RIDGEFIELD CITY COUNCIL
MEETING AGENDA

Thursday, September 3, 2026
RACC - Columbia Assembly Room
510 Pioneer Street, Ridgefield, WA 98642

I. STUDY SESSION - 4:00 P.M.

1. 2027 Operating Budget - Kirk Johnson, Finance Director

II. ADJOURN

CITY OF RIDGEFIELD
REQUEST FOR COUNCIL ACTION

MEETING DATE: September 3, 2026

AGENDA ITEM NAME: 2027 Operating Budget

GOVERNING LEGISLATION

RCW 35A.33; Budgets in Code Cities, City of Ridgefield Financial Policy #07: Budget

PREVIOUS COUNCIL ACTION TAKEN:

The council adopts a budget annually. The most recent action was to adopt Resolution No. 1469 - 2026 Proposed Budget, on December 4, 2025.

SUMMARY/BACKGROUND:

Introduction to the baseline operating budget and budget assumptions.

BUDGET/FINANCIAL IMPACTS:

N/A – Presentation, discussion and Council direction.

RECOMMENDED ACTION OR MOTION:

No action is requested at this time.

STAFF CONTACT: Kirk Johnson, Finance Director

ATTACHMENTS:

1. 2027 Baseline Operating Budget

2027 Baseline Operating Budget

September 3, 2026
Work Session

Agenda
2027 Baseline Operating Budget

- Budget Calendar
- Key Assumptions
- Baseline Operating Budget
  - Comparison to 2026 Operating Budget
- Available Fund Balance
- Revenue Projection and Comittments
  - Special Revenue and Capital Project Funds
- Next Steps

2027 Budget Calendar

2027 Budget Calendar

		July				Aug				Sept					Oct				Nov				Dec				
Week of	May/June	6	13	20	27	3	10	17	24	31	7	14	21	28	5	12	19	26	2	9	16	23	30	7	14	21	28
City Council Goals/Retreat	5/3/2026-5/4/2026																										
Management Initiatives/Goals Retreat	6/16/2026																										
Review Financial Sustainability Model (6 Year)																											
Review Budget and Financial Policies				23rd																							
Review Economic Conditions/Budget to Actual							13th																				
Determine Baseline Assumptions																											
Develop Proposed Budget																											
Levels of Service																											
Baseline/Beginning Budget																											
New Programs or Initiatives																											
Update Indirect Cost Plan																											
Update Equipment Replacement Fund																											
Preliminary Budget																	22nd										
Operating								20th																			
Capital												17th															
Update Financial Forecast																15th											
Adopt Final Budget																											
Conduct Hearing on Revenue Sources																			5th								
Draft Final Budget																											
Adopt Property Tax Levy																			5th		19th						
Update Utility Rate Model																			5th		19th						
Final Budget and Conduct Hearings																					19th		3rd				
Individual Department Budget Meetings																											
Executive Management Meetings (10am)							11th			1st				29th													
Budget Advisory Committee Meetings								18th			8th				6th												
City Council Work Sessions										3rd		17th				15th											

July 23 council meeting - Budget and Financial Policies - If needed
August 13 council meeting - Presentation economic forecast and budget to actual 2nd quarter 2026
September 3 work session - Present baseline operating budget
September 17 work session - Present personnel, initiatives and capital budget requests
October 15 work session - Review final revenue projections and changes to the 2027 proposed budget if needed
October 22 council meeting - Final revenue projections and 2027 proposed budget

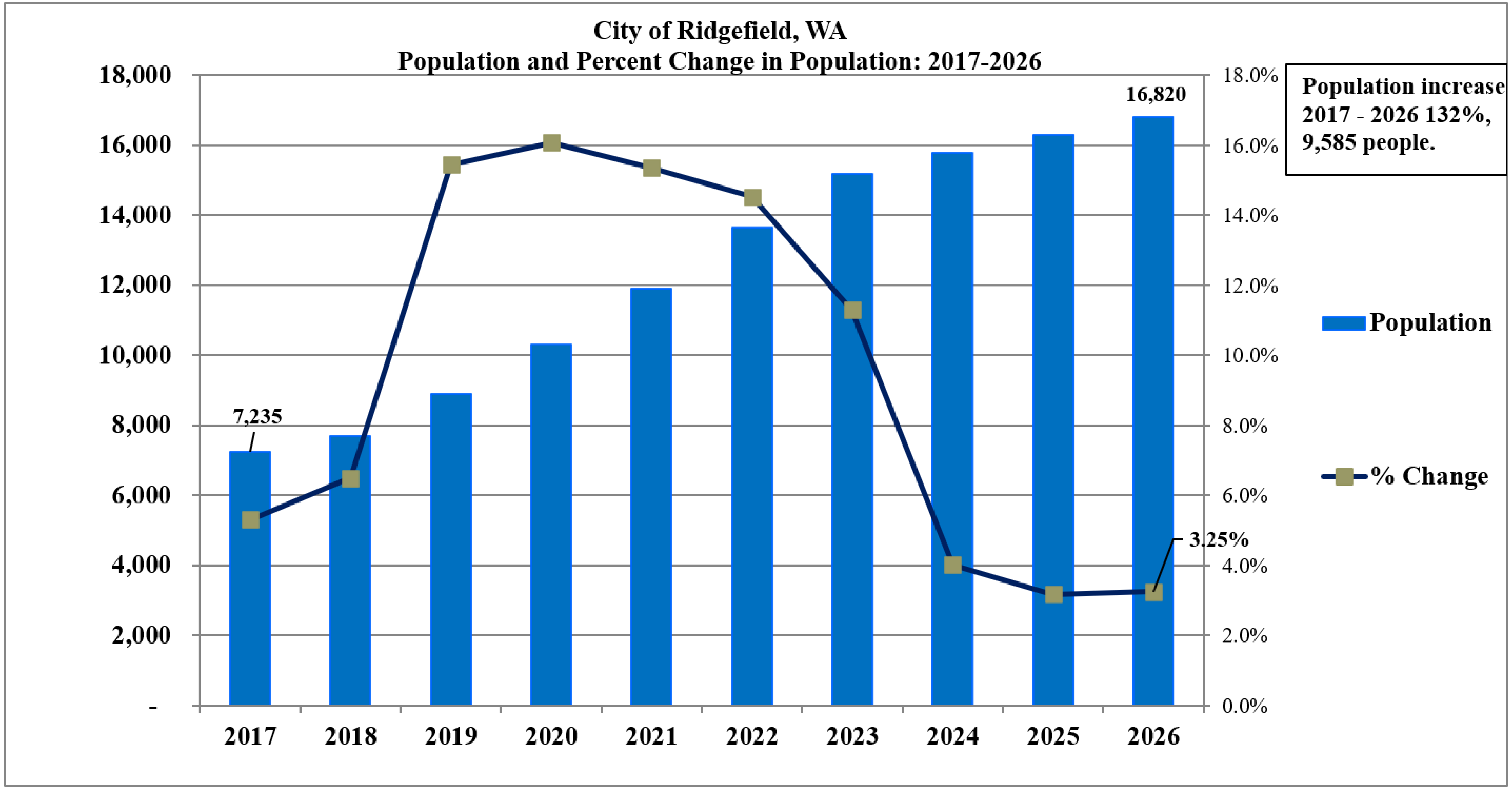
Key Assumptions
2027 Baseline Operating Budget

A baseline budget consists of the current years operating budget adjusted for inflation, contractual commitments, cost of living adjustments and population projections. The baseline assumes the City will maintain levels of service consistent with current operations.

Key Assumptions
2027 Baseline Operating Budget

General		
Assumption	**Source**	**Amount**
Population April 1, 2026	State of Washington OFM	16,820
Population Change	Change 2026 compared to 2025 (16,290 a 3.25% increase)	530
Population April 1, 2027	Estimated growth of 3.57% 600-person population increase	17,420
Total Housing Units	2026 household units	6,522
New Housing Units, 2027	Estimate using 2.98 persons per household (2026 avg. persons per household per OFM) – Includes multi family	202
Housing Unit Increase	New household compared to 2026 OFM numbers	3.57%
Inflationary Factor (indexing for traffic and park impact fees and SDC fees)	West Region CPI-U (June released July 2026) all items	3.2%
Inflationary Factor (indexing for school impact fees)	Ryder Levett Bucknall Construction Cost Index (2nd quarter 2026) (At max amount for SIF)	4.74%

Key Assumptions
Population Growth Trends



Source: Office of Financial Management

Key Assumptions
2027 Baseline Operating Budget

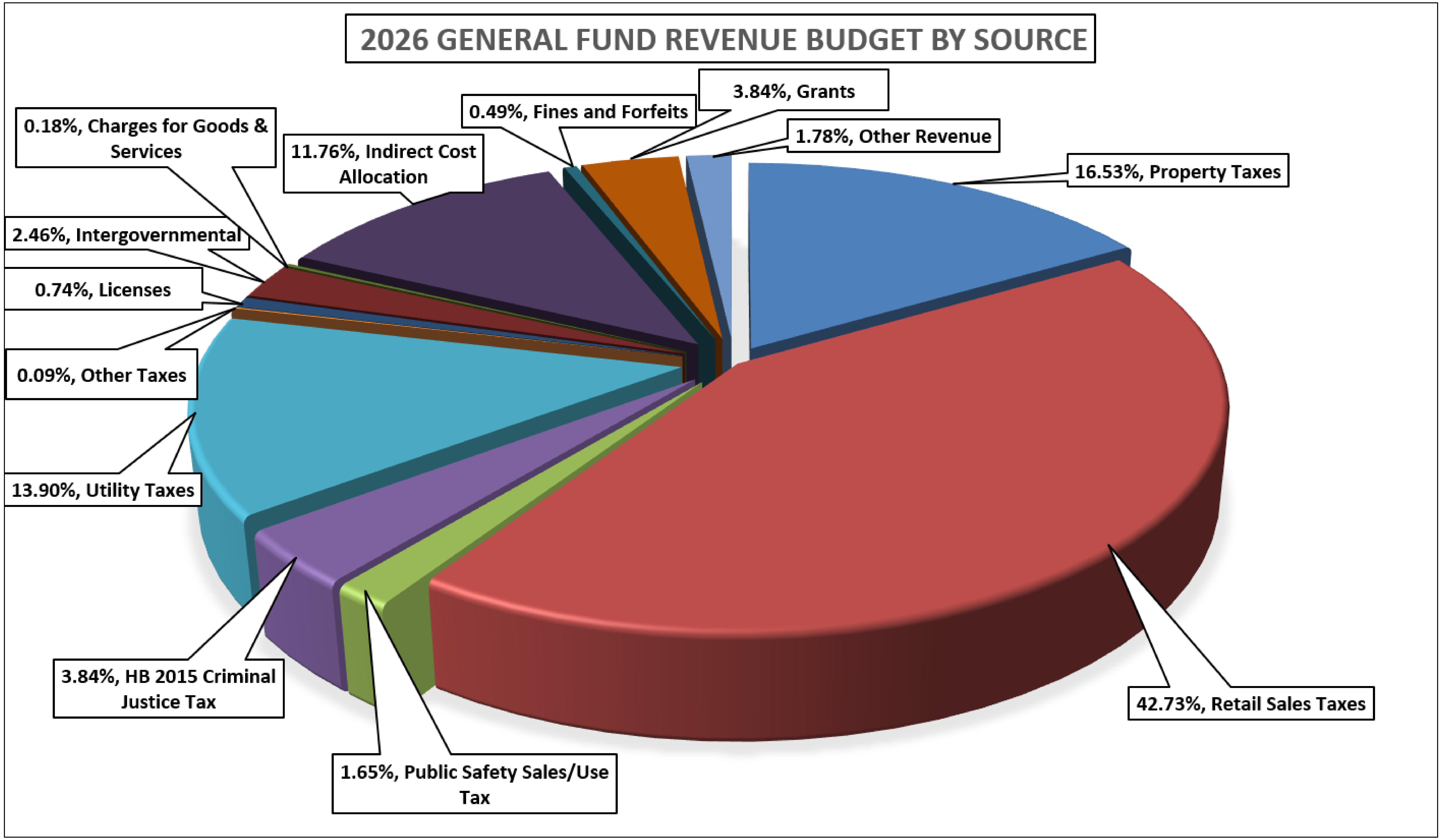
Facility Expense		
Facility Leases	Annual lease payment (TMI and RACC)	$384,175
Facility Operating Expense	Operating expenses (estimated for leased facilities)	$95,000
RORC	Operating expenses (estimated)	$65,000

