ 48,642,704
Intergovernmental	13,350,998	1,521,573	38,981	3,013,927	17,925,479
Licenses, Fees, and Charges for Services	671,028	-	-	2,680,535	3,351,563
Investment Income	845,358	175,621	-	265,255	1,286,234
Other Revenues	743,334	-	-	294,591	1,037,925
Total Revenues	64,253,422	1,697,194	38,981	6,254,308	72,243,905
EXPENDITURES					
Current:					
General Government	5,516,442	-	83,006	141,340	5,740,788
Public Safety	3,483,576	-	-	53,355	3,536,931
Public Works and Environmental	3,751,632	-	-	647,467	4,399,099
Recreation and Social Services	1,001,065	-	-	1,232,215	2,233,280
Education	44,587,949	-	-	3,253,181	47,841,130
Capital Outlay	315,036	4,647,295	-	-	4,962,331
Debt Service	1,714,381	111,269	-	-	1,825,650
Total Expenditures	60,370,081	4,758,564	83,006	5,327,558	70,539,209
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,883,341	(3,061,370)	(44,025)	926,750	1,704,696
OTHER FINANCING SOURCES (USES)					
Transfers In	-	3,421,986	-	66,954	3,488,940
Transfers Out	(3,044,835)	-	-	(444,105)	(3,488,940)
Issuance of Leases	-	875,000	-	-	875,000
Total Other Financing Sources (Uses)	(3,044,835)	4,296,986	-	(377,151)	875,000
NET CHANGES IN FUND BALANCES	838,506	1,235,616	(44,025)	549,599	2,579,696
Fund Balances - Beginning of Year, As Originally Reported	12,022,023	3,956,802	59,230	5,833,312	21,871,367
Adjustment / Restatement	-	-	-	1,170,256	1,170,256
Fund Balances - Beginning of Year, As Adjusted or Restated	12,022,023	3,956,802	59,230	7,003,568	23,041,623
FUND BALANCES - END OF YEAR	$ 12,860,529	$ 5,192,418	$ 15,205	$ 7,553,167	$ 25,621,319

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2026

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV)	$	2,579,696
Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because:		
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/ amortization expense:		
Capital Outlay		3,234,320
Depreciation/Amortization Expense		(4,054,600)
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.		(268,455)
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:		
Property Tax Receivable - Accrual Basis Change		1,850
Property Tax Interest and Lien Revenue - Accrual Basis Change		(7,549)
Grant Receivable - Accrual Basis Change		(1,627,834)
Change in Deferred Outflows Amounts Related to Pensions		(141,240)
Change in Deferred Outflows Amounts Related to OPEB		(317,437)
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 position. 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		1,505,000
Note Principal Payments		199,169
Lease Principal Payments		88,957
Note Issuance		(875,000)
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		(18,209)
Accrued Interest		20,405
Amortization of Bond Premiums		115,171
OPEB Liability		2,139,018
Pension Asset		2,399,761
Change in Deferred Amount in Refunding		9,645
Change in Deferred Inflows Amounts Related to Pensions		(1,824,622)
Change in Deferred Inflows Amounts Related to OPEB		(1,813,191)
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.		357,527
Change in Net Position of Governmental Activities as Reported on the Statement of Activities (Exhibit II)	$	1,702,382

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2026

	Governmental Activities Internal Service Fund
ASSETS	
Current:	
Cash and Cash Equivalents	$ 13,080
Receivables	245,740
Due from Other Funds	2,057,770
Total Assets	2,316,590
LIABILITIES	
Current:	
Accounts and Other Payables	14,360
Claims Payable	362,800
Total Liabilities	377,160
NET POSITION	
Unrestricted	$ 1,939,430

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2026

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Contributions	$ 6,379,544
Employee Contributions	1,377,583
Other	657,532
Total Operating Revenues	8,414,659
OPERATING EXPENSES	
Health Insurance Claims	6,865,204
Administrative and Management Fees	1,356,690
Total Operating Expenses	8,221,894
OPERATING INCOME	192,765
OTHER NONOPERATING REVENUES (EXPENSES)	
Investment Income	164,762
INCREASE (DECREASE) IN NET POSITION	357,527
Net Position - Beginning of Year	1,581,903
NET POSITION - END OF YEAR	$ 1,939,430

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2026

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Charges for Services and Contributions	$ 8,308,211
Payments for Claims, Premiums, and Fees	(8,474,751)
Net Cash Used by Operating Activities	(166,540)
CASH FLOWS FROM INVESTING ACTIVITIES	
Income on Investments	164,762
NET DECREASE IN CASH	(1,778)
Cash and Cash Equivalents - Beginning of Year	14,858
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 13,080
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Income	$ 192,765
Adjustments to Reconcile Operating Income to Net Cash Used by Operating Activities:	
(Increase) Decrease in Assets:	
Receivables	(38,463)
Due from Other Funds	(67,985)
Increase (Decrease) in Liabilities:	
Accounts Payable	(250,557)
Risk Management Claims	(2,300)
Total Adjustments	(359,305)
Net Cash Used by Operating Activities	$ (166,540)

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2026

	Pension and Other Employee Benefit Trust Funds
ASSETS	
Cash and Cash Equivalents	$ 188,786
Investments - Mutual Funds	36,048,640
Accounts Receivable	52,244
Total Assets	36,289,670
NET POSITION	
Restricted for Pension Benefits	28,245,197
Restricted for OPEB Benefits	8,044,473
Total Net Position	$ 36,289,670

See accompanying Notes to Basic Financial Statements.

TOWN OF GRANBY, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2026

	Pension and Other Post Employment Benefits Trust Funds
ADDITIONS:	
Contributions:	
Employer	$ 1,357,484
Employee	233,424
Total Contributions	1,590,908
Investment Income:	
Net Change in Fair Value of Investments	4,023,383
Interest and Dividends	755,766
Total Investment Income	4,779,149
Less Investment Expenses:	
Investment Management Fees	45,005
Net Investment Income	4,734,144
Total Additions	6,325,052
DEDUCTIONS:	
Benefits	2,118,029
Administrative Expenses	24,225
Total Deductions	2,142,254
CHANGE IN NET POSITION	4,182,798
Net Position - Beginning of Year	32,106,872
NET POSITION - END OF YEAR	$ 36,289,670

See accompanying Notes to Basic Financial Statements.

NOTE 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 2023. 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.

GAAP requires that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

Fiduciary Component Units

The Town has established a single-employer Public Retirement System (PERS) and a postretirement health care benefits (OPEB) plan to provide retirement benefits and postretirement health care benefits primary to employees and their beneficiaries. The pension and OPEB plans are legally separate entities. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position 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.

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, including fiduciary component units, 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.

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 and fiduciary 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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Town reports unearned revenue on its financial statements. Unearned revenues arise when resources are received by the Town before it has legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met or when the Town has a legal claim to the resources by meeting all eligibility requirements, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

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.

The Town reports the following major governmental funds:

General Fund

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.

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment. Capital projects of greater than one year's duration have been accounted for in the Capital Projects Fund. Most of the capital outlays are financed by the issuance of general obligation bonds. Other sources include capital grants and interest income.

ARPA Fund

The ARPA fund accounts for the American Rescue Plan Act of 2021 grant.

Additionally, the Town reports the following fund types:

Internal Service Fund

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Pension and OPEB Trust Funds

The Pension and Other Employee Benefit Trust Funds account for the fiduciary activities of the Town's Pension Plan and the Town Postemployment Benefit plan, which accumulates resources for pension benefit payments and healthcare payments to qualified Town employees.

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.

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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Receivables and Payables (Continued)

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 six times 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 likened 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 60 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 unavailable revenue in the fund financial statements.

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. Prepaid Items

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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 acquisition 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.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

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

Buildings	40 to 50 Years
Building Improvements	15 to 25 Years
Public Domain Infrastructure	30 to 60 Years
Vehicles	3 to 15 Years
Office Equipment	5 to 10 Years
Computer Equipment	5 to 10 Years

H. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience and assumption changes or inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments over a closed five-year period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods so will not be recognized as an inflow of resources (revenue) until that time. The Town reports advance property tax collections, deferred charge on refunding and deferred inflows of resources related to pension and OPEB in the government-wide statement of net position. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred inflow of resources related to pension and OPEB resulted from differences between expected and actual experience and projected and actual earnings on investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). For governmental funds, in addition to advance tax collections, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and grants. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of leave that has not been used that is attributable to services already rendered, accumulates and is more-likely-than-not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

J. Net Pension Liability (Asset)

The net pension liability (asset) is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability (asset) is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

L. 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 position. Bond premiums and discounts 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. Bond issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

M. Leases

The Town determines if an arrangement is a lease at inception. Leases are included in capital assets and lease liabilities in the statement of net position.

Lease assets represent the Town's control to the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Leases (Continued)

Lease liabilities represent the Town's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives.

The lease term may include options to extend the lease when it is reasonable certain that the Town will exercise that option.

The Town has recognized payments for short-term leases with a lease term of 12 months of less as an expense as incurred, and as such are not included as lease liabilities or capital assets on the statement of net position.

The Town accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the Town treats the components as a single lease unit.

N. Fund Balance

Equity in the government-wide financial statements is defined as "net position" and is classified in the following categories:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted Net Positio*n – This component consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

Nonspendable Fund Balance – This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Balance (Continued)

Restricted Fund Balance – This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance – This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Board of Finance). Amounts remain committed until action is taken by the Board of Finance (resolution) to remove or revise the limitations.

Assigned Fund Balance – This represents amounts constrained for the intent to be used for a specific purpose by the Town Manager that has been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance – This represents fund balance in the General Fund in excess of nonspendable, restricted, committed, and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

O. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

P. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows of resources, deferred inflows of resources, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 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 do 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. Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the state of Connecticut. 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.

NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

Deposit Custodial Credit Risk (Continued)

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, $16,456,307 of the Town's bank balance of $17,672,994 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	$ 14,710,677
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	1,745,630
Total Amount Subject to Custodial Credit Risk	$ 16,456,307

Cash Equivalents

At June 30, 2026, the Town's cash equivalents amounted to $11,277,178. 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. The pools all have maturities of less than one year.

	Standard & Poor's
State Short-Term Investment Fund (STIF)	AAAm
Principal	*
Charles Schwab	*

* Not Rated

STIF is an investment pool of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

B. Investments

As of June 30, 2026, the Town's investments of $37,917,028 were comprised of the following:

Investment Type	Credit Rating	Fair Value
Other Investments:		
Mutual Funds	*	$ 37,256,038
Common Stock		660,990
Total Investments		$ 37,917,028

* Investments are not rated

NOTE 2 CASH, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Interest Rate Risk

The Town limits their maximum final stated maturities to 15 years, unless specific authority is given to exceed. To the extent possible, the Town will attempt to match its investments with anticipated cash flow requirements.

Credit Risk – Investments

As indicated above, State Statutes limit the investment options of cities and towns. The Town has an investment policy that allows the same type of investments as State Statutes.

Concentration of Credit Risk

The Town has no policy limiting an investment in any one issuer that is in excess of 5% of the Town's total investments. All investments of the Town are with the pension and OPEB fund and the Town does not have any investments that are in excess of 5% at year-end.

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. The Town does not have a policy for custodial credit risk. At June 30, 2026, 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.

Fair Value Disclosure

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2026:

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Mutual Funds	$ 37,256,038	$ 37,256,038	$ -	$ -
Common Stock	660,990	660,990	-	-
Total Investments by Fair Value Level	37,917,028	$ 37,917,028	$ -	$ -

Mutual funds and common stock classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

NOTE 3 RECEIVABLES

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

	General	Capital Projects	Nonmajor and Other Funds	Total
Receivables:				
Interest	$ 148,628	$ -	$ -	$ 148,628
Taxes	479,924	-	-	479,924
Intergovernmental	-	2,165,899	58,558	2,224,457
Loans	-	-	826,126	826,126
Other	968,472	-	374,155	1,342,627
Gross Receivables	1,597,024	2,165,899	1,258,839	5,021,762
Less: Allowance for Uncollectibles	(49,368)	-	-	(49,368)
Total Receivables, Net	$ 1,547,656	$ 2,165,899	$ 1,258,839	$ 4,972,394

NOTE 4 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 8,635,805	$ -	$ -	$ 8,635,805
Construction in Progress	397,732	1,730,217	-	2,127,949
Total Capital Assets Not Being Depreciated	9,033,537	1,730,217	-	10,763,754
Capital Assets Being Depreciated/Amortized:				
Buildings and Improvements	83,443,969	386,987	(64,432)	83,766,524
Vehicles and Equipment	12,731,218	1,117,116	(944,188)	12,904,146
Infrastructure	40,324,201	-	(11,065)	40,313,136
Lease Assets:				
Equipment	438,000	-	-	438,000
Total Capital Assets Being Depreciated/Amortized	136,937,388	1,504,103	(1,019,685)	137,421,806
Less: Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(45,319,086)	(2,473,685)	64,432	(47,728,339)
Vehicles and Equipment	(8,027,576)	(861,390)	679,360	(8,209,606)
Infrastructure	(21,063,182)	(631,925)	7,438	(21,687,669)
Lease Assets:				
Equipment	-	(87,600)	-	(87,600)
Total Accumulated Depreciation/Amortization	(74,409,844)	(4,054,600)	751,230	(77,713,214)
Total Capital Assets Being Depreciated/Amortized, Net	62,527,544	(2,550,497)	(268,455)	59,708,592
Governmental Activities Capital Assets, Net	$ 71,561,081	$ (820,280)	$ (268,455)	$ 70,472,346

NOTE 4 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	$ 178,028
Public Safety	241,595
Public Works and Environment	277,980
Recreation and Social Services	759,717
Education	2,597,280
Total Depreciation/Amortization Expense - Governmental Activities	$ 4,054,600

Construction Commitments

The government has the following contract commitments as of June 30, 2026:

	Contract	Expenditures and Encumbrances	Unexpended Balance
Emergency Communication Project	$ 3,864,266	$ 795,461	$ 3,068,805

NOTE 5 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, 2026, is presented below:

Receivable Fund	Payable Fund	Amount
Capital Projects Fund	General Fund	$ 6,874,013
ARPA Fund	General Fund	15,205
Internal Service Fund	General Fund	2,057,770
General Fund	Nonmajor Governmental Funds	17,346
Nonmajor Governmental Funds	General Fund	4,716,079
Total		$ 13,680,413

The outstanding balances between funds result mainly from the timing between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system and payments between funds are made.

The balances reflected as advances to/from other funds at June 30, 2026, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects	$ 485,191
Total		$ 485,191

The General Fund has advanced funds to Capital Projects fund and Education Quality and Diversity fund, a nonmajor governmental fund. The advances will be repaid within 4.5 years.

NOTE 5 INTERFUND RECEIVABLE AND PAYABLE BALANCES (CONTINUED)

Interfund transfers:

	Capital Projects	Nonmajor Governmental	Total Transfers Out
General Fund	$ 2,977,881	$ 66,954	$ 3,044,835
Nonmajor Governmental Funds	444,105	-	444,105
Total Transfers In	$ 3,421,986	$ 66,954	$ 3,488,940

Transfers are used to move General Fund revenues to finance various capital projects, including building improvements, HVAC upgrades, security measures, road improvements, and police vehicles, in accordance with budgetary authorizations, as well as to transfer amounts provided as subsidies or matching funds for various grant programs.

NOTE 6 LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2026 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	$ 11,490,000	$ -	$ 1,505,000	$ 9,985,000	$ 955,000
Issuance Premium on Bonds	792,637	-	115,171	677,466	-
Total Bonds Payable	12,282,637	-	1,620,171	10,662,466	955,000
Notes Payable from Direct Borrowing	260,603	875,000	199,169	936,434	242,468
Lease Liability	438,000	-	88,957	349,043	93,543
Compensated Absences, Net Change	1,132,064	18,209	-	1,150,273	846,164
Net OPEB Liability	5,133,748	-	2,139,018	2,994,730	-
Net Pension Liability	859,136	-	859,136	-	-
Total Governmental Activities Long-Term Liabilities	$ 20,106,188	$ 893,209	$ 4,906,451	$ 16,092,946	$ 2,137,175

For the governmental activities, net pension liability and net OPEB liability are generally liquidated by the General Fund.

NOTE 6 LONG-TERM DEBT (CONTINUED)

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:

Description	Amount
$3,400,000 - General obligation bonds issued March 3, 2021 and maturing March 1, 2041; interest rate from 2.0% to 4.0%	$ 2,550,000
$5,255,000 - General obligation refunding bonds issued March 3, 2021 and maturing February 1, 2041; interest rate from 0.350% to 2.10%	3,435,000
$5,000,000 - General obligation bonds issued July 14, 2021 and maturing July 15, 2041; interest rate from 2.00% to 5.00%	4,000,000
Total Bond Indebtedness	$ 9,985,000

The following is a schedule of future debt service requirements as of June 30, 2026:

Fiscal Year Ending June 30,	Principal	Interest	Total
2027	$ 955,000	$ 269,073	$ 1,224,073
2028	945,000	242,818	1,187,818
2029	910,000	215,905	1,125,905
2030	900,000	188,275	1,088,275
2031	895,000	160,335	1,055,335
2032 - 2036	3,030,000	462,520	3,492,520
2037 - 2041	2,100,000	164,000	2,264,000
2042	250,000	2,500	252,500
Total	$ 9,985,000	$ 1,705,426	$ 11,690,426

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

Category	Debt Limit	Net Indebtedness	Balance
General Purpose	$ 104,099,929	$ 12,547,486	$ 91,552,443
Schools	208,199,858	7,545,545	200,654,313
Sewers	173,499,881	-	173,499,881
Urban Renewal	150,366,564	-	150,366,564
Pension Deficit	138,799,905	-	138,799,905

NOTE 6 LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (Continued)

The definition of indebtedness includes bonds outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding. The Town has $7,572,676 of general purpose and $1,598,921 of school bonds authorized and unissued at June 30, 2026.

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, $323,866,445.

NOTE 7 NOTES PAYABLE

Notes Payable from Direct Borrowing

On June 9, 2022, the Town entered into a $526,000 note payable with the Liberty Bank to purchase utility machines, a senior van, buses, and technology equipment. The note is payable semi-annually beginning December 2022 at an interest rate of 2.50% and collateralized by the purchased capital assets. The note contains affirmative covenants that require the Town to comply with all laws, ordinances, and regulations, maintain the financial records in accordance with GAAP, furnish the annual statements to the Lender within 180 days after the end of each fiscal year, and maintain public liability insurance. Events of default include payment default or default of other terms within the agreement, default in favor of third parties, false statements, insolvency, the commencement of foreclosure or forfeiture proceedings, events affecting guarantor, adverse change in the Town's financial condition, and insecurity. Such a default could result in the lender declaring the entire unpaid principal balance under the agreement and all accrued unpaid interest immediately due, and then the Town will have to pay that amount. The balance outstanding on the note was $61,434 as of June 30, 2026.

On June 12, 2026, the Town entered into a $875,000 note payable with Liberty Bank to purchase equipment. The note is payable semi-annually beginning December 2026 at an interest rate of 4.00% and collateralized by the purchased capital assets. The note contains affirmative covenants that require the Town to comply with all laws, ordinances, and regulations, maintain the financial records in accordance with GAAP, furnish the annual statements to the Lender within 180 days after the end of each fiscal year, and maintain public liability insurance. Events of default include payment default or default of other terms within the agreement, default in favor of third parties, false statements, insolvency, the commencement of foreclosure or forfeiture proceedings, events affecting guarantor, adverse change in the Town's financial condition, and insecurity. Such a default could result in the lender declaring the entire unpaid principal balance under the agreement and all accrued unpaid interest immediately due, and then the Town will have to pay that amount. The balance outstanding on the note was $875,000 as of June 30, 2026.

NOTE 7 NOTES PAYABLE (CONTINUED)

Notes Payable from Direct Borrowing (Continued)
The following is a schedule of future payments as of June 30, 2026:

Year Ending June 30,	Principal	Interest	Total
2027	$ 242,468	$ 34,468	$ 276,936
2028	188,384	26,337	214,721
2029	196,168	18,553	214,721
2030	204,204	10,516	214,720
2031	105,210	2,151	107,361
Total	$ 936,434	$ 92,025	$ 1,028,459

NOTE 8 LEASE LIABILITY

The Town leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2030.

Total future minimum lease payments under lease agreements are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2027	$ 93,543	$ 16,591	$ 110,134
2028	98,365	11,769	110,134
2029	103,435	6,699	110,134
2030	53,700	1,367	55,067
Total	$ 349,043	$ 36,426	$ 385,469

NOTE 9 FUND BALANCE

The components of fund balance for the governmental funds at June 30, 2026 are as follows:

	General Fund	Capital Projects Fund	ARPA Fund	Nonmajor Governmental Funds	Total
Fund Balances:					
Nonspendable:					
Trust Purposes	$ -	$ -	$ -	$ 400,000	$ 400,000
Advances to Other Funds	485,191	-	-	-	485,191
Prepaid Items	-	2,453	-	-	2,453
Restricted for:					
Donations		-		1,257,955	1,257,955
Debt Service	-	-	-	209,318	209,318
Scholarships	-	-	-	56,348	56,348
Student Activities	-	-	-	330,489	330,489
Grants	-	-	15,205	2,071,703	2,086,908
Committed to:					
Public Safety	-	-	-	136,525	136,525
Public Works	-	5,732,163	-	2,210,147	7,942,310
Culture and Recreation	-	-	-	624,834	624,834
Fox Fund	-	-	-	-	-
Education	-	-	-	255,848	255,848
Assigned to:					
Subsequent Year's Budget	1,925,000	-	-	-	1,925,000
General Government - Encumbrances	496	-	-	-	496
Culture and Recreation - Encumbrances	3,091	-	-	-	3,091
Education - Encumbrances	87,260	-	-	-	87,260
Unassigned	10,359,491	(542,198)	-	-	9,817,293
Total Fund Balances	$ 12,860,529	$ 5,192,418	$ 15,205	$ 7,553,167	$ 25,621,319

Encumbrances of $90,847 are included in the general fund assigned category.

NOTE 10 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 health 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 claims plus prescription drugs) up to a maximum of $150,000 per individual claim. As of June 30, 2026, the Town has established a liability of $362,800 to cover health insurance claims incurred but unreported. This claim liability is based on the requirements of GASB Statement No. 10, which requires that a liability claim 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 as follows:

Year Ending	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2024-2025	$ 379,000	$ 6,848,948	$ 6,862,848	$ 365,100
2025-2026	365,100	6,865,204	6,867,504	362,800

NOTE 11 CONTINGENT LIABILITIES

The Town 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 that would materially affect its financial position.

The Town participates in various state and federal grant programs, the principal of which are subject to state and federal single audits. Accordingly, the Town's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town anticipates such amounts, if any, will be immaterial.

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Pension Trust Fund

The Town 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'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.

