



Chairman Gary St. Vil

TOWN OF LEDYARD CONNECTICUT

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MINUTES
FISCAL YEAR 2026/2027 WORK SESSION
THURSDAY, MARCH 5, 2026; 2:00 P.M.
HYBRID MEETING FORMAT
VIDEO CONFERENCE & IN-PERSON
COUNCIL CHAMBERS, ANNEX BUILDING

DRAFT

I. CALL TO ORDER – The Work Session was called to order by Councilor Buhle 2:00 p.m.

Councilor Buhle welcomed all to the Video Conference Meeting; and she noted that the remote meeting information for the Town Council Finance Committee Budget Work Session and members of the Public to participate in this afternoon’s meeting 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
Jessica Buhle	Town Councilor	Present	In-Person
Carmen Garcia-Irizarry	Town Councilor	Present	In-Person
Tim Ryan	Town Councilor	Present	In-Person
Gary St. Vil	Town Council Chairman	Present	Remote
Fred Allyn III	Mayor	Present	In-Person
Matthew Bonin	Finance Director	Present	In-Person
Ian Stammel	Assistant Finance Director	Present	In-Person
Jessica Michaud	Mayor’s Executive Assistant	Present	In-Person
Christine Dias	Director of Human Resources	Present	In-Person
Elizabeth Burdick	Director of Land Use/Planning Director	Present	In-Person
Steve Masalin	Public Works Director/Town Engineer	Present	In-Person
John Vincent	Economic Development Commission Chairman	Present	In-Person
Jason Hartling	School Superintendent	Present	Remote
Mike Cherry	Resident	Present	In-Person
Mike Driemiller	Economic Development Commission	Present	In-Person
Michael Rameriz	Resident	Present	Remote
Roxanne Maher	Administrative Assistant	Present	Remote

III. PRESENTATIONS

DEPARTMENTS’ PROPOSED FISCAL YEAR 2026/2027 BUDGET

2:00 p.m. Planning & Zoning – Land Use Director Elizabeth Burdick

Land Use 10114301 (Includes: Land Use Director, Building Department, Zoning Department)

Mayor proposed \$466,484; an increase of \$4,343 or 0.9% over the approved Fiscal Year 2025/2026 Budget

❖ Account Number	Mayor Proposed	Change from FY 25/26
10114303 53400 Planning Pro Serv -1,000-		No Change
10114303 56100 Planning Oper	\$1,000	No Change

❖ 1:00 p.m. Economic Development Commission Chairman John Vincent

10114305 51600 EDC Oper.	\$500	No Change
10114305 EDC Dues & Fees	\$7,640	No Change

➤ Planning CIP Request Fiscal Year 2026/2027 \$75,000

Plan of Conservation & Development (POCD) \$75,000

The cost to hire a third party consultant to assist with updating the Plan of Conservation & Development (POCD) and the Affordable Housing Plan (AFP) was estimated to cost \$150,000. This would be funded over two budget cycles (FY 26/27 ; \$75,000 & FY 27/28 \$75,000 = \$150,000)

The Planning & Zoning Commission would prepare a Request for Proposals/Qualifications (RFP/RF) to retain a third-party Consultant to update Ledyard’s Plan of Conservation & Development (POCD) and Affordable Housing Plan (AFP). Municipalities were legally required to update the Plan of Conservation & Development POCD and Affordable Housing Plans (AHP) every ten years. Ledyard’s POCD was last updated in 2020 by the Planning & Zoning Commission Members; however, all sections were not updated with the goal of beginning early and updating the POCD in its entirety with the next update. The cost to hire a Consultant for a town with similar demographics in Southeastern CT was \$150,000. If approved a Request for Proposals/Request for Qualifications (RFP/RFQ) would solicit bids from qualified firms to conduct the work. The successful bidder could implement the goals of the new Plan of Conservation & Development (POCD), or this funding could also support the hiring of other qualified consultants to update same. The process was estimated to start in FY 27 and continue into FY 28, and therefore, the funding request for \$150,000 would be spread over two fiscal years. If the Town does not have an updated Affordable Housing Plan (AFP) and updated Plan of Conservation & Development (POCD) that the State could choose to withhold discretionary grant funding (STEAP, LOTCIP, etc.). With the sweeping changes regarding housing throughout the State of Connecticut that by having the POCD & AHP update in motion and funding in place to do so, it would allow Ledyard to stay ahead of the curve and comply with any changes. The Planning & Zoning Commission was hoping in doing some of the work themselves so they could reduce costs.

Sidewalks Gales Ferry-Design Engineering \$65,000

To hire an engineering firm to design sidewalks in Gales Ferry.

1:00 p.m. Land Use Commissions and Committees:

❖ Account Number	Mayor Proposed	Change from FY 25/26
10114501 IWWC	\$500	No Change
10114507 ZBA	\$530	Increase of \$30 or 6.0%

➤ **Other Land Use Commissions:**

❖ Account Number	Mayor Proposed	Change from FY 25/26
10110107 Cemetery Cmt	\$4,000	Increase of \$2,000 or 100%
10110213 Conservation Com	\$3,575	No Change

12:00 p.m. Mayor Fred Allyn, III

Mayor Allyn stated in accordance with Chapter VII; Section 3 of the Town Charter he submitted his proposed Fiscal Year 2026/2027 to the Town Council on Monday, March 2, 2026 (first Monday in March) in the combined total amount of \$73,810,669 which was an increase of \$3,434,407; or 4.88% over the current year’s budget.

Mayor Allyn addressed the 2025 Property Revaluation that was performed by Vison Appraisal. He stated based on the updated property values that the Equalized Mil Rate was reduced from the current 37.14 to 25.78 mils.

Mayor Allyn continued by noting that the proposed Fiscal Year 2026/2027 Budget included the use of one full mil (approximately \$1.854,535) of value from the Mil Rate Stabilization Fund; and calls for a Mil Rate of 26.67; an approximate mil increase of 0.89 mils for the upcoming Fiscal Year 2026/2027.

