

Expenditures

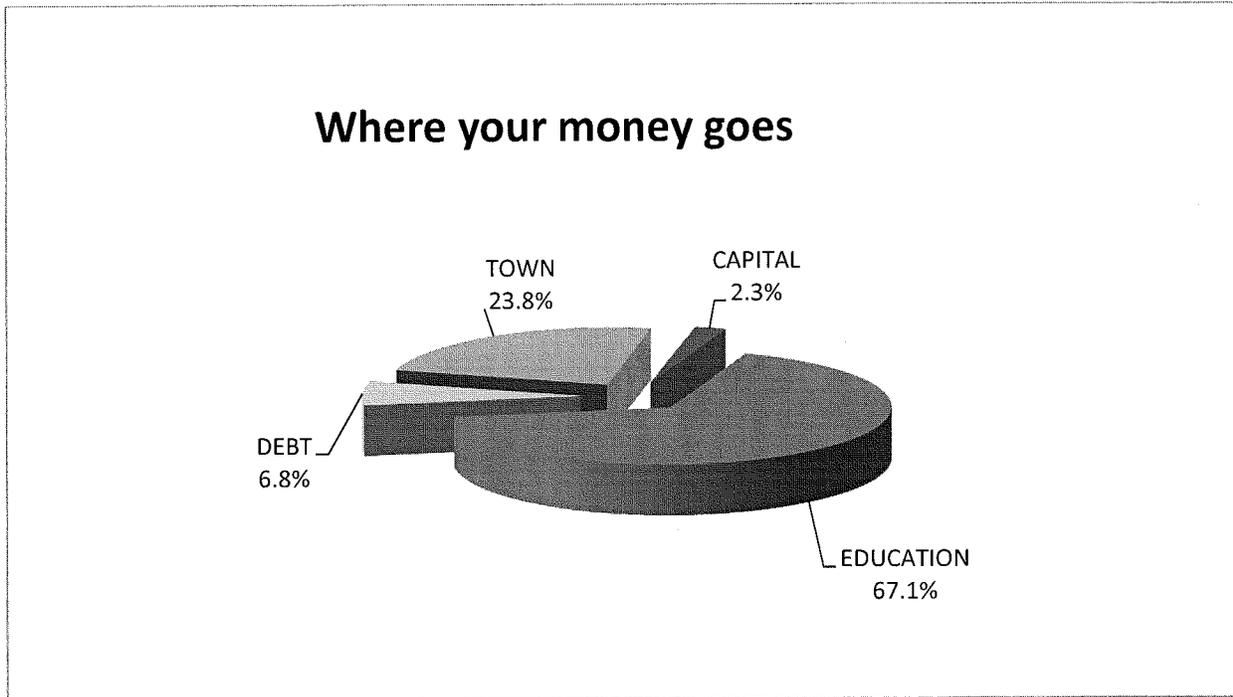
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EXPENDITURES

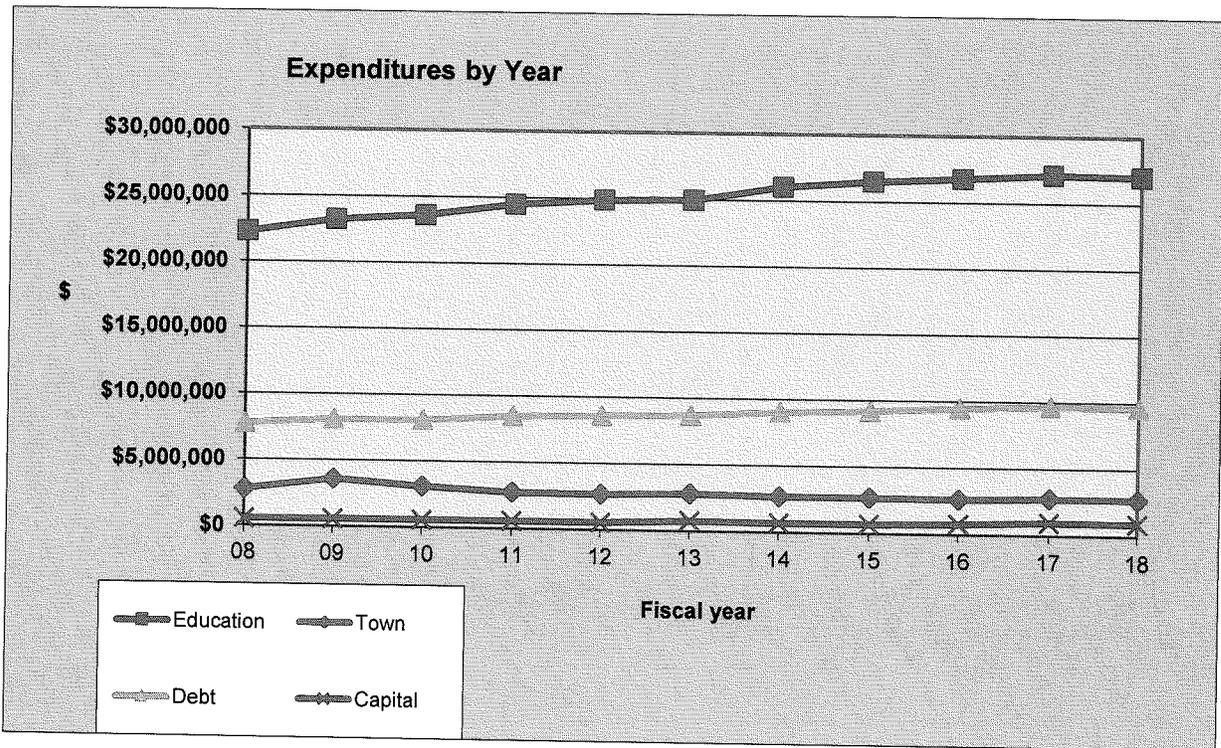
The expenditure part of the budget is broken down into the categories of General Government, Board of Education, Debt Service, and Capital Expenditures which includes the Reserve for Capital & Nonrecurring Expenditures (CNREF). The requested expenditures for the FY year 17/18 total \$40,313,975, a decrease of \$236,827, or .6% over the adopted FY 16/17 budget.

