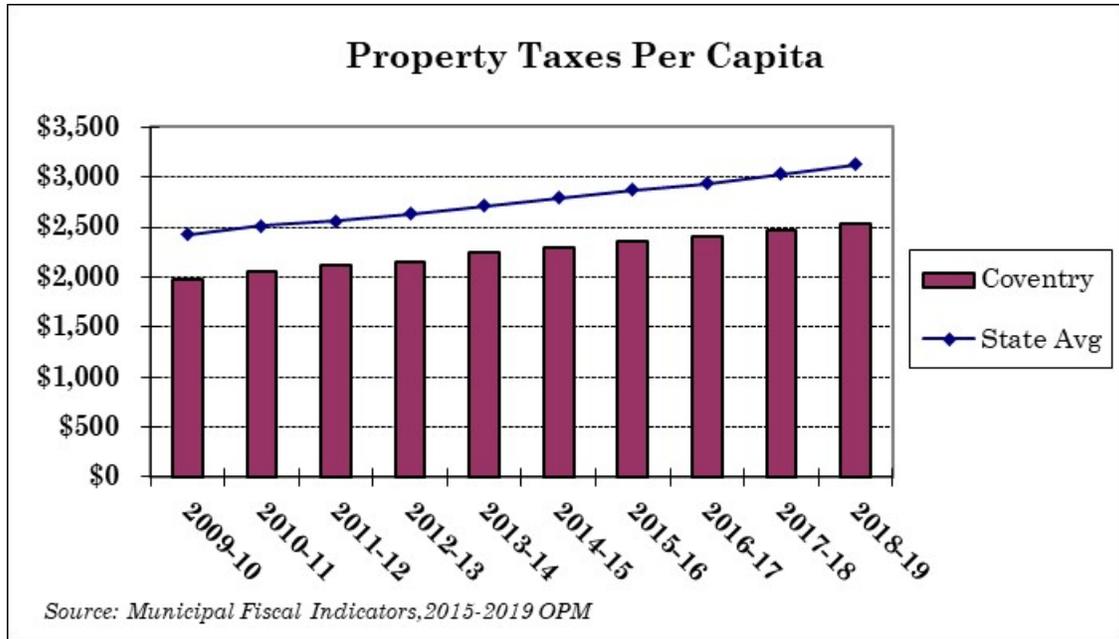
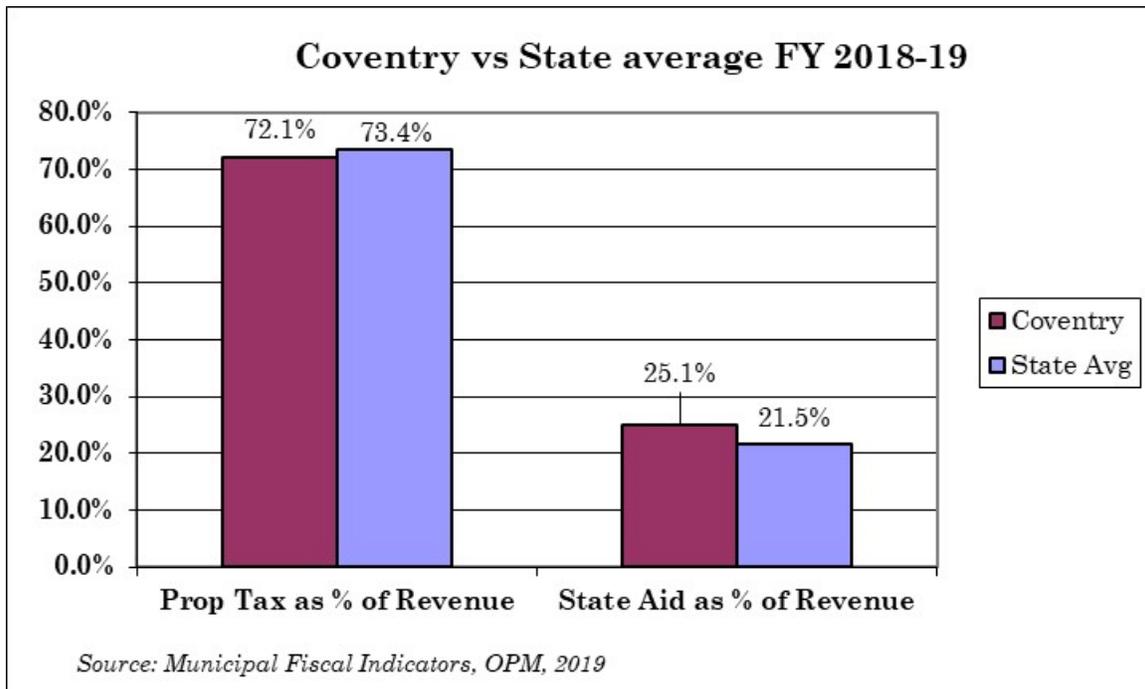