NOTE 12 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Pension Trust Fund (Continued)

Management of the Plan rests with the Pension Committee, which consists of four members. The four members are the First Selectman, Board of Education Chairman, Town Manager, and an individual appointed by the Board of Selectmen. The Pension Committee delegates the power to administer the Plan to the Town Manager.

A. Plan Description and Benefits Provided

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 five 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 five calendar years with the highest average multiplied by in excess of 20 years maximum 10 years of service. For nonunion 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 five 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 five-year period producing the highest average prior to retirement multiplied by years of service. Participants are 100% vested after five years of service. If an employee leaves covered employment before five 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.

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Pension Trust Fund (Continued)

A. Plan Description and Benefits Provided (Continued)

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, 2025, PERS membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	65
Terminated Employees Entitled to Benefits But Not Yet Receiving Them	14
Active Employees	50
Total	129

At July 1, 2025, there were 15 years remaining in the amortization period.

B. Summary of Significant Accounting Policies

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. Benefit payments and refunds are payable when due and payable in accordance with the terms of the PERS.

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 position available for benefits.

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. Benefits and employee contributions may be amended by the Board of Selectmen through ordinance. Administrative costs are financed by the plan.

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Pension Trust Fund (Continued)

C. Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is carried out by the Plan Administrator through advice from an investment advisor. The Plan Administrator meets with the investment advisor on a regular basis in order to review an investment strategy to reduce risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2026:

Asset Class	Target Allocation
U.S. Core Fixed Income	35.00 %
U.S. Treasury Bonds	1.00
U.S. Treasury Inflation-Protected Securities	0.25
U.S. High Yield Bonds	0.75
U.S. Broad Equity Market	37.00
Global Equity	23.00
U.S. Real Estate Investment Trusts	1.00
Infrastructure - Public	1.00
Commodities	1.00
Total	100.00 %

Rate of Return

For the year ended June 30, 2026, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net Pension Liability (Asset)

The components of the net pension liability (asset) of the Town at June 30, 2026 were as follows:

Total Pension Liability	$ 26,704,572
Plan Fiduciary Net Position	28,245,197
Net Pension Liability (Asset)	$ (1,540,625)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	105.77 %

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Pension Trust Fund (Continued)

E. Actuarial Assumptions

The total pension liability, measured at June 30, 2026, was determined by an actuarial valuation as of July 1, 2025, using the actuarial assumptions below, and then projected forward to the measurement date of June 30, 2026:

Inflation	2.60%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Actuarial Cost Method	Entry Age Normal

Mortality rates were based on the PubG-2010 Mortality (PubS-2010 for Police) with generational projection for MP-2021 Ultimate Scale.

The plan has not had a formal actuarial experience study performed.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2026 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	2.28 %
U.S. Treasury Bonds	1.75
U.S. Treasury Inflation-Protected Securities	1.95
U.S. High Yield Bonds	3.50
U.S. Broad Equity Market	3.75
Global Equity	4.13
U.S. Real Estate Investment Trusts	4.15
Infrastructure - Public	3.86
Commodities	1.59

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Pension Trust Fund (Continued)

F. Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension.

G. Changes in Net Pension Liability (Asset)

	Employees' Pension Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances - July 1, 2025	$ 26,289,323	$ 25,430,187	$ 859,136
Changes for the Year:			
Service Cost	684,498	-	684,498
Interest on Total Pension Liability	1,695,054	-	1,695,054
Effect of Economic/Demographic Gains or Losses	(142)	-	(142)
Effect of Assumptions Changes or Inputs	(143,362)	-	(143,362)
Benefit Payments	(1,820,799)	(1,820,799)	-
Employer Contributions	-	701,208	(701,208)
Member Contributions	-	233,424	(233,424)
Net Investment Income	-	3,721,957	(3,721,957)
Administrative Expenses	-	(20,780)	20,780
Net Changes	415,249	2,815,010	(2,399,761)
Balances - June 30, 2026	$ 26,704,572	$ 28,245,197	$ (1,540,625)

H. Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Town, calculated using the current discount rate, as well as what the Town's net pension liability (asset) would be if it were calculated using a discount rate that is -percentage-point lower or -percentage-point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Total Net Pension Liability (Asset)	$ 1,275,711	$ (1,540,625)	$ (3,942,037)

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Pension Trust Fund (Continued)

I. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2026, the Town recognized pension expense of $267,309. At June 30, 2026, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 324,853	$ (225,545)
Assumption Changes or Inputs	-	(110,022)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(3,132,367)
Total	$ 324,853	$ (3,467,934)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2027	$ (1,246,139)
2028	(805,649)
2029	(661,625)
2030	(429,668)
Total	$ (3,143,081)

Connecticut Teachers Retirement System – Pension

A. Plan Description

Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

B. Benefit Provisions

The plan provides retirement, disability, and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the three years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service with a minimum 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

C. Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2026, the amount of "on-behalf" contributions made by the state was $5,164,004 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

C. Contributions (Continued)

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of pensionable salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

D. Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2026, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportion of the Net Pension Liability	$ -
State's Proportionate Share of the Net Pension Liability Associated With the Town	46,800,342
Total	$ 46,800,342

The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2025. At June 30, 2026, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2026, the Town recognized pension expense and revenue of $3,149,274 in Exhibit II.

E. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00% - 6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Mortality rates were based on the PubT-2016 Healthy Retiree Table projected generationally with MP-2021 for the period after service retirement.

The actuarial assumptions used in the June 30, 2025, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2024.

Assumption changes since the prior year are as follows:

- Update mortality tables to the PubT-2016 mortality tables with generational mortality using MP-2021.
- Minor changes to rates of retirement.
- Service-only based table with minor changes to rates of withdrawal.
- Small changes to merit salary scale particularly between 10 and 20 years of service.
- Small changes to assumed COLA rates.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

Cost-of-Living Allowance

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

E. Actuarial Assumptions (Continued)

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the State of Connecticut Treasurer's Office are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	22.0 %	5.8 %
Developed Market Equity	11.0	6.6
Emerging Markets Equity	4.0	8.6
Core Fixed Income	13.0	2.6
Non-Core Fixed Income	2.0	4.4
Private Equity	15.0	9.9
Private Credit	10.0	6.7
Absolute Return	5.0	4.1
Real Estate	10.0	4.9
Infrastructure	7.0	6.1
Liquidity	1.0	1.0
Total	100.0 %	

F. Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 13 EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Connecticut Teachers Retirement System – Pension (Continued)

G. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The Town's proportionate share of the net pension liability is $-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

H. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

I. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

Town of Granby Defined Contribution Plan

A. Plan Description

The Town contributes to a 401 Qualified Plan, MissionSquare Retirement, a defined contribution money purchase plan, for its eligible full-time town and school employees. In addition, eligible employees can voluntarily contribute to a 457 Deferred Compensation Plan, MissionSquare Funds. The purpose of these plans is to enable employees to enhance their retirement security by deferring a portion of their salary. The Town administers both plans.

The benefits and contribution requirements for the 401 Qualified Plan were established through administrative action or contract negotiation. Employees are required to contribute a percentage based on the union contract or agreement. Employees are permitted to make voluntary (unmatched) contributions to the defined contribution plan, up to applicable Internal Revenue Code limits. The Employer contribution is up to 8% (one-to-one match) and is vested after five years. In a defined contribution plan, benefits depend on amounts contributed to the plan plus investment earnings. For the year ended June 30, 2026, employee contributions totaled $347,983, and the Town contributions totaled $349,823 in the 401 Qualified Plan.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN

Town Postretirement Health Care Plan

A. Plan Description

The Town and Board of Education provide postretirement health care benefits, in accordance with various labor and personnel contracts, to employees meeting specific service and age requirements. The postretirement health care benefits program is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Postemployment Benefits Trust Fund. The postretirement health care plan is a single-employer defined benefit plan administered by the Town. The Town does not issue stand-alone financial statements for this program.

Management of the program for Other Postemployment Benefits rests with the Employee Health Benefits Fund Advisory Committee, which consists of five members. The five members are the First Selectman, Board of Education Chairman, Town Manager, Supt. of Schools, and a town resident appointed by the Board of Selectmen. The Employee Health Benefits Fund Advisory Committee delegates the power to administer the program to the Town Manager.

At July 1, 2025, plan membership consisted of the following:

Active Plan Members	298
Retired Members	24
Total Participants	322

B. Funding Policy

The Town's funding and payment of postemployment benefits for the year ended June 30, 2026 are accounted for in the Other Postemployment Benefits Trust Fund. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees.

C. Investments

Investment Policy

The Other Postemployment Benefits program policy in regard to the allocation of invested assets is carried out by the Town Manager through advice from an investment advisor. The Town Manager meets with the investment advisor in order to review an investment strategy to reduce risk through the prudent diversification of the portfolio across a selection of distinct asset classes. The program refrains from dramatically shifting asset class allocations over short time spans.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Town Postretirement Health Care Plan (Continued)

C. Investments (Continued)

Rate of Return

For the year ended June 30, 2026, the annual money-weighted rate of return on investments, net of investment expense, was 14.91%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2026. The components of the net OPEB liability of the Town at June 30, 2026 were as follows:

Total OPEB Liability	$ 11,039,203
Plan Fiduciary Net Position	8,044,473
Net OPEB Liability	$ 2,994,730
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	72.87%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2025, using the following actuarial assumptions, and then was projected forward to the measurement date of June 30, 2026:

Inflation	2.60%
Salary Increases	Graded Salary Scale for BOE Certified; 3.5% for Others
Investment Rate of Return	6.00%, Net of Pension Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	6.30% - 4.00% Over 46 Years

Mortality rates for Teachers and Administrators were based on PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 Ultimate scale. The PubT-2010 Contingent Survivor table projected generationally per the MP-2021 ultimate scale and set forward one year for both males and females is used for survivors and beneficiaries.

Mortality rates for Police and Union were based on PubS-2010 Mortality Table with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Town Postretirement Health Care Plan (Continued)

D. Net OPEB Liability of the Town (Continued)

Actuarial Assumptions (Continued)

Mortality rates for all others were based on PubG-2010 Mortality Table with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.

The actuarial assumptions used in the July 1, 2025, valuation were based on industry standard published tables and data, the particular characteristics of the plan, relevant information from the plan sponsor or other sources about future expectations, and the actuary's professional judgment regarding future plan experience. A full actuarial experience study has not been completed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2026, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	35.00 %	2.28 %
U.S. Treasury Bonds	1.00	1.75
U.S. Treasury Inflation-Protected Securities	0.25	1.93
U.S. High Yield Bonds	0.75	3.50
U.S. Broad Equity Market	37.00	3.75
Non-US Equity	23.00	5.13
U.S. Real Estate Investment Trusts	1.00	4.15
Infrastructure - Public	1.00	3.86
Commodities	1.00	1.59
Total	100.00 %	

Discount Rate

The discount rate used to measure the total OPEB liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Town Postretirement Health Care Plan (Continued)

E. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances - July 1, 2025	$ 11,810,433	$ 6,676,685	$ 5,133,748
Changes for the Year:			
Service Cost	441,282	-	441,282
Interest on Total OPEB Liability	726,316	-	726,316
Effect of Change in Benefit Terms	(67,235)	-	(67,235)
Effect of Economic/Demographic Gains or Losses	(1,683,395)	-	(1,683,395)
Effect of Assumptions Changes or Inputs	109,032	-	109,032
Benefit Payments	(297,230)	(297,230)	-
Employer Contributions	-	939,456	(939,456)
Employer Prefunding Contributions	-	(283,180)	283,180
Net Investment Income	-	1,012,187	(1,012,187)
Administrative Expenses	-	(3,445)	3,445
Net Changes	(771,230)	1,367,788	(2,139,018)
Balances - June 30, 2026	$ 11,039,203	$ 8,044,473	$ 2,994,730

F. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability	$ 3,808,511	$ 2,994,730	$ 2,256,397

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Town Postretirement Health Care Plan (Continued)

G. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Town using current healthcare cost trend rates, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease 2.90%	Healthcare Cost Trend Rates 3.90%	1% Increase 4.90%
Net OPEB Liability	$ 1,994,897	$ 2,994,730	$ 4,144,104

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2026, the Town recognized OPEB expense of $645,586. At June 30, 2026, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 680,480	$ (2,475,281)
Assumption Changes or Inputs	477,211	(319,327)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(902,154)
Total	$ 1,157,691	$ (3,696,762)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2027	$ (369,654)
2028	(358,051)
2029	(336,193)
2030	(446,678)
2031	(326,471)
Thereafter	(702,024)
Total	$ (2,539,071)

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan

A. Plan Description

Teachers, principals, superintendents, or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost-sharing, multiemployer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

B. Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to $220 per month for a retired member plus an additional $220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute. A subsidy amount of $440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least $440 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

B. Benefit Provisions (Continued)

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

C. Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the $220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

D. Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of Credited Service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of Credited Service.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

D. Eligibility (Continued)

Disability Retirement

No service requirement if incurred in the performance of duty, and five years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

E. Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The state contributions are not currently actuarially funded. The state appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

For the year ended June 30, 2026, the amount of "on-behalf" contributions made by the state was $108,030 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

F. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2026, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportion of the Net OPEB Liability	$ -
State's Proportionate Share of the Net OPEB Liability Associated With the Town	8,582,756
Total	$ 8,582,756

The net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2025. At June 30, 2026, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2026, the Town recognized OPEB expense and revenue of $359,938 in Exhibit II.

G. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2025, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Health Care Costs Trend Rate	Local Coverage - 6.25% for 2024 decreasing to an ultimate rate of 4.50% by 2031. Retiree Healthcare - Medicare rates known for 2025, 4.50% increase for all subsequent years.
Salary Increases	3.00% - 6.00%, Including Inflation
Investment Rate of Return	3.00%, net of OPEB plan investment expense, including inflation
Year Fund Net Position Will be Depleted	2028

Mortality rates were based on the PubT-2016 Healthy Retiree Table, projected generationally with MP-2021 for the period after service retirement.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

G. Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2019 - June 30, 2024.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 3.93% to 5.19%;
- Update mortality tables to the PubT-2016 mortality tables with generational mortality using MP-2021;
- Minor changes to rates of retirement;
- Service-only based table with minor changes to the rates of withdrawal;
- Small changes to merit salary scale particularly between 10 and 20 years of service;
- Increase spouse participation assumption for OPEB coverage to 50%.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is 1.26%.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS – RETIREE HEALTH CARE PLAN (CONTINUED)

Other Postemployment Benefit – Connecticut State Teachers Retirement Plan (Continued)

H. Discount Rate

The discount rate used to measure the total OPEB liability was 5.19%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2024.

In addition to the actuarial methods and assumptions of the June 30, 2024, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Annual state contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2028 and, as a result, the Municipal Bond Index rate was used in the determination of the single equivalent rate.

I. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The Town's proportionate share of the net OPEB liability is $-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

J. OPEB Plan Fiduciary Net Position

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at www.ct.gov.

K. Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

NOTE 14 COMBINING TRUST FUNDS

Combining Balance Sheet

	Pension Trust Fund	OPEB Trust Fund	Total
ASSETS			
Cash and Cash Equivalents	$ 169,348	$ 19,438	$ 188,786
Investments - Mutual Funds	28,070,136	7,978,504	36,048,640
Accounts Receivable	5,713	46,531	52,244
Total Assets	28,245,197	8,044,473	36,289,670
NET POSITION			
Restricted for Pension Benefits and Other Post Employment Benefits	$ 28,245,197	$ 8,044,473	$ 36,289,670

Combining Statement of Revenues, Expenses, and Changes in Net Position

	Pension Trust Fund	OPEB Trust Fund	Total
ADDITIONS			
Contributions:			
Employer	$ 701,208	$ 656,276	$ 1,357,484
Employee	233,424	-	233,424
Total	934,632	656,276	1,590,908
INVESTMENT INCOME			
Net Appreciation in Fair Value of Investments	3,011,196	1,012,187	4,023,383
Interest and Dividends	755,766	-	755,766
Total Investment Gain	3,766,962	1,012,187	4,779,149
Less Investment Expenses:			
Investment Management Fees	45,005	-	45,005
Net Investment Income	3,721,957	1,012,187	4,734,144
Total Additions	4,656,589	1,668,463	6,325,052
DEDUCTIONS			
Benefits	1,820,799	297,230	2,118,029
Administrative Expenses	20,780	3,445	24,225
Total Deductions	1,841,579	300,675	2,142,254
CHANGE IN NET POSITION	2,815,010	1,367,788	4,182,798
Net Position - Beginning of Year	25,430,187	6,676,685	32,106,872
NET POSITION - END OF YEAR	$ 28,245,197	$ 8,044,473	$ 36,289,670

NOTE 15 RESTATEMENT OF BEGINNING NET POSITION AND FUND BALANCE

A. Correction of an Error in Previously Issued Financial Statements

During fiscal year 2026, the Town identified that the Fox Fund had been omitted from its previously issued financial statements. Upon further evaluation, the Town determined that the Fox Fund should be reported as a special revenue fund. Accordingly, the Town restated the beginning net position of governmental activities and the beginning fund balance of the nonmajor governmental funds as of July 1, 2025, to correct the error.

The correction resulted in adjustments to cash and cash equivalents, investments, investment income, and expenditures previously reported in the financial statements. As a result of these adjustments, beginning net position of governmental activities and beginning fund balance of the nonmajor governmental funds were each increased by $1,170,256. The effects of the restatement are summarized below:

	Net Position as Originally Reported June 30, 2025	Addition of the Fox Fund	Net Position as Originally Reported July 1, 2025
Government-Wide:			
Governmental Activities	78,254,889	1,170,256	79,425,145

	Fund Balance as Originally Reported June 30, 2025	Addition of the Fox Fund	Fund Balance as Originally Reported July 1, 2025
Governmental Funds:			
Nonmajor Governmental Funds	5,833,312	1,170,256	7,003,568

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2026
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget Over (Under)
	Original	Final	Final Budget	Actual	Actual
Property Taxes:					
Current Year Taxes	$ 46,056,383	$ 46,056,383	$ -	$ 47,629,769	$ 1,573,386
Prior Year's Taxes	210,000	210,000	-	252,514	42,514
Supplemental Motor Vehicle	400,000	400,000	-	557,755	157,755
Total	46,666,383	46,666,383	-	48,440,038	1,773,655
Interest and Lien Fees	130,000	130,000	-	202,666	72,666
Total Property Taxes	46,796,383	46,796,383	-	48,642,704	1,846,321
Intergovernmental Revenues:					
Reimbursement of Local Tax Disability Exemption	1,500	1,500	-	1,522	22
Elderly Tax Relief					-
Education Equalization Grant	5,460,668	5,460,668	-	5,470,583	9,915
Excess Grant - Special Education	587,858	587,858	-	770,836	182,978
State Owned Property	13,399	13,399	-	13,438	39
Veterans Exempt Grant	2,400	2,400	-	1,813	(587)
Telephone Grant	13,000	13,000	-	61,075	48,075
Tuition Other Towns	1,547,216	1,547,216	-	1,540,332	(6,884)
Granby Alternative Program (GAP)	-	-	-	28,020	28,020
B.E.A.R. Transition Academy Tuition	84,737	84,737	-	55,578	(29,159)
Municipal Revenue Sharing - Motor Vehicle	96,029	96,029	-	96,026	(3)
Other	35,332	35,332	-	39,741	4,409
Total Intergovernmental Revenues	7,842,139	7,842,139	-	8,078,964	236,825
Investment Income	414,500	414,500	-	844,073	429,573
Local Revenues:					
Town Clerk Fees	220,000	220,000	-	298,553	78,553
Planning and Zoning	3,000	3,000	-	7,011	4,011
Zoning Board of Appeals	1,010	1,010	-	2,828	1,818
Building Permits and Licenses	150,000	150,000	-	356,802	206,802
Inland Wetlands	4,000	4,000	-	4,234	234
Driveway Permits	1,000	1,000	-	1,600	600
Total Local Revenues	379,010	379,010	-	671,028	292,018

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2026
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget Over (Under)
	Original	Final	Final Budget	Actual	Actual
Other Revenues:					
Snow Plowing and Grading	$ 11,000	$ 11,000	$ -	$ 11,154	$ 154
Photocopying	100	100	-	144	44
Communication Fees	44,988	44,988	-	56,988	12,000
Rents	18,800	18,800	-	19,400	600
Contracted Building Inspection	14,000	14,000	-	14,000	-
Police Dispatch Services	16,580	16,580	-	16,580	-
Police Photos and Records	11,000	11,000	-	11,396	396
Library Operations	3,000	3,000	-	3,918	918
Miscellaneous	43,000	56,778	13,778	511,373	454,595
Returned Checks Fee	100	100	-	65	(35)
Pay for Participation	42,000	42,000	-	57,703	15,703
Open Farm Day	2,500	2,500	-	1,000	(1,500)
Holcomb Farm and Haying	39,613	39,613	-	39,613	-
Prior Year Unliquidated Encumbrances	-	-	-	1,110	1,110
Total Other Revenues	246,681	260,459	13,778	744,444	483,985
Total	$ 55,678,713	$ 55,692,491	$ 13,778	58,981,213	$ 3,288,722
Budgetary revenues are different than GAAP revenues because:					
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement Pension System for Town Teachers are not budgeted				5,200,793	
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement OPEB System for Town Teachers are not budgeted				71,241	
Cancellation of prior year encumbrances is recognized as budgetary revenue				(1,110)	
Revaluation fund revenues not budgeted				1,285	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV				$ 64,253,422	

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2026
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget Over (Under)
	Original	Final	Final Budget	Actual	Actual
General Government:					
General Administration	$ 383,572	$ 383,572	$ -	$ 373,115	$ (10,457)
Legal Fees	40,000	53,800	13,800	52,992	(808)
Fringe Benefits	3,180,161	3,180,424	263	3,164,263	(16,161)
Town Clerk Operations	179,543	187,743	8,200	183,015	(4,728)
Probate	5,953	5,953	-	5,953	-
Contingency	82,500	16,844	(65,656)	16,367	(477)
Election Services	79,852	71,852	(8,000)	66,834	(5,018)
Boards and Commissions	64,319	64,319	-	54,491	(9,828)
Revenue Collections	148,938	148,938	-	148,229	(709)
Property Assessments	231,183	231,183	-	228,859	(2,324)
Fiscal Management	419,456	419,456	-	397,284	(22,172)
Insurance	346,733	346,733	-	337,132	(9,601)
Human Resources	135,821	135,821	-	132,101	(3,720)
Technology	214,712	207,712	(7,000)	204,907	(2,805)
Economic Development	155,629	155,629	-	151,396	(4,233)
Total General Government	5,668,372	5,609,979	(58,393)	5,516,938	(93,041)
Public Safety:					
Building Inspection	187,383	187,383	-	185,661	(1,722)
Fire Prevention	421,702	421,702	-	421,190	(512)
Emergency Management	2,550	2,550	-	2,437	(113)
Health Services	180,625	180,625	-	180,625	-
Police Department Administration	418,469	422,469	4,000	421,867	(602)
Police Operations and Services	2,367,429	2,367,429	-	2,269,108	(98,321)
Total Public Safety	3,578,158	3,582,158	4,000	3,480,888	(101,270)
Public Works and Environment:					
General Maintenance	3,673,481	3,738,481	65,000	3,717,676	(20,805)
Planning and Engineering Services	37,150	37,150	-	33,956	(3,194)
Total Public Works and Environment	3,710,631	3,775,631	65,000	3,751,632	(23,999)
Recreation and Social Services:					
Library	698,716	701,887	3,171	648,664	(53,223)
Social - Senior - Youth Services	427,196	383,872	(43,324)	352,924	(30,948)
Community Support	2,500	2,500	-	2,500	-
Total Recreation and Social Services	1,128,412	1,088,259	(40,153)	1,004,088	(84,171)
Debt Service	1,731,368	1,731,368	-	1,714,381	(16,987)
Capital Outlay	-	315,036	315,036	315,036	-
Education	39,418,142	39,418,142	-	39,345,621	(72,521)
Total Budgeted Expenditures	55,235,083	55,520,573	285,490	55,128,584	(391,989)