Budget Area	Adopted Budget	Requested Budget	\$ Change	% Change
	FY 16-17	FY 17-18		
General Government	\$9,680,544	\$9,612,418	-\$68,126	-.7%
Board of Education	\$27,141,365	\$27,044,684	-\$96,681	-.4%
Debt Service	\$2,760,106	\$2,724,073	-\$36,033	-1.3%
Capital	\$968,787	\$932,800	-\$35,987	-3.72%
Total	\$40,550,802	\$40,313,975	-\$236,827	-.6%

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

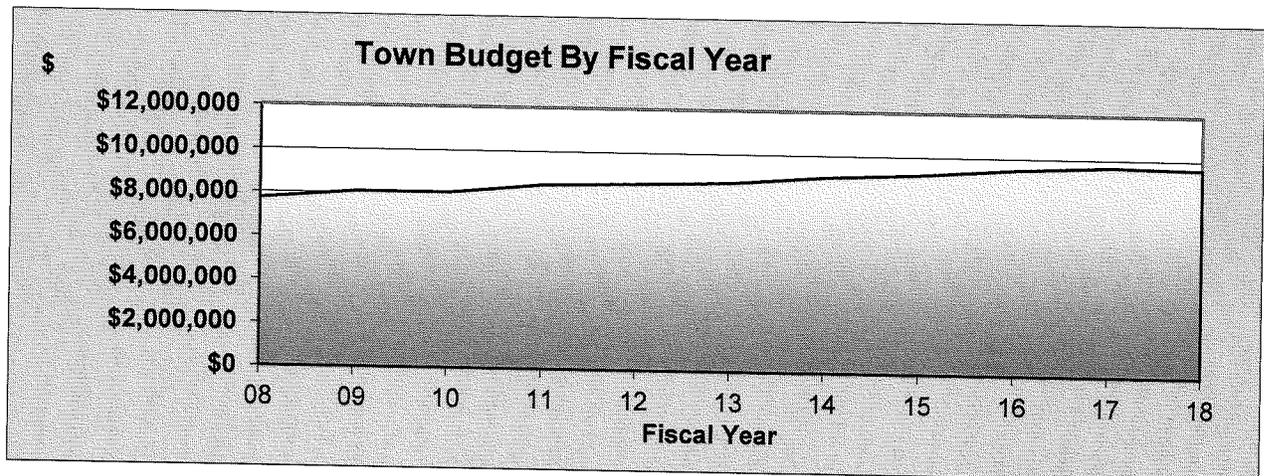


The next illustration shows historical trends for the same categories.



General Government

The Town operating budget recommended for FY 17/18 is \$9,612,418, which represents a \$68,126 or a .7% decrease compared to the current adopted budget. The Town budget makes up 23.8% of the total operating budget. Budget requests of Town agencies totaled \$9,755,206 and were reduced \$28,243 by the Town Manager. Without the Manager's reductions the increase over the budget would have been a .07% increase. The Council reduced this initially by \$50,760, and subsequently by \$63,785; for a total reduction over the Manager's proposed budget of \$114,545.



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

	<u>FY16/17</u>	<u>FY17/18</u>	<u>Inc/(Dec)</u>	<u>%</u>
General Administration	\$ 1,580,067	\$ 1,611,591	\$ 31,524	2.0%
Public Safety	2,519,198	2,512,616	(6,582)	-0.3%
Public Works	2,300,771	2,357,942	57,171	2.5%
Human Services	292,434	295,285	2,851	1.0%
Civic and Cultural	553,218	572,634	19,416	3.5%
Sundry	2,434,856	2,262,350	(172,506)	-7.1%
Total	<u>\$ 9,680,544</u>	<u>\$ 9,612,418</u>	<u>\$ (68,126)</u>	-0.7%

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 16/17 and FY 17/18 is provided below. A detailed analysis of the five expenditure objects follows.