Mayor Allyn stated the increases were driven by the following, in order of dollar value magnitude:

- **Healthcare** (BoE and Gen. Gov): \$891,210
 - ✓ General Government: \$1,405,500; an increase of \$282,600
 - ✓ Board of Education: \$6,696,500; an increase of \$626,710
- **Capital Improvements:** \$609,208;
- **Police Overtime:** \$95,350 and
- **Salary Benefit Adjustments:** \$84,341 (4 bargaining units in contract negotiations in FY27).

Mayor Allyn proceeded by noting excluding Healthcare Costs and Capital Improvement Plan (CIP) Budget that the proposed Fiscal Year 2026/2027 Budget was comprised the following:

- General Government: \$20,813,981; an increase of 2.35%; or 28% of total combined budget; and
- Board of Education: \$52,996,688; an increase of 3.63%; or 71.8% of total combined budget

Mayor Allyn explained that he chose to present Healthcare as a separate line item this year because it was not reflective of the tight budgeting his staff has done; and because it represented a cost that was outside their control. He went on to note that beginning with the Fiscal Year 2027/2028 Budget that the Capital Improvement Plan (CIP) Budget would also be presented as a standalone budget.

Chairman St. Vil noted that it seemed the benefit of recording the Healthcare Expenses on both the General Government side of the budget ledger and on the Board of Education side of the budget ledger was to be able to more accurately represent what the expenses were, so when residents were looking at other towns; and our town, they would be able to make that determination. He stated that basically it was an accounting drill. Mayor Allyn stated that he disagreed with Chairman St. Vil stating that it was not just an accounting drill, it was for transparency. Chairman St. Vil questioned whether there was a dollar impact by recording the Healthcare Expenses on one side versus the other side of the budget ledger.

Mayor Allyn noted when the Healthcare was discussed during last year's (fy 25/26) budget preparation that the Superintendent Hartling stated that the Board of Education would have to go out and secure their own healthcare, and that the Town would also secure their own healthcare; instead of staying together in the same Healthcare Program and just recording the expenses on the appropriate side of the budget ledger. Superintendent Hartling stated that if the Healthcare Expense was on the Board of Education's side of the budget ledger then they would have to manage it (Town Council Minutes 3/12/2025). Councilor Buhle noted that Healthcare was a "*Risk Pool*" noting that with more people in the pool the premiums would be less expensive. Chairman St. Vil stated because they did not have any idea of the actual cost if the Healthcare was separated, that it was inconclusive at this point. Therefore, he stated that that he did not think separating it was a wise thing to do.

Mayor Allyn went on to state at this time last year, he expressed concern about having substantial tax increase in the Fiscal Year 2025/2026 (current budget) because it was preceding the 2025 Property Revaluation which would become effective with the Fiscal Year 2026/2027 Budget. He stated that he continued to carry his concerns regarding affordability forward into the upcoming fiscal year (fy 26/27), noting that the 2025 Property Revaluation dramatically increased residential values (though in-line with the market and on the conservative side), while commercial and industrial values have fallen flat since the COVID-19 Pandemic. He explained that it equated to a "built-in" tax increase for their residents, as residential property owners would absorb the reduction in values from the commercial/industrial segment. He stated that Ledyard's Median Property tax was about \$6,010; or more than \$508 per month.

Mayor Allyn went on to note that the 2025 Property Revaluation and projection of 0.89 mil increase would significantly impact the affordability for their residents as recorded in the United Way 2025 "*ALICE Report*" which showed Ledyard with 29% of their residents below the ALICE Threshold; which was down from the 31% reported from prior year. He stated although this seemed to be a positive improvement; that the United Way data trailed by two-years, so the 2025 report used 2023 data. He noted another issue with their data was that the monthly housing cost for a family of four was stated at \$1,701; however this figure presumed to include all utilities. If this singular figure were

updated to reflect existing housing and utility costs, the ALICE report would be worse than it was. He explained that the ALICE acronym stands for “*Asset Limited Income Constrained and Employed*”. He stated these vulnerable residents, which was nearly one third of their residents, would need to make difficult decisions regarding mortgages/rents, heating, electricity and food, among other necessities. He also noted that a proposed mil rate of 26.67 would have a high likelihood of increasing the ALICE numbers in their town.

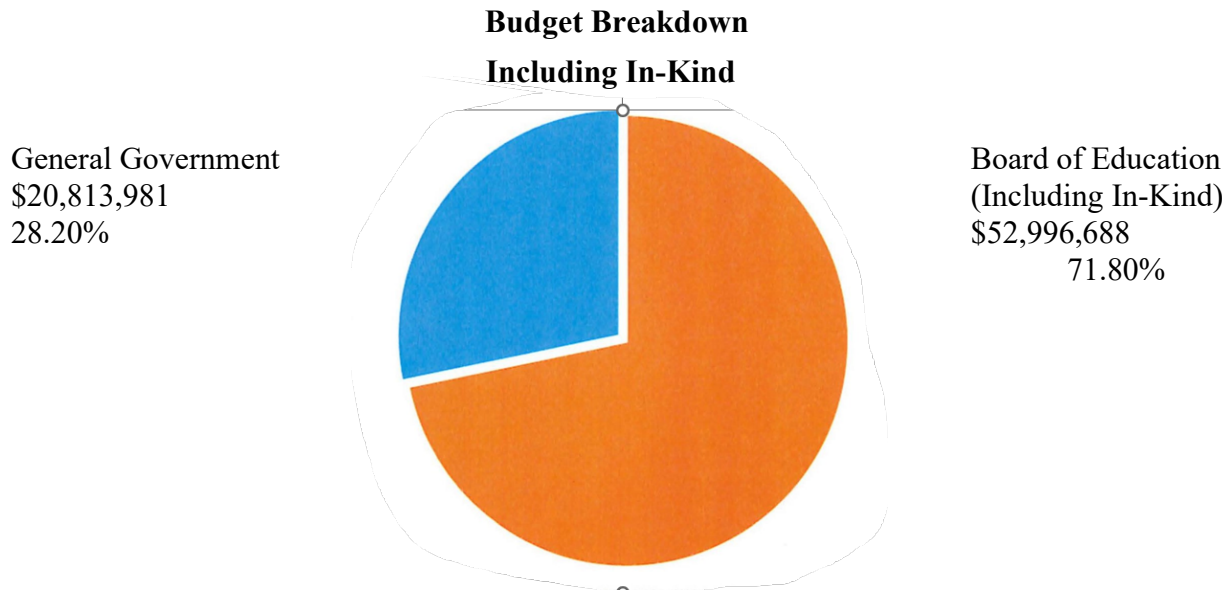
Mayor Allyn continued to explain the General Government side of the budget ledger would continue to include \$11,064,353 of “*In-Kind*” Board of Education expenses for the following: Workers Compensation, Social Security, Property Insurance, Liability and General Liability Insurance, Public Official Liability, School Nurses, and School Health Aides. He stated all of the insurances would continue to flow through the town, as would the Principal and Interest for the School Projects that have been bonded.

