

# Budget in Brief

**Proposed Fiscal Year 2022/23 Budget**  
**Town Meeting: Saturday April 23, 2022**  
 10:00 A.M. Veterans Auditorium,  
 Coventry High School, Ripley Hill Road

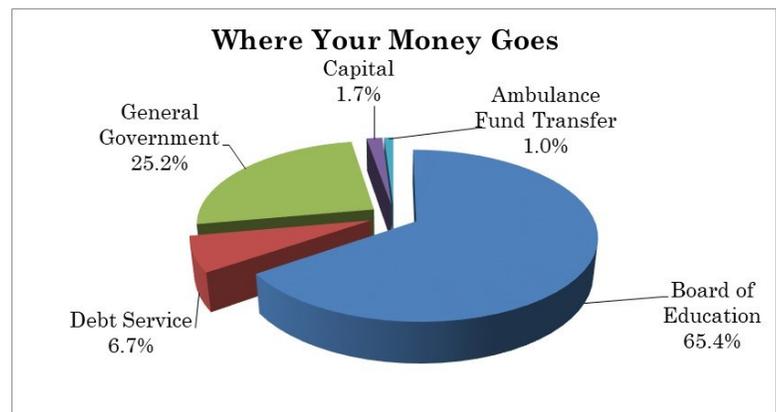
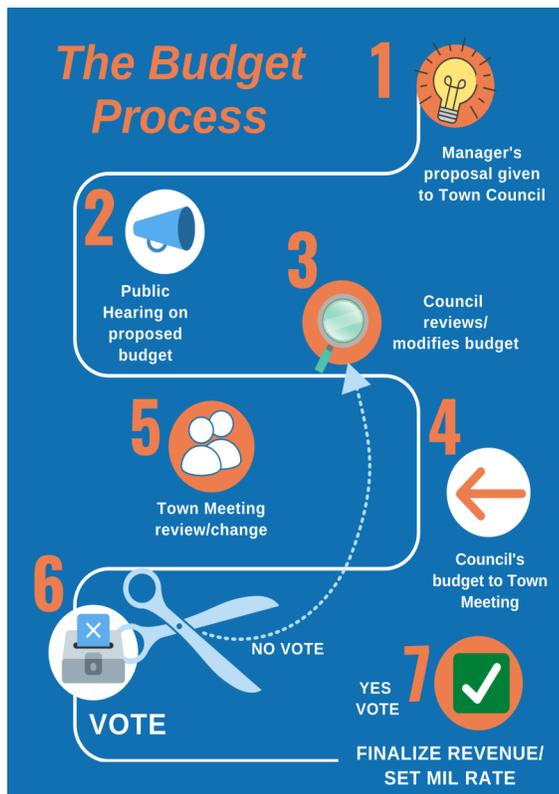


## Overview

Responding to the expectations of Coventry residents for better and more efficient services, Town and Board staff reviewed programs and services and prepared budget proposals that address the stated goals of the Town Council and Board of Education. Existing services have been maintained and infrastructure repairs, services to students, seniors, and public safety have been given a priority. The Town Manager's recommended budget demonstrated that most agency budgets were submitted with only modest increases. Additional funding was included to support town-wide ambulance services. Staff levels were evaluated and increased slightly based on current work loads. The full budget was reviewed and modified by the Town Council, resulting in a reduction from requests of \$319,965.

“The Town Council’s budget proposals for the Town, Board, Capital and Debt Service call for a 4.28% spending increase.”

The Town Council’s budget proposals for the Town, Board, Capital, Debt Service, and Ambulance Fund transfer call for a \$1,816,310 spending increase from the prior year adopted budget. 24% of this increase, \$437,500, pertains to the transfer to support the ambulance services. The proposed budget will require an increase to the current mil rate of 0.84 mils or 2.68%, resulting in a rate of 31.99 mils. The proposed budget has been sent to the Annual Town Meeting scheduled for Saturday, April 23, 2022, in the CHS Veterans Auditorium at 10:00 A.M. The adjourned Town Meeting vote is scheduled for Tuesday, May 3, 2022.



## Budget Summary

The expenditure part of the budget is broken down into the areas of General Government, Board of Education, Debt Service, Capital and the Ambulance Fund Transfer totaling \$44,239,440, an increase of \$1,816,310 or 4.28% compared to the adopted FY21-22 budget. A breakdown of the budgets are illustrated below.

