

Expenditures

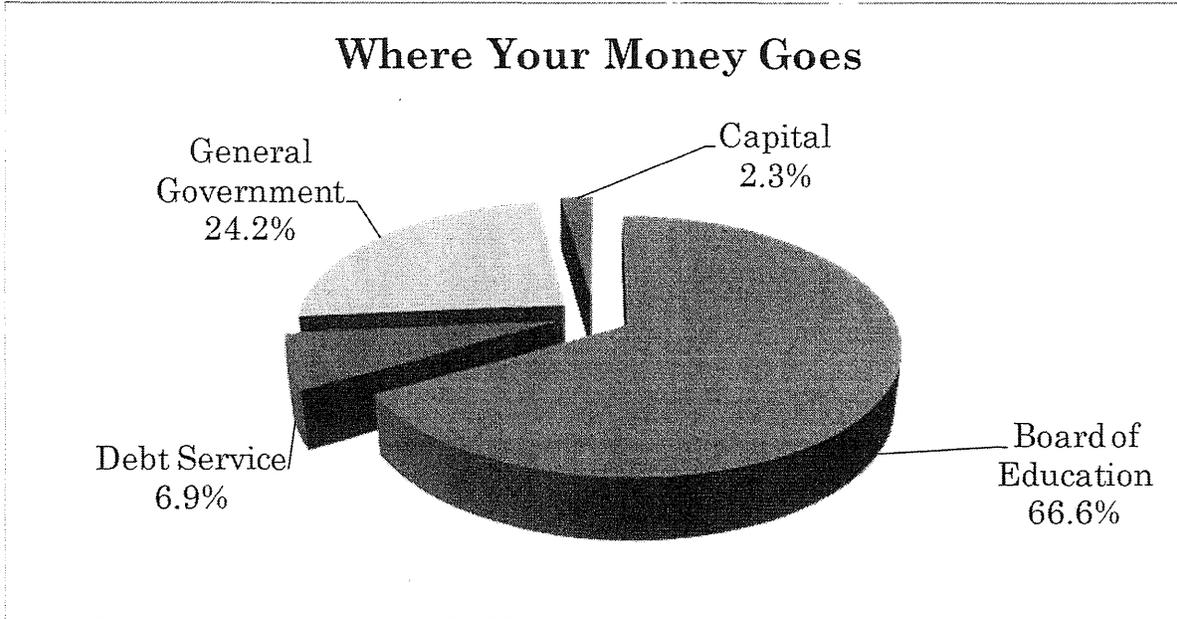
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EXPENDITURES

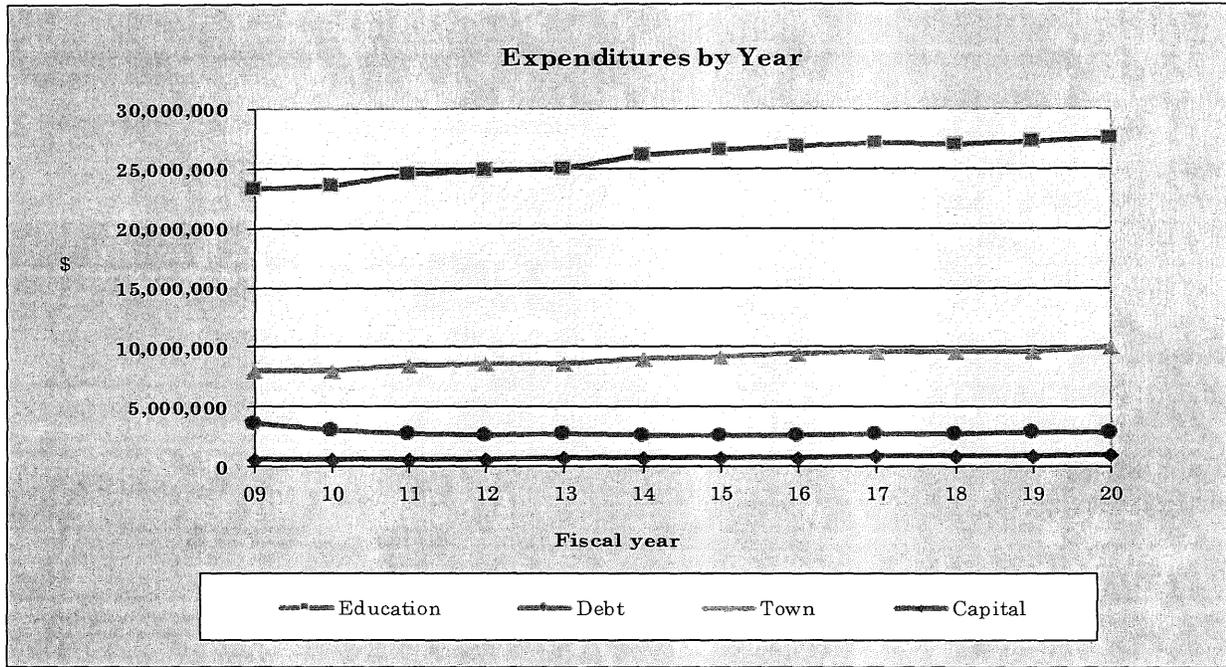
The expenditure part of the budget is broken down into the categories of General Government, Board of Education, Debt Service, and Capital Expenditures which includes the Reserve for Capital & Nonrecurring Expenditures (CNREF). The requested expenditures for the FY year 19/20 total \$41,341,564, an increase of \$529,078, or 1.30% over the adopted FY 18/19 budget.