Revenues

Revenues – General Government



Coventry continues to remain below the state average in per capita taxes, ranking 123 out of the 169 Connecticut towns and cities. As of June 30, 2019, Coventry's per capita property taxes are 80.99% of (or \$594 less than) the average in Connecticut.

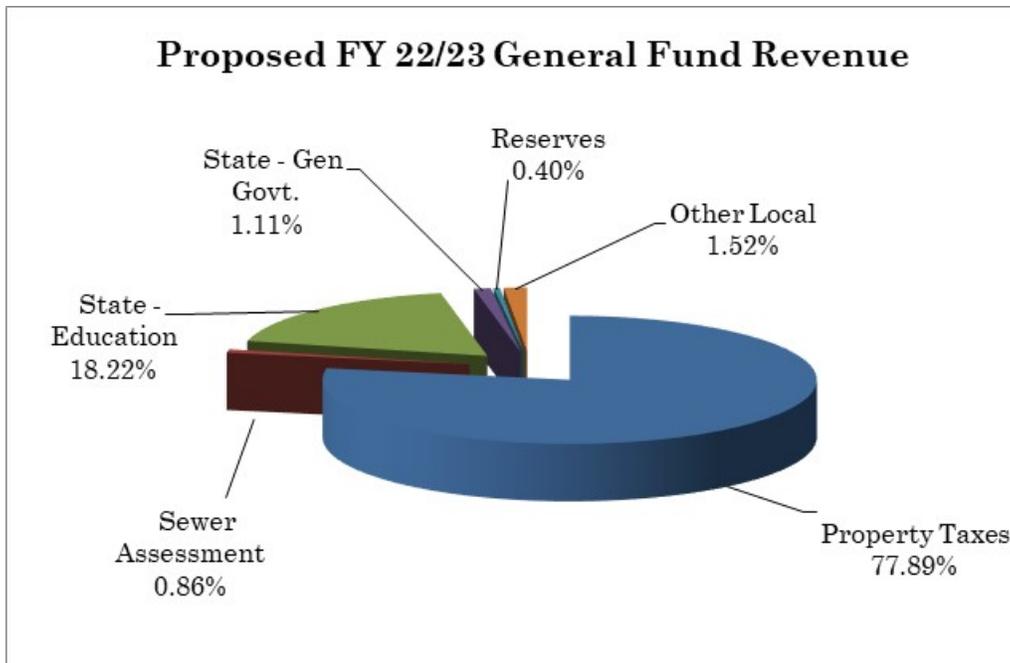


The Town receives more state aid than the state-wide average. In 2019, Coventry received 25.1% of our annual revenue from intergovernmental sources compared to the statewide average of 21.5%.

