

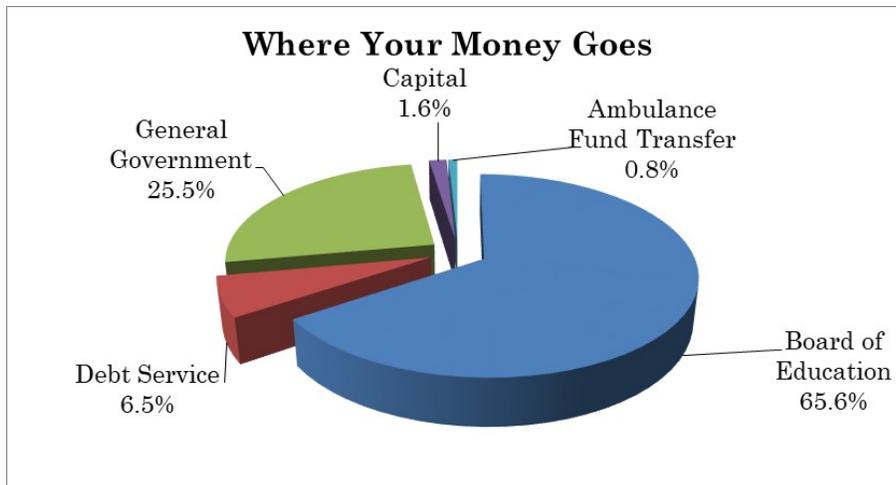
Expenditures

EXPENDITURES

The expenditure part of the budget is broken down into the categories of General Government, Board of Education, Debt Service, Capital Expenditures and Ambulance Fund Transfer. The requested expenditures for the FY year 23/24 total \$45,081,990, an increase of \$1,378,045, or 3.15% over the adopted FY 21/22 budget.

Budget Area	Approved Budget FY22/23	Proposed Budget FY23/24	\$ Inc/Dec	% Change
General Government	\$ 10,973,292	\$ 11,491,730	\$ 518,438	4.72%
Board of Education	28,712,461	29,594,330	881,869	3.07%
Debt Service	2,932,192	2,909,930	(22,262)	-0.76%
Capital	723,500	723,500	-	0.00%
Ambulance Fund Transfer	362,500	362,500	-	0.00%
TOTAL EXPENDITURES	\$ 43,703,945	\$ 45,081,990	\$ 1,378,045	3.15%

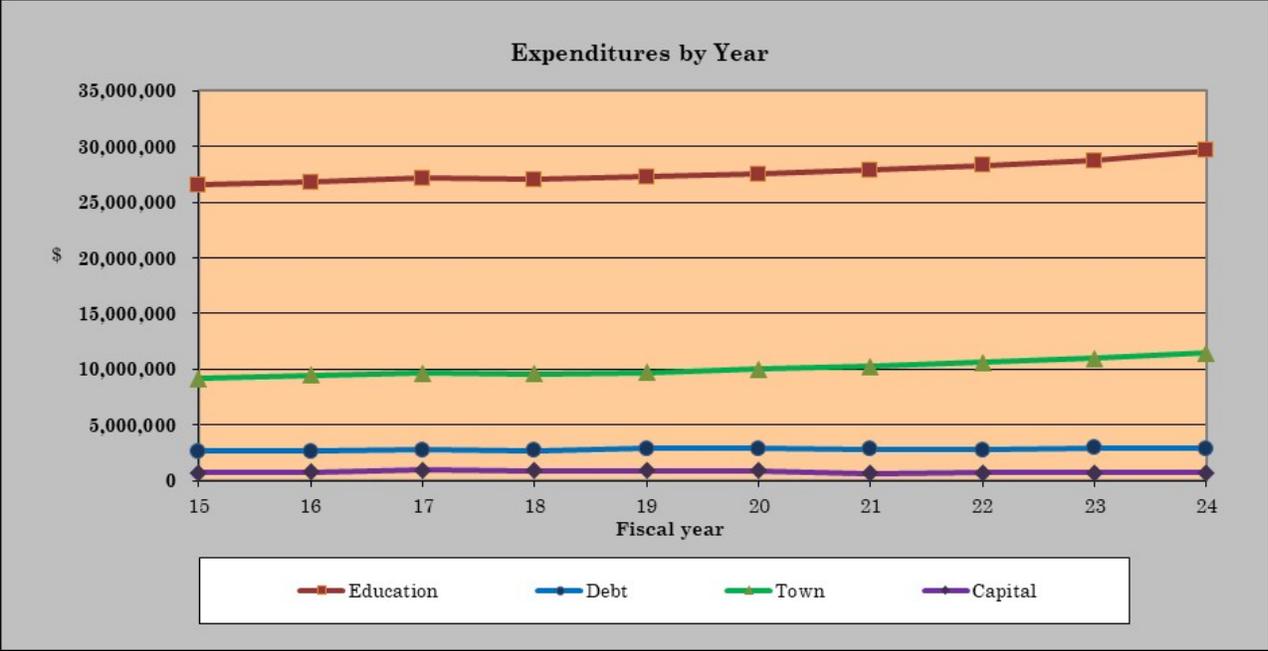
The following chart shows a breakout of the various budget areas by percentage which, when combined, create the annual budget.