Budget Area	Adopted Budget FY18/19	Requested Budget FY19/20	\$ Inc/Dec	% Change
General Government	\$ 9,693,156	\$ 10,012,102	\$ 318,946	3.29%
Board of Education	27,282,347	27,526,597	244,250	0.90%
State Teachers' Retirement	-	-	-	100.00%
Debt Service	2,904,983	2,870,865	(34,118)	-1.17%
Capital	932,000	932,000	-	0.00%
TOTAL EXPENDITURES	\$ 40,812,486	\$ 41,341,564	\$ 529,078	1.30%

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

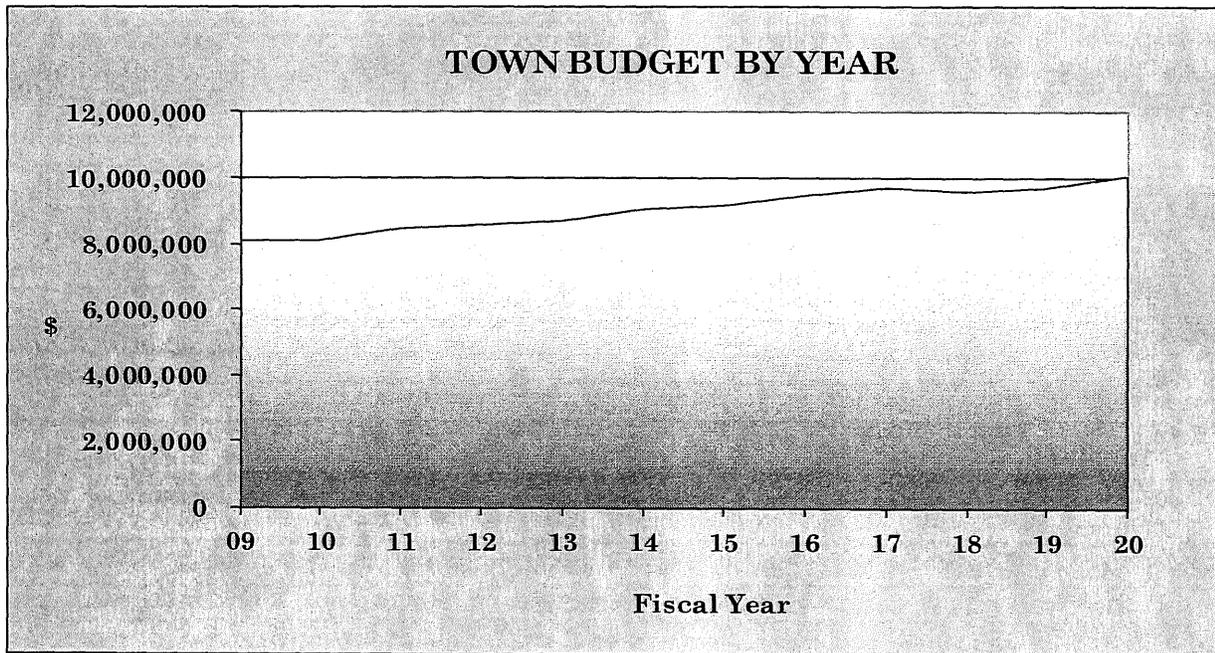


The next illustration shows historical trends for the same categories.



General Government

The Town operating budget recommended for FY 19/20 is \$10,012,102, which represents a \$318,946 or a 3.29% increase compared to the current adopted budget. The Town budget makes up 24.2% of the total operating budget. The Town Manager requests totaled \$10,056,950 and were reduced by the Town Council by \$47,848. Without the Council's changes, the increase over the budget would have been a 3.78% increase.



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

	<u>FY18/19</u>	<u>FY19/20</u>	<u>Inc/(Dec)</u>	<u>%</u>
General Administration	\$ 1,635,307	\$ 1,717,683	\$ 82,376	5.04%
Public Safety	2,511,177	2,600,841	89,664	3.57%
Public Works	2,422,030	2,497,687	75,657	3.12%
Human Services	295,883	293,416	(2,467)	-0.83%
Civic and Cultural	580,859	606,375	25,516	4.39%
Sundry	2,247,900	2,296,100	48,200	2.14%
Total	<u>\$ 9,693,156</u>	<u>\$ 10,012,102</u>	<u>\$ 318,946</u>	<u>3.29%</u>

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 17/18 and FY18/19 is provided below. A detailed analysis of the five expenditure objects follows.

