



# CITIZENS' GUIDE

## to the 2025-2026 East Haddam Town Budget

### MESSAGE FROM THE BOARD OF FINANCE

#### Dear East Haddam Citizens:

Following the unsuccessful May 27th Budget Referendum, the Board of Finance, in partnership with the Board of Selectmen and Board of Education, have worked to revise the budget while addressing resident concerns and economic challenges.

#### Key Budget Challenges:

- Decrease in Grand List: The State of Connecticut's shift from National Automobile Dealers Association (NADA) to Manufacturer Suggested Retail Price (MSRP) for vehicle valuations led to a \$17.2 million decrease in the motor vehicle portion of the grand list.
- Increases in Real Estate and Personal Property valuations only offset part of this loss, resulting in a net decrease of \$8.5 million.
- A declining grand list negatively impacts the mill rate and limits revenue growth.

At the June 9th Regular Meeting, the Board of Finance made several key adjustments to the proposed FY2025-2026 budget, focusing on reducing the financial impact on taxpayers while maintaining essential services.

#### Debt Service Savings

The Town of East Haddam successfully closed on a new bond package to permanently finance previously approved capital projects, including: Elementary School Envelope, Athletic Complex, Elementary School HVAC, High School Chiller and the Kronberg Property. Thanks to competitive interest rates and the Town's bond rating, the Town was able to use bond premiums to cover a portion of the first year's interest payment. This strategic move reduced the Debt Service budget by \$232,178 for the 2025-2026 fiscal year.

#### Additional Revenue from the State

With the adoption of the State of Connecticut's budget, East Haddam will receive an additional \$187,591 in Intergovernmental Revenue. This increase comes from: Town Aid Roads (TAR) and Education Cost Sharing (ECS). These funds provide meaningful relief to local taxpayers by offsetting municipal and education expenses.

#### Further Budget Reductions

In response to community input and a commitment to fiscal responsibility, the Board of Finance reduced the Board of Selectmen's budget by an additional \$50,000. No further reductions were proposed to the Board of Education budget. These changes were made after extensive deliberation, with the goal of balancing financial constraints and the need to support core town services.

#### Board of Finance Proposes Revised Budget

In response to resident feedback gathered during public meetings and through exit poll surveys, the Board of Finance has revised and finalized a proposed FY2025-2026 budget of \$44,258,614, representing an 8.8% increase over the current fiscal year.

The proposed mill rate is 28.06, an increase of 1.30 mills compared to last year. This adjustment reflects the need to maintain essential services despite economic challenges.

#### Your Voice Matters -Participate in the Budget Process

The Board of Finance strongly encourages all East Haddam residents to participate in the remaining FY2026 budget meetings—either in person or virtually via YouTube. Public involvement is essential to ensuring the budget reflects the priorities and needs of our community. All meetings are open to the public and include opportunities for public comment. The Town's website remains the best source for meeting schedules, agendas, and YouTube access links.

We encourage you to join us for the **Public Hearing on Tuesday, June 24, 2025** at 7 pm at the Nathan Hale-Ray High School. The Public Hearing will also be broadcasted via YouTube live.

The **Town Meeting** will be held on **Tuesday, July 8, 2025** at 8 pm at the Municipal Office Complex.

The **Referendum** is scheduled for **Tuesday, July 22, 2025** at the Municipal Office Complex. The Referendum start time will be determined at the Town Meeting and the end time is 8 pm.

For those unable to attend in person, to express your comments, concerns, and to ask questions, please email us prior to or during the hearing and meeting at [budget.questions@easthaddam.org](mailto:budget.questions@easthaddam.org).

We look forward to hearing from you.

Todd Gelston, Chairman

#### Members of the Board of Finance:

William Barney, Secretary  
Joseph Corbett  
Maureen Goff  
Eric Kolasinski  
Harvey Thomas



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### ESTIMATED EXPENDITURES SUMMARY

Description	2023-2024 Actual (unaudited)	2024-2025 Adopted Budget	2025-2026	
			Proposed Budget	\$ Change
General Government	\$ 3,027,547	\$ 3,468,697	\$ 3,819,276	\$ 350,579
Public Safety	1,386,976	1,677,482	1,892,411	214,929
Public Works	2,470,712	2,777,088	2,945,887	168,799
Health and Welfare	561,401	578,942	598,890	19,948
Culture and Recreation	773,741	821,423	953,530	132,107
Debt Service	2,830,488	2,644,713	3,058,401	413,688
Fringe Benefits	1,243,725	1,557,067	1,515,431	(41,636)
<b>Total Town Government</b>	<b>12,294,590</b>	<b>13,525,412</b>	<b>14,783,826</b>	<b>1,258,414</b>
Education	22,643,016	23,998,220	25,451,627	1,453,407
Transfers to Capital Reserves and Projects	2,041,125	3,149,283	4,023,161	873,878
<b>Grand Total Expenditures</b>	<b>\$ 36,978,731</b>	<b>\$ 40,672,915</b>	<b>\$ 44,258,614</b>	<b>\$ 3,585,699</b>

### ESTIMATED REVENUES SUMMARY

Description	2023-2024 Actual (unaudited)	2024-2025 Adopted Budget	2025-2026	
			Proposed Budget	\$ Change
Taxes, Interest, Penalties and Fee Revenue	\$ 31,139,526	\$ 32,293,601	\$ 33,718,038	\$ 1,424,438
Intergovernmental Agencies	4,255,277	4,060,430	4,060,679	249
Investment and Interest Income	269,716	95,000	100,000	5,000
Local Revenues	1,035,972	932,049	945,268	13,219
Transfers in/Other Funding Sources	647,542	1,778,585	3,261,485	1,482,900
Transfer in from Reserves for Debt Service	1,405,100	1,513,250	2,173,144	659,894
<b>Grand Total Revenues</b>	<b>\$ 38,753,133</b>	<b>\$ 40,672,915</b>	<b>\$ 44,258,614</b>	<b>\$ 3,585,699</b>

## The Mill Rate

A tax mill is the number that, when applied to the value of taxable property, distributes the tax burden among the town's owners of real estate, vehicles and personal property. The mill rate is calculated by dividing the total amount of required taxes by 1/1,000th of the net taxable Grand List.



Required Taxes (budgeted expenditures less all other budgeted revenue sources) .....	\$33,519,638
October 1, 2024 net taxable Grand List (adjusted for uncollected taxes) .....	\$1,190,802,955
1/1,000th of net taxable Grand List (to calculate mill rate) .....	\$1,190,803
Mill Rate=Required Taxes divided by 1/1,000th of Grand List .....	28.06
Current Mill Rate .....	26.76
Mill Rate Increase .....	1.30