



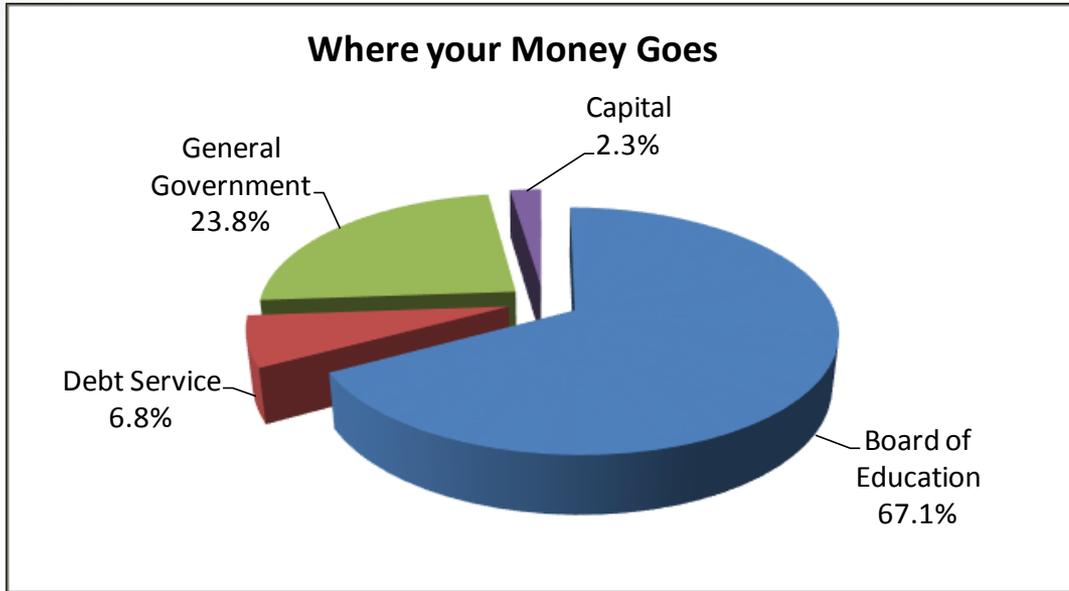
Town Meeting  
Saturday April 28, 2018  
10:00 a.m.  
Veterans Auditorium

# Town of Coventry Council's Recommended Budget FY 2018-2019

Joan Lewis, Council Chair

[www.Coventryct.org](http://www.Coventryct.org)

# Highlights of Proposed Budget



***The proposed budget increases total spending by \$498,511 or 1.24%***

## Change from Adopted FY 17/18 Budget

• Education increase	\$237,663
• Town increase	\$80,738
• Capital decrease	(\$800)
• Debt increase	\$180,910
Total change	<u>\$498,511</u>

- Spending increase of 1.24%
- Questionable State Revenues
- Council budget includes proposed Mil rate of 32.4