	<u>FY18/19</u>	<u>FY19/20</u>	<u>% Total</u>	<u>\$ Change</u>	<u>% Change</u>
Personnel	\$ 6,993,429	\$ 7,249,150	72.4%	\$ 255,721	3.7%
Contractual	1,522,596	1,569,033	15.7%	46,437	3.0%
Supplies	883,415	890,133	8.9%	6,718	0.8%
Capital	25,400	25,400	0.3%	-	0.0%
Utilities	268,316	278,386	2.8%	10,070	3.8%
Total	<u>\$ 9,693,156</u>	<u>\$ 10,012,102</u>	<u>100%</u>	<u>\$ 318,946</u>	<u>3.3%</u>

Personnel Services

The recommended expenditures for personnel services have increased by \$55,270 or 3.7%. Personnel services include wages, overtime, pension, health insurance, and Social Security. No new full time or part time positions are requested. There is a requested increase in the number of hours for a part time staff member at the Senior Center of 6 hours a week (\$4,455). The Registrars of Voters have asked for a substantial increase which was lowered (\$5,579) with a request that they cease the practice of having two persons working at all times. Two of the four labor unions have approved contracts. We will be negotiating with the other two this spring, Nonunion employees are receiving comparable wage increases and increased medical premium sharing. Due to Medical inflation and claims our health insurance rates are projected to have a 3.7% increase (\$14,700). This is a reduction from the Town Manager's budget, which included a 5% increase, due to recent positive claim trends. Instead of increasing staff to gear up for major public works construction projects we are proposing to contract out for Wetlands inspections to a regional soil service commencing on October 1, 2019 (\$26,250). The Council increased the Library wages effective January 1, 2010 (\$5,750) to help align the current pay rates with market rates of comparable libraries.

Pension expenses have increased by 6.3% to \$395,115 as recommended by the actuary. We continue to contribute the amount based on the annual actuarial review. Our unfunded pension liability is solid and is 81.8% funded.

Contractual Services

Contractual services increased by \$46,437 or 3.0%. A list of major changes in this category includes:

Software Licenses	\$4,340
Vehicle Tracking/Monitoring service	\$4,000
Tree removal	\$7,200
Service contracts	\$12,570
Equipment & building repairs	\$20,950
Printing	\$2,950
Office supplies	(\$2,000)
Audit	(\$2,000)

Supplies

The supply area of the budget increased by \$6,718 or 0.8%. Most adjustments were minor and reflect current costs. Transfers to other operations are included in this section of the budget. Major changes include:

Street light poles	\$5,000
Asphalt & cement	\$7,000
Clothing & safety equipment	\$4,300
Claims & Losses/contingency	(\$5,000)
Public relations	\$3,500

Capital Expenditures

Capital Expenditures within the General Government budget have remained flat from the prior year budget.

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 \$10,070 or 3.80%. We re-bid electric rates and locked 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. We also have budgeted new expenses for the Tracy-Shoddy Mill and a storage building we acquired from CTDOT on Babcock Hill Road.

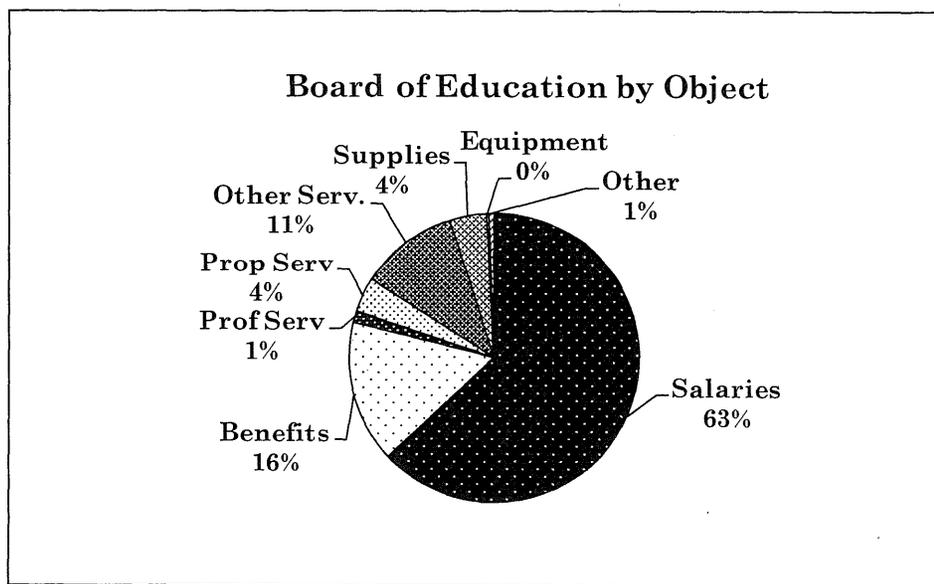
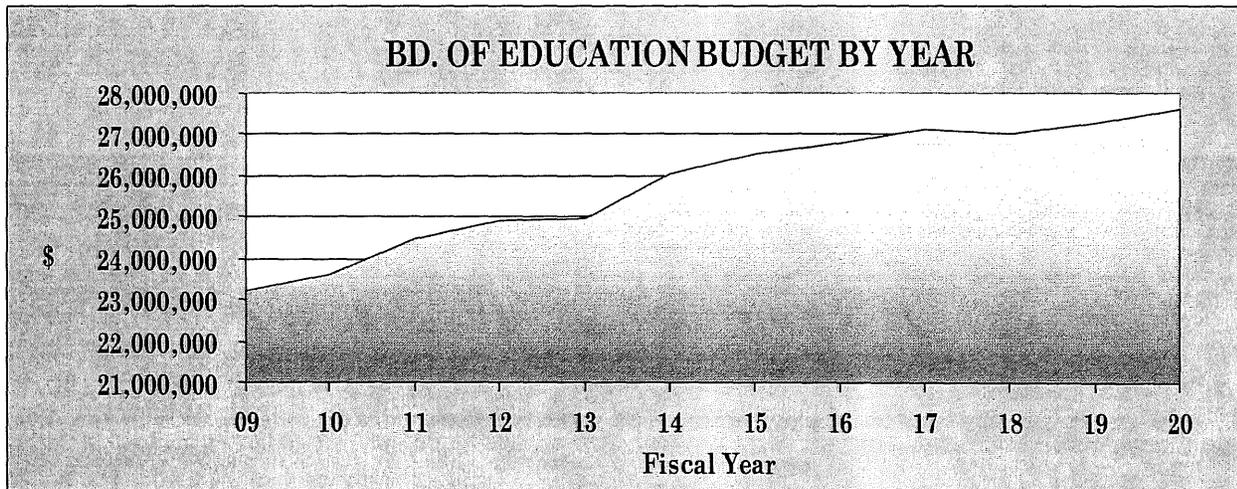
Budget Fiscal Year: 2020 to 2020

