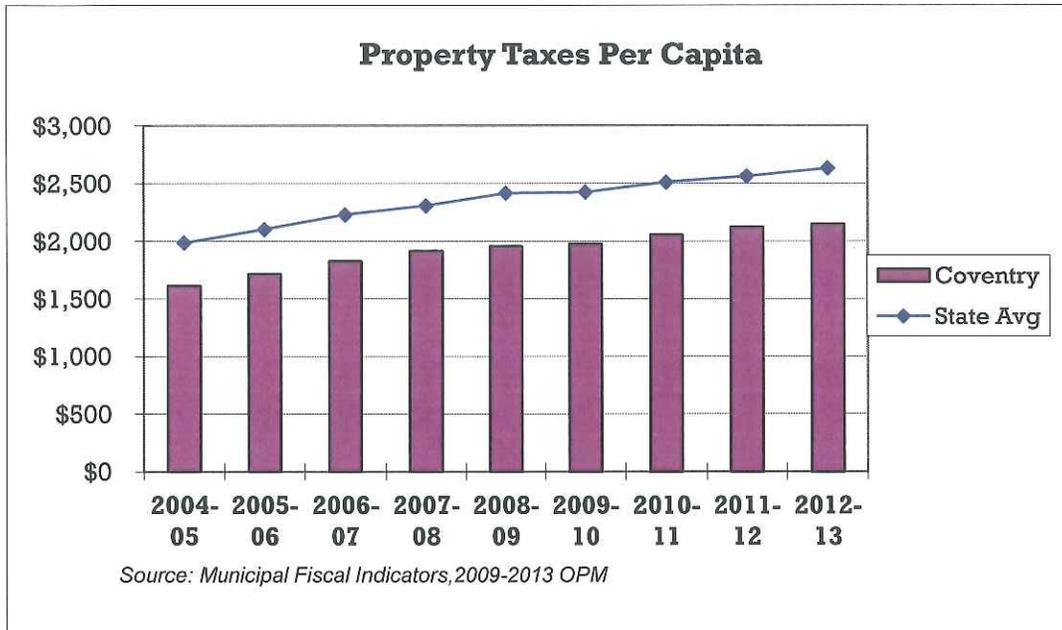
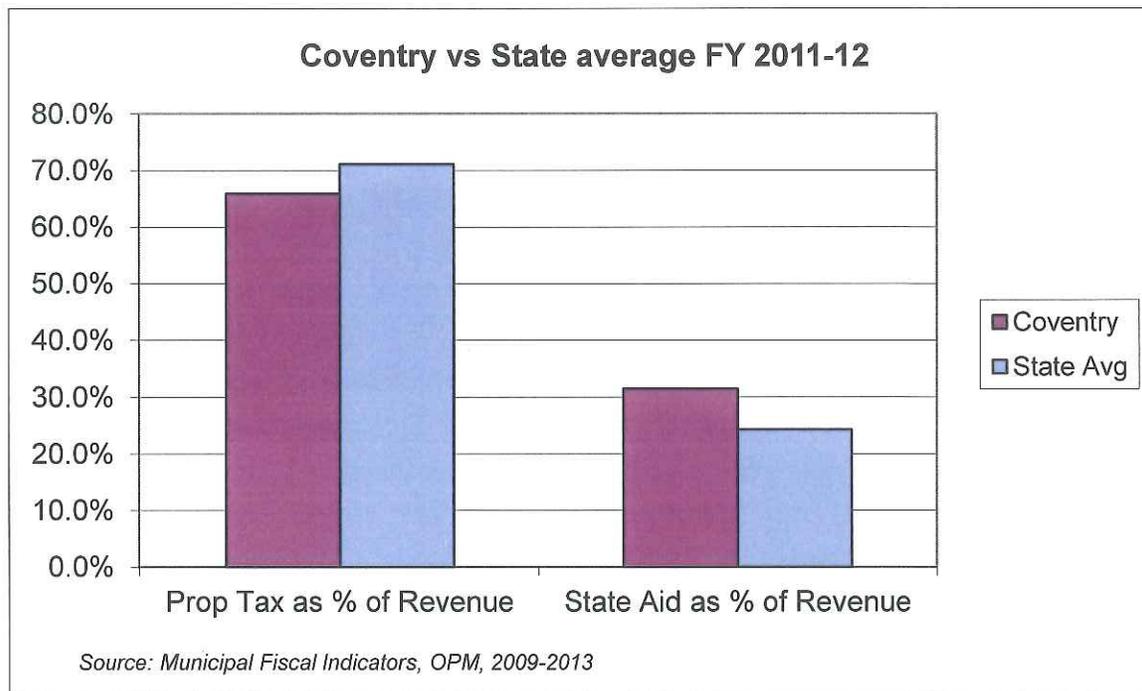


