



# Fiscal Year 2027 Budget Presentation

Dan Cunningham  
First Selectman

# FY 2025-26 Budget Initiatives – Review

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- ▶ **Fire Service**
  - ▶ Hiring 12<sup>th</sup> Firefighter (July 1, 2025)
  - ▶ Hiring 13<sup>th</sup> Firefighter (January 1, 2026)
  - ▶ Department Plan: 18 Firefighters (6 FF per shift – 2 per station)
- ▶ **Increasing cash capital**
  - ▶ Balancing current debt service vs. cash capital
  - ▶ \$902k last year, proposing \$1.35 million this year
  - ▶ Working towards goal of ~\$2 million in cash capital annually
- ▶ **Emphasis on maintaining buildings, vehicles and other assets**
- ▶ **Prioritizing Wants vs. Needs**

# FY 2026-27 Budget Initiatives

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- ▶ Fire Service – Expanding the Service – 3 Fire Stations
  - ▶ Hiring 3 Firefighters (July 1, 2026)
  - ▶ Hiring 3 Firefighters (January 1, 2027)
  - ▶ Department Plan: 18 Firefighters (6 FF per shift – 2 per station)
- ▶ Police – Increasing Staffing – 1.5 FTE Officers (1 July & 1 Jan)
- ▶ Increasing cash capital, reduce reliance on debt
  - ▶ Working towards goal of ~\$2-4 million in cash capital annually
- ▶ Emphasis on maintaining buildings, vehicles and other assets
- ▶ IT Infrastructure Investments
  - ▶ Dark Fiber
  - ▶ Growing IT threats, attacks, reliance on technology

# Operating Budget

Town of East Lyme General Fund Budget Summary Fiscal Year 2026-27		FISCAL YEAR 2026-27			
		FISCAL YEAR 2026 REVISED BUDGET	PROPOSED BUDGET	\$ Change from FY26	% Change from FY26
<b>OPERATING BUDGET BREAKDOWN</b>					
<b>EXPENDITURES</b>					
Town Operations					
General Govt	\$ 9,524,641	\$ 12,128,728	2,479,370	27.34%	
Public Safety	\$ 7,179,866	\$ 7,808,646	636,717	8.76%	
Public Works	\$ 5,510,590	\$ 5,768,996	339,676	4.69%	
Health and Human Services	\$ 752,676	\$ 769,697	23,559	2.26%	
Culture and Recreation	\$ 2,244,669	\$ 2,356,309	140,613	4.97%	
<b>Total Town Operations</b>	<b>\$ 25,212,442</b>	<b>\$ 28,832,376</b>	<b>3,619,934</b>	<b>14.36%</b>	
Board of Education Operations	\$ 63,232,400	\$ 67,528,793	4,296,393	6.79%	
Debt Service	\$ 7,214,093	\$ 7,676,467	462,374	6.41%	
Cash Capital	\$ 998,851	\$ 1,055,571	56,720	5.68%	
<b>TOTAL EXPENDITURES</b>	<b>\$ 96,657,786</b>	<b>\$ 105,093,207</b>	<b>\$ 8,435,421</b>	<b>8.73%</b>	

# Operating Budget - Revenues

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Town of East Lyme  
 General Fund Budget Summary - REVENUES  
 Fiscal Year 2026-27

Object	Description	FY2026	FY2027 Proposed	\$ Change from FY26	% Change from FY26
41	Tax Collections	\$ 79,893,266	\$ 88,228,221	\$ 8,334,956	10.43%
42	Licenses and Permits	\$ 910,400	\$ 912,200	\$ 1,800	0.20%
43	Intergovernmental Revenues	\$ 11,755,224	\$ 11,722,382	\$ (32,842)	-0.28%
44	Charges for Services	\$ 1,470,300	\$ 1,489,300	\$ 19,000	1.29%
45	Fines and Assessments	\$ 13,010	\$ 15,000	\$ 1,990	15.30%
46	Investment Earnings	\$ 1,200,000	\$ 1,420,000	\$ 220,000	18.33%
47	Rents and Royalties	\$ -	\$ 85,404	\$ 85,404	#DIV/0!
48	Other Revenues	\$ 195,587	\$ 160,700	\$ (34,887)	-17.84%
49	Other Financing Sources	\$ 1,220,000	\$ 1,060,000	\$ (160,000)	-13.11%
<b>TOTAL REVENUE</b>		<b>\$ 96,657,786</b>	<b>\$ 105,093,207</b>	<b>\$ 8,435,421</b>	<b>8.73%</b>

# Revenue - Highlights

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- ▶ Tuition Revenue – Decreased ~\$200,000
- ▶ Moved Youth Service Grants to Grant Fund
- ▶ Reduced “Other Financing Sources”
  - ▶ No proposed OTI’s from other funds
  - ▶ No use of bond premiums proposed
- ▶ Increasing Investment/Interest Earnings
  - ▶ May have to revisit with more research