Revenues

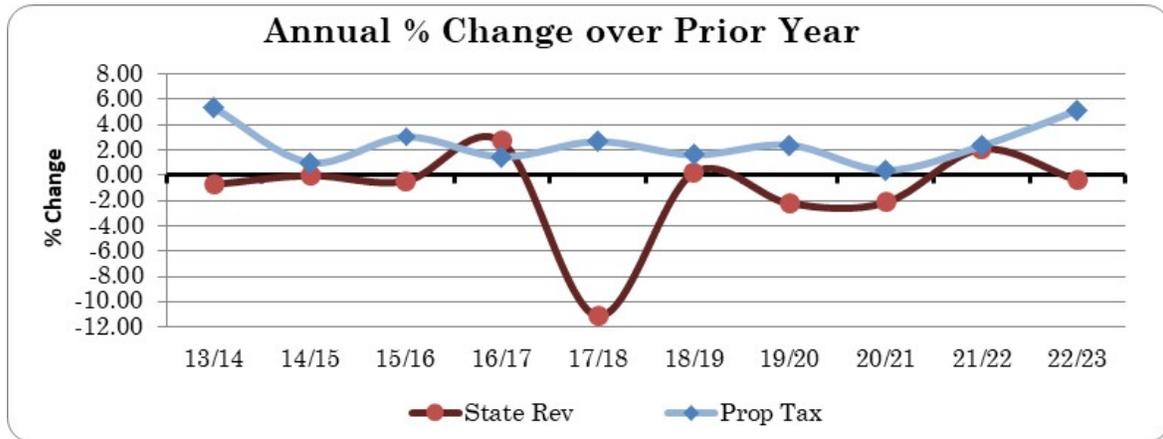
The expenditures proposed in the fiscal year 2022/2023 (“FY 22/23”) budget will require revenues equaling \$43,703,945. These revenues will be generated from local property taxes, intergovernmental grants, and other local revenues:

	Actual FY 20-21	Current FY 21-22	Proposed FY 21-22
Property Tax			
Current Taxes	\$ 31,382,466	\$ 31,967,303	\$ 33,139,280
Delinquent Taxes	349,639	270,000	300,000
Interest & Penalties	189,506	180,000	180,000
Sup. Motor Veh.	368,937	340,000	420,000
<i>Subtotal</i>	<u>32,290,548</u>	<u>32,757,303</u>	<u>34,039,280</u>
Intergovernmental			
Sewer Assessment	479,976	478,993	375,000
State - Education	7,981,258	7,963,868	7,964,281
State - Gen Govt	277,402	391,616	484,584
<i>Subtotal</i>	<u>8,738,636</u>	<u>8,834,477</u>	<u>8,823,865</u>
Reserves	-	200,000	175,000
Other Local	<u>840,721</u>	<u>631,350</u>	<u>665,800</u>
General Fund Total	<u><u>\$ 41,869,905</u></u>	<u><u>\$ 42,423,130</u></u>	<u><u>\$ 43,703,945</u></u>



Revenues (Continued)

Trends in year to year revenue changes are displayed below.



Property Taxes

The property tax is the major revenue source for local governments in Connecticut and makes up 78.2% of General Fund revenue for Coventry. The adjusted Real and Personal Net Valuation (Grand List) on October 1, 2020 amounted to \$1,076,852,645, an increase of 3.64% from the preceding year.

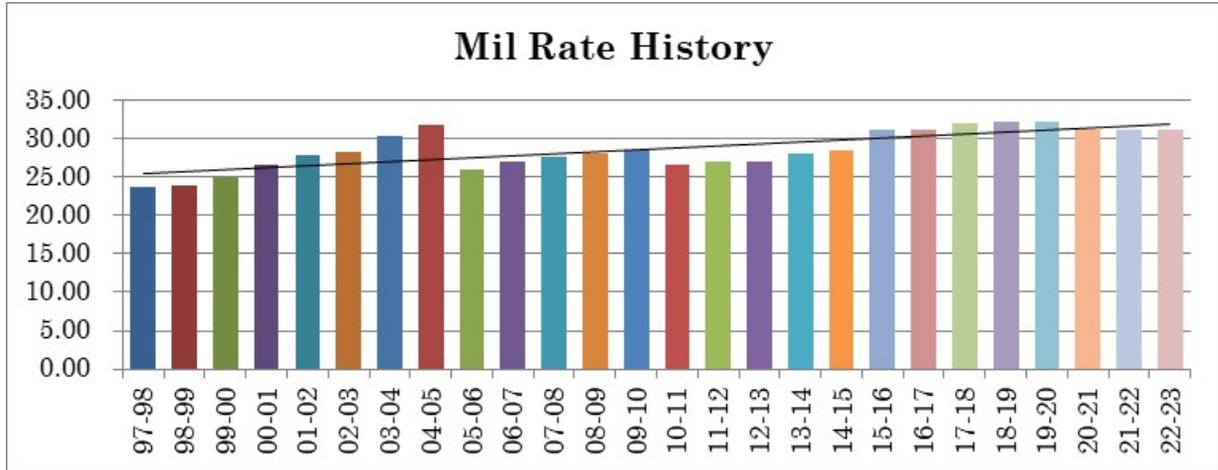
Using an average collection rate of 98.80%, one mil will now raise \$1,063,903 of taxes. The budget as proposed requires a mil rate of 31.15, which is **ZERO INCREASE from the approved FY 21/22 rate.**