	2018	2019	2019	2019	Dept Head	Fown Manage	Council	Cou/Bud	
	Actual	Base Budget	Actual YTD	Est. Actual				Inc/Dec	%
1101 TOWN COUNCIL	\$ 33,193	\$ 34,240	\$ 33,867	\$ 36,884	\$ 37,163	\$ 37,063	\$ 36,663	\$ 2,423	7.08%
1201 TOWN MANAGER	212,632	220,962	164,436	220,962	231,582	231,307	230,424	9,462	4.28%
1300 FINANCE ADMINISTRATION	116,575	123,520	95,764	119,515	126,770	126,770	124,895	1,375	1.11%
1301 ACCOUNTING	114,631	121,875	88,773	121,940	129,325	129,325	129,325	7,450	6.11%
1302 COLLECTOR OF REVENUE	108,457	116,736	78,383	116,736	119,850	119,850	119,850	3,114	2.67%
1303 ASSESSOR	141,747	146,407	106,698	146,407	150,177	150,177	149,977	3,570	2.44%
1304 ASSESSMENT APPEALS	531	750	447	750	1,100	1,100	1,100	350	46.67%
1305 TREASURER	21,219	22,660	16,592	22,660	23,550	23,550	23,450	790	3.49%
1306 INFORMATION TECHNOLOGY	178,110	176,800	180,464	177,800	189,300	180,500	180,500	3,700	2.09%
1401 PLANNING	119,479	144,493	105,733	145,493	150,356	151,356	151,316	6,823	4.72%
1402 ZONING BOARD/APPEALS	12,045	21,870	16,334	21,970	21,810	21,760	21,760	(110)	-0.50%
1403 CONSERVATION	700	1,635	155	1,635	3,270	1,935	1,885	250	15.29%
1404 ECONOMIC DEVELOPMENT	11,542	19,315	10,288	20,863	27,995	20,755	21,255	1,940	10.04%
1406 INLAND WETLANDS	37,117	46,860	34,268	46,860	51,415	86,335	77,530	30,670	65.45%
1407 P&Z COMMISSION	2,164	1,375	537	1,375	2,675	2,475	2,475	1,100	80.00%
1501 LEGAL COUNSEL	64,877	85,000	62,253	85,000	85,000	85,000	85,000	-	0.00%
1502 PROBATE COURT	7,680	7,735	7,731	7,735	7,965	8,995	8,995	1,260	16.29%
1601 RECORDING/LICENSEING	146,349	160,273	110,546	160,273	164,053	164,053	163,893	3,620	2.26%
1701 ELECTIONS	54,879	56,761	49,194	67,541	76,545	69,490	63,490	6,729	11.85%
1801 TOWN OFFICE BLDG.	81,949	82,930	86,969	82,600	82,500	82,500	82,500	(430)	-0.52%
1802 CENTRAL SERS./SUPPLY	36,104	43,110	24,817	43,110	41,400	41,400	41,400	(1,710)	-3.97%
2101 POLICE ADMINISTRATION	191,385	192,569	140,676	192,569	197,668	295,318	294,468	101,899	52.92%
2102 POLICE OPERATIONS	1,282,765	1,328,974	966,772	1,328,974	1,401,422	1,304,988	1,297,128	(31,846)	-2.40%
2103 POLICE SUPPORTIVE SERVICES	356,040	331,639	257,093	325,952	340,750	340,750	340,285	8,646	2.61%
2104 POLICE MARINE PATROL	4,948	7,000	1,918	7,000	7,000	7,000	7,000	-	0.00%
2105 POLICE STATION	76,467	60,805	53,112	65,805	60,805	66,730	66,730	5,925	9.74%
2201 FIRE MARSHAL	14,438	18,750	13,580	18,750	21,050	18,050	18,050	(700)	-3.73%
2202 COVENTRY VOL FIRE ASSN	33,793	37,010	34,639	37,010	37,610	38,060	38,060	1,050	2.84%
2203 NORTH COV. VOL. FIRE DEPT	37,639	29,500	30,509	29,500	28,480	30,150	30,150	650	2.20%
2206 NO. COV. SUB-STATION	3,751	6,125	5,174	6,125	6,625	6,720	6,720	595	9.71%
