

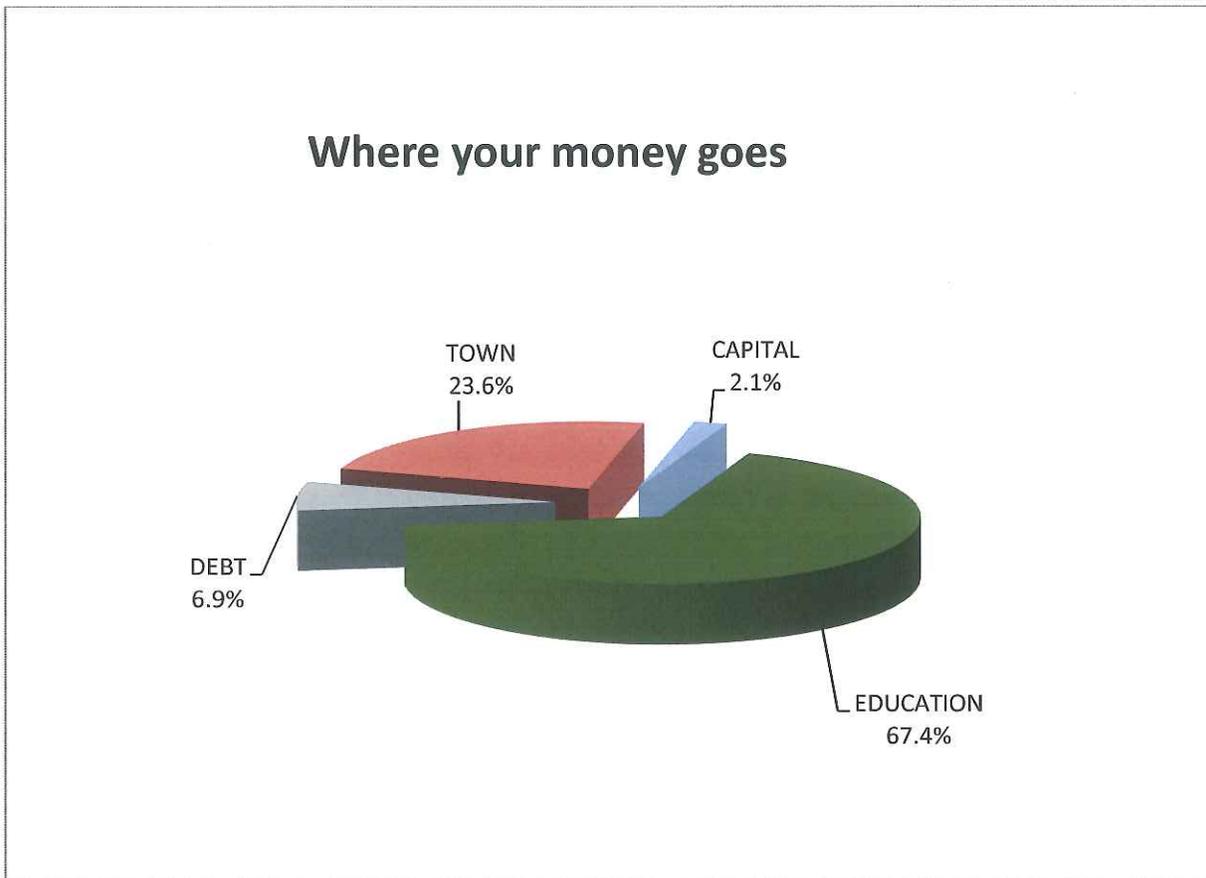
Expenditures

EXPENDITURES

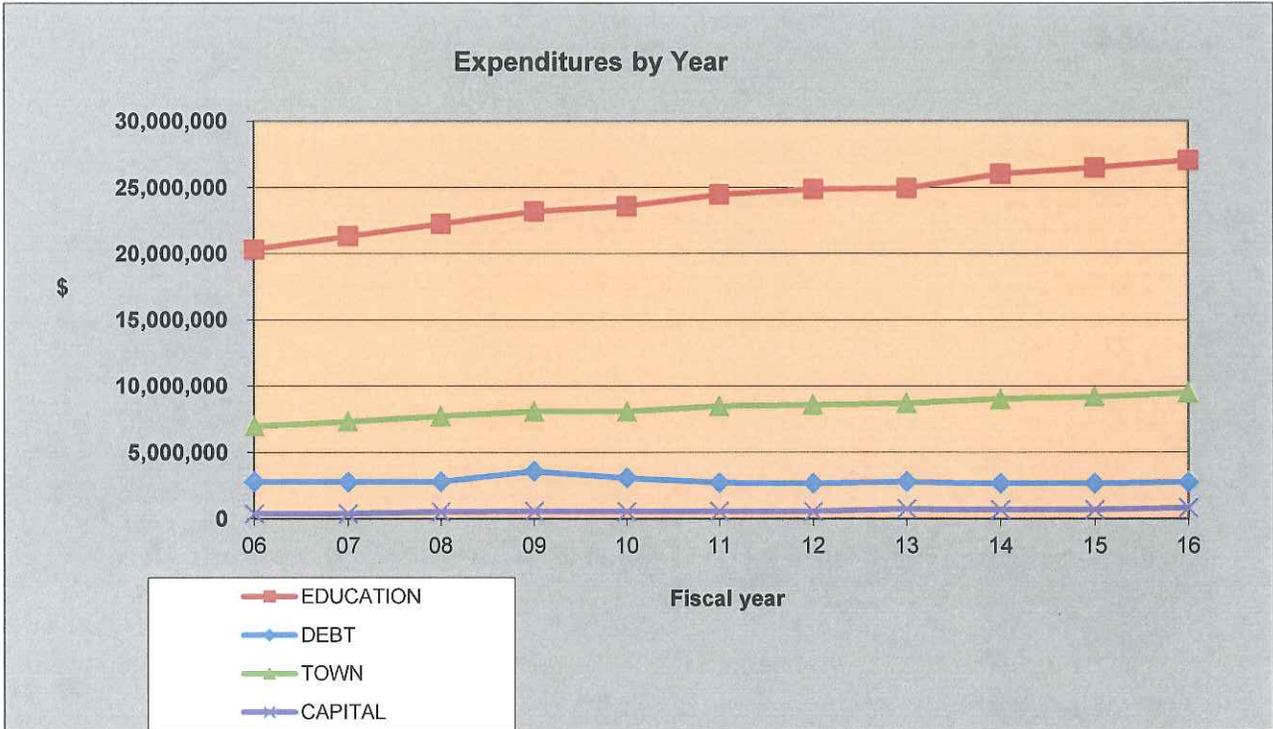
The expenditure part of the budget is broken down into the categories of General Government, Board of Education, Debt Service and Capital Expenditures which includes the Reserve for Capital & Nonrecurring Expenditures (CNREF). The requested expenditures for the fiscal year 15/16 total \$39,727,778, an increase of \$639,574, or 1.64% over the adopted FY 14/15 budget. A breakdown is illustrated below.

Budget Area	Adopted Budget FY 14-15	Proposed Budget FY 15-16	\$ Change	% Change
General Government	\$9,191,392	\$9,483,213	\$291,821	3.17
Board of Education	\$26,518,064	\$26,811,045	\$292,981	1.10
Debt Service	\$2,682,708	\$2,638,900	(\$43,808)	-1.63
Capital	\$696,040	\$794,620	\$98,580	14.16
Total	\$39,088,204	\$39,727,778	\$639,574	1.64