TOWN OF GRANBY, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2026
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts		Variance with Original Budget Over (Under)		Variance with Final Budget Over (Under)
	Original	Final	Final Budget	Actual	Actual
Other Financing Uses:					
Transfers Out:					
Capital Equipment	$ 2,605,000	$ 2,979,964	$ 374,964	$ 2,977,881	$ (2,083)
Senior Activity Fund	-	14,727	14,727	14,727	-
Youth Services Grant Fund	-	28,597	28,597	28,597	-
Emergency Management	10,630	10,630	-	10,630	-
Dog Fund	13,000	13,000	-	13,000	-
Total Other Financing Uses	2,628,630	3,046,918	418,288	3,044,835	(2,083)
Total Budgeted Operations	$ 57,863,713	$ 58,567,491	$ 703,778	58,173,419	$ (394,072)
Budgetary expenditures are different than GAAP expenditures because:					
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement Pension System for Town Teachers are not budgeted				5,200,793	
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement OPEB System for Town Teachers are not budgeted				71,241	
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				(30,537)	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds - Exhibit IV				$ 63,414,916	

* $14,727 and $28,597 of final budget for Social Services was moved to Transfers out to the Senior Activity Fund and the Youth Services Grant fund, respectively

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
PENSION TRUST FUND
LAST TEN FISCAL YEARS

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability:										
Service Cost	$ 684,498	$ 640,512	$ 562,600	$ 501,681	$ 510,401	$ 484,779	$ 471,336	$ 439,590	$ 422,365	$ 405,744
Interest	1,695,054	1,617,524	1,632,971	1,627,364	1,578,090	1,508,141	1,467,469	1,463,841	1,430,800	1,383,802
Changes of Benefit Terms										
Differences Between Expected and Actual Experience	(142)	607,333	(976,888)	(601,179)	159,227	(373,942)	250,254	(371,752)	(112,857)	27,407
Changes of Assumptions	(143,362)	-	-	(71,838)	-	1,762,004	524,335	118,519	241,263	236,519
Benefit Payments, Including Refunds of Member Contributions	(1,820,799)	(1,615,637)	(1,455,337)	(1,406,809)	(1,552,748)	(1,391,215)	(1,305,129)	(1,222,399)	(1,156,074)	(1,042,283)
Net Change in Total Pension Liability	415,249	1,249,732	(236,654)	49,219	694,970	1,989,767	1,408,265	427,799	825,497	1,011,189
Total Pension Liability - Beginning	26,289,323	25,039,591	25,276,245	25,227,026	24,532,056	22,542,289	21,134,024	20,706,225	19,880,728	18,869,539
Total Pension Liability - Ending	26,704,572	26,289,323	25,039,591	25,276,245	25,227,026	24,532,056	22,542,289	21,134,024	20,706,225	19,880,728
Plan Fiduciary Net Position:										
Contributions - Employer	701,208	631,221	641,478	706,029	779,485	668,266	577,577	557,206	517,850	487,591
Contributions - Member	233,424	208,665	185,543	166,632	164,688	159,517	161,887	159,272	158,979	161,662
Net Investment Income (Loss)	3,721,957	2,754,197	2,592,090	2,339,178	(3,901,309)	6,066,928	1,028,901	902,546	1,723,847	2,189,923
Benefit Payments, Including Refunds of Member Contributions	(1,820,799)	(1,615,637)	(1,455,337)	(1,406,809)	(1,552,748)	(1,391,215)	(1,305,129)	(1,222,399)	(1,156,074)	(1,042,283)
Administrative Expense	(20,780)	(12,471)	(11,851)	(11,183)	(13,762)	(14,317)	(12,514)	(12,180)	(12,122)	-
Net Change in Plan Fiduciary Net Position	2,815,010	1,965,975	1,951,923	1,793,847	(4,523,646)	5,489,179	450,722	384,445	1,232,480	1,796,893
Plan Fiduciary Net Position - Beginning	25,430,187	23,464,212	21,512,289	19,718,442	24,242,088	18,752,909	18,302,187	17,917,742	16,685,262	14,888,369
Plan Fiduciary Net Position - Ending	28,245,197	25,430,187	23,464,212	21,512,289	19,718,442	24,242,088	18,752,909	18,302,187	17,917,742	16,685,262
Net Pension Liability - Ending	$ (1,540,625)	$ 859,136	$ 1,575,379	$ 3,763,956	$ 5,508,584	$ 289,968	$ 3,789,380	$ 2,831,837	$ 2,788,483	$ 3,195,466
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	105.77 %	93.71 %	93.71 %	85.11 %	78.16 %	98.82 %	83.19 %	86.60 %	86.53 %	83.93 %
Covered Payroll	$ 4,515,964	$ 3,642,898	$ 3,642,898	$ 3,692,629	$ 3,705,647	$ 3,878,163	$ 3,643,801	$ 3,687,470	$ 3,778,774	$ 4,086,754
Net Pension Liability as a Percentage of Covered Payroll	(34.12)%	43.25 %	43.25 %	101.93 %	148.65 %	7.48 %	104.00 %	76.80 %	73.79 %	78.19 %

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PENSION TRUST FUND
LAST TEN FISCAL YEARS

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	$ 701,208	$ 631,221	$ 641,478	$ 706,029	$ 779,485	$ 700,257	$ 577,577	$ 557,206	$ 517,850	$ 487,591
Contributions in Relation to the Actuarial Determined Contribution	701,208	631,221	641,478	706,029	779,485	668,266	577,577	557,206	517,850	487,591
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ 31,991	$ -	$ -	$ -	$ -
Covered Payroll	$ 4,512,964	$ 3,996,012	$ 3,642,898	$ 3,692,629	$ 3,705,647	$ 3,878,163	$ 3,643,801	$ 3,687,470	$ 3,778,774	$ 4,086,754
Contributions as a Percentage of Covered Payroll	15.54 %	15.80 %	17.61 %	19.12 %	21.04 %	17.23 %	15.85 %	15.11 %	13.70 %	11.93 %

Notes to Schedule:

Valuation Date	July 1, 2025
Measurement Date	June 30, 2026

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Salary - Closed
Remaining Amortization Period	15 Years
Asset Valuation Method	5 Years, Non-Asymptotic
Inflation	2.60%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Retirement Age	Age Based Rates
Turnover	Age Based Rates
Mortality	PubG-2010 Mortality (PubS-2010 for Police) with generational projection per MP-2021 Ultimate Scale

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
PENSION TRUST FUND
LAST TEN FISCAL YEARS

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, Net of Investment Expense	14.71 %	11.80 %	12.07 %	11.85 %	(16.08)%	32.30 %	5.64 %	5.05 %	10.35 %	14.69 %

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST TEN FISCAL YEARS

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net Pension Liability Associated With the Town	46,800,342	51,622,334	55,495,314	60,239,908	50,411,662	63,650,407	58,425,114	45,049,157	47,535,197	50,149,997
Total	$ 46,800,342	$ 51,622,334	$ 55,495,314	$ 60,239,908	$ 50,411,662	$ 63,650,407	$ 58,425,114	$ 45,049,157	$ 47,535,197	$ 50,149,997
Town's Covered Payroll	$ 1,344,229	$ 1,307,861	$ 1,302,097	$ 1,252,381	$ 1,236,357	$ 1,216,946	$ 1,192,384	$ 1,174,013	$ 1,099,545	$ 996,600
Town's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.88%	62.68%	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%

Notes to Schedule:

Changes in Benefit Terms	None
Changes of Assumptions	Update mortality tables to the PubT-2016 mortality tables with generational mortality using MP-2021; Minor changes to rates of retirement; Service-only based table with minor changes to the rates of withdrawal; Small changes to merit salary scale particularly between 10 and 20 years of service; Small changes to assumed COLA
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Pay, Closed, Grading to a Level Dollar Amortization Method for the June 30, 2024 Valuation
Remaining Amortization Period	22 to 25 years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.00%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment-Related Expense

- The measurement date is one year earlier than the employer's reporting date.

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OPEB PLAN
LAST TEN FISCAL YEARS

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:										
Service Cost	$ 441,282	$ 368,630	$ 362,298	$ 287,857	$ 321,778	$ 385,092	$ 367,351	$ 286,688	$ 260,128	$ 236,276
Interest	726,316	672,101	634,179	585,344	703,462	680,359	527,206	509,886	500,235	482,944
Changes of Benefit Terms	(67,235)	-	-	-	30,242	-	(13,411)	-	-	-
Differences Between Expected and Actual Experience	(1,683,395)	-	116,581	-	(1,892,651)	-	1,985,479	-	726,403	-
Changes of Assumptions	109,032	-	(115,404)	497,633	(475,735)	-	290,329	-	383,976	-
Benefit Payments	(297,230)	(124,884)	(611,942)	(650,205)	(594,218)	(639,301)	(605,505)	(572,118)	(518,279)	(474,546)
Net Change in Total OPEB Liability	(771,230)	915,847	385,712	720,629	(1,907,122)	426,150	2,551,449	224,456	1,352,463	244,674
Total OPEB Liability - Beginning	11,810,433	10,894,586	10,508,874	9,788,245	11,695,367	11,269,217	8,717,768	8,493,312	7,140,849	6,896,175
Total OPEB Liability - Ending	11,039,203	11,810,433	10,894,586	10,508,874	9,788,245	11,695,367	11,269,217	8,717,768	8,493,312	7,140,849
Plan Fiduciary Net Position:										
Contributions - Employer	939,456	900,068	754,846	745,772	1,025,172	1,303,087	901,761	572,118	518,279	707,589
Contributions - Employer Prefunding	(283,180)	(900,068)	(142,904)	(95,567)	1,911,269	-	-	-	-	-
Net Investment Income	1,012,187	736,780	665,703	583,685	(991,511)	498,921	80,606	94,763	103,175	136,681
Benefit Payments	(297,230)	(124,884)	(611,942)	(650,205)	(594,218)	(639,301)	(605,505)	(572,118)	(518,279)	(474,546)
Administrative Expense	(3,445)	(2,946)	(2,656)	(2,420)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	1,367,788	608,950	663,047	581,265	1,350,712	1,162,707	376,862	94,763	103,175	369,724
Plan Fiduciary Net Position - Beginning	6,676,685	6,067,735	5,404,688	4,823,423	3,472,711	2,310,004	1,933,142	1,838,379	1,735,204	1,365,480
Plan Fiduciary Net Position - Ending	8,044,473	6,676,685	6,067,735	5,404,688	4,823,423	3,472,711	2,310,004	1,933,142	1,838,379	1,735,204
Net OPEB Liability - Ending	$ 2,994,730	$ 5,133,748	$ 4,826,851	$ 5,104,186	$ 4,964,822	$ 8,222,656	$ 8,959,213	$ 6,784,626	$ 6,654,933	$ 5,405,645
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	72.87 %	56.53 %	55.69 %	51.43 %	49.28 %	29.69 %	20.50 %	22.17 %	21.65 %	24.30 %
Covered Payroll	$ 25,690,892	$ 22,653,425	$ 22,653,425	$ 21,014,287	$ 21,014,287	$ 21,208,110	$ 21,208,110	$ 20,207,961	$ 20,207,961	$ 20,391,068
Net OPEB Liability as a Percentage of Covered Payroll	11.66 %	22.66 %	21.31 %	24.29 %	23.63 %	38.77 %	42.24 %	33.57 %	32.93 %	26.51 %

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB PLAN
LAST TEN FISCAL YEARS
(IN THOUSANDS)

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution (1)	$ 937,156	$ 900,068	$ 754,846	$ 745,772	$ 1,025,172	$ 981,524	$ 727,143	$ 693,256	$ 610,945	$ 568,962
Contributions in Relation to the Actuarially Determined Contribution	937,156	900,068	754,846	745,772	1,025,172	1,303,087	901,761	572,118	518,279	707,589
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ (321,563)	$ (174,618)	$ 121,138	$ 92,666	$ (138,627)
Covered Payroll	$ 25,690,892	$ 22,653,425	$ 22,653,425	$ 21,014,287	$ 21,014,287	$ 21,208,110	$ 21,208,110	$ 20,207,961	$ 20,207,961	$ 20,391,068
Contributions as a Percentage of Covered Payroll	3.65 %	3.97 %	3.33 %	3.55 %	4.88 %	6.14 %	4.25 %	2.83 %	2.56 %	3.47 %

(1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date	July 1, 2025
Measurement Date	June 30, 2026
Actuarially Determined Contribution Rates Are Calculated as of June 30, Two Years Prior to the End of the Fiscal Year in Which Contributions Are Reported	
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period	15 years
Asset Valuation Method	5 Years, Non-Asymptotic
Inflation	2.60%
Healthcare Cost Trend Rates	6.60% - 3.90% Over 49 Years
Salary Increases	Graded salary scale for BOE Certified; 3.5% for others
Discount Rate	6.00%
Retirement Age	Varies based on age, eligibility for pension benefits, and gender
Healthy Mortality	Teachers and Administrators: PubT-2010 Mortality Table for Employees and Healthy Annuitants (adjusted 105% for males and 103% for females at ages 82 and above) with generational projection of future improvements per the MP-2021 Ultimate scale. The PubT-2010 Contingent Survivor table projected generationally per the MP-2021 Ultimate scale and set forward one year for both males and females is used for survivors and beneficiaries. Police and Town Union: PubS-2010 Mortality Table with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement. All Others: PubG-2010 Mortality Table with generational projection per MP-2021 ultimate scale, with employee rates before benefit commencement and healthy annuitant rates after benefit commencement.
Disabled Mortality	Teachers and Administrators: PubT-2010 Disabled Mortality Table for males and females with generational projection of future improvements per the MP-2021 Ultimate scale.

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OPEB PLAN
LAST TEN FISCAL YEARS

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, Net of Investment Expense	14.91 %	12.16 %	12.32 %	12.10 %	(20.27)%	21.15 %	4.12 %	5.09 %	5.95 %	10.01 %

TOWN OF GRANBY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST NINE FISCAL YEARS*

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	- %	- %	- %	- %	- %	- %	- %	- %	- %
Town's Proportionate Share of the Net OPEB Liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State's Proportionate Share of the Net OPEB Liability Associated With the Town	8,582,756	10,589,516	5,199,149	5,275,634	5,492,258	9,493,461	9,111,727	9,005,624	12,235,018
Total	$ 8,582,756	$ 10,589,516	$ 5,199,149	$ 5,275,634	$ 5,492,258	$ 9,493,461	$ 9,111,727	$ 9,005,624	$ 12,235,018
Town's Covered Payroll	$ 1,344,229	$ 1,307,861	$ 1,302,097	$ 1,252,381	$ 1,236,357	$ 1,216,946	$ 1,192,384	$ 1,174,013	$ 1,174,013
Town's Proportionate Share of the Net OPEB Liability as a Percentage of Its Covered Payroll	- %	- %	- %	- %	- %	- %	- %	- %	- %
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.89 %	7.40 %	11.92 %	9.46 %	6.11 %	2.50 %	2.08 %	1.49 %	1.79 %

Notes to Schedule:

Changes in Benefit Terms	There were no changes to benefit terms since the prior Measurement Date.
Changes of Assumptions	Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2025 was updated to equal the SEIR of 5.19% as of June 30, 2025; Updated mortality tables to the PubT-2016 mortality tables with generational mortality using MP-2021; Minor changes to rates of retirement; Service-only based table with minor changes to the rates of withdrawal; Small changes to merit salary scale particularly between 10 and 20 years of service; Increase spouse participation assumption for OPEB coverage to 50%.
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll Over an Open Period
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value of Assets
Investment Rate of Return	3.00%, net of investment related expense including price inflation
Price Inflation	2.60%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.
- The measurement date is one year earlier than the employer's reporting date

NOTE 1 STEWARDSHIP 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 a public hearing and presents a proposed budget on the second Monday in April. A machine vote on the budget is taken on the fourth Monday in April. If the budget does not pass, a hearing shall be held on the succeeding Monday for informational purposes with a machine vote on the following Monday. The process shall continue in this manner until a budget is adopted. The Board of Finance may make revisions between machine votes. Summaries of the revisions are then made available to the public.

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 2026, the original General Fund operating budget was increased by $703,778.

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 included in either restricted, committed, or assigned fund balance depending on the level of restriction and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Budgets for Special Revenue Funds that 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 that does not coincide with the Town's fiscal year. The ARPA fund does not have a legally adopted budget.

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

NOTE 1 STEWARDSHIP AND ACCOUNTABILITY (CONTINUED)

B. Actual Budgeted Results

In fiscal year 2026, there were not any significant variances between original and final budget, or between final budget and actual.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government that are not required to be accounting for in another fund.

TOWN OF GRANBY, CONNECTICUT
REPORT OF TAX COLLECTOR
GENERAL FUND
YEAR ENDED JUNE 30, 2026

Grand List	Current Levy	Uncollected Taxes July 1, 2025	Lawful Corrections Additions	Lawful Corrections Deductions	Transfers To Suspense	Adjusted Taxes Collectible	Collections	Refunds	Uncollected Taxes June 30, 2026
2024	$ 48,156,318	$ -	$ 493,242	$ 157,353	$ 220	$ 48,491,987	$ 48,204,219	$ 32,781	$ 320,549
2023	-	277,814	4,666	12,206	4,738	265,536	174,832	9,601	100,305
2022	-	126,437	524	1,116	7,715	118,130	84,725	233	33,638
2021	-	42,582	658	49	8,028	35,163	21,006	49	14,206
2002	-	12,254	772	59	6,419	6,548	2,065	59	4,542
2019	-	5,226	-	59	1,664	3,503	541	59	3,021
2018	-	5,426	-	-	1,740	3,686	135	-	3,551
2017	-	1,200	-	-	248	952	845	-	107
2016	-	790	-	-	-	790	788	-	2
2015	-	129	-	-	-	129	127	-	2
2014	-	127	-	-	-	127	126	-	1
Total	$ 48,156,318	$ 471,985	$ 499,862	$ 170,842	$ 30,772	$ 48,926,551	48,489,409	$ 42,782	$ 479,924

Interest, Liens, Fees and Suspension Collections	203,526
Total Collections	48,650,153
Property Taxes Receivable Considered Available:	
June 30, 2025	(72,625)
June 30, 2026	65,176
Total Property Tax Revenue	$ 48,642,704

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE 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.

Fund	Funding Source	Function
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 Town's solid waste disposal program
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
Tri Town Cable	State grant	Manage the PEGPEDIA grant for tri town cable network
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
Federal and State Educational Grants	State and Federal grants	Education programs
Sewer Utility	User fees	Operation of sewer system
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	Contributions	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
Dog Park	Donations	Construct and maintain Town dog parks
Historic Documents	State grant	Preservation of Town's records
Student Activity	Fees and donations	Extra - curricular activities at the high school, middle schools and grammar schools
Scholarship Fund	Donations	Provide financial assistance for graduating seniors specifically to support postgraduate education
Emergency Management	Local, State and Federal grants	Manage and coordinate large scale emergency operations
Small Cities	Federal grants	Rehabilitation of private residential structures
Universal Cemetery	Investment Income	Maintain town cemeteries
Miscellaneous Grants	State and Federal grants	Accounting for various grant programs
Cossitt Library	Investment Income	Maintain Cossitt Library
Fox Fund	Donations	Benefit the people of Granby

DEBT SERVICE FUND AND PERMANENT FUNDS

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

Permanent Fund – Holcomb Farm Fund is used to account for donations made to support for the operation, maintenance, and capital expenses of Holcomb Farm and other necessary passive recreational activities.