2207 JOINT FIRE BUDGET	365,547	385,575	348,491	384,775	404,050	384,000	384,080	(1,495)	-0.39%
2208 CVFA SOUTH ST. SUBSTATION	9,463	12,695	9,837	12,695	12,680	13,850	13,850	1,155	9.10%
2301 EMERGENCY MANAGEMENT	26,913	27,750	22,242	27,750	29,175	29,675	29,595	1,845	6.65%
2401 ANIMAL CONTROL	67,643	72,785	49,806	72,785	75,125	74,825	74,725	1,940	2.67%
3100 ROADS & DRAINAGE	570,251	600,945	447,138	604,836	622,970	622,015	620,595	19,650	3.27%
3101 PUBLIC WORKS BUILDING	61,677	57,604	55,285	57,104	58,314	60,699	60,699	3,095	5.37%
3102 SNOW REMOVAL	409,708	314,100	306,565	314,100	314,100	316,550	316,550	2,450	0.78%
3103 FACILITY MAINTENANCE	303,808	331,825	216,240	331,825	334,875	334,875	334,200	2,375	0.72%
3104 PUBLIC WORKS ADMINISTRATIO	248,860	237,045	170,476	238,702	243,735	244,685	244,260	7,215	3.04%
3105 FLEET MAINTENANCE	435,626	461,500	361,323	457,803	477,600	473,600	473,080	11,580	2.51%
3107 MATCHING FUNDS	2,000	2,000	2,000	2,000	2,500	2,500	2,500	500	25.00%
3108 STREET LIGHTS	42,918	46,000	45,901	48,100	50,800	50,800	51,000	5,000	10.87%
3109 CEMETERY COMM.	16,057	24,038	13,016	24,038	33,838	25,338	25,338	1,300	5.41%
3110 TREE WARDEN	49,400	43,450	43,264	43,450	100,750	52,750	52,750	9,300	21.40%
3111 FACILITIES - OTHER	2,524	6,250	23,292	21,250	6,250	8,750	8,750	2,500	40.00%
3201 ENGINEERING	67,321	81,920	55,392	81,920	129,740	88,040	87,880	5,960	7.28%
3301 BLDG. INSPECTION	139,440	149,288	105,155	149,288	152,610	152,800	152,800	3,512	2.35%
3302 BUILDING CODE BD. OF APPEAL	45	45	45	45	45	45	45	-	0.00%
3501 HEALTH DEPT.	65,859	66,020	66,019	66,020	67,240	67,240	67,240	1,220	1.85%
4102 VISITING NURSE & COMM. CARE	1,440	1,500	1,500	1,500	1,000	1,000	1,000	(500)	-33.33%
4200 HUMAN SERVICES/GA	184,463	179,801	122,832	179,801	171,251	171,251	171,251	(8,550)	-4.76%
4205 ELDERLY SERVICES	99,411	114,582	94,973	114,582	120,832	121,165	121,165	6,583	5.75%
5101 BOOTH DIMOCK/PORTER LIBRAI	468,376	477,879	477,875	477,879	494,800	494,800	500,550	22,671	4.74%
5201 PARKS & REC SUPV/OPERATION	101,090	99,805	81,350	99,805	102,475	102,360	102,150	2,345	2.35%
5301 MEMORIAL DAY	2,104	3,175	1,357	3,175	3,175	3,675	3,675	500	15.75%
8101 MUNICIPAL INSURANCE	378,179	392,000	356,580	392,000	392,000	392,000	392,000	-	0.00%
8102 PENSION/SOCIAL SECURITY	848,630	895,300	760,427	895,300	934,800	934,800	933,800	38,500	4.30%
8103 HEALTH INSURANCE	915,567	910,600	650,211	910,600	947,400	947,400	925,300	14,700	1.61%
8301 CONTINGENCY	-	15,000	1,859	3,000	15,000	15,000	15,000	-	0.00%
8303 CLAIMS AND LOSSES	2,651	35,000	37,643	17,000	35,000	30,000	30,000	(5,000)	-14.29%
	\$ 9,390,177	\$ 9,693,156	\$ 7,705,816	\$ 9,692,922	\$ 10,159,341	\$ 10,059,950	\$ 10,012,102	\$ 318,946	3.29%