The following chart shows a breakout of the various budget areas by percentage which, when combined, create the annual budget.

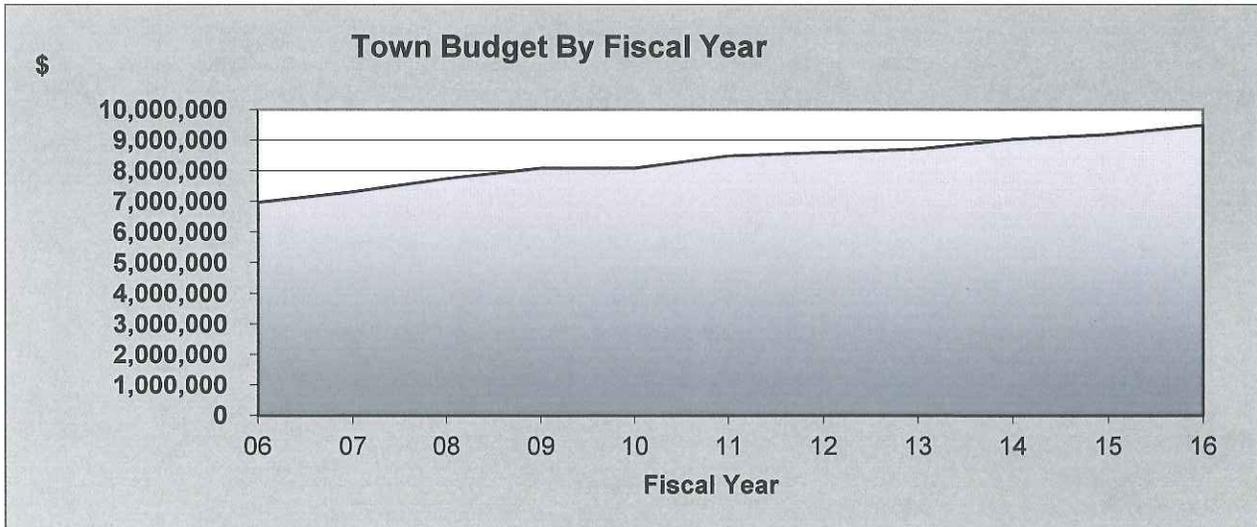


The next illustration shows historical trends for the same categories.



General Government

The Town operating budget recommended for FY 15/16 is \$9,483,213, which represents a \$291,821 or 3.17 percent increase compared to the current adopted budget. The Town budget makes up 23.9% of the total operating budget and 45.6% of the requested increase. Budget requests of Town agencies totaled \$9,739,917 and were reduced \$252,756 by the Town Manager. Without the Manager's reductions the increase over the budget would have been a 6.0% increase. The Council added \$21,052 to the Manager's budget. After the budget referendum failed, the Council reduced the total by \$25,000.