The Town Council has proposed reductions from the Town Manager's proposed budget in the amount of \$520,950. The reductions are as follows:

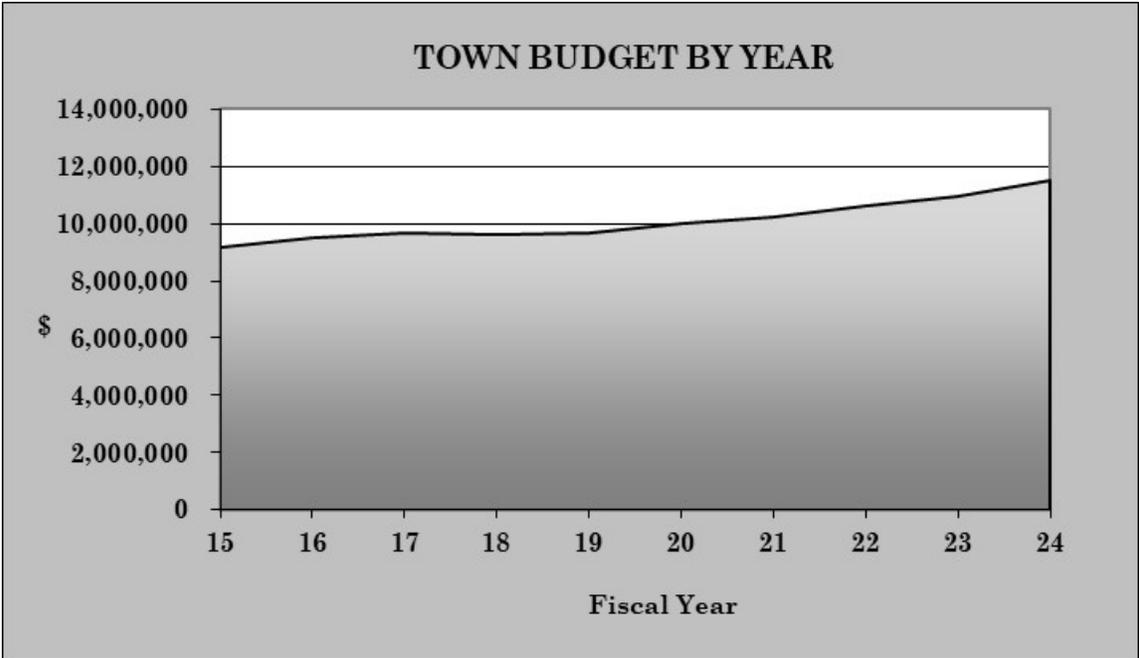
Budget Area	Town Manager Requested Budget FY23/24	Town Council Requested Budget FY23/24	\$ Inc/Dec	% Change
General Government	\$ 11,697,230	\$ 11,491,730	\$ (205,500)	-1.76%
Board of Education	29,824,330	29,594,330	(230,000)	-0.77%
Debt Service	2,898,880	2,909,930	11,050	0.38%
Capital	820,000	723,500	(96,500)	-11.77%
Ambulance Fund Transfer	362,500	362,500	-	0.00%
TOTAL EXPENDITURES	\$ 45,602,940	\$ 45,081,990	\$ (520,950)	-1.14%

The next illustration shows historical trends for the same categories.