Debt Service		
General Gov Debt Service	Debt service payments (RORC, PW Ops, Pioneer St, RCRC) (Estimated for PWB loan for Royle Rd and LTGO bond for RCRC)	$3.9 million
Water Fund Debt Service	Debt Service payments (Payment for DWSRF loan for construction of east side reservoir is estimated)	$653,400
Stormwater Fund Debt Service	Debt Service payments (Payment for PWB loan for DT stormwater project is estimated)	$139,000

Key Assumptions
2027 Baseline Operating Budget

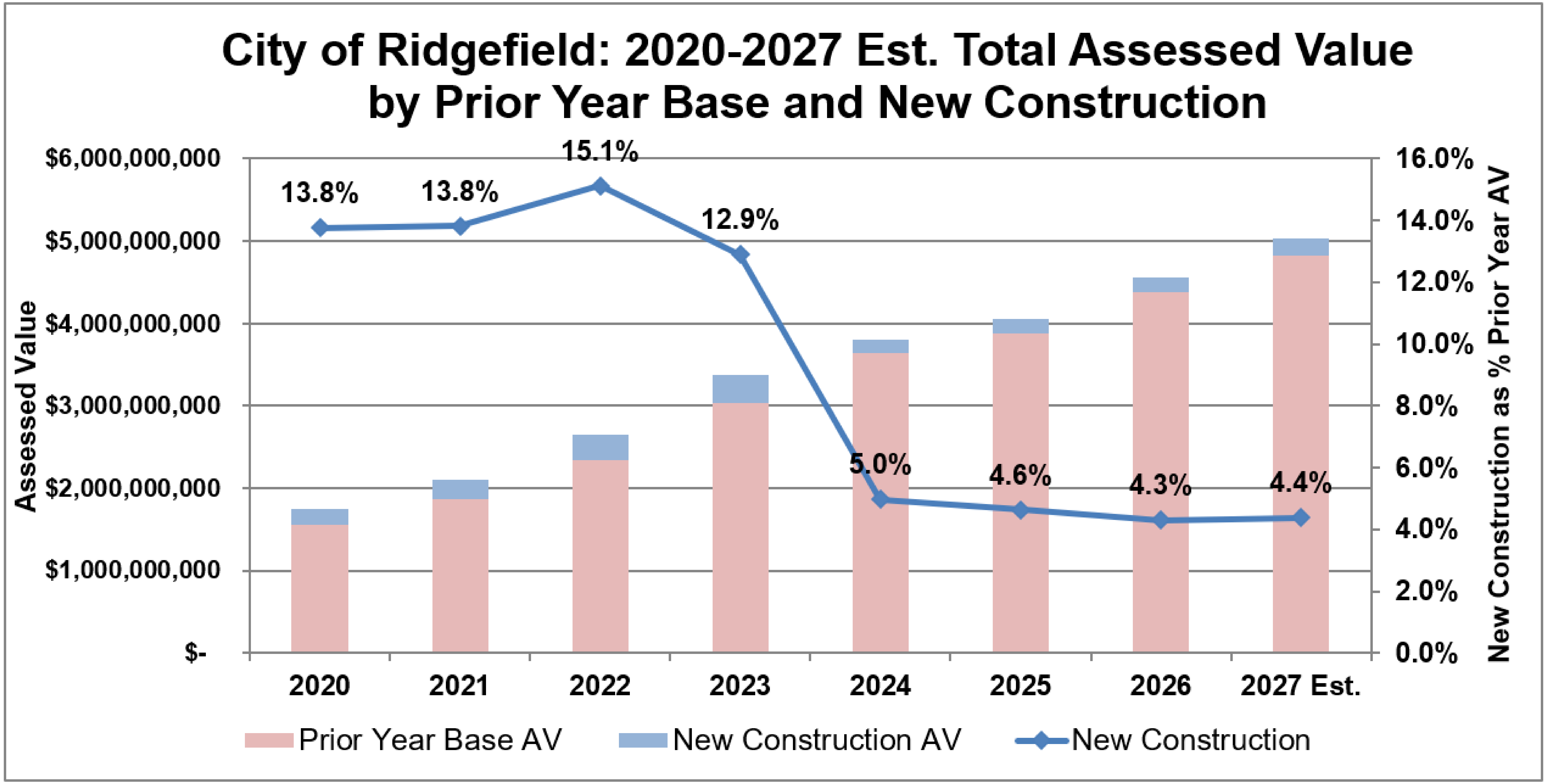
Revenue		
Revenue Source	**Description**	**Amount +/-**
Property Tax	Statutory increase 1%	$26,500
Property Tax	New Construction estimate $200 million assessed valuation	$116,000
Property Tax	Annexation	$615
Property Tax	2027 Levy Amount; Increase $150,000	$2,800,000
Property Tax (Tax Increment Area)	2027 Levy Amount; Increase $104,000	$354,000
Sales/Use Tax	71% retail 29% construction; $801.9 million in taxable sales, 10% increase over 2026 year-end estimate	$6,800,000
Utility Tax	6% increase from 2025 estimated year-end due to household/EDU growth	$134,000
Utility Tax	General and Street Fund utility tax estimate	$2,527,000
Indirect Allocation	Building and Permitting (12% decrease compared to 2026)	$640,190
Indirect Allocation	Water Fund (7% increase compared to 2026)	$660,675
Indirect Allocation	Storm Water Fund (3% decrease compared to 2026)	$456,745
State Shared Revenue	Per capita revenue MRSC estimates 5% increase due to population compared to 2026 year-end estimate (3% overall General/Street Fund Rev.)	$573,200

Key Assumptions General and Street Fund Revenue Structure 2027 Forecast



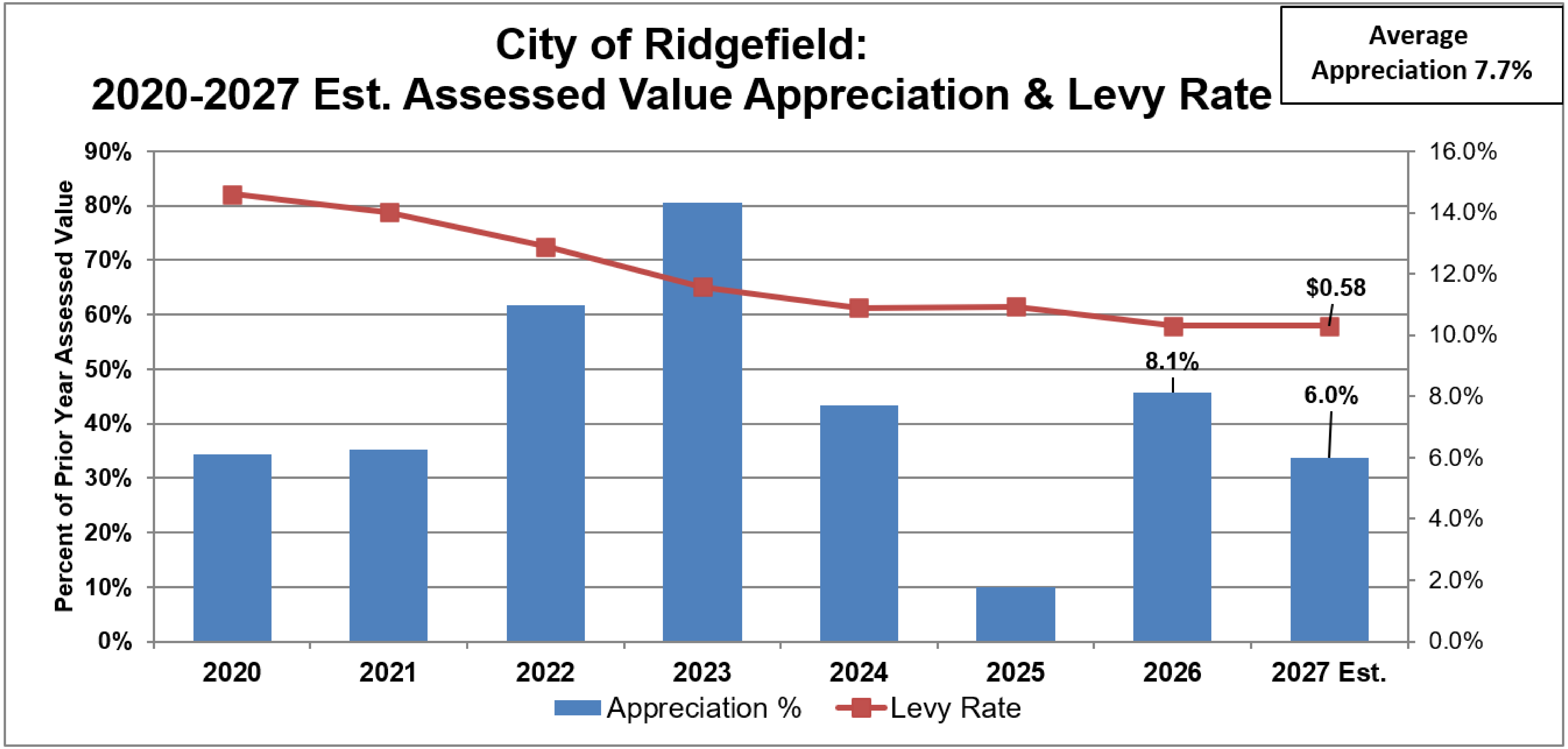
Source: City of Ridgefield Finance Department

