



Chairman S. Naomi Rodriguez

TOWN OF LEDYARD
CONNECTICUT
TOWN COUNCIL
HYBRID FORMAT

741 Colonel Ledyard Highway
Ledyard, CT 06339

860 464-3203
Administrative Assistant
Roxanne Maher

MINUTES
SPECIAL JOINT WORK SESSION
FINANCE COMMITTEES
TOWN COUNCIL
AND
BOARD OF EDUCATION

Tuesday, January 21, 2025

6:00 PM

Council Chambers, Annex Building

- I. CALL TO ORDER - The Meeting was called to order by Town Councilor Jessica Buhle and Board of Education Finance Committee Chairman Earl (Ty) Lamb at 6:01 p.m. at the Council Chambers Town Hall Annex Building.

Councilor Buhle welcomed all to the Hybrid Meeting. She stated for the Town Council Finance Committee and members of the Public who were participating via video conference that the remote meeting information was available on the Agenda that was posted on the Town's Website – Granicus-Legistar Meeting Portal.

II. ROLL CALL

Attendee Name	Title	Status	Location	Arrived	Departed
Jessica Buhle	Town Council Finance Committee	Present	In-Person	6:00 pm	7:28 pm
Tim Ryan	Town Council Finance Committee	Present	In-Person	6:00 pm	7:28 pm
Tony Saccone	Town Council Finance Committee	Late	In-Person	6:02 pm	7:28 pm
S. Naomi Rodriguez	Town Council Chairman	Present	In-Person	6:00 pm	7:28 pm
Carmen Garcia-Irizarry	Town Councilor	Present	In-Person	6:00 pm	7:28 pm
Fred Allyn, III	Mayor	Present	Remote	6:00 pm	7:28 pm
Matthew Bonin	General Government Finance Director	Present	In-Person	6:00 pm	7:28 pm
Earl (Ty) Lamb	Board of Education Finance Committee	Present	In-Person	6:00 pm	7:28 pm
Joanne Kelley	Board of Education Finance Committee	Present	In-Person	6:00 pm	7:28 pm
Sarah Treaster	Board of Education Finance Committee	Present	Remote	6:00 pm	7:28 pm
Anthony Favry	Board of Education Chairman	Present	In-Person	6:00 pm	7:28 pm
Mary Harris	Board of Education Vice - Chairman	Present	In-Person	6:00 pm	7:28 pm
Brandon Graber	Board of Education	Present	In-Person	6:00 pm	7:28 pm
Jennifer Reguin	Board of Education	Present	In-Person	6:00 pm	7:28 pm
Kate DePalma-Herb	Board of Education	Present	In-Person	6:00 pm	7:28 pm
Jason Hartling	Superintendent of Schools	Present	In-Person	6:00 pm	7:28 pm
Kenneth Knight	Board of Education Finance Director	Present	In-Person	6:00 pm	7:28 pm

III. BUSINESS OF THE WORK SESSION

1. Round table discussion regarding the preparation of the Fiscal Year 2025/2026 Budget to include recommendations provided in the *Committee to Review the Budget Process* Final Report dated October 31, 2023.

Councilor Ryan noted that he served as the Chairman of the *Committee to Review the Budget Process* and he provided an overview of the Committee's work:

❖ **Shared Services between the General Government and Board of Education and/or for privatization**

Resources - Councilor Ryan stated the *Committee to Review the Budget Process*' recommendation to consider Shared Services was from the approach of what resources the Town and Board of Education could share. He stated Board of Education Finance Committee Member Joanne Kelley was involved in these discussions and recommendation. He stated they discussed whether there could be AN economy of scale that could be achieved in areas such as:

- Labor
- Supplies
- Materials

❖ **Budget Format Development and Communication.**

- **Budget Format** - Councilor Ryan stated the *Committee to Review the Budget Process* questioned whether there was the potential to consolidate the Budget Format to make it more homonymous, across the Town and Board of Education so that they would be equally understood.
- **Communication** - Councilor Ryan also noted that the *Committee to Review the Budget Process* was looking for the Town and Board of Education to communicate in a similar way by providing similar budget narratives for the residents.

Councilor Saccone apologized for being late this evening and he thanked Councilor Buhle for getting the meeting started.