## **COMPARISON OF FY 2017/2018 and FY 2018/2019 BUDGETS**

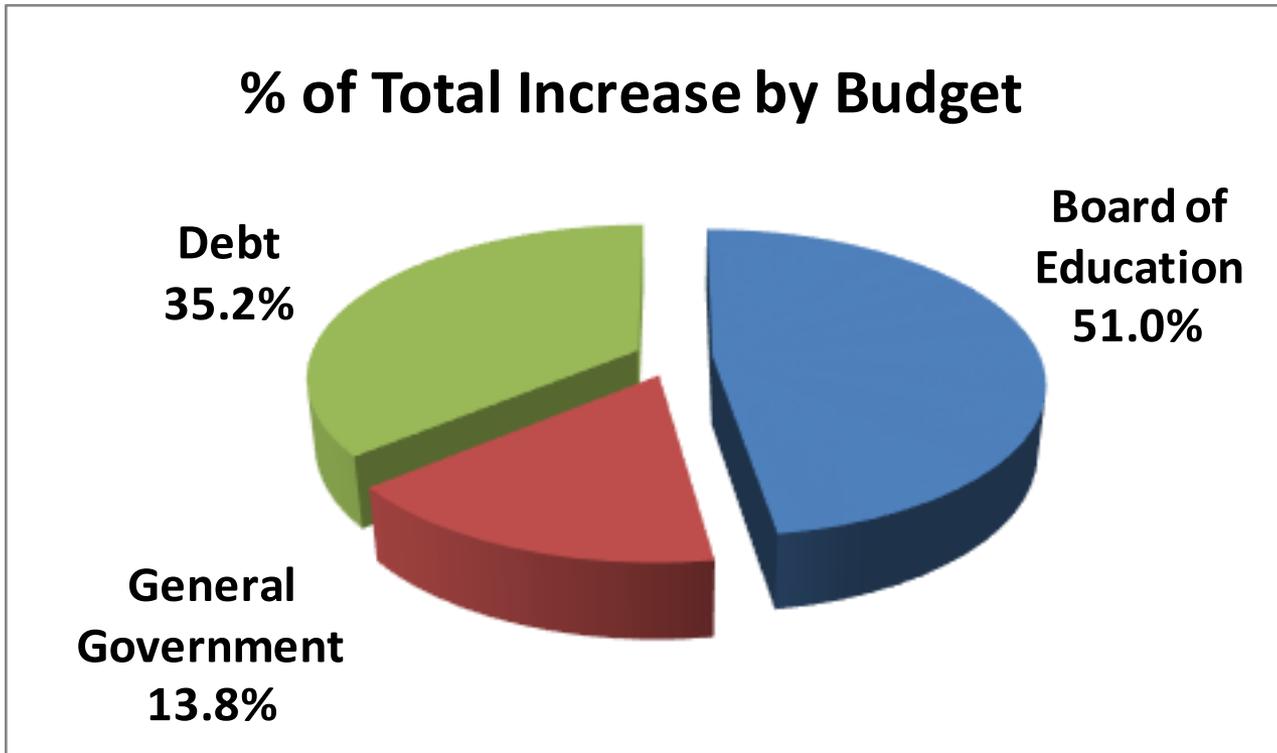
### **REVENUES**

	<b>Adopted FY 18</b>	<b>Requested FY19</b>	<b>Inc/Dec</b>	<b>%</b>
Property Tax	\$30,665,263	\$31,646,479	\$981,216	3.20%
Intergovernmental	\$9,021,711	\$8,551,557	(\$470,154)	(5.21%)
Reserves	0	0	0	0
Other Local	\$627,001	\$614,450	(\$12,551)	(2.00%)
Total	\$40,313,975	\$40,812,486	\$498,511	1.24%

### **EXPENDITURES**

Gen. Government	\$9,612,418	\$9,693,156	\$80,738	0.84%
Bd. of Education	\$27,044,684	\$27,282,347	\$237,663	0.88%
Debt Service	\$2,724,073	\$2,904,983	\$180,910	6.64%
Capital	\$932,800	\$932,000	(\$800)	(0.09%)
Total	\$40,313,975	\$40,812,486	\$498,511	1.24%

# Where is the Increase Going?



# Council Adjustments

<u>Budget</u>	<u>Request</u>	<u>Council</u>	<u>\$ Change</u>
General Government	\$ 9,684,650	\$ 9,693,156	\$ 8,506
Education	27,312,347	27,282,347	(30,000)
Debt	2,908,733	2,904,983	(3,750)
Capital	932,000	932,000	-
	<u>\$ 40,837,730</u>	<u>\$ 40,812,486</u>	<u>\$ (25,244)</u>

# Detail of Changes to Town Budget

	FY17/18	FY18/19	% Total	\$ Change	% Change
Personnel	\$ 6,874,098	\$ 6,993,429	72.1%	\$ 119,331	1.7%
Contractual	1,566,557	1,522,596	15.7%	(43,961)	-2.8%
Supplies	887,611	883,415	9.1%	(4,196)	-0.5%
Capital	30,500	25,400	0.3%	(5,100)	-16.7%
Utilities	253,652	268,316	2.8%	14,664	5.8%
Total	<u>\$ 9,612,418</u>	<u>\$ 9,693,156</u>		<u>\$ 80,738</u>	0.8%