Key Assumptions
Property Tax New Construction



Source: Clark County Assessors Office
City of Ridgefield Finance Department

Key Assumptions
Assessed Value Appreciation and Levy Rate

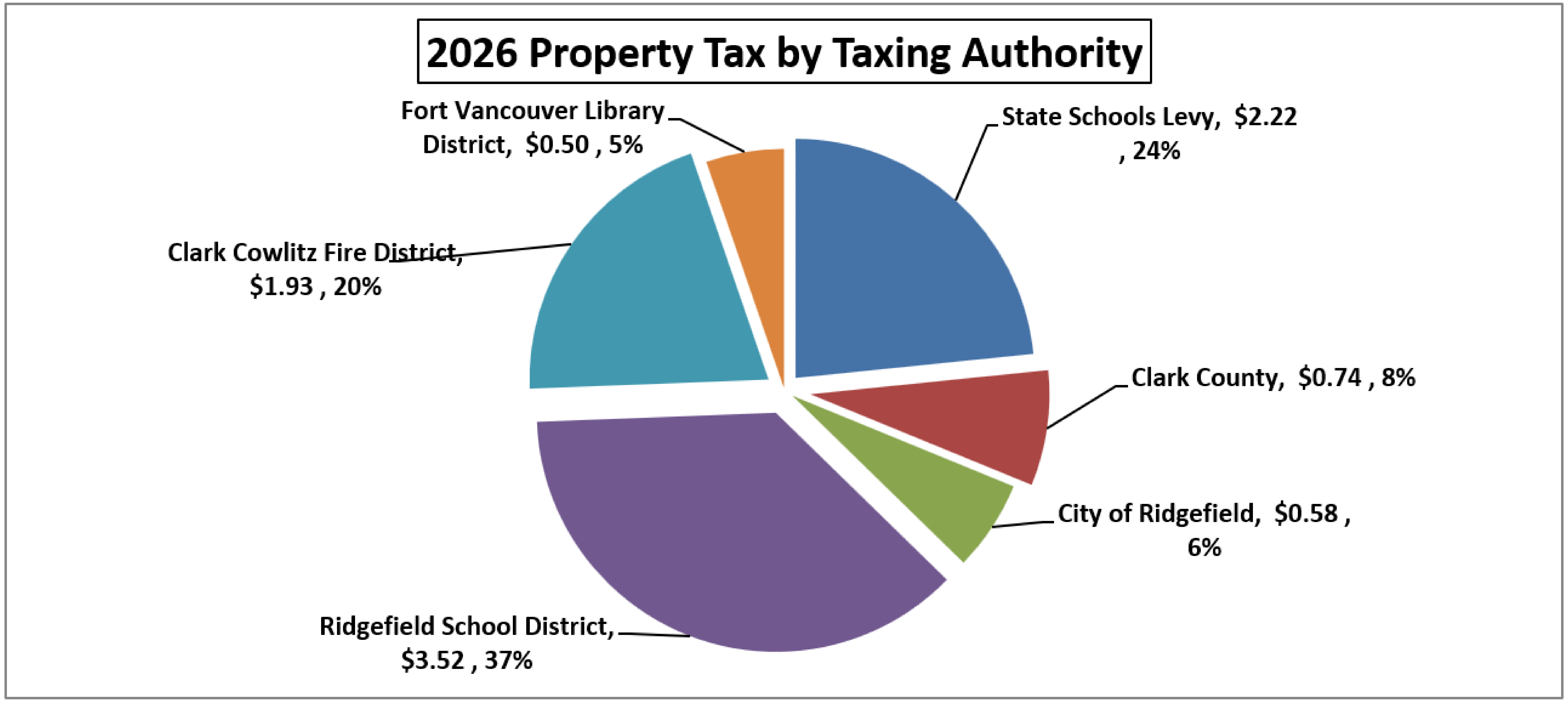


Source: Clark County Assessors Office
City of Ridgefield Finance Department

Key Assumptions
2026 City Property Tax Levy Rates

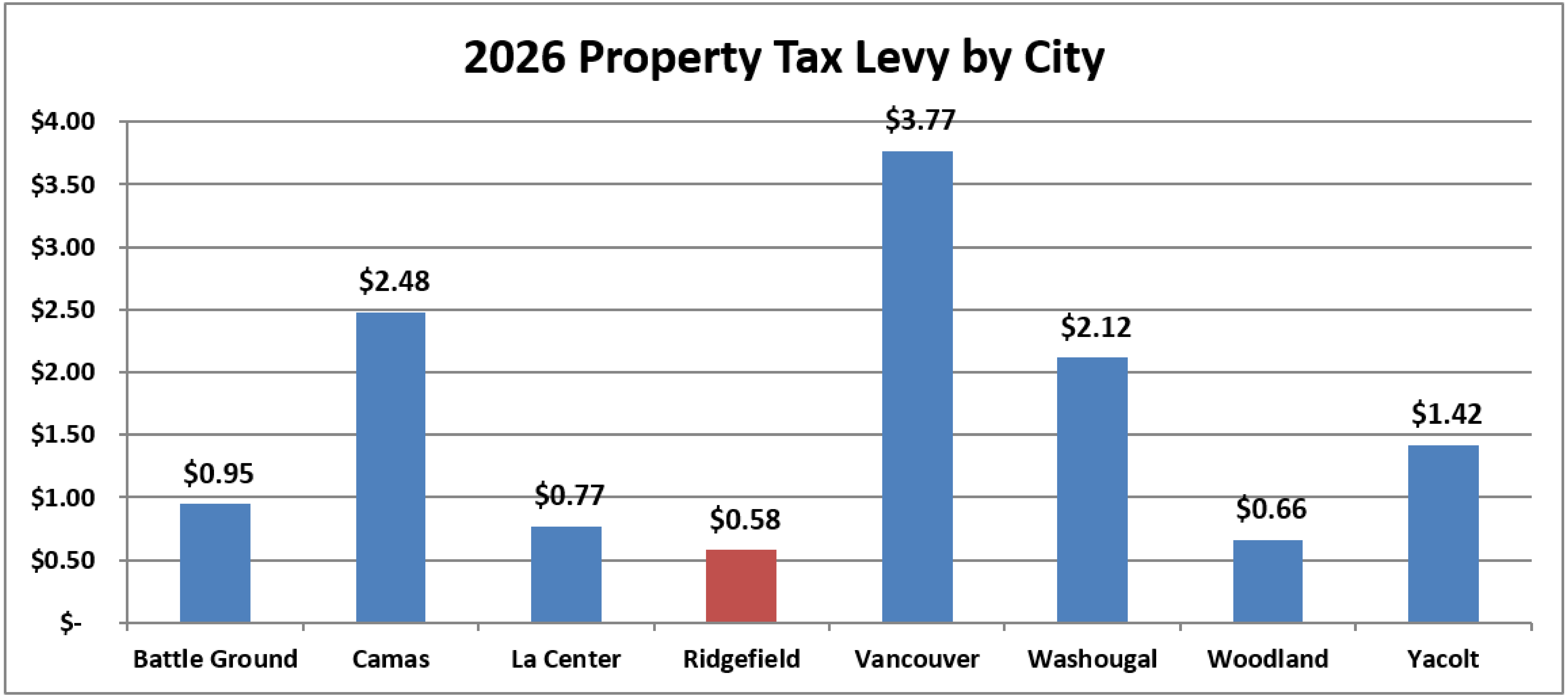
Total Property Tax Levy

- City $0.58
- School District $3.52
- Port of Ridgefield $0.12
- State Schools $2.22
- Clark County $0.74
- Fire District $1.93
- Library $0.50
- Total Levy $9.61



Source: Clark County Assessors Office

Key Assumptions
2026 Property Tax Levy Rate County Comparison

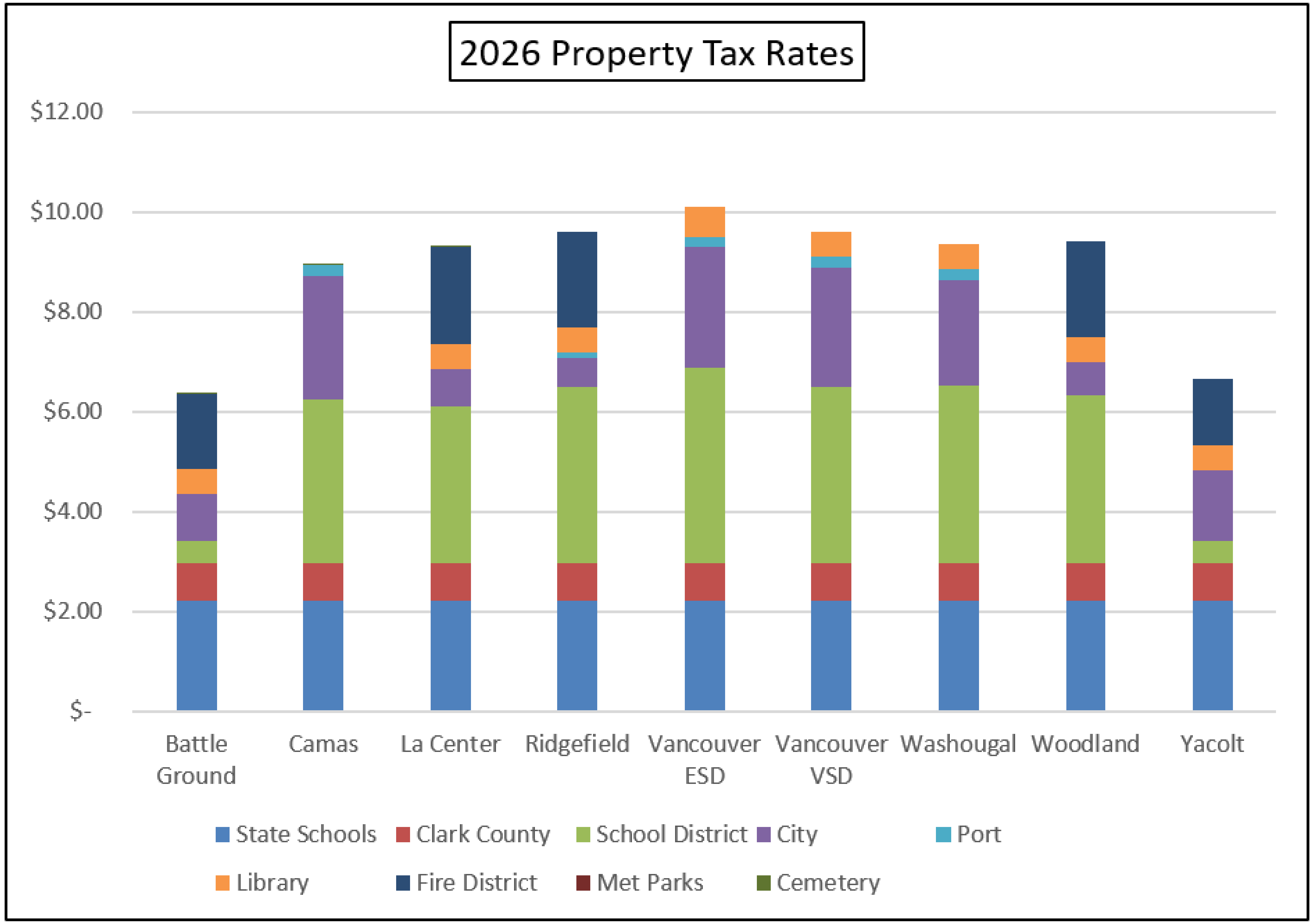


Source: Clark County Assessors Office

Key Assumptions
2026 City Property Tax Levy Rate Comparison

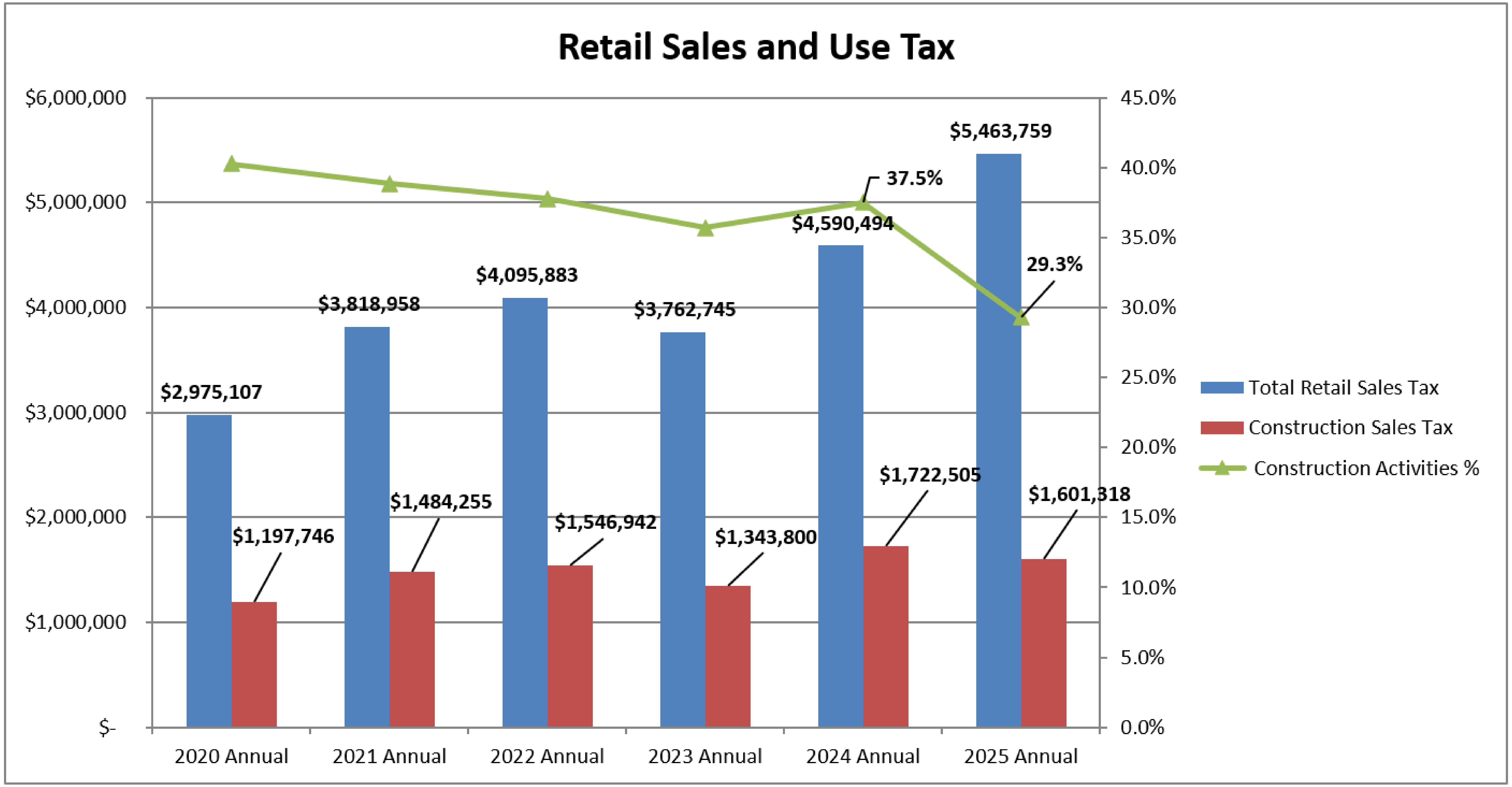
Total Property Tax Levy

• Battle Ground	$6.37
• Camas	$8.94
• La Center	$9.31
• Ridgefield	$9.61
• Vancouver	$10.09
• Washougal	$9.35
• Woodland	$9.41
• Yacolt	$6.65



