

# TOWN OF COVENTRY

## *Budget Primer*



### **BUDGET OVERVIEW/INTRODUCTION:**

Every year, the Town of Coventry prepares operating and capital budgets balancing expenses and revenues. Operating expenditures cover day-to-day operations such as public education, emergency services, and snow plowing. Capital expenditures maintain and acquire long-term assets: for example, roads, schools, vehicles, or equipment. The budget runs from July 1<sup>st</sup> to June 30<sup>th</sup> of the following year. Town residents can participate in this process by attending budget presentations, providing public comment, submitting feedback to [budgetcomments@coventry-ct.gov](mailto:budgetcomments@coventry-ct.gov), and voting in the annual budget referendum.

### **BUDGET PROCESS:**

In the fall, the Town Manager and Finance Director meet with department heads to discuss their proposed budgets. The Town Manager combines and revises these budgets based on the Town Council's goals. The Superintendent of Schools goes through the same process with their administrative team before presenting a proposed budget to the Board of Education.

In the spring, the Board of Education votes on the Superintendent of Schools's proposed budget which is then presented, alongside the Town Manager's budget at the Town Manager's Public Budget Hearing. The Town Council conducts public meetings to collect input from Town staff and residents, making changes to the budget as they do so. The Town Council then votes on a finalized proposed budget that is presented at the Annual Town Meeting in April, and voted on at referendum.

If it passes, the budget is formally adopted. Otherwise, it returns to the Town Council for modification and a second referendum. Coventry residents are encouraged to participate by providing feedback during public meetings, including the Annual Town Meeting, and voting in the referendum to ensure their input is considered.

### **TAXES AND REVENUES:**

Coventry's largest source of revenue (money made by the Town to support expenses) is property taxes. Property taxes are calculated based upon a property's assessed value, which equals 70% of fair market value – as determined during revaluation every five years. The assessed value is multiplied by the mill rate. The mill rate is adopted by the Town Council based upon the revenues necessary to cover the budget as approved at referendum. One mill is equal to one dollar in taxes for every thousand dollars in value. For example, if the mill rate is 5 and a property has an assessed value of

\$100,000, an individual would pay \$500 in property taxes (\$100,000 x 0.005).

Motor vehicle taxes are also based on the mill rate. The value of a vehicle for tax purposes starts with the manufacturer's suggested retail price, which is then reduced based on vehicle age, and multiplied by 70%. For an estimate of the change in property and motor vehicle taxes a resident can expect, the Town of Coventry has a Tax Calculator on its website at <https://www.coventry-ct.gov/675/Tax-Calculator>.

Coventry also receives State and Federal funds through intergovernmental transfers which support education and infrastructure. Some of the Town's services also raise revenues: for example, administrative fees, program fees (e.g. Parks and Recreation, Senior Center), ambulance charges, and others.

### **OPERATING BUDGET/GENERAL FUND:**

General operating expenses, including education, infrastructure maintenance, emergency services, and Town administration, are paid for from the General Fund. The Town maintains a balance in the general fund to maintain cash flow, prepare for unexpected or emergency expenses, and to maintain a good credit rating for bonding.

<b>General Fund Expenditures by Service Area FY 2026/2027 Proposed Operating Budget</b>	
<b>General Administration</b>	<b>\$ 2,380,068</b>
<b>Public Safety</b>	<b>\$ 3,338,389</b>
<b>Public Works</b>	<b>\$ 2,904,987</b>
<b>Human Services</b>	<b>\$ 365,690</b>
<b>Civic and Cultural</b>	<b>\$ 800,142</b>
<b>Sundry</b>	<b>\$ 3,401,319</b>
<b>Board of Education</b>	<b>\$ 33,000,696</b>
<b>Debt Service</b>	<b>\$ 2,912,837</b>
<b>Capital</b>	<b>\$ 999,190</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 50,103,318</b>

### **SPECIAL FUNDS:**

In addition to the general fund the Town has several special funds which have specific sources of revenue and provide specific services. For example, the Coventry Resource Recovery Authority (COVRRRA) provides trash and recycling collection and collects fees to support it. Parks and Recreation similarly collects program fees which it then uses to run programs, pay staff, and invest in Town parks.