Board of Education In-Kinds Paid by General Government
Fiscal Year 2026-2027 (Projected)

Description	Gross Expense	BOE Share %	Total BOE Amount
Director of Finance	136,990	20.00%	27,398
Assistant Finance Director	75,755	20.00%	15,151
Treasurer	20,138	20.00%	4,028
School Nurses Salary	342,080	100.00%	342,080
School Nurses Aides	84,895	100.00%	84,895
School Nurse- Admin Wages	50,801	100.00%	50,801
School Nurse - Other Wages	23,100	100.00%	23,100
School Nurses Operating	300	100.00%	300
School Nurses - Training	1,200	100.00%	1,200
Defined Contribution Employer Contr School Nurses	18,680	100.00%	18,680
Employer Contr to Health Ins--School Nurses	99,704	100.00%	99,704
In-lieu of healthcare payment for school nurses	9,000	100.00%	9,000
Police Officer -- DARE Program	10,000	100.00%	10,000
Employer Contr Health Ins--BOE	0	100.00%	6,696,500
Retiree Health - BOE	525,000	100.00%	525,000
Workers' Compensation, BOE	313,200	100.00%	313,200

Description	Gross Expense	BOE Share %	Total BOE Amount
Social Security for in-kind salaries	557,453	7.65%	42,645
Property Insurance, BOE	90,150	100.00%	90,150
School Leaders Liability Insurance	16,200	100.00%	16,200
General Liability	174,000	50.00%	87,000
Public Officials Liability	44,000	50.00%	22,000
Cyber Coverage	35,100	50.00%	17,550
Defined Contribution Employer Contr BOE Employees	55,000	100.00%	55,000
Financial Software	70,000	50.00%	35,000
Debt P&R on School Buildings	2,171,271	100.00%	2,171,271
Capital	306,500	100.00%	306,500
Total In-Kind Education Expenses included in the General Government Budget			\$11,064,353

Mayor Allyn went on to explain that the School Nurses and School Health Aides expenses were once again included in the General Government budget for the final year of the contract. With the closure of Ledyard VNA, Ledyard was no longer in the nursing business at which time, nurses/ aides would be included in the Board of Education budget for Fiscal Year 2027/2028. This department represents roughly \$600,000 in annual expense that currently resides within the General Government budget ledger. .



Mayor Allyn addressed Revenues, noting Ledyard’s total Net Grand List value was \$1.86 billion, which was substantially lower than their peer communities of East Lyme at \$2.81 billion, Stonington at \$4.2 billion, and Waterford at \$4.44 billion. He stated while Ledyard often benchmarked their Grand List (tax base) to their Southeastern Connecticut peers, it

was also important to note their populations compared to Ledyard, per the 2020 US Census as follows: Stonington 18,347 +226%; East Lyme 18,385 +51.6%; and Waterford 19,603 +241%. He stated these communities Grand List values also had a 10% higher median household income than Ledyard (ability to pay). He noted that he did not include Montville or Colchester's data because Montville obtained an extension of time from the State to complete their Property Revaluation; and Colchester would be starting their Property Revaluation shortly.

Mayor Allyn stated Ledyard's Grand List growth has lagged for many years; explaining that Growth Stagnation is and has been their Achilles Heel for many decades; since large scale growth in the 1960's that was the result of shipbuilding. He stated that Grand List growth would allow for a more even distribution of the tax burden, as taxes were spread across Industrial, Commercial and Residential segments. He stated that each of the town's Grand Lists as noted above had a far greater proportion of Commercial/industrial valuations, lessening the tax burden on their residential homeowners.

Mayor Allyn noted that Ledyard's Grand List increased by a collective 42.21% after the 2025 Property Revaluation. He stated while residential real estate segments increased dramatically with the overall real estate valuations up 50.74%, that tax exemptions also increased substantially by 107.71%; explaining that one key driver to this challenging budget was a tax collection decrease as the result of the State of Connecticut's Veterans Exemption Bill (PA 24-45). He stated while this was a well-intentioned piece of Legislation, it came in the form of another unfunded mandate; which was one of more than 1,400 in Connecticut, and amounted to a net tax revenue loss of more than \$1,000,000, based on \$28,312,300 in currently exempt assessed value (based on prior revaluation). In addition, Ledyard's Commercial and Industrial valuations remained flat, further impacting taxation explaining that the loss would be absorbed by the other segments. He also reported that the Motor Vehicles values increase by 6.13%, while exemptions for the same increased by 43.66%. However, they were hopeful that Raised House Bil #5407 would be approved, and the State would reimburse Municipalities 100% for the loss of tax revenues.