	<u>FY16/17</u>	<u>FY17/18</u>	<u>Total</u>	<u>\$ Change</u>	<u>% Change</u>
Personnel	\$ 7,029,564	\$ 6,874,098	71.5%	\$ (155,466)	-2.2%
Contractual	1,484,327	1,566,557	16.3%	82,230	5.5%
Supplies	888,436	887,611	9.2%	(825)	-0.1%
Capital	26,950	30,500	0.3%	3,550	13.2%
Utilities	251,267	253,652	2.6%	2,385	0.9%
Total	<u>\$ 9,680,544</u>	<u>\$ 9,612,418</u>		<u>\$ (68,126)</u>	-0.7%

Personnel Services

The recommended expenditures for personnel services have decreased by \$155,466 or -2.2%. Personnel services include wages, overtime, pension, health insurance, and Social Security. No new full time positions are requested. A part time clerical position is proposed for the Senior Center (\$10,970). 3 of the 4 labor unions and nonunion employees accepted a 6-month wage freeze and higher health care premium sharing. There are some impacts due to minimum wage increases. Due to plan design changes, premium sharing increases and claims management, health insurance rates are projected to decrease by 7.0% saving \$142,896. We added additional funds for overtime (\$2,000) for snow removal based on additional expected hours and wages.

Pension expenses have also decreased (\$59,400) due to changes in life tables recommended by the actuary. We continue to contribute the amount based on the annual actuarial review. Our unfunded pension liability is solid and is 85.5% funded.

Contractual Services

Contractual services increased by \$82,230 or 5.5%. A list of major changes in this category includes:

Building Maintenance/Equipment Repair	\$-5,110
Software Licenses	\$16,400
Insurance	\$2,900
Workers' Comp Insurance	\$-3,110
IT support (4 hrs. /wk.)	\$14,850
Sgt. Assessment center testing	\$9,500
Fire Fighting Training	\$7,000
Dial a ride grant request	-\$7,558
Tree removal	10,000
Tuition Reimbursement	1,000

Supplies

The supply area of the budget decreased by \$825 or -.1%. Most adjustments were minor and reflect current costs. Transfers to other operations are in the section of the budget. Major changes include:

Gasoline and Diesel	\$-2,500
Treated salt	\$5,000
Claims & Losses	\$10,000

Capital Expenditures

Capital Expenditures within the General Government budget increased \$3,550.

Utilities

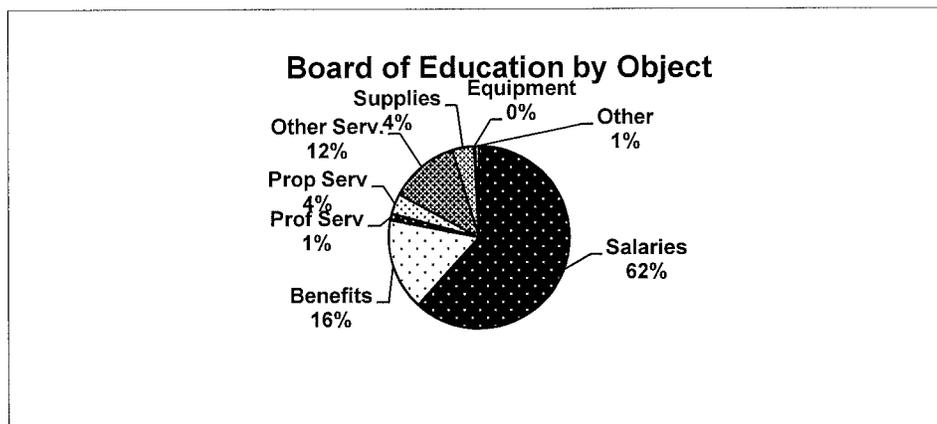
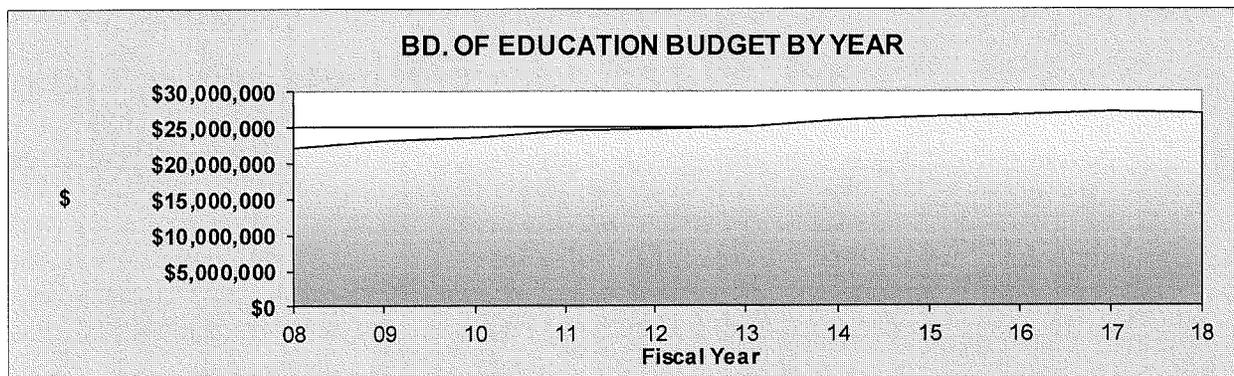
It is difficult to predict utility expenses due to the change of four buildings to natural gas and the impact of solar on electricity. Utilities have increased \$2,385. We re-bid electric rates last March and looked in a multi-year rate at 7.3 cents per kWh for power. We have changed all street lights to LED with a significant savings but are picking up new lighting costs for Main Street lighting. Sewer rates are expected to increase by at least \$25 per equivalent dwelling unit. We also have budgeted new expenses for the Tracy-Shoddy Mill and a storage building we acquired from CTDOT on Babcock Hill Road.