### **CAPITAL BUDGET:**

The capital expenditures budget covers projects exceeding \$10,000 that are expected to last five years or more. This includes infrastructure projects such as annual road maintenance, school building improvement and maintenance, or improvements to Coventry parks. This also includes large equipment purchases, such as construction equipment for the Department of Public Works or emergency services vehicles. The Town makes a Capital Improvement Plan (CIP) which sets out not just current capital expenditures, but projects expected over the next five years. This ensures that the Town is well prepared for large expenses that may come in the future, and can begin allocating funds accordingly.

### **DEBT MANAGEMENT**

As with any organization, debt is an important part of funding large expenses so that taxpayers are not stuck paying the entire bill in a single year. This smooths the costs of large projects over time, which is helpful to both the Town and its residents. Town debt is issued through bonds at an interest rate based on the Town's bond rating. Coventry is consistently rated as high quality and low risk, lowering interest rates and saving money for Coventry residents. To pay for this debt, the Town spends a percentage of its budget on debt service, a value that may be higher or lower in any given fiscal year based on the amount of debt which has been incurred.

### **IMPORTANT RESOURCES:**

Budget information for this year and prior years is available on the town website at: <https://www.coventry-ct.gov/344/Budgets>

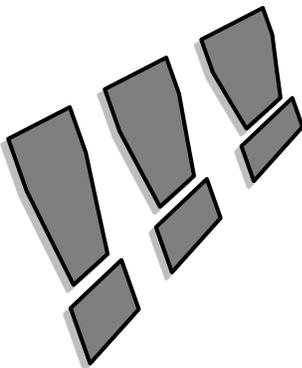
The Board of Education's budget can be found at: <https://www.coventrypublicschools.org/boe/budget>

## **Timeline for the 2026/27 Fiscal Year Budget**

Critical dates for the 2026-2027 Fiscal Year:

- *Department Director budget requests to Town Manager:* December, 2025 - January, 2026
- *School Board budget to Town Manager:* February, 2026
- *Town Manager's Proposed budget to Council:* March 2nd, 2026
- ◇ *Council Public Hearings on the Budget:*
- ◇ *Public Hearing on budget as presented by Town Manager and Superintendent of Schools -* March 5th, 2026
- ◇ *Meeting with Board of Education and Library -* March 9th, 2026
- ◇ *Meeting with Public Works and Parks and Recreation with audience of citizens -* March 12th, 2026
- ◇ *Meeting with Fire/EMS and Police Department -* March 16th, 2026
- ◇ *Meeting for budget deliberations with audience of citizens -* March 23rd, 2026
- ◇ *Meeting for budget deliberations with audience of citizens -* March 30th, 2026
- *Council's final budget adoption:* April 6th, 2026
- *Annual Town Meeting:* April 25th, 2026, Coventry High School Veterans Auditorium, 78 Ripley Hill Road, Coventry, CT
- *Ajourned Town Meeting/Referendum:* May 5th, 2026, South Coventry Fire House, 1755 Main Street, Coventry, CT

## **How to get involved**



- Attend upcoming meetings to hear budget presentations and give feedback at the indicated audience of citizen sections. Meeting information can be found on the Town website at <https://www.coventry-ct.gov/344/Budgets>
- Submit feedback on the budget to [budgetcomments@coventry-ct.gov](mailto:budgetcomments@coventry-ct.gov)
- Vote in the Adjourned Town Meeting/Budget Referendum on the First Tuesday of May

For more information about the budget process generally and this Fiscal Year's specifics, go to [www.coventry-ct.gov](http://www.coventry-ct.gov), or call the Town of Coventry at 860-742-6324. Information about upcoming meetings and events will be posted both online and in person at the Coventry Town Hall located at 1712 Main Street in Coventry, CT.