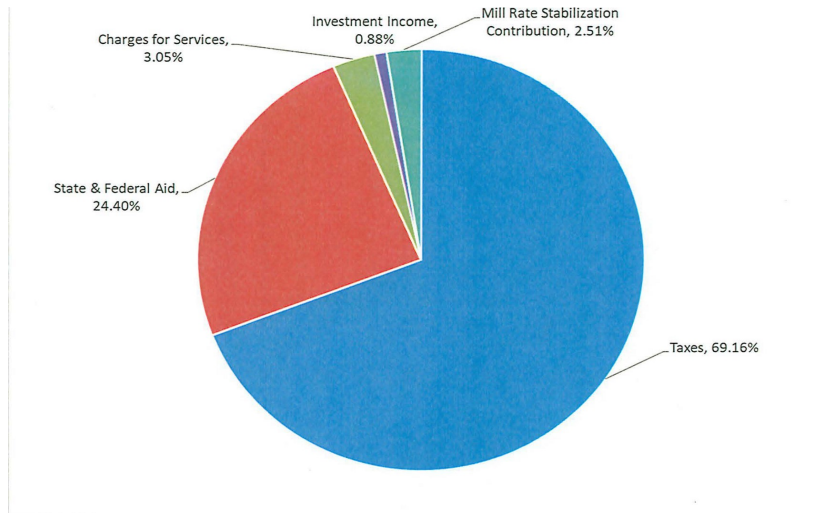
Mayor Allyn explained that the State of Connecticut model was a regressive, tax heavy funding model; noting the following:

- Property and Motor Vehicle Tax being the largest source of revenue to support Municipal functions.
- Federal and State Aid that was primarily for education was their second largest revenue source.

Mayor Allyn noted that the State Budget was currently in negotiations; however; he stated early indications point to another year of level funding, which translates as a reduction in funding to municipalities, due to inflationary pressures and increased costs for fuels, insurance, wages and electricity.

Mayor Allyn stated *Investment Income* from Reserve Accounts continues to generate positive income due to the current interest rate environment, and the interest funds were used to help mitigate cost increases. However, he stated that interest rates were subject to change.

Proposed Fiscal Year 2026/2027 Revenues



Mayor Allyn stated over time, Ledyard has maintained a lean Fund Balance (aka "Rainy Day Fund"). Fund Balance currently sits at 7.43% of their total annual projected operating expenses. They do not utilize Fund Balance in this proposed budget; explaining that the May 23, 2018, Fund Balance Policy called for an increase in Fund Balance to 10% by 2037. He explained that maintaining an adequate Fund Balance was a key determinant in long-term borrowing (Capital Projects such as Schools, Roofs, Police Department).

Mayor Allyn proceeded by presenting an overview of proposed Budget as follows:

Proposed Fiscal Year 2026/2027 Budget Summary (General Government and Board of Education)

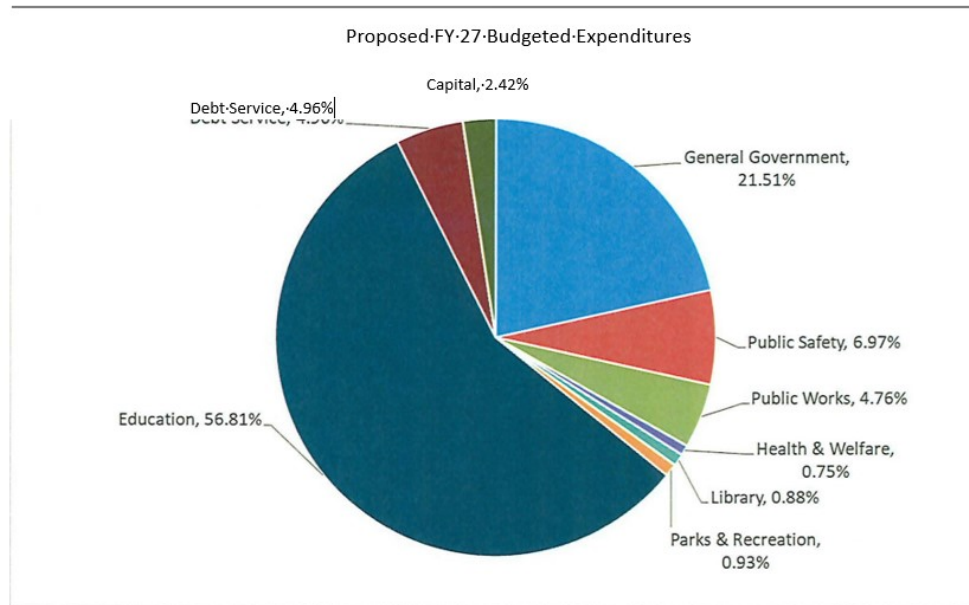
- Fiscal Year 2026/2027 proposed combined budget total amount was in the total amount of \$73,811,669 which was an increase of \$3,434,407 or 4.88% over the current year's budget.
 - General Government: \$20,813,981; an increase of 2.35% (0.22 mills); or 28% of total combined budget (Not including Healthcare Costs or Capital);
 - Board of Education: \$52,996,688; an increase of 3.63% (0.79 mills); or 71.8% of total combined budget) (Not including Healthcare Costs or Capital);
 - Overall Healthcare costs increased by 10.43%, or \$891,210 (0.48 mills);
 - The proposed contribution to fund Town-Wide Capital increased by 51.73% or \$609,208 (0.22 mills).

Proposed Budget Overview:

Mayor Allyn stated the Fiscal Year 2026/2027 Expenses were made up of the following:

Description	Revised FY 25/26	Proposed FY 26/27	Increase Decrease	% Change
General Government	14,745,171	15,876,497	1,131,326	7.67%
Public Safety	4,948,901	5,141,010	192,109	3.88%
Public Works	3,371,286	3,516,761	145,475	4.32%
Health & Welfare	512,490	550,188	37,698	7.36%
Library	641,958	652,651	10,693	1.67%
Parks & Recreation	668,985	689,999	21,014	3.14%
Education	40,462,242	41,932,335	1,470,093	3.63%
Debt Service	3,847,450	3,664,241	(183,209)	(4.76%)
Capital	1,177,779	1,786,987	609,208	51.73%
TOTALS	\$70,376,262	\$3,434,407	\$3,434,407	4.88%

Mayor Allyn stated the Fiscal Year 2026/2027 Expenses were made up of the following:



Mayor Allyn noted the General Government continues tight management of their expenses, seeking reductions where possible, noting that regionalizing efforts with the Tax Assessor and Public Works Mechanic (to Preston) have been positive. In addition, Ledyard also purchased a new street sweeper with their neighbors in Preston to save money and to share the expense of a less used machine; noting that the town continues to work toward Department consolidations, noting combining the Tax Assessor's Office with the Tax Collector's Office was working well. He also noted the Land Use Department has continued to use Cloudpermit, the online Building and Zoning Permit Platform to make the permitting process more streamlined for the consumer, completing applications remotely at any hour/day, while streamlining the permit tracking for Town staff has been working well. He stated the Town continues to seek additional regional opportunities, while also recognizing few new opportunities exist for continued General Government consolidation and savings, short of a return to some level of County Government. The Connecticut taxation model was outdated, unsustainable, regressive, and proves overly burdensome to taxpayers. Per US News & World Report "*Best States Rankings 2025*", Connecticut ranks as the 10th most expensive state to live, after Arizona and Oregon. In New England, only Massachusetts was cited to be more expensive.

