

# Budget in Brief

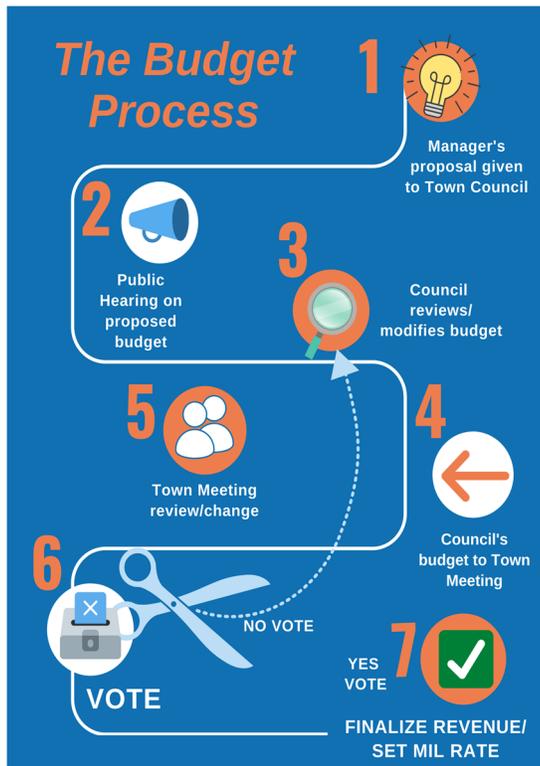
**Proposed Fiscal Year 2022/23 Budget  
Special Budget Meeting: Monday June 20, 2022  
7:00 P.M. Annex,  
Coventry Town Hall, Main Street**



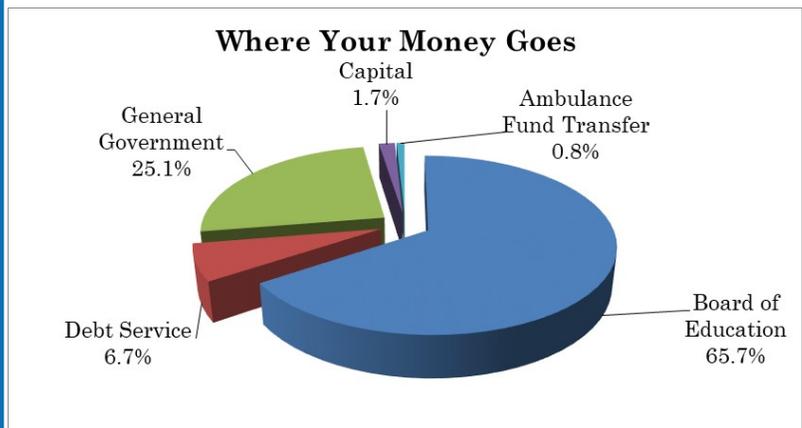
## Overview

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. The Town Manager's recommended budget demonstrated that most agency budgets were submitted with only modest increases. The full budget was reviewed and modified by the Town Council twice. Both revised budgets were voted down by the taxpayers. The Town Council now presents a further revised budget, including total reductions from the Town Manager request of \$855,460. The current proposed budget includes a spending increase of 3.02% and NO INCREASE to the current mil rate of 31.15.

"The Town Council's budget proposals for the Town, Board, Capital and Debt Service call for **NO INCREASE** to the mil rate."



The Town Council's budget proposals for the Town, Board, Capital, Debt Service, and Ambulance Fund Transfer call for a \$1,280,815 spending increase from the prior year adopted budget. 28.3% of this increase pertains to the transfer to support the ambulance services. The proposed budget has been sent to the Special Budget Meeting scheduled for Monday June 20, 2022, in the Town Hall Annex at 7:00 P.M. The adjourned Town Meeting vote is scheduled for Tuesday, June 28, 2022 at the two Main Street Fire Stations from 6:00 A.M. to 8:00 P.M.