General Government

The Town operating budget recommended for FY 23/24 is \$11,491,730, which represents a \$518,438 or a 4.72% increase compared to the current adopted budget. The Town budget makes up 25.49% of the total operating budget.



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

	Approved Budget FY22/23	Proposed Budget FY23/24	Inc/(Dec)	%
General Administration	\$ 1,943,963	\$ 2,009,240	\$ 65,277	3.36%
Public Safety	2,684,070	2,794,360	110,290	4.11%
Public Works	2,660,473	2,753,870	93,397	3.51%
Human Services	332,186	351,975	19,789	5.96%
Civic and Cultural	693,000	723,165	30,165	4.35%
Sundry	2,659,600	2,859,120	199,520	7.50%
Total	<u>\$ 10,973,292</u>	<u>\$ 11,491,730</u>	<u>\$ 518,438</u>	<u>4.72%</u>

When making reductions to the Town operating budget, the Tow Council made reductions to all areas of the budget. Reductions were made as follows:

	Town Manager Proposed FY23/24	Town Council Proposed FY23/24	Inc/(Dec)	%
General Administration	\$ 2,019,240	\$ 2,009,240	\$ (10,000)	-0.50%
Public Safety	2,844,360	2,794,360	(50,000)	-1.76%
Public Works	2,803,870	2,753,870	(50,000)	-1.78%
Human Services	354,475	351,975	(2,500)	-0.71%
Civic and Cultural	728,165	723,165	(5,000)	-0.69%
Sundry	2,947,120	2,859,120	(88,000)	-2.99%
Total	<u>\$ 11,697,230</u>	<u>\$ 11,491,730</u>	<u>\$ (205,500)</u>	<u>-1.76%</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 22/23 and FY 23/24 is provided below. A detailed analysis of the five expenditure objects follows.

	Approved FY22/23	Proposed FY23/24	% Total	\$ Change	% Change
Personnel	\$ 8,148,973	\$ 8,652,266	75.3%	503,293	6.18%
Contractual	1,646,745	1,588,309	13.8%	(58,436)	-3.55%
Supplies	866,422	925,180	8.1%	58,758	6.78%
Capital	23,400	21,150	0.2%	(2,250)	-9.62%
Utilities	287,752	304,825	2.7%	17,073	5.93%
Total	<u>\$ 10,973,292</u>	<u>\$ 11,491,730</u>	<u>100.0%</u>	<u>\$ 518,438</u>	<u>4.72%</u>

Personnel Services

The recommended expenditures for personnel services have increased by \$503,293 or 6.18%. Personnel services include wages, overtime, pension, health insurance, and Social Security. One of the four labor unions have approved contracts. A rate increase has been assumed for the three unions without approved contracts. Nonunion employees are receiving comparable wage increases.

This budget maintains the current level of Town staffing. Many newly hired employees are receiving step increases based on their union contract. In addition, two promotions from Maintainer I to Maintainer II are included in this budget based on requirements of the union contract. The FY22/23 budget had one police officer funded 50% through the General Fund and 50% with American Rescue Plan Act funding. The FY23/24 budget includes 100% of this position as we phase out the use of ARPA funds, however this position will be frozen until January 1.

Due to Medical inflation and claims our health insurance rates are projected to have a 9.0% increase (\$144,400) due to increased claim trends as well as increased enrollment.

Pension expenses have increased by 15.0% to \$535,922 as recommended by the actuary. We continue to contribute the amount based on the annual actuarial review. Our unfunded pension liability is solid and was 72.90% funded as of July 1, 2021.