# Operating Budget – Expenditures

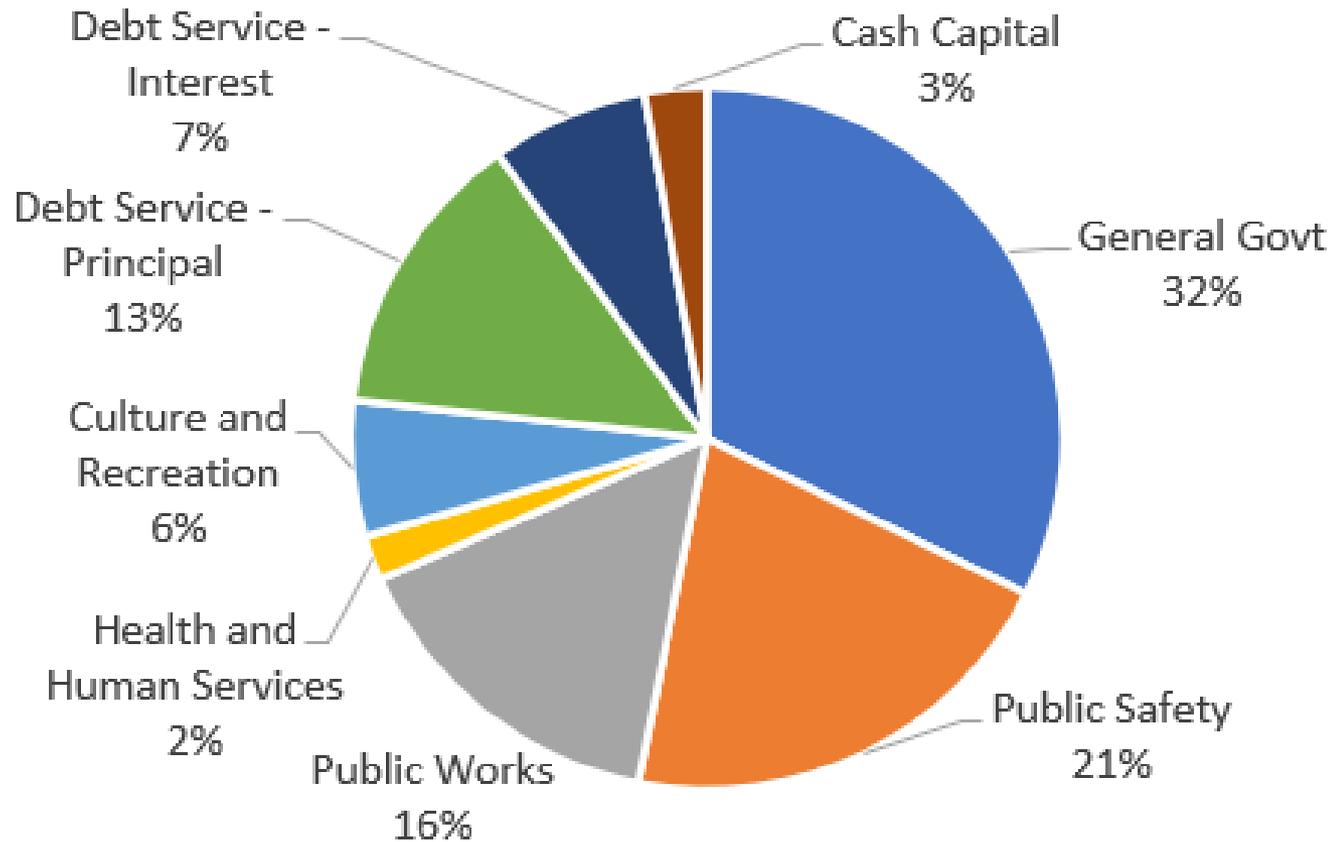
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Description	FY2026	FY2027 Proposed	\$ Change from FY26	% Change from FY26
General Government	\$ 9,524,641	\$ 12,128,728	\$ 2,604,087	27.34%
Public Safety	\$ 7,179,866	\$ 7,808,646	\$ 628,780	8.76%
Public Works	\$ 5,510,590	\$ 5,768,996	\$ 258,406	4.69%
Health and Human Services	\$ 752,676	\$ 769,697	\$ 17,021	2.26%
Culture and Recreation	\$ 2,244,669	\$ 2,356,309	\$ 111,640	4.97%
Education	\$ 63,232,400	\$ 67,528,793	\$ 4,296,393	6.79%
Debt Service	\$ 7,214,093	\$ 7,676,467	\$ 462,374	6.41%
Capital (Cash)	\$ 998,851.00	\$ 1,055,571	\$ 56,720	5.68%
<b>Total Operating Budget</b>	<b>\$ 96,657,786</b>	<b>\$ 105,093,207</b>	<b>\$ 8,435,421</b>	<b>8.73%</b>

# Town Operation Budget Increase By Dept

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## Town Operating Budget Breakdown by Function



# Drivers of Town Operations Budget

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- ▶ Increased IT Expenses (Computers, subscriptions, etc).
  - ▶ Increased software costs (ADP, Axon, Adobe, Microsoft, etc.)
- ▶ Hiring of 4.5 FTE career firefighters (3 July 1<sup>st</sup> and 3 Jan. 1)
- ▶ Hiring 1.5 FTE Police Officers
- ▶ Increased Pension Contribution
  - ▶ Projecting \$1.25 million next year
- ▶ Increased Health Insurance 15%
- ▶ Inflationary pressures continue to plague operating budget
  - ▶ Collaboration between Town Dept's to create synergies and efficiencies to better serve our residents