The following table presents a summary of the operating budget by function.

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>Inc/Dec</u>	<u>%</u>
General Administration	\$1,491,422	\$1,554,942	\$63,520	4.26%
Public Safety	\$2,302,126	\$2,414,653	\$112,527	4.89%
Public Works	\$2,188,883	\$2,268,207	\$79,324	3.62%
Human Services	\$252,680	\$288,718	\$36,038	14.26%
Civic & Cultural	\$524,725	\$536,107	\$11,382	2.17%
Sundry	\$2,431,556	\$2,420,586	-\$10,970	-0.05%
Total	\$9,191,392	\$9,483,213	\$291,821	3.17%

Within each function the Town operating budget is composed of five major expenditure objects: Personnel Services, Contractual Services, Supplies, Capital Expenditures and Utilities. A table comparing FY 14/15 and FY 15/16 is provided below. A detailed analysis of the five expenditure objects follows.

	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>%Total</u>	<u>\$ Change</u>	<u>% Change</u>
Personnel	6,659,586	6,847,269	72.20%	187,683	2.82%
Contractual	1,408,648	1,481,464	15.62%	72,816	5.17%
Supplies	817,370	847,685	8.94%	30,315	3.71%
Capital	26,569	28,169	0.30%	1,600	6.02%
Utilities	279,219	278,626	2.94%	(593)	-0.21%
Total	9,191,392	9,483,213	100.00%	291,821	3.17%

Personnel Services

The recommended expenditures for personnel services have increased by \$187,683 or 2.82%. Personnel services include wages, overtime, pension, health insurance, and Social Security. One new position in Public Works is proposed starting in October to address citizen's expectations for snow removal and sports field maintenance at an expense of about \$50,000. A police officer was added by the Council to start in January (\$37,500). A re-organization is proposed to appoint the current Fire Marshal as provisional Fire/EMS administrator and back fill his duties with additional hours for the Deputy Fire Marshals and temporary Assistant Building Official hours for vacation coverage (\$20,000). This Budget also reflects the first full year of a full time Senior Center Coordinator. Wages for non-union employees were set to reflect equity with bargaining units but are based on performance. Due to plan design changes, premium sharing increases and claims management, health insurance rates are projected to increase by an average of .3% impacting the budget by \$15,843 (1.4%). This expense makes up approximately 11.6% of the Town budget.

Pension expenses have decreased (\$62,024) due to prior year supplemental contributions, investment performance and plan design changes including increased employee contributions. We will continue to contribute the amount based on the annual actuarial review. Our unfunded pension liability has rebounded and is almost 90% funded.

Contractual Services

Contractual services increased by \$72,816 or 5.3%. Workers Compensation is about 18.1% of the increase due to past high claims (including a fatality). A list of major changes in this category includes:

Building Maintenance/equipment repair	\$7,000
Software Licenses (including new tax package)	\$33,512
Service contracts (janitorial, HVAC)	\$12,550
Workers' Comp Insurance	\$14,035
Senior programs	\$500
Legal	\$5,000

Supplies

The supply area of the budget increased by \$30,315, or 3.71%. Most adjustments were minor and reflect current costs. Major changes include:

Gasoline and Diesel	(-\$18,050)
Treated salt	\$5,000
Fleet repair parts and tires	\$24,000
Heating Fuel	(-\$5,131)

Capital Expenditures

Capital Expenditures within the General Government budget increased by \$1,600. These expenses are primarily for equipment replacements.