Councilor Saccone addressed Communication, stating that he would like to see more residents attend both the Town Council and Board of Education Meetings as they work to develop the Annual Budget. He stated by attending meetings or watching the meeting videos that were available online at www.ledyardct.org and clicking on the "Agendas & Minutes Tab, that residents could see and gain an understanding where their tax dollars were going; and why taxes increase. He stated what the Town and Board of Education asked for each year was not out of the ordinary, or absorbent, noting that a good percentage of the annual budget was to pay for basic needs.

- **Facility Needs** - Councilor Saccone noted the Board of Education's Capital Improvement Plan for Fiscal Year 2025/2026 was in the amount of \$21 million. He stated the Capital Improvement Plan was well written and would address many of their basic needs to maintain the school facilities. However, he stated the question was how to fund these basic needs. He stated as Councilor Ryan mentioned earlier this evening that the Town and Board of Education could work

together to share resources, which could decrease expenses and would free-up some revenues to pay for other needs.

- **Board of Education**

Board of Education Finance Committee Chairman Earl (Ty) Lamb stated that all of the Board of Education Finance Committee Meetings were available on-line and could be accessed by visiting their website at www.ledyard.net and clicking on the Board of Education Tab – Meeting Portal; and he provided an overview of the Board of Education’s Annual Budget Process noting the following:

- October, 2024 the Board of Education began working on their Fiscal Year 2025/2026 Budget with the Administration.
- Capital Improvement Plan Fiscal Year 2025/2026 – Mr. Lamb stated the Board of Education has approved a proposed Fiscal Year 2025/2026 Capital Plan to be submitted as part of their overall budget for the coming year.
- Education Operating Budget – Mr. Lamb stated that the Finance Committee would continue to work with the Administration through January and February to finalize the Fiscal Year 2025/2026 Education Budget.
- February 24, 2025 – Mr. Lamb stated that the Board of Education would work to approve a proposed Education Budget for Fiscal Year 2025/2026 to submit to the Mayor Office no later than the fourth Monday in February, per Chapter VII; Section 4 of the Town Charter.

Mr. Lamb stated tonight’s Joint Meeting of Finance Committees was a good opportunity for the Town Council to provide input to the Board of Education about the Fiscal Year 2025/2026 Budget, especially with regard to the Capital Plan.

Superintendent of Schools Jason Hartling stated that he and Mayor Allyn, III, have a meeting scheduled to review the Board of Education’s Budget proposals for the upcoming Fiscal Year 2025/2026. He addressed the Board of Education’s Capital Improvement Plan stating that they cannot continue to kick the can down the road, noting that some of the projects continue to be included on Projects List year after year.

Councilor Buhle started that she appreciated the Board of Education including “*Escalation Costs*” in this year’s Capital Improvement Plan (CIP), noting that it showed how much the cost would increase by delaying/postponing it to another year.

Mr. Hartling went on to explain that the projects ranged from “critical” in nature to “nice to have”, but that each has been put forth for discussion because the Board believed the project either preserved or enhanced the learning environment at Ledyard Public Schools. He noted the Projects List addressed a range of issues which included: refurbishing deteriorated or aging facilities, safety and security upgrades, increasing operating and energy efficiencies, providing higher quality indoor air, etc. He stated that the Report was provided in the same format as in previous years, noting that it included a summary cost estimate, suggested ten-year financial layouts, and cost escalations related to putting the project off until sometime in the future.

Mr. Lamb noted although some projects were categorized as “Priority” that some should be done together for effectiveness. Mr. Hartling noted as an example that before they replaced the boiler at the High School they should address the windows first, explaining that addressing the building envelope would change the size of the boiler needed.

- **General Government**

Mayor Allyn addressed the comments regarding kicking the can down the road, stating that every year the town has to move some projects off to other years, because they cannot afford to do them all. He stated this year they were facing a 4+ mil tax increase based on the expenses they were currently looking at, which included \$1.7 million for capital projects. He stated that Ledyard residents could not absorb a 4-mil tax increase ; and therefore, they have to move some projects down the road, because there was no way they could do them all. He also stated that he appreciated the prioritization of the various projects, noting that they were going to have to prioritize the town's needs and do what they can with the finite amount of money they have.

Mayor Allyn continued by explaining that Ledyard was going to have some revenue issues in the upcoming Fiscal Year 2025/2026, noting the following:

- **Grand List Valuation** decrease, which was partly due to the new Motor Vehicle Tax Formulation.
- **\$800,000 increase in the Healthcare Cost** for the Board of Education and General Government Employees.
- **Veterans Tax Exemption** that would provide a \$500,000 loss in tax revenues, if the Legislature does not change the language provided in Public Act 24-46 "*An Act Establishing a Property Tax Exemption for Veterans Who Have a Service-Connected Permanent and Total Disability Rating*".