Mayor Allyn note the following:

Top Departments by Expense (excluding fringe benefits)

- ✓ Police /ACO/ Dispatch: \$4,135,251 (2.21 mills)
- ✓ Public Works (including trash contract): \$3,516,761 (1.89 mills)
- ✓ Fire/Ambulance Services: \$1,005,759 (0.54 mills)
- ✓ Parks and Rec / Sr. Center: \$689,999 (0.37 mills)
- ✓ Libraries: \$652,651 (0.35 mills)

• Fiscal Year 2026/2027 Budget increases:

Mayor Allyn provided an overview of the General Government increases that were greater than 5% as follows:

- Employee Expenses an increase of \$996,268 or 8.9% included the following:
 - ✓ Healthcare for Board of Education and General Government (combined increase \$891,210)
 - ✓ Salary Benefit Adjustment (up \$84,341 – Four Bargaining Units in Negotiations in FY27)
- Capital Improvement Plan an increase of \$609,208 or 51.7% included the following:
 - ✓ Fire Apparatus an increase of \$384,305
 - ✓ Heavy Equipment / Large Trucks an increase of \$275,000,
 - ✓ Building Capital needs an increase of \$100,000; and
 - ✓ Technology upgrades an increase of \$139,675.
- Town Council an increase of \$72,840; or 33.2% included the following:
 - ✓ Added Grant Writer (new \$30,000)
 - ✓ Special Counsel- increase of \$30,000 (Federal Indian matters)
 - ✓ Audit Services increase of \$10,000 (contract increase).

- Tipping Fees an increase of \$50,000 or 10.6%

Mayor Allyn stated in reviewing budget percentage increases was not the whole story explaining that some large percentage increase may be a low dollar amount that would result in a increase that appeared to be high because it was a small budget such as the Historic Districts Commission's \$3,439 increase was a 19.4% increase.

- **Employee Expenses**

- ✓ **Wages and Staffing** - Mayor Allyn addressed General Government staffing levels, explaining that most Departments located within the Town Hall remain very lean, with most departments operating with 1.85 FTE's staffed with one or two employees; with the exception of the following: Finance Department, Land Use Department, Police Department with 35 employees including the Emergency Dispatch personnel, and the Animal Control Officer (ACO); as well as the Public Works Department with 18 full-time employees including the Public Works Director.

Mayor Allyn stated that he has also requested that the Mayor's Salary be increased by 8.2% which was effectively a 2% annualized increase. He noted in accordance with the Connecticut Constitutional Amendment of 1982, "*Legislative bodies may authorize a salary increase once during the term of an elected official if (a) the term is four years or longer and (b) the official has served at least two years of that term.*" He explained that if the Mayor's Salary increase was approved with the Fiscal Year 2026/2027 Budget that it would remain fixed for the first two-years of the next Mayor's term, before that individual could seek an increase. He stated there were no annual increases, cost of living adjustments, or other compensation the Mayor's Salary. He addressed the importance to increase for the Mayor's Salary to attract future qualified candidates to serve as the Town's Chief Elected Official.

- **Defined Contribution Retirement Plan** \$630,000 (Town Match) an increase of \$15,000; or 2.42%. Mayor Allyn stated the Defined Benefit Plan was closed in 2013. He noted that the Defined Contribution Plan was gaining steam with employee enrollment in the Plan and to save for retirement. The increase represented an increase in the employer funding match, and also takes into consideration negotiated contracts that require employee participation at some minimum level, noting that the contractual obligations for the different unions ranged between 6% and 12%. He stated as the town had more people that are moving off of the Defined Benefit Plan; the new staff hired would be participating in the Defined Contribution Plan.

Mayor Allyn went on to explain in reviewing the Town's Retirement Plan, that Ledyard's 90.07% funded rate was considered one of the best in the State. He stated that this continued to be positive news for both our retirees and our taxpayers and a clear indication that the town was managing their legacy costs properly and the allocated funds were being managed well by the private sector. For perspective, the State of Connecticut has \$33.6 billion of unfunded pension and retiree healthcare obligations outstanding (highest per capita liability in nation, while Ledyard has \$4.2 million outstanding and a conservative assumed rate of return of 6.25%. Ledyard was expected to be fully funded in the next 5-7 fiscal years, while the State expects the same in Fiscal Year 2048. He noted that the State of Connecticut remains in the bottom five states in the Nation in terms of funded pension levels.

- **The Defined Benefit Plan** \$750,000 an increase of \$10,000; or 1.4%. Mayor Allyn explained that the Defined Benefit Plan closed to new enrollees in 2013. He stated this year's allocation was slightly above the amount that was recommended by the Actuary.
- **Salary Benefit Adjustment** \$110,000 an increase of \$84,341 or 328.7% Mayor Allyn stated in the upcoming fiscal year (26/27) the Town had four Collective Bargaining Units that would be negotiated.
- **Healthcare General Government** \$1,405,500; an increase of \$282,600 or 25.2%.
- **Healthcare Board of Education** \$6,696,500; an increase of \$626,710 or 10.3%. Mayor Allyn noted as he addressed earlier this afternoon the Board of Education Healthcare and the General Government Healthcare were being presented separately from the General Government Operating Budget.