Revenues

Revenues – General Government



Coventry continues to remain below the state average in per capita taxes, ranking 123 out of the 169 Connecticut towns and cities. Coventry's per capita property taxes are 82% of (or \$483 less than) the average in Connecticut.



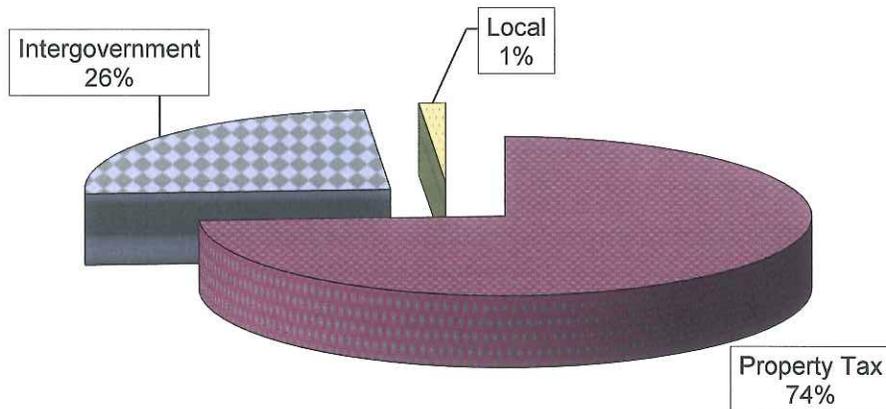
The Town receives more state aid than the state-wide average. In 2012 Coventry received 31.6% of our annual revenue from intergovernmental sources compared to the statewide average of 24.3%.

REVENUES

The expenditures proposed in the fiscal year 2015/2016 budget will require revenues equaling \$39,863,778. These revenues will be generated from local property taxes, intergovernmental grants, and other local revenues.

Source	Adopted Budget FY 14-15	Requested FY 15-16	Inc/Dec	% Change
Property Tax				
Current Taxes	27,896,662	28,505,320	608,658	2.2%
Delinquent Taxes	300,000	350,000	50,000	16.7%
Interest & Penalties	150,000	200,000	50,000	33.3%
Sup. MV	<u>225,000</u>	<u>250,000</u>	<u>25,000</u>	<u>11.1%</u>
Subtotal	28,571,662	29,305,320	733,658	2.6%
Intergovernmental				
Sewer Assessment	580,834	555,834	-25,000	-4.3%
State - Education	9,096,962	9,089,121	-7,841	-0.1%
State - Gen Govt	231,296	221,153	-10,143	-4.4%
PILOT	<u>18,000</u>	<u>18,000</u>	<u>0</u>	<u>0.0%</u>
Subtotal	9,927,092	9,884,108	-42,984	-0.4%
Other Local Revenues	<u>589,450</u>	<u>538,350</u>	<u>-51,100</u>	<u>-8.7%</u>
TOTAL REVENUES	39,088,204	39,727,778	639,574	1.6%