Mr. Lamb addressed in Public Act 24-46 "*An Act Establishing a Property Tax Exemption for Veterans Who Have a Service-Connected Permanent and Total Disability Rating*"; and he questioned whether their State Legislators consider how these programs were going to impact the kids in their schools. Mayor Allyn commented on the intent of the Bill, stating if a Veteran was 100% Totally and Permanently Disabled and could not be employed to work, that they should not have to pay taxes. However, he stated that was not how Public Act 24-46 was written, explaining that Ledyard had some Veterans who were earning 6-figure incomes and have applied to receive the Veterans Tax Exemption under Public Act 24-46. Councilor Buhle provided clarification stating that a rating of a 100% Permanent and Totally Disabled from the Veterans Administration does not prohibit a veteran from working in different sector. She stated that they could still work and earn a 6-figure income and qualify through the proper intent of the law (PA 24-46). She stated the purpose of Public Act 24-46 was to provide support to veterans who were 100% Permanently and Totally Disabled from their military service; or for the rest of their lives because of their service to our country, regardless of whether or not they were able to perform a different job that paid well. She went on to note that Public Act 24-46 does not include the following language "*with no other exceptions*", noting that the Public Act does need to be corrected.

- **Third Party Taxation Proposal** – Mashantucket Pequot Tribal Nation, which could provide a \$600,000 loss in tax revenue. Mayor Allyn explained that the Third-Party Taxation Proposal would take away the town's ability to collect taxes from third party (non-Indian) business operating at the Mashantucket Pequot Foxwoods Casino.

Mayor Allyn stated they have to look at their revenues to understand how they could pay for projects. He explained that Ledyard had some substantial holes in their projected revenues for the upcoming year (fy 25/26).

- **State Grant Reimbursement** – Councilor Buhle noted that several of the Projects that were funded in the Fiscal Year 2024/2025 Budget qualified for 62% Grant Reimbursement from the State. She questioned the status of those projects; and whether the State Reimbursement has been received to help them evaluate the amount of funding that has come back into the Capital Non-Recurring Fund. She noted the following projects as an example:

- ✓ Fire Alarm – Juliet W. Long School \$75,000 – Superintendent Jason Hartling stated the fire alarms boxes were installed during the holiday break. He stated that he did not believe they filed for the Grant Funding from the State yet. He stated in years past when the State Grant Reimbursement was received that they allocated the funding back to the Capital Non-Recurring Fund, which was the funding source used to initially pay for the project.

Mr. Hartling went on to explain that depending on the project that some were eligible for State Grant Reimbursement. He explained that if they were replacing something because of end of life such as the High School Elevator that it may or may not be eligible for State Grant Reimbursement.

- ✓ Recommissioning at the Gallup Hill School – Councilor Buhle noted that Eversource was going to pay for part of this work. Superintendent Mr. Hartling stated that the Eversource’s portion was included to calculate in the town cost.

Councilor Buhle noted for Fiscal Year 2025/2026 the Board of Education had \$880,000 listed for Bondable Projects; and \$980,000 Non-Bondable. Therefore, she stated that it would be good to know the portion of funding for these projects that would come back to the town; and whether there was still money that was coming back to the town for last year’s projects (fy 24/25) to help them understand what they had available for next year’s projects. She also noted that the Town Council funded the \$8,000 for the Juliet W. Long School Nurses Cabinets, and therefore, she questioned why it was included in the Fiscal Year 2025/2026 Capital Plan. Superintendent Mr. Hartling stated that he believed the \$8,000 was encumbered for the Nurses Cabinets. Councilor Ryan stated if the money has been encumbered that it should not appear in next year’s Capital Plan, and he noted that this was an example of why the Capital List needed to be scrubbed.

Mr. Lamb suggested the Board of Education review the projects that were approved in the Fiscal Year 2024/2025 Budget that have been done; and whether Grant Funding was received to offset the costs to the town.

- **Mil Rate Stabilization Fund \$3.1 million** – Councilor Saccone stated in preparing the Annual Budget for the past two years (fy 23/24 & fy 24/25) that they had planned to use some funding from the Mil Rate Stabilization Fund to minimize the Mil Rate increase. He questioned whether the Mil Rate Stabilization Fund was used to balance the budgets. Finance Director Matthew Bonin stated because the town received a good interest rate on banking funds that they did not need to use the Mil Rate Stabilization Fund. Councilor Saccone stated that there had been some discussion about whether they could use some money from the Mil Rate Stabilization Fund for Capital Needs. However, he stated based on the projected loss of tax revenues that the Mayor mentioned this earlier evening the Mil Rate Stabilization Fund could be used up quickly.