	FY17/18	FY18/19	Inc/(Dec)	%
General Administration	\$ 1,611,591	\$ 1,635,307	\$ 23,716	1.47%
Public Safety	2,512,616	2,511,177	(1,439)	-0.06%
Public Works	2,357,942	2,422,030	64,088	2.72%
Human Services	295,285	295,883	598	0.20%
Civic and Cultural	572,634	580,859	8,225	1.44%
Sundry	2,262,350	2,247,900	(14,450)	-0.64%
Total	<u>\$ 9,612,418</u>	<u>\$ 9,693,156</u>	<u>\$ 80,738</u>	0.84%

# Where do we get our Revenue?

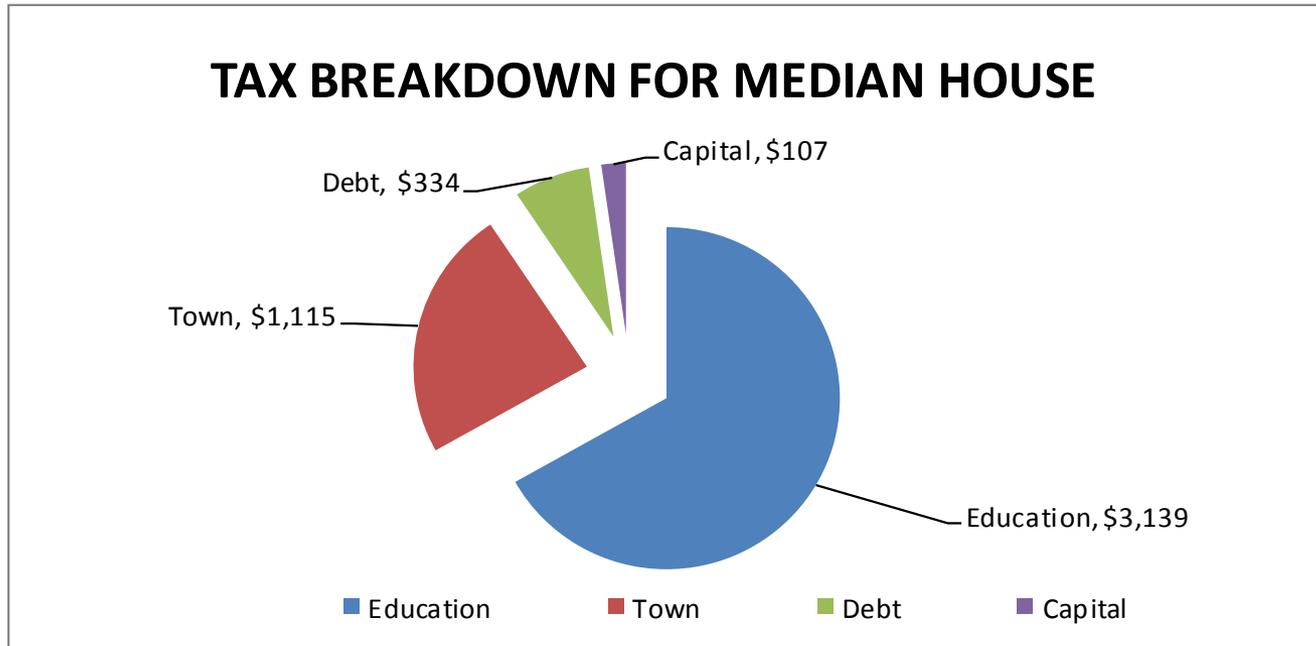
## State Revenue Uncertainty

- The current ADOPTED State budget provides ECS funding to Coventry in the amount of \$8,267,802.
- The Governor's proposed FY19 State budget reduces Coventry's ECS payment by \$865,845 – only providing the Town with \$7,401,979.
- The most current FY19 State budgets proposed by both Democratic and Republican leaders maintains the adopted State budget funding levels.
- Even if the funding level from the adopted State budget remains, the Town still risk mid-year cuts based on the deficit position of the State's budget.
- The Council's proposed budget is based on a mil increase of 0.4, or 1.25%. This is based on ECS funding levels of \$7,832,879 (about ½ way between 2 budgets).
- The referendum determines the FY19 Expenditure budgets. The mil rate is established by the Town Council subsequent to the referendum.
- As the State finalizes their FY19 budget, there is potential that less than a 0.4 mil increase will be needed to cover FY19 costs.