Budget Area	Adopted Budget	Requested Budget	\$ Change	% Change
	FY 21-22	FY 22-23		
General Government	\$10,615,700	\$11,134,642	\$518,942	4.89%
Board of Education	\$28,305,819	\$28,927,461	\$621,642	2.20%
Debt Service	\$2,781,581	\$2,983,337	\$201,756	7.25%
Capital	\$720,030	\$756,500	\$36,470	5.07%
Ambulance Fund	\$ -	\$437,500	\$437,500	100.00%
<b>Total</b>	<b>\$42,423,130</b>	<b>\$44,239,440</b>	<b>\$1,816,310</b>	<b>4.28%</b>

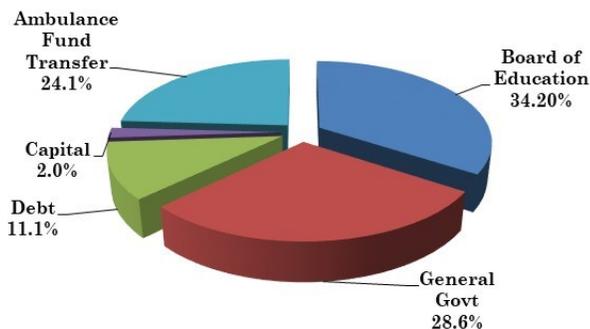
## Town Operating Budget Summary

The Town operating budget recommended for FY23 is \$11,134,642; an increase of \$518,942. The largest driver to this increase is personnel services which increased \$531,687 or 6.86%. Health insurance increased 9% (\$116,100) due to increased claim trends. Several changes were made to staff levels. In the FY22 budget, one police officer was funded through American Rescue Plan funding. 50% of this position is being proposed to return to the Town Operating Budget this year. Public works staffing levels were reviewed and deemed inadequate. The proposed budget includes a custodian (in lieu of contracted services), a DPW Maintainer I, an additional temporary summer employee and a part-time engineering tech. Public works staff levels have remained unchanged since FY01/02 and severely need to be addressed. In preparation for transition in local government leadership, an Assistant Town Manager Position has also been included for October 2022. Other drivers behind the Operating Budget increase include technology needs, additional tree removal and an increase in general liability insurance.

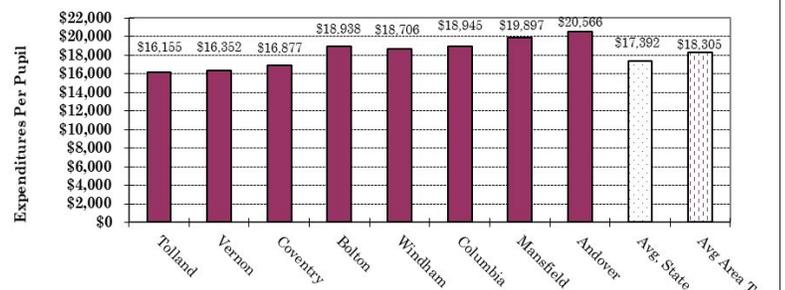
## Board of Education Summary

The Board of Education budget was reduced \$100,00 by the Town Council and is proposed at \$28,927,461; an increase of \$621,642 or 2.20% from their originally adopted FY22 budget. Details are available on the web at [www.coventrypublicschools.org](http://www.coventrypublicschools.org).

% of Total Increase by Budget



Education Expenditures, FY 2018-19  
Area-wide Comparison



Source: Municipal Fiscal Indicators, OPM, 2015-2019

To learn more about the fiscal year 2022/23 proposed budget, you can view the full Town budget document online at [www.coventryct.org](http://www.coventryct.org) under Finance. Copies of the Town and Board of Education budgets are also available for viewing in the Coventry Town Clerk's office during regular office hours.

### YOUR OPINION COUNTS!

If you have questions or concerns about the FY 22/23 proposed budget, please don't hesitate to email [budgetcomments@coventryct.org](mailto:budgetcomments@coventryct.org) or call the Town Manager's Office at 860-742-6324.