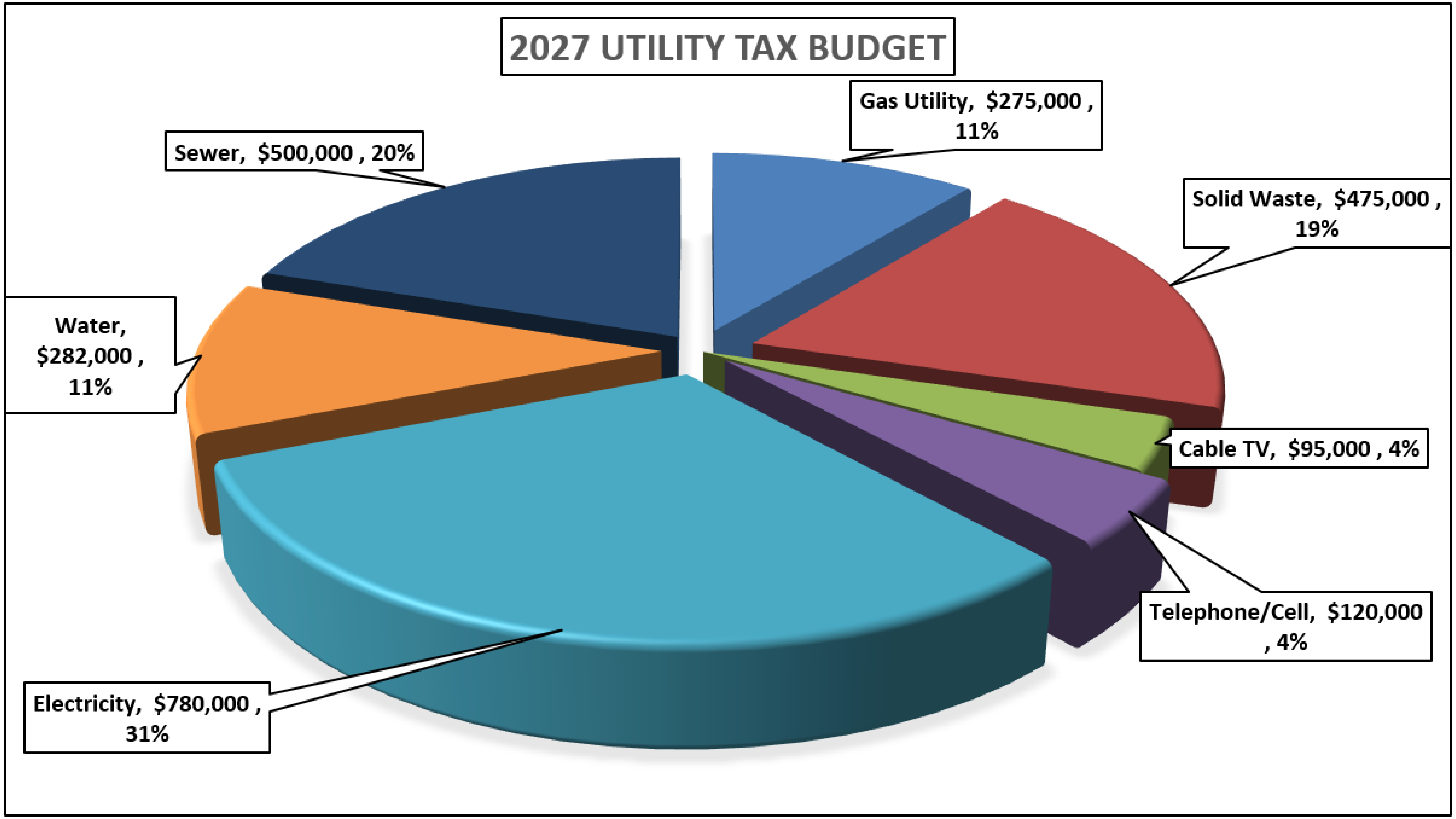
Source: Clark County Assessors Office

Key Assumptions
Retail Sales and Use Tax Trends



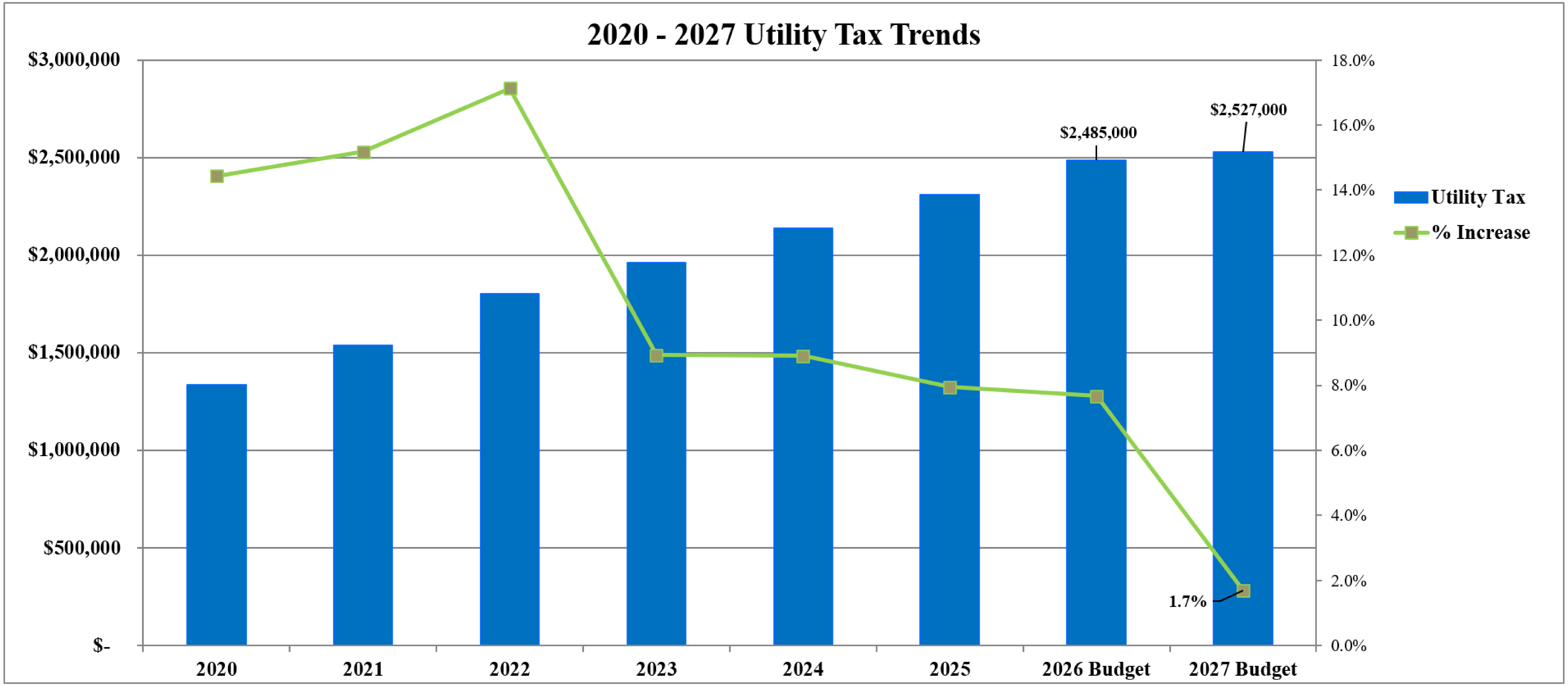
Source: Washington State Department of Revenue

Key Assumptions
Utility Tax Revenue Structure 2027 Budget



Source: City of Ridgefield Finance Department

Key Assumptions
Utility Tax Trends General and Street Funds



Source: City of Ridgefield Finance Department

Key Assumptions
2027 Baseline Operating Budget

Revenue		
Revenue Source	**Description**	**Amount +/-**
Water Rate	3% inflationary rate increase per rate model	$3,835,000
Storm Water Rate	9% increase per rate model	$2,192,700
SFR Building Permits	250 permits avg 2,400 sq. ft. home w/1,000 sq. ft. garage/patio.	$1,200,000
Multi Family Permits	Potential increase in 108 units currently in review	$100,000
Commercial Permits	Permit Fees – Estimate 300,000 + sq. ft.	$150,000
Plan Check and Misc. Permit Fees	Planning & Development includes cost recovery billing of $135,000	$1,502,500
Development Revenue	Permits, Land Use and Engineering	$2,971,500

Key Assumptions
Sewer Utility Rates

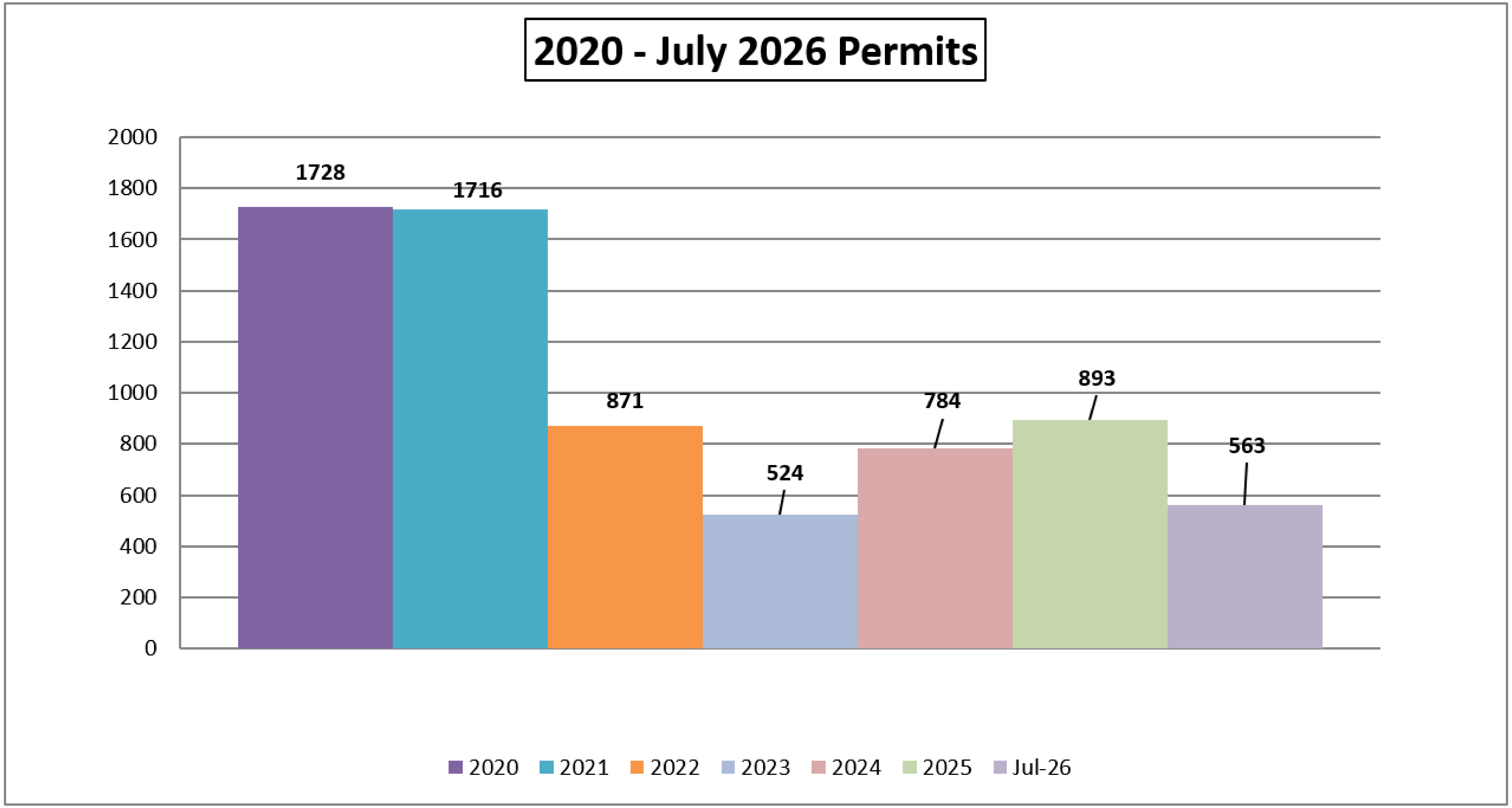
- Sewer utility rate trend
  - Sewer rate for 2027 – 2.32% increase for monthly sewer service (pending board approval)

