



2026 Annual Town Budget Meeting

Ridgefield, CT

**BOF Chair Comments
Mike Rettger**

May 4, 2026



Topics

1. Key Budget Factors This Year

2. BOF Recommended Operating Budget

3. BOF Recommended Capital Budget

4. Budget Referendum Information

FY 2026-27 Budget – Budget Factors / Considerations

- **Budget Headwinds**
- **Concerns about Budget Growth Trend relative to Inflation Trend**
- **Sustainability and Affordability**

FY 2026-27 Budget – Many Financial Headwinds

Debt Service costs are increasing

- \$8.9M for next year – a 12% increase over FY2026

Investment income is expected to decline with interest rates lower than last year and additional capital budget outlays

- Forecast \$1.35M for FY27 vs projected \$2.2M for FY26

Other non-tax revenue sources are expected to be slightly up – **but these are only a small part of the overall revenue picture**

Grand List Growth is about the same as the last two years – **about 0.8%**

The Special Education expense portion of the BOE budget remains a challenge, even after replacement of most state funding vs last year

FY 2026-27 Budget – Concerns about Growth Trends

Since 2020, the Mill Rate has increased substantially less than inflation over the same period

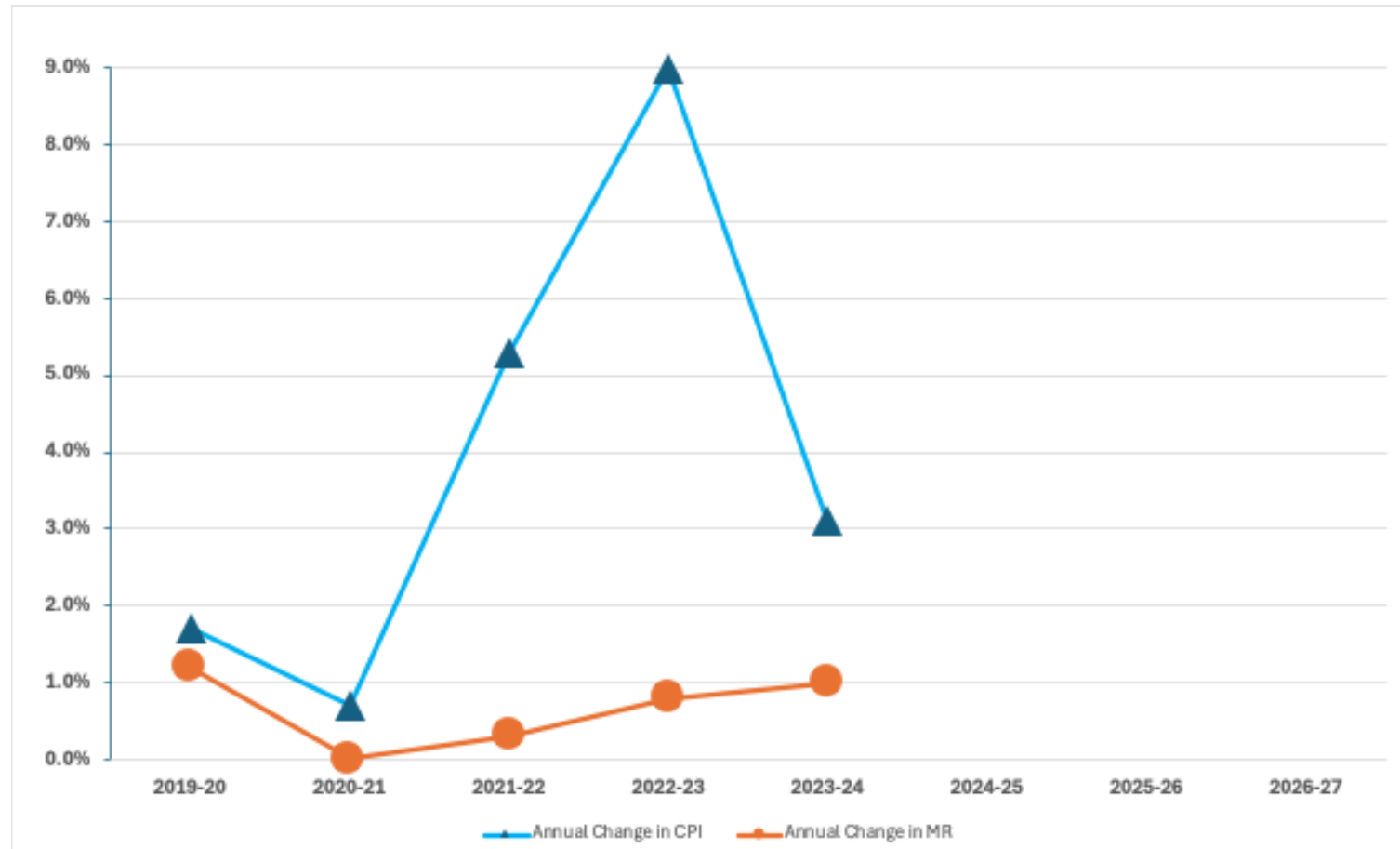
Average Annual Growth 2020 – 2026

Tax Mill Rate	1.3% per year
CPI / General Inflation	3.7% per year

BUT, increases in the tax rate for the past two years have trended in an unfavorable direction...

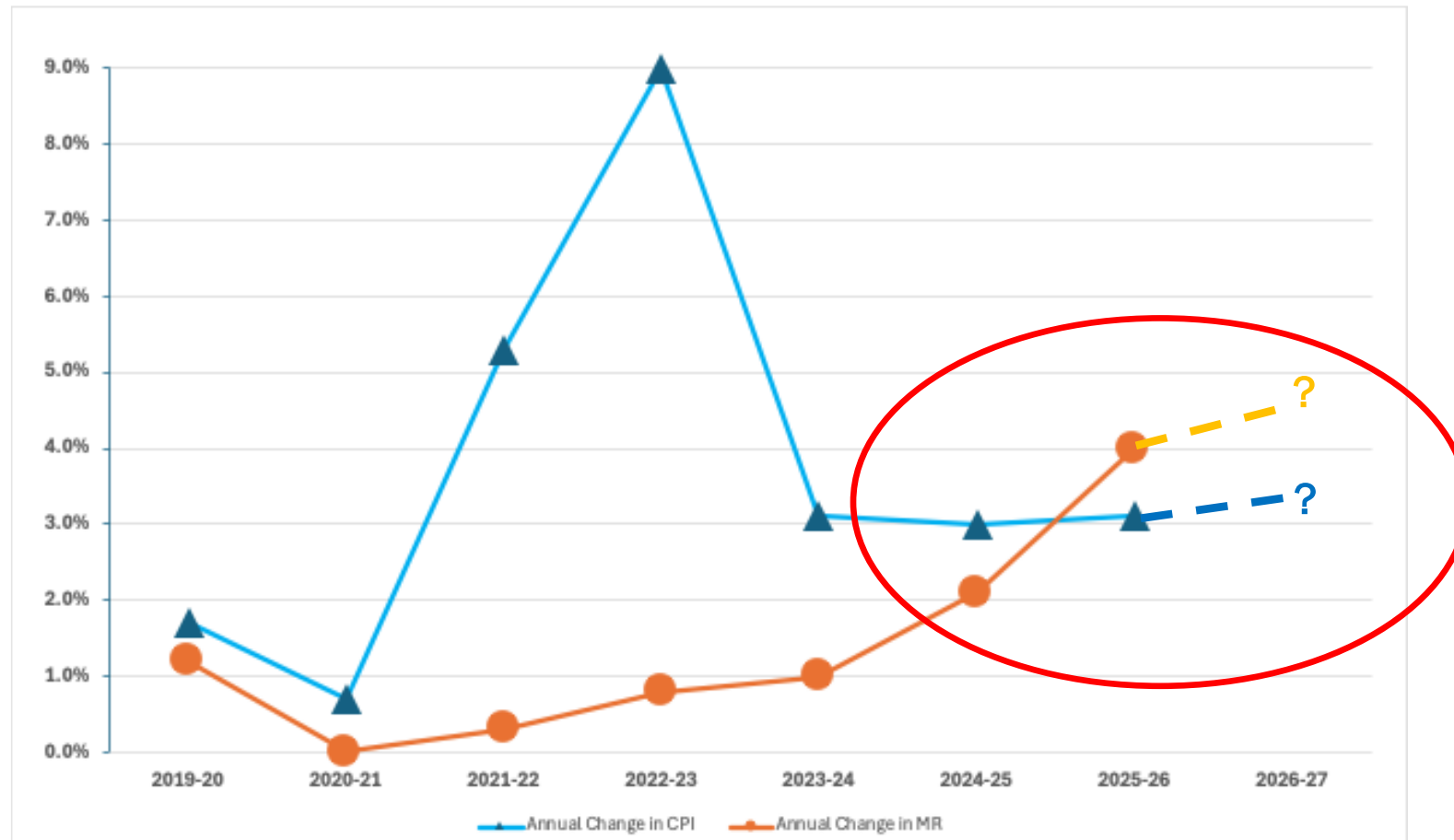
FY 2026-27 Budget – Concerns about Growth Trends