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2026

	Special Revenue Funds							
	Dog	Town Aid Road	Senior Activity	LOCIP	Solid Waste Sanitation	Local Assistance	Open Space	Police Community Education
ASSETS								
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Investments	-	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-	-
Due from Other Funds	42,551	377,719	262,277	123,921	526,459	98,585	124,970	23,474
Receivables	-	-	-	-	-	-	-	-
Total Assets	$ 42,551	$ 377,719	$ 262,277	$ 123,921	$ 526,459	$ 98,585	$ 124,970	$ 23,474
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Liabilities	$ 8,266	$ -	$ 1,825	$ -	$ 14,433	$ -	$ -	$ -
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Total Liabilities	8,266	-	1,825	-	14,433	-	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Grants	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	377,719	-	123,921	-	19,568	-	-
Committed	34,285	-	260,452	-	512,026	79,017	124,970	23,474
Total Fund Balances	34,285	377,719	260,452	123,921	512,026	98,585	124,970	23,474
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 42,551	$ 377,719	$ 262,277	$ 123,921	$ 526,459	$ 98,585	$ 124,970	$ 23,474

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2026

	Special Revenue Funds							
	Public Schools	Tri Town Cable	Police Forfeited Property	Youth Services Grant	Cafeteria	Federal and State Educational Grants	Sewer Utility	Police Grants
ASSETS								
Cash and Cash Equivalents	$ 50,754	$ -	$ -	$ -	$ 272,368	$ 3,363	$ -	$ -
Investments	-	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	50,210	8,348	-	-
Due from Other Funds	-	-	170	250,030	-	104,255	1,171,244	-
Receivables	19,519	-	-	-	-	-	-	24,298
Total Assets	$ 70,273	$ -	$ 170	$ 250,030	$ 322,578	$ 115,966	$ 1,171,244	$ 24,298
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Liabilities	$ 14,216	$ -	$ -	$ -	$ 102,858	$ 23,912	$ 340	$ -
Due to Other Funds	-	-	-	-	-	-	-	17,346
Unearned Revenue	19,929	-	-	-	-	89,588	-	-
Total Liabilities	34,145	-	-	-	102,858	113,500	340	17,346
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Grants	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	250,030	-	2,466	-	6,952
Committed	36,128	-	170	-	219,720	-	1,170,904	-
Total Fund Balances	36,128	-	170	250,030	219,720	2,466	1,170,904	6,952
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 70,273	$ -	$ 170	$ 250,030	$ 322,578	$ 115,966	$ 1,171,244	$ 24,298

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2026

	Special Revenue Funds							
	Education Quality and Diversity	Board of Education Severance	Contractor Payment	Granby Public Library	Parks and Recreation	Dog Park	Historic Documents	Student Activity
ASSETS								
Cash and Cash Equivalents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 330,153
Investments	-	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-	-
Due from Other Funds	454,734	-	387,847	91,972	297,906	47,391	48,974	-
Receivables	730	-	20,800	-	-	-	-	336
Total Assets	$ 455,464	$ -	$ 408,647	$ 91,972	$ 297,906	$ 47,391	$ 48,974	$ 330,489
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Liabilities	$ 1,255	$ -	$ -	$ 3,693	$ 12,335	$ -	$ -	$ -
Due to Other Funds	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	6,400	-	206	-	-	-
Total Liabilities	1,255	-	6,400	3,693	12,541	-	-	-
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue - Grants	-	-	-	-	-	-	-	-
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	454,209	-	-	88,279	-	-	48,974	330,489
Committed	-	-	402,247	-	285,365	47,391	-	-
Total Fund Balances	454,209	-	402,247	88,279	285,365	47,391	48,974	330,489
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 455,464	$ -	$ 408,647	$ 91,972	$ 297,906	$ 47,391	$ 48,974	$ 330,489

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2026

	Special Revenue Funds								Permanent Fund	
	Scholarship	Emergency Management	Small Cities	Universal Cemetery	Miscellaneous Grants	Cossitt Library	Fox Fund	Debt Service	Holcomb Farm Fund	Total Nonmajor Governmental Funds
ASSETS										
Cash and Cash Equivalents	$ 56,348	$ -	$ 361,300	$ -	-	$ -	$ 110,168	$ -	$ 1,415	$ 1,185,869
Investments	-	-	-	-	-	-	1,147,787	-	720,601	1,868,388
Due from Other Governments	-	-	-	-	-	-	-	-	-	58,558
Due from Other Funds	-	20,717	-	15,962	30,749	4,854	-	209,318	-	4,716,079
Receivables	-	10,488	826,126	-	-	-	-	-	-	902,297
Total Assets	$ 56,348	$ 31,205	$ 1,187,426	$ 15,962	$ 30,749	$ 4,854	$ 1,257,955	$ 209,318	$ 722,016	$ 8,731,191
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES										
LIABILITIES										
Accounts Payable and Accrued Liabilities	$ -	$ -	$ 3,649	$ -	-	$ -	$ -	$ -	$ 898	$ 187,680
Due to Other Funds	-	-	-	-	-	-	-	-	-	17,346
Unearned Revenue	-	-	-	-	30,749	-	-	-	-	146,872
Total Liabilities	-	-	3,649	-	30,749	-	-	-	898	351,898
DEFERRED INFLOWS OF RESOURCES										
Unavailable Revenue - Grants	-	-	826,126	-	-	-	-	-	-	826,126
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	400,000	400,000
Restricted	56,348	-	357,651	15,962	-	4,854	1,257,955	209,318	321,118	3,925,813
Committed	-	31,205	-	-	-	-	-	-	-	3,227,354
Total Fund Balances	56,348	31,205	357,651	15,962	-	4,854	1,257,955	209,318	721,118	7,553,167
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 56,348	$ 31,205	$ 1,187,426	$ 15,962	$ 30,749	$ 4,854	$ 1,257,955	$ 209,318	$ 722,016	$ 8,731,191

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2026

	Special Revenue Funds							
	Dog	Town Aid Road	Senior Activity	LOCIP	Solid Waste Sanitation	Local Assistance	Open Space	Police Community Education
REVENUES								
Intergovernmental	$ -	$ 340,965	$ 32,266	$ 123,921	$ -	$ -	$ -	$ -
Investment Income	-	-	-	-	19,095	-	4,674	-
Contributions	600	-	-	-	-	24,585	-	500
Licenses, Fees and Charges for Goods and Services	14,045	-	51,771	-	139,278	-	-	-
Other	-	-	20,485	-	15,635	-	5,598	-
Total Revenues	14,645	340,965	104,522	123,921	174,008	24,585	10,272	500
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	21,431	-	-	-	-	-	-	-
Public Works and Environment	-	-	-	-	124,842	-	-	-
Recreation and Social Services	-	-	113,982	-	-	33,463	-	-
Education	-	-	-	-	-	-	-	-
Total Expenditures	21,431	-	113,982	-	124,842	33,463	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,786)	340,965	(9,460)	123,921	49,166	(8,878)	10,272	500
OTHER FINANCING SOURCES (USES)								
Transfers In	13,000	-	14,727	-	-	-	-	-
Transfers Out	-	(253,539)	-	(122,316)	-	-	-	-
Total Other Financing Sources (Uses)	13,000	(253,539)	14,727	(122,316)	-	-	-	-
NET CHANGE IN FUND BALANCE	6,214	87,426	5,267	1,605	49,166	(8,878)	10,272	500
Fund Balances - Beginning of Year, As Originally Reported	28,071	290,293	255,185	122,316	462,860	107,463	114,698	22,974
Adjustment / Restatement	-	-	-	-	-	-	-	-
Fund Balances - Beginning of Year, as Adjusted or Restated	28,071	290,293	255,185	122,316	462,860	107,463	114,698	22,974
FUND BALANCES - END OF YEAR	$ 34,285	$ 377,719	$ 260,452	$ 123,921	$ 512,026	$ 98,585	$ 124,970	$ 23,474

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2026

	Special Revenue Funds							
	Public Schools	Tri Town Cable	Police Forfeited Property	Youth Services Grant	Cafeteria	Federal and State Educational Grants	Sewer Utility	Police Grants
REVENUES								
Intergovernmental	$ -	$ 42,000	$ -	$ 28,829	$ 377,975	$ 937,191	$ -	$ 24,298
Investment Income	-	-	6	-	-	-	-	-
Contributions	-	-	-	1,160	-	-	-	-
Licenses, Fees and Charges for Goods and Services	130,142	-	-	1,295	568,082	-	503,274	-
Other	-	-	-	-	-	-	18,459	-
Total Revenues	130,142	42,000	6	31,284	946,057	937,191	521,733	24,298
EXPENDITURES								
Current:								
General Government	-	42,000	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	24,298
Public Works and Environment	-	-	-	-	-	-	252,845	-
Recreation and Social Services	-	-	-	109,269	-	-	-	-
Education	136,159	-	-	-	976,642	937,191	-	-
Total Expenditures	136,159	42,000	-	109,269	976,642	937,191	252,845	24,298
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,017)	-	6	(77,985)	(30,585)	-	268,888	-
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	28,597	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	28,597	-	-	-	-
NET CHANGE IN FUND BALANCE	(6,017)	-	6	(49,388)	(30,585)	-	268,888	-
Fund Balances - Beginning of Year, As Originally Reported	42,145	-	164	299,418	250,305	2,466	902,016	6,952
Adjustment / Restatement	-	-	-	-	-	-	-	-
Fund Balances - Beginning of Year, as Adjusted or Restated	42,145	-	164	299,418	250,305	2,466	902,016	6,952
FUND BALANCES - END OF YEAR	$ 36,128	$ -	$ 170	$ 250,030	$ 219,720	$ 2,466	$ 1,170,904	$ 6,952

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2026

	Special Revenue Funds							
	Education Quality and Diversity	Board of Education Severance	Contractor Payment	Granby Public Library	Parks and Recreation	Dog Park	Historic Documents	Student Activity
REVENUES								
Intergovernmental	$ 1,085,398	$ -	$ -	310	$ -	$ -	$ 5,000	$ -
Investment Income	-	-	-	-	-	-	-	-
Contributions	-	-	-	22,970	-	9,250	-	-
Licenses, Fees and Charges for Goods and Services	-	-	173,275	-	781,794	-	-	304,729
Other	62,512	-	-	-	-	-	11,777	-
Total Revenues	1,147,910	-	173,275	23,280	781,794	9,250	16,777	304,729
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	5,885	-
Public Safety	-	-	-	-	-	-	-	-
Public Works and Environment	-	-	151,663	-	-	-	-	-
Recreation and Social Services	-	-	-	15,117	928,840	2,100	-	-
Education	905,504	-	-	-	-	-	-	276,305
Total Expenditures	905,504	-	151,663	15,117	928,840	2,100	5,885	276,305
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	242,406	-	21,612	8,163	(147,046)	7,150	10,892	28,424
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	(68,250)	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(68,250)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	242,406	-	(46,638)	8,163	(147,046)	7,150	10,892	28,424
Fund Balances - Beginning of Year, As Originally Reported	211,803	-	448,885	80,116	432,411	40,241	38,082	302,065
Adjustment / Restatement	-	-	-	-	-	-	-	-
Fund Balances - Beginning of Year, as Adjusted or Restated	211,803	-	448,885	80,116	432,411	40,241	38,082	302,065
FUND BALANCES - END OF YEAR	$ 454,209	$ -	$ 402,247	$ 88,279	$ 285,365	$ 47,391	$ 48,974	$ 330,489

TOWN OF GRANBY, CONNECTICUT
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2026

	Special Revenue Funds								Permanent Fund	
	Scholarship	Emergency Management	Small Cities	Universal Cemetery	Miscellaneous Grants	Cossitt Library	Fox Fund	Debt Service	Holcomb Farm Fund	Total Nonmajor Governmental Funds
REVENUES										
Intergovernmental	$ -	$ 5,408	$ -	$ -	$ 10,366	$ -	-	$ -	$ -	$ 3,013,927
Investment Income	-	-	9,558	601	-	183	114,558	9,876	106,704	265,255
Contributions	-	-	-	-	17,785	-	-	-	-	76,850
Licenses, Fees and Charges for Goods and Services	12,850	-	-	-	-	-	-	-	-	2,680,535
Other	-	-	76,200	-	-	-	-	7,075	-	217,741
Total Revenues	12,850	5,408	85,758	601	28,151	183	114,558	16,951	106,704	6,254,308
EXPENDITURES										
Current:										
General Government	-	-	67,889	-	25,566	-	-	-	-	141,340
Public Safety	-	7,626	-	-	-	-	-	-	-	53,355
Public Works and Environment	-	-	-	-	-	-	-	111,746	6,371	647,467
Recreation and Social Services	-	-	-	-	2,585	-	26,859	-	-	1,232,215
Education	21,380	-	-	-	-	-	-	-	-	3,253,181
Total Expenditures	21,380	7,626	67,889	-	28,151	-	26,859	111,746	6,371	5,327,558
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,530)	(2,218)	17,869	601	-	183	87,699	(94,795)	100,333	926,750
OTHER FINANCING SOURCES (USES)										
Transfers In	-	10,630	-	-	-	-	-	-	-	66,954
Transfers Out	-	-	-	-	-	-	-	-	-	(444,105)
Total Other Financing Sources (Uses)	-	10,630	-	-	-	-	-	-	-	(377,151)
NET CHANGE IN FUND BALANCE	(8,530)	8,412	17,869	601	-	183	87,699	(94,795)	100,333	549,599
Fund Balances - Beginning of Year, As Originally Reported	64,878	22,793	339,782	15,361	-	4,671	-	304,113	620,785	5,833,312
Adjustment / Restatement	-	-	-	-	-	-	1,170,256	-	-	1,170,256
Fund Balances - Beginning of Year, as Adjusted or Restated	64,878	22,793	339,782	15,361	-	4,671	1,170,256	304,113	620,785	7,003,568
FUND BALANCES - END OF YEAR	$ 56,348	$ 31,205	$ 357,651	$ 15,962	$ -	$ 4,854	$ 1,257,955	$ 209,318	$ 721,118	$ 7,553,167

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 annual comprehensive financial reports for the relevant year.

TOWN OF GRANBY, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017*
Governmental Activities:										
Net Investment in Capital Assets	$ 58,105	$ 58,039	$ 55,907	$ 51,759	$ 48,135	$ 51,173	$ 52,748	$ 50,338	$ 49,698	$ 49,033
Restricted	8,875	7,403	7,544	1,953	1,780	1,754	169	191	222	194
Unrestricted	14,148	12,813	10,143	8,147	8,967	6,559	4,363	2,082	1,413	2,446
Total Governmental Activities Net Position	$ 81,128	$ 78,255	$ 73,594	$ 61,859	$ 58,882	$ 59,486	$ 57,280	$ 52,611	$ 51,333	$ 51,673

Notes:
(1) Schedule prepared on the accrual basis of accounting
* Amounts were restated to reflect implementation of GASB Statement No. 75

TOWN OF GRANBY, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
EXPENSES										
General Government	$ 6,254	$ 6,542	$ 5,508	$ 6,030	$ 7,470	$ 5,409	$ 4,691	$ 5,227	$ 4,830	$ 5,119
Public Safety	3,838	3,264	3,538	3,245	3,319	3,075	3,093	3,061	2,927	3,500
Public Works and Environment	5,762	6,349	5,349	4,456	6,766	5,540	4,764	5,091	4,670	4,676
Recreation and Social Services	2,536	2,068	2,496	2,176	1,919	1,556	1,730	1,667	1,638	1,776
Education	49,268	47,529	47,566	48,619	43,432	43,453	42,600	38,326	40,844	39,795
Interest on Long-Term Debt	86	235	251	316	572	512	444	577	699	814
Total Governmental Activities Expenses	67,744	65,987	64,708	64,842	63,478	59,545	57,322	53,949	55,608	55,680
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	980	649	1,456	1,308	1,755	1,250	1,143	1,382	993	696
Education	1,330	479	2,056	1,624	3,252	1,731	1,531	1,256	1,212	813
Other	1,949	1,815	2,949	2,441	1,998	1,520	1,345	1,604	1,421	1,911
Operating Grants and Contributions	14,232	17,777	16,538	18,209	13,944	15,528	15,508	11,660	14,322	14,431
Capital Grants and Contributions	81	1,910	6,261	40	149	169	1,723	332	140	
Total Governmental Activities Program Revenues	18,572	22,630	29,260	23,622	21,098	20,198	21,250	16,234	18,088	17,851
NET REVENUE (EXPENSE)										
Governmental Activities	(49,172)	(43,357)	(35,448)	(41,220)	(42,380)	(39,347)	(36,072)	(37,715)	(37,520)	(37,829)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes	48,637	46,300	44,173	42,112	41,324	40,577	39,952	38,434	36,596	35,962
Grants and Contributions Not Restricted to Specific Purposes	222	110	1,473	1,103	92	218	112	132	226	486
Unrestricted Investment Earnings	1,451	1,349	1,361	878	130	92	337	341	184	98
Other General Revenues	564	261	176	104	230	314	341	85	175	157
Total Governmental Activities	50,874	48,020	47,183	44,197	41,776	41,201	40,742	38,992	37,181	36,703
CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES	$ 1,702	$ 4,663	$ 11,735	$ 2,977	$ (604)	$ 1,854	$ 4,670	$ 1,277	$ (339)	$ (1,126)

Notes:
(1) Schedule prepared on the accrual basis of accounting

TOWN OF GRANBY, CONNECTICUT
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
General Fund:										
Nonspendable	$ 485	$ 750	$ 1,022	$ 706	$ -	$ -	$ -	$ -	$ -	$ -
Committed	-	-	-	-	-	102	52	51	50	51
Assigned	2,016	2,246	7,071	496	1,000	3,205	735	684	1,094	1,270
Unassigned	10,359	9,026	6,901	10,887	9,670	7,899	8,927	5,930	4,122	3,491
Total General Fund	$ 12,860	$ 12,022	$ 14,994	$ 12,089	$ 10,670	$ 11,206	$ 9,714	$ 6,665	$ 5,266	$ 4,812
All Other Governmental Funds:										
Nonspendable	$ 403	$ 565	$ 411	$ 16	$ 39	$ 43	$ 18	$ 18	$ 18	$ 17
Restricted	3,941	2,382	2,388	1,953	6,369	1,736	1,248	1,307	1,643	1,656
Committed	8,960	8,826	3,102	3,081	4,662	6,549	3,025	3,580	3,497	3,459
Unassigned	(542)	(1,924)	(106)	(481)	-	-	(36)	-	(40)	(42)
Total All Other Governmental Funds	$ 12,762	$ 9,849	$ 5,795	$ 4,569	$ 11,070	$ 8,328	$ 4,255	$ 4,905	$ 5,118	$ 5,090

Notes:
1. Schedule prepared on the modified accrual basis of accounting

TOWN OF GRANBY, CONNECTICUT
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
REVENUES										
Property Taxes	$ 48,643	$ 46,267	$ 44,141	$ 42,023	$ 41,254	$ 40,684	$ 39,935	$ 38,385	$ 36,783	$ 36,068
Intergovernmental	17,925	18,377	20,035	18,328	15,125	14,313	13,397	14,365	12,030	14,817
Licenses, Fees, and Charges for Services	3,352	3,386	4,152	3,555	2,925	2,248	2,291	2,811	2,268	2,611
Investments Income	1,286	1,203	1,324	843	126	86	314	325	174	88
Other	1,038	653	1,232	565	741	737	793	554	690	580
Total Revenues	72,244	69,886	70,884	65,314	60,171	58,068	56,730	56,440	51,945	54,164
EXPENDITURES										
General Government	5,741	7,211	5,161	5,581	6,898	5,126	4,246	4,636	4,121	4,381
Public Safety	3,537	3,320	3,240	3,005	2,932	2,835	2,816	2,789	2,603	3,286
Public Works and Environment	4,399	4,241	4,299	4,120	3,895	3,598	3,518	3,740	3,469	3,420
Recreation and Social Services	2,233	2,280	2,162	2,020	1,796	1,405	1,538	1,571	1,563	1,632
Education	47,841	45,741	44,948	44,032	40,777	38,895	36,874	37,175	34,644	36,150
Capital Outlay	4,962	4,553	5,005	9,633	6,185	3,516	3,214	2,661	2,619	3,152
Debt Service:										
Principal	1,685	1,685	1,685	1,645	1,645	1,645	2,285	2,825	2,820	2,815
Interest	141	211	253	360	179	531	482	601	714	829
Total Expenditures	70,539	69,242	66,753	70,396	64,307	57,551	54,973	55,998	52,553	55,665
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	1,705	644	4,131	(5,082)	(4,136)	517	1,757	442	(608)	(1,501)
OTHER FINANCING SOURCES (USES)										
Transfers In	3,489	6,882	3,311	3,176	2,582	2,582	2,053	1,963	2,091	2,013
Transfers Out	(3,489)	(6,882)	(3,311)	(3,176)	(2,582)	(2,582)	(2,053)	(1,963)	(2,091)	(2,013)
Premium on Bond	-	-	-	-	783	423	-			
Issuance of Capital Leases	875	-	-	438	560	774	643	744	1,089	976
Issuance of Bonds	-	-	-	-	5,000	3,400	-	-	-	-
Proceeds from Refunding Bonds	-	-	-	-	-	5,255	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	(5,156)	-	-	-	-
Total Other Financing Sources	875	-	-	438	6,343	4,696	643	744	1,089	976
NET CHANGE IN FUND BALANCES	$ 2,580	$ 644	$ 4,131	$ (4,644)	$ 2,207	$ 5,213	$ 2,400	$ 1,186	$ 481	$ (525)
Debt Service as a Percentage of Noncapital Expenditures	2.69%	2.78%	3.09%	3.34%	2.95%	3.92 %	5.32 %	6.49 %	6.56 %	6.71 %

Notes:

1. 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
(UNAUDITED)

Fiscal Year	Real Property			Personal Property	Motor Vehicle	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
	Residential	Commercial	Industrial						
2026	$ 1,119,707,860	$ 119,142,300	$ 6,289,710	$ 39,863,820	$ 125,831,130	$ 1,410,834,820	34.21 %	$ 2,015,478,310	70 %
2025	1,117,010,570	102,258,070	6,289,710	39,511,160	130,038,070	1,395,107,580	33.13	1,993,010,830	70
2024	1,110,222,030	91,756,970	6,070,400	37,912,190	132,084,760	1,378,046,350	31.89	1,968,637,640	70
2023	837,923,620	66,592,160	5,685,330	34,789,490	128,757,890	1,073,748,490	39.98	1,533,926,410	70
2022	833,666,570	64,218,790	5,685,330	32,078,800	101,494,850	1,037,144,340	39.61	1,481,634,770	70
2021	828,220,150	61,065,880	5,685,330	31,213,220	95,854,190	1,022,038,770	39.61	1,460,055,390	70
2020	823,029,650	55,793,990	5,685,330	27,019,850	93,306,000	1,004,834,820	39.61	1,435,478,810	70
2019	817,415,590	51,739,310	5,660,690	24,786,730	90,958,890	990,561,210	38.69	1,415,087,440	70
2018	810,972,620	47,655,390	5,613,440	22,939,100	90,106,350	977,286,900	37.94	1,396,124,140	70
2017	808,469,860	46,132,140	5,610,780	22,447,050	88,711,390	971,371,220	36.94	1,387,673,170	70

Source: Town of Granby Office of Tax Assessor

TOWN OF GRANBY, CONNECTICUT
PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,		Town Direct Rates: General General Town Government Rate	Board of Education Rate	Debt Service Rate	Total Direct Rate
2026		9.88 %	23.31 %	1.02 %	34.21 %
2025		11.35	20.83	0.95	33.13
2024	(a)	9.16	21.71	1.02	31.89
2023		11.42	27.19	1.37	39.98
2022		12.41	25.92	1.28	39.61
2021		11.21	26.66	1.74	39.61
2020		10.89	26.37	2.35	39.61
2019		10.40	25.35	2.94	38.69
2018		10.19	24.70	3.05	37.94
2017		9.86	23.98	3.10	36.94

Note: The Town has no overlapping debt.