Mayor Allyn stated in facing a 4+ Mil Rate increase that they were going to have to use the Mil Rate Stabilization Fund to help smooth the increase in the Mil Rate this coming year (FY 25/26). Finance Director Matthew Bonin stated that the projected 4+ Mil Rate increase has already factored in using \$1 million from the Mil Rate Stabilization Fund.

Superintendent Mr. Hartling suggested they use the Mil Rate Stabilization Fund as a one-time infusion for Capital Needs instead of using it to reduce the Mil Rate increase.

Mayor Allyn addressed the importance for Long Term Planning, noting as an example that they may not want to invest \$15 million to retrofit the High School with air conditioning systems, new windows, and boilers, etc. if the Town's Ten-Year Plan was to build a new High School. He stated that they may not want to invest \$15 million in a building that they were going to take down.

Superintendent Hartling stated the High School was built in four phases, noting that it was originally built in 1963 and that there were additional phases over the years. Mayor Allyn stated the High School was the second oldest School after the Juliet W. Long School.

Councilor Saccone stated they try to avoid kicking the can down the road, and they try to have a fair and balanced tax for everyone, explaining that it was difficult to balance because they had buildings to maintain/replace and salaries to pay.

❖ Long term planning for Capital Improvement Projects (CIP)

Mr. Lamb noted that the *Committee to Review the Budget Process* Final Report recommended the town look at the benefits of setting aside funding annually for Capital Improvement Projects (CIP) such as the replacement of the school roof projects. He stated the Report suggested by setting funding aside each year to purchase large equipment or for large capital expenses such as the replacement of the school roof that they could earn about \$300,000 per year in interest while it was sitting in the bank. Councilor Saccone stated that last year they attempted to allocate \$200,000 into a Capital Non-Recurring Savings Account. However, he stated because the money was just not available it did not make it through the budget process. However, he stated that he agreed it would be a good idea.

❖ Prioritization – Capital Improvement Projects

Superintendent Mr. Hartling noted the following Priority Projects:

- ***Middle School & Gallup Hill School Humidity Levels*** due to fundamental design issues – Mr. Hartling stated that they paused the Recommission work with Eversource last summer because they had to address the Humidity Levels first. He explained that the purpose of the Recommissioning Study was to determine if there were energy savings that could be gained with adjustments to the HVAC system at the Middle School and Gallup Hill School. He also noted the State has Mandated Annual Balancing of the HVAC Systems and that they also conduct a full inspection every five years. He stated these unfunded mandated costs were in the Board of Education's proposed Fiscal Year 2025/2026 Budget. He stated there were only two companies in the State that do this work, and he noted the cost to conduct the Evaluation of the HVAC System at the High School was \$100,000; and therefore, they have moved this expense down the road.

Councilor Saccone questioned whether the Board of Education planned to send any of their Maintenance Staff to attend HVAC Training. Mr. Hartling stated that they had two employees who had HVAC experience, however, he stated that it was not enough to mitigate the costs. He stated that they were able to handle simple adjustments, etc., but that they call in contractors for repair work, and other major replacement work, noting that they do not have enough staff.

- ***Gales Ferry School - Replace the Chiller*** which transfers the heat away from a space that required climate control, much like a traditional split system or package unit does, but it used water (or a water solution) to do so; instead of air. The Chiller was a key component of air conditioning systems. The Chiller was installed when the Gales Ferry School was constructed in 1999 and has corrosion and would require extensive work and cost.
- ***High School Environmental Controls*** – Mr. Hartling noted it was only a matter of time before the State of Connecticut mandates certain environmental controls that they would not be able to accomplish in the 60-year-old High School, because of the systems in place. He also noted that he was not certain that the newer schools would be able to comply with the State’s environmental control requirements.

Mayor Allyn suggested the Board of Education use the sharpest pencil in preparing their Operational Budget for Fiscal Year 2025/2026. He stated in all the years he has been involved in local government; from the time he served as the Town Council’s Finance Committee Chairman and his years serving as Mayor that this coming year was the single most difficult budget he has seen. He stated without using the Mil Rate Stabilization Fund they were looking at a 5-mil tax increase. He stated that they had about one month before he had to submit a proposed Fiscal Year 2025/2026 Budget to the Town Council on Monday, March 3, 2025.