Annual Change in CPI vs Mill Rate



FY 2026-27 Budget – Concerns about Growth Trends

Annual Change in CPI vs Mill Rate



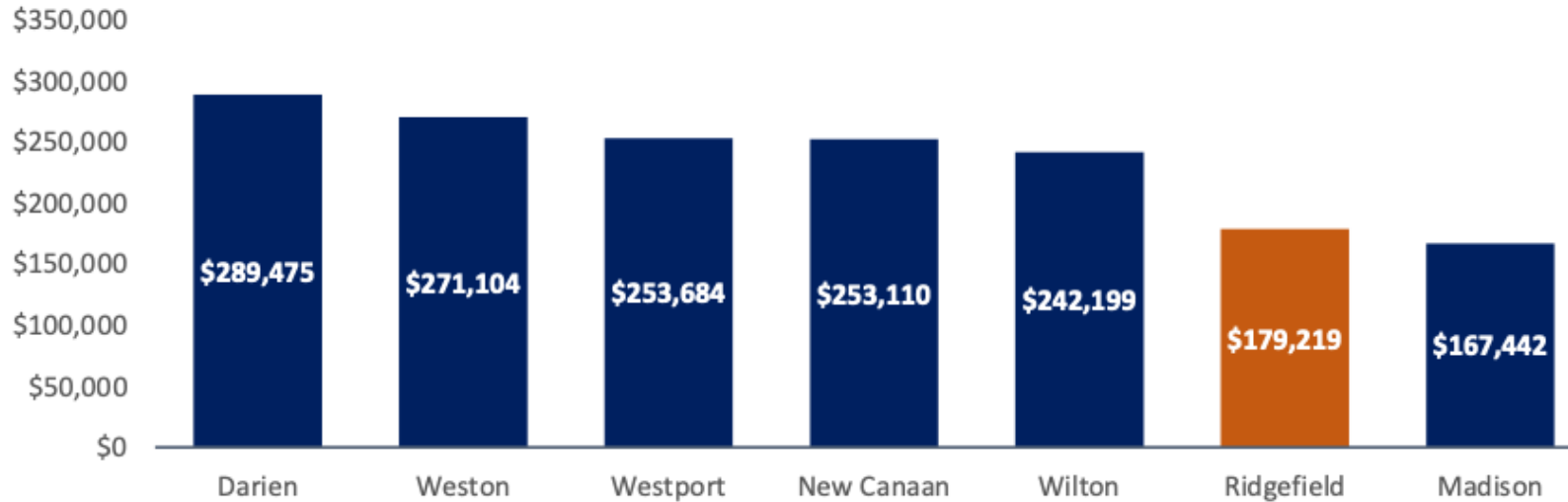
FY 2026-27 Budget – An Income Perspective

Based on some recent research by one of the BOF members, we have seen evidence that

- Ridgefield sits at the lower end of “DRG-A” towns in terms both the level and the rate of growth of median family income per household...