The chart below illustrates how the proposed mil rate would affect houses of differing assessed values. Assessed value is 70% of October 1, 2021 fair market value. It is estimated that the median house in Coventry is now assessed at \$176,890. This means that half the properties are above this point and half are below:

Market Value	Assessed Value	FY 21/22		FY 22/23		Annual Increase	Monthly Increase
		Monthly	Annually	Monthly	Annually		
100,000	70,000	181.71	2,181	181.71	2,181	0	0.00
125,000	87,500	227.14	2,726	227.14	2,726	0	0.00
150,000	105,000	272.56	3,271	272.56	3,271	0	0.00
175,000	122,500	317.99	3,816	317.99	3,816	0	0.00
200,000	140,000	363.42	4,361	363.42	4,361	0	0.00
252,700	176,890	459.18	5,510	459.18	5,510	0	0.00
250,000	175,000	454.27	5,451	454.27	5,451	0	0.00
275,000	192,500	499.70	5,996	499.70	5,996	0	0.00
300,000	210,000	545.13	6,542	545.13	6,542	0	0.00
325,000	227,500	590.55	7,087	590.55	7,087	0	0.00

Property Taxes (Continued)

Historical mil rate information is outlined below:



	<u>Grand List</u>	<u>Change</u>	<u>Fiscal Year</u>	<u>Mil Rate</u>	<u>Change</u>
2014	930,973,231	* -6.88%	15/16	31.20	
2015	949,774,141	2.02%	16/17	31.20	0.00%
2016	951,967,368	0.23%	17/18	32.00	2.56%
2017	965,961,835	1.47%	18/19	32.20	0.63%
2018	977,892,640	1.24%	19/20	32.20	0.00%
2019	1,022,686,310	* 4.58%	20/21	31.17	-3.20%
2020	1,039,012,077	1.60%	21/22	31.15	-0.06%
2021	1,076,852,645	3.64%	22/23	31.15	0.00%

7 Year Average: -0.01%

Intergovernmental Revenues

Intergovernmental revenues are the second largest source of revenues for Coventry, representing 20.00% of the total budget. This proposed budget is a decrease of \$10,612 or 0.12% from the FY21/22 budget. This is primarily due to a reduction of contributions from the Sewer Assessment Fund and a decrease in general government aid from the State.

The Town Council has proposed using \$250,000 in American Rescue Plan Act funding for FY23 to offset the large increase in the transfer needed to fund the ambulance operations. This is a non-recurring revenue source.

Sewer Assessments are the payment from the Sewer Assessment Fund to cover the scheduled sewer debt service payments. Starting in FY 18/19 the Sewer Operation Fund also began contributing to the sewer debt service payments. For FY 22/23, the Sewer Operating Fund has committed to a contribution of \$75,000. In total, the Sewer Assessment funding has decreased from the FY21/22 approved budget by \$103,993 or 25.89%. In general, the Sewer Assessment Fund will not be able to cover 100% of the scheduled sewer debt service payments going forward. The Town will continue to see reductions in this funding over the next few years through FY25/26.