Superintendent Mr. Hartling stated that he and Mayor Allyn, III, have talked about the “*must do items*” which included the humidity issues at the Middle School and Gallup Hill School; and the air quality in the schools for the students and staff. He noted that they would be meeting again to continue to discuss the needs related to preparing the Annual Budget for the coming year.

Councilor Buhle addressed Superintendent Hartling’s suggestion to use the Mil Rate Stabilization Fund for a one-time infusion to address \$1 million of the Board of Education’s Capital Needs. However, she stated although it would allow them to cross some projects off the List that the Board of Education’s List was still 45 pages long; and year after year they still would have over a \$1 million of projects that needed to be done. Superintendent Mr. Hartling noted that the Capital Projects List was the most fungible part of the budget, noting in the current year’s budget (fy 24/25) Ledyard allocated \$1.7 million for capital needs, which was the single largest expense. He stated that there may be other years when the Town Council may decide not to fund the Capital Projects List at a level of \$1.7 million. He stated in using the same philosophy as how Ledyard chose to spend their American Rescue Plan Act (ARPA) on capital non-recurring expenses, instead on on-going operating expenses, that he was suggesting that they apply that same approach for the Mil Rate Stabilization Fund.

Mr. Lamb questioned whether the 4+ mil tax increase was a revenue issue or a spending issue. He suggested that Ledyard talk to their State Representatives about the number of Unfunded State Mandates and how these costs were impacting their community’s local budget, and ultimately the kids in their schools, noting that Ledyard had one of the lowest Per Pupil Expenditures in the State.

Mayor Allyn, III, stated per the United Way Asset Limited, Income Constrained, Employed (ALICE) Report that Ledyard had about 31% of At-Risk Families, which was a high number. He stated with the increase in expenses and Eversource’s Public Benefits Charge that was included in their monthly bills that it was impacting family’s ability to make ends meet. He stated in preparing their Annual Budget that the Town has to be mindful of those who have their nose just above the waterline. Superintendent Hartling stated that the Public Benefits Charge was also impacting the School’s budgets.

Councilor Ryan stated the nuances here was the costs of goods, noting that the costs of items in general have increased, whether it was labor or materials. Therefore, he stated they were spending more just to maintain what they were currently doing. He explained that they were not necessarily spending more to increase services, or increase numbers, or increase materials, noting that all these things needed to be considered.

Councilor Ryan addressed the use of the \$4.43 million of American Rescue Plan Act (ARPA) Funding. He stated the Town Council's Finance Committee prioritized ARPA Projects explaining that they specifically looked at large capital projects that were either impending or could be going to be a huge expense later on if they did not address them at this time. He stated as bad as their Capital Project List looked now, that without the one-time infusion of the ARPA Funding, that Ledyard's Capital Projects List could have looked much worse today. Therefore, he stated although they were in a much better position that it did not make the current Capital Projects List more digestible.

Councilor Buhle noted Mr. Lamb's question of *"Whether this was a Revenue Issue or Spending Issue?"* noting that the *Committee to Review the Budget Process Report* did not identify areas to cut expenses. She stated that Ledyard has cut expenses to save money, noting for Ledyard it was not a spending issue. She stated that Ledyard has tried to optimize as much as possible, which was the reason the *Committee to Review the Budget Process Report* recommended the town try to save money by reducing interest costs (Bonding/Borrowing Costs). She went on to note that Ledyard's Commercial Grand List was much lower than surrounding towns, leaving the tax burden to fall on residents, rather than larger corporations or businesses. Therefore, she stated that Ledyard needed to continue to work to create an environment that was welcoming to new businesses, noting that some of the ARPA Projects such as the Sewer Line Extension Project were designed to increase development with the hope to disburse the mil rate over more taxpayers. However, she stated that this was a lot of work and would not happen overnight. She stated that Ledyard had a revenue problem, not a spending problem. Superintendent Mr. Hartling stated that he agreed with Councilor Buhle's comments noting that Stonington spends \$16 million more on their schools than what Ledyard has to spend on their schools, noting that Ledyard was incredible efficient in their spending and with the resources available. Mayor Allyn stated that Stonington's Grand List was three times higher than Ledyard's Grand List.