FY 2026-27 Budget – An Income Perspective

Estimated Median Household Income¹
2024 5-Year U.S. Census ACS Survey (Collected 2020-2024)



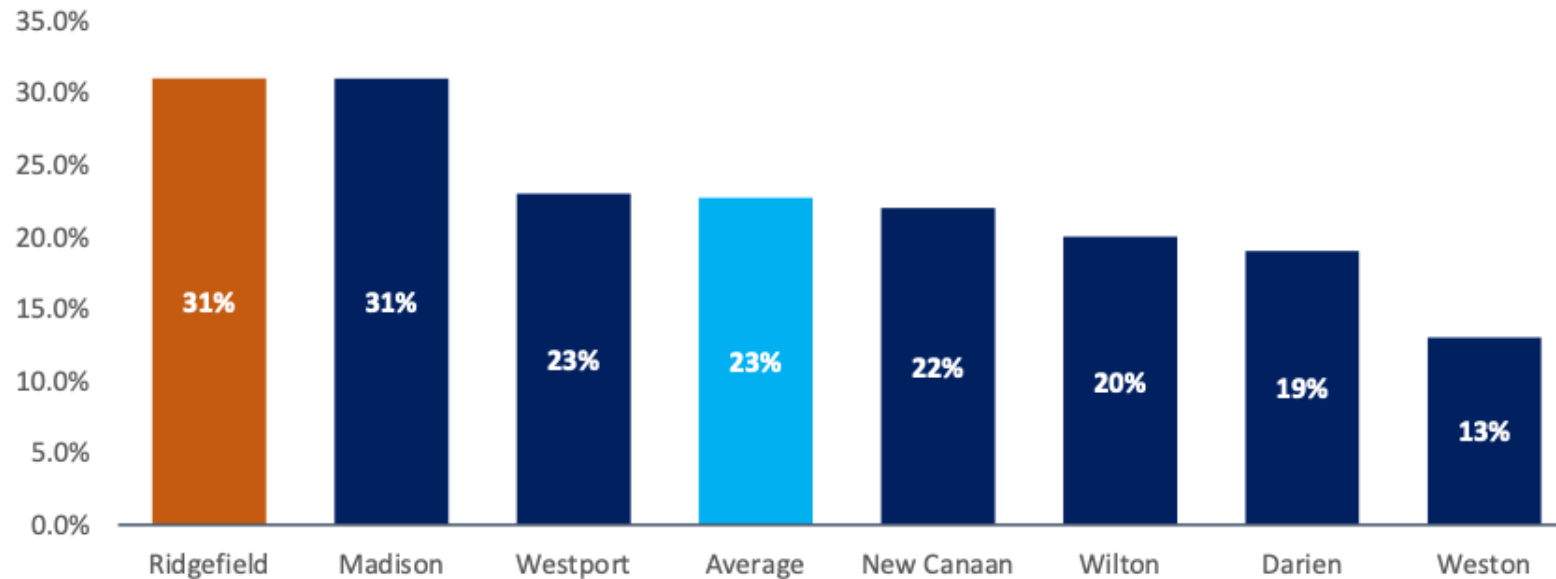
Source: U.S. Census Bureau American Community Survey. See information on slide 2 for important information on data sources.

1. Estimated for Westport, New Canaan, Darien, and Weston as Census data does not report median household income over \$250,000. Calculated using aggregate household income for each town divided by total numbers of households and adjusted based on the average ratio of mean household income to median household income for each town. See Appendix for additional details.