### TAX RELIEF FOR SENIORS

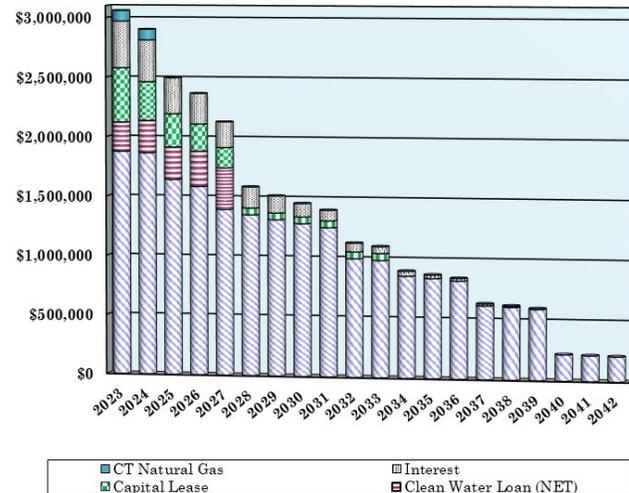
Guidelines for additional tax relief for qualified Coventry seniors and disabled persons are available in the Town Assessor's Office. This includes a local tax credit program. Call 860-742-4067.

**Application Deadline: May 16, 2022.**

## Debt Service

Debt Service represents 6.7% of the Town budget. For FY23, there is a proposed increase of \$201,756 or 7.25% from the prior year. This increase is driven by the issuance of general obligations that is expected to be issued in May of 2022 for several projects that the taxpayers previously approved to bond. These projects include school roof replacement for both the High School and GHR, library renovations and a softball field. Also included in the FY23 budget is a capital lease for a small dump truck and pick-up truck. While there is an increase for the FY23 budget, it is important to know that our projected debt service is anticipated to decline each year going forward, which will allow for additional debt issuance or savings to taxpayers.

Projected Debt Service by Year



## Capital Projects

1 Summer Road Program (partial-see also Town Aid)	\$ 300,000
2 Network refresh	64,000
3 Education Computer Upgrades	50,000
4 Classroom Furniture	25,000
5 Town Hall Computer Upgrades	43,000
6 Police SUV Replacement (2)	100,500
7 SCBA Fire Paks	24,000
8 Fire Gear	25,000
9 Fire Hose/equipment	20,000
10 Open Space Fund	15,000
<b>TOTAL</b>	<b>\$ 756,500</b>

The proposed capital projects budget for the General Fund for FY23 totals \$756,500, an increase of \$36,470 or 5.07%. Of this increase \$139,000 related to capital projects for the Board of Education. This increase is a direct result of the FY21 budget in which capital was cut by 28.76% (resulting in a FY21 budget of \$664,000).

In addition to the capital project budget outlined in the General Fund, several capital projects are proposed through grants, including Town Aid Road, (\$300,000), Local Capital Improvement Program (\$100,000), Lake Management (\$35,000) and American Rescue Plan Funding (\$1,714,500).

## Transfer to Ambulance Fund

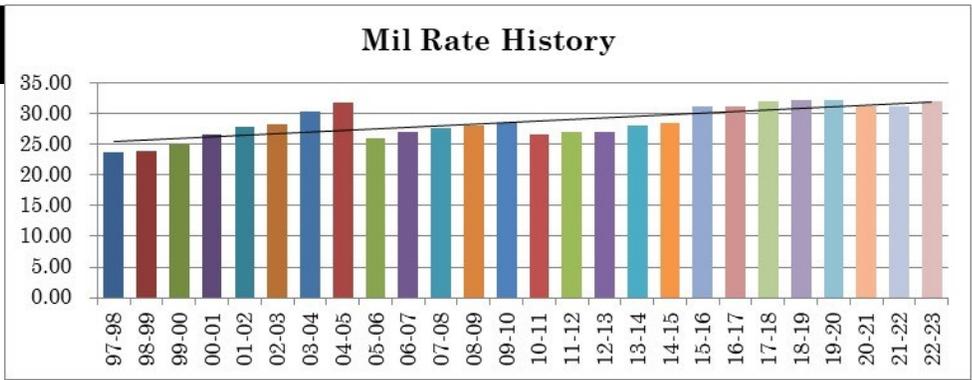
The FY23 budget separates out the transfer to the Ambulance Fund as a separate budgetary line. It is proposed to transfer \$437,500 to the Ambulance fund to fund the ambulance coverage currently provided to residents on a 24 hours a day, 7 days a week basis.

When the Town transitioned to 24/7 coverage, there was hope the revenue generated could sustain these services. It is clear with current reimbursement rates, the fund is not able to cover these costs (Medicare reimbursement is 50% of charges, Medicaid reimbursement is 30% of charges). As such, we are proposing a transfer from the General Fund to the Ambulance Fund in the total of \$437,500. This transfer is 24% of the overall spending increase and represents 0.42 mil increase which represents half of the proposed increase for FY23. The proposed transfer to the ambulance fund represents 1.0% of the total proposed budget.