**Town of Coventry
Council Recommended
Summary by Department
Budget Fiscal Year: 2018 to 2018**

	2016 Actual	2017 Base Budget	2017 Actual YTD	2017 Est. Actual	Dept Head	Town Manager	Council	to FY17 Base	
								Cou/Bud Inc/Dec	%
1101 TOWN COUNCIL	32,009	33,963	35,526	35,526	34,300	34,300	34,300	337	1.0%
1201 TOWN MANAGER	209,861	212,448	211,470	211,470	230,934	231,584	214,073	1,625	0.8%
1300 FINANCE ADMINISTRATION	110,958	115,710	111,255	111,255	116,246	116,246	119,940	4,230	3.7%
1301 ACCOUNTING	104,234	112,068	109,483	109,483	116,567	116,567	115,632	3,564	3.2%
1302 COLLECTOR OF REVENUE	111,302	115,866	116,805	116,805	117,894	116,444	115,578	-288	-0.2%
1303 ASSESSOR	119,752	140,064	139,440	139,440	143,012	142,786	141,562	1,498	1.1%
1304 ASSESSMENT APPEALS	196	800	238	238	800	750	750	-50	-6.3%
1305 TREASURER	25,516	25,324	23,943	23,943	25,680	31,280	23,802	-1,522	-6.0%
1306 INFORMATION TECHNOLOGY	147,513	157,590	146,490	146,490	165,130	179,480	176,980	19,390	12.3%
1401 PLANNING	135,124	142,769	139,468	139,468	157,027	147,227	143,545	776	0.5%
1402 ZONING BOARD/APPEALS	20,924	23,271	25,524	25,524	23,762	24,762	23,629	358	1.5%
1403 CONSERVATION	643	2,135	1,012	1,012	2,135	2,135	2,135	0	0.0%
1404 ECONOMIC DEVELOPMENT	31,104	19,663	18,711	18,711	23,444	15,534	13,445	-6,218	-31.6%
1406 INLAND WETLANDS	44,619	47,686	45,958	45,958	48,373	48,773	48,364	678	1.4%
1407 P&Z COMMISSION	4,235	4,300	5,330	5,330	4,300	4,600	4,600	300	7.0%
1501 LEGAL COUNSEL	143,576	90,000	73,348	73,348	90,000	90,000	90,000	0	0.0%
1502 PROBATE COURT	7,053	7,295	7,295	7,295	7,295	7,680	7,680	385	5.3%
1601 RECORDING/LICENSING	138,492	148,262	148,771	148,771	152,507	155,432	154,486	6,224	4.2%
1701 ELECTIONS	44,543	51,773	47,749	47,749	56,112	56,112	56,761	4,988	9.6%
1801 TOWN OFFICE BLDG.	75,007	77,499	73,994	73,994	76,520	77,019	77,019	-480	-0.6%
1802 CENTRAL SERS./SUPPLY	48,613	51,581	43,747	43,747	47,641	47,310	47,310	-4,271	-8.3%
2101 POLICE ADMINISTRATION	181,066	184,651	183,949	183,949	196,942	196,942	195,491	10,840	5.9%
2102 POLICE OPERATIONS	1,227,663	1,327,102	1,228,965	1,228,965	1,345,919	1,332,919	1,320,255	-6,847	-0.5%
2103 POLICE SUPPORTIVE SERVICES	303,079	320,658	326,410	326,410	330,605	330,605	329,167	8,509	2.7%
2104 POLICE MARINE PATROL	7,773	8,400	17,477	17,477	8,400	8,400	8,400	0	0.0%
2105 POLICE STATION	55,987	56,300	53,848	53,848	68,100	60,560	59,560	3,260	5.8%
2201 FIRE MARSHAL	25,089	27,055	25,032	25,032	27,415	26,915	19,685	-7,370	-27.2%
2202 COVENTRY VOL FIRE ASSN	38,251	41,737	41,310	41,310	41,737	41,162	41,162	-575	-1.4%
2203 NORTH COV. VOL. FIRE DEPT	22,763	23,732	31,024	31,024	24,732	25,852	25,852	2,120	8.9%