## 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 \$43,703,945, an increase of \$1,280,815 or 3.02% 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	\$10,973,292	\$357,592	3.37%
Board of Education	\$28,305,819	\$28,712,461	\$406,642	1.44%
Debt Service	\$2,781,581	\$2,932,192	\$150,611	5.41%
Capital	\$720,030	\$723,500	\$3,470	0.48%
Ambulance Fund	\$ -	\$362,500	\$362,500	100.00%
<b>Total</b>	<b>\$42,423,130</b>	<b>\$43,703,945</b>	<b>\$1,280,815</b>	<b>3.02%</b>

As a result of the failed referendum, the Town Council reviewed the budget to identify additional cuts. This revised budget includes \$855,460 in cuts from the original budget proposal. Cuts were made in the following areas:

Budget Area	Town Manager Original	Council Revised	\$ Change
	FY 22-23	FY 22-23	
General Government	\$11,231,107	\$10,973,292	\$257,815
Board of Education	\$29,027,461	\$28,712,461	\$315,000
Debt Service	\$2,972,337	\$2,932,192	\$40,145
Capital	\$828,500	\$723,500	\$105,000
Ambulance Fund	\$500,000	\$362,500	\$137,500
<b>Total</b>	<b>\$44,559,405</b>	<b>\$43,703,945</b>	<b>\$855,460</b>

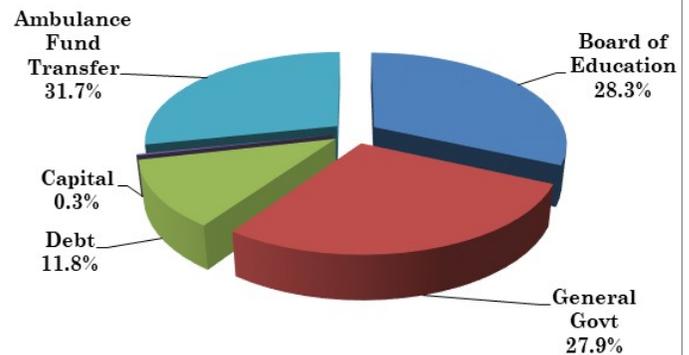
See individual sections within this document for details on cuts that were made.

## Town Operating Budget Summary

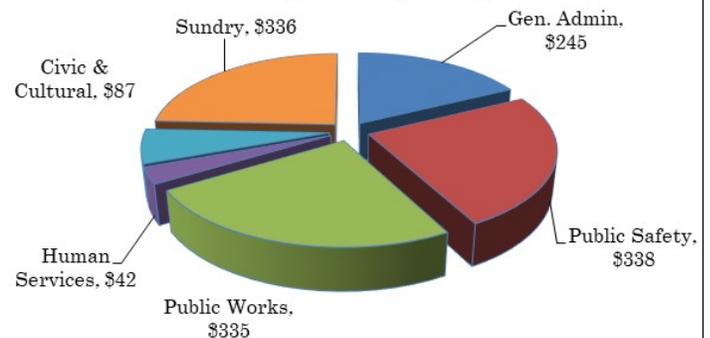
The Town operating budget recommended for FY23 is \$10,973,292; an increase of \$257,815. The largest driver to this increase is personnel services which increased \$403,137 or 5.20%. Health insurance increased 9% (\$116,100) due to increased claim trends. This increase represents 30% of the General Government increase.

The Town Council made significant reductions to the Town Manager's recommended budget. Cuts include: elimination of Assistant Town Manager, elimination of DPW Maintainer I (note Public works staff levels have remained unchanged since FY01/02 and severely need to be addressed), delay of additional temporary DPW summer help, the freezing of a vacant police position until January 1, reduction in tree removal and salt budgets, decreases to LAP/Worker's compensation insurance, decrease to contingency and a \$7,500 reduction to the Library' request increase.