Reserves and Transfers

Fund balance is essential to maintain cash flow and maintain a good credit rating. Council policy sets a target of 15% for unassigned fund balance. Council policy states that “the undesignated fund balance will not be utilized to offset tax increases if the balance is less than 15%”. FY 20/21 saw unassigned fund balance increase, going from \$5,685,780 (FY19/20) to \$5,715,230 (FY20/21). As a percentage of final FY 2021/2022 budget appropriation, the balance is now 12.72% of General Fund governmental expenditures. Bond rating agencies look at fund balance, and other factors, when rating a municipality’s credit worthiness. Please see the Appendix for this calculation.

The FY20/21 budget included use of \$310,000 of fund balance to offset tax revenue. This was approved by the Council as part of a strategic COVID-19 Finance Response Plan. This plan included anticipation of use of fund balance while preparing the FY22/23 budget to smooth the impact of returning to no use of fund balance. Based on this, the Town Council has included the use of \$175,000 in the FY22/23 budget. This represents 0.4% of the total revenue estimate.

Other Local Revenues

Other Local Revenues consist of a variety of fees for permits and services and interest earnings. This source of revenue is expected to increase by \$34,450 and is 1.52% of the overall revenue estimates. The increase is due to increases in quantity of building department fees, conveyance tax and town clerk receipts offset by decreases in interest.

Town of Coventry
COUNCIL RECOMMENDED BUDGET

Budget Fiscal Year: 2023 to 2023

Account# and Description	2021 Actual	2022 Base Budget	2022 Actual YTD	2022 Est. Actual	Dept Head	Town Manager	Council	Cou/Bud Inc/Dec	%
6010 GENERAL PROPERTY									
110-6010-40211 CURRENT	31,382,466	31,967,303	31,906,783	31,967,303	34,235,115	34,193,252	33,139,280	1,171,977	3.67
GL = \$1,076,852,645; 1 mil = 1,063,903; Collection 98.8%									
PY Mil rate 31.15									
At prior mil, 2021 Grand List generates an additional									
\$1,177,506.									
COUNCIL Budget: Assumes NO Mil cap on Motor Vehicles as									
proposed by the Governor.									
Results in 31.15 Mil (0.00 increase, 0.00%)									
110-6010-40212 DELINQUENT	349,639	270,000	306,677	290,000	300,000	300,000	300,000	30,000	11.11
110-6010-40213 INT & PENALTI	189,506	180,000	188,914	180,000	180,000	180,000	180,000	0	.00
110-6010-40214 SUPP MOTOR VE	368,937	340,000	453,739	400,000	340,000	340,000	420,000	80,000	23.53
Total 6010 GENERAL PROP	32,290,548	32,757,303	32,856,113	32,837,303	35,055,115	35,013,252	34,039,280	1,281,977	3.91
6026 SEWER ASSMT REIMB									
110-6026-40203 SEWER ASSESSM	479,976	478,993	551,366	478,993	355,000	355,000	375,000	(103,993)	(21.71)
\$300,000 from sewer assessment fund; \$55k WPCA operating									
contribution.									
Total 6026 SEWER ASSMT	479,976	478,993	551,366	478,993	355,000	355,000	375,000	(103,993)	(21.71)
6030 ST OF CT FOR EDUCA									
110-6030-40300 ED COST SHARI	7,969,721	7,952,911	7,981,654	7,952,911	7,952,911	7,952,911	7,952,911	0	.00
Per budget estimates 2.9.22									
110-6030-40306 ADULT EDUCATI	11,537	10,957	11,602	10,957	11,370	11,370	11,370	413	3.77
Per budget estimates 2.9.22									
Total 6030 ST OF CT FOR	7,981,258	7,963,868	7,993,256	7,963,868	7,964,281	7,964,281	7,964,281	413	.01
6040 ST OF CT FOR GEN G									
110-6040-40403 MOTOR VEHICLE	0	0	0	0	256,488	256,488	0	0	.00
Per budget estimates 2.9.22									
Council has excluded and not presented cap on motor									
vehicle grand list.									
Assumption Town will be made whole if the MV GL is capped									
at 29.0 mil.									
110-6040-40406 DISABILITY EX	1,651	1,600	1,563	1,600	1,600	1,600	1,600	0	.00
110-6040-40407 GRANT IN LIEU	23,414	23,414	18,556	23,414	25,134	25,134	25,134	1,720	7.35
Per budget estimates 2.9.22									
110-6040-40409 CASINO FUNDS	13,336	13,336	8,891	13,336	13,336	13,336	13,336	0	.00
Per budget estimates 2.9.22									
110-6040-40411 VETERANS ADDT	7,708	7,200	6,672	6,672	7,200	7,200	7,200	0	.00
110-6040-40412 EMPG	6,216	13,037	0	13,037	6,225	6,225	6,225	(6,812)	(52.25)