(a) Revaluation year

Source: Town of Granby Finance Department

TOWN OF GRANBY, CONNECTICUT
PRINCIPAL PROPERTY TAXPAYERS
FISCAL YEARS 2026 AND 2017
(UNAUDITED)

	Grand List Year October 1, 2024				Grand List Year October 1, 2015			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Town Taxable Assessed Value
CT Granby Station 280 LLC	$ 25,649,960	1	1.82 %	Connecticut Light & Power	$ 10,195,910	1	1.05 %
Connecticut Light & Power	19,468,780	2	1.38	Granby Developers	4,337,340	2	0.44
K Grand Luxury Homes LLC	17,453,100	3	1.23	Baygrape Associates	3,637,270	3	0.37
Grand Rock Heart LLC	14,196,000	4	1.00	Arrow Concrete Products	3,624,230	4	0.37
E Living LLC	4,530,600	5	0.32	Granby Holdings LLC	3,288,040	5	0.34
Granby Developers LLC	4,498,060	6	0.32	Halmar Inc	2,845,850	6	0.29
Arrow Concrete	4,375,560	7	0.31	Granby Center Associates	1,895,950	7	0.20
Granby Holdings LLC	3,565,660	8	0.25	Riverbend Associates, Inc.	1,774,160	8	0.18
Halmar Inc	3,445,060	9	0.24	Reesg Properties, LLC	1,531,740	9	0.16
Baygrape Associates LLC	3,430,000	10	0.24	Stop & Shop Supermarket	1,328,080	10	0.14
Total	$ 100,612,780		7.11 %		$ 34,458,570		3.54 %

Source: Town of Granby, Office of Tax Assessor

TOWN OF GRANBY, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Tax Rate In Mills	Taxes Levied For The Fiscal Year	Collected Within The Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2026	34.21 %	$ 48,156,318	$ 48,201,998	100.09 %	N/A	$ 48,201,998	100.09 %
2025	33.13	46,179,791	45,864,817	99.32	174,832	46,039,649	99.70
2024	31.89	44,157,432	43,682,944	98.93	267,341	43,950,285	99.53
2023	39.98	41,995,041	41,683,308	99.26	295,140	41,978,448	99.96
2022	39.61	41,252,475	40,958,491	99.29	215,906	41,174,397	99.81
2021	39.61	40,497,095	40,258,532	99.41	204,054	40,462,586	99.91
2020	39.61	39,927,011	39,593,826	99.17	237,616	39,831,442	99.76
2019	38.69	38,430,416	38,087,804	99.11	221,311	38,309,115	99.68
2018	37.94	36,537,000	36,243,798	99.20	220,414	36,464,212	99.80
2017	36.94	35,878,035	35,497,728	98.94	294,832	35,792,560	99.76

Source: Town of Granby, Office of Tax Collector

TOWN OF GRANBY, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

Fiscal Year	General Bonded Debt Bonds General Obligation Bonds	Accumulated Resources Restricted for Debt Repayment	Net Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Taxable Value	Bonded Debt Per Capita (not rounded)	Other Debt Notes Payable	Total Debt	Debt Per Capita (Not Rounded)	Percentage of Debt to Personal Income
2026	$ 10,662	$ 209	$ 10,453	0.52	$ 891	$ 936	$ 11,598	$ 969	#VALUE!
2025	12,283	304	11,979	0.60	1,092	261	12,544	1,115	1.94
2024	13,935	399	13,536	0.69	1,239	596	14,531	1,292	2.25
2023	15,613	299	15,314	1.00	1,423	1,084	16,697	1,522	2.18
2022	17,308	191	17,117	1.16	1,580	1,788	19,096	1,743	2.59
2021	12,892	113	12,779	0.88	1,182	2,018	14,910	1,368	2.08
2020	10,776	151	10,626	0.74	947	1,997	12,774	1,123	1.75
2019	13,109	173	12,936	0.91	1,158	2,113	15,222	1,344	2.19
2018	15,982	205	15,777	1.13	1,407	2,137	18,119	1,595	2.69
2017	18,850	176	18,674	1.35	1,667	1,937	20,787	1,838	3.49

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, 2026
(UNAUDITED)

Total Tax Collections (Including Interest and Lien Fees) for Year Ended June 30, 2025	$ 46,266,635
Base	$ 46,266,635

	General Purpose	Schools	Sewers	Urban Renewal	Pension Deficit
Debt Limitation:					
2-1/4 Times Base	$ 104,099,929	$ -	$ -	$ -	$ -
4-1/2 Times Base	-	208,199,858	-	-	-
3-3/4 Times Base	-	-	173,499,881	-	-
3-1/4 Times Base	-	-	-	150,366,564	-
3 Times Base	-	-	-	-	138,799,905
Total Debt Limitation	104,099,929	208,199,858	173,499,881	150,366,564	138,799,905
Indebtedness:					
Bonds Payable	4,038,376	5,946,624	-	-	-
Notes Payable	936,434				
Bonds Authorized and Unissued	7,572,676	1,598,921	-	-	-
Net Indebtedness	12,547,486	7,545,545	-	-	-
Debt Limitation in Excess of Outstanding and Authorized Debt	$ 91,552,443	$ 200,654,313	$ 173,499,881	$ 150,366,564	$ 138,799,905

Note: in no case shall total indebtedness exceed $323,866,445 or seven times annual receipts from taxation

TOWN OF GRANBY, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(IN THOUSANDS)
(UNAUDITED)

	Fiscal Year									
	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Debt Limitation	$ 323,866	$ 308,965	$ 294,183	$ 289,712	$ 285,067	$ 279,802	$ 269,187	$ 258,002	$ 253,001	$ 245,196
Total Net Debt Applicable to Limit	20,093	25,366	26,886	28,416	28,486	29,771	10,195	12,480	16,844	19,664
Legal Debt Margin	$ 303,773	$ 283,599	$ 267,297	$ 261,296	$ 256,581	$ 250,031	$ 258,992	$ 245,522	$ 236,157	$ 225,532
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.20 %	8.21 %	9.14 %	9.81 %	9.99 %	10.64 %	3.79 %	4.84 %	6.66 %	8.02 %

Source: Annual comprehensive financial report - Schedule of Debt Limitation

Note: See Table 10 for calculation of current year debt limitation

TOWN OF GRANBY, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)

Calendar Year	Population[1]	Per Capita Income[5]	Median Age[2]	School Enrollment[3]	Unemployment Rate[4]	Total Personal Income[2]
2026	11,963	$ 67,028	45.0	1,675	4.50 %	N/A
2025	11,751	63,069	47.2	1,688	2.90	61,005
2024	11,249	61,389	46.0	1,732	2.70	57,443
2023	10,971	57,654	47.2	1,725	3.00	69,951
2022	10,953	54,421	47.6	1,758	2.80	67,343
2021	10,903	55,211	46.2	1,723	5.00	65,720
2020	11,375	54,714	47.7	1,785	4.30	64,337
2019	11,323	52,140	47.7	1,863	2.60	61,353
2018	11,357	52,112	47.2	1,862	3.10	59,343
2017	11,310	52,984	47.1	1,826	3.70	52,648

[1] Source: Connecticut Department of Public Health and Census — U.S. Census - American Fact Finder
[2] Source: Bureau of Economic Analysis — U.S. BEA data
[3] Source: Annual Budget — Board of Education
[4] Source: Connecticut Department of Labor — Connecticut Department of Labor
[5] Source: Census ACS — U.S. Census data

TOWN OF GRANBY, CONNECTICUT
PRINCIPAL EMPLOYERS
2025 AND 2015
(UNAUDITED)

Employer	Nature of Business	2026 Employees	2026 Rank	2016 Employees	2016 Rank
Town of Granby	Local Municipal Government	300-375	1	477	1
MeadowBrook of Granby	Residential Care Homes	100-249	2	110	4
Stop and Shop	Nursery Production	100-249	3	112	3
Geissler's Supermarket	Supermarket	100-249	4	103	5
Keller Williams Classic Realty	Retail Sales	100-249	5	N/A	-
Salmon Brook Vet Hospital	Real Estate	100-249	6	53	9
State Line Energy	Veterinary Hospital	50-99	7	N/A	-
High Meadow Day Camp	Oils-Fuel (whls)	50-99	8	N/A	-
Farmington Valley YMCA	Camps	50-99	9	266	2
M & J Bus Inc	Youth Organizations & Centers	20-49	10	N/A	-
Imperial Nursey/Monrovia	Nursery Production	-		120	3
Arrow Concrete	Industrial	-		60	7
TJ Maxx	Retail	-		56	8
CVS	Retail	-		38	10
Total				1,395	

Source: Town of Granby, Community Development Office/Assessor
Employees are full and part-time. Total town employment is based on full-time.

TOWN OF GRANBY, CONNECTICUT
FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Full-Time Equivalent Town Government Employees as of June 30,									
Function/Program	2026**	2025**	2024**	2023**	2022**	2021*	2020	2019	2018	2017
General Government	17.50	17.76	16.35	15.64	16.24	14.46	11.00	11.00	11.00	11.00
Police	1.62	1.09	1.12	0.74	***	***	-	-	-	-
Fire	22.71	22.22	22.47	21.71	22.02	20.48	23.00	23.00	23.00	23.00
Refuse Collection	0.62	0.59	0.60	0.57	0.57	0.57	-	-	-	-
Other Public Works	-	-	-	-	-	-	-	-	-	-
Social-Senior-Youth Services	18.50	18.21	18.36	18.69	19.21	16.43	16.00	16.00	16.00	16.00
Parks and Recreation	6.14	5.89	6.13	6.03	6.29	6.80	4.00	4.00	N/A	N/A
Library	3.98	3.82	4.64	3.26	3.00	3.00	2.00	2.00	2.00	2.00
Education	9.46	9.18	8.78	8.39	7.80	4.00	4.00	4.00	4.00	4.00
	313.11	315.20	317.20	313.51	305.17	299.10	295.50	294.40	290.40	295.20
Total	80.53	78.77	78.45	75.03	75.13	65.74	60.00	60.00	56.00	56.00

*Includes Regular Town Part-Time Employees (except Library, Transfer Station, Election Services, and Floaters)
**Included All Regular Town Part-Time Employees

TOWN OF GRANBY, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	Fiscal Year 2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
General Government:										
Building Permits Issued	1,183	1,148	1,107	1,119	1,340	1,200	1,315	2,430	1,155	900
Building Inspections Conducted	1,129	1,111	1,108	1,352	1,345	1,520	1,490	2,475	1,393	1,310
Police:										
Physical Arrests	91	77	69	100	58	42	60	104	157	129
Parking Violations	-	8	18	7	23	19	26	12	2	-
Traffic Violations	1,209	760	635	340	109	121	359	570	610	774
Fire:										
Emergency Responses	164	264	244	181	193	229	184	182	209	246
Fires Extinguished	20	21	17	20	22	23	24	24	24	40
Inspections	187	146	162	125	121	143	141	170	168	133
Refuse Collection:										
Refuse Collected (Tons per Day)	13	13	12	12	12	13	12	12	12	12
Recyclables Collected (Tons per Day)	8	8	9	9	9	9	10	9	5	5
Other Public Works:										
Street Resurfacing (Miles)	5	8	8	8	7	5	3	4	4	3
Potholes Repaired	148	142	122	139	145	165	174	195	162	153
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**	59,815	60,126	60,549	58,828	63,110	63,254	68,592	70,371	70,376	70,077
Total Volumes Borrowed	101,333	98,589	81,127	87,531	83,154*	64,719*	77,861*	97,814	97,157	114,999
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)	153,356 126,000	126,000	128,000	130,000	125,000	135,000	133,000	132,000	135,000	139,000
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
* The Library buildings were closed to the public for a portion of the fiscal year
** This does not include downloadable items

TOWN OF GRANBY, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	Fiscal Year 2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Police:										
Stations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Patrol Units	13.00	14.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	10.00
Fire Stations	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
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)	95.90	95.90	95.90	95.90	95.90	95.90	95.90	95.90	95.90	95.90
Highways (Miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Streetlights	160.00	160.00	159.00	159.00	154.00	153.00	153.00	153.00	152.00	152.00
Traffic Signals	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Parks and Recreation:										
Acreage	161.80	161.80	161.80	161.80	161.80	161.80	161.80	161.80	161.80	161.80
Playgrounds	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Baseball/Softball Diamonds	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Soccer/Football Fields	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Community Centers	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water:										
Water Mains (Miles)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	N/A	N/A
Fire Hydrants	36.00	36.00	36.00	36.00	36.00	36.00	36.00	36.00	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)	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31
Storm Sewers (Miles)	11.60	11.60	11.60	11.60	11.60	11.60	11.60	11.60	11.40	11.40
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

We'll get you there.

Town of Granby, Connecticut
June 30, 2026 Audit Presentation

October 26, 2026

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Agenda:

- Terms of the Engagement
- Executive Summary
- Financial Highlights
- State Single Audit
- Management Letter
- Governance Communication

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Terms of the Engagement:

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an “in relation to” opinion on the schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance
- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Express an opinion on compliance related to major federal and state programs
- Provide a report on internal control over compliance related to major federal award and state financial assistance programs

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Executive Summary

- Financial Statements
  - Unmodified opinions on the financial statements
  - Material weakness in internal control over financial reporting
- Federal Single Audit
  - Not completed due to delays in the Federal Compliance Supplement
- State Single Audit
  - Unmodified opinion on the major state programs
  - No control deficiencies in internal controls over major programs

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Financial Highlights

Government-Wide Financial Statements

	Governmental Activities	
	2026	2025
Assets:		
Current and Other Assets	$ 35,889,817	$ 32,303,158
Capital Assets, Net of Accumulated Depreciation	70,472,346	71,561,081
Total Assets	106,362,163	103,864,239
Deferred Outflows of Resources	1,482,544	1,941,221
Liabilities:		
Long-Term Debt Outstanding	16,092,946	20,106,188
Other Liabilities	3,378,159	2,661,802
Total Liabilities	19,471,105	22,767,990
Deferred Inflows of Resources	7,246,075	3,612,325
Net Position:		
Net Investment in Capital Assets	58,104,655	58,039,026
Restricted	8,873,668	7,401,758
Unrestricted	14,149,204	13,984,361
Total Net Position	$ 81,127,527	$ 79,425,145

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Financial Highlights – Governmental Funds

	General	Capital Projects	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	$ 48,642,704	$ -	$ -	$ -	$ 48,642,704
Intergovernmental	13,350,998	1,521,573	38,981	3,013,927	17,925,479
Licenses, Fees, and Charges for Services	671,028	-	-	2,680,535	3,351,563
Investment Income	845,358	175,621	-	265,255	1,286,234
Other Revenues	743,334	-	-	294,591	1,037,925
Total Revenues	64,253,422	1,697,194	38,981	6,254,308	72,243,905
EXPENDITURES					
Current:					
General Government	5,516,442	-	83,006	141,340	5,740,788
Public Safety	3,483,576	-	-	53,355	3,536,931
Public Works and Environmental	3,751,632	-	-	647,467	4,399,099
Recreation and Social Services	1,001,065	-	-	1,232,215	2,233,280
Education	44,587,949	-	-	3,253,181	47,841,130
Capital Outlay	315,036	4,647,295	-	-	4,962,331
Debt Service	1,714,381	111,269	-	-	1,825,650
Total Expenditures	60,370,081	4,758,564	83,006	5,327,558	70,539,209
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,883,341	(3,061,370)	(44,025)	926,750	1,704,696
OTHER FINANCING SOURCES (USES)					
Transfers In	-	3,421,986	-	66,954	3,488,940
Transfers Out	(3,044,835)	-	-	(444,105)	(3,488,940)
Issuance of Leases	-	875,000	-	-	875,000
Total Other Financing Sources (Uses)	(3,044,835)	4,296,986	-	(377,151)	875,000
NET CHANGES IN FUND BALANCES	838,506	1,235,616	(44,025)	549,599	2,579,696
Fund Balances - Beginning of Year, As Originally Reported	12,022,023	3,956,802	59,230	5,833,312	21,871,367
Adjustment / Restatement	-	-	-	1,170,256	1,170,256
Fund Balances - Beginning of Year, As Adjusted or Restated	12,022,023	3,956,802	59,230	7,003,568	23,041,623
FUND BALANCES - END OF YEAR	$ 12,860,529	$ 5,192,418	$ 15,205	$ 7,553,167	$ 25,621,319

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Financial Highlights

- General Fund
  - Total revenues exceeded budget by $3.3M
    - Total property tax collections were $48.4M
    - Property Tax Collections – 99.4% in the current and 99.5% in the prior year
  - Actual expenditures came below budget by $394K
    - Additional appropriations of $704K were approved during the year
  - Unassigned Fund balance of $10.4M represents 17.4% of the 26/27 budget

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Financial Highlights

- Internal Service Fund
  - Net position at year end $1.9M
  - Net position increased $358K
- Pension and Other Postemployment Benefits (OPEB)
  - Pension trust fund net position increased by $2.8M to $28.2M
    - Net Pension liability - $1.5M Asset, Prior Year – $859K Liability
      - 105.8% funded, up from 93.7% in prior year – Fully Funded Pension Plan!
  - OPEB trust fund net position increased by $1.4M to $8M
    - Net OPEB liability - $3M, Prior Year - $5.1M
      - 72.9% funded, up from 56.5% in prior year

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State Single Audit:

- Total state awards expended - $9.2M, $1.9M subject to single audit
- Major programs:
  - Town Aid Road
  - Open Choice
- Unmodified opinion on major program compliance
- No findings on internal controls over major program tested

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Management Letter

- Capital Grant and Expenditure Tracking
  - Highway and Bridge grant projects

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Governance Communication:

- GASB 103 and 104 adopted – no significant changes
- Significant Estimates
  - Net Pension Liability, Net OPEB Liability
  - Incurred but not reported (IBNR) health insurance claims
- No disagreements with management
- No difficulties encountered in performing the audit
- Uncorrected misstatements – immaterial lease entries
- Corrected misstatements – Fox Fund
- No independence issues

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Governance Communication:

- Circumstances that affect the auditor's report – Emphasis of Matter
- Management did not consult with other independent accountants
- No significant issues discussed with management prior to engagement
- Other audit findings or issues
  - See Management Letter
- Other information in documents containing audited financial statements
  - MD&A, RSIs – are not audited and we did not express an opinion
  - Combining and individual fund financial statements, report on the tax collector, and the schedule of expenditures of state financial assistance were deemed fairly presented in relation to the basic financial statements

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TOWN OF GRANBY
BOARD OF FINANCE
MEETING MINUTES
SEPTEMBER 28, 2026

PRESENT: Michael Guarco, Chairman; David Demchak, Kent McCord, and William Kennedy

ALSO PRESENT: Cheri Burke, Superintendent of Schools; Kimi Cheng, Director of Finance (via Zoom); Nickie Stevenson, BOE Director of Finance and Operations and Mike Walsh, Town Manager

ABSENT: Thomas Proctor and Kevin Hobson

1. CALL TO ORDER

Chairman Michael Guarco called the meeting to order at 7:30 p.m.

2. PUBLIC SESSION

Mike Kramarenko,150 Notch Road, Granby requested more details on the BOE spending at year end and questioned the new administrative hire at the Central Office.

Lindsey Wright, 29 Holcomb Hill Road, West Granby requested contact information for the Board of Finance members and commented on the upcoming teachers' contract negotiation.

Beth Carroll commented on the lack of transparency in the BOE budget and requested more detail on the increased spending at year end.

3. COMMUNICATIONS

3.I. None.

4. APPROVAL OF REGULAR MEETING MINUTES – JULY 27, 2026

ON A MOTION by D. Demchak, seconded by W. Kennedy, the Board voted (4-0-0) to approve the regular meeting minutes of July 27, 2026, as presented.

5. STATEMENT OF ACCOUNTS

5.I. Town Budget Operations Report – June 2026

Kimi Cheng, Director of Finance, presented the final FY26 Town Budget Operations Report. The Board of Selectmen returned $318,000 back to the General Fund in addition to a revenue surplus of $3.2 million which resulted in a FY26 operations total of approximately $3.6 million going back to the General Fund. As of July 1, 2026, the unassigned fund balance is approximately 16.09%. Town Manager Mike Walsh provided details on the expenditure surplus, which was primarily due to delayed hirings, retirements and open positions as well as small expense savings in various accounts. The sale of two town properties and the change of use and resulting conveyance fee from Broadleaf contributed to the revenue surplus.

Town Budget Operations Report – July 2026

Kimi Cheng, Director of Finance, reported on the highlights of the July 2026 Statement of Accounts.

- As of 7/31/26, the total tax collection remained consistent with prior years at 50% (vs. 49% last year).

- Interest earned in the month of July from the STIF account was approximately $35,000. As of 8/10/26, the daily rate was 3.73%, and the 7-day yield was 3.74%.
- The Department of Public Works overtime expenditures for July 2026 totaled $8,168, an increase of over 190% from July of last year. The significant increase was primarily due to overtime for the Granby America 250 Celebration which was covered by donations, cleanup of sawdust on Lost Acres Road, downed trees and additional road work.
- In July 2026, $905,549 was wired to the OPEB Trust Fund from the FY27 budget.

Town Budget Operations Report – August 2026
Kimi Cheng, Director of Finance, reported on the highlights of the August 2026 Statement of Accounts.

- As of 8/31/26, the total tax collection remained consistent with prior years at 57% (vs. 56% last year).
- Interest earned in the month of July from the STIF account was approximately $63,000. As of 9/14/26, the daily rate was 3.75%, and the 7-day yield was 3.75%.
- As of 8/31/26, total General Fund expenditures were consistent with last fiscal year at 38% (compared to 38% last year).
- The Department of Public Works and the Police Department overtime expenditures remain within budget as of August 2026. DPW totaled $4,910, an increase of $854 or 21.07% compared to August of the prior year. The Police Department overtime expenditures for August totaled $20,966, a decrease of $1,099 or 4.98% compared to August of the prior year.

5.II. Board of Education Budget Expense Report – June 2026 (Final)
Nickie Stevenson, BOE Director of Finance & Operations, reported on the BOE June 2026 Budget Expense Report.

- All budget transfers were completed to address overages and available balances among budget accounts. One area with notable transfers was in equipment and furniture where available funds were used to purchase items to support the overall health, cleanliness, and functionality of the school buildings.
- The BOE prefunded $300,000 of the FY28 OPEB Trust ADC to help mitigate the impact of the required funding on future operating budgets.
- Administration recommended and the Board of Education approved that the remaining unexpended balance of $72,521 be deposited into the Non-Lapsing Education Fund, consistent with the fund policy. The deposit will bring the fund balance to $243,990.
- The Q&D fund closed the year with a balance of $454,209.
- Reimbursements to the Town in FY26 totaled $2,452,468, which is $190,657 more than budgeted.

5.III. Board of Education Budget Expense Report – August 2026
Nickie Stevenson, BOE Director of Finance & Operations, reported on the BOE August 2026 Budget Expense Report.

- There is generally less budget activity, especially in the personnel accounts at this time of year. Budgets and encumbrances will be updated to reflect current staffing, programing, and operational needs as the fiscal year progresses.

- Special education needs, placements and services are evaluated early in the school year, and these decisions are still being made. As these placements are finalized, related expenditures and encumbrances will be adjusted accordingly.
- The certified budget is higher than anticipated due to the need for an additional full-time teacher for the RISE program.
- The Quality and Diversity Fund opening balance is $454,209. To date, only limited expenditures have been incurred, primarily related to summer school and social work. No new revenue has been recorded.
- Revenue to the Town for FY2027 is projected to be $2,588,917. This amount will be significantly impacted by special education expenditures and state grant reimbursements such as the Excess Cost Grant.

6. CONSIDERATION OF ACTION

6.I. Bond Resolutions

ON A MOTION by D. Demchak, seconded by K. McCord, the Board of Finance voted (4-0-0) to accept the recommendation of the Board of Selectmen and approve the appropriation and bond authorization for all five capital projects as presented.

