

Budget Analysis of CT Towns – by Bill Generous, Windsor, CT

The budget season is winding down and 5 towns have not completed their budget adoption process. To date, 49% of town budget proposals have been rejected at referendum, a small drop from 52% over the prior two years. Another year and yet another record was set for the number of towns that had a binding* town budget referendum (82). The following highlights property tax changes for this year as well as the prior 10 years.

Tax rate increases for Fiscal Year 2008-09

The median effective property tax rate increase** of both referendum towns AND all Connecticut towns this budget season is **2.9%**, which is the third lowest increase of the last 10 years. With exceptionally strong new development, **Stamford steamrolled a path to the lowest effective tax rate change in Connecticut with a 4.4% DECREASE**. After two years with no mill rate changes, Redding reversed itself and edged out Hartford for the highest increase at 11.9%.

Tax increases over the last 10 years

For Connecticut towns, the annualized median effective property tax rate increase over the last decade is 3.6%. Home tax increases were higher as a result of revaluation tax shifting. When taxes from newly taxed properties are added to the increase in taxes generated from the effective tax rate change, the annualized median increase in the tax levy over the last decade is 5.8%.

The top and bottom 10%:

Towns with the lowest annualized effective tax rate increase this past decade (Sweet Sixteen):

Berlin, East Hartford, East Haven, East Windsor, Eastford, Franklin, Groton, Harwinton, North Stonington, Oxford, Plainville, Putnam, Salisbury (lowest at 1.5%), Washington, Watertown, and Windsor.

Towns with the highest annualized effective tax rate increase this past decade (Soaring Sixteen):

Beacon Falls, Chaplin, Darien, Essex, Fairfield, Lisbon, Lyme, Prospect, Ridgefield, Seymour, Sprague (highest at 7.1%), Sterling, Waterford, Westport, and Wilton.

Footnotes:

* Mansfield, North Branford, and Wilton also had a town budget referendum but it was not binding. 85 towns in total had at least one town budget referendum. All 17 Regional School Districts also had at least one budget referendum.

** Terminology/Technical Note: The effective property tax rate increase is the percent increase in the mill rate except for a town undergoing revaluation or a revaluation phase-in, in which case it represents the approximate percent change in the mill rate if revaluation was not implemented or a revaluation phase-in was frozen at the prior year's assessments. Although revaluation shifts the tax burden among property classes, the total increase in the tax levy and the effective tax rate increase remain the same whether or not revaluation is implemented.

Effective Tax Rate Increases of CT Towns
Annualized Rate Increase for Decade Ending with Fiscal Year 2008-09 and Single Year Rate Increase for Fiscal Year 2009-10