Utilities

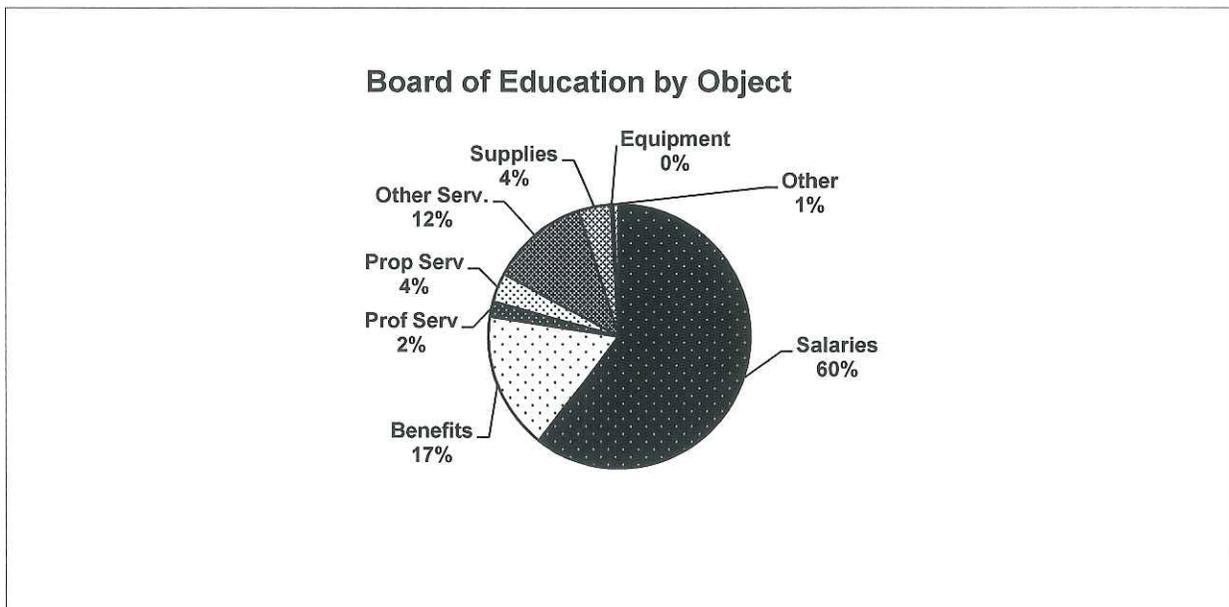
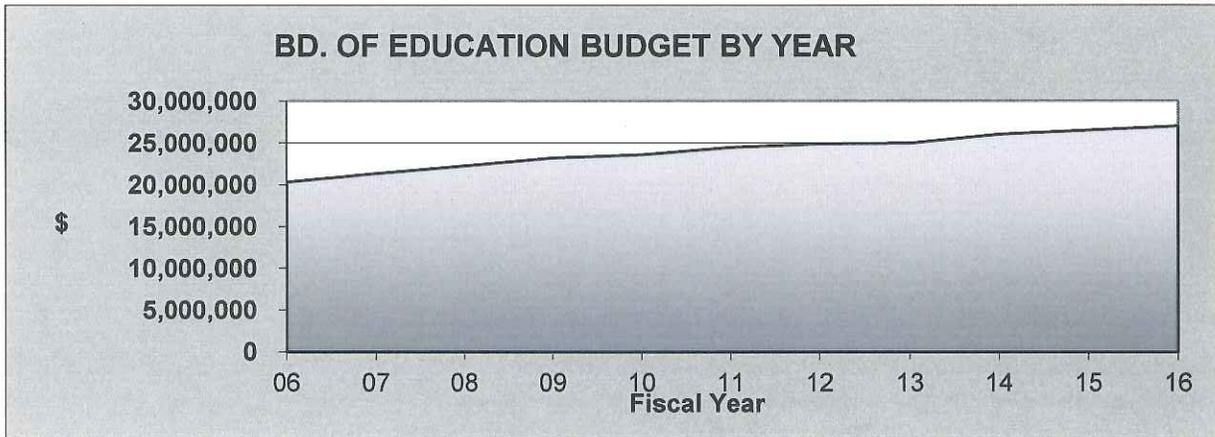
We were able to reduce heating oil prices. Utilities have decreased \$593. We re-bid and reduced electric rates effective Jan 1, 2014 and will have additional solar coming on line. The Energy Committee established by the Town Council has helped reduce Town Hall expenses and the LED lighting has reduced parking lot electric use. Streetlight costs are up by \$4,500. Sewer rates are anticipated to hold steady.