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 \$27,601,597, an increase of \$319,250 or 1.17%, above their adopted FY 19 budget. The Town Council reduced the Board of Education budget by \$75,000. Of this amount \$40,000 is expected in insurance savings as we adjust the increase in health insurance premiums from 5.0% to 3.7%. The additional \$35,000 in adjustments will be determined by the Board of Education. These cuts result in a Board of Education FY20 budget of \$27,526,597, an increase of 0.90% from the prior year.

Three capital projects totaling \$680,000 for Education are also included in the Capital Budget of which \$180,000 is proposed from General fund taxation. Please see the separate Board of Education budget for details.



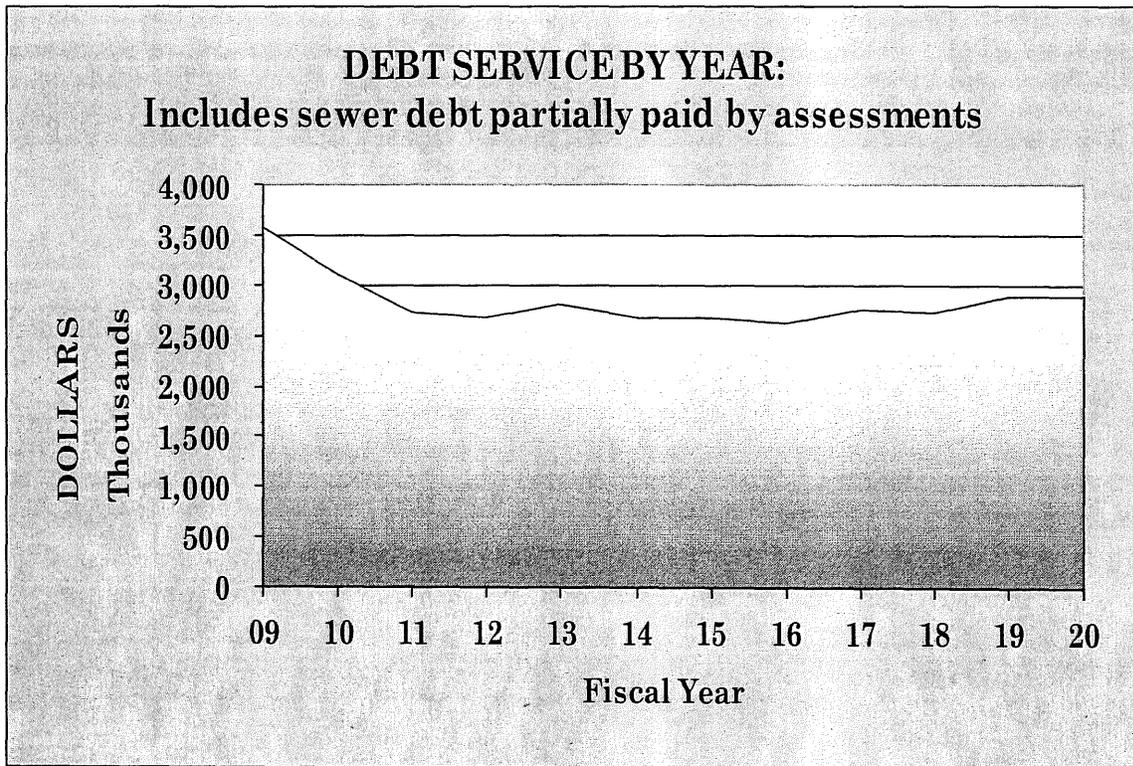
2019 - 2020 OBJECT COMPARISON BUDGET - CHARTER FORMAT