Town	10-year Annualized Effective Tax Rate Increase *	Town Rank	FY 2009-10 Effective Tax Rate Increase **	Town	10-year Annualized Effective Tax Rate Increase *	Town Rank	FY 2009-10 Effective Tax Rate Increase **	Town	10-year Annualized Effective Tax Rate Increase *	Town Rank	FY 2009-10 Effective Tax Rate Increase **
Salisbury	1.52%	1	2.20%	East Granby	3.26%	58	0.91%	Killingly	4.15%	114	1.97%
Oxford	1.54%	2	0.54%	Greenwich	3.27%	59	3.50%	Windham	4.23%	115	1.18%
East Hartford	1.82%	3	0.00%	Windsor Locks	3.27%	60	3.39%	Waterbury	4.24%	116	0.00%
Washington	1.82%	4	4.44%	Litchfield	3.29%	61	0.30%	Bloomfield	4.24%	117	0.68%
Eastford	1.88%	5	2.06%	Stafford	3.30%	62	6.16%	Simsbury	4.24%	118	1.69%
Franklin	1.89%	6	-0.81%	Meriden	3.31%	63	3.18%	Plainfield	4.28%	119	0.00%
Berlin	2.01%	7	0.00%	Winchester	3.32%	64	0.00%	New Fairfield	4.30%	120	-0.15%
East Haven	2.12%	8	0.00%	Willington	3.34%	65	2.54%	Killingworth	4.30%	121	0.00%
North Stonington	2.17%	9	2.26%	Kent	3.40%	66	0.61%	Old Saybrook	4.34%	122	3.16%
Harwinton	2.28%	10	0.19%	Granby	3.41%	67	0.37%	New Haven	4.35%	123	0.00%
Plainville	2.32%	11	0.34%	Rocky Hill	3.42%	68	2.76%	Bethany	4.37%	124	0.68%
Windsor	2.34%	12	-1.01%	Clinton	3.45%	69	4.49%	Tolland	4.38%	125	-0.07%
Putnam	2.38%	13	3.72%	Somers	3.48%	70	0.91%	Branford	4.43%	126	1.59%
Watertown	2.42%	14	4.90%	Ashford	3.49%	71	0.00%	Redding	4.44%	127	3.81%
East Windsor	2.51%	15	3.99%	Mansfield	3.49%	72	1.86%	Scotland	4.45%	128	-1.02%
Groton	2.54%	16	3.10%	Morris	3.49%	73	0.00%	Wethersfield	4.46%	129	1.69%
Colchester	2.57%	17	2.78%	Wallingford	3.50%	74	1.31%	Bozrah	4.47%	130	3.85%
Sharon	2.60%	18	3.51%	Stamford	3.56%	75	3.91%	Southbury	4.54%	131	-0.95%
Woodstock	2.60%	19	0.00%	Haddam	3.58%	76	1.54%	Madison	4.56%	132	4.37%
Norfolk	2.62%	20	0.55%	New Milford	3.58%	77	1.35%	Thompson	4.58%	133	1.34%
East Hampton	2.65%	21	0.84%	Thomaston	3.60%	78	0.00%	Preston	4.59%	134	5.45%
Barkhamsted	2.69%	22	-1.06%	Portland	3.61%	79	0.93%	Lebanon	4.63%	135	1.44%
Hampton	2.71%	23	4.02%	Cromwell	3.62%	80	-0.19%	Hebron	4.64%	136	3.57%
Norwalk	2.72%	24	2.33%	Middlefield	3.62%	81	-0.89%	Voluntown	4.68%	137	0.00%
West Haven	2.72%	25	0.00%	Farmington	3.63%	82	1.54%	Pomfret	4.68%	138	0.00%
Warren	2.76%	26	0.00%	Marlborough	3.65%	83	2.40%	Westbrook	4.70%	139	3.30%
Roxbury	2.79%	27	0.00%	Chester	3.65%	84	1.33%	Andover	4.70%	140	0.00%
Cheshire	2.79%	28	2.47%	Brookfield	3.68%	85	1.13%	Coventry	4.76%	141	1.60%
Cornwall	2.80%	29	0.00%	Newington	3.69%	86	2.60%	Glastonbury	4.84%	142	2.47%
Bristol	2.80%	30	0.00%	Burlington	3.69%	87	2.11%	Deep River	4.86%	143	0.00%
Goshen	2.80%	31	0.00%	Stonington	3.70%	88	-0.26%	Harland	4.87%	144	0.00%
Bridgeport	2.83%	32	9.25%	North Haven	3.72%	89	-0.09%	Weston	4.90%	145	-0.19%
Suffield	2.83%	33	3.41%	Woodbridge	3.76%	90	0.84%	Monroe	4.94%	146	2.86%
Wolcott	2.84%	34	0.00%	Milford	3.77%	91	-2.59%	Trumbull	4.95%	147	0.88%
New Britain	2.85%	35	0.00%	Southington	3.78%	92	1.09%	Newtown	4.96%	148	0.99%
Canaan	2.85%	36	-1.86%	West Hartford	3.80%	93	1.54%	Naugatuck	5.13%	149	0.00%
Ellington	2.88%	37	2.46%	North Canaan	3.82%	94	0.00%	Sherman	5.13%	150	0.07%
Enfield	2.88%	38	0.00%	Danbury	3.83%	95	1.45%	Union	5.20%	151	0.54%
Montville	2.90%	39	2.05%	Orange	3.83%	96	1.29%	Old Lyme	5.20%	152	2.63%
Guilford	2.92%	40	4.43%	Plymouth	3.88%	97	0.00%	New Canaan	5.26%	153	1.55%
Middlebury	2.95%	41	1.81%	Ansonia	3.89%	98	0.00%	Prospect	5.29%	154	0.00%
New London	2.97%	42	-0.19%	Stratford	3.92%	99	-0.49%	Westport	5.34%	155	0.00%
Vernon	3.03%	43	4.06%	Colebrook	3.94%	100	1.69%	Ridgefield	5.47%	156	0.45%
Hamden	3.03%	44	-0.03%	Bridgewater	3.98%	101	-1.94%	Wilton	5.51%	157	1.40%
East Haddam	3.10%	45	0.00%	Woodbury	4.00%	102	-0.61%	Lisbon	5.56%	158	5.62%
South Windsor	3.12%	46	1.53%	East Lyme	4.00%	103	0.00%	Seymour	5.65%	159	1.10%
Norwich	3.13%	47	3.72%	Derby	4.01%	104	0.00%	Easton	5.66%	160	0.46%
Salem	3.14%	48	1.30%	North Branford	4.04%	105	4.01%	Essex	5.67%	161	4.12%
Griswold	3.16%	49	0.00%	Hartford	4.04%	106	6.47%	Fairfield	5.69%	162	1.72%
Bolton	3.17%	50	3.27%	Manchester	4.05%	107	1.96%	Chaplin	5.76%	163	6.79%
Shelton	3.19%	51	0.00%	Bethel	4.09%	108	1.69%	Darien	5.86%	164	3.02%
Avon	3.19%	52	1.48%	Durham	4.11%	109	-0.19%	Sterling	6.00%	165	-0.25%
Canton	3.20%	53	-0.38%	New Hartford	4.12%	110	-0.29%	Lyme	6.04%	166	1.55%
Bethlehem	3.20%	54	3.42%	Brooklyn	4.12%	111	0.00%	Beacon Falls	6.31%	167	-2.02%
Canterbury	3.24%	55	0.00%	Columbia	4.12%	112	5.55%	Waterford	6.68%	168	0.00%
Torrington	3.26%	56	-0.03%	Ledyard	4.13%	113	0.00%	Sprague	7.10%	169	0.00%
Middletown	3.26%	57	0.00%								

Town Rank (1 is lowest annualized effective tax rate increase and 169 is highest for 10 year period ending with FY2008-09)

* Yearly Effective Tax Rate Increases for a town are accumulated for the last 10 Fiscal Years ending with Fiscal Year 2008-09 and then annualized. The Effective Tax Rate Increase for a particular year is the Tax Levy Increase excluding that attributable to new properties to the Grand List (ex. new construction). In years without a revaluation or revaluation phase-in being implemented, the effective tax rate increase is the mill rate increase. Effective Tax Rate Increases and above rankings are NOT a measure of Tax Burden.

** Effective Tax Rate Increase for Fiscal Year 2009-10
 Blue = Revaluation or Revaluation Phase-in Effective Tax Rate Change for Fiscal Year 2009-10
 (Danbury, Milford, New Haven, Orange, and West Hartford froze their revaluation phase-in)
 (Monroe and Torrington did not implement their 2008 revaluation for FY2009-10)

Black = Mill Rate Change. Mill Rate Change is the same as the Effective Tax Rate Change when there wasn't a revaluation or revaluation phase-in.