# Where do we get our Revenue?

- **State revenues uncertainty**
- **Grand list growth of 1.47%. With no mil change, this generates an additional \$522,038 in revenue – only slightly more than the spending increase (\$498,511)**
- **0.4 or 1.25% mil increase results in an additional \$409,178 in property tax revenue (total increase in property tax revenue of \$931,216)**
- **Local revenues decreased \$12,551**
- **No use of Fund balance**

# Where the Money Goes (TAXES ON MEDIAN HOUSE)

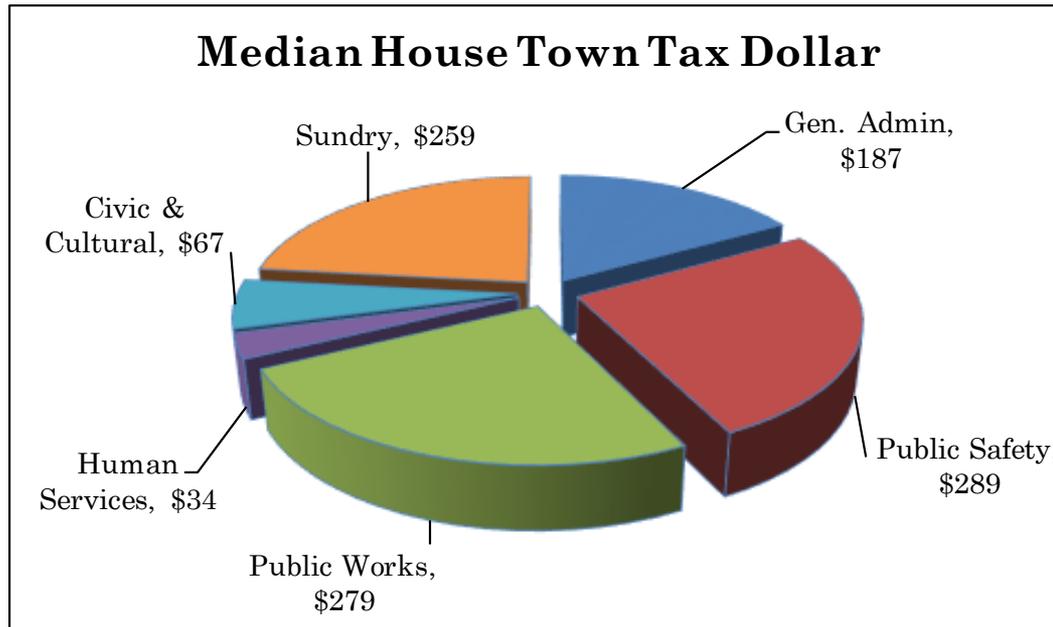


Median house assessed at \$144,900 (\$207,000 market)

Total proposed tax: \$4,695

Increase of \$58 annually: \$4.83 monthly

# Cost of Town Service on Median House



General Government share of bill = \$1,115 of \$4,695 total  
(23.8% of total bill)

# Major Town Budget impacts

## Contractual Services

Building maintenance/equipment repair	(\$5,110)
Software licenses	\$2,300
Bank reconciliation services	(\$2,000)
Workers' Comp Insurance	(\$6,400)
Attorney's fees	(\$5,000)
Fire fighter training	\$7,000
Tree Removal	\$10,000
Tax bill postage/printing	(\$2,000)
Legal advertising	(\$7,650)

## Supplies

Office supplies	(\$3,425)
Gasoline and Diesel	(\$400)
Treated salt	\$15,000
Claims & Losses	(\$10,000)

## GOOD NEWS

- Pension and Health Insurance funds are strong
- No increase in COVRRRA or Sewer use fees
- No service cuts
- Grants have been strong: roads, arts, sidewalks, solar, bridges, Energy savings, Police equipment, Housing rehab., etc.
- Improvements to Parks and Buildings
- Fund Balance is at Council's Goal