FY 2026-27 Budget – An Income Perspective

% of Households with Income <\$100,000

Based on U.S. Census Data From 2024 5-Year U.S. Census ACS Survey (Collected 2020-2024)



Source: U.S. Census Bureau American Community Survey and Town Annual Financial Reports. See information in the Appendix for important information on data sources.

Estimated Household Property Tax Impact: A Comparative Analysis, A Okrongly, Feb 2026

This analysis was prepared by the author independently and is not intended to represent the views of the Board of Finance as a whole

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FY 2026-27 Budget – An Income Perspective

Based on some recent research by one of the BOF members, we have seen evidence that

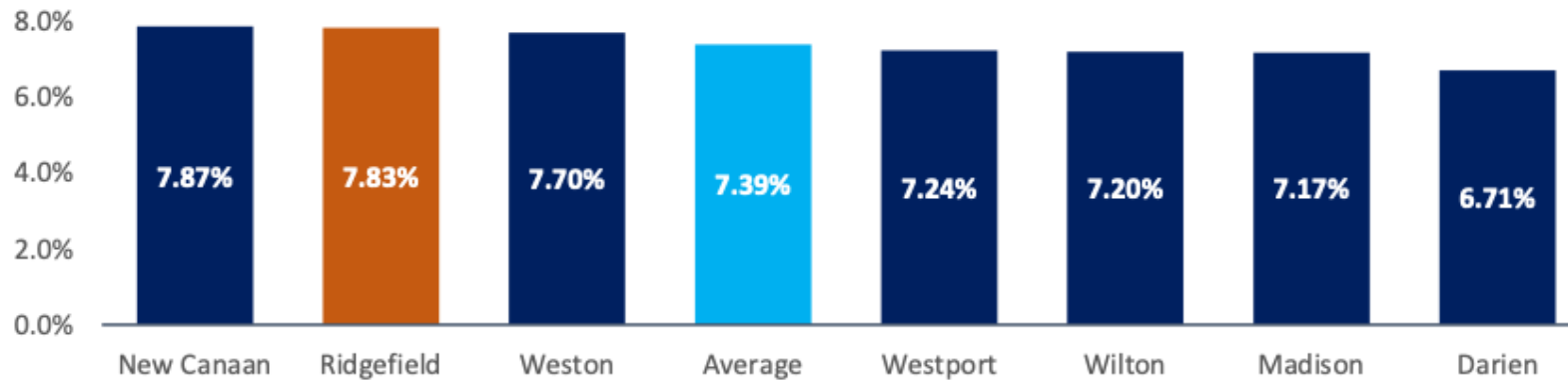
- Ridgefield lags other “DRG-A” towns in terms both the level and the rate of growth of average family income per household,

and consequently,

- Ridgefield may be closer to the upper end of “DRG-A” communities when you look at average property tax per household, relative to income

FY 2026-27 Budget – An Income Perspective

Property Tax Revenue Per Household as a % of Median Household Income¹
Based on U.S. Census Data From 2024 5-Year U.S. Census ACS Survey (Collected 2020-2024) and Fiscal Year 2023-2024 Town Annual Financial Reports
Adjusted for Residential/Motor Vehicle Contribution to Each Town's Grand List²



Source: U.S. Census Bureau American Community Survey and Town Annual Financial Reports. See information on slide 2 for important information on data sources.

1. Estimated for Westport, New Canaan, Darien, and Weston as Census data does not report median household income over \$250,000. Calculated using aggregate household income for each town divided by total numbers of households and adjusted based on the average ratio of mean household income to median household income for each town. See Appendix for additional details.