DESCRIPTION	2017-2018 ACTUAL	2017-2018 BUDGET	Dec. 31, 2018 ACTUAL	2018-2019 ESTIMATED	2019-2020 PROPOSED	From FY19 Budget	
						\$ CHANGE	% CHANGE
SALARIES							
111 CERTIFIED SALARIES	\$ 12,901,170	\$ 13,264,920	\$ 4,802,582	\$ 13,111,836	\$ 13,391,212	\$ 126,292	0.95%
112 NON-CERTIFIED SALARIES	3,230,383	3,297,145	1,452,055	3,293,770	3,321,161	24,016	0.73%
113 EXTRA CURRICULAR SALARIES	43,792	44,565	15,673	43,713	49,937	5,372	12.05%
114 ATHLETIC SALARIES	200,461	217,099	88,372	217,099	221,530	4,431	2.04%
120 CERTIFIED TEMPORARY SALARIES	208,270	221,000	96,289	220,000	301,750	80,750	36.54%
121 NON-CERTIFIED TEMP. SALARIES	32,459	46,900	7,822	46,900	63,650	16,750	35.71%
TOTAL FOR SALARIES	\$ 16,616,535	\$ 17,091,629	\$ 6,462,793	\$ 16,933,318	\$ 17,349,240	\$ 257,611	1.51%
BENEFITS							
210 HEALTH INSURANCE	\$ 3,290,049	\$ 3,372,500	\$ 1,703,087	\$ 3,321,036	\$ 3,284,543	\$ (87,957)	-2.61%
220 SOCIAL SECURITY	245,371	269,381	110,537	265,581	276,116	6,735	2.50%
221 MEDICARE	232,153	239,208	92,058	239,014	245,188	5,980	2.50%
230 PENSION	270,851	330,080	295,965	325,964	362,362	32,282	9.78%
250 UNEMPLOYMENT COMPENSATION	42,000	45,000	8,966	32,500	40,000	(5,000)	-11.11%
251 TUITION REIMBURSEMENT	21,860	15,000	655	15,655	15,000	-	0.00%
260 WORKERS COMPENSATION	155,184	137,227	88,278	120,088	130,224	(7,003)	-5.10%
TOTAL FOR BENEFITS	\$ 4,257,468	\$ 4,408,396	\$ 2,299,546	\$ 4,319,838	\$ 4,353,433	\$ (54,963)	-1.25%
PROFESSIONAL SERVICES							
330 LEGAL & AUDIT	\$ 84,620	\$ 116,640	\$ 39,440	\$ 116,640	\$ 105,640	\$ (11,000)	-9.43%
332 PUPIL SERVICES	148,749	182,087	54,137	181,039	195,208	13,121	7.21%
333 INSTRUCTIONAL IMPROVEMENT	36,769	49,000	6,040	49,000	54,000	5,000	10.20%
TOTAL FOR PROFESSIONAL SERVICES	\$ 270,138	\$ 347,727	\$ 99,617	\$ 346,679	\$ 354,848	\$ 7,121	2.05%
PROPERTY SERVICES							
410 UTILITIES	\$ 293,381	\$ 325,000	\$ 124,426	\$ 315,170	\$ 305,000	\$ (20,000)	-6.15%
411 SEWER SERVICES	41,250	42,075	41,250	41,250	42,750	675	1.60%
420 DISPOSAL SERVICES	26,738	48,825	14,841	48,825	40,000	(8,825)	-18.07%
430 CONTRACTED SERVICES	804,010	590,945	372,112	590,945	656,064	65,119	11.02%
TOTAL FOR PROPERTY SERVICES	\$ 1,165,379	\$ 1,006,845	\$ 552,629	\$ 996,190	\$ 1,043,814	\$ 36,969	3.67%
OTHER SERVICES							
510 STUDENT TRANSPORTATION	\$ 1,757,844	\$ 1,793,530	\$ 609,577	\$ 1,721,004	\$ 1,747,561	\$ (45,969)	-2.56%
513 ATHLETIC TRIPS	71,743	61,900	25,518	61,900	64,400	2,500	4.04%
520 PROPERTY & LIABILITY INSURANCE	179,859	210,553	158,125	207,169	213,168	2,615	1.24%
530 TELEPHONE	76,798	74,556	35,014	73,605	73,220	(1,336)	-1.79%
531 POSTAGE	21,000	21,000	5,700	21,000	21,000	-	0.00%
540 ADVERTISING	-	6,000	-	6,000	6,000	-	0.00%
550 PRINTING	12,832	19,155	6,744	19,155	15,090	(4,065)	-21.22%
560 TUITION	881,938	866,284	446,771	842,972	852,300	(13,984)	-1.61%
560 EXCESS COST REIMBURSEMENT	(277,157)	(290,497)	-	(268,999)	(270,619)	19,878	-6.84%
561 TUITION, NON-PUBLIC	710,878	581,538	299,932	755,688	519,844	(61,694)	-10.61%
561 EXCESS COST REIMBURSEMENT	(295,553)	(282,362)	-	(293,098)	(225,966)	56,396	-19.97%
580 TRAVEL	25,469	29,800	8,590	29,800	28,991	(809)	-2.71%
TOTAL FOR OTHER SERVICES	\$ 3,165,651	\$ 3,091,457	\$ 1,595,971	\$ 3,176,196	\$ 3,044,989	\$ (46,468)	-1.50%
SUPPLIES							
611 INSTRUCTIONAL SUPPLIES	\$ 454,854	\$ 480,344	\$ 350,866	\$ 480,344	\$ 500,834	\$ 20,490	4.27%
612 CUSTODIAL SUPPLIES	71,999	72,000	39,950	72,000	73,000	1,000	1.39%
613 MAINTENANCE SUPPLIES	99,404	91,500	73,385	91,500	93,000	1,500	1.64%
620 HEAT ENERGY	120,056	167,400	50,051	158,994	161,250	(6,150)	-3.67%
626 GASOLINE & DIESEL	68,836	106,250	38,442	104,385	88,300	(17,950)	-16.89%
640 TEXTBOOKS	61,870	54,393	38,574	54,393	62,305	7,912	14.55%
641 WORKBOOKS	35,400	45,578	29,244	45,578	53,168	7,590	16.65%
642 LIBRARY BOOKS & PERIODICALS	22,114	23,296	5,616	23,296	23,863	567	2.43%
690 OTHER SUPPLIES	57,817	61,638	37,582	61,638	82,693	21,055	34.16%
TOTAL FOR SUPPLIES	\$ 992,350	\$ 1,102,399	\$ 663,710	\$ 1,092,128	\$ 1,138,413	\$ 36,014	3.27%
EQUIPMENT							
739 OTHER EQUIPMENT	\$ 68,327	\$ 55,184	\$ 14,848	\$ 55,184	\$ 77,883	\$ 22,699	41.13%
TOTAL FOR EQUIPMENT	\$ 68,327	\$ 55,184	\$ 14,848	\$ 55,184	\$ 77,883	\$ 22,699	41.13%
OTHER							
COUNCIL REDUCTIONS TO BE ALLOCATED		\$ -	\$ -	\$ -	\$ (35,000)	\$ (35,000)	100.00%
810 DUES AND FEES	100,040	113,735	58,147	113,735	132,402	18,667	16.41%
891 ATHLETIC SUBSIDY	46,050	46,900	43,000	46,900	47,900	1,000	2.13%
892 ASSEMBLIES & GRADUATION	18,096	18,075	3,917	18,075	18,675	600	3.32%
TOTAL FOR OTHER	\$ 164,186	\$ 178,710	\$ 105,064	\$ 178,710	\$ 163,977	\$ (14,733)	-8.24%
TOTAL FOR BUDGET	\$ 26,700,034	\$ 27,282,347	\$ 11,794,178	\$ 27,098,243	\$ 27,526,597	\$ 244,250	0.90%