MONTHLY SEWER SERVICE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Base Rate (Central Service Area)	$ 36.00	$ 37.00	$ 38.00	$ 38.00	$ 38.00	$ 39.00	$ 40.00	$ 41.00	$ 42.00	$ 43.50	$ 45.00	$ 46.50	$ 48.00	$ 50.00
System Integration Charge	19.00	18.80	18.50	17.70	17.00	16.60	15.60	13.80	11.60	10.00	9.40	8.60	8.00	7.30
Total Sewer Service Charge	55.00	55.80	56.50	55.70	55.00	55.60	55.60	54.80	53.60	53.50	54.40	55.10	56.00	57.30
City Operating Fee (10%)	5.50	5.58	5.65	5.57	5.50	5.56	5.56	5.48	5.36	5.35	5.44	5.51	5.60	5.73
TOTAL BILL PER ERU/MONTH	**$ 60.50**	**$ 61.38**	**$ 62.15**	**$ 61.27**	**$ 60.50**	**$ 61.16**	**$ 61.16**	**$ 60.28**	**$ 58.96**	**$ 58.85**	**$ 59.84**	**$ 60.61**	**$ 61.60**	**$ 63.03**

SYSTEM DEVELOPMENT CHARGES	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
SDC per ERU	**$7,550.00**	**$7,550.00**	**$7,550.00**	**$7,550.00**	**$7,550.00**	**$7,950.00**	**$8,350.00**	**$8,750.00**	**$8,750.00**	**$9,450.00**	**$10,112.00**	**$10,819.00**	**$11,468.00**	**TBD**

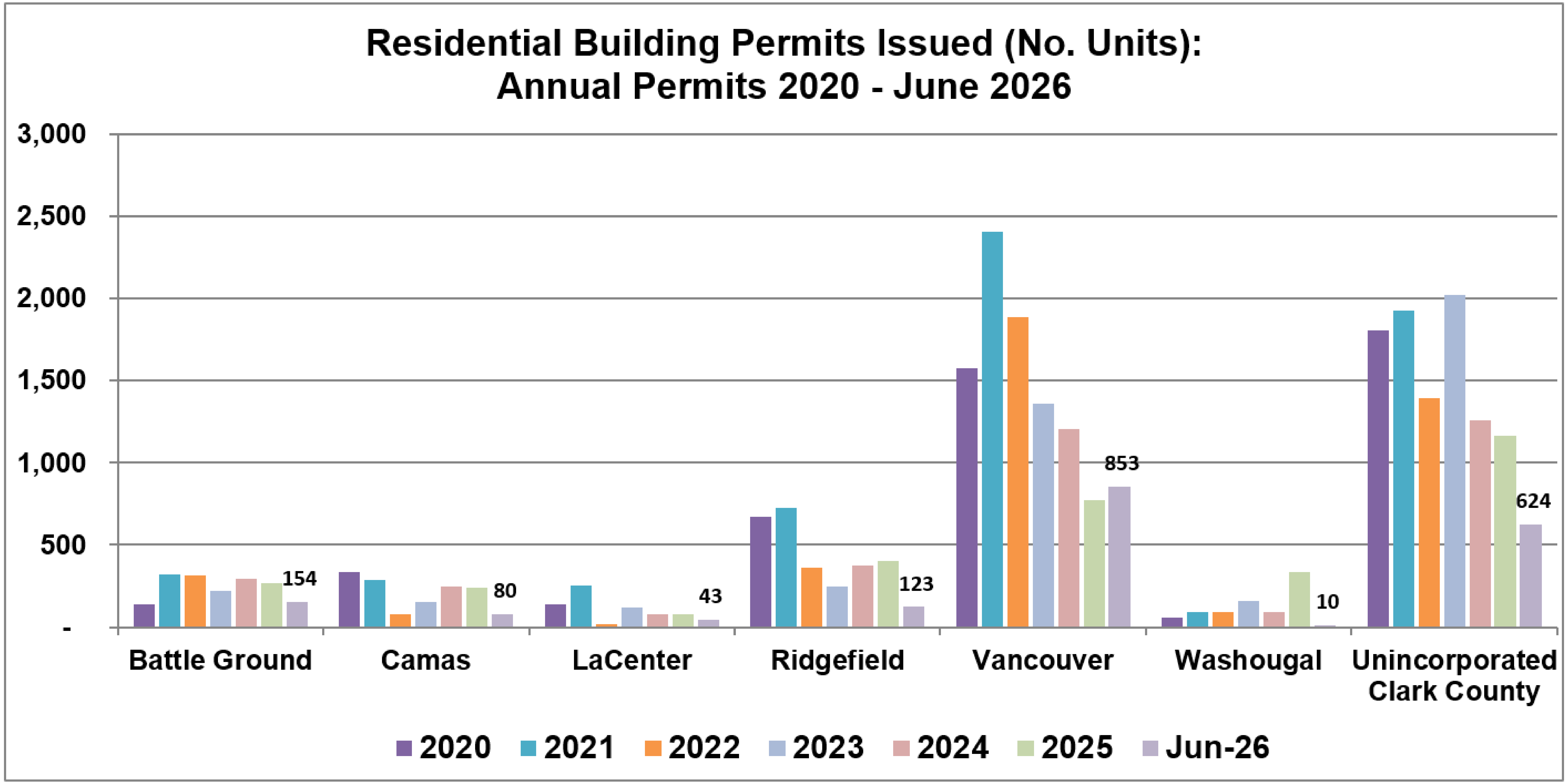
Source: Clark Regional Wastewater District

Key Assumptions
Permits and Development Trends



Source: City of Ridgefield Community Development Department

Key Assumptions
Permits and Development Trends



Source: US Department of Housing and Urban Development

Key Assumptions
Wages and Benefits

Expense		
Expense Appropriation	**Description**	**Amount +/-**
Personnel Expense	FTE analysis completed for PW allocations (Jan 2025 – June 2026 actual)	N/A
Personnel Expense	Wage adjustments (Cola/ step increases, taxes/ benefits/ health care) per labor agreement or policy (54.7% of overall operating budget)	+6%
Personnel Expense	Health care increase estimate (included in totals in row above)	+10%
PERS Contribution	Pension contribution (City share) No change from 2026	5.58%
Leoff Contribution	Pension contribution police officers (City share) No change from 2026	5.32%
Staff Retirements	Potential for retirements (CDD and PD)	$72,000

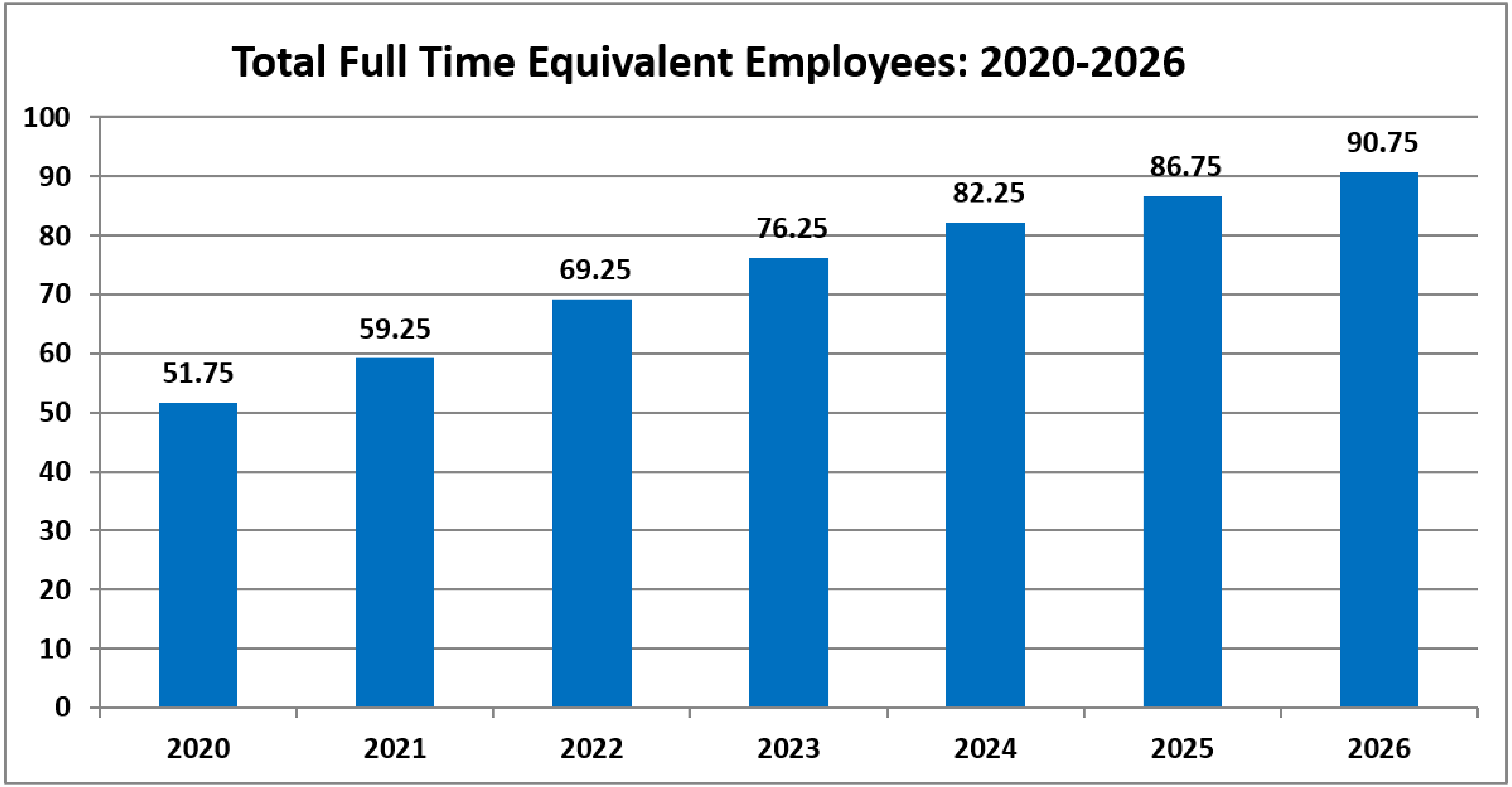
Key Assumptions
Wages and Benefits

Fund/Department	2026 Budget	2027 Budget	% Change	FTE Allocation	Comment
General Fund					
City Council	78,650	78,950	0.4%		Elected positions and not part of FTE count for city staff
Executive	393,700	420,650	6.8%	1.00	Contractual increases and estimated benefit increases for health care
Finance	974,000	1,038,100	6.6%	6.05	Cola increases and estimated benefit increases to health care
Legal	185,575	297,700	60.4%	1.00	2026 budget estimate for position did not match final negotiated rate
Human Resources	462,550	512,700	10.8%	2.70	Cola and health care increase. Increased allocation from Admin 0.3 FTE
Administration	898,650	745,600	-17.0%	4.30	Cola and health care increase. Reduction of 1.05 FTE
Gen Govt./Facilities	255,650	505,300	97.7%	3.70	Cola and health care increase. Increased allocation 0.6 FTE
Public Safety	4,343,950	4,573,100	5.3%	23.00	Cola and health care increases
Cemetery	60,800	62,400	2.6%	0.45	Cola and health care increases
Long Range Planning & Code Enforcement	212,550	231,500	8.9%	1.30	Cola and health care increases
Parks	1,039,190	1,120,600	7.8%	7.40	Cola and health care increase. Reduction of 0.35 FTE
General Fund Personnel	**8,905,265**	**9,586,600**	**7.7%**	**50.90**	**Cola and health care increase. Reduction of 0.5 FTE**
Street Fund	1,068,090	1,217,700	14.0%	7.55	Cola and health care increases. Increased FTE allocation 0.85
TBD	91,200	112,000	22.8%	0.60	Cola and health care increases. Increased FTE allocation 0.1
Building and Permitting Fund	2,369,850	2,415,300	1.9%	15.30	Cola and health care increase. Reduction of 0.2 FTE
Water Fund	1,437,665	1,426,300	-0.8%	9.60	Cola and health care increase. Reduction of 0.35 FTE
Stormwater Fund	1,135,125	1,142,800	0.7%	6.80	Cola and health care increases. Increased FTE allocation 0.1
Personnel Cost	15,007,195	15,900,700	6.0%	90.75	