2 Based on 2024 grand list data found here: https://data.ct.gov/Local-Government/Net-Grand-List-by-Town-2011-2024/webp-fgt3/about_data

FY 2026-27 Operating Budget

Calculation of the Tax Rate (“Mill Rate”)

$$\frac{\text{Expense Budgets} - \text{Other Revenues}}{\text{Tax Base (Grand List)}} = \text{Mill Rate}$$

Other Adjustments:

- senior and veterans' tax credit revenue offset
- assumed tax collections rate

FY 2026-27 Operating Budget

Approved Operating Expenses

	Avg Annual Increase Prior 5 Years	Prior Year Budget Change	Proposed by BOS/BOE FY 2026-2027	Approved by BOF
Town Operations + Roads/ADA	4.0%	2.5%	3.0%	3.0%
School Operations	3.7%	4.1%	4.6%	3.3%
Debt Service		9.0%	12.0%	12.0%

FY 2026-27 Operating Budget

Approved Operating Expenses

Town Operational Expenses \$ 46,227,045

Debt Service Expenses \$ 8,869,395

Total - Town Budget \$ 55,096,440

School Operational Expenses \$ 123,800,000

Roads/ADA Infrastructure Expenses \$ 2,246,900

**Total Approved Expense Budget
being Recommended by BOF \$ 181,143,340**

FY 2026-27 Operating Budget

Other Revenues – Major Components

<u>Source</u>	<u>Amount</u>	<u>YoY Chng (%)</u>
Golf and Rec Fees	\$ 5,763,450	5.6%
Real-estate related	\$ 1,809,000	2.8%
Supplemental / Prior Year Taxes, Interest	\$ 2,600,000	0.0%
Charges – Services/Rent	\$ 3,044,255	0.5%
All Other	\$ 1,799,201	- 1.3%
Sub-total	\$15,015,866	2.4%
Investment Income	\$ 1,350,000	- 29.0%

