

## FY2026 Budget Summary, Talking Points, and Justifications

This year, we are proposing a 2.42% increase to the municipal per capita rate. Major drivers of increased costs that are not funded by grants are:

- a COLA (2.75%) for all employees,
- one Environmental Health staff promotion,
- increasing costs of health insurance (2%) and buyout (\$500 per employee),
- core funding to maintain the cloud-based permit platform (\$18,000), and
- a return to full funding of a PT-Food Service Inspector.

Moderating factors include:

- further belt-tightening of general operations expenses,
- across-the-board reductions to funding of reserves,
- new proposed revenue from investments,
- increased revenue from the Block Grant, and
- increased revenue from Environmental Fees

As in previous years this budget reflects an emphasis on “people over stuff”. One exception to this principle is the need to fund our cloud-based application, payment, and inspection platform – which broadens customer access and improves staff efficiency.

The role public health plays is critically important, in many cases statutorily required, and increasingly complex and burdensome on local health departments. Recent public acts and regulatory changes continue to place increasing demands on our workforce, with no state funding specifically tied to these changes, including:

- PA 22-49 reducing by 3-fold the threshold for local health department lead poisoning investigations. The final threshold reduction takes effect in 2025, and State of Connecticut ARPA funding for local health departments for this work was rescinded.
- PA 23-207 expanding the jurisdiction of DPH over septic systems from 5,000 gpd to 10,000 gpd (previously reviewed, approved, and inspected by DEEP).

Chatham Health District continues to deliver high-quality environmental and community health services to our population. According to our internal performance metrics, we delivered community health services like vaccinations, blood pressure clinics, chronic disease education, and opioid overdose response to over 2,000 residents at over 100 events. We investigated 8 cases of childhood lead poisoning and provided tick testing services to 87 residents. Our environmental health team conducted more than 700 inspections of over 400 annual permit-holding establishments. They reviewed over 400 land use applications and responded to over 100 complaints. These services were done while consistently meeting our turnaround time goal of 7 days for most applications - delivering sound regulatory public health oversight while minimizing delays that can unnecessarily burden local economic activity.

Chatham Health District remains a desirable workplace. We suffered only 1-staff departure and were able to quickly recruit a highly qualified replacement in FY2025. According to our latest workplace wages and benefits survey - policies allowing for flexible work arrangements, fringe benefits that are consistent

with industry standards, and competitive pay all contribute to minimizing staff turnover and maintaining an expert staff capable of delivering critical and high-quality services the public demands. This must continue if we are to maintain our current level of services and meet our growing statutory obligations.

Including both FY2025 and the proposed budget for FY2026, CHD will have requested increases to our per capita rate totaling 2.94% at a time when this two-year total approaches that of annual inflation. This budget reflects a commitment to fiscal restraint and operational efficiency; but also optimistic projections for grant revenue and insurance costs, increased environmental fee generation, creative new revenue streams, and limited use of reserves.