Town of Coventry
COUNCIL RECOMMENDED BUDGET

Budget Fiscal Year: 2023 to 2023

Account# and Description	2021 Actual	2022 Base Budget	2022 Actual YTD	2022 Est. Actual	Dept Head	Town Manager	Council	Cou/Bud Inc/Dec	%
110-6040-40414 TELEPHONE ACC	16,820	18,400	16,437	18,400	18,400	18,400	18,400	0	.00
110-6040-40415 YOUTH SERVICE	14,590	14,000	23,280	14,000	14,000	14,000	14,000	0	.00
110-6040-40428 MUNICIPAL REV	10,533	10,533	6,594	10,533	10,533	10,533	10,533	0	.00
Per budget estimates 2.9.22									
Additional \$187,998 from new grant per CGS 4-661(e)- omitted from budget per OPM projection.									
110-6040-40436 LAKE MANAGEME	0	26,940	0	26,940	26,940	25,000	25,000	(1,940)	(7.20)
110-6040-40462 MUNICIPAL ASS	113,156	113,156	113,156	113,156	113,156	113,156	113,156	0	.00
Per budget estimates 2.9.22									
110-6040-40463 FEMA	20,024	0	115,836	95,000	0	0	0	0	.00
Total 6040 ST OF CT FOR	227,448	241,616	310,985	336,088	493,012	491,072	234,584	(7,032)	(2.91)
6041 AMERICAN RESCUE PL									
110-6041-40465 AMERICAN RESC	0	150,000	150,000	150,000	0	0	250,000	100,000	66.67
One time revenue source in prior year. Council proposes use of \$50k toward ambulance transfer.									
Total 6041 AMERICAN RES	0	150,000	150,000	150,000	0	0	250,000	100,000	66.67
6046 HOUSING AUTHORITY									
110-6046-40460 P I L O T	42,508	40,000	32,323	40,000	40,000	40,000	40,000	0	.00
Total 6046 HOUSING AUTH	42,508	40,000	32,323	40,000	40,000	40,000	40,000	0	.00
6060 FINANCE									
110-6060-40601 INVESTMENT IN	15,911	50,000	8,236	10,000	20,000	20,000	20,000	(30,000)	(60.00)
Decrease based on actual.									
110-6060-40602 INSURANCE REI	14,542	20,000	38,332	38,332	20,000	20,000	20,000	0	.00
\$36k FY20; \$14.5k for FY21; \$38k for FY22 Remain at \$20k due to annual variance.									
110-6060-40603 CONVEYANCE TA	234,847	135,000	184,858	145,000	150,000	150,000	170,000	35,000	25.93
110-6060-40605 PRESCHOOL ADM	1,019	1,000	0	0	1,000	1,000	1,000	0	.00
Total 6060 FINANCE	266,319	206,000	231,426	193,332	191,000	191,000	211,000	5,000	2.43
6062 TOWN CLERK									
110-6062-40621 OFFICE RECEIP	150,995	100,000	118,792	100,000	110,000	110,000	120,000	20,000	20.00
Total 6062 TOWN CLERK	150,995	100,000	118,792	100,000	110,000	110,000	120,000	20,000	20.00
6063 ASSESSOR									
110-6063-40631 COPY CHARGES	146	500	189	500	300	300	300	(200)	(40.00)
Total 6063 ASSESSOR	146	500	189	500	300	300	300	(200)	(40.00)