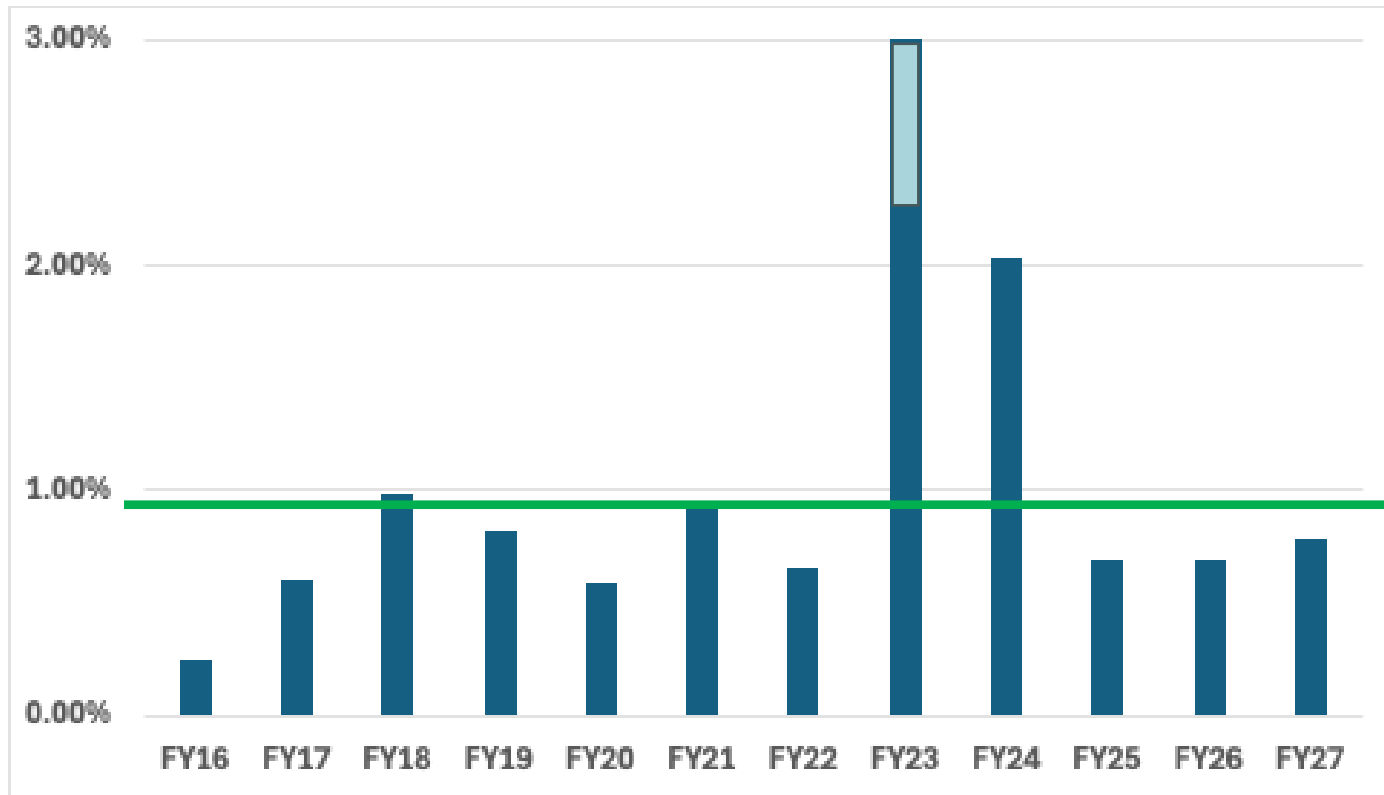
FY 2026-27 Operating Budget

Utilization of Surplus/Unassigned Fund Balance

Estimated Operating Budget Surplus, Current (FY25-26) Year	\$1,450,000
BOF Recommended Use of Surplus in the Mill Rate calculation	\$1,450,000
Resulting Estimated Reserve Ratio (Unassigned Fund Balance / Coming Year Operating Budget)	11.87%
BOF Reserve Policy – Target Ratio	9% - 12%

FY 2026-27 Operating Budget

Growth in the Grand List (Tax Base)



Long term average
(adjusted for FY23) = 0.95%

FY 2026-27 Operating Budget

Bottom Line – Mill Rate

If the recommended budgets are approved by the voters, the resulting Mill Rate will be

28.36

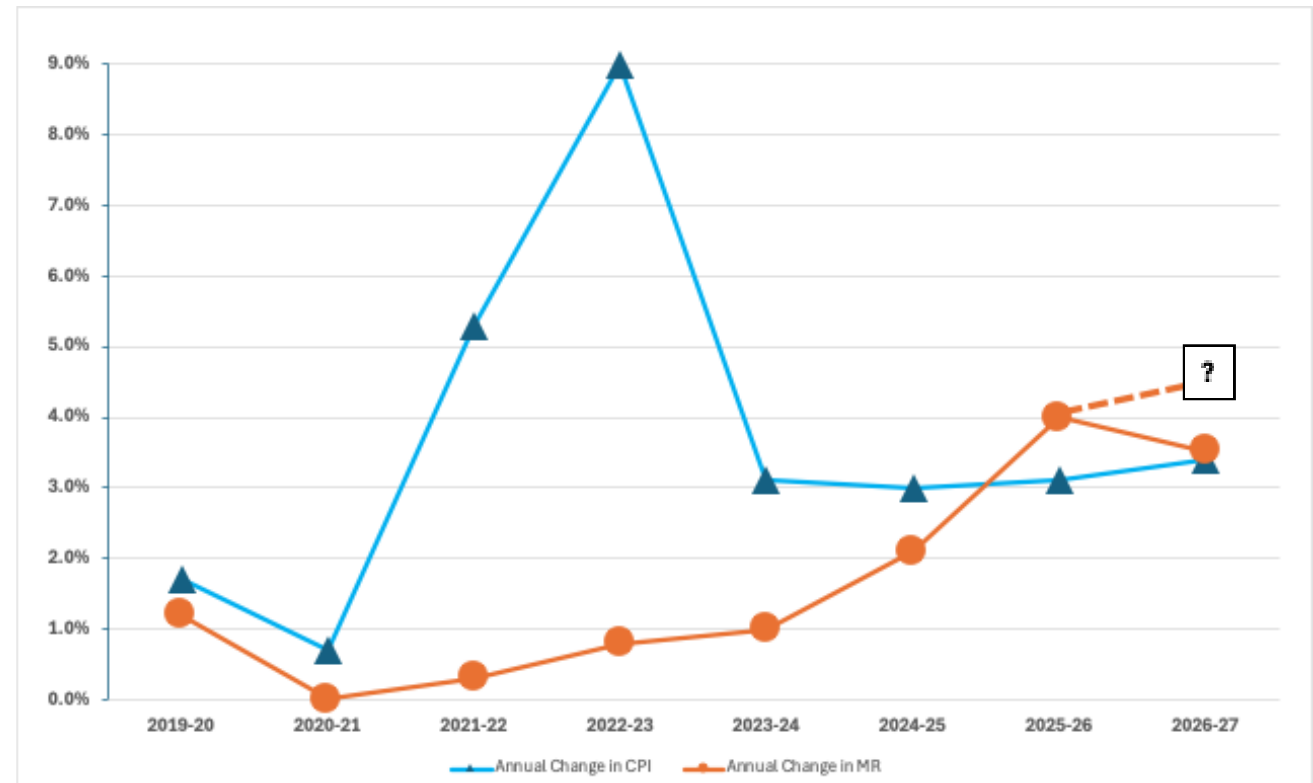
This result represents a 3.52% increase over the prior year Mill Rate