Granby Public Library Renovation and Expansion Project

WHEREAS, on August 3, 2026, the Board of Selectmen adopted a resolution to recommend to the Board of Finance that it appropriate the amount not to exceed $7,500,000 for the Granby Public Library Renovation and Expansion Project and approve a bond authorization in an amount not to exceed $6,000,000 to fund a portion of the appropriation with the remainder to be funded by private contributions and grant proceeds; and

WHEREAS the Board of Finance wishes to approve such recommendation.

NOW THEREFOR, BE IT RESOLVED, that the Board of Finance of the Town of Granby (the "Town") on recommendation from the Board of Selectmen, approves and recommends to all persons qualified to vote at town meetings of the Town that the sum not to exceed $7,500,000 be appropriated for costs associated with the planning, design, construction and reconstruction of the Granby Public Library located at 15 N. Granby Road, in the Town including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and to meet said appropriation and in lieu of a tax therefor, bonds of the Town be issued pursuant to Chapter 109 of the Connecticut General Statutes, as amended, the Charter of the Town or any other provision of law thereto enabling in the amount not to exceed $6,000,000 to finance a portion of the appropriation, with the remainder of the appropriation to be funded by private contributions and grant proceeds.

Sewer Pumps Maintenance Project

WHEREAS, on August 3, 2026, the Board of Selectmen adopted a resolution to recommend to the Board of Finance that it appropriate the amount not to exceed

$1,500,000 and finance such appropriation with the issuance of bonds for the sewer pumps maintenance project; and

WHEREAS the Board of Finance wishes to approve such recommendation.

NOW THEREFOR, BE IT RESOLVED, that the Board of Finance of the Town of Granby (the "Town") on recommendation from the Board of Selectmen, approves and recommends to all persons qualified to vote at town meetings of the Town that the sum not to exceed $1,500,000 be appropriated for costs associated with the planning, design, construction, renovation, maintenance, repair, and upgrade of three sewer pumps located in the Town 1) adjacent to 52 N. Granby Road, 2) at 166 Salmon Brook Street, and 3) in Salmon Brook Park including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and to meet said appropriation and in lieu of a tax therefor, bonds of the Town be issued pursuant to Chapter 109 of the Connecticut General Statutes, as amended, the Charter of the Town or any other provision of law thereto enabling in the amount not to exceed $1,500,000, or so much thereof as may be necessary after deducting grants or other sources of funds available therefor, with all debt service on the bonds to be paid by the sewer users through the Special Revenue Sewer Utility Fund.

<u>Salmon Brook Park Pickleball Courts and Year-Round Bathroom Project</u>
WHEREAS, on August 3, 2026, the Board of Selectmen adopted a resolution to recommend to the Board of Finance that it appropriate the amount not to exceed $500,000 and finance such appropriation with the issuance of bonds for the Salmon Brook Park pickleball courts and year-round bathroom project; and

WHEREAS the Board of Finance wishes to approve such recommendation.

NOW THEREFOR, BE IT RESOLVED, that the Board of Finance of the Town of Granby (the "Town") on recommendation from the Board of Selectmen, approves and recommends to all persons qualified to vote at town meetings of the Town that the sum not to exceed $500,000 be appropriated for costs associated with the planning, design, and construction of up to four pickleball courts and a year-round bathroom at the Salmon Brook Park Facility located at 215 Salmon Brook Street in the Town including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and to meet said appropriation and in lieu of a tax therefor, bonds of the Town be issued pursuant to Chapter 109 of the Connecticut General Statutes, as amended, the Charter of the Town or any other provision of law thereto enabling in the amount not to exceed $500,000, or so much thereof as may be necessary after deducting grants or other sources of funds available

therefor, with all debt service on the bonds to be paid by the Parks & Recreation Special Revenue.

High School Stadium Field, Track, Field Two and Baseball/Softball Fields

WHEREAS, on August 3, 2026, the Board of Selectmen adopted a resolution to recommend to the Board of Finance that it appropriate the amount not to exceed $10,450,000 and finance such appropriation with the issuance of bonds for the Stadium Field, Track, Field Two and Baseball/Softball Fields at the High School Complex project; and

WHEREAS the Board of Finance wishes to approve such recommendation.

NOW THEREFOR, BE IT RESOLVED, that the Board of Finance of the Town of Granby (the "Town") on recommendation from the Board of Selectmen, approves and recommends to all persons qualified to vote at town meetings of the Town that the sum not to exceed $10,450,000 be appropriated for costs associated with the planning, design, construction and reconstruction of the Stadium Field, Track, Field Two and Baseball/Softball fields at the High School Complex in the Town including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and to meet said appropriation and in lieu of a tax therefor, bonds of the Town be issued pursuant to Chapter 109 of the Connecticut General Statutes, as amended, the Charter of the Town or any other provision of law thereto enabling in the amount not to exceed $10,450,000, or so much thereof as may be necessary after deducting grants or other sources of funds available therefor.

Granby Memorial Middle School Repairs and Design/Scoping Work Project

WHEREAS, on August 3, 2026, the Board of Selectmen adopted a resolution to recommend to the Board of Finance that it appropriate the amount not to exceed $3,000,000 and finance such appropriation with the issuance of bonds for the Granby Memorial Middle School Repairs and Design/Scoping Work Project; and

WHEREAS the Board of Finance wishes to approve such recommendation.

NOW THEREFOR, BE IT RESOLVED, that the Board of Finance of the Town of Granby (the "Town") on recommendation from the Board of Selectmen, approves and recommends to all persons qualified to vote at town meetings of the Town that the sum not to exceed $3,000,000 be appropriated for costs associated with the planning, design, construction and reconstruction of the HVAC, air handlers, sprinklers, and other needed building code work at the Granby Memorial Middle School in the Town, including further building assessment and scoping work including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including

capitalized interest costs, and to meet said appropriation and in lieu of a tax therefor, bonds of the Town be issued pursuant to Chapter 109 of the Connecticut General Statutes, as amended, the Charter of the Town or any other provision of law thereto enabling in the amount not to exceed $3,000,000, or so much thereof as may be necessary after deducting grants or other sources of funds available therefor.

7. CONFIRM DATE OF NEXT MEETING

The next regular meeting of the Board of Finance is scheduled for Monday, November 23, 2026, at 6:30 p.m. in the Town Hall Meeting Room.

8. ADJOURNMENT:

ON A MOTION by D. Demchak, seconded by W. Kennedy, the Board voted (4-0-0) to adjourn the meeting at 9:28 p.m.

Respectfully submitted,



Betsy Mazzotta
Recording Secretary

TOWN OF GRANBY

MEMORANDUM **DATE:** October 1, 2026

TO: The Members of the Granby Board of Selectmen and Board of Finance

FROM: Mike Walsh, Granby Town Manager

REGARDING: **A Historical Analysis of the Parks and Recreation Special Revenue Fund with Sustainability Recommendations**

The Parks and Recreation Fund - Background

The Parks and Recreation Fund (the Fund) is a Special Revenue Fund (Non-Major Governmental Fund) dedicated to account for the revenue and expenses associated with Parks and Recreation programs and events.

The Fund is supported through program fees paid by participants in recreational activities and programs, as well as events and facility rentals.

The program fees charged by the Town are structured to cover the cost of the programs as well as support seasonal staff and program supplies. As a result, through the Fund, the Parks and Recreation Department is partially self-sustaining to ensure those who directly benefit from recreational opportunities help sustain and enhance the quality of the services provided to the community.

It is at this point in the analysis that we should address a common community misconception about the Fund. What we can accurately say about the Fund is program revenues cover program expenses, including part-time employees hired to manage and support the programs.

As to the statement, “the Parks and Recreation Special Revenue Fund completely pays for the Parks and Recreation Department of the Town”, this is not supported by the analysis.

While this Fund may have been self-supporting (meaning total annual revenues equal or exceed total annual expenses of the Fund) at some point in time, it has not been self-supporting over the last decade, perhaps longer.

What is meant by “has not been self-supporting” begins with the understanding that not all direct expenses of the Parks and Recreation Fund have been charged to the Fund, and instead, have been charged to the General Fund.

For instance, two Public Works employees who spend a majority of their time at Salmon Brook and Ahrens Parks maintaining the parks and fields are not allocated to the Fund. Their base salaries total about $150,000, and with a benefit load of 50%, $225,000 has not been allocated to the Fund. Additional costs like fertilizer, building maintenance, electricity and propane are also not allocated to the Fund from the General Fund.

Adding base salaries of $150,000, a benefit load of $75,000, and these estimated $75,000 in costs as an allocation to the Fund brings the support from Public Works and the General Fund to $300,000.

Further, the benefit load associated with the three full-time Parks and Recreation employees paid from the Fund is estimated at $100,000 and that too is not allocated to the Fund from the General Fund. All in General Fund unallocated costs from both sources total $400,000.

This historical Granby funding structure (a partially self-supporting Special Revenue Fund to provide Parks and Recreation services) is particularly unique compared to other municipalities.

A more common budget approach used in a majority of other Connecticut municipalities is to fully fund the Parks and Recreation Department out of the General Fund which would see all employees, expenses, and program and other revenues recorded in the General Fund.

Please see the attached policy document dated July 10, 2025 which outlines this fund narrative.

The Issue

Even without $400,000 of General Fund costs being allocated to the Fund, material annual fund deficits of $128,000 and $147,000 in FY25 and FY26 respectively, point to an unstainable trajectory that needs to be addressed.

Further, with a pending $500,000 Parks and Recreation bond question that, if approved, would add $35,000 of annual debt service for 20 years to the expenses of the Fund, changes to the Fund need to be made to return it to sustainability.

Historical Financial Condition Based on Fund Activities

The following exhibit details the net change in the Fund by year, and the Fund Balance at June 30 by year (pre-Covid and then post-Covid).

Pre-Covid

Fiscal Year Ended 6/30	2005	2010	2015	2016	2017	2018	2019
Revenue	310,315	299,323	434,591	571,260	630,617	545,181	665,714
Expenses	305,551	311,356	382,559	465,870	536,534	492,424	505,826
Surplus (Deficit)	4,764	(12,033)	52,032	105,390	94,083	52,757	159,888
Fund Balance	147,670	133,010	249,180	354,570	448,653	501,410	661,298

Post-Covid

Fiscal Year Ended 6/30	2020	2021	2022	2023	2024	2025	2026
Revenue	383,763	536,326	759,410	897,094	997,802	906,580	781,793
Expenses & Transfers	585,156	506,306	743,270	916,381	924,283	1,034,466	928,839
Surplus (Deficit)	(201,393)	30,020	16,140	(19,287)	73,519	(127,886)	(147,046)
Fund Balance	459,905	489,925	506,065	486,065	560,297	432,411	285,365

The Activities Recorded in the Fund

Revenue Sources

The Parks & Recreation Fund is funded through program fees paid by participants in recreational activities and programs, as well as events and facility rentals. Revenue types include fees from youth sports, clinics and activities; adult activities fees; Holcomb Farm weddings and events; trip fees, summer camp tuition and Salmon Brook Park fees and usage.

Expense Sources

Funds from this account are used to conduct a variety of programs, events and facility enhancements. Expenditures include Holcomb Farm building maintenance; special events; staff training; trip expenses; program costs and debt service on bonds. Salaries for dedicated full-time staff are also paid from this fund, but $100,000 of costs related to the benefit load are not.

Further, as mentioned above, Public Works maintenance employee and benefit costs, building maintenance and improvements, parks maintenance and improvements, as well as utilities are part of the Department of Public Works General Fund budget and total approximately $300,000 annually, but are not allocated to the Fund.

A detailed breakdown of budgeted revenues and expenses for the FY27 year compared to the actual activity of the Fund in FY25 (before most of these changes took place) is attached for your review.

Notable Changes to the Fund Expenses Over Time; Focusing on FY25 Forward

The Parks and Recreation Department Reorganization

For a period of years, the cost of the Parks and Recreation Director, with an approximate annual salary of $100,000, was paid from the General Fund. Conversely, the Parks and Recreation support staff (three full-time individuals) who staff programs and provide services was paid out of the Fund.

In mid-2024, with the departure of the Parks and Recreation Director, the Town of Granby was presented with an opportunity to reduce headcount as a cost saving measure. With this reduction in staff, the General Fund saved $100,000 annually moving forward.

In a negotiation with the GMEA Union, the Town added the responsibilities of the departing director to the remaining staff at an estimated cost of $50,000 annually, providing pay raises commensurate with each employee's new responsibilities. These staff were paid from the Fund.

To reiterate, the effect of this reorganization was General Fund costs were reduced by $100,000 while $50,000 of new costs were added to the load shouldered by the Fund.

It should be further noted that recently, a $25,000 allocation from the General Fund to the Fund was made to recapture 20% of the salary cost of Community Services Director who now oversees the Parks and Recreation Department post reorganization. The total impact of all reorganization changes to the Fund is $75,000.

Labor Market Changes

Based on the settlement of the GMEA labor contract, 3% raises were added to each employee's base each year. Additionally, part-time employees who support the programs offered, saw their earnings increase proportionate to the increase in the minimum wage. For example, the minimum wage in Connecticut in 2019 was $11.00. Today, the minimum wage is $16.94, or an increase of $5.95 per hour, or 54% cumulatively, or about a 9% increase per year on average.

Granby Nature Preschool

Up until 2025, the Town of Granby was effectively in a business partnership with Granby Nature Preschool. The Town of Granby held the license for their preschool operation which supports 8-15 children during the school year.

The revenue stream from that partnership saw the Town receive $25,000 to $28,000 annually. In a decision to eliminate the risk associated with such a partnership, the Town instead offered Granby Nature Preschool a space lease which brings in $9,000 per year of rental income. With the change in composition of the organizational relationship between the school and the Town, an annual loss of revenue of $20,000 was recognized.

Two Coyotes

The Town of Granby hosted a local group called Two Coyotes who used the abutting land for activities and occasionally the Main Barn area when weather required shelter. They paid the Town of Granby $19,000 annually. Effective July 1, 2026, they have moved to the CSA barn, an extension of the Friends of Holcomb Farm operation. With this change, the Town recognizes a loss of $19,000 of revenue annually.

Events (Weddings and Business Rentals)

The Town of Granby offers the North Barn out as a rental facility for events, primarily weddings. In FY25, $175,000 of rental income was secured by the Town and deposited into the Fund. The venue is a popular destination and the Parks and Rec. staff does an excellent job promoting the site and supporting events with great care and support.

Programs

The Town of Granby provides a variety of programs to the community through the Fund. Support staff and part-time salaries to operate the programs safely are paid from this Fund. Editorially, the Town is seeing a trend of a lower number of participants in programs we offer through Parks and Recreation, and as an extension, lower program revenues.

Summary of Changes (driving the recurring deficit before additional GF allocations):

The Reorg ($50,000 wages/$25,000 cost shift)	$ 75,000
Labor Market Changes/Higher Part-time Staffing Levels	75,000
Granby Nature Preschool	20,000
Two Coyotes	19,000
Events (Weddings and Business Rentals)	Volatile
Programs	Volatile
Total	**$189,000**
General Fund Allocations Benefitting the Fund (but that are not allocated)	**$400,000**
Total Recurring Deficit Total (including General Fund allocations not made)	**$589,000**

Budget Allocations from the General Fund to All Special Revenue Funds

The following allocations of salary and costs from the General Fund to a variety of Special Revenue Funds are detailed below and are presented as part of the discussion on recommendations to stabilize the Fund.

Fund to Fund Allocations In Place For FY27				
From	**Amount $**	**To**	**Amount $**	**Description**
General Fund	15,000	Sewer Use Fund	15,000	Public Works Director Salary - 10%
General Fund	25,000	Parks and Recreation Fund	25,000	Community Services Director - 20%
General Fund	5,000	Sewer Use Fund	5,000	Collector of Revenue - 5%

Proposed for FY28				
From	**Amount $**	**To**	**Amount $**	**Description**
General Fund	15,000	Sewer Use Fund	15,000	Public Works Director Salary - 10%
General Fund	-	Parks and Recreation Fund	-	Community Services Director - 20%
General Fund	5,000	Sewer Use Fund	5,000	Collector of Revenue - 5%
General Fund	10,000	Sewer Use Fund	10,000	Public Works Supervisor 1 Salary - 10%
General Fund	9,000	Sewer Use Fund	9,000	Public Works Supervisor 2 Salary - 10%
General Fund	15,000	Sewer Use Fund	15,000	Town Manager's Office Overhead
Parks and Recreation Fun	50,000	General Fund	50,000	Restore GF Support for P and R Fund
Parks and Recreation Fun	34,000	General Fund	34,000	Net Transfer from GF for P and R Fund

Parks and Recreation Fund Immediate Sustainability Recommendations
(To mitigate $125,000 to $150,000 of annual deficits on a going forward basis)

1. Return to the FY25 configuration with the General Fund providing $100,000 of expense relief funding transferred to the Fund (net $125,000 = transfer from the General Fund of $100,000 and $25,000 related to current transfer to the General Fund eliminated)

2. Adopt the FY28 proposed allocation grid from above. The impact of the above eliminates the $25,000 charge from the General Fund for 20% of the Community Services Director Salary, increases the allocation from the General Fund (moved to the Sewer Use Fund) by $34,000 due to the added work from the sewer pump bond referendum and continued support by Public Works responding to pump issues and sewer overflows.

   Additionally, an allocation from the Town Manager's Office is reflective of the efforts to plan, present, and pass the sewer pump bond question as well as a rewrite of Town Ordinance 138 – Sewer Use regulations.

   The additional transfers from the General Fund to the Sewer Use Fund lowers the General Fund cost burden and provides resources to net fund $34,000 to help stabilize the Fund.

   Finally, $50,000 is the reorganization cost that was shorted from the General Fund to the Fund, so this amended allocation grid restores that amount, with the General Fund shouldering $75,000 more, the Sewer Use Fund shouldering $34,000 more, and the Fund enjoying $109,000 of "restored" support.

3. Eliminate the Fund moving all activity and fund surplus to the General Fund

The adoption of any of the aforementioned recommendations addresses the immediate issue in the Fund, and can be implemented as part of the FY28 budget preparation efforts. Adopting recommendation 1 or 2 will provide financial resources to support the $35,000 of new annual debt service should the voters approve of the year-round bathroom and pickleball courts.

In any case, if the Fund remains operational, a review of the Fund every couple of years with a report back to the Board of Selectmen and Board of Finance should be completed. On a long-term basis, the following items should be carefully considered.

Parks and Recreation Fund Long-Term Sustainability Recommendations

1. If not selected above in the short term, eliminate the Fund moving all activity to the General Fund.

2. Review individual programs offered and support staffing to ensure sustainability.

3. Adjust fees charged to provide the programs to participants; including events.

4. Budget capital investments and bond costs in the General Fund.

While the Fund doesn't need to be 100% self-supporting, as currently configured, the Fund is only partially self-supporting requiring substantial support from the General Fund.

In closing, due to fluctuating revenues and program participants, as well as rising labor and other costs, how we approach the Fund moving forward needs to change completely, or at least incrementally in the short term as we seek out fiscal sustainability in a more efficient manner.

I look forward to questions on this analysis as those decisions are made. Please let me know if you have any questions on any of the aforementioned information. Thank you.

TOWN OF GRANBY

MEMORANDUM **DATE:** October 12, 2026

TO: All Granby Directors and Supervisors

FROM: Mike Walsh, Town Manager

REGARDING: **FY28 Preliminary Recommended Budget Instructions**

As we move into autumn, the annual budget cycle is upon us once again! As you know, in FY26, the Town of Granby implemented ClearGov, and in FY27, introduced both the ClearGov Capital Budget Reporting Module and the budget book at the category (account) level. All of these things were done to improve transparency for the residents.

With most of the conversion work behind us, the good news is the process for creating the FY28 budget document is now much easier. The bad news is an uncertain economic environment coupled with rising costs makes the construction of this budget more complex, and the reality of securing taxpayer approval that much more difficult.

Taking a step back, you'll see the entire budget process is about justifying/asking for operating and capital resources (funding) now, so that on July 1, you can continue to deliver the services residents expect or to repair aging infrastructure to maintain the quality of life for which the Town of Granby is known.

Please read the information presented below to see what you need to do to complete the FY28 budget submission.

Budget Preparation Overview – Targets

Here is the "theme" for your FY28 presentation:

1. You will prepare this budget using Zero Based Budgeting (ZBB). ZBB is simply a way of saying "we're going to disclose every penny that we want to spend by providing the granular details of our spending". Simply adding a % to an existing number isn't going to work. We must build the budget from the ground up by disclosing to the public how we intend to spend their money.

2. You will soon receive an e-mail from ClearGov under Betsy's name inviting you to begin your budget journey.

3. Except for contractual obligations (labor and otherwise) you will request the same amount of funding in any line as the current year budget. If a non-labor budget line must increase, please be prepared to have the discussion with me ***prior*** to increasing it.

4. The budget will be prepared in equal parts Operating and Capital. You will be equally responsible for compiling a budget to operate your department and you will need to verify that the 10-year Capital Plan (attached) is accurate. For capital items, Kimi and I will provide the funding vehicle once you provide the rationale for replacement.

Now the Process

1. You will access the ClearGov platform the same way as last year using the same ID and password. If you are unable to get into ClearGov, or need help with your ID, please contact Betsy Mazzotta.

    a. The ClearGov system will be available on October 16 with the Town data preloaded for you to view and edit.
    b. The link to access the platform is https://cleargov.com/

2. We are asking you to again use the three forms you created last year with the NI focusing on operating initiatives and a new form (you'll get from Kimi) which will allow you to input capital items directly into the ClearGov module for consideration. First update them for this coming year and then resubmit them electronically to Betsy.

The forms are as follows:

    a. Form 1 – Services you provide and statutory functions you staff
    b. Form 2 – Goals and Objectives for the coming budget year
    c. Form NI – New ***operating*** initiatives you want us to consider
    d. ClearGov Form – New ***capital*** initiatives you want us to consider

3. We are asking you to update and refresh the PowerPoint slide presentation you prepared for FY27. The format is the same as follows:

    a. Cover page – Department Name
    b. Page 1 – Organization chart and a Form 1 summary of functions you staff
    c. Page 2 – Noteworthy items handled/accomplished for the BOS
    d. Page 3 – Goals and Objectives from Form 2
    e. Page 4 – The department budget overview by the numbers
    f. Page 5 – A future looking narrative/where you want your department to go
    g. Page 6 – Just a page that seeks questions
    h. Please add a page of departmental metrics to illustrate your mission

4. Two pertinent due dates to remember:

    a. October 30, 2026 – Your submission should be submitted in hard copy
    b. Early November 2026 – Kimi and Betsy will meet to discuss your submission; I will join a few of the meetings as necessary

Closing Thoughts:

As you prepare your documents and exhibits, please keep in mind that the budget is the single most important document that we prepare because it explains what we do and how we do it to taxpayers, elected officials, and employees.