The Group discussed the Board of Education's proposed Fiscal Year 2025/2026 Capital Improvement Plan using Tax Levy in the amount of \$927,500 as noted below:

Project Title or Item Requested	Fund Source	Location	Eval Category	Alternate Financing	FY 2026	FY 2027	FY 2028	FY 2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	Total
LHS LL Bathrooms	Tax Levy	LHS	DF					(\$85,000.00)							(\$85,000.00)
LHS LL Locker rooms	Tax Levy	LHS	DF						(\$125,000.00)						(\$125,000.00)
LHS Boiler/Heating System Repairs	Tax Levy	LHS	DF/SR		(\$22,500.00)										(\$22,500.00)
Electrostatic Painting of Lockers	Tax Levy	LHS	DF										(\$30,000.00)		(\$30,000.00)
Science Laboratory	Tax Levy	LHS	DF/EPS		(\$125,000.00)	(\$128,750.00)	(\$132,613.00)								(\$386,363.00)

ry Upgrade s															
Culinary room renovati ons	Tax Levy	LHS	IOE/C				(\$75,000.00)								(\$ 75,000.00)
Resurfac e Tennis courts	Tax Levy	LHS	IOE				(\$45,000.00)								(\$45,000.00)
Fire Alarm Systems	Tax Levy	LHS	IOE		(\$ 350,000.00)										(\$350,000.00)
Outdoor Athletics Lavs/Sto rage	Tax Levy	LHS	NEF/IOE											(\$200,000.00)	(\$200,000.00)
Replace turf field scoreboa rd	Tax Levy	LHS	NEF/IOE		(\$55,000.00)										(\$55,000.00)
Varsity locker- room renovati on	Tax Levy	LHS	DF					(\$150,000.00)							(\$150,000.00)
Athletic locker- room renovati on	Tax Levy	LHS	DF					(\$150,000.00)							(\$150,000.00)
Replace ment field lights	Tax Levy	LHS	DF/IOE			(\$75,000.00)									75,000.00)
LHS Gym	Tax Levy														(\$)
LHS Bleacher s	Tax Levy	LHS	DF/C				(\$150,000.00)								(\$150,000.00)
LHS Gym Dividing Wall	Tax Levy	LHS	DF/C			(\$35,000.00)									(\$35,000.00)
LHS Gym Padding	Tax Levy	LHS	DF/C				(\$30,000.00)								(\$30,000.00)
LHS gym ceiling R&R	Tax Levy	LHS	NEF/EPS		(65,000.00)										(\$65,000.00)
Enclose bird nesting locations	Tax Levy	LHS	RPH/IOC		(\$15,000.00)										(\$15,000.00)
Bollards for the outdoor seating	Tax Levy	LHS	RPH		(\$5,000.00)										(\$5,000.00)
Fire Doors	Tax Levy	LHS	EPS/DF		(\$20,000.00)	(\$20,600.00)									(\$40,600.00)
Replace lower- level ceiling and lighting	Tax Levy	LHS	DF/EPS			(\$25,000.00)									(\$25,000.00)
Replace sewer piping	Tax Levy	LHS	DF/RPH		(\$10,000.00)	(\$10,000.00)	(\$10,000.00)	(\$10,000.00)							(\$40,000.00)
Bullet Resistan t Film	Tax Levy	LHS	EPS		(\$15,000.00)										(\$15,000.00)

Government Budget because they did not have fifteen of any one position in the Town Hall, noting that the Board of Education had over 400 employees. Councilor Buhle stated when a

resident sees \$350,000 for Math Teacher Salaries they say, “*That’s a lot of money*”, but when they could tell them the budget line was for six math teachers that residents found that it made more sense. Mr. Lamb stated that the Board of Education would look into Councilor Buhle’s request.

Councilor Garcia-Irizarry stated in reviewing the Board of Education’s Budget last year that she would see Paraprofessionals listed for a school on one page and then see Paraprofessionals listed again for the same school on another page. Therefore, she stated it would be helpful to know that one budget line was for Special Needs Paraprofessionals and that the other budget line was for Regular Paraprofessionals. Superintendent Mr. Hartling explained the Munis Financial System Account Line Number indicated location, department, program etc., noting that it gets very granular and that was the reason they would see budget lines come up in the same location in different ways.

❖ **Guidance for Negotiation and Execution of Contracts**

Councilor Saccone noted that the *Committee to Review the Budget Process* provided some recommendations, and he questioned whether the Board of Education or the Mayor has looked at trying to implement the suggestions.