- **Capital Improvement Plan (CIP)**

Mayor Allyn provided an overview of the Capital Improvement Plan stating that it included Department's requests totaling \$6,237,286. He noted that he reduced the Department's CIP request by \$358,860 for a proposed CIP in the amount of \$5,878,426 which would require a tax levy of \$1,786,987; noting that this was the second highest tax levy for Capital Projects in the last nine years. The Town's Capital Plan included Board of Education Bondable projects and potential Grant funded projects.



- **Reserve Funds** – Mayor Allyn stated the proposed budget included tax-levied cash set-asides for some facilities maintenance and for the acquisition of new fire apparatus and other large-scale purchases, meaning that some maintenance and future acquisitions of high value equipment would require some level of borrowing. He stated that he began

implementing this type of funding model in the during the fiscal year (fy 20/21). He stated the modification was to provide for the many competing demands for the town’s limited municipal resources, including annual road restorations, equipment, vehicles, facility needs, etc.

Mayor Allyn provided an overview of the Capital Improvement Plan Funding Sources as follows:

Taxes	(22.23%)	\$1,786,987
LoCIP	(2.24%)	\$ 182,572
Town Aid Road (TAR)	(3.65%)	\$ 394,282
Municipal Aid Grant	(5.36%)	\$ 421,085
Conveyance	(2.27%)	\$ 137,000
Transfer in from Other Fund	(61.58%)	\$2,956,500
TOTAL		\$5,878,426

Mayor Allyn noted the CIP included the following:

- **Critical Needs**

- \$77,175 - Planned technology replacements
- \$100,000 – General Government Building Reserve Rund
- \$197,131- Road Maintenance
- \$900,000 Road Improvements/Restoration
- Vehicles and equipment and life safety equipment.
 - ✓ \$44,360 -Replacement of one Police Cruisers
 - ✓ \$384,305 - Emergency Service Apparatus
- Board of Education Projects (see below)

- **Road Restoration**

The Town Road Surface Rating (RSR) issued by Consultant, BETA Engineering, sees that Ledyard’s RSR has remained consistent at 85.96 (on a 100-point scale) which was the best road ratings Ledyard has seen. Per the RSR Plan, Ledyard needed to invest \$1 million annually to road restoration to maintain a RSR between 83-85. Mayor Allyn explained that the proposed Fiscal Year 2026/2027 Budget funds road restoration at \$900,000 — funding which was the same level of funding as the current fiscal year (fy 25/26). He stated determining Ledyard's comfort level in a road rating range was important, with the underlying premise that 90 -100 was neither feasible, nor financially practical. He stated in consulting with Public Works Director Steve Masalin, that the recommendation was to continue the current trajectory, with an annual rating of 83 or better, which they believed would represent an ideal rating for the Town of Ledyard. According to BETA Engineering, Ledyard boasts one of the best road ratings in the area. This budget funds Road Restoration at \$900,000 with \$99,202 coming from local tax dollars.

- **Police Cruiser Replacement**

The plan also recommended the replacement of one police cruisers, which was down from previous years in which the town replaced two police cruisers. Mayor Allyn explained an internal Policy that was implemented several years ago would keep the cruisers on the road with milage up-to and including 130,000 (previously disposed of cruisers at or near 100,000 miles). The total cost to acquire and outfit each new cruiser today was slightly more than \$43,360.

- **Board of Education Capital Improvement Projects include:**

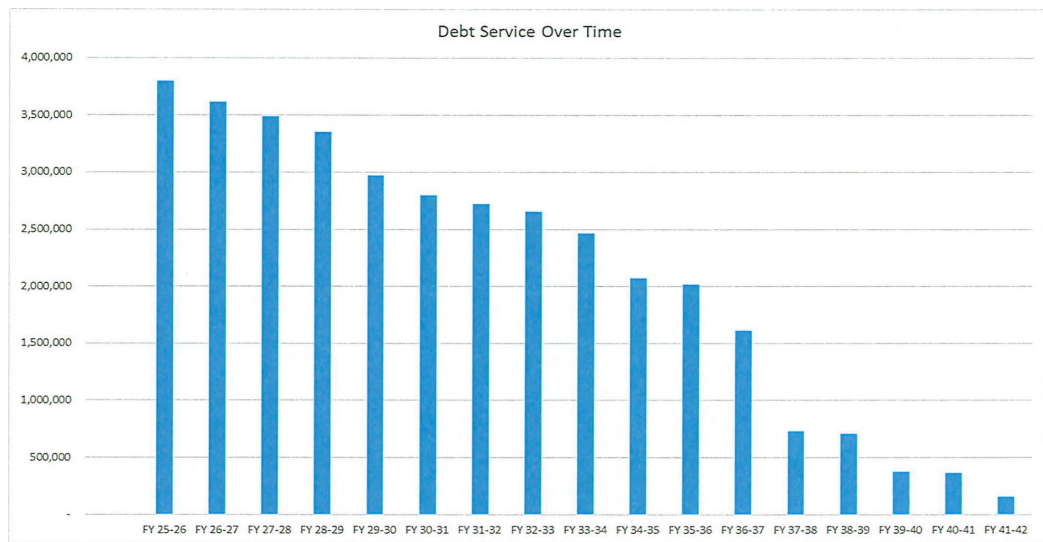
- \$600,000 - Ledyard Middle School Cafeteria Expansion
- \$140,000 - Juliet W. Long Classroom renovations
- \$140,000 – District wide HVAC Maintenance
- \$70,000 – Replacement of one Pick-up Truck- Central Office

Mayor Allyn noted the Fiscal Year 2026/2027 Budget Booklet included a list of all of the Capital Projects and their expenditures.

- **Debt Service**

Mayor Allyn explained that Debt Service repays borrowed funds (debt issued). He stated that the town’s current outstanding debt was for the following projects: Ledyard Middle School, Gallup Hill School, Ledyard Police Station, and Clean Water Funds for water main extensions.

Mayor Allyn went on to explain the Total Debt Service for Fiscal Year 2026/2027 required \$3,664,241 which represents a decrease of \$183,209; or -4.89 from the current fiscal year (fy25/26).