Accordingly, please take this opportunity to create a budget document that supports the mission that your department provides to the community. Thank you!

CC: All directors

TOWN OF GRANBY

MEMORANDUM **DATE:** October 13, 2026

TO: The Granby Board of Selectmen

FROM: Mike Walsh, Town Manager

REGARDING: **Communication – The Town of Granby Purchasing Policies**

Provided below please find the Town of Granby Purchasing Policies amended as of June 30, 2026.

Town of Granby procurement follows these policies in order to achieve the lowest cost that is in the best interest of the Town when spending taxpayer or grant funds.

If you have any questions on the aforementioned, I will be on hand at your next meeting to answer any questions. Thank you.

THE TOWN OF GRANBY, CONNECTICUT – PURCHASING POLICIES

FOR ALL PURCHASES AND PUBLIC WORKS CONTRACTS

STATEMENT IN SUPPORT OF A PURCHASING DEPARTMENT:

Municipal government for the Town of Granby desires to procure goods and services in the most cost-effective and efficient method available to arrive at the best value to the residents of Granby.

THE PRIMARY PURCHASING PATH

Recognizing the Town of Granby does not have the buying power of larger municipalities or bulk buyers like Costco, Sam's Club, or BJ's, nor does the Town have a dedicated Purchasing Agent, the Town must therefore rely predominately on preexisting purchasing avenues or the issuance of a request for proposal.

Preexisting purchasing avenues (sometimes called "Piggybacking") include, but are not limited to the following, where the Town of Granby can secure equal to or better pricing on both commodity items and professional service contacts:

1. The State of Connecticut Department of Administrative Services
2. The Capitol Region Council of Governments
3. The Connecticut Conference of Municipalities
4. Any Regional Governmental Entity serving several or more towns like the MDC
5. Any Purchasing Cooperatives like Sourcewell
6. Any similarly sized or larger local governmental entity that issued a Request for Proposal

THE SECONDARY PURCHASING PATH

In the event these various agencies do not support a unique purchase of goods or professional services using an existing contract in place, then the Town of Granby shall issue a Request for Proposal (RFP) to secure those unique goods or professional services.

THE RULES FOR PURCHASING GOODS AND PROFESSIONAL SERVICES

The following guidelines must be followed regarding purchases.

1. Purchases of goods having a dollar value up to $5,000 should follow the Primary Purchasing Path (find a similar existing contract already in place) as noted above with the final purchasing selection thoroughly documented for support and transparency.

   If the Primary Purchasing Path does not produce a supportable and transparent purchase, then three quotes are acceptable, or the Town Manager may consider a waiver.

2. Purchases of goods having a dollar value of $5,000 or more, or Professional Services having a dollar value of $25,000 or more, should follow the Primary Purchasing Path (find a similar existing contract already in place) as noted above with the final purchasing selection thoroughly documented for support and transparency.

   If the Primary Purchasing Path does not produce a supportable and transparent purchase, the Secondary Purchasing Path must be followed (issue and RFP).

THE PURCHASING PROCESS FROM AN ACCOUNTING POINT OF VIEW (See attached notes)

A Purchase Order (PO) is required for the purchase of all goods or services.

The guidelines below should be followed regarding all purchases, no matter the funding source.

Any "new" item to be purchased over $1,000 should be approved by the Town Manager prior to ordering. All PO's should be set up and reviewed for sufficiency by April 30 of every fiscal year.

Any goods or services ordered after May 1st of each year must have a preapproved purchase order.

Once you create a Purchase Requisition (PR), it should be forwarded through the system for approval. Once approved the requisition will be assigned a Purchase Order number after the Finance Office receives it from the Town Manager.

Do not include reference to invoice numbers in the Description Section, as the PR should be done before invoices are received.

If you go to Costco's for supplies, a PO should be created before you go by estimating the amount you want to spend.

If an event is planned, the PO should be done at the time the contract is signed and not the week the event is scheduled.

If you estimate too high, the funds will be released when the PO is closed. If you estimate too low, the accounting system allows us to overpay a PO by 10%.

On rare occasions, quick purchases for doing PR's ahead of time but should be completed as soon as possible after the purchase, i.e. first aid supplies at the pharmacy, meals for prisoners, library book that you happen to see on sale, or special parts for a vehicle as it's being repaired.

These types of purchases should be the exception and not the rule. If you need to add a note to the Purchase Requisition for finance to properly handle the payment, please put it in PO notes, i.e. Return check to department for processing, please see new remit address, etc.

Finance does not have access to internal notes when processing an invoice so that is better used for department heads if they want to return a PR to their staff for a change or for Finance to return a requisition because of a wrong account number or some other question before being approved as a PO.

To pay an invoice, the Purchase Order number must be written on the invoice, initialed by the department head, and forwarded to the Finance Office for payment. The amount to pay must be clear. Either circle the amount due or write the amount if you are making a partial payment or the invoice was incorrect for some reason.

Do not write on the return portion of the bill. Departments should try not to "bunch up" PO's, as it takes longer to process requisitions through the accounting system. If you are doing your PO's in a timely fashion, this should not be a problem.

The town will no longer issue Request for Payment forms.

PURCHASING DEFINITIONS

For the purposes of this Article the following terms, phrases, words and their derivations shall have the meanings given herein:

"Outside Vendor" shall mean any person, except Town personnel, who provides a service to the Town.

"Public Works" shall mean any project constructed with public funds that adds to or improves the infrastructure of the town, including, but not limited to, improvements and/or additions to buildings, parks, roads and utilities. "Public Works" shall not include those projects undertaken by the Board of Education.

"Professional Services" shall mean the furnishing of judgment, expertise, designs, advice or efforts by persons other than Town officials or employees. The term shall include consulting, professional, legal, financial, personal and technical services delivered by professionals including, but not limited to, architects, auditors, attorneys, physicians and other health care professionals, real estate appraisers, actuaries, engineers, computer programmers, and other data processing specialists.

Purchasing Manual

The Town Manager and the Director of Finance shall prescribe rules, regulations, and procedures in a written administrative purchasing manual and all purchases shall be made pursuant thereto.

The manual shall be given to all departments with instructions regarding its use. Such purchasing manual and any and all amendments thereto shall be included on the Board of Selectmen Agenda to be officially accepted into the minutes.

On-Call Service Contracts

The Town may enter into on-call service contracts for a period of not more than five years.

As used in this section, "on-call service contract" shall mean any contract for professional services including, but not limited to, architectural, engineering, computer, legal, real estate appraisal, plumbing, electrical and financial services, where the contractor agrees to provide services at an agreed upon rate, over a specified period of time as requested by the town.

Bidding Procedures Only if primary purchasing path not available?

Purchases of professional services estimated to cost twenty-five thousand dollars or more shall be subject to the following requirements:

The director requiring professional services shall prepare a Request for Proposal (RFP) defining the specific services to be delivered by the professional, requiring those responding to set out their professional qualifications, experience and ability to deliver such services, as well as the fee to be charged and containing such other information as may be required by the director.

A Request for Qualifications (RFQ) containing a list of services to be provided, requiring those responding to set out their professional qualifications, experience and ability to deliver such services as well as the rates to be charged for each service and containing such other information as may be required by the director may be issued in lieu of an RFP.

In either case, the director of the department issuing the RFP/RFQ shall appoint a committee of three persons, each of whom shall be qualified to judge such proposals by having knowledge, expertise and background in the field or subject matter addressed in the proposals. The committee shall review and evaluate such proposals and may, on behalf of the Town, negotiate specific terms, rates and prices with any person who submits a proposal.

The appointed committee shall, after reviewing such proposals, submit its report and recommendations to the Town Manager along with copies of the proposals.

The Town Manager may accept the committee's recommendation, select one of the other proposals, or reject all proposals.

If the Town Manager selects one of the other proposals or rejects all proposals, he/she shall document his reason for doing so in writing.

Requests for Proposals or Request for Qualifications shall be published on the Town's website and on the DAS Procurement system. No legal notice is required to be published in the newspaper unless specially required.

The Town Manager may waive the requirements of publication whenever he/she deems that such waiver is in the best interests of the Town.

Bids to be Sealed; Security Deposit; Opening; Records Required

All bids shall be submitted sealed to the Town Manager and, when deemed necessary by him/her, shall be accompanied by security in the form and in such amounts as shall be prescribed in the RFP. The bids shall be opened in public at the time and place stated in the RFP.

The Town Manager shall confer with the Director of Public Works and the Town Engineer at the time the bid specifications are written to determine if a guarantee of performance will be required.

If a guarantee of performance will be required, such information shall be included in the RFP. The guarantee of performance may take the following forms, but is not limited thereto: performance bond, certified check or letter of credit.

Awarding a Contract

The Town Manager shall accept the lowest responsible bid that is in the Town's best interest. In determining the successful bidder, the Town Manager shall consider, but is not limited to, the following factors: price, compliance to specifications, quality offered, freight costs, delivery time, past performance, standardization of current equipment, financial resources, technical qualifications, equipment and experience.

The Town Manager shall have the power to reject any or all bids or the bid for any one or more commodities or contractual services thereby and to advertise again for bids.

A contract shall be awarded only in accordance with the specifications given in the notice of invitation to bid. If prior to the award of any contract, the bid specifications are altered and are consequently different from those specifications listed in the notice of invitation to bid, the Town Manager shall reopen competitive bidding and, in so doing, shall follow the notice requirements.

The Town shall not award a bid to any bidder who owes a delinquent tax to the Town. Bidders certify by virtue of their signature on the bid sheet that neither the bidder nor any business or corporation in which the bidder owns an interest is delinquent in tax obligations to the Town.

All bidders certify upon acceptance of a bid by virtue of their signature on that bid, that they have read, understood and will comply with the Town's Plan of Affirmative Action and Equal Opportunity, as it may hereafter be amended, relating to contractual and purchasing procedures. All vendors agree to cooperate fully should the Town choose to audit this compliance.

Dividing Transactions Restricted

No transaction which is essentially a unit shall be divided for the purpose of evading the intent of this Article.

Committee of Award

For all equipment purchases for which the bid amount exceeds $100,000, a Committee of Award, consisting of the Town Manager, the Director of Public Works, the Director of the requisitioning department, and the Director of Finance is hereby established and shall function as detailed below.

Any member of the Committee of Award may designate a representative to attend any meeting of the Committee of Award which the designator is unable to attend; such representative shall have the same authority to vote on matters coming before the Committee of Award as would his/her designator.

The following procedures shall be adhered to: The Town Manager shall, on the basis of specifications prepared by the Director of Public Works and approved by the head of the department or agency concerned, provide for competitive bidding on public works by issuing an RFP and receiving bids.

He shall open and tabulate the same and present the results to the Town of Granby. The Committee of Award shall either accept the lowest responsible bid or reject all bids; the Town Manager shall present the results of the competitive bidding and his recommendations thereon to the Committee of Award.

The Committee of Award shall either accept the lowest responsible bid or reject all bids.

Written Contract Required; Approval of Form

Where services are to be provided to the town by outside vendors, purchases of such services shall be made by written contract.

All contracts required shall be reviewed and approved by the Town Manager and as needed, by the Town's Corporation Counsel as assigned by the Town Manager.

TOWN OF GRANBY

MEMORANDUM **DATE:** October 13, 2026

TO: The Granby Board of Selectmen

FROM: Mike Walsh, Town Manager

REGARDING: **Communication – The Town of Granby Capital Asset Disposal Policy**

Provided below please find the Town of Granby Capital Asset Disposal Policy created as of September 30, 2026.

The Town of Granby Capital Asset Disposal Policy is followed in order to apply a consistent and transparent method for disposing of Town assets.

If you have any questions on the aforementioned, I will be on hand at your next meeting to answer any questions. Thank you.

TOWN OF GRANBY

Capital Asset Disposal Policy

1. Purpose

The purpose of this policy is to establish a consistent process for the disposal of vehicles, equipment, furniture, and other capital assets that are no longer needed, are no longer functional, are unsafe, or have reached the end of their useful life. This policy is intended to ensure that Town and Board of Education (BOE) assets are disposed of in an appropriate manner, with proper authorization and accountability.

2. Scope

This policy applies to all vehicles, equipment, furniture, and other capital assets owned by the Town or the Board of Education.

3. Assets With No Value

When a vehicle, piece of equipment, or furniture is no longer working, is broken, unsafe, obsolete, or otherwise determined to have no reasonable value, the department head responsible for and controlling the asset shall recommend an appropriate method of disposal.

For BOE assets, the recommendation shall be submitted to the Superintendent of Schools for approval.

For Town assets, the recommendation shall be submitted to the Town Manager for approval.

Upon approval, the asset may be disposed of using the approved method, which may include recycling, disposal as scrap, destruction, or another appropriate method.

4. Disposal of Vehicles

4.1 Trade-In Preferred

When a vehicle is being replaced, trade-in shall be the preferred method of disposal when it is determined to provide the best value to the Town or BOE.
The department head responsible for and controlling the vehicle shall evaluate the trade-in option and make a recommendation to:

- The Superintendent of Schools for BOE vehicles; or
- The Town Manager for Town vehicles.

Upon approval, the vehicle may be traded in as part of the acquisition of a replacement vehicle.

4.2 Vehicles Not Traded In

If a vehicle is not traded in, the department head responsible for and controlling the vehicle shall recommend an alternative method of disposal.

The recommendation shall be submitted to:

- The Superintendent of Schools for BOE vehicles; or
- The Town Manager for Town vehicles.

Upon approval, the vehicle may be sold through auction or another approved method of disposal.

Any proceeds from the disposal of a BOE vehicle shall be returned to the BOE. Any proceeds from the disposal of a Town vehicle shall be returned to the Town.

5. Equipment and Furniture with Value

When equipment or furniture is no longer needed by the department but is determined to have resale or other monetary value, the department head responsible for and controlling the asset shall recommend an appropriate method of disposal.

The recommendation shall be submitted to:

- The Superintendent of Schools for BOE equipment or furniture; or
- The Town Manager for Town equipment or furniture.

Upon approval, the equipment or furniture may be sold through auction or another approved method of disposal.

Any proceeds from the disposal of BOE equipment or furniture shall be returned to the BOE. Any proceeds from the disposal of Town equipment or furniture shall be returned to the Town.

6. Documentation and Removal from Asset Records

The responsible department shall provide sufficient documentation to support the disposal of each capital asset. Documentation should include, as applicable:

- A description of the asset;
- Original cost and acquisition date, if available;
- Reason for disposal;
- Recommended method of disposal;
- Required approval;
- Date of disposal;
- Amount of any proceeds received; and
- Supporting documentation, including trade-in, auction, sale, recycling, or disposal records.

Upon completion of the disposal, the asset shall be removed from the applicable capital asset inventory and accounting records.

7. Compliance With Other Requirements

The disposal of assets acquired with grant funds or subject to other legal, contractual, or regulatory restrictions shall comply with all applicable requirements before the asset is disposed of.

Nothing in this policy shall prohibit the Town Manager or Superintendent of Schools or the Finance Office from requiring additional review or approval when appropriate, based on the nature, value, or condition of the asset.

TOWN OF GRANBY

Capital Asset Disposal Authorization Form

Asset Information

Department: _____

Responsible Department Head: _____

Asset Type:

- ☐ Vehicle
- ☐ Equipment
- ☐ Furniture
- ☐ Other: _____

Asset Description: _____

_____

Make/Manufacturer: _____ **Current Location:** _____

Model: _____ **Year Acquired:** _____

Serial Number/VIN: _____**Original Cost:** $_____

Reason for Disposal

Please check all that apply:

- ☐ No longer operational
- ☐ Broken beyond reasonable repair
- ☐ Unsafe
- ☐ Obsolete
- ☐ No longer needed
- ☐ Replacement acquired or planned
- ☐ Other: _____

Estimated Value

- ☐ Asset has no reasonable value.
- ☐ Asset has estimated resale or trade-in value.

Estimated Value: $_____

Recommended Method of Disposal

For Vehicles

- ☐ Trade-in **(preferred when it provides the best value)**
- ☐ Public auction
- ☐ Other approved method: _____

For Equipment and Furniture with Value

- ☐ Public auction
- ☐ Other approved method: _____

For Assets With No Value

- ☐ Recycling
- ☐ Scrap
- ☐ Disposal/destruction
- ☐ Other approved method: _____

Department Head Recommendation

I certify that the information provided on this form is accurate and that the recommended method of disposal is appropriate based on the condition and estimated value of the asset.

Department Head Name: _____

Signature: _____

Date: _____

Approval

Town Assets

Town Manager Approval

- ☐ Approved
- ☐ Denied
- ☐ Approved with modifications, as noted below:

Town Manager Signature: _____ **Date:** _____

Disposal Completion

Actual Method of Disposal: _____

Date of Disposal: _____

Trade-In Allowance or Sale Proceeds: $_____

Disposition of Proceeds:

- ☐ Deposited to the Town
- ☐ No proceeds received

Supporting Documentation Attached:

- ☐ Trade-in documentation
- ☐ Auction or sale documentation
- ☐ Proof of recycling or disposal
- ☐ Other: _____

Finance/Asset Record Update

Asset Removed from Capital Asset Inventory:

- ☐ Yes
- ☐ Not Applicable

Processed By: _____ **Date:** _____

Signature: _____

FIVE PROPOSED CAPITAL PROJECTS, BOND VOTE ON DEC. 8

The Town of Granby is proposing to bond five capital projects in 2027. On December 8, Granby voters will decide whether to issue bonds for five different proposed capital projects. Each project will be presented in a separate question. The questions are:

SALMON BROOK PARK PICKLEBALL COURTS & BATHROOM

Shall the Town of Granby (the "Town") appropriate not to exceed $500,000 for costs associated with the planning, design, and construction of up to four pickleball courts and a year round bathroom at the Salmon Brook Park Facility located at 215 Salmon Brook Street in the Town including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and authorize the issuance of bonds and notes in the amount not to exceed $500,000 to finance such appropriation with all debt service on the bonds to be paid by the Parks and Recreation Special Revenue Fund?

MIDDLE SCHOOL REPAIRS & DESIGN

Shall the Town of Granby (the "Town") appropriate not to exceed $3,000,000 for the planning, design, construction and reconstruction of the HVAC, air handlers, sprinklers, and other needed building code work at the Granby Memorial Middle School in the Town, including further building assessment and scoping work including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and authorize the issuance of bonds and notes in the amount not to exceed $3,000,000 to finance such appropriation?

HIGH SCHOOL ATHLETIC FIELDS

Shall the Town of Granby (the "Town") appropriate not to exceed $10,450,000 for costs associated with the planning, design, construction and reconstruction of the Stadium Field, Track, Field Two, and Baseball/Softball Fields at the High School Complex in the Town including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and authorize the issuance of bonds and notes in the amount not to exceed $10,450,000 to finance such appropriation?



SEWER PUMP MAINTENANCE

Shall the Town of Granby (the "Town") appropriate not to exceed $1,500,000 for costs associated with the planning, design, construction, renovation, maintenance, repair, and upgrade of three sewer pumps located in the Town 1) adjacent to 52 N. Granby Road, 2) at 166 Salmon Brook Street, and 3) in Salmon Brook Park including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs, and authorize the issuance of bonds and notes in the amount not to exceed $1,500,000 to finance such appropriation with all debt service on the bonds to be paid by the Town's sewer users through the Special Revenue Sewer Utility Fund?

GRANBY PUBLIC LIBRARY RENOVATION

Shall the Town of Granby (the "Town"), to finance the below appropriation, approve a bond authorization in an amount not to exceed $6,000,000 to fund a portion of the appropriation with the balance of the appropriation to be funded by private contributions and grants and approve an appropriation in the amount not to exceed $7,500,000 for costs associated with the planning, design, construction and reconstruction of the Granby Public Library located at 15 N. Granby Road in the Town including architectural, engineering, testing, inspection, surveys, alterations, repairs and improvements in connection therewith and temporary and permanent financing costs related thereto, including capitalized interest costs?

IMPORTANT DATES:

Open House to view info. and ask questions.
November 14, 10:00 AM - 1:00 PM,
Granby Senior Center.

Town Meeting to discuss the proposed projects.
December 1, 7:00 PM, Granby Senior Center.

Bond Vote
December 8, 8:00 AM - 8:00 PM, Town Hall.

For more information, visit the Town website at www.granby-ct.gov. Under Granby Spotlights, click on Proposed Capital Projects.

TOWN OF GRANBY

MEMORANDUM **DATE:** October 13, 2026

TO: The Granby Board of Selectmen
The Granby Board of Finance

FROM: Kimi Cheng, Director of Finance

REGARDING: **September 2026 Budget Operations Report**

Financial Highlights

Revenues
Tax Collections:
As of September 30, 2026, total tax collections remained consistent with prior years, with 58% of the budget collected, compared to 56% at the same time last year. Each 1% of the current tax levy budget represents approximately $471K in tax revenue.

Short-Term Investment Fund (STIF):
As of October 12, 2026, the daily rate was 3.96%, and the 7-day yield was 3.96%, which was a 0.25% increase from last year due to the increase in the federal reserve. Interest earned from the STIF account was approximately $68K.

Grant:
Received $655,539 for the supplemental education grant, $40,940 for the Pequot grant, and $10,638 for the Tiered Pilot grant.

Expenditures
As of September 30, 2026, total General Fund expenditures were at 43%, compared to 43% for the same period last year.

Public Works Department (DPW) Overtime:
As of September 30, 2026, year-to-month DPW overtime expenditures totaled $16,328.06, representing an increase of $4,103.54 or 33.57%, compared with $12,224.52 for the same period in the prior fiscal year. DPW overtime expenditures for September 2026 totaled $5,579.60, an increase of $223.28, or 4.17%, compared with $5,356.32 in September of the prior year.

Year-to-month spending trends and the percentage of the budget utilized are detailed in the tables below, by month and by fiscal year.

Yr-To-Month	Jul	Aug	Sept
FY25	1,255.59	8,666.47	10,953.56
FY26	2,813.17	6,868.20	12,224.52
FY27	5,838.95	10,748.46	16,328.06

% to budget	Jul	Aug	Sept
FY25	1.00%	6.93%	8.75%
FY26	2.25%	5.49%	9.77%
FY27	4.28%	7.88%	11.97%

Police Department (PD) Overtime:
As of September 30, 2026, year-to-month PD overtime expenditures totaled $47,832.65, representing a decrease of $14,854.80 or 23.70%, compared with $62,687.45 for the same period in the prior fiscal year. PD overtime expenditures for September 2026 totaled $17,801.77, a decrease of $12,109.85, or 40.49%, compared with $29,911.62 in September of the prior year.

