



Mayor Mark A. Lauretti, City of Shelton
Fiscal Year 2026-2027 Budget Presentation to the
Board of Aldermen
And
Board of Apportionment and Taxation
Thursday, March 19, 2026 at 5:30 p.m.

Call to Order/Pledge of Allegiance

Mayor Lauretti called the Special Meeting of the Board of Aldermen and Board of Apportionment and Taxation to order at 5 p.m. in the auditorium at Shelton City Hall. All those present stood and pledged allegiance to the Flag of the United States of America.

Roll Call

Board of Aldermen

Alderman John F. Anglace, Jr., President – Present via Zoom
Alderman Bernard Simons, Vice President – Present via Zoom
Alderman Lorenzo Durante – Present
Alderman Porter McKinnon– Absent
Alderman Anthony Simonetti– Present
Alderman Benjamin Perry – Present
Alderman Bryan Lizotte – Present
Alderman Michael Duncan – Present

Board of Apportionment and Taxation

John Boyko, Chair – Present
John A. Belden – Present
Wayne Bragg – Present
Joanna Carloni – Present
Greta Jacobsen – Absent
Anthony SanMiguel – Absent

Administration

Mayor Mark A. Lauretti
Frances Teodosio, Corporation Counsel – Present
Thomas Cotter, Assistant Corporation Counsel – Present
Kellie Vazzano, Administrative Assistant to the Mayor – Present
Frances Freer, Administrative Assistant to the Mayor – Present

1. Presentation of the budget for Fiscal Year 2026-2027 to the Board of Aldermen and the Board of Apportionment and Taxation.

Mayor Mark A. Lauretti
City of Shelton
Fiscal Year 2026-2027 Budget Presentation to the Members of
The Board of Aldermen and Board of Apportionment and Taxation

Good evening members of the Board of Aldermen, Members of the Board of Apportionment and Taxation, members of the press, members of the public. This afternoon will mark my 35th budget presentation. I have to tell you, as I stand here today, it was never a plan and I never thought that I would be here so many years later making this presentation. I must say that over the years we have developed a consistency in the way we do business, particularly on the City-side. That will be reflected again in this year's budget. I would suggest to the members here that most of the department heads on the City-side just reflect modest increases, if any, mainly due to contractual obligations to our employees. There are some cost of living increases, but not much, that are built in here. With that, we have been able to maintain a very strong financial position. In fact, I think it is fair to say that we have become the envy of this State in terms of our mill rate, the consistency and the growth that has taken place here.

Shelton is a different place than it was back in 1991 when I was first elected. We were an old industrial, blue collar City and today that no longer exists. Even the remnants of what our past looked like down along the river are gone. We see continued growth of mixed use development, apartments and commercial opportunities, a real rebirth that took off about ten years ago and we spent 20 years trying to get downtown in motion and now that we have it has been a real positive force economically for the City. When you take an area that is really void of any significant tax dollars and now it has become a major contributor, that is something to be very proud of. When we had our first main project that sat alongside the Derby/Shelton Bridge, coming into Shelton and was the old corset factory, they were paying about \$4,000 a year in taxes. Today it is up over \$400,000. The rest is just history. There was a project right next to it, the old asphalt plant that was bought by private development, they remediated it and put up a residential apartment building and then they sold it for \$63,000,000 and the price has done nothing but grow since then. This is the type of growth we are experiencing and it has been very positive.