Town of Coventry
Town Council Approved
Summary by Department

Budget Fiscal Year: 2016 to 2016									
	2014	2015	2015	2015				Cou/Bud	
	Actual	Base Budget	Actual YTD	Est. Actual	Dept Head	Town Manager	Council	Inc/Dec	%
1101 TOWN COUNCIL	24,912	31,369	27,669	31,369	33,418	33,418	33,418	2,049	6.53%
1201 TOWN MANAGER	195,783	201,700	175,931	203,205	212,462	212,462	208,462	6,762	3.35%
1300 FINANCE ADMINISTRATION	105,885	110,598	98,220	110,598	114,289	114,289	114,289	3,691	3.34%
1301 ACCOUNTING	123,420	114,620	87,963	103,070	110,300	110,300	110,300	-4,320	-3.77%
1302 COLLECTOR OF REVENUE	104,612	110,516	85,344	111,550	114,254	114,209	114,209	3,693	3.34%
1303 ASSESSOR	126,312	132,989	106,196	123,248	137,699	137,699	137,699	4,710	3.54%
1304 ASSESSMENT APPEALS	329	1,150	378	800	800	800	800	-350	-30.43%
1305 TREASURER	22,914	24,371	21,240	24,371	24,956	24,956	24,956	585	2.40%
1306 INFORMATION TECHNOLOGY	93,754	113,685	126,693	129,091	144,867	144,867	150,367	36,682	32.27%
1401 PLANNING	126,694	134,870	115,797	136,174	143,983	143,983	143,983	9,113	6.76%
1402 ZONING BOARD/APPEALS	20,219	22,851	18,990	22,851	24,022	23,872	23,872	1,021	4.47%
1403 CONSERVATION	55	1,760	342	1,760	2,135	2,135	2,135	375	21.31%
1404 ECONOMIC DEVELOPMENT	13,011	13,641	11,034	13,625	21,743	16,593	14,093	452	3.31%
1406 INLAND WETLANDS	43,584	44,694	37,351	44,694	47,374	47,274	47,274	2,580	5.77%
1407 P&Z COMMISSION	3,353	4,550	3,903	4,550	4,550	4,200	4,200	-350	-7.69%
1501 LEGAL COUNSEL	59,120	85,000	116,702	98,350	95,000	95,000	90,000	5,000	5.88%
1502 PROBATE COURT	5,008	6,755	6,755	6,755	7,055	7,055	7,055	300	4.44%
1601 RECORDING/LICENSING	157,341	156,432	135,600	178,760	144,461	144,461	144,461	-11,971	-7.65%
1701 ELECTIONS	36,617	42,560	36,596	42,560	54,267	43,560	43,560	1,000	2.35%
1801 TOWN OFFICE BLDG.	79,101	77,560	86,143	87,052	80,808	80,808	80,808	3,248	4.19%
1802 CENTRAL SERS./SUPPLY	49,388	59,751	34,081	59,751	59,001	59,001	59,001	-750	-1.26%
2101 POLICE ADMINISTRATION	168,144	180,713	150,180	180,698	186,092	185,799	185,551	4,838	2.68%
2102 POLICE OPERATIONS	1,154,730	1,195,818	919,024	1,191,318	1,361,423	1,232,715	1,247,711	51,893	4.34%
2103 POLICE SUPPORTIVE SERVICES	287,035	315,080	260,843	319,332	321,333	320,600	319,630	4,550	1.44%
2104 POLICE MARINE PATROL	6,317	8,450	4,743	8,450	7,850	7,850	7,850	-600	-7.10%
2105 POLICE STATION	51,891	58,390	45,680	58,627	60,055	59,480	59,480	1,090	1.87%
2201 FIRE MARSHAL	27,504	28,617	24,400	28,617	30,795	26,446	26,446	-2,171	-7.59%
2202 COVENTRY VOL FIRE ASSN	95,268	110,874	89,876	107,874	125,810	112,466	112,466	1,592	1.44%
2203 NORTH COV. VOL. FIRE DEPT	93,398	105,979	83,461	112,979	137,103	111,441	111,441	5,462	5.15%
2206 NO. COV. SUB-STATION	8,702	9,600	3,601	9,600	15,400	9,600	9,600	0	0.00%
2207 JOINT FIRE BUDGET	167,913	177,993	93,271	176,993	217,473	217,473	218,466	40,473	22.74%
2208 CVFA SOUTH ST. SUBSTATION	14,780	15,205	18,117	18,205	18,855	18,410	18,410	3,205	21.08%
2301 EMERGENCY MANAGEMENT	26,679	25,965	22,996	25,965	27,743	26,711	26,711	746	2.87%
2401 ANIMAL CONTROL	65,994	69,442	53,456	69,442	71,766	70,891	70,891	1,449	2.09%
3100 ROADS & DRAINAGE	499,930	538,648	449,955	532,771	549,362	549,362	549,362	10,714	1.99%
3101 PUBLIC WORKS BUILDING	54,872	56,320	72,191	58,405	59,320	57,592	57,592	1,272	2.26%
3102 SNOW REMOVAL	310,603	269,000	381,766	394,286	269,000	276,000	276,000	7,000	2.60%
3103 FACILITY MAINTENANCE	233,733	253,932	222,331	258,516	304,101	292,991	292,991	39,059	15.38%
3104 PUBLIC WORKS ADMINISTRATION	237,110	242,604	191,170	241,919	248,867	248,867	248,867	6,263	2.58%
3105 FLEET MAINTENANCE	425,429	448,171	397,516	457,681	480,199	461,599	461,599	13,428	3.00%
3107 MATCHING FUNDS	1,500	1,500	1,500	1,500	1,500	1,500	1,500	0	0.00%
3108 STREET LIGHTS	39,165	41,550	34,904	41,550	46,050	46,050	46,050	4,500	10.83%
3109 CEMETERY COMM.	21,230	25,698	13,424	25,698	25,972	25,772	25,772	74	0.29%
3110 TREE WARDEN	21,395	23,000	22,905	23,000	23,000	23,000	23,000	0	0.00%
3201 ENGINEERING	68,971	75,303	64,902	73,668	77,099	77,099	77,099	1,796	2.39%
3301 BLDG. INSPECTION	146,686	153,162	132,648	155,395	160,919	160,919	146,150	-7,012	-4.58%
3302 BUILDING CODE BD. OF APPEALS	45	45	45	45	45	45	45	0	0.00%
3501 HEALTH DEPT.	57,123	59,950	59,950	59,950	62,180	62,180	62,180	2,230	3.72%
4102 VISITING NURSE & COMM. CARE	2,500	3,000	3,000	3,000	3,000	3,000	3,000	0	0.00%
4200 HUMAN SERVICES/GA	174,794	172,060	155,514	180,651	185,936	185,936	190,736	18,676	10.85%
4205 ELDERLY SERVICES	69,728	77,620	61,829	73,956	104,782	94,982	94,982	17,362	22.37%
5101 BOOTH DIMOCK/PORTER LIBRARIE	402,560	423,134	319,784	423,134	432,513	432,513	432,513	9,379	2.22%
5201 PARKS & REC SUPV/OPERATIONS	97,090	98,416	89,624	98,416	100,419	100,419	100,419	2,003	2.04%
5301 MEMORIAL DAY	1,101	3,175	1,109	3,175	3,175	3,175	3,175	0	0.00%
8101 MUNICIPAL INSURANCE	343,235	372,740	353,422	372,740	386,775	386,775	386,775	14,035	3.77%
8102 PENSION/SOCIAL SECURITY	1,064,861	923,954	828,904	915,015	881,251	881,251	883,106	-40,848	-4.42%
8103 HEALTH INSURANCE	998,580	1,084,862	858,632	1,084,862	1,125,310	1,105,310	1,100,705	15,843	1.46%
8301 CONTINGENCY	1,508	10,000	0	10,000	10,000	10,000	10,000	0	0.00%
8303 CLAIMS AND LOSSES	40,143	40,000	43,236	42,000	40,000	40,000	40,000	0	0.00%
Total	\$ 8,873,659	\$ 9,191,392	\$ 7,862,837	\$ 9,373,617	\$ 9,739,917	\$ 9,487,161	\$ 9,483,213	\$ 291,821	3.17%