Superintendent of Schools Jason Hartling stated for Certified Staff Contracts that the Board of Education has traditionally asked that the Town Council send a Liaison to attend the negotiations. He stated that he believed the Chairman would continue this practice, noting that where it was required by State Statute that the Board of Education would provide notifications.

Chairman Rodriguez stated when the Twenty-seventh Town Council was seated on December 4, 2023 that the Ledyard Education Association (LEA-Teachers) Contract had already been ratified/voted on by the LEA, noting that it was forward to the Town Council for action at their February 14, 2024 meeting. Mr. Hartling stated that the Board of Education had two Non-Certified Bargaining Unit Contracts (Secretaries and Custodians) that were up this year. Chairman Rodriguez stated that she could attend the negotiations. Mr. Hartling stated that he would talk with the Negotiation Committee about what they wanted to do, noting that the State Statutes pertained to Certified Staff Contracts.

❖ **Budget Format Development and Communication.**

Councilor Ryan, Committee to Review the Budget Process Chairman, noted that Board of Education Member Joanne Kelley worked on this area of Report, noting that the recommendation included some additional information be added to the Budget Booklet Handout. Board of Education Member Joanne Kelley stated in the Fiscal Year 2024/2025 Budget Booklet Handout that they added a lot more pages to provide additional background information.

Mayor Allyn, III, noted that additional information was included at the front of the Budget Booklet Handout that included a Summary that provided some narratives and graphs and charts. He stated it provided a five-page snapshot of the Annual Budget.

Ms. Kelley questioned whether they received any feedback from residents regarding the additional information that was provided in the Budget Booklet Handout. Mayor Allyn stated that he did not receive any feedback from the residents.

Chairman Rodriguez questioned how many years in advance did they know that the Gales Ferry School and Middle School Renovate-As-New Projects were going to take place. Superintendent Hartling stated that the construction projects were already underway when he joined Ledyard. However, he explained that there was a 5–7-year lead into School Projects from the time of the initial conception to community outreach, to the design work and cost estimates, to referendum. He stated that he noted that the paperwork he saw for the two school projects Chairman Rodriguez mentioned was dated from 2018 and was started when Superintendent Dr. Graner was with the town. Chairman Rodriguez stated that the High School and Juliet W. Long School were both older facilities that were going to need either a Renovate-As-New or New Facility at a new location. She stated in looking at the Annual Budget that it had Capital Project Projections thru 2035. Therefore, she asked based on the lead time whether the Board of Education had an idea of when they would start to look at these school facilities, suggesting that perhaps they should start allocating some money for these two schools. Mr. Hartling stated because of the cost of the School Projects that they would have to be bonded, noting that he has not received any direction from the Board of Education, nor have they started to allocate any funds to begin exploring their options. However, he stated that Chairman Rodriguez brought up a good discussion that they should have, noting the amount of system issues (boilers, windows, etc.) they had at the High School.

- ***Projected Enrollment***

Councilor Buhle noted the Projected Enrollment data, and she stated that her son's class and the fifth-grade class were the largest classes at the Juliet W. Long School; and all of the other classes were smaller. Therefore, she questioned whether they had a projected enrollment for the Kindergarten Class for next year (August/September 2025). Superintendent Hartling stated enrollment was always a challenge, noting that they were not sure how changing the age requirement would impact the Kindergarten Class. He stated the enrollment data was included in the Board of Education's Fiscal Year 2025/2026 packet noting that they have projected 141 kindergarten students between Juliet W. Long School and the Gallup Hill School for the next school year, noting that these numbers were based on the birth rate analysis. He stated the sixth-grade class would be a little larger than this year and that the Middle School would continue to be a stress point from an enrollment standpoint.

Councilor Saccone stated that the Town Council Finance Committee would work to provide a responsible and reasonable budget for the upcoming year. He stated the 4.48% budget increase, or .65 mil increase to support the current year's budget (fy 24/25) was stressful for their taxpayers. Therefore, he stated a 4 or 5 mil increase without using the Mil Rate Stabilization Fund would be unacceptable to the taxpayers. However, he stated that he believed there was a need to maintain operations and facilities, therefore, he stated that they would need to find a way to fund the costs. He stated in the thirty-five years he has lived in town that they have not been able to fund their capital needs, especially with regard to their schools and town buildings.