The FY23/24 Town Manager budget also includes \$80,000 towards sick and severance. The Town Council has removed this line from the budget and has committed to funding this liability in the current fiscal year.

Contractual Services

Contractual services decreased by \$58,436 or 3.55%. A large portion of this directly relates to a decrease in estimated legal fees as well as the allocation of emergency dispatch services to the EMS Fund. A list of major changes in this category includes:

IT contracted services	\$5,725
Software Licenses	\$7,125
Building Repair and Maintenance	(\$5,500)
Training	(\$8,450)
Legal	(\$10,000)
Service Contracts	(\$35,006)

Supplies

The supply area of the budget increased by \$58,758 or 6.78%. The main driver for this increase relates to increase in gasoline and fuel costs, which is a state-wide issue as well as general inflation. Major changes include:

Gasoline	\$24,510
Diesel Fuel	\$27,625
Ground Supplies	\$7,000
Contingency	\$10,000
Cement & Salt	(\$10,340)

Capital Expenditures

Capital Expenditures within the General Government budget have decreased \$2,250 from the prior year budget due to delay of minor equipment purchases.

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 \$17,073 or 5.93%. We re-bidding electric rates and obtained a rate of 0.09926 for 59 months (compared to 0.0754 previously). We have changed all street lights to LED with significant savings and hope to change floodlights and decorative street lights which have just been authorized by PURA. Pricing for fuel and gasoline are still being evaluated but were competitively bid through CRCOG.

**Town of Coventry
Town Council Proposed Budget
Summary by Department**

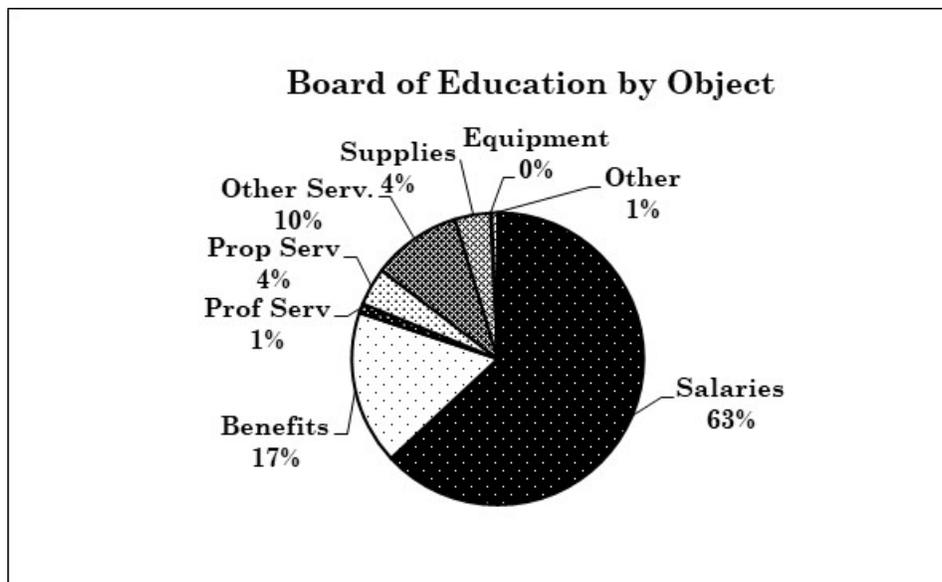
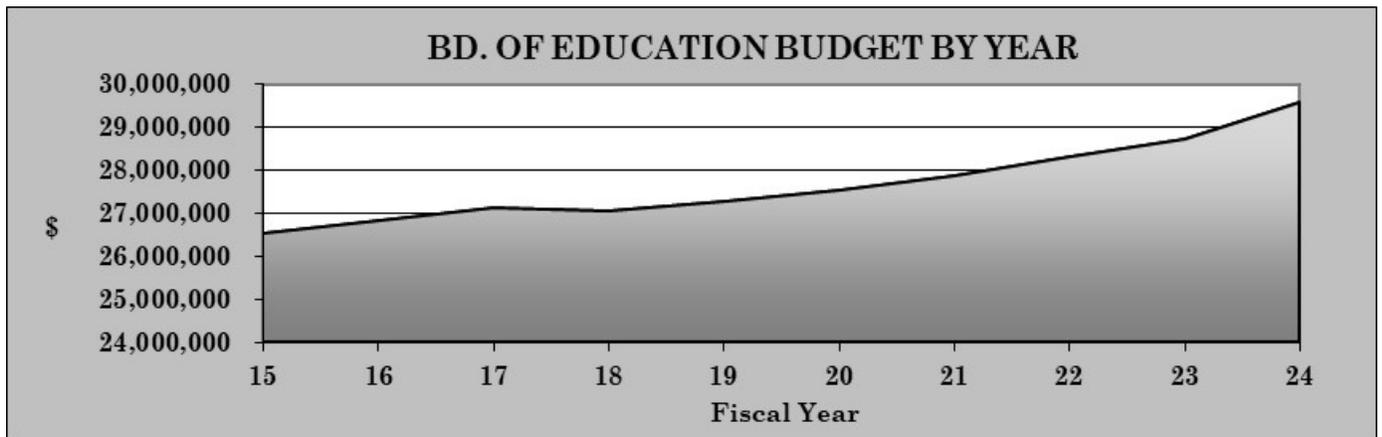
Budget Fiscal Year: 2024 to 2024