This compares with last year's Mill Rate increase of 3.98%

FY 2026-27 Operating Budget - Summary

The Operating Budgets recommended by the BOF...

- **Flatten** the rate of growth in operating budgets
- **Reverse** the recent trend in Mill Rate growth
- **Bring** the Mill Rate change **in line** with the likely level of CPI change for the coming year



FY 2026-27 Operating Budget

The Mill Rate change from the recommended budgets is in line with many of our surrounding towns

New Fairfield	4.3%
Bethel	4.3%
Darien	3.7% (P)
Brookfield	3.6%
Ridgefield	3.52%
Redding	3.0%–3.2% (P)
New Canaan	2.6%
Newtown	2.8%
Wilton	2.7%

FY 2026-27 Capital Budget

The BOF recommended Capital Budget is just under \$16 million, distributed among functional uses as follows:

	<u>Total</u>	<u>Amount after Offsets</u>
Education-related	\$ 2,770,973	\$ 2,449,468
Police and Fire	\$ 1,159,159	\$ 1,159,159
Recreation-related	\$ 2,748,552	\$ 2,438,552
Buildings/Infrastructure	\$ 2,189,480	\$ 2,042,480
Other	\$ 197,331	\$ 197,331
Roads/Sidewalks	\$ 4,889,800	\$ 185,160
<i>PSB-related</i>	\$ 1,939,015	\$ 1,939,015
Total	\$15,894,310	\$ 10,441,165

FY 2026-27 Budget Referendum

Ballot Question 1	Town Operations and Debt Service Expense	\$ 55,096,440
Ballot Question 2	School Operations Expenses	\$ 123,800,000
Ballot Question 3	Roads/ADA Infrastructure Expenses	\$ 2,246,900
Ballot Question 4	Capital: Roads and Sidewalks	\$ 1,756,400
Ballot Question 5	Capital: Recreation Related	\$ 1,782,431
Ballot Question 6	Capital: Buildings and Infrastructure	\$ 2,038,281
Ballot Question 7	Capital: Ridgebury Road Improvements	\$ 4,000,000
Ballot Question 8	Capital: Public Safety Related	\$ 1,843,765
Ballot Question 9	Capital: Education Related	\$ 2,240,431

FY 2026-27 Budget Referendum

The Annual Town Budget Referendum is

Tuesday, May 12 at Yanity Gym

Voting Hours: 6AM to 8PM

There are 9 ballot question – 3 pertaining to the recommended Operating Budgets, 6 pertaining to the recommended Capital Budgets

The recommended Operating Budgets result in a Mill Rate of **28.36**, which is a **3.52%** increase over the FY2026.

We encourage everyone to come out and vote.