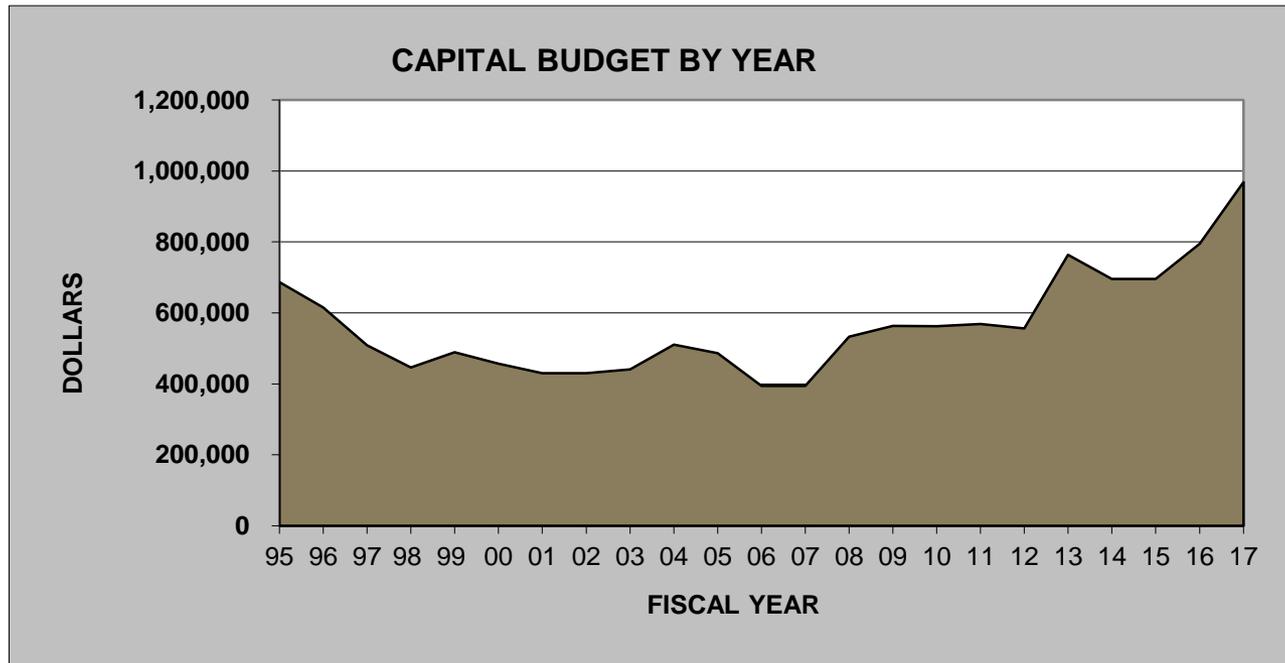
# Personnel Expense Changes

- All four unions have approved contracts with raise increases effective July 1. Increases vary from 2.0% to 2.25% depending on union.
- Health Insurance – No premium increase due to good experience. Employee portion of benefits increases 0.75%
- No new full-time or part-time positions added.
- \$6,000 additional funding for snow overtime added.
- Pension expense increased by \$8,650 to maintain recommended funding levels.

Personnel services, which makes up 72.1% of the Town Budget, is at an increase of \$119,331 over prior year (1.7%).

# Capital Budget Highlights

- Capital budget decrease of \$800
- Sustainability level is \$1,000,000 (proposed is at 93.2% of target)
- Includes \$190,000 of Education projects



Note: FY 95 levels, which if adjusted for inflation, would be over \$1,000,000

# Capital Projects

## GENERAL FUND CAPITAL EXPENDITURES:

1 Summer Road Program (partial-see also Town Aid)	\$ 337,000
2 School Computers	150,000
3 Town Hall Computer Upgrades	38,000
4 Classroom furniture	30,000
5 Police SUV vehicle	41,000
6 SCBA fire paks\ hose	10,000
7 Fire gear	10,000
8 Open Space Fund	15,000
9 Revaluation YR2	45,000
10 CNREF	170,000
11 Plan of C&D update-YR1	10,000
12 DPW pick-up truck	39,000
13 Coventry Academy outfitting	10,000
14 Taser replacements	10,000
15 Lake management	17,000
TOTAL	<u>\$ 932,000</u>