	2022	2023	2023	2023	Dept	Town		Cou/Bud	
	Actual	Base Budget	Actual YTD	Est. Actual	Head	Managet	Council	Inc/Dec	%
1101 TOWN COUNCIL	\$ 41,032	\$ 39,217	\$ 35,265	\$ 38,750	\$ 40,464	\$ 40,464	\$ 38,964	\$ -253	-0.65%
1201 TOWN MANAGER	238,901	245,884	174,401	245,984	251,375	250,975	249,975	4,091	1.66%
1300 FINANCE ADMINISTRATION	140,147	143,620	111,234	144,115	149,790	149,790	149,790	6,170	4.30%
1301 ACCOUNTING	133,702	142,400	95,768	143,120	155,850	155,850	155,850	13,450	9.45%
1302 COLLECTOR OF REVENUE	152,085	121,500	77,758	116,965	124,090	124,090	122,890	1,390	1.14%
1303 ASSESSOR	159,157	160,726	112,460	164,494	174,286	174,236	173,936	13,210	8.22%
1304 ASSESSMENT APPEALS	361	800	168	800	800	800	500	(300)	-37.50%
1305 TREASURER	27,110	27,950	19,593	27,950	28,850	28,850	28,850	900	3.22%
1306 INFORMATION TECHNOLOGY	202,556	248,710	241,553	251,243	259,825	259,725	260,365	11,655	4.69%
1401 PLANNING	163,178	162,850	123,974	164,034	170,950	170,950	170,350	7,500	4.61%
1402 ZONING BOARD/APPEALS	22,194	23,030	7,241	16,880	18,530	18,530	18,530	(4,500)	-19.54%
1403 CONSERVATION	2,450	1,835	1,031	1,835	11,000	4,500	3,500	1,665	90.74%
1404 ECONOMIC DEVELOPMENT	19,979	20,046	14,658	20,320	21,445	21,445	21,445	1,399	6.98%
1406 INLAND WETLANDS	50,539	112,630	78,858	112,980	119,280	116,880	116,680	4,050	3.60%
1407 P&Z COMMISSION	953	1,075	363	1,075	1,075	1,075	1,075	-	0.00%
1501 LEGAL COUNSEL	89,223	90,000	69,485	80,000	75,000	80,000	80,000	(10,000)	-11.11%
1502 PROBATE COURT	9,034	8,810	8,809	8,810	8,810	8,810	9,020	210	2.38%
1601 RECORDING/LICENSEING	164,012	178,660	120,730	178,660	190,860	189,080	189,080	10,420	5.83%
1701 ELECTIONS	70,046	74,270	55,305	74,270	79,190	78,190	73,440	(830)	-1.12%
1801 TOWN OFFICE BLDG.	76,739	94,900	78,581	92,681	98,975	97,450	97,450	2,550	2.69%
1802 CENTRAL SERS./SUPPLY	45,387	45,050	30,727	45,300	47,550	47,550	47,550	2,500	5.55%
2101 POLICE ADMINISTRATION	259,525	321,760	226,495	328,275	348,810	348,810	347,310	25,550	7.94%
2102 POLICE OPERATIONS	1,250,468	1,333,200	945,042	1,336,900	1,434,025	1,434,025	1,423,025	89,825	6.74%
2103 POLICE SUPPORTIVE SERVICES	333,019	368,180	281,095	375,300	377,930	377,930	369,930	1,750	0.48%
2104 POLICE MARINE PATROL	3,723	5,500	2,652	4,910	5,075	5,325	3,825	(1,675)	-30.45%
2105 POLICE STATION	61,884	73,220	58,306	67,625	79,285	79,285	76,285	3,065	4.19%
2201 FIRE MARSHAL	9,825	20,500	12,962	21,050	32,000	27,000	22,500	2,000	9.76%
2202 STATION 118	36,956	38,335	34,893	37,545	42,015	39,885	38,885	550	1.43%
2203 STATION 218	44,290	37,020	40,050	37,180	42,120	39,615	39,115	2,095	5.66%
2206 STATION 418	8,781	6,540	5,768	6,540	7,710	7,380	6,880	340	5.20%
2207 JOINT FIRE BUDGET	341,613	354,760	334,195	369,195	356,860	349,820	334,320	(20,440)	-5.76%
2208 STATION 318	14,160	15,280	12,278	15,280	17,405	16,665	15,665	385	2.52%
2301 EMERGENCY MANAGEMENT	28,128	31,200	23,982	31,735	54,290	35,990	33,990	2,790	8.94%