Board of Education

The Coventry Public Schools prepares an independent budget utilizing the same process the Town agencies go through. The Superintendent of Schools gathers and prepares a budget, which is reviewed and modified as necessary by the Board of Education and then forwarded to the Town Council for review and modification. The Town Council, under Connecticut law, has the authority only to reduce the bottom line of the Board's budget, not specific programs. The Board of Education submitted a budget request of \$27,047,045, an increase of \$528,981 or 1.99% above their adopted FY 15 budget. The Town Council cut \$150,000 in recognition of historical turnover savings. After the budget defeat the Town Council reduced this budget further by \$86,000. This budget accounts for 67.4% of the total proposed budget and makes up 45.8% of the total proposed budget increase. Capital projects totaling \$275,000 for Education are also included in the Capital Budget plus proposed bonding projects. Please see the separate Board of Education budget for details.



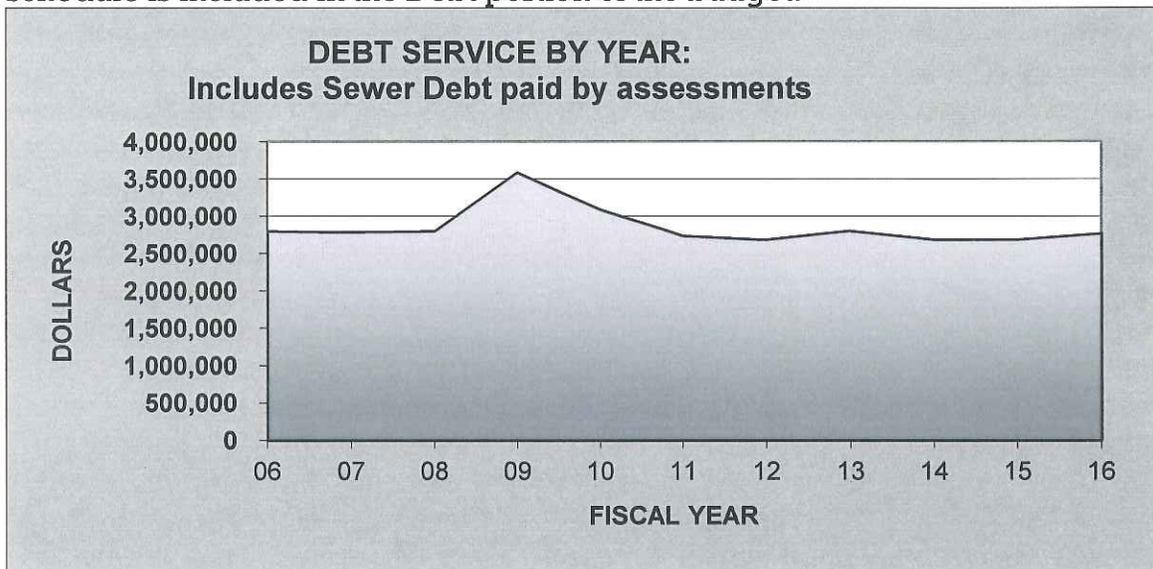
Note: This Chart is prior
to BOE reductions of \$236,000