2206 NO. COV. SUB-STATION	2,385	8,800	3,007	3,007	7,800	7,550	7,550	-1,250	-14.2%
2207 JOINT FIRE BUDGET	220,808	405,937	420,640	420,640	408,459	407,459	391,250	-14,687	-3.6%
2208 CVFA SOUTH ST. SUBSTATION	12,527	15,105	7,563	7,563	15,105	15,115	15,115	10	0.1%
2301 EMERGENCY MANAGEMENT	24,727	28,520	25,899	25,899	29,080	29,090	27,735	-785	-2.8%
2401 ANIMAL CONTROL	69,402	71,201	70,512	70,512	71,868	71,868	71,394	193	0.3%
3100 ROADS & DRAINAGE	550,250	571,233	556,292	556,292	584,736	584,736	586,443	15,210	2.7%
3101 PUBLIC WORKS BUILDING	57,912	55,257	72,405	72,405	57,407	57,437	57,437	2,180	3.9%
3102 SNOW REMOVAL	270,134	286,000	351,578	351,578	286,000	293,000	293,000	7,000	2.4%
3103 FACILITY MAINTENANCE	285,957	317,540	309,388	309,388	326,615	326,615	323,134	5,594	1.8%
3104 PUBLIC WORKS ADMINISTRATION	237,892	236,856	232,097	232,097	250,926	241,926	241,508	4,652	2.0%
3105 FLEET MAINTENANCE	443,376	452,593	434,540	434,540	463,733	463,483	457,983	5,390	1.2%
3107 MATCHING FUNDS	1,500	2,000	2,000	2,000	3,000	3,000	2,900	0	0.0%
3108 STREET LIGHTS	41,404	44,050	37,418	37,418	47,550	45,550	41,050	-3,000	-6.8%
3109 CEMETERY COMM.	22,637	25,748	19,376	19,376	25,936	25,736	25,651	-97	-0.4%
3110 TREE WARDEN	26,250	23,450	28,200	28,200	37,050	33,450	33,450	10,000	42.6%
3111 FACILITIES - OTHER	0	0	0	0	2,590	5,620	5,620	5,620	#DIV/0!
3201 ENGINEERING	71,444	78,280	72,581	72,581	87,630	80,880	80,371	2,091	2.7%
3301 BLDG. INSPECTION	134,745	142,989	137,612	137,612	145,526	145,526	144,390	1,401	1.0%
3302 BUILDING CODE BD. OF APPEALS	45	45	45	45	45	45	45	0	0.0%
3501 HEALTH DEPT.	62,179	64,730	64,720	64,720	65,860	65,860	65,860	1,130	1.7%
4102 VISITING NURSE & COMM. CARE	2,500	2,500	1,368	1,368	2,500	2,500	2,500	0	0.0%
4200 HUMAN SERVICES/GA	185,167	194,495	188,777	188,777	197,887	197,887	191,445	-3,050	-1.6%
4205 ELDERLY SERVICES	91,997	95,439	84,355	84,355	107,185	106,195	101,340	5,901	6.2%
5101 BOOTH DIMOCK/PORTER LIBRARI	432,513	449,624	452,504	452,504	470,205	470,075	468,375	18,751	4.2%
5201 PARKS & REC SUPV/OPERATIONS	100,418	100,419	100,419	100,419	101,659	101,659	101,084	665	0.7%
5301 MEMORIAL DAY	1,652	3,175	2,536	2,536	3,175	3,175	3,175	0	0.0%
8101 MUNICIPAL INSURANCE	366,186	399,010	365,126	365,126	398,400	398,400	398,400	-610	-0.2%
8102 PENSION/SOCIAL SECURITY	839,793	925,650	911,621	911,621	896,450	896,450	886,650	-39,000	-4.2%
8103 HEALTH INSURANCE	997,310	1,060,196	936,987	936,987	917,300	917,300	917,300	-142,896	-13.5%
8301 CONTINGENCY	465	10,000	0	0	20,000	20,000	20,000	10,000	100.0%
8303 CLAIMS AND LOSSES	132,993	40,000	119,394	119,394	40,000	40,000	40,000	0	0.0%
*** Grand Total ***	9,103,513	9,680,544	9,442,532	9,442,532	9,755,206	9,726,963	9,612,418	-68,126	-0.70%