Key Assumptions
FTE Allocations

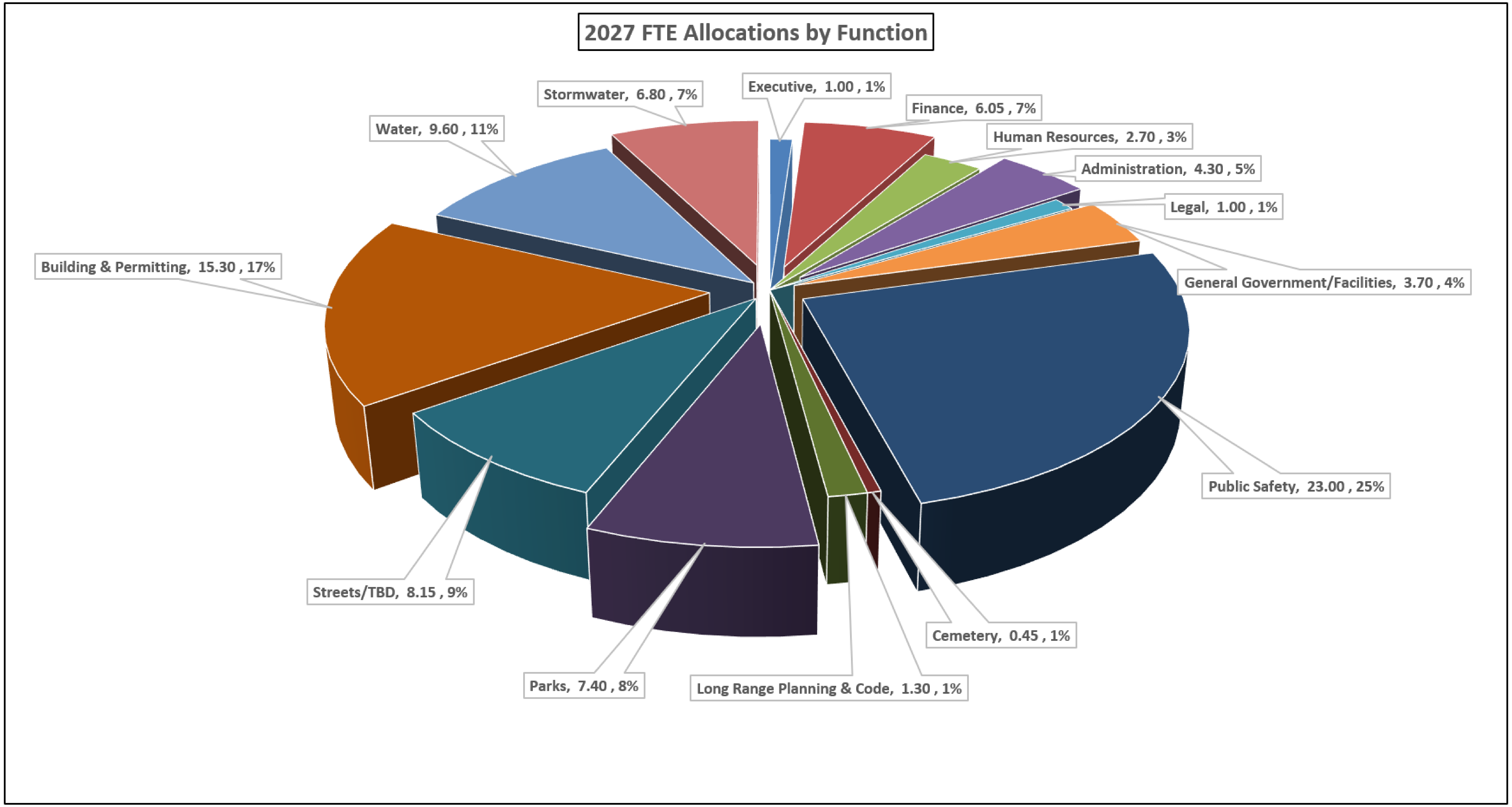
Personnel Schedule (Full-Time Equivalents)					
Job Title	*2024 FTE Allocation*	*2025 FTE Allocation*	*2026 FTE Allocation*	*2027 FTE Allocation*	*2027 FTE Percentage*
Executive	1.00	1.00	1.00	1.00	1.10%
Total Finance	6.30	6.05	6.05	6.05	6.67%
Total Human Resources	2.40	2.40	2.40	2.70	2.98%
Total Administration	5.60	5.60	5.35	4.30	4.74%
Total Legal	-	-	1.00	1.00	1.10%
Total General Government/Facilities	1.55	1.70	3.10	3.70	4.08%
Total Public Safety	21.00	21.00	23.00	23.00	25.34%
Total Cemetery	0.35	0.70	0.45	0.45	0.50%
Total Long Range Planning & Code Enforcement	1.50	1.50	1.30	1.30	1.43%
Total Parks	6.65	8.25	7.75	7.40	8.15%
Total Streets/TBD	6.90	6.95	7.20	8.15	8.98%
Total Building and Permitting	15.70	15.65	15.50	15.30	16.86%
Total Water Utility	7.00	9.45	9.95	9.60	10.58%
Total Stormwater Utility	6.30	6.50	6.70	6.80	7.49%
Total Full Time Equivalents	82.25	86.75	90.75	90.75	100.00%
Full-Time Staff					
Full-Time Employees	81.00	85.00	89.00	87.00	95.87%
Part-Time Staff					
Part-Time Employees	1.25	1.75	1.75	3.75	4.13%

Key Assumptions
Staffing Levels: Citywide Trend



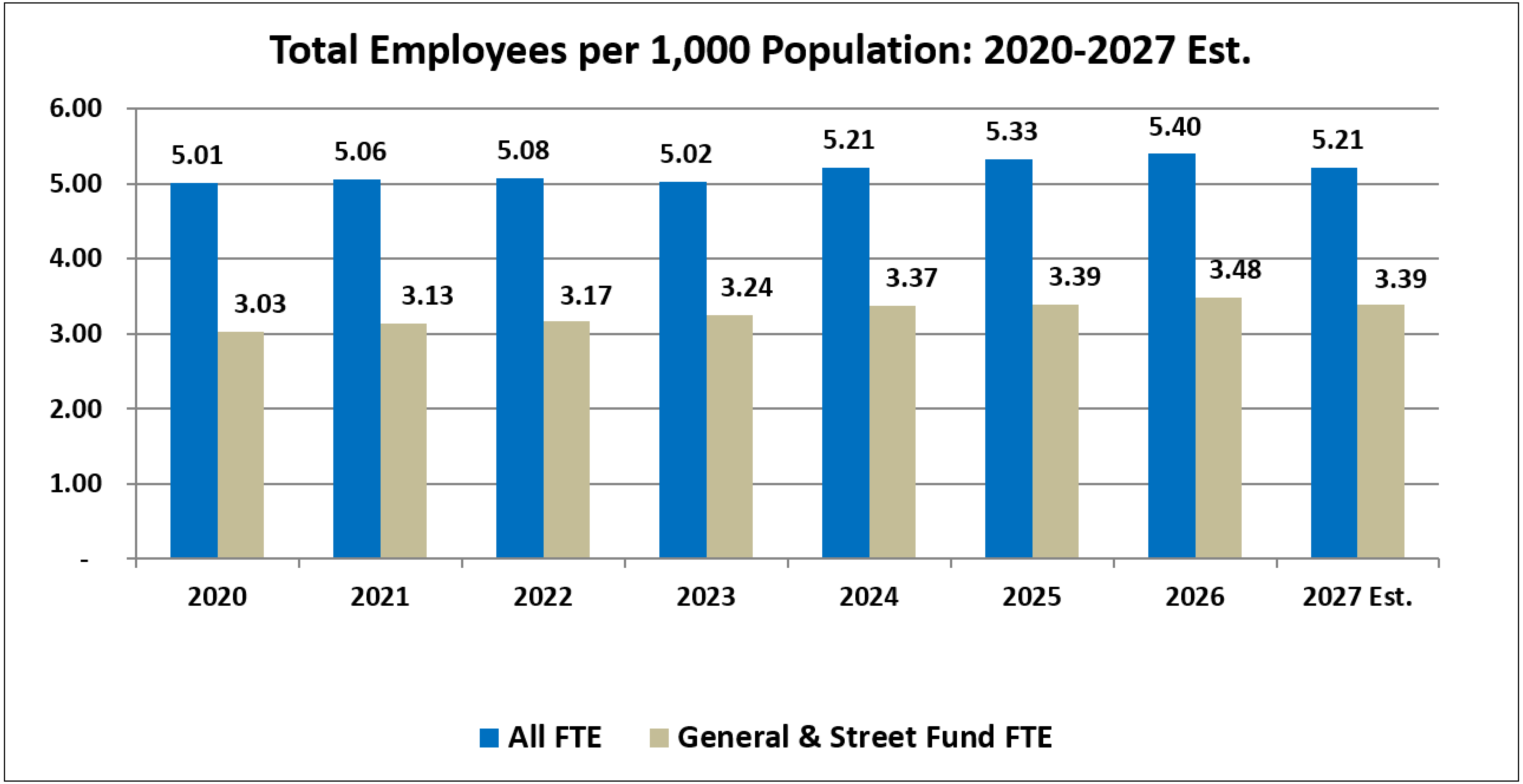
Source: City of Ridgefield Finance Department

Key Assumptions
Staffing Levels: 2027 FTE Allocation



Source: City of Ridgefield Finance Department

Key Assumptions
Staffing Levels: Per 1,000 Population



Source: City of Ridgefield Finance Department

Key Assumptions
Non-Personnel

Expense		
Expense Appropriation	**Description**	**Amount +/-**
Supply/Service Expense	3-year trend completed all line items	N/A
General Fund Transfer for Street Operations	General Fund contribution to street operations increases by 11.2%	$1,224,050
TBD Transfer for Street Operations	TBD contribution to street operations (new in 2027 at 10% of operations budget)	$190,000
Pavement and Sidewalk Preservation Program	Per preservation model. Funding from the Transportation Benefit District	$1,100,000
Equipment Replacement Fund	Model updated in 2026. General Fund contribution included in baseline budget.	$200,000
Equipment Replacement Fund	Model updated in 2026. Street Fund contribution included in baseline budget.	$25,000
Equipment Replacement Fund	Model updated in 2026. Water Fund contribution included in baseline budget.	$50,000
Equipment Replacement Fund	No contributions scheduled for Building and Permitting and Stormwater Funds in 2027.	$0
Equipment Replacement Fund	Replacement expenses. Will bring forward with initiatives and capital requests.	$95,700

2027 Operating Budget Summary

Operating Fund Summary									
				Comparison	2027 YE Est.	2026	Excess Reserves		Comments
	Revenue	Expense	Net	2025 Expense	Fund Balance	Policy Reserves	Ongoing	One-Time	
General Fund	$ 16,198,270	$ 15,764,150	$ 434,120	9.2%	$ 5,531,120	$ 4,314,250	$ 434,120	$ 782,750	
Street Fund	$ 1,926,450	$ 1,901,450	$ 25,000	20.4%	$ 1,426	Gen Fund	Gen Fund	Gen Fund	
Building & Permitting Fund	$ 2,971,500	$ 3,623,990	$ (652,490)	-3.0%	$ (831,159)	$ 557,598	$ -	$ -	Currently using policy reserves
Water Fund	$ 4,774,400	$ 4,530,725	$ 243,675	23.2%	$ 3,761,332	$ 2,154,041	$ 243,675	$ 1,363,616	
Stormwater Fund	$ 2,279,200	$ 2,315,895	$ (36,695)	8.1%	$ 855,121	$ 1,236,964	$ -	$ -	Current expense qualifies to use Cap R&R reserves

2027 Baseline Operating Budget Industry Standard Reserve Balances

General and Street Fund Reserves

Government Finance Officers Association (GFOA): The recommendation is to maintain reserve levels of a minimum of 2 months (60 days) of regular general fund operating revenues or regular general fund operating expenditures or a total of **16.7%** of the operating budget. The City does a combination of 60 days of operating expenses from the prior year plus 10% of operating revenues from the prior year. The current operating reserve balance is **17.4%** of the 2027 draft operating budget. Total General Fund reserves including debt service and capital is **27.4%** of the 2027 draft operating budget.

Building & Permitting and Utility Fund Reserves

Government Finance Officers Association (GFOA): The recommendation is to maintain reserve levels of a minimum of 45 days of regular operating fund revenues or regular operating fund expenditures or a total of **12.3%** of the operating budget. The City reserves 60 days of operating expenses from the prior year for building & permitting and stormwater. The City reserves 90 days of operating expenses from the prior year for water. Water revenues are more volatile due to usage which accounts for the increased days.