% of Total Increase by Budget

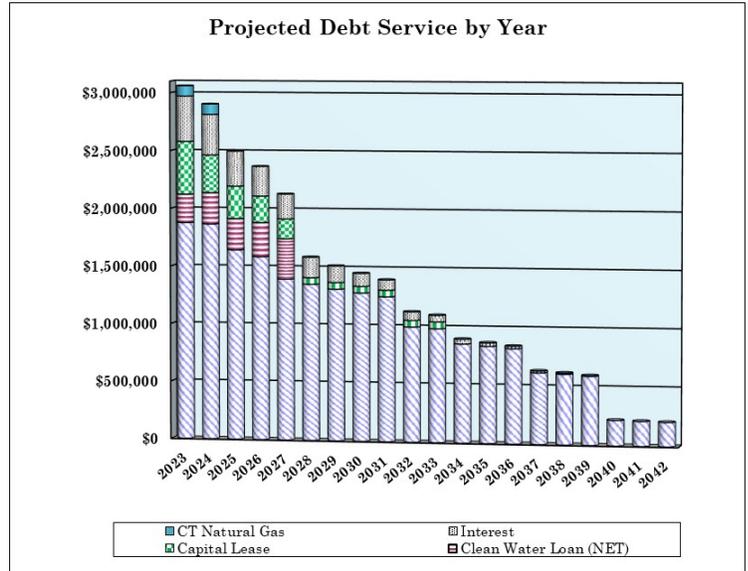


Median House Town Tax Dollar  
Town Operating Budget



## Debt Service

Debt Service represents 6.7% of the Town budget. For FY23, there is a proposed increase of \$190,756 or 6.86% from the prior year. This increase is driven by the issuance of general obligations that were issued in June of 2022 for several projects that the taxpayers previously approved to bond (High School and GHR roof replacement, library renovations and a softball field). Reductions to this section of the budget include delaying a capital lease for a small dump truck and use of recent bond proceeds to offset the increase. While there is an increase for the FY23 budget, it is important to know that our projected debt service is anticipated to decline going forward, which will allow for additional debt issuance or savings.



## Capital Projects

1 Summer Road Program (partial-see also Town Aid)	\$ 300,000
2 Network refresh	64,000
3 Education Computer Upgrades	20,000
4 Classroom Furniture	25,000
5 Town Hall Computer Upgrades	43,000
6 Police SUV Replacement (1)	57,500
7 SCBA Fire Paks	24,000
8 Fire Gear	25,000
9 Fire Hose/equipment	20,000
10 Open Space Fund	15,000
11 Tree Removal	40,000
12 Lake Management	90,000
<b>TOTAL</b>	<b>\$ 723,500</b>

The proposed capital projects budget for the General Fund for FY23 totals \$723,500, an increase of \$3,470 or 0.48%. Of this increase \$109,000 related to capital projects for the Board of Education. The Town Council reduced the Town Managers proposal by decreasing Education computers by \$30,000, funding BOE carpet replacement through a grant, and delaying the purchase of a second police vehicle.

In addition to the capital project budget outlined in the General Fund, several capital projects are proposed through grants, including Town Aid Road, Local Capital Improvement Program, Lake Management and American Rescue Plan Funding.

## Transfer to Ambulance Fund

The FY23 budget separates out the transfer to the Ambulance Fund as a separate budgetary line. 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 \$362,500.

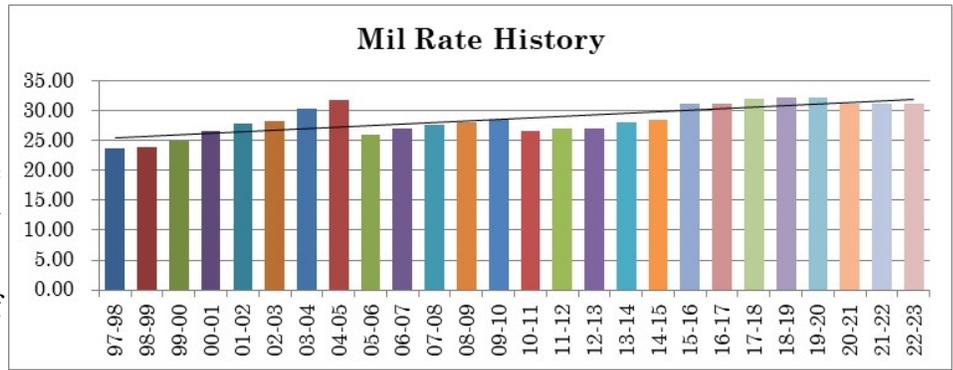
This transfer is 28.3% of the overall spending increase and is equivalent to 0.34 mil increase. The Council has authorized the use of \$250,000 in American Rescue Plan funds to offset this increase. The proposed transfer to the ambulance fund represents 0.8% of the total proposed budget.