2015 - 2016 OBJECT COMPARISON BUDGET - CHARTER FORMAT

DESCRIPTION	2013-2014 ACTUAL	2014-2015 BUDGET	DEC 31, 2014 ACTUAL	2014-2015 ESTIMATED	2015-2016 BUDGET	\$ CHANGE	% CHANGE
SALARIES							
111 CERTIFIED SALARIES	11,774,031	12,394,572	4,985,436	12,277,755	12,820,610	426,038	3.44%
112 NON-CERTIFIED SALARIES	2,665,623	2,802,727	1,347,641	2,845,007	3,032,718	229,991	8.21%
113 EXTRA CURRICULAR SALARIES	58,106	61,452	14,980	61,452	65,779	4,327	7.04%
114 ATHLETIC SALARIES	165,401	157,334	59,301	168,736	168,298	10,964	6.97%
120 CERTIFIED TEMPORARY SALARIES	160,154	226,654	126,999	226,654	221,000	(5,654)	-2.49%
121 NON-CERTIFIED TEMP. SALARIES	47,651	40,900	23,906	40,900	46,900	6,000	14.67%
TOTAL FOR SALARIES	14,870,967	15,683,639	6,558,262	15,620,504	16,355,305	671,666	4.28%
BENEFITS							
210 HEALTH INSURANCE	3,399,735	3,747,720	1,605,374	3,641,018	3,698,060	(49,660)	-1.33%
220 SOCIAL SECURITY	195,290	216,648	106,557	216,648	216,648	-	0.00%
221 MEDICARE	202,652	219,442	90,412	219,442	219,442	-	0.00%
230 PENSION	471,407	246,136	250,767	250,767	227,564	(18,572)	-7.55%
250 UNEMPLOYMENT COMPENSATION	47,945	25,000	-	25,000	25,000	-	0.00%
251 TUITION REIMBURSEMENT	-	10,000	-	10,000	10,000	-	0.00%
260 WORKERS COMPENSATION	156,599	169,137	91,050	175,621	184,402	15,265	9.03%
TOTAL FOR BENEFITS	4,473,627	4,634,083	2,144,161	4,538,496	4,581,116	(52,967)	-1.14%
PROFESSIONAL SERVICES							
330 LEGAL & AUDIT	99,114	115,640	58,423	115,640	104,640	(11,000)	-9.51%
332 PUPIL SERVICES	332,153	352,827	144,781	352,827	364,593	11,766	3.33%
333 INSTRUCTIONAL IMPROVEMENT	48,079	30,291	8,800	30,291	30,291	-	0.00%
TOTAL FOR PROFESSIONAL SERVICES	479,345	498,758	212,004	498,758	499,524	766	0.15%
PROPERTY SERVICES							
410 UTILITIES	384,490	375,000	147,009	393,406	360,000	(15,000)	-4.00%
411 SEWER SERVICES	31,901	33,241	33,550	33,550	34,557	1,316	3.96%
420 DISPOSAL SERVICES	26,337	29,500	8,272	29,500	46,500	17,000	57.63%
430 CONTRACTED SERVICES	701,014	488,371	307,225	538,371	508,997	20,626	4.22%
440 RENTALS	19,049	20,001	13,303	19,955	23,053	3,052	15.26%
TOTAL FOR PROPERTY SERVICES	1,162,792	946,113	509,359	1,014,782	973,107	26,994	2.85%
OTHER SERVICES							
510 STUDENT TRANSPORTATION	1,622,044	1,762,631	638,660	1,762,631	1,768,076	5,445	0.31%
513 ATHLETIC TRIPS	57,990	52,400	935	52,400	54,400	2,000	3.82%
520 PROPERTY & LIABILITY INSURANCE	186,191	186,200	105,581	182,168	182,668	(3,532)	-1.90%
530 TELEPHONE	18,420	21,960	10,334	21,960	26,920	4,960	22.59%
531 POSTAGE	22,803	18,500	18,092	18,500	19,500	1,000	5.41%
540 ADVERTISING	9,430	2,610	1,115	2,610	2,610	-	0.00%
550 PRINTING	22,704	25,708	6,214	25,708	24,268	(1,440)	-5.60%
560 TUITION	994,351	1,088,763	451,312	1,088,763	883,437	(205,326)	-18.86%
561 TUITION, NON-PUBLIC	86,215	110,447	303,838	110,447	265,557	155,110	140.44%
580 TRAVEL	25,917	27,719	8,661	27,719	27,903	184	0.66%
TOTAL FOR OTHER SERVICES	3,046,064	3,296,938	1,544,742	3,292,906	3,255,339	(41,599)	-1.26%
SUPPLIES							
611 INSTRUCTIONAL SUPPLIES	650,946	411,584	246,780	411,584	410,830	(754)	-0.18%
612 CUSTODIAL SUPPLIES	70,241	54,000	42,338	54,000	56,700	2,700	5.00%
613 MAINTENANCE SUPPLIES	154,836	75,000	45,144	75,000	90,000	15,000	20.00%
620 HEAT ENERGY	333,965	318,250	301,730	324,244	225,900	(92,350)	-29.02%
626 GASOLINE & DIESEL	161,292	173,500	144,648	159,209	126,145	(47,355)	-27.29%
640 TEXTBOOKS	91,085	74,457	17,948	74,457	79,560	5,103	6.85%
641 WORKBOOKS	37,362	47,121	25,780	47,121	39,242	(7,879)	-16.72%
642 LIBRARY BOOKS & PERIODICALS	28,437	29,976	3,271	29,976	29,483	(493)	-1.64%
690 OTHER SUPPLIES	71,491	43,347	30,846	43,347	47,387	4,040	9.32%
TOTAL FOR SUPPLIES	1,599,655	1,227,235	858,484	1,218,938	1,105,247	(121,988)	-9.94%
EQUIPMENT							
739 OTHER EQUIPMENT	332,408	71,451	42,989	71,451	83,771	12,320	17.24%
TOTAL FOR EQUIPMENT	332,408	71,451	42,989	71,451	83,771	12,320	17.24%
OTHER							
810 DUES AND FEES	104,974	105,342	50,655	105,342	139,166	33,824	32.11%
891 ATHLETIC SUBSIDY	47,207	39,535	29,223	39,535	39,535	-	0.00%
892 ASSEMBLIES & GRADUATION	14,413	14,970	1,864	14,970	14,935	(35)	-0.23%
TOTAL FOR OTHER	166,594	159,847	81,742	159,847	193,636	33,789	21.14%
TOTAL FOR BUDGET	26,131,452	26,518,064	11,951,743	26,415,682	27,047,045	528,981	1.99%