Building & Permitting: Reserves should be at a **13.6%** reserve balance for operations and **14.3%** including capital. Reserves currently are in the negative.

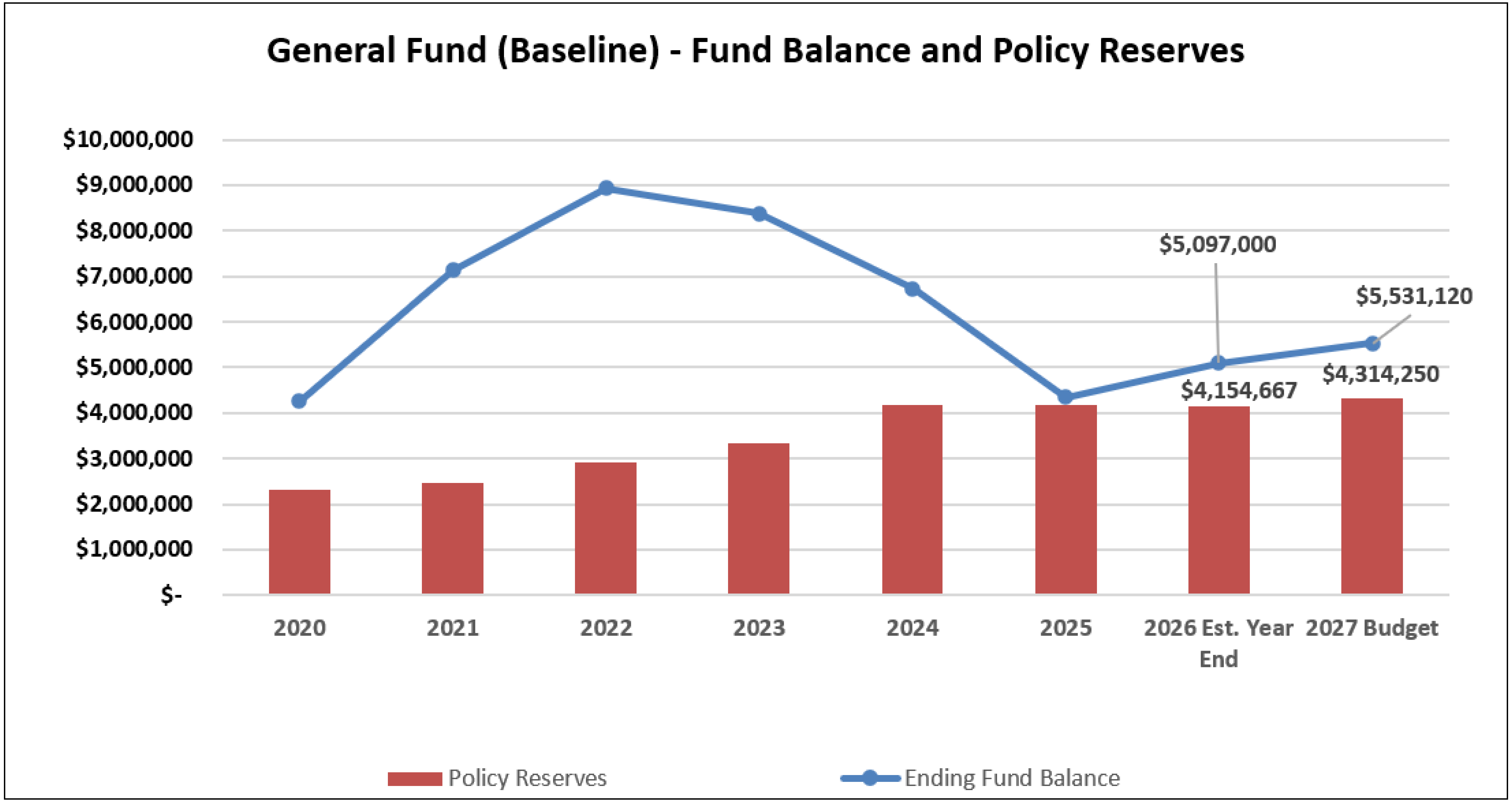
Water Fund: Reserves are at **16.8%** for operations and **47.5%** including separation and capital repair & replacement.

Stormwater Fund: Reserves are at **11.2%** reserve balance for operations and **36.9%** including separation and capital repair & replacement.

2027 Baseline Operating Budget
2027 Estimated Policy Reserve and Fund Balance

Fund	2027 Est. Policy Reserves	2026 Policy Reserves	% Change	2027 Estimated Ending Fund Balance
General Fund	$ 4,314,250	$ 4,154,667	3.8%	$ 5,531,120
Building & Permitting Fund	$ 518,776	$ 540,270	-4.0%	$ (831,159)
Water Fund	$ 2,154,041	$ 2,013,194	7.0%	$ 3,761,332
Stormwater Fund	$ 1,236,964	$ 1,050,681	17.7%	$ 855,121
Total Policy Reserves	$ 8,224,031	$ 7,758,812	6.0%	$ 9,316,414