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.

The EMS Department is working diligently to identify a few shifts that can be covered by volunteers rather than paid staff, which will help reduce costs of overall operations. In addition, a rate increase is expected for 1/1/2023. This fund will need to be monitored throughout the year to ensure adequate funding is available.

## Revenues

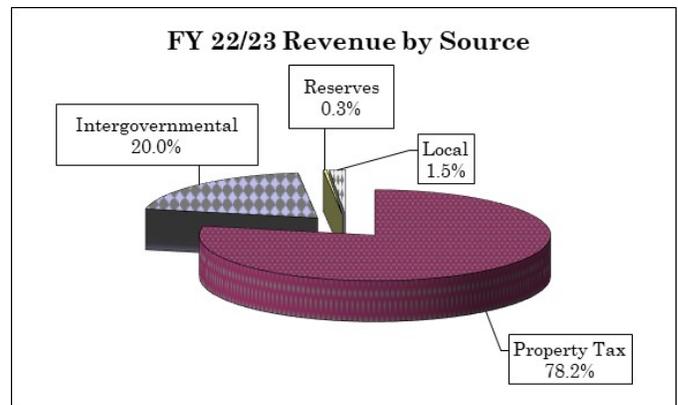
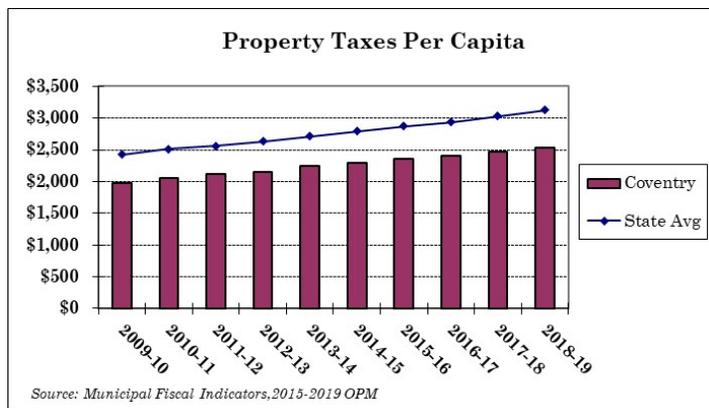
The property tax is the major revenue source (78.2%) for Coventry. The proposed budget is an increase of 3.02% from the prior year. Based on the cuts identified by the Council, this budget proposes NO INCREASE to the current mil rate of 31.15.



Intergovernmental revenues, mostly State aid, are the second largest source (20.0%) of revenues for Coventry. This is a reduction of 0.35% from the prior year adopted budget. The initial budget included \$50,000 of American Rescue Plan funding to help offset the increase in ambulance costs. The Town Council’s revised budget uses an additional \$200,000 to help offset the increase in costs.

Other local revenues consist of a variety of fees for permits, services and interest earnings. This area which represent 1.5% of the Town’s budget is expected to increase \$34,450 from the prior year.

Lastly, our proposed revenue budget for FY23 includes use of \$175,000 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 \$25,000 from the prior year.



### 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.

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.

## Board of Education Summary

The Board of Education budget was reduced \$315,000 in total by the Town Council throughout the budget process. The budget proposed is \$28,712,461; an increase of \$406,642 or 1.44% from their originally adopted FY22 budget. Details are available on the web at [www.coventrypublicschools.org](http://www.coventrypublicschools.org).

