



April 2, 2025

Ellington's 2025-2026 budget process is underway, with Town Departments and the Board of Education submitting proposals to the Board of Finance on March 12 and 13, respectively. The Board of Finance will publicly discuss the budget on April 8th (Ellington High School Auditorium), April 10th (Town Hall), and if needed, April 15th (Town Hall)—where possible monetary reductions would occur.

Fiscally Sound Local Budgeting Continues

The Town and Board of Education continue prudent budgeting with minimal spending increases. The Board of Education's proposed increase is 2.89% (*state-wide average at 5.5%*), maintaining a decade-long 3% average through innovative [special education cost management](#), with no new positions. The Town's proposed rise is 3.54%, including three new ambulance-related positions; excluding them, the increase drops to 2.07%.

New State Law Shifts Tax Burden From Renters to Property Owners

Starting October 1, 2024, a state law altered municipal motor vehicle assessments, reducing tax revenue and shifting the burden onto property owners. While property owners face higher property taxes to offset lower vehicle tax bills, renters—exempt from property taxes—pay reduced vehicle taxes.

In Ellington, a projected \$906,222 loss in revenue due to changes in the state's vehicle taxation law prompted lawmakers to take emergency action. As a result, the anticipated motor vehicle revenue shortfall for the 2025–2026 fiscal year was reduced to \$341,272. This reduction followed the Ellington Board of Selectmen's adoption of rate adjustments, part of a broader effort to ease the financial impact on 169 municipalities that voluntarily opted into the revised rate structure.

Lack of Revenue & Minimal Spending Increases

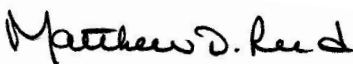
Ellington's Board of Finance has the difficult task of minimizing a tax increase without lessening town and school district services and programs, recognizing proposed minimal spending increases.

Typically, revenue generated through taxes on real estate, personal property, and motor vehicles significantly offsets spending increases. With motor vehicle revenue down \$341,272, combined with real estate and personal property taxes, the overall grand list has decreased by -\$5,459,950 or -0.35%. Whereas the grand list annual average increases usually fall around 1 to 2.5%.

Anticipated Budget Referendum — Tuesday, May 27, 2025

With a [challenging budget process last year](#), in which the Board of Finance made reductions to Town services and increased the cost of its programs, it will be important for Ellington residents to collectively decide how much and for what their hard-earned dollars are spent.

The 2025-2026 budget process and details may be accessed [here](#). Questions may be directed to Town Administrator Matthew Reed (mreed@ellington-ct.gov) and Superintendent of Schools Dr. Scott Nicol (snicol@ellingtonschools.net).


Mr. Matthew Reed
Town Administrator


Dr. Scott Nicol
Superintendent of Schools