# Grand List Finalized

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	<b>2025</b>	<b>2024</b>	<b>NET</b>	<b>%</b>
<b>REAL ESTATE</b>	\$2,566,397,638	\$2,547,376,508	\$19,021,130	0.7467
<b>MOTOR VEHICLES</b>	\$209,584,500	\$198,632,380	\$10,952,120	5.5138
<b>PERSONAL PROPERTY</b>	\$90,824,700	\$88,838,716	\$1,985,984	2.235
<b>TOTAL</b>	<b>\$2,866,806,838</b>	<b>\$2,834,847,604</b>	<b>\$31,959,234</b>	<b>1.1274</b>

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NET TAXABLE GRAND LIST INCREASE 1.1274%



# Impact on Mill Rate

<b>Calculation of Mill Rate</b>					
Grand List Total					
Value of One Mill	\$	2,866,881	\$	32,034	1.13%
Collection Rate		99.00%	\$	-	0.00%
Estimated Delinquency	\$	(28,669)	\$	(320)	1.13%
Collection Rate for One Mill	\$	2,838,214	\$	31,713	1.13%
Collected Tax Receipts	\$	86,978,221	\$	8,434,956	10.74%
Add Elderly Tax Relief (Estimated)	\$	57,030	\$	-	0.00%
Required Levy	\$	87,035,251	\$	8,434,956	10.73%
		<b>Proposed Mill Rate</b>	<b>Mill Increase</b>	<b>Mill Increase %</b>	
<b>MILL RATE</b>		<b>30.67</b>	<b>2.66</b>	<b>9.50%</b>	

# Impact on East Lyme Households

## Town of East Lyme

### ESTIMATED TAX CALCULATION FOR RESIDENTIAL AND COMMERCIAL PROPERTIES

#### FY 2026-27 PROPOSED OPERATING BUDGET

Property Values	Assessed (70% of Value)	Property Taxes (Mill Rate)		YoY Increase	Monthly Increase
		28.01 FY 2025-26	30.67 FY 2026-27		
\$ 50,000	\$ 35,000	\$ 980	\$ 1,073	\$ 93	\$ 8
\$ 100,000	\$ 70,000	\$ 1,961	\$ 2,147	\$ 186	\$ 16
\$ 150,000	\$ 105,000	\$ 2,941	\$ 3,220	\$ 279	\$ 23
\$ 200,000	\$ 140,000	\$ 3,921	\$ 4,294	\$ 372	\$ 31
\$ 250,000	\$ 175,000	\$ 4,902	\$ 5,367	\$ 466	\$ 39
\$ 300,000	\$ 210,000	\$ 5,882	\$ 6,441	\$ 559	\$ 47
\$ 350,000	\$ 245,000	\$ 6,862	\$ 7,514	\$ 652	\$ 54
\$ 400,000	\$ 280,000	\$ 7,843	\$ 8,588	\$ 745	\$ 62
\$ 450,000	\$ 315,000	\$ 8,823	\$ 9,661	\$ 838	\$ 70
\$ 500,000	\$ 350,000	\$ 9,804	\$ 10,735	\$ 931	\$ 78
\$ 600,000	\$ 420,000	\$ 11,764	\$ 12,881	\$ 1,117	\$ 93
\$ 750,000	\$ 525,000	\$ 14,705	\$ 16,102	\$ 1,397	\$ 116
\$ 800,000	\$ 560,000	\$ 15,686	\$ 17,175	\$ 1,490	\$ 124
\$ 1,000,000	\$ 700,000	\$ 19,607	\$ 21,469	\$ 1,862	\$ 155
\$ 2,000,000	\$ 1,400,000	\$ 39,214	\$ 42,938	\$ 3,724	\$ 310
\$ 3,000,000	\$ 2,100,000	\$ 58,821	\$ 64,407	\$ 5,586	\$ 466
\$ 4,000,000	\$ 2,800,000	\$ 78,428	\$ 85,876	\$ 7,448	\$ 621
\$ 5,000,000	\$ 3,500,000	\$ 98,035	\$ 107,345	\$ 9,310	\$ 776
\$ 10,000,000	\$ 7,000,000	\$ 196,070	\$ 214,690	\$ 18,620	\$ 1,552

# Capital Projects

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## FY2027 Capital Projects Request Summary

	<u>Dept Requested CIP Committee</u>	
General Government	\$ 2,573,001	\$ 2,037,000
Public Safety	\$ 1,113,100	\$ 944,100
Public Works	\$ 2,808,500	\$ 2,173,500
Culture and Recreation	\$ 2,986,000	\$ 322,000
Education	\$ 2,259,120	\$ 1,523,120
	<b>\$ 11,739,721</b>	<b>\$ 6,999,720</b>
		\$ (4,740,001)

# For more Budget Details...

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- ▶ See the link below for more budget information

[Budget - Fiscal Year 2026-2027 - Town of East Lyme](#)