Town of Coventry
COUNCIL RECOMMENDED BUDGET

Budget Fiscal Year: 2023 to 2023

Account# and Description	2021 Actual	2022 Base Budget	2022 Actual YTD	2022 Est. Actual	Dept Head	Town Manager	Council	Cou/Bud Inc/Dec	%
6064 DEVELOPMENT/PLANNI									
110-6064-40641 ZONING PERMIT	16,915	11,000	11,500	11,000	9,000	9,000	9,000	(2,000)	(18.18)
110-6064-40642 PLANNING & ZO	1,055	0	(148)	0	0	0	0	0	.00
110-6064-40643 ZONING BD OF	625	0	2,292	0	0	0	0	0	.00
110-6064-40644 INLAND WETLAN	2,275	0	2,480	0	0	0	0	0	.00
110-6064-40645 REGS AND MAPS	445	500	205	100	500	500	500	0	.00
110-6064-40646 10% PERMIT FE	106	100	(914)	100	100	100	100	0	.00
Total 6064 DEVELOPMENT/	21,421	11,600	15,415	11,200	9,600	9,600	9,600	(2,000)	(17.24)
6066 BUILDING DEPARTMEN									
110-6066-40661 BLDG PERMITS/	235,544	211,000	246,257	211,000	220,000	220,000	220,000	9,000	4.27
110-6066-40662 FIRE INSPECTI	970	1,500	800	1,500	1,500	1,500	1,500	0	.00
110-6066-40663 BLASTING PERM	0	50	0	50	0	0	0	(50)	(100.0)
Total 6066 BUILDING DEP	236,514	212,550	247,057	212,550	221,500	221,500	221,500	8,950	4.21
6070 POLICE SERVICES									
110-6070-40622 WARDEN RECEIP	110	500	260	500	300	300	300	(200)	(40.00)
110-6070-40625 DOG LICENSE	8,159	9,000	7,209	9,000	9,000	8,500	8,500	(500)	(5.56)
110-6070-40626 FINGERPRINTIN	3,971	2,000	2,088	2,000	2,000	2,000	2,000	0	.00
110-6070-40701 SPECIAL DUTY	15,000	7,500	7,500	7,500	10,000	10,000	10,000	2,500	33.33
Increase of \$2.5k based on fund balance of special duty fund (\$10,704 as of 2.15.22).									
110-6070-40702 LOCAL PARKING	160	500	25	500	300	300	300	(200)	(40.00)
110-6070-40703 PERMITS	17,855	7,500	6,855	7,500	7,500	7,500	7,500	0	.00
110-6070-40705 OTHER	930	1,200	1,071	1,200	1,000	1,000	1,000	(200)	(16.67)
110-6070-40707 MUNICIPAL SUR	478	2,500	868	2,500	1,800	1,800	1,800	(700)	(28.00)
Total 6070 POLICE SERVI	46,663	30,700	25,876	30,700	31,900	31,400	31,400	700	2.28
6078 RENTS/MISCELLANEOU									
110-6078-40781 RENTS/STATE L	32,510	30,000	32,510	33,000	32,000	32,000	32,000	2,000	6.67
110-6078-40782 UNANTICIPATED	43,646	0	68,504	5,000	0	0	0	0	.00
Total 6078 RENTS/MISCEL	76,156	30,000	101,014	38,000	32,000	32,000	32,000	2,000	6.67
6079 SUPPLEMENTAL									
110-6079-40862 USE OF FUND B	0	200,000	0	200,000	100,000	100,000	175,000	(25,000)	(12.50)
Decrease use of Fund Balance per COVID Financial Plan. Council proposal to slow down decrease.									
Total 6079 SUPPLEMENTAL	0	200,000	0	200,000	100,000	100,000	175,000	(25,000)	(12.50)
*** Grand Total ***	41,819,952	42,423,130	42,633,812	42,592,534	44,603,708	44,559,405	43,703,945	1,280,815	3.02