# Capital Projects *(Continued)*

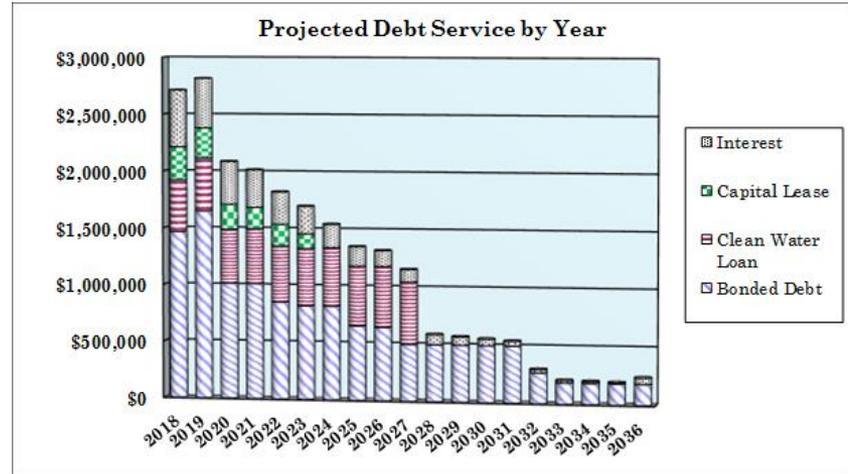
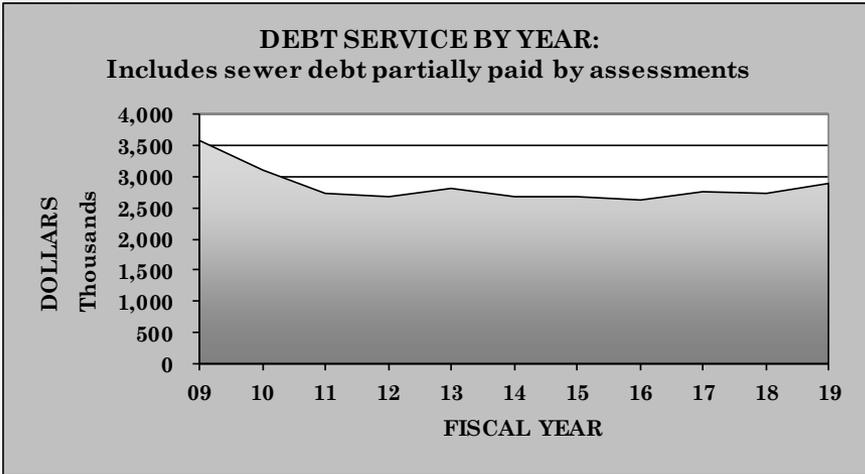
## LOCIP:

1	Patriots Park improvements	\$10,000
2	Laidlaw Park improvements	15,000
3	Town Hall Renovations	20,000
4	Large Drainage projects	40,000
5	Guardrail	15,000
	<b>Total</b>	<b>\$100,000</b>

## Other Funds:

1	Patriots Park improvements	Recreation fund	\$5,000
2	Tower equipment	Radio Tower fund	\$10,000
3	Millbrook Place vestibule	Local LoCIP	\$10,000
4	Kitchen Equipment	Cafeteria fund	\$27,000
5	Transfer Station relocation or improvement	COVRRRA	\$200,000
6	Medical/duty crew Fire vehicle	EMS fund	\$35,000
	<b>Total</b>		<b>\$287,000</b>

# Debt Service



Debt Service is 7.12% of budget: a \$ 180,910 increase.

Budget includes one new lease purchase: Replacement Dump truck with a cost of \$198,500, offset by a grant of \$45,000. This will be a 7 year lease estimated at \$26,200. Offset by retired leases of \$31,295

No Debt Service for additional projects are included in budget. Any projects that pass have assumed the first payments in FY 19/20 to take advantage of debt repayment decline.



# Budget Vote!

- **Vote: Tuesday May 8th**  
6:00 A.M. to 8:00 P.M.

District 1: CVFA Firehouse

District 2: NCFD Firehouse

- **Absentee Ballots will be available at the Office of Town Clerk during business hours**