FY 15/16 Revenue by Source

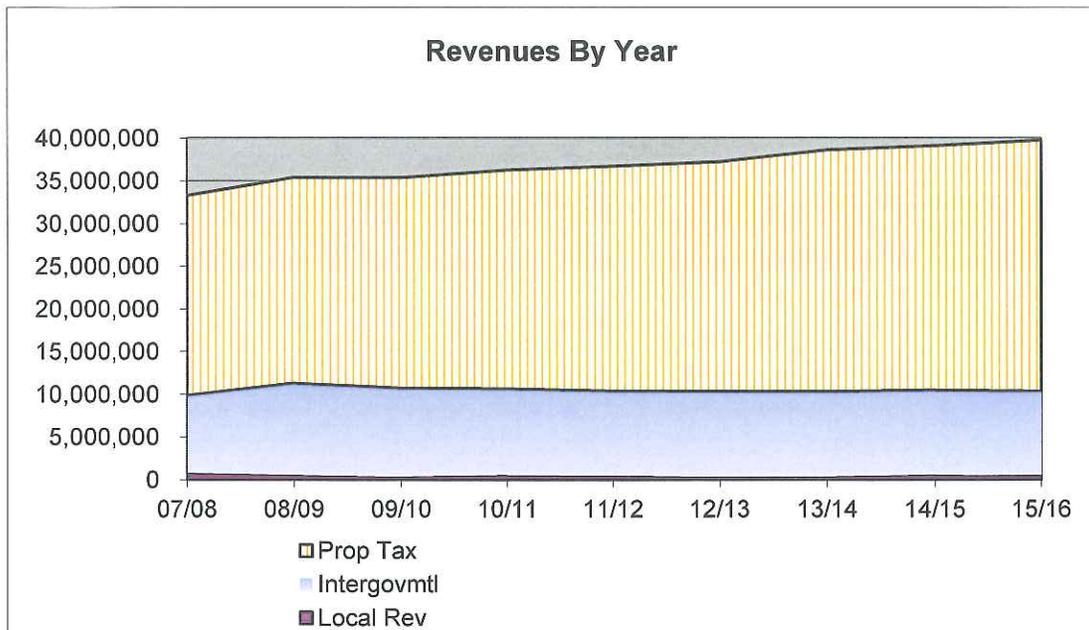


Property Taxes

The property tax is the major revenue source for local governments in Connecticut. The adjusted Real and Personal Net Valuation (Grand List) on October 1, 2014 amounted to \$930,973,231, a decrease of 6.88% from the preceding year. This decrease in the grand list is due to the impact of the State mandated revaluation. Without the revaluation, the true new growth from increases in new motor vehicles, personal property and improvements to real estate was .96%. This addition to the grand list will generate new tax revenue of \$275,599 without an increase in the mil rate. Using a collection rate of 98.15%, one mil will now raise \$913,750 of taxes. The budget as proposed requires a mil rate of 31.2. To provide a meaningful comparison with last year, the mil rate should be restated at 30.89 to equalize the changes caused in revaluation. This mil rate is an increase of .31 mils or .99%.

The chart below illustrates how the proposed mil rate would affect houses of differing assessed values. Assessed value is 70% of October 1, 2014 fair market value. It is estimated that the median house in Coventry is now assessed at \$144,900. This means that half the properties are above this point and half are below.

Market Value	Assessed Value	FY 14/15 Monthly	FY 14/15 Annually *	FY 15/16 Monthly	FY 15/16 Annually	Annual Increase	Monthly Increase
100000	70000	180.19	2162.30	182.00	2184.00	21.70	1.81
125000	87500	225.24	2702.88	227.50	2730.00	27.13	2.26
150000	105000	270.29	3243.45	273.00	3276.00	32.55	2.71
175000	122500	315.34	3784.03	318.50	3822.00	37.97	3.16
200000	140000	360.38	4324.60	364.00	4368.00	43.40	3.62
207000	144900	373.00	4475.96	376.74	4520.88	44.92	3.74
250000	175000	450.48	5405.75	455.00	5460.00	54.25	4.52
275000	192500	495.53	5946.33	500.50	6006.00	59.68	4.97
300000	210000	540.58	6486.90	546.00	6552.00	65.10	5.43
325000	227500	585.62	7027.48	591.50	7098.00	70.52	5.88