Our debt is extremely low and we can say that we would retire all our debt in two years, but then we have some smaller notes that members of the Board of Aldermen know exists and by way of this year we purchased two new fire trucks and put a roof on Mohegan School. These are all things that need to be done on a regular basis. I told people that the business to the City never ends. There is always a road to repair, always a building to fix, always a roof to put on. You name it. There are upgrades and changing times reflect that. Even those notes are very short and will be retired in four years. I mention this because it is significant in the fact that if you look at us in terms of how long we have to pay off our debt, usually five or ten years, opposed to other people that go 20, 25, or 30 and you know the cost of the principal. I have been involved in the opposition to the Aquarion purchase that is being forced through the legislature now – it is a \$2.4 million purchase by Regional Water Authority, but the debt service is 40 years. By the time they are done it is a \$6 billion payoff that the repayors have to pay. There is quite a contract when you do five year notes and everybody else does 25 year notes. Consequently, we have been able to do a lot of projects over the years and fund them. When we built the Intermediate School, we did a ten year note for \$42 million. Most municipalities would do 25 or 30. We did ten. That school is long paid for.

As I mentioned before, this is a year of revaluation and residential properties have led the way to a very robust expansion of our Grand List, which grew over 38%, almost unheard of and I am not sure that anybody else in the State of Connecticut can say that their Grand List grew by 38%. We can. When I was first elected in 1991 our Grand List was just under \$1 billion; today it is over \$8 billion and the trend really isn't going to stop because the die has been cast. People are seeking out Shelton in big numbers. I think everybody is seeing the proliferation of apartment buildings and residential buildings and subdivisions that are popping up everywhere. You know that is going to continue. When you are a commodity that people want, this is what happens. This is why I said earlier that we are changed. We are no longer that old blue collar industrial City that some of us grew up in and some of us remember. We have rebranded ourselves. I have to say that a large amount of it has to do with the number of corporations that have come to town. With those corporations they bring an awful lot of resources and take next to nothing out in the way of services. We have prospered from that. I will often hear when I got to Mayor's meetings around the State, Mayor Lauretti you took my company. Everything is fair game. While it is true, I don't make much of it, but I know in the back of my mind that is the goal. That has always been a goal for me, to get these companies to come here, stay here, to grow and expand here and that has happened. The next major heavy weight in Connecticut is Bigelow Tea. Some of you have seen the construction going on up on Constitution Boulevard North and while it has been a very tough winter to construct in, the State of Connecticut has not been easy in terms of delivering the grant monies that they have. We are grateful for the Governor's involvement and recognition of Shelton's success and the importance of that road, but that is about just under 80 acres of development that has been zoned for a manufacturing corporate park, led the way by Bigelow Tea. People think that they downplay some of these manufacturers, but in this day and age it is the number of jobs that come along with it and with all of those jobs, even if they do not live here, they will spend money here. They will spend money in downtown, they will spend money on Bridgeport Avenue. That is significant. The personal property that exists in these factories is

not insignificant anymore; it is in the millions of dollars because most of it is automated. When the government becomes punitive to employers, this is where American ingenuity takes a role. We have been fortunate here in Shelton to have an active manufacturers community that has bolstered our Robotics Program that has gotten National and International recognition over the years that this Board has supported and I support and will continue to do that because I think it is important to do that when you are getting results and getting success to continue to feed it. I mentioned some of the areas in town, but I don't want to leave out the fact that the growth along the Housatonic River is significant and it is just happening now. It took over 30 years for anybody to discover the beauty of that river, but now everybody wants to be there and for the right reasons because water is magic. That is just as pretty a river that you will find anywhere in the country and maybe the world. These are some of the highlights that we have been able to enjoy our success on.