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 \$28,415,225, an increase of \$1,273,860 or 4.69% above their adopted FY 17 budget. This is in response to the Governor's proposal to eliminate Excess Special Education reimbursement which has been budgeted as revenue offset to their budget in the amount of \$766,588. The Council reversed this based on information that the excess cost would remain as is. They also reduced the budget by savings of around \$250,000 in Health insurance, pension and oil pricing after their budget submission and then requested the Board to find additional savings of around \$215,000 for a total reduction of \$1,233,860. As the State budget process stretched out the Board offered up \$136,681 in additional savings. This means they have a budget with a reduction of .4% in comparison to the original FY2017 adopted budget. Five capital projects totaling \$250,000 for Education are also included in the Capital Budget plus proposed bonding projects. Please see the separate Board of Education budget for details.

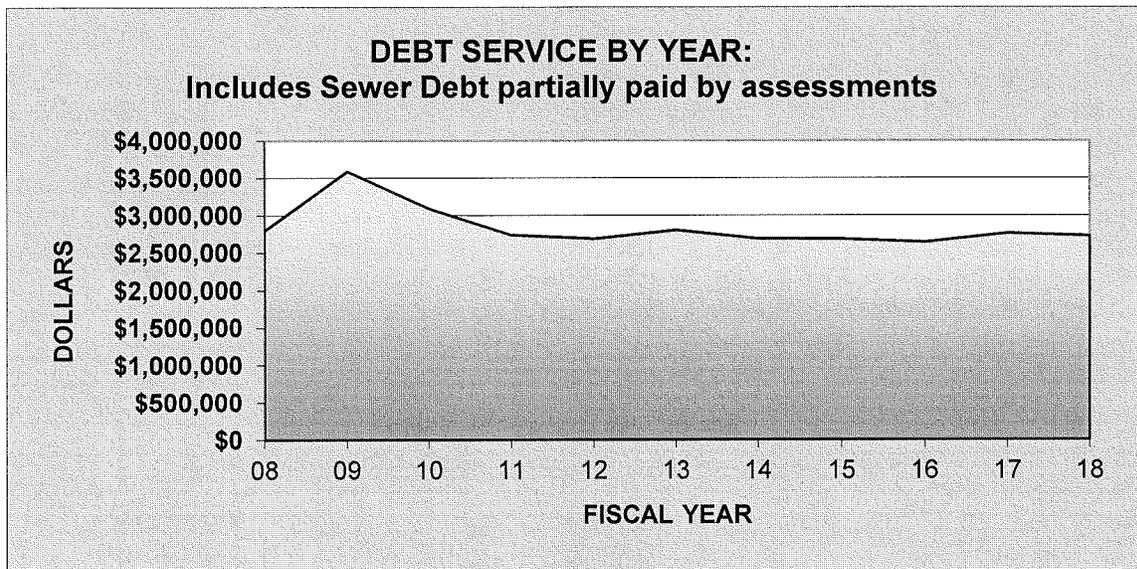


2017 - 2018 OBJECT COMPARISON BUDGET - CHARTER FORMAT

DESCRIPTION	2015-2016	2016-2017	2016-2017	2016-2017	2017-2018	From FY17 Budget	
	ACTUAL	BUDGET	ESTIMATED	ACTUAL	PROPOSED	\$ CHANGE	% CHANGE
SALARIES							
111 CERTIFIED SALARIES	\$ 12,404,524	\$ 12,982,203	\$ 12,827,700	\$ 12,827,700	\$ 12,835,716	\$ (146,487)	-1.13%
112 NON-CERTIFIED SALARIES	\$ 2,934,705	\$ 3,349,177	\$ 3,318,721	\$ 3,318,721	\$ 3,363,045	\$ 13,868	0.41%
113 EXTRA CURRICULAR SALARIES	\$ 46,592	\$ 52,139	\$ 46,518	\$ 46,518	\$ 50,502	\$ (1,637)	-3.14%
114 ATHLETIC SALARIES	\$ 165,573	\$ 168,298	\$ 168,560	\$ 168,560	\$ 183,142	\$ 14,844	8.82%
120 CERTIFIED TEMPORARY SALARIES	\$ 260,746	\$ 221,000	\$ 295,939	\$ 295,939	\$ 221,000	\$ -	0.00%
121 NON-CERTIFIED TEMP. SALARIES	\$ 87,020	\$ 46,900	\$ 54,051	\$ 54,051	\$ 46,900	\$ -	0.00%
TOTAL FOR SALARIES	\$ 15,899,160	\$ 16,819,717	\$ 16,711,489	\$ 16,711,489	\$ 16,700,305	\$ (119,412)	-0.71%
BENEFITS							
210 HEALTH INSURANCE	\$ 3,598,475	\$ 3,620,574	\$ 3,575,453	\$ 3,575,453	\$ 3,388,348	\$ (232,226)	-6.41%
220 SOCIAL SECURITY	\$ 245,664	\$ 223,147	\$ 261,535	\$ 261,535	\$ 253,034	\$ 29,887	13.39%
221 MEDICARE	\$ 223,342	\$ 226,025	\$ 235,009	\$ 235,009	\$ 233,937	\$ 7,912	3.50%
230 PENSION	\$ 231,101	\$ 267,209	\$ 268,932	\$ 268,932	\$ 275,464	\$ 8,255	3.09%
250 UNEMPLOYMENT COMPENSATION	\$ 12,121	\$ 20,000	\$ 50,000	\$ 50,000	\$ 77,622	\$ 57,622	288.11%
251 TUITION REIMBURSEMENT	\$ 16,569	\$ 15,250	\$ 15,250	\$ 15,250	\$ 20,250	\$ 5,000	32.79%
260 WORKERS COMPENSATION	\$ 184,406	\$ 189,422	\$ 170,252	\$ 170,252	\$ 156,848	\$ (32,574)	-17.20%
TOTAL FOR BENEFITS	\$ 4,511,679	\$ 4,561,627	\$ 4,576,431	\$ 4,576,431	\$ 4,405,503	\$ (156,124)	-3.42%
PROFESSIONAL SERVICES							
330 LEGAL & AUDIT	\$ 91,687	\$ 115,640	\$ 102,844	\$ 102,844	\$ 104,640	\$ (11,000)	-9.51%
332 PUPIL SERVICES	\$ 327,589	\$ 163,388	\$ 159,325	\$ 159,325	\$ 200,307	\$ 36,919	22.60%
333 INSTRUCTIONAL IMPROVEMENT	\$ 48,923	\$ 33,316	\$ 32,972	\$ 32,972	\$ 20,000	\$ (13,316)	-39.97%
TOTAL FOR PROFESSIONAL SERVICES	\$ 468,200	\$ 312,344	\$ 295,141	\$ 295,141	\$ 324,947	\$ 12,603	4.03%
PROPERTY SERVICES							