Intergovernmental Revenues

Intergovernmental revenues are the second largest source of revenues for Coventry. Fiscal Year 15/16 shows a decrease in total State aid of \$42,984 from the previous year. Estimates pertaining to State aid are taken from the Governor’s proposed State budget. The chart above illustrates the trends for all revenue sources. State aid is an amount which changes from year to year depending upon the climate at the State Capitol. This year State aid for education is projected to be \$9,089,121. Sewer Assessments are the payment from the sewer assessment fund to cover the scheduled sewer debt service payments. The debt service for sewers is fully funded by this interfund transfer except for \$25,000. The Pilot payment is a payment in lieu of taxes from the local Housing Authority.

Reserves and Transfers

This budget does not propose a transfer of any funds from fund balance to offset fiscal year 15/16 expenditures. Fund balance is essential to maintain cash flow and maintain a good credit rating. Council policy sets a target of 10% for undesignated fund balance. Council policy states that “the undesignated fund balance will not be utilized to offset tax increases if the balance is less than 10%”. Fiscal year 13/14 saw an increase in unassigned fund balance from 3,666,097 (FY2012/13) to 4,199,209 (FY2013/14). As a percentage of adopted budget appropriation, the balance is now 10.9%. No recommendation is being made to use fund balance as an offset to tax revenue. Bond rating agencies look at fund balance, and other factors, when rating a municipality’s credit worthiness. Please see the Appendix for this calculation.

Other Local Revenues

Other Local Revenues consist of a variety of fees for permits and services and interest earnings. This source of revenue is expected to decrease by \$51,100 and is 1.4% of the overall revenue estimates. The decrease is primarily due to a reduction in revenue from tax sale properties. The Building Department continues to issue permits for new construction and renovations, and the Town Clerk reports steady conveyance revenue. Investment income remains constant as rates are projected to remain at low levels through 2016.

Three Year Revenue Comparison

Below is a three-year revenue comparison showing taxes, intergovernmental and local sources of revenue.

	Actual FY13-14	Estimated FY 14-15	Proposed FY 15-16
Property Tax			
Current Taxes	27,134,348	27,896,662	28,505,320
Delinquent Taxes	568,288	300,000	350,000
Interest & Penalties	310,489	150,000	200,000
Sup. Motor Veh.	237,566	225,000	250,000
Subtotal	28,250,691	28,571,662	29,305,320
Intergovernmental			
Sewer Assessment	685,752	580,834	555,834
State - Education	9,138,717	9,096,962	9,089,121
State - Gen Govt	218,795	231,296	221,153
PILOT	18,374	18,000	18,000
Subtotal	10,061,638	9,927,092	9,884,108
Reserves	0	0	0
Other Local	647,704	589,450	538,350
General Fund Total	<u>38,960,033</u>	<u>39,088,204</u>	<u>39,727,778</u>