Debt Service

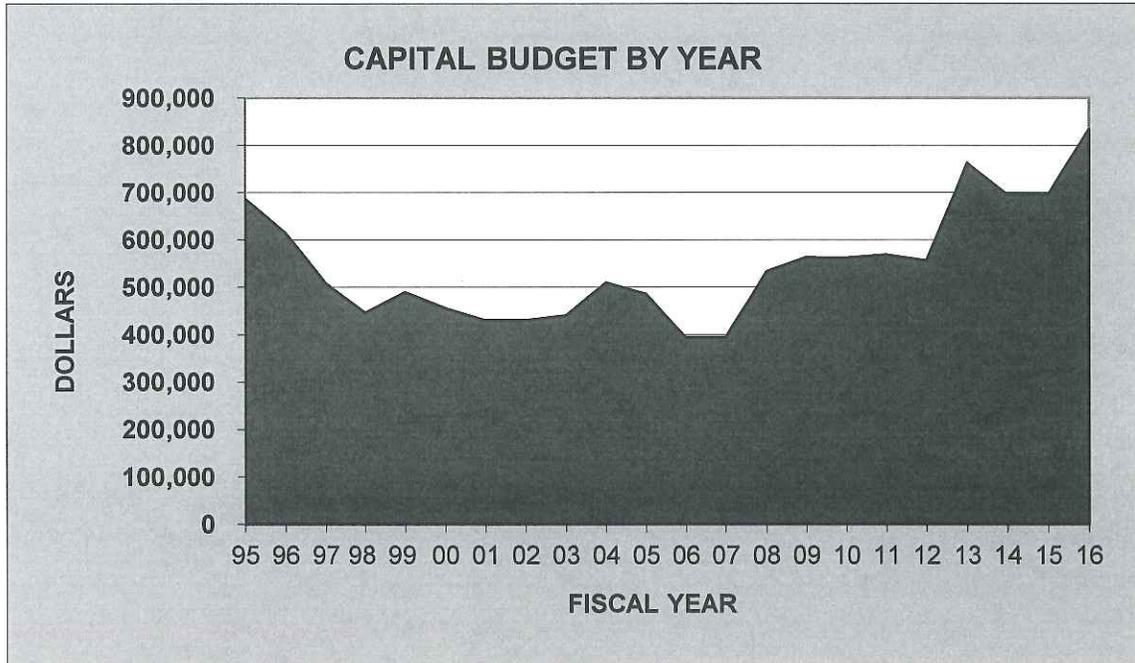
Debt Service as a percentage of the budget remains at 6.9% of the total budget which is well below the 10% threshold of concern. It is proposed to decrease the request by \$43,808, or 1.63%. The good news is that the Town's long term bonded debt service peaked a couple of years ago and has started a gradual decline. Sewer debt continues to be mostly paid by sewer assessments. Over time the assessments will not be sufficient to fully pay the long term sewer debt and current taxes will need to cover the short fall. To avoid a sudden shift as the assessment fund balance declines \$25,000 less than required will be drawn from the fund this year and the sewer operating fund will also contribute for the first time. No new long term debt for unapproved projects has been included in the proposed budget. One new lease purchase is requested for a new large dump truck. The dump truck is anticipated to cost \$185,000 and will be financed over 5 years at \$40,000 a year. No old lease purchases were paid off this year. Lease purchases are detailed in the capital section of the budget document. The entire debt schedule is included in the Debt portion of the budget.



Capital Expenditures

The Capital Expenditures Budget request for the general operating budget is \$794,620, an increase of \$98,580 or 14.1%. This accounts for 15.4% of the proposed budget increase. The largest items are recurring expenses for summer roads, Town and School computer resources, classroom furniture, replacement Police, Fire and Public works equipment and a contribution into the Open Space fund. A good portion of the increase (\$75,000) is to cover design fees to the proposed School and Town Energy projects and related code compliance issues. Over the years many projects were deleted or delayed in an effort to hold down the impact of the overall tax increase, creating a backlog of projects. Please refer to the Capital section of the budget for further details and information on other funding sources. It should be noted that the amount of funds required to sustain the current infrastructure is closer to \$1,000,000 per year. It is interesting to note that this budget requests funds for capital projects at the level of capital expenditures in 1995/96 which, if adjusted for inflation, would be over \$1,000,000.

Under the Local Capital Improvement Program (LoCIP), the State of Connecticut will reimburse the Town 100% of approved infrastructure improvements. Details of planned projects are contained in the Capital budget. Based upon auditor's advice, LoCIP has been established as a Special Revenue Fund. We receive approximately \$100,000 per year. These items are not part of the referendum. \$100,000 is proposed for this year.



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