- **Mil Rate**

Mayor Allyn stated the proposed Fiscal Year 2026/2026 Budget assumes a 26.67 mil rate which represented a \$3,434,407 dollar increase and a 0.89 mil increase over the current year (fy 25/26). He stated the Budget as proposed, required the use of multiple financial tools to assist in offsetting increased costs, including the Mil Rate Stabilization Fund (\$1,854,535).

One Mil of Taxes = \$1,854,535

To increase or decrease the mil rate by one tenth of a mil (0.10) requires either new revenue of \$185,535; OR reduced spending by \$185,535.

Reduce Budget by	Reduce Mil Rate
\$1,000,000	0.54
\$ 750,000	0.41
\$ 500,000	0.27
\$ 250,000	0.14
\$ 185,000	0.10
\$ 100,000	0.06
\$ 50,000	0.03
\$ 25,000	0.015

Mayor Allyn concluded his presentation by noting the Fiscal Year 2026/2027 would be final year of the State's biennial budget. He explained that mid-cycle budget adjustments may occur in the legislature but that it was too soon to know the effect. He stated that Fiscal guardrails prevent additional funding to municipalities without removal of other programs; noting that the State has level funded Municipalities for six straight years despite continued inflationary pressures, although inflation was easing. He stated that he would continue to track legislation and how it may impact Ledyard, particularly with regard to the 1,400 unfunded mandates. He noted recent examples of such unfunded mandates included the 100% Permanently and Totally Disabled Veterans' 100% Tax Exemption, Early Voting; and MS-4 Stormwater Monitoring. He noted collectively, these three unfunded mandates cost Ledyard roughly \$1,250,000.

Mayor Allyn stated in seeking the most efficient local government for Ledyard, that he would continually ask "*What is the role of local government? What must we provide, what could we provide; and what should be provided by others?*" In doing so, he works to continue to refine what local government must provide their residents in an effort to mitigate some of the cost burden to all residents. He stated the Town-wide Trash /Recycling Collection was a continuing example of what purchasing power can do for their residents.

Mayor Allyn deferred to Town Staff to review their Department's Budget Proposals.

2:45 p.m. Mayor's Office

Mayor Allyn introduced Executive Assistant Jessica Michaud, noting that she joined the Town Hall staff on February 24, 2026.

Department 10110201- Mayor's Office

Mayor proposed \$214,952; an increase of \$2,322 or 1.1% over the Fiscal Year 2025/2026 budget.

The Mayor's Executive Assistant and Office Assistant hours were increased to take on additional responsibilities and duties regarding administrative work for the Public Works Department.

Department 1011023 – Administrative Support

Mayor proposed \$127,300 and increase of \$800, or 0.6% over from the Fiscal Year 2025/2026 budget.

Department 10110205 – Legal Services (Town Attorney)

Mayor proposed \$20,000; a no change from the Fiscal Year 2025/2026 budget.

Department 10110209 – Property Insurance (Liability Insurance) –

Mayor proposed \$572,250; an decrease of \$8,875 or -1.5% from the Fiscal Year 2025/2026 budget.

10110211 Health District – Mayor proposed \$125,451; an increase of 3.9% over the Fiscal Year 2025/2026 budget.

10110207 Probate - Mayor proposed \$10,000; no change from Fiscal Year 2025/2026 budget.

➤ ***Mayor's Office No Capital Improvement Requests Fiscal Year 2026/2027***

3:15 p.m. Finance Department – Finance Director Matthew Bonin

❖ **Department 1011201 – Finance Office – Finance Director Matthew Bonin**

Mayor proposed \$556,795 a decrease of \$4,305 or -0.80% from the Fiscal Year 2025/2026 budget.

➤ ***Finance Department No CIP Requests Fiscal Year 2026/2027***

❖ **Department 10112111 – Assessors Office – Finance Director Matthew Bonin**

Mayor proposed \$189,508; an increase of \$2,545 or 1.4% over the Fiscal Year 2025/2026 budget.

➤ ***Assessor Capital Improvement Plan Requests – Finance Director Matthew Bonin***

Revaluation \$50,000

Revaluation of real property was required by state statute to be conducted every five years. The last revaluation was effective October 1, 2025. Allocate \$50,000 in sinking fund for the 2030 Revaluation.

Total Assessor's Office CIP Fiscal Year 2026/2027 **\$30,000**

❖ **Department 10112131 - Tax Collector – Finance Director Matthew Bonin**

Mayor proposed \$163,222; an increase of \$1,919 or 1.2% over the Fiscal Year 2025/2026 budget.

➤ **Tax Collector's Office No Capital Improvement Requests Fiscal Year 2026/2027**

3:30 p.m. Human Resources – Administrator of Human Resources Christine Dais

Department 10110251 Human Resources

Mayor proposed \$132,736 decrease of \$7,064 5.1% from the Fiscal Year 2025/2026 budget.

Employee Expenses Department 10110253 – Administrator of Human Resources Christine Dais

Mayor proposed \$12,215,100; an increase \$7,064 or 8.9 over the Fiscal Year 2025/2026 budget.

- Account #10110253-52000 (General Government Healthcare) \$1,405,500 an increase of \$282,600 or 25.2% over the Fiscal Year 2025/2026.

Mayor Allyn noted as he explained earlier this afternoon the Board of Education's Healthcare costs and Board of Education Retirees Healthcare costs have been returned to the Board of Education's side of the ledger. However, he stated that these expenses were part of the overall budget.

- Account 10110253-52100 (BOE Healthcare) \$6,696,500; an increase of \$626,710 or 10 % over the Fiscal Year 2025/2026.
- Account 10110253-52106 (BOE Retiree Healthcare) \$525,000; no change from the Fiscal Year 2025/2026.
- Defined Contribution Plan \$630,00; an increase of \$15,000 or 2.4% over the Fiscal Year 2025/2026 Budget. (Account #10110253-53210). Ms. Dias stated this represented the funding for the employer's match. She stated with the closing of the Defined Benefit Plan in 2013 that negotiated contracts require employee participation at some minimum level in the Defined Contribution Plan as employees plan and save for retirement. Therefore, she stated that they would continue to see the Town's contribution increase going forward, noting that some employees were contributing up to 12% of their salary.