Budget Fiscal Year: 2016 to 2016

Account# and Description	2014	2015	2015	2015	Dept Head	Council	Inc/Dec	%
	Actual	Base Budget	Actual YTD	Est. Actual				
110 GENERAL FUND								
6010 GENERAL PROPERTY								
40211 CURRENT	27,134,348	27,896,662	27,861,939	27,896,662	28,924,285	28,505,320	608,658	2.18
40212 DELINQUENT	568,288	300,000	255,283	300,000	350,000	350,000	50,000	16.67
40213 INT & PENALTIES	310,489	150,000	160,331	150,000	200,000	200,000	50,000	33.33
40214 SUPP MOTOR VEHICLE	237,566	225,000	266,752	225,000	250,000	250,000	25,000	11.11
Total 6010 GENERAL PROPERTY	28,250,691	28,571,662	28,544,305	28,571,662	29,724,285	29,305,320	733,658	2.57
6026 SEWER ASSMT REIMB DEBT SERVI								
40203 SEWER ASSESSMENT COLLECTIONS								
	685,752	580,834	488,938	580,834	555,834	555,834	(25,000)	(4.30)
Total 6026 SEWER ASSMT REIMB DEBT	685,752	580,834	488,938	580,834	555,834	555,834	(25,000)	(4.30)
6030 ST OF CT FOR EDUCATION								
40300 ED COST SHARING ECS GRANT								
	8,974,835	8,935,142	8,926,913	8,935,142	8,935,142	8,935,142	0	.00
40303 TRANSPORTATION	151,514	149,885	148,039	149,885	142,044	142,044	(7,841)	(5.23)
40306 ADULT EDUCATION	12,368	11,935	7,992	11,935	11,935	11,935	0	.00
Total 6030 ST OF CT FOR EDUCATION	9,138,717	9,096,962	9,082,944	9,096,962	9,089,121	9,089,121	(7,841)	(.09)
6032 BOE LOCAL REVENUES								
40309 TUITION								
	0	0	30,782	0	0	0	0	.00
40311 MEDICAID REIMBURSEMENT	86,552	0	22,014	0	0	0	0	.00
Total 6032 BOE LOCAL REVENUES	86,552	0	52,796	0	0	0	0	.00
6040 ST OF CT FOR GEN GOV'T								
40401 ELDERLY CIRCUIT BREAKER								
	63,266	70,670	65,449	70,670	65,670	65,670	(5,000)	(7.08)
40406 DISABILITY EXEMPT	1,454	1,500	1,725	1,500	1,500	1,500	0	.00
40407 GRANT IN LIEU OF TAXES	46,274	51,508	51,559	51,508	48,673	48,673	(2,835)	(5.50)
40409 CASINO FUNDS	47,324	48,303	32,144	48,303	48,068	48,068	(235)	(.49)
40411 VETERANS ADDT TAX RELIEF	8,353	8,700	6,124	8,700	6,000	6,000	(2,700)	(31.03)
40412 EMPG	6,227	6,209	0	6,209	6,209	6,209	0	.00
40414 TELEPHONE ACCESS GRANT	31,377	20,000	26,927	20,000	20,000	20,000	0	.00
40415 YOUTH SERVICES SALARY GRANT	14,520	14,500	14,520	14,500	0	14,500	0	.00
40428 MUNICIPAL REVENUE SHARING	0	9,906	9,906	9,906	10,533	10,533	627	6.33
Total 6040 ST OF CT FOR GEN GOV'T	218,795	231,296	208,354	231,296	206,653	221,153	(10,143)	(4.39)
6046 HOUSING AUTHORITY P.I.L.O.T.								
40460 P I L O T								
	18,374	18,000	13,850	18,000	18,000	18,000	0	.00
Total 6046 HOUSING AUTHORITY P.I.	18,374	18,000	13,850	18,000	18,000	18,000	0	.00
6060 FINANCE								
40601 INVESTMENT INCOME								
	42,424	50,000	37,619	50,000	50,000	50,000	0	.00
40602 INSURANCE REIMB & CLAIMS CIRMA equity distribution	23,425	0	90	0	23,000	18,900	18,900	.00
40603 CONVEYANCE TAX	105,527	94,000	84,328	94,000	94,000	94,000	0	.00