410 UTILITIES	\$ 395,775	\$ 322,500	\$ 310,558	\$ 310,558	\$ 317,500	\$ (5,000)	-1.55%
411 SEWER SERVICES	\$ 33,550	\$ 39,740	\$ 38,500	\$ 38,500	\$ 41,250	\$ 1,510	3.80%
420 DISPOSAL SERVICES	\$ 32,601	\$ 48,825	\$ 26,670	\$ 26,670	\$ 48,825	\$ -	0.00%
430 CONTRACTED SERVICES	\$ 940,247	\$ 573,654	\$ 592,713	\$ 592,713	\$ 567,717	\$ (5,937)	-1.03%
TOTAL FOR PROPERTY SERVICES	\$ 1,402,173	\$ 984,719	\$ 968,441	\$ 968,441	\$ 975,292	\$ (9,427)	-0.96%
OTHER SERVICES							
510 STUDENT TRANSPORTATION	\$ 1,574,809	\$ 1,764,193	\$ 1,743,441	\$ 1,743,441	\$ 1,896,842	\$ 132,649	7.52%
513 ATHLETIC TRIPS	\$ 61,892	\$ 54,400	\$ 76,486	\$ 76,486	\$ 56,900	\$ 2,500	4.60%
520 PROPERTY & LIABILITY INSURANCE	\$ 182,433	\$ 172,525	\$ 173,921	\$ 173,921	\$ 179,863	\$ 7,338	4.25%
530 TELEPHONE	\$ 28,832	\$ 27,689	\$ 60,709	\$ 60,709	\$ 71,277	\$ 43,588	157.42%
531 POSTAGE	\$ 21,099	\$ 21,000	\$ 18,000	\$ 18,000	\$ 21,000	\$ -	0.00%
540 ADVERTISING	\$ 7,469	\$ 5,000	\$ -	\$ -	\$ 6,000	\$ 1,000	20.00%
550 PRINTING	\$ 14,742	\$ 23,705	\$ 11,758	\$ 11,758	\$ 21,455	\$ (2,250)	-9.49%
560 TUITION	\$ 902,342	\$ 821,023	\$ 630,537	\$ 630,537	\$ 943,439	\$ 122,416	14.91%
560 EXCESS COST REIMBURSEMENT	\$ (323,218)	\$ (192,877)	\$ -	\$ -	\$ (353,826)	\$ (160,949)	83.45%
561 TUITION, NON-PUBLIC	\$ 694,451	\$ 780,987	\$ 448,328	\$ 448,328	\$ 986,296	\$ 205,309	26.29%
561 EXCESS COST REIMBURSEMENT	\$ (462,805)	\$ (360,345)	\$ -	\$ -	\$ (498,908)	\$ (138,563)	38.45%
580 TRAVEL	\$ 26,547	\$ 26,741	\$ 22,421	\$ 22,421	\$ 29,796	\$ 3,055	11.42%
TOTAL FOR OTHER SERVICES	\$ 2,728,594	\$ 3,144,041	\$ 3,185,601	\$ 3,185,601	\$ 3,360,134	\$ 216,093	6.87%
SUPPLIES							
611 INSTRUCTIONAL SUPPLIES	\$ 377,542	\$ 413,956	\$ 415,264	\$ 415,264	\$ 452,693	\$ 38,737	9.36%
612 CUSTODIAL SUPPLIES	\$ 74,851	\$ 68,000	\$ 62,152	\$ 62,152	\$ 72,000	\$ 4,000	5.88%
613 MAINTENANCE SUPPLIES	\$ 89,050	\$ 90,000	\$ 99,806	\$ 99,806	\$ 91,500	\$ 1,500	1.67%
620 HEAT ENERGY	\$ 214,221	\$ 177,650	\$ 151,694	\$ 151,694	\$ 151,645	\$ (26,005)	-14.64%
626 GASOLINE & DIESEL	\$ 110,926	\$ 97,500	\$ 83,843	\$ 83,843	\$ 88,405	\$ (9,095)	-9.33%
640 TEXTBOOKS	\$ 102,696	\$ 113,533	\$ 106,642	\$ 106,642	\$ 59,567	\$ (53,966)	-47.53%
641 WORKBOOKS	\$ 22,081	\$ 40,749	\$ 47,162	\$ 47,162	\$ 42,782	\$ 2,033	4.99%
642 LIBRARY BOOKS & PERIODICALS	\$ 28,881	\$ 30,459	\$ 27,338	\$ 27,338	\$ 22,319	\$ (8,140)	-26.72%
690 OTHER SUPPLIES	\$ 71,103	\$ 51,060	\$ 66,914	\$ 66,914	\$ 58,706	\$ 7,646	14.97%
TOTAL FOR SUPPLIES	\$ 1,091,351	\$ 1,082,907	\$ 1,060,815	\$ 1,060,815	\$ 1,039,617	\$ (43,290)	-4.00%
EQUIPMENT							
739 OTHER EQUIPMENT	\$ 213,046	\$ 61,519	\$ 61,352	\$ 61,352	\$ 62,782	\$ 1,263	2.05%
TOTAL FOR EQUIPMENT	\$ 213,046	\$ 61,519	\$ 61,352	\$ 61,352	\$ 62,782	\$ 1,263	2.05%
OTHER							
810 DUES AND FEES	\$ 130,726	\$ 112,836	\$ 111,699	\$ 111,699	\$ 114,349	\$ 1,513	1.34%
891 ATHLETIC SUBSIDY	\$ 39,535	\$ 45,150	\$ 45,100	\$ 45,100	\$ 45,150	\$ -	0.00%
892 ASSEMBLIES & GRADUATION	\$ 20,859	\$ 16,505	\$ 19,026	\$ 19,026	\$ 16,605	\$ 100	0.61%
TOTAL FOR OTHER	\$ 191,121	\$ 174,491	\$ 175,825	\$ 175,825	\$ 176,104	\$ 1,613	0.92%
TOTAL FOR BUDGET	\$ 26,505,324	\$ 27,141,365	\$ 27,035,095	\$ 27,035,095	\$ 27,044,684	\$ (96,681)	-0.36%