➤ **Human Resources Dept. No CIP Requests Fiscal Year 2026/2027**

3:45 p.m. Public Works/Town Engineer Steve Masalin

Public Works Director Department -Administration 10140101 –

Mayor proposed \$233,701; an increase of \$9,701 or 4.5% over the Fiscal Year 2025/2026 budget.

Highway Department 10140103 –

Mayor proposed \$1,310,089; an increase of \$40,555 or 3.2% over the Fiscal Year 2025/2026 budget.

Vehicle Maintenance Department 10140105 –

Mayor proposed \$380,471; an increase of \$10,177 or 2.7% over the Fiscal Year 2025/2026 budget.

Road Upkeep Department; 10140107

Mayor proposed \$169,800; an increase of 14,692 or 9.5% over the Fiscal Year 2025/2026 budget.

Property Maintenance of Town Buildings Department 10140111 –

Mayor proposed \$89,500 an increase of \$950; or 1.1% over the Fiscal Year 2025/2026 budget.

This budget provides for critical building improvements

Sanitation Department 10140113 –

Mayor proposed \$1,343,200; an increase of \$69,400 or 5.48% over the Fiscal Year 2025/2026 budget.

➤ **Public Works Requests – Public Works Director Steve Masalin**

Heavy Equipment Reserve Fund **\$85,000**
This account needed to be funded annually to meet long-term replacement needs in accordance with the equipment replacement plan. Funds were appropriated at a rate necessary to meet the anticipated future refitting and/or replacement.

Large Truck Reserve Account **\$190,000**
This account needed to be funded annually to meet long-term replacement needs of the large dump truck fleet. Originally, funding was sought to meet a 15-year replacement cycle for each of the trucks in the fleet.

Light Equipment Reserve Fund **\$18,000**
This account funds long-term requirements in accordance with minor equipment upgrade and replacement needs. This involved a large variety of light/small equipment assets.

Small Truck Reserve Fund **\$42,500**
This account needed to be funded annually to meet long-term replacement needs in accordance with the equipment replacement plan. A combination of internal reassignments of assets and new purchases continue to be undertaken to efficiently utilize the fleet.

Pooled Vehicle Reserve fund **\$15,000**
This account needs to be funded annually to meet long-term replacement needs in accordance with the equipment replacement plan. The State of Connecticut has privatized its sale of surplus vehicles and items, which has severely curtailed the town’s ability to obtain lightly used vehicles at a low cost.

Beverage Container Surcharge-Street Sweeper **\$12,000**
This account needs to be funded annually to meet long-term replacement needs in accordance with the equipment replacement plan. Funds are appropriated at a rate necessary to meet the anticipated future refitting and/or replacement of the Department’s sweeper.

Ledyard has entered into an Memorandum of Agreement (MOA) to partner with the Town of Preston to purchase a sweeper to meet the needs of both towns. Capital funds for this purchase will substantially come from the “Nip” fund revenues. In out years, the Town would set aside reserve funding in an amount, coupled with the “Nip” revenues and Preston contribution, to purchase a new sweeper outright when replacement would be due.

Municipal Building Reserve Fund	\$100,000
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This fund provides for ongoing capital level renovations and life-cycle maintenance for the Town's non-BOE municipal buildings. Maintenance and renovations were based on a combination of factors, including facility age, inconsistent capital investment and normal maintenance needs.

Road Maintenance	\$197,141
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Road maintenance for routine repairs, etc., funding to come from Town Aid Road (TAR) Grant funding

Road Restoration Fund	\$900,000
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Road restoration, reconstruction and resurfacing was programmed through a systemic plan derived through a comprehensive assessment and evaluation of the condition of all Town roads. From 1988 to 2008, the source of funding for this program was through bonding. Currently the town has a Road Surface Rating (RSR) 85.6 based on a scale of 100, which was reasonable. To continue to maintain the roads at 83-85, which was a reasonable level \$1,000,000 annually was required.

Whitford Brook Watershed	\$2,800,000
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Repair and/or replacement of several road and dam infrastructure components in the Whitford Brook Watershed along Lantern Hill Road.

This capital project has grown beyond the replacement of the bridge over Whitford Brook at the Ledyard-Stonington Town Line to include repairs to dams and culverts associated with Long and Bush Ponds. The replacement needs for the bridge have been longstanding, but efforts to secure adequate funding through a coordinated effort with Stonington have been unsuccessful. At the same time, inadequacies at the Long and Buch Pond discharges have emerged as more pressing as seen in the results of the March 2010 flooding event.

As a result of a successful effort to secure funding from the State, a special grant of \$3M was earmarked to meet a broad range of these needs. Additionally, a Local Bridge Program Grant has been secured for the bridge in the of 50% of replacement costs.

Parallel efforts are in motion for bridge construction on one hand and design of dam and related culverts at Long and Bush Ponds. The ultimate construction for these components is dependent on securing additional funding in excess of \$7 million.

Total Public Works	CIP Fiscal Year 2026/2027	\$4,359,641
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4:40 p.m. Budget Work

During the work sessions the Finance Committee asked questions about line items in each category on the agenda. The Committee also explained to each Department that should there be any changes in State Revenues proposed by the Governor's Budget, that they may want to meet again with the Finance Committee to offer alternatives, suggestions and recommendations as the Finance Committee works to put forward a recommended Fiscal Year 2026/2027 Budget.

The Finance Committee also noted during their review of the information provided by the Departments today that they were pleased to see that Department Heads worked to off-set General Government contractual increases with reductions in other expenses and to continue find efficiencies year after year; and found their "*Excellence Gap*" suggestions to be thoughtful.

IV. ADJOURNMENT

The Fiscal Year 2026/2027 Budget Work Session adjourned at 4:45 p.m.

Respectfully submitted,

Jessica Buhle.
Committee Chairman
Finance Committee