Town of Coventry
Council Recommended Revenue Budget

Budget Fiscal Year: 2016 to 2016

Account# and Description	2014 Actual	2015 Base Budget	2015 Actual YTD	2015 Est. Actual	Dept Head	Council	Inc/Dec	%
40604 SALE OF TOWN PROPERTY	0	150,000	0	150,000	50,000	50,000	(100,000)	(66.67)
Total 6060 FINANCE	171,376	294,000	122,037	294,000	217,000	212,900	(81,100)	(27.59)
6062 TOWN CLERK								
40621 OFFICE RECEIPTS	100,868	95,000	78,521	95,000	95,000	95,000	0	.00
Total 6062 TOWN CLERK	100,868	95,000	78,521	95,000	95,000	95,000	0	.00
6063 ASSESSOR								
40631 COPY CHARGES	905	1,200	589	1,200	1,200	1,200	0	.00
Total 6063 ASSESSOR	905	1,200	589	1,200	1,200	1,200	0	.00
6064 DEVELOPMENT/PLANNING								
40641 ZONING PERMITS	11,425	10,000	8,150	10,000	11,000	11,000	1,000	10.00
40642 PLANNING & ZONING	6,289	3,500	4,775	3,500	3,500	3,500	0	.00
40643 ZONING BD OF APPEALS	2,675	2,000	2,628	2,000	1,600	1,600	(400)	(20.00)
40644 INLAND WETLANDS	2,525	3,000	2,020	3,000	1,200	1,200	(1,800)	(60.00)
40645 REGS AND MAPS	354	1,000	83	1,000	1,000	1,000	0	.00
40646 10% PERMIT FEES	134	100	78	100	100	100	0	.00
Total 6064 DEVELOPMENT/PLANNING	23,402	19,600	17,734	19,600	18,400	18,400	(1,200)	(6.12)
6066 BUILDING DEPARTMENT								
40661 BLDG PERMITS/FEES	197,567	130,000	136,596	130,000	150,000	150,000	20,000	15.38
40662 FIRE INSPECTION	1,450	1,500	1,105	1,500	1,500	1,500	0	.00
40663 BLASTING PERMITS	0	50	0	50	50	50	0	.00
40665 PENALTY FEES	0	100	0	100	100	100	0	.00
Total 6066 BUILDING DEPARTMENT	199,017	131,650	137,701	131,650	151,650	151,650	20,000	15.19
6070 POLICE SERVICES								
40622 WARDEN RECEIPTS	785	1,000	825	1,000	1,000	1,000	0	.00
40625 DOG LICENSE	9,932	9,500	2,574	9,500	9,500	9,500	0	.00
40626 FINGERPRINTING	1,310	800	1,813	800	1,000	1,000	200	25.00
40701 SPECIAL DUTY	3,415	3,000	17,303	3,000	10,000	10,000	7,000	233.33
40702 LOCAL PARKING FINES	155	300	80	300	300	300	0	.00
40703 PERMITS	11,475	4,000	5,844	4,000	6,000	6,000	2,000	50.00
40705 OTHER	534	400	132	400	400	400	0	.00
40707 MUNICIPAL SURCHARGE	3,758	3,000	3,394	3,000	4,000	4,000	1,000	33.33
Total 6070 POLICE SERVICES	31,364	22,000	31,965	22,000	32,200	32,200	10,200	46.36
6078 RENTS/MISCELLANEOUS								
40781 RENTS/STATE LEASES	26,434	26,000	27,227	26,000	27,000	27,000	1,000	3.85
40782 UNANTICIPATED REVENUE	7,786	0	10,135	0	0	0	0	.00
Total 6078 RENTS/MISCELLANEOUS	34,220	26,000	37,362	26,000	27,000	27,000	1,000	3.85
=====								
Account# and Description	2014 Actual	2015 Base Budget	2015 Actual YTD	2015 Est. Actual	Dept Head	Council	Inc/Dec	%
Total 110 GENERAL FUND	38,960,033	39,088,204	38,817,096	39,088,204	40,136,343	39,727,778	639,574	1.64
=====								
*** Grand Total ***	38,960,033	39,088,204	38,817,096	39,088,204	40,136,343	39,727,778	639,574	1.64

This page intentionally left blank.