Debt Service

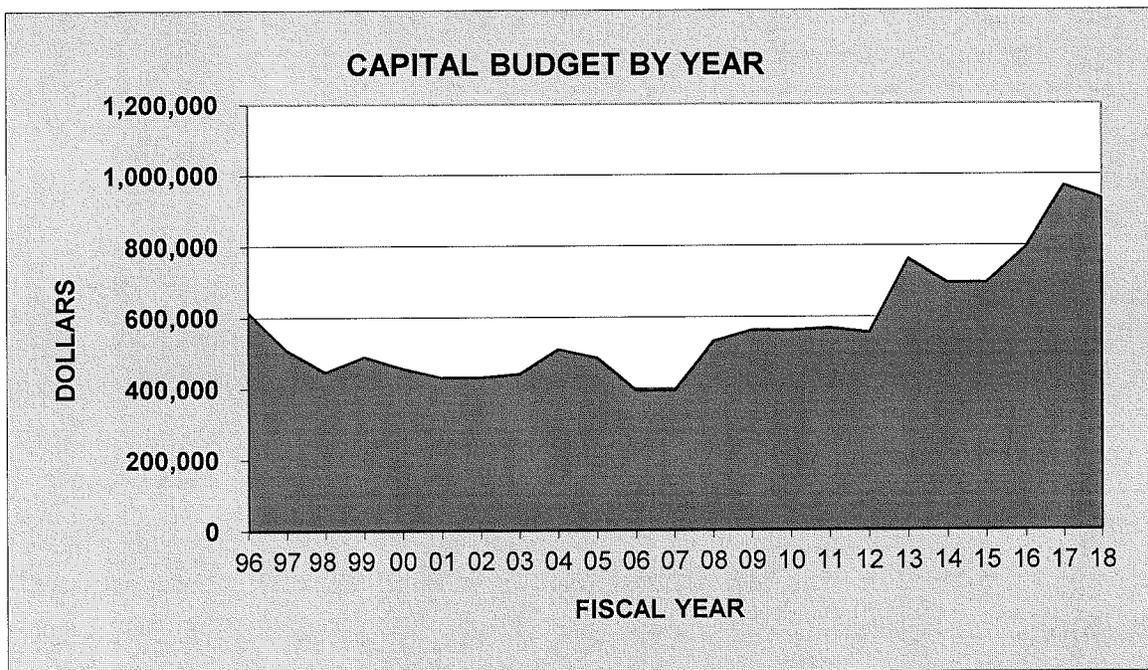
Debt Service as a percentage of the budget is 6.8% of the total budget which is well below the 10% threshold of concern. It is proposed to decrease the request by \$36,033. The good news is that the Town's long term bonded debt service peaked a couple of years ago. Sewer debt continues to be mostly paid by sewer assessments, but the assessment fund is running out of money and is no longer able to fully pay annual debt service. The WPCA is raising sewer use bills to partially compensate for this shortfall caused in part by lower investments earnings. After several years of a shift the fund will stabilize and not require an increased subsidy. No new long term debt for unapproved projects has been included in the proposed budget. The Town will be considering a proposed addition and renovation to the Booth Dimock Library and may consider several school projects but neither will impact this year's budget if either, or both, proceed. A Lease purchase is proposed for one large dump truck and engine tanker for 10 years with combined annual payments of \$62,000. One lease purchase for a dump truck was paid off freeing up \$24,802. We also had budgetary savings in the FY17 lease purchase sale due to getting a good price on a used Quint and a 1.9% interest rate which allowed us to decrease the payment duration from 10 years to 7 on several items. 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 \$932,800, a decrease of \$35,987. 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 and Capital non-recurring expenditure funds. 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 have been over \$1,000,000. We have made significant progress toward this goal.

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 and are voted on at the Town Meeting. \$100,000 is proposed for bridge/culvert work this year.



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