2401 ANIMAL CONTROL	75,081	78,575	53,761	79,525	82,930	82,630	82,630	4,055	5.16%
3100 ROADS & DRAINAGE	663,473	660,915	435,277	605,575	662,215	630,215	607,375	(53,540)	-8.10%
3101 PUBLIC WORKS BUILDING	71,254	80,760	74,430	76,410	86,340	84,340	84,340	3,580	4.43%
3102 SNOW REMOVAL	276,897	298,350	292,802	299,060	315,010	313,510	288,510	(9,840)	-3.30%
3103 FACILITY MAINTENANCE	325,163	380,855	304,303	424,655	457,155	450,500	448,340	67,485	17.72%
3104 PUBLIC WORKS ADMINISTRATIO	250,119	254,685	186,464	257,135	272,835	266,035	266,035	11,350	4.46%
3105 FLEET MAINTENANCE	487,156	501,946	416,977	522,071	575,750	559,250	559,250	57,304	11.42%
3107 MATCHING FUNDS	2,500	2,500	2,500	2,500	2,500	2,500	2,500	-	0.00%
3108 STREET LIGHTS	48,239	47,000	45,738	45,500	47,000	47,000	47,000	-	0.00%
3109 CEMETERY COMM.	30,717	25,082	21,618	28,282	34,995	26,495	26,495	1,413	5.63%
3110 TREE WARDEN	96,846	78,250	73,629	75,750	107,750	75,250	75,250	(3,000)	-3.83%
3111 FACILITIES - OTHER	2,639	4,300	3,650	4,250	4,000	4,000	4,000	(300)	-6.98%
3201 ENGINEERING	87,620	94,665	55,782	88,390	125,650	111,450	111,450	16,785	17.73%
3301 BLDG. INSPECTION	196,063	159,525	109,604	155,075	162,340	162,340	162,340	2,815	1.76%
3302 BUILDING CODE BD. OF APPEAL	45	45	45	45	45	45	45	-	0.00%
3501 HEALTH DEPT.	70,534	71,595	71,595	71,595	70,940	70,940	70,940	(655)	-0.91%
4102 VISITING NURSE & COMM. CARE	-	500	-	500	-	-	-	(500)	-100.00%
4200 HUMAN SERVICES/GA	184,829	195,386	145,572	205,922	215,340	215,340	215,240	19,854	10.16%
4205 ELDERLY SERVICES	114,445	136,300	95,166	123,840	139,135	139,135	136,735	435	0.32%
5101 BOOTH DIMOCK/PORTER LIBRAI	517,998	544,125	544,124	544,125	581,820	571,790	569,290	25,165	4.62%
5201 PARKS & REC SUPV/OPERATION	73,161	78,900	59,729	83,900	86,400	86,400	84,900	6,000	7.60%
5202 LISICKE	-	2,700	2,700	2,700	2,880	2,700	2,700	-	0.00%
5203 PATRIOTS PARK	-	30,000	30,000	30,000	33,000	30,000	29,000	(1,000)	-3.33%
5204 CAMP CREASER	-	2,300	2,300	2,300	2,800	2,300	2,300	-	0.00%
5205 MILLBROOK PLACE	-	2,800	2,800	2,800	3,900	2,800	2,800	-	0.00%
5206 LAIDLAW PARK	-	600	600	600	700	600	600	-	0.00%
5207 MILLER RICHARDSON	-	2,700	2,700	2,700	2,900	2,700	2,700	-	0.00%
5210 PARKS & REC OPERATIONS	-	23,300	23,300	23,300	24,200	23,300	23,300	-	0.00%
5215 COMMUNITY EVENTS	-	1,900	1,900	1,900	2,050	1,900	1,900	-	0.00%
5301 MEMORIAL DAY	2,192	3,675	2,205	3,069	3,675	3,675	3,675	-	0.00%
8101 MUNICIPAL INSURANCE	341,333	359,220	349,966	359,220	359,220	359,220	359,220	-	0.00%
8102 PENSION/SOCIAL SECURITY	990,480	1,095,180	885,753	1,095,180	1,153,300	1,153,300	1,145,300	50,120	4.58%
8103 HEALTH INSURANCE	1,064,433	1,165,200	868,563	1,165,200	1,304,600	1,304,600	1,304,600	139,400	11.96%
8301 CONTINGENCY	28,231	15,000	62,452	20,000	30,000	25,000	25,000	10,000	66.67%
8303 CLAIMS AND LOSSES	77,357	25,000	41,468	25,000	125,000	105,000	25,000	-	0.00%
	\$ 10,279,962	\$ 10,973,292	\$ 8,705,153	\$ 10,989,875	\$ 11,903,895	\$ 11,697,230	\$ 11,491,730	\$ 518,438	4.72%