2027 Baseline Operating Budget
Fund Balance and Policy Reserve Balances

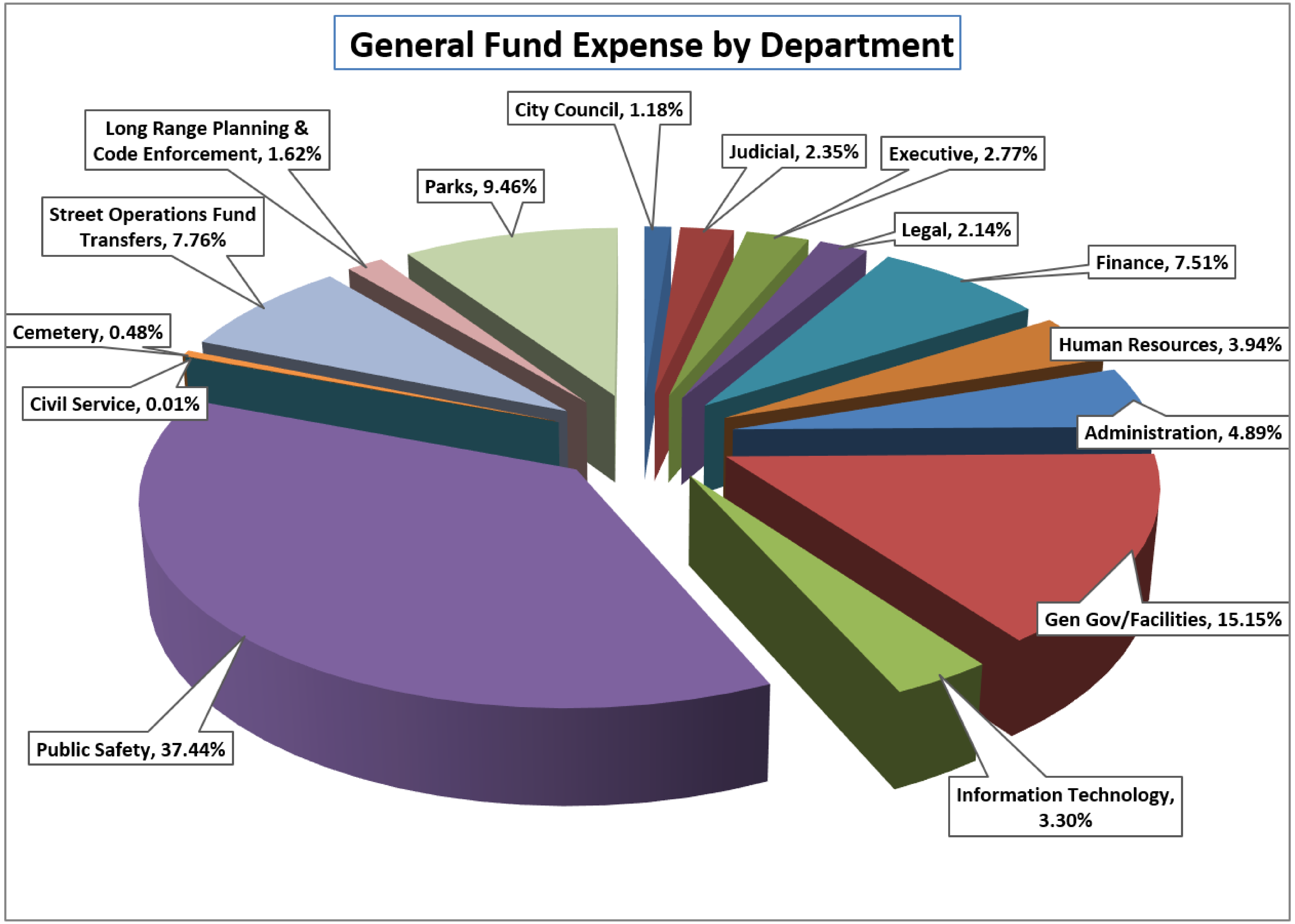


Source: City of Ridgefield Finance Department

2027 Baseline Operating Budget

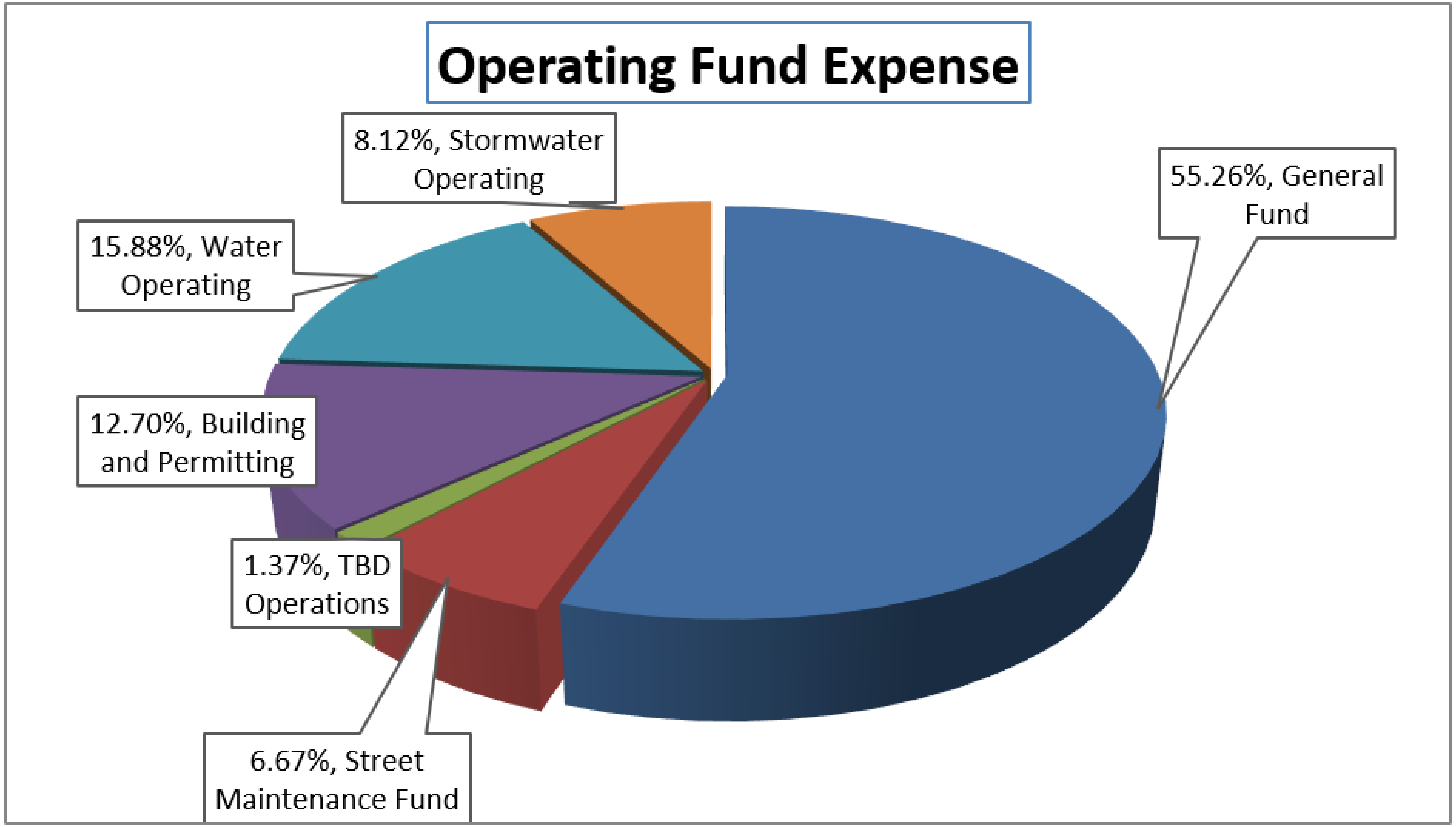
Fund/Department	2026 Operating Budget	2027 Operating Budget	Operating $ Variance	Operating Budget % Change	2026 Personnel Budget	2027 Personnel Budget	Personnel $ Variance	Personnel % Change	2027 FTE Allocation	2026 O&M Budget	2027 O&M Budget	O&M $ Variance	O&M % Change
General Fund													
City Council	177,750	185,550	7,800	4.4%	78,650	78,950	300	0.4%		99,100	106,600	7,500	7.6%
Judicial	360,000	370,000	10,000	2.8%			-			360,000	370,000	10,000	2.8%
Executive	405,550	436,500	30,950	7.6%	393,700	420,650	26,950	6.8%	1.00	11,850	15,850	4,000	33.8%
Finance	1,128,350	1,184,450	56,100	5.0%	974,000	1,038,100	64,100	6.6%	6.05	154,350	146,350	(8,000)	-5.2%
Legal	200,575	337,700	137,125	68.4%	185,575	297,700	112,125	60.4%	1.00	15,000	40,000	25,000	166.7%
Human Resources	557,700	621,450	63,750	11.4%	462,550	512,700	50,150	10.8%	2.70	95,150	108,750	13,600	14.3%
Administration	793,600	770,950	(22,650)	-2.9%	770,750	745,600	(25,150)	-3.3%	4.30	22,850	25,350	2,500	10.9%
Gen Govt./Facilities	1,928,350	2,388,800	460,450	23.9%	383,550	505,300	121,750	31.7%	3.70	1,544,800	1,883,500	338,700	21.9%
Information Technology	515,000	520,000	5,000	1.0%			-			515,000	520,000	5,000	1.0%
Public Safety	5,696,700	5,901,900	205,200	3.6%	4,343,950	4,573,100	229,150	5.3%	23.00	1,352,750	1,328,800	(23,950)	-1.8%
Civil Service	850	850	-	0.0%			-			850	850	-	0.0%
Cemetery	73,350	75,650	2,300	3.1%	60,800	62,400	1,600	2.6%	0.45	12,550	13,250	700	5.6%
Street Transfers	1,020,250	1,224,050	203,800	20.0%			-			1,020,250	1,224,050	203,800	20.0%
Long Range Planning & Code Enforcement	226,900	254,600	27,700	12.2%	212,550	231,500	18,950	8.9%	1.30	14,350	23,100	8,750	61.0%
Parks	1,355,290	1,491,700	136,410	10.1%	1,039,190	1,120,600	81,410	7.8%	7.40	316,100	371,100	55,000	17.4%
General Fund (Combined)	**14,440,215**	**15,764,150**	**1,323,935**	**9.2%**	**8,905,265**	**9,586,600**	**681,335**	**7.7%**	**50.90**	**5,534,950**	**6,177,550**	**642,600**	**11.6%**
Street Fund	1,578,840	1,901,450	322,610	20.4%	1,068,090	1,217,700	149,610	14.0%	7.65	510,750	683,750	173,000	33.9%
TBD	788,700	1,490,200	701,500	88.9%	91,200	112,000	20,800	22.8%	0.50	697,500	1,378,200	680,700	97.6%
Building and Permitting Fund	3,735,130	3,623,990	(111,140)	-3.0%	2,369,850	2,415,300	45,450	1.9%	15.30	1,365,280	1,208,690	(156,590)	-11.5%
Water Fund	3,676,125	4,530,725	854,600	23.2%	1,437,665	1,426,300	(11,365)	-0.8%	9.60	2,238,460	3,104,425	865,965	38.7%
Stormwater Fund	2,142,235	2,315,895	173,660	8.1%	1,135,125	1,142,800	7,675	0.7%	6.80	1,007,110	1,173,095	165,985	16.5%
Personnel Cost (All Operating Funds)					**15,007,195**	**15,900,700**		**6.0%**	**90.75**				

2027 Baseline Operating Budget
General Fund Expenditures by Department



Source: City of Ridgefield Finance Department

2027 Baseline Operating Budget
Operating Expenditures



Source: City of Ridgefield Finance Department

2027 Baseline Operating Budget
Special Revenue & Debt Service Fund Revenues and Expenditures

Special Revenue & Debt Service						
				Comparison	2027 YE Est.	Comments
	Revenue	Expense	Net	2025 Expense	Fund Balance	
Drug Fund	$ 350	$ 250	$ 100	NA	$ 11,167	No expense planned
Tax Increment Area (TIA)	$ 354,000	$ 340,800	$ 13,200	11.4%	$ 122,301	Debt service
Affordable Housing	$ 24,000	$ 50,000	$ (26,000)	0.0%	$ 86,428	Rental assistance program
Transportation Benefit District (TBD)	$ 1,320,000	$ 1,490,200	$ (170,200)	-7.8%	$ 1,685,152	Pavement preservation and street ops transfer
Debt Service Fund	$ 3,936,375	$ 3,936,375	$ -	13.2%	$ -	General government debt service

2027 Baseline Operating Budget
Capital Service Fund Revenues and Comittments

Capital Service						
				Comparison	2027 YE Est.	Comments
	Revenue	Expense	Net	2025 Expense	Fund Balance	
Real Estate Excise Tax (REET)	$ 1,985,000	$ 2,764,575	$ (779,575)	-13.7%	$ 978,761	Debt service payment transfer
Park Impact Fees (PIF)	$ 226,485	$ 695,500	$ (469,015)	123.4%	$ 159,350	Debt service & capital commitment
Traffic Impact Fees (TIF)	$ 460,250	$ 2,000,000	$ (1,539,750)	185.7%	$ 4,951	Capital commitment for Royle Rd
Water System Dev Charges (WSDC)	$ 1,670,000	$ 693,400	$ 976,600	-66.7%	$ 10,296,905	Excise tax and debt service

2027 Baseline Operating Budget
Impact Fee Credits

Impact Fee and System Development Charge Balances 8/31/2026						
		PIF		TIF		WSDC
Current Balance	$	5,665,463	$	11,787,935	$	214,878
Outstanding Issuance	$	4,128,200	$	4,886,061	$	42,025
Total Credits	$	9,793,663	$	16,673,996	$	256,903

Additional TIF, PIF and SDC to be determined

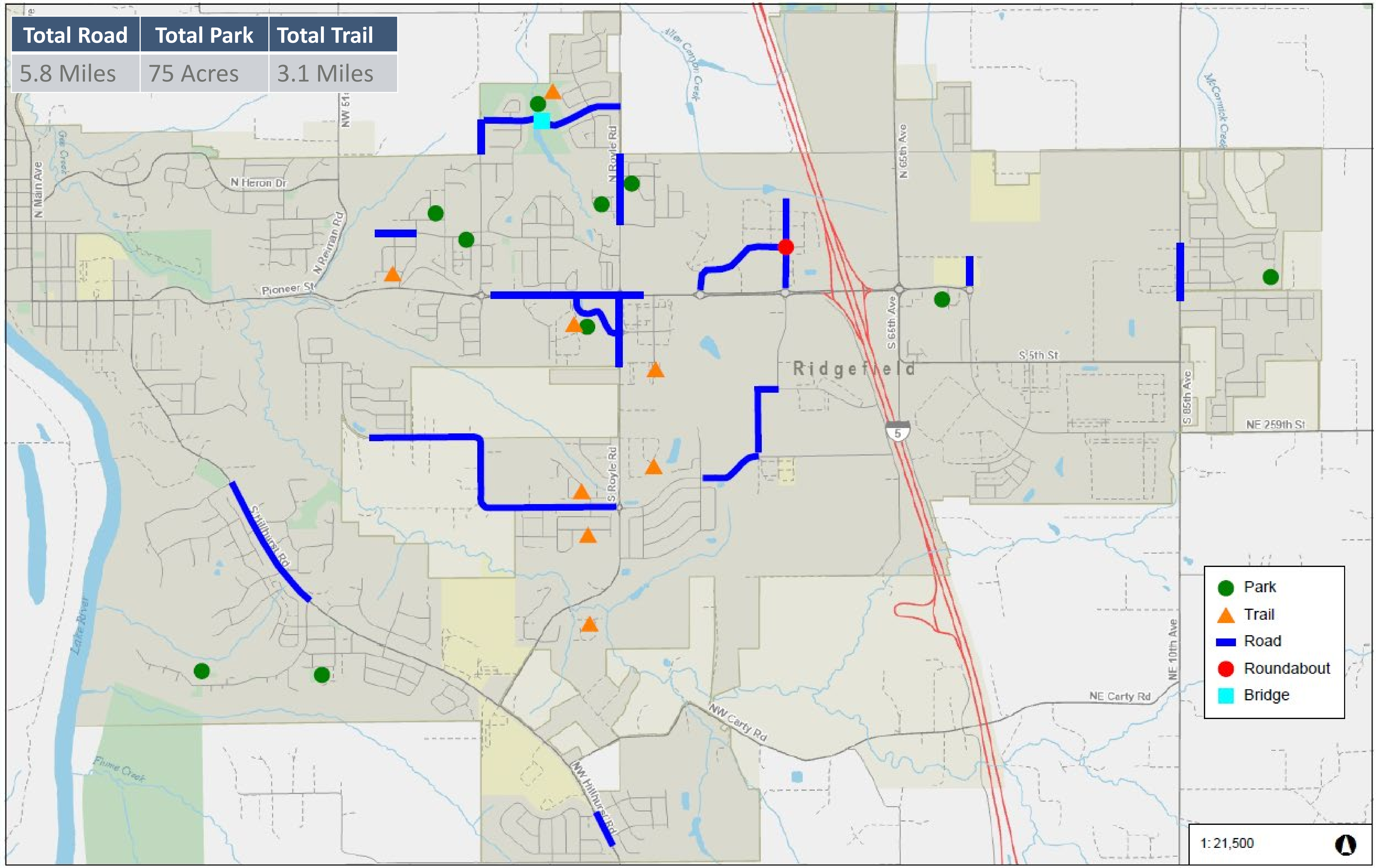
Infrastructure built using credits

- 5.8 miles of new roads
- 1 new roundabout
- 1 new bridge
- 3.1 miles of trail
- 75 acres of parkland
- 1,681 linear feet of 12” water line

Under construction

- 2.5 acre park in Sanderling subdivision
- New collector road and 12” water lines in Sanderling Park
- Pedestrian bridge and trails in Royle Ridge
- Trails in Legacy Trails III
- Additional park acreage for the Ridgefield Community and Recreation Center

2027 Baseline Operating Budget
Impact Fee Credit Example of Projects



Examples:
- Horns Corner Park
- Paradise Point Park and Road
- Greely Farms Park
- Pioneer Street
- Settler Drive
- Seven Wells Drive
- Royle Road
- S Hillhurst Road
- Ridgefield Crossing
- Teal Crest
- DiMelo Park
- Trail T-4 Cloverhill
- Trail T-11 Cloverhill
- Trail T-14 Legacy Trails
- Trail T-24 Kemper Grove
- Hillhurst Heights

2027 Baseline Operating Budget
Next Steps

- September
  - Budget Advisory Committee Meeting 9/8 4:00 PM
  - Review 2027 personnel, initiatives and capital project requests
  - Present proposed budget with initiatives
  - Council work session 9/17 4:00 PM
- October
  - Budget Advisory Committee Meeting if needed 10/6 4:00 PM
  - Final revenue forecast
  - Preliminary budget and budget message
  - Council work session 10/15 4:00 PM

2027 Baseline Operating Budget
Next Steps

- November
    - Draft of proposed budget available to public
    - Public hearings on 2027 revenue sources 11/5 6:30 PM
    - Present 2027 property tax levy 11/5 and 11/19 6:30 PM
    - Present 2027 utility rates 11/5 and 11/19 6:30 PM
    - Conduct first public hearing on 2027 proposed budget 11/19 6:30 PM
- December
    - Conduct final public hearing on 2027 proposed budget 12/3 6:30 PM
    - Adopt 2027 proposed operating and capital budget 12/3 6:30 PM
    - Transmit 2027 adopted budget to MRSC and State Auditor by 12/31


THANK YOU