Debt Service

Debt Service as a percentage of the budget is 6.94% of the total budget which is well below the 10% threshold of concern. It is proposed to decrease by \$34,118 or minus 1.17%. The good news is that the Town's long term bonded debt service peaked a couple of years ago and will now continue to decline or allow other needed projects to proceed without a major tax impact. 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. This is reflected as a declining revenue to the general fund, not an increase in Debt service. The WPCA is not raising sewer use bills but is partially compensating for this shortfall caused in part by lower investments earnings.

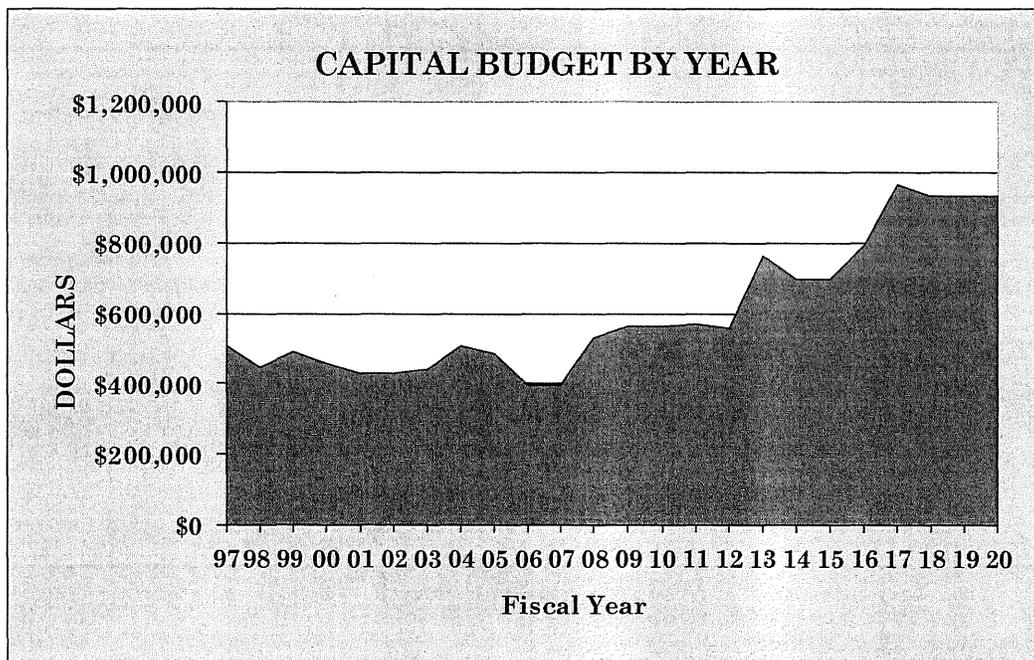
One \$4,000,000 bond for road improvements, our share of the Hop River Bridge replacement, and reconstruction and redesign of the parking lot at the Coventry Grammar school is proposed. The budget proposal includes the purchase of a large dump truck (7-year lease for \$24,900 annually), a mower and public works radio upgrades (5-year lease for \$46,550 annually). Lease purchases are detailed in the Capital section of the budget document. Even with these proposals the debt budget will decline. 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 \$932,000, which remains unchanged from the prior fiscal year. 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. 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 several projects this year.



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