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 \$29,824,330, an increase of \$1,111,869 or 3.87%, above their adopted FY 22/23 budget. The Town Council has reduced this budget by \$230,000, bringing the total proposed budget to \$29,594,330. This represents an increase of \$88,869 or 3.07%. Please see the separate Board of Education budget for details.

Five capital projects totaling \$4,160,000 for Education are also included in the Capital Budget of which \$120,000 is proposed from General fund taxation. \$20,000 are projects relating to kitchen upgrades which will be funded by the Cafeteria Fund. \$4,000,000 in bonding is being proposed for school HVAC upgrades and replacement. Please see the separate Capital budget for details.



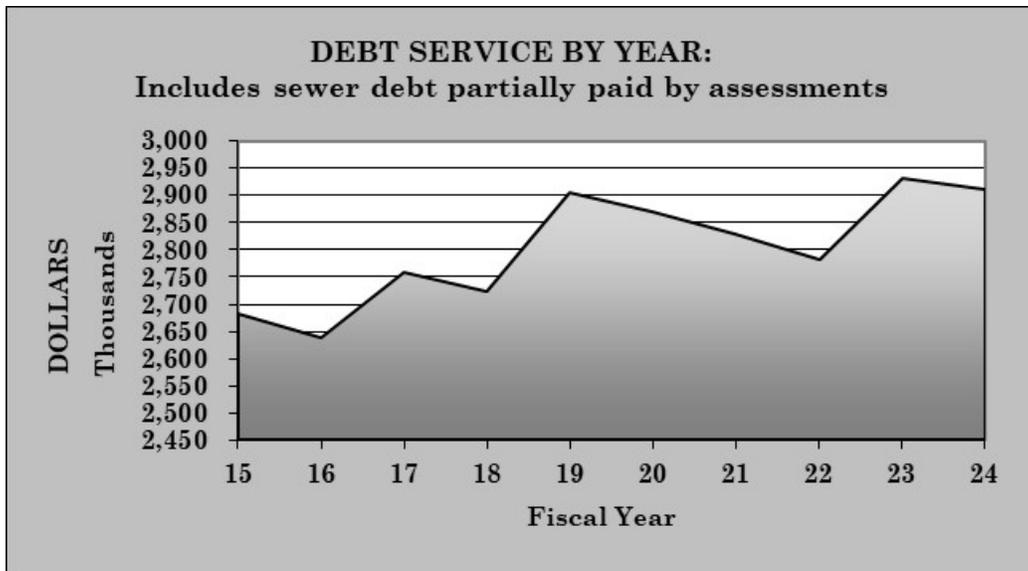
2023 - 2024 OBJECT COMPARISON BUDGET - CHARTER FORMAT

DESCRIPTION	2021-2022	2022-2023	Dec. 31, 2022	2022-2023	2023-2024	From FY22 Budget		
	ACTUAL	BUDGET	ACTUAL	ESTIMATED	PROPOSED	\$ CHANGE	% CHANGE	
SALARIES								
111	CERTIFIED SALARIES	\$ 13,704,391	\$ 13,982,656	\$ 5,628,098	\$ 13,905,810	\$ 14,453,716	\$ 471,060	3.37%
112	NON-CERTIFIED SALARIES	3,412,911	3,622,217	1,604,802	3,489,815	3,718,478	96,261	2.66%
113	EXTRA CURRICULAR SALARIES	49,147	53,966	17,536	53,966	60,018	6,052	11.21%