- ***Revenues/Expenses***

- ✓ ***Healthcare Costs*** - Board of Education Member Joanne Kelley noted the projected \$800,000 increase for Healthcare and she noted that last year they were able to reduce the Healthcare costs by changing providers. Mayor Allyn, III, stated that that Ms. Kelley was correct, in that the town was able to save some money by changing Healthcare providers. However, he stated for the upcoming fiscal year (25/26) the new Healthcare provider has provided a 9% cost increase, noting that they always assume the worst-case scenario, which came out to be about

a \$800,000 increase combined between for the Town Employees and the Board of Education's Employees, noting that the Teamsters Union has their own Healthcare Insurance.

- ✓ **Public Act 24-46** “*An Act Establishing a Property Tax Exemption for Veterans Who Have a Service-Connected Permanent and Total Disability Rating*” – Ms. Kelley questioned whether the Veterans Exemption has been implemented. Mayor Allyn stated that the Veterans Exemption would take effect July 1, 2025 with the new budget year. Ms. Kelley questioned whether the State Legislation has been able to correct the language in the Public Act. Mayor Allyn stated that State Senator Cathy Osten has talked about a “fix”; which would expand the tax exemption to include the land, any outbuildings and accessory structures. Therefore, he stated assuming the State Legislature does not fix the current language in Public Act 24-46 that Ledyard was looking at an additional loss of tax revenue in the amount of \$100,000. However, he stated should the State Legislature fix the current language and then add the language to expand the tax exemption to include the land, any outbuildings and accessory structures that the loss in tax revenues would not be at the magnitude of what they were currently facing.
- ✓ **Motor Vehicle Taxes** – Ms. Kelley questioned the Grand List Valuation decrease. Mayor Allyn mentioned earlier this evening (see above page 4). Mayor Allyn explained Motor Vehicle Grand Lis Value saw a 13% decrease based on the State's new formula for Motor Vehicles. He stated the formular was previously based on Blue Book Value. However, he stated they now need to follow MSRP which was sticker price minus a percentage, stating it was a straight line across based on the number of years of the vehicle. Ms. Kelley questioned whether residents would see their motor vehicle taxes go down. Mayor Allyn stated the motor vehicle tax bill would depend on the age of the vehicle, explaining that if the vehicle was new the taxes would be based on the MSRP, noting they would probably see an increase in their motor vehicle taxes. However, he stated if the vehicle was older they would most likely see a decrease in their motor vehicle tax bill.
- **Third Party Taxation Proposal** – Mashantucket Pequot Tribal Nation, which could provide a \$600,000 loss in tax revenue – Ms. Kelley questioned whether the Third-Party Taxation Proposal has taken effect. Mayor Allyn explained that the Third-Party Taxation Proposal would take away the town's ability to collect tax from third party (non-Indian) business operating at the Mashantucket Pequot Foxwoods Casino, noting that every year State Senator Cathy Osten fights to implement the Third-Party Taxation Proposal. However, he stated that he did not see that the proposed Bill was submitted yet for this year.
- **Revaluation Year** Ms. Kelley questioned when the property revaluation that was currently underway be implemented relative to the Grand List. Mayor Allyn explained the property revaluation data would be finalized in October, 2025; noting that residents would have the opportunity to contest their revaluation in November and December before the Board of Assessment Appeals. He stated once all this work was completed the revaluation data would go into effect for the Fiscal Year 2026/2027 Budget year. He stated they were projecting the revaluation would provide a significant increase.
- **Projected 4 Mil Increase** – Ms. Kelley noted when Mayor Allyn talked about the potential for a 4-Mil Tax Increase to support the proposed Fiscal Year 2025/2026 Budget that he was taking into consideration all of the worst-case scenarios. Mayor Allyn stated that Ms. Kelley's understanding was correct. However, he stated that they have not taken into consideration the possibility \$500,000 loss of tax for Public Act 24-46 “*An Act Establishing a Property Tax Exemption for Veterans Who Have a Service-Connected*”

Permanent and Total Disability Rating”, noting that there was still work that needed to be done. He stated that there was a number of “*unknowns*” noting that the State Legislature has not really started their work for the upcoming budget year.

IX. ADJOURNMENT

Councilor Buhle , moved the meeting be adjourned, seconded by Councilor Ryan.
Board Member Lamb moved the be adjourned, seconded by Board Member Kelley.

VOTE: 3- 0 Approved and so declared, (Town Council Finance Committee)
VOTE: 3- 0 Approved and so declared (Board of Education Finance Committee)

The meeting was adjourned at 7:28 p.m.

Respectfully submitted,

Anthony Saccone, Sr.
Finance Committee Chairman