I want to talk a little bit about education because I think that it is becoming more and more of an ongoing issue and not just here in Shelton, but across the State. Most of this was really created by the legislature because every time they think they are going to fix something, they just cost more people money. They are talking today about making Connecticut affordable, but yet they keep continuing to pass legislation that is just more costly than you could imagine. I want to throw out a few figures for you that you can think about. I went back to 2005-2006 – the enrollment in the school system was 5,767 kids. The budget was \$55 million. Our per pupil cost was just a little over \$9,000. Today, 2025-2026 we have 4,455 kids. It is 1,350 less kids today than in that time frame, 20 years. I will tell you that when I was first elected, our enrollment was close to 6,000 or over 6,000. This is a trend across the State, not just here in Shelton. There was an article recently that talked about the Hartford School System in one year lost 1,000 kids. Of course, they are a much bigger system than we are, but we are down 120 kids in this year. I'll talk more about that in a little bit. Our budget is \$80,800,000. The per pupil cost is \$18,200. You have a per pupil cost that has doubled, has increased. You have a budget that is \$25 million more and you have 1350 less kids. I would also add, too, that we have the same school building footprint that we had in 1991. We haven't gotten rid of any schools and believe me I am not a proponent of that, but I do think that at some point in time we have to ask ourselves what is the cost associated with having this footprint and can we do something different? I know that change is hard to come by, especially in education as it gets very emotional with parents – not so much the kids, but the parents are the ones that get emotional. These are things that really need to be taken into consideration and asked about.

At the end of last year we heard about all the layoffs that were coming because of the budget, it wasn't enough. I did a little research. Between 6/30/25 and 8/31/25 the end of one school year and beginning of another, 29 full-time Board of Ed employees left the district, 22 resignations, 7 retirements. Between 7/1/25 and current to date, there have been hired 44 full-time employees. So much for the layoffs and impact. So that leaves about 15 new full-time positions for this school year that we are in. When you have an increase of that many full-time employees along comes the healthcare costs that don't get talked about until the end. I would tell you that we are in a better place today with healthcare than we were four years ago. I just think it is a reflection of the time and, again, this is not specific to Shelton, this is across the State. At least, on the City-side of the healthcare costs budget we have leveled off and are in very good shape actually. That is not the case with the Board of Education. Again, that is a cost and an issue that is not really in their hands. They cannot control that as you cannot pre-determine when people are going to get sick and how much it is going to cost to get them better. That is the purpose of health insurance. I don't want to downplay the fact that that has become a drag on our system, but it is just one of those costs that we need to understand and you have to look at the trends to see how it has been trending and what it did five years ago, what it is doing today. Believe me we spend a lot of time doing that now. I still continue to believe that being self-insured is the best approach to paying this cost. When you insure something, you are at the mercy of the marketplace. They are going to charge you whatever they want, whatever they can. Just look at crude oil. I chuckle to myself. I see the price of crude oil and crude oil went through the roof before the first bomb in Iran was dropped. Now all that oil was bought six months ago at a different price, but yet why is it jumping at the pump. So, you control things when you can control them. I think that is what we have done. That was one of the compelling reasons that drove me to go with self-insurance on healthcare because you pay the actual cost. Whatever the cost is, we pay it. That decision was

made many years ago. Obamacare was really what precipitated that because we were going to have to pay a \$500,000 fee to be insured, if you can believe that, but that was under Obamacare. I said I'm not doing that, we will just start paying. We have done well over the years. We have had a couple of bad years, and so be it. You have to ride the stuff out and we have. We will get to the place that we need to be.

This concludes what I have to say today about the budget. I want to remind everyone that the budget process will cumulate with its adoption made by the Board of Aldermen. There are some things that are going to change, there are some things that I left blank because we don't know what the State is going to do. The State is always a question mark going into May and June because that is their system and that is how it operates and there is not much you can do about that. Some changes will be made to this budget that I expect and as I always am, I will have a vocal opinion about things because I think it is important. Our finances have really led the way to get us to where we are today.

The budget that I propose for Fiscal Year 2026-2027 based on current revenues and expenditure levels of \$146,537,973 will result in a mill rate of 15.42%.

Thank you for your attention. I wish you well in your deliberations.

Adjournment

John Belden MOVED to adjourn. Seconded by Joanna Carloni.

A voice vote was taken and motion passed unanimously.

Meeting was adjourned at 5:40 p.m.

Respectfully Submitted

Donna Fonda

Donna Fonda
Acting Clerk, Board of Aldermen

DATE APPROVED _____ BY: _____
Mayor Mark A. Lauretti