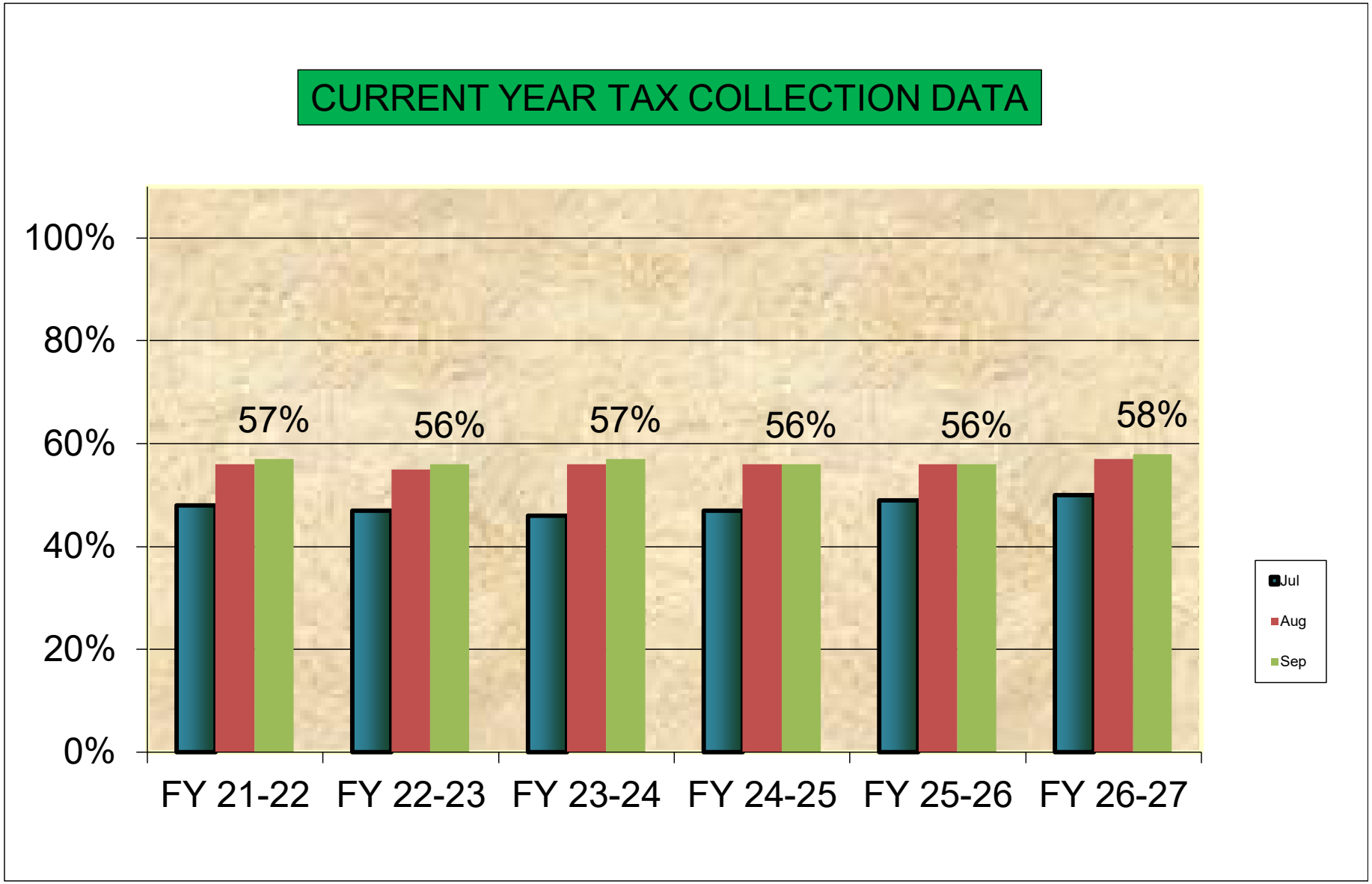
Year-to-month spending trends and the percentage of the budget utilized are detailed in the tables below, by month and by fiscal year.

Yr-To-Month	Jul	Aug	Sept
FY25	12,783.39	28,549.25	44,651.95
FY26	10,711.12	32,775.83	62,687.45
FY27	9,064.79	30,030.88	47,832.65

% to budget	Jul	Aug	Sept
FY25	8.52%	19.03%	29.77%
FY26	5.24%	16.04%	30.68%
FY27	3.86%	12.78%	20.35%



BUDGET OPERATIONS
SEPTEMBER 2026


CURRENT YEAR TAX COLLECTION DATA
100%
80%
60%
40%
20%
0%
57%
56%
57%
56%
56%
58%
FY 21-22
FY 22-23
FY 23-24
FY 24-25
FY 25-26
FY 26-27
Jul
Aug
Sep

TOWN OF GRANBY
BUDGET OPERATIONS SUMMARY
SEPTEMBER 2026

	DESCRIPTION	ADJUSTED BUDGET	REVENUE RECEIVED	BAL DUE {EXCESS}	% REC'D	REMARKS	Sept 25 % REC'D	Aug 26 % REC'D
41010	Current Year Taxes	47,097,854	27,171,249	19,926,605	58%	Pymts. Due - July & Jan.	56%	57%
41020	Prior Years Taxes	210,000	68,224	141,776	32%		35%	24%
41040	Interest & Liens	130,000	36,669	93,331	28%		33%	19%
41060	Auto Supplement	400,000	17,624	382,376	4%	Billed - December	3%	3%
	Property Taxes	**47,837,854**	**27,293,766**	**20,544,088**	**57%**		**56%**	**57%**
43170	Spec Ed / Excess	905,000	0	905,000	0%	Pymts. Due - Feb. 75% - June Bal.	0%	0%
43200	Educ Cost Sharing	5,647,238	0	5,647,238	0%	Pymts. Due - Oct. 25% - Jan. 25% - Apr. Bal.	0%	0%
43250	Supplemental Education SID17119	0	655,539	(655,539)	N/A		N/A	N/A
43590	Tuition - Other Towns	1,539,432	0	1,539,432	0%	School Bills for Activity	0%	0%
43591	B.E.A.R. TRANS. ACAD. TUITION	104,527	0	104,527	0%		N/A	0%
43592	GRANBY ALTERNATIVE PROGRAM (GAP)	120,000	0	120,000	0%		N/A	0%
	State Education Total	**8,316,197**	**655,539**	**7,660,658**	**8%**		**0%**	**0%**
43110	Veterans Exempt GT	2,500	0	2,500	0%	By Assessor Appl. in Aug but rec Pymt. in Dec.	0%	0%
43120	Misc - State	35,332	555	34,777	2%	For motor vehicle violations	1%	2%
43130	Telecommunications	13,000	0	13,000	0%	Pymt. Due - April	0%	0%
43140	State Revenue Sharing	0	0	0	N/A		N/A	N/A
43300	Pequot Indian Fund	0	40,940	(40,940)	N/A		N/A	N/A
43310	Tiered Pilot	10,618	10,638	(20)	100%	Pymt. Due Oct.	0%	0%
43320	SS Dist Tax Relief	1,800	0	1,800	0%	Pymt. Due - Dec.	0%	0%
43380	MRSA Motor Vehicle	245,632	245,632	0	100%	Pymt. Due July/Aug	100%	100%
	State Municipal Total	**308,882**	**297,765**	**11,117**	**96%**		**60%**	**80%**
	Intergovernmental Revenue	**8,625,079**	**953,304**	**7,671,775**	**11%**		**1%**	**3%**
43615	Town Clerk Fees	220,000	95,370	124,630	43%	Statutory Collections	40%	31%
43620	Planning & Zoning	3,000	1,616	1,384	54%	Application Permit Fees	40%	20%
43630	Zoning Bd of Appeals	1,010	404	606	40%	Application Permit Fees	80%	20%
43640	Building Permits	150,000	107,589	42,411	72%	Building Permit Fees.	67%	57%
43660	Inland Wetlands	4,000	1,255	2,745	31%	Permit/Appl. Fees	22%	24%
43670	Short Term Investments	350,000	176,950	173,050	51%		61%	30%

TOWN OF GRANBY
BUDGET OPERATIONS SUMMARY
SEPTEMBER 2026

43680	Rents	18,800	3,000	15,800	16%	Drummer/GLT/Farmhouse/Acreage/School Rental	19%	11%
43700	Snow Plow & Grading	11,000	0	11,000	0%	Private Roads	0%	0%
43710	Photocopying	100	11	89	11%		64%	1%
43715	Open Farm Day	2,500	750	1,750	30%		40%	20%
43740	Dispatch Services	16,580	0	16,580	0%	Police Bill For Dispatch Services	100%	0%
43745	Hay Rentals	40,802	0	40,802	0%	Northern Valley Farms	49%	0%
43760	Library	3,000	998	2,002	33%	Book Fines, Trust Investment	30%	19%
43770	Contract - Bldg. Inspection	14,000	3,500	10,500	25%	Bldg. Dept. Bills Qtrly For Services	25%	25%
43790	Driveway Permits	1,000	1,200	(200)	120%	New Const. Activity	50%	75%
43800	Police Photo/Lic/Permits	11,000	2,616	8,384	24%		21%	13%
43840	Returned Check Fee	100	25	75	25%		0%	0%
43990	Pay For Participation	42,000	0	42,000	0%	Received from BOE	0%	0%
46038	Miscellaneous	35,000	2,014	32,986	6%	GovDeal 1,627; Burn permit 75	144%	1%
46240	Communication Fees	44,988	14,247	30,741	32%		32%	21%
	Local Departmental Revenues Total	**968,880**	**411,545**	**557,335**	**42%**		**55%**	**29%**
43950	Transfer-in Fund Bal.	1,925,000	1,925,000	0	100%		100%	100%
49720	Additional Appropriations	455,539	455,539	0	100%		N/A	0%
43955	FOX FUND TRANSFER	60,000	0	60,000	0%		0%	0%
	Transfers In Total	**2,440,539**	**2,380,539**	**60,000**	**98%**		**100%**	**98%**
	Local Dept. Rev. & Transfer In Total	**3,409,419**	**2,792,084**	**617,335**	**82%**		**85%**	**78%**
	General Fund Revenues	**59,872,352**	**31,039,153**	**28,833,199**	**52%**		**50%**	**50%**

TOWN OF GRANBY
BUDGET OPERATIONS SUMMARY
SEPTEMBER 2026

ACCT. #	DESCRIPTION	ADJUSTED BUDGET	EXPENSED	ENCUMBERED	UNENCUMBERED ALLOTMENT	% EXP.	REMARKS	Sept 25 % REC'D	Aug 26 % REC'D
1001	General Administration	326,680	67,256	228,039	31,385	90%		95%	90%
1003	Legal Services	40,000	856	29,145	10,000	75%		80%	75%
1005	Fringe Benefits	3,094,007	2,052,473	102,783	938,751	70%		81%	67%
1007	Town Clerk Operations	188,672	32,029	110,718	45,925	76%		85%	75%
1009	Probate	6,411	6,411	0	0	100%		100%	100%
1011	Contingency & Reserve	88,500	1,054	3,896	83,550	6%		15%	6%
1013	Election Services	85,082	21,602	6,502	56,978	33%		18%	22%
1015	Boards, Reg. Prog, & Staff Dev.	65,309	26,176	26,137	12,996	80%		81%	76%
1017	Revenue Collections	145,081	31,797	80,124	33,159	77%		95%	67%
1019	Property Assessment	237,514	61,718	154,597	21,199	91%		90%	87%
1021	Finance Management	487,333	144,115	273,587	69,631	86%		92%	84%
1023	Insurance	356,493	176,224	158,695	21,574	94%		94%	94%
1031	Community Development	159,873	34,141	116,720	9,012	94%		94%	94%
1033	Human Resources	133,181	20,420	68,667	44,095	67%		66%	66%
1035	Technology	220,086	32,502	85,807	101,777	54%		50%	53%
	General Government	**5,634,222**	**2,708,773**	**1,445,418**	**1,480,031**	**74%**		**81%**	**72%**
2001	Building Inspection	207,723	38,625	163,172	5,927	97%		98%	97%
2003	Fire Prevention	426,780	8,854	377,571	40,355	91%		99%	90%
2005	Emergency Management	13,718	11,168	0	2,550	81%		82%	81%
2007	Health Services	250,711	103,021	147,691	0	100%		100%	100%
2009	Police Dept Administration	442,633	113,952	316,775	11,907	97%		99%	97%
2011	Police Oper. & Communications	2,500,593	480,924	1,525,981	493,688	80%		80%	79%
	Pers. & Prop. Protection	**3,842,158**	**756,543**	**2,531,189**	**554,427**	**86%**		**86%**	**85%**
3003	General & Equipment Maint.	3,796,875	702,153	2,215,834	878,888	77%		86%	75%
3011	Planning & Engineering	42,000	3,408	20,593	18,000	57%		100%	57%
	Public Works & Env.	**3,838,875**	**705,560**	**2,236,427**	**896,888**	**77%**		**86%**	**75%**

TOWN OF GRANBY
BUDGET OPERATIONS SUMMARY
SEPTEMBER 2026

4001	Library Services	724,630	169,439	364,675	190,516	74%	73%	71%
4003	Social-Senior-Youth-Services	436,921	78,533	247,670	110,718	75%	64%	74%
4009	Community Support	2,500	0	0	2,500	0%	0%	0%
	Lib., Rec., & Soc. Services	**1,164,051**	**247,972**	**612,346**	**303,734**	**74%**	**69%**	**72%**
6001	Capital Improvement	3,152,000	2,740,832	0	411,168	87%	81%	87%
7001	Debt Service	1,234,073	387,661	0	846,412	31% Payable in Jul/Aug & Jan/Feb	20%	31%
	Capital & Debt Service	**4,386,073**	**3,128,493**	**0**	**1,257,580**	**71%**	**56%**	**71%**
	Town Section	**18,865,379**	**7,547,341**	**6,825,379**	**4,492,660**	**76%**	**77%**	**75%**
8001	Board of Education	40,391,434	10,912,292	0	29,479,142	27%	28%	20%
	Board of Education	**40,391,434**	**10,912,292**	**0**	**29,479,142**	**27%**	**28%**	**20%**
9001	Transfer to OPEB Trust Fund	615,539	615,539	0	0	100%	N/A	100%
	Transfer	**615,539**	**615,539**	**0**	**0**	**100%**	N/A	**100%**
	General Fund Expenses	**59,872,352**	**19,075,171**	**6,825,379**	**33,971,802**	**43%**	**43%**	**38%**

GRANBY PUBLIC SCHOOLS
BUSINESS OFFICE
15-B North Granby Road
Granby, CT 06035
(860) 844-5253

stevensonn@granbyschools.org

To: Cheri P. Burke, Superintendent of Schools

From: Nickie Stevenson, Director of Finance & Operations

Re: September 2026 Budget Expense Report

Date: October 8, 2026

Please find attached the September 2026 budget expense report for this fiscal year.

Personnel and Program Accounts

An analysis of both personnel and program accounts indicates that projected expenditures remain on track to be covered within the appropriated budget. As we are still early in the fiscal year, all accounts and expenditures will continue to be monitored regularly to ensure spending remains consistent with budget projections.

Special Education

Special education expenditures for FY 2027 remain generally aligned with the district's established spending plan. As previously noted, the district did not receive the anticipated grant funding for positions needed to support the Kelly Lane RISE program. As a result, a certified teacher and Registered Behavior Technician (RBT) were hired using the district's operating budget, resulting in shortfalls within special education certified salaries and support services.

These variances have been offset through available savings in regular education salaries, with the necessary budget transfers made accordingly. Special education expenditures will continue to be closely monitored throughout the year.

Quality and Diversity Fund (Q&D)

To date, the district has received approximately $13,000 in revenue from summer school and Pre-K tuition, with related expenditures increasing as anticipated.

Revenue to the Town

At this point in the fiscal year, revenue to the Town for FY 2027 remains favorable at $2,571,144, representing a slight decrease of approximately $17,000 from the previous projection. This change is primarily attributable to a $58,000 decrease in Excess Cost revenue, which has been partially offset by a $40,000 increase in Hartland tuition revenue.

These adjustments are based on the preliminary Per Pupil Expenditure (PPE) amount of $22,973, which is $1,225 higher than the current PPE of $21,748. Please note that the PPE amount is preliminary and is typically finalized in mid-January. Any necessary revisions to the related revenue projections will be made once the final amount is released.

PROGRAM ACCOUNTS

Granby Board of Education FY 2027

September 2026 Budget Expense Report

Row #	Description	Original Budget	Adjusted Budget	YTD Expended	Encumbered	Balance	Combined % Expended and Encumbered
01	Communications	$80,657	$80,657	$17,442	$32,879	$30,335	62.4%
02	Conference & Travel	$47,944	$47,944	$8,299	$3,617	$36,028	24.9%
03	Dues and Fees	$42,235	$42,235	$20,522	$6,263	$15,450	63.4%
04	Equipment/Furniture	$18,385	$18,385	$0	$0	$18,385	0.0%
05	Legal Services/Insurance	$160,074	$165,198	$54,226	$107,006	$3,966	97.6%
06	Library/Media	$51,983	$51,983	$12,788	$8,169	$31,027	40.3%
07	Purchased Services	$1,217,229	$1,217,229	$134,636	$979,849	$102,744	91.6%
08	Repairs & Maintenance	$612,514	$612,514	$169,961	$341,258	$101,295	83.5%
09	Software	$510,360	$510,360	$330,944	$12,953	$166,463	67.4%
10	Special Education	$4,785,090	$4,785,090	$520,451	$3,877,956	$386,684	91.9%
11	Student Activities/Athletics	$369,945	$369,945	$42,525	$226,868	$100,552	72.8%
12	Supplies	$563,561	$563,561	$188,367	$174,508	$200,685	64.4%
13	Textbooks	$80,666	$80,666	$4,151	$7,004	$69,512	13.8%
14	Transportation	$1,261,940	$1,256,816	$70,587	$1,165,344	$20,885	98.3%
15	Tuition	$11,578	$11,578	$0	$10,000	$1,578	86.4%
16	Utilities	$842,535	$842,535	$138,031	$657,773	$46,731	94.5%
17	Unallocated Appropriation	$0	$0	$0	$0	$0	
	Program	**$10,656,696**	**$10,656,696**	**$1,712,930**	**$7,611,446**	**$1,332,319**	**87.5%**

PERSONNEL ACCOUNTS

Granby Board of Education FY 2027

September 2026 Budget Expense Report

Row #	Description	Original Budget	Adjusted Budget	YTD Expended	Encumbered	Balance	Combined % Expended and Encumbered
18	Administration	$1,773,343	$1,776,703	$383,714	$1,392,989	$0	100.0%
19	Central Office	$524,406	$522,959	$98,230	$423,883	$846	99.8%
20	Certified Staff	$12,009,799	$11,877,399	$1,403,734	$10,354,170	$119,496	99.0%
21	Custodial and Maintenance	$1,601,392	$1,601,392	$351,479	$1,245,599	$4,314	99.7%
22	School Secretaries	$692,649	$709,554	$125,945	$583,609	$0	100.0%
23	Special Education	$4,801,294	$4,912,826	$529,078	$4,368,153	$15,596	99.7%
24	Student Activities/Athletics	$573,647	$573,647	$23,363	$540,316	$9,968	98.3%
25	Teaching Assistants	$391,852	$391,852	$27,318	$364,535	$0	100.0%
26	Technology Support Services	$334,496	$336,546	$11,656	$324,890	$0	100.0%
27	Tutors	$36,357	$36,357	$1,566	$33,867	$923	97.5%
28	Employee Benefits	$6,995,503	$6,995,503	$1,232,915	$5,680,042	$82,547	98.8%
29	Unallocated Appropriation	$0	$0	$0	$0	$0	
	Personnel	**$29,734,738**	**$29,734,738**	**$4,188,999**	**$25,312,051**	**$233,689**	**99.2%**
	100 General Fund	**$40,391,434**	**$40,391,434**	**$5,901,929**	**$32,923,497**	**$1,566,008**	**96.1%**

SPECIAL EDUCATION ACCOUNT DETAIL

Granby Board of Education FY 2027

September 2026 Budget Expense Report

Row #	Description	Budget	Adjusted Budget	YTD Expended	Encumbered	Balance	Combined % Expended and Encumbered
01	Adminstrative/Certified	$2,370,841	$2,449,414	$324,112	$2,123,417	$1,884	99.9%
02	Secretaries	$115,009	$115,009	$23,180	$91,400	$429	99.6%
03	Support Services	$511,158	$544,117	$54,369	$489,748	$0	100.0%
04	Teaching Assistants	$1,792,371	$1,792,371	$126,795	$1,652,484	$13,092	99.3%
05	Tutors	$11,915	$11,915	$621	$11,103	$191	98.4%
	TOTAL PERSONNEL	**$4,801,294**	**$4,912,826**	**$529,078**	**$4,368,153**	**$15,596**	**99.7%**
06	Communications	$150	$150	$0	$0	$150	0.0%
07	Conference & Travel	$12,048	$12,048	$259	$1,091	$10,698	11.2%
08	Dues and Fees	$2,250	$2,250	$400	$320	$1,530	32.0%
09	Legal Services	$28,875	$28,875	$8,993	$11,508	$8,375	71.0%
10	Purchased Services	$238,661	$238,661	$35,031	$60,164	$143,467	39.9%
11	Software	$9,860	$9,860	$6,665	$900	$2,294	76.7%
12	Supplies/Textbooks	$53,028	$53,028	$9,391	$14,739	$28,898	45.5%
13	Transportation	$1,299,073	$1,299,073	$16,244	$1,280,332	$2,496	99.8%
14	Tuition	$3,141,147	$3,141,147	$443,469	$2,508,903	$188,775	94.0%
	TOTAL PROGRAM	**$4,785,090**	**$4,785,090**	**$520,451**	**$3,877,956**	**$386,684**	
	OVERALL TOTAL	**$9,586,384**	**$9,697,916**	**$1,049,528**	**$8,246,109**	**$402,279**	**95.9%**

SUPPLEMENTAL INFORMATION

Granby Board of Education FY 2027
September 2026 Budget Expense Report

REVENUE TO TOWN SUMMARY

REIMBURSEMENTS FOR BOE EXPENDITURES

Description	Budget	Anticipated	Received To Date	Difference (Received minus Anticipated)
Regular Education Tuition*	$739,432	$758,109	$0	-$758,109
Special Education Tuition*	$800,000	$800,000	$0	-$800,000
B.E.A.R. Transition Academy Tuition*	$104,527	$124,223	$0	-$124,223
Granby Alternative Program Tuition (GAP)*	$120,000	$0	$0	$0
Excess Cost Grant	$905,000	$846,812	$0	-$846,812
Pay for Participation	$42,000	$42,000	$1,597	-$40,403
Totals	**$2,710,959**	**$2,571,144**	**$1,597**	**-$2,569,547**

*From Other Towns

QUALITY AND DIVERSITY FUND (Q&D)

Description	Budget	YTD	Difference (YTD vs. Budget)
Opening Balance	**$454,209**	-	-
Expenses	$1,277,330	$110,916	$1,166,415
Revenue	$1,093,300	$13,212	-$1,080,088
Ending Balance	**$270,179**	**$356,506**	**$86,327**