Ambulance services are an important service that the Town provides to its residents. Without 24/7 ambulance coverage, residents will rely on mutual aid from other Towns and/or volunteer EMS crews. This will cause a significant increase in response times, which are very important in emergency situations.

## Revenues

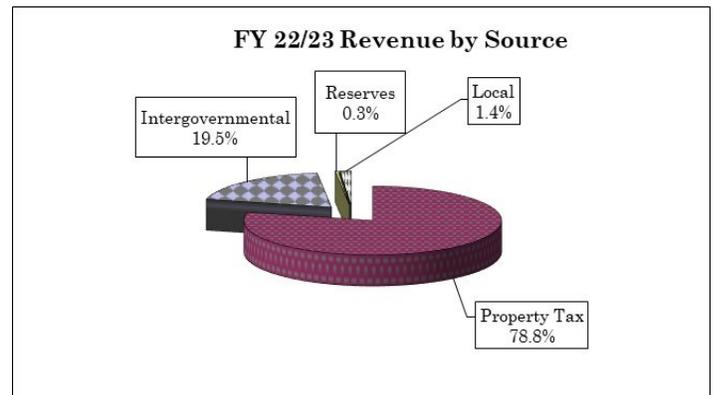
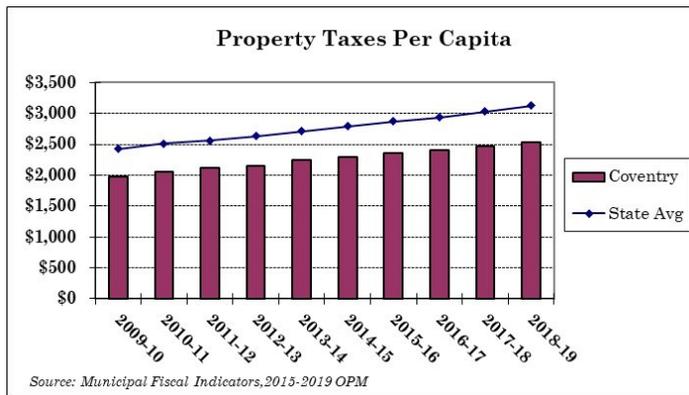
The property tax is the major revenue source (78.8%) for Coventry. The proposed budget is an increase of 4.28% from the prior year. The proposed mil rate is 31.99, a 0.84 or 2.68% change from the prior year. This will generate a monthly increase of \$12.38 to the average homeowner. Of this mil increase, 0.42 mil is related to the transfer to the EMS fund to ensure adequate ambulance services for residents.



Intergovernmental revenues, mostly State aid, are the second largest source (19.50%) of revenues for Coventry. This is a reduction of 2.61% from the prior year adopted budget. These revenues are based on the assumed State budget which is not yet final. Included is a decrease of \$123,993 in funding from the Sewer Assessment Fund based on expected collections over the remainder of the assessments. This funding will continue to decrease over the next few years as that fund is depleted and assessment payments are finalized. Also included is \$50,000 of American Rescue Plan funding to help offset the increase in ambulance costs.

Other local revenues consist of a variety of fees for permits, services and interest earnings. This area which represent 1.4% of the Town's budget is expected to increase \$4,450 from the prior year.

Lastly, our proposed revenue budget for FY23 includes use of \$150,000 from fund balance. This is the part of a COVID 19 financial impact plan that was previously adopted to help mitigate the impact of the pandemic. This is a reduction of \$50,000 which has the effect of increasing property taxes by 0.05 mils.



## Open Space

Included at the Town Meeting on April 23 is a question regarding an Open Space Purchase. Vote will be held on the following question:

“Shall the Town of Coventry approve the purchase of PID 4593 South River Road for open space from Seth and Kristy Conway for \$69,000?”

This purchase was recommended by the Town's Planning and Zoning Commission on February 14, 2022.

Of this \$69,000, approximately \$10,000 will be an adjustment for real estate taxes currently owed on the property. In addition, the Town's Open Space fund currently has \$49,000 available to be used toward this purchase. Joshua's Trust has committed \$5,000 toward the purchase if approved. The remaining \$5,000 would need to be authorized to complete the funding.