114	ATHLETIC SALARIES	217,313	239,071	96,671	230,492	246,027	6,956	2.91%
120	CERTIFIED TEMPORARY SALARIES	255,180	269,250	192,870	335,400	269,250	-	0.00%
121	NON-CERTIFIED TEMP. SALARIES	20,697	63,100	2,587	51,100	63,100	-	0.00%
TOTAL FOR SALARIES		\$ 17,659,639	\$ 18,230,260	\$ 7,542,564	\$ 18,066,583	\$ 18,810,589	\$ 580,329	3.18%
BENEFITS								
210	HEALTH INSURANCE	\$ 3,797,108	\$ 3,782,160	\$ 1,953,723	\$ 3,796,130	\$ 3,754,471	\$ (27,689)	-0.73%
220	SOCIAL SECURITY	262,242	287,417	119,707	282,546	297,577	10,160	3.53%
221	MEDICARE	251,599	254,650	108,265	260,635	264,962	10,312	4.05%
230	PENSION	533,296	566,330	519,521	571,875	612,150	45,820	8.09%
250	UNEMPLOYMENT COMPENSATION	17,075	25,000	5,531	20,000	15,000	(10,000)	-40.00%
251	TUITION REIMBURSEMENT	16,518	17,500	-	17,500	15,000	(2,500)	-14.29%
260	WORKERS COMPENSATION	119,690	123,281	92,457	123,278	123,279	(2)	0.00%
TOTAL FOR BENEFITS		\$ 4,997,528	\$ 5,056,338	\$ 2,799,204	\$ 5,071,964	\$ 5,082,439	\$ 26,101	0.52%
PROFESSIONAL SERVICES								
330	LEGAL & AUDIT	\$ 118,786	\$ 98,603	\$ 35,203	\$ 98,601	\$ 124,726	\$ 26,123	26.49%
332	PUPIL SERVICES	156,105	158,232	42,316	158,232	158,674	442	0.28%
333	INSTRUCTIONAL IMPROVEMENT	14,688	34,200	7,051	34,200	30,000	(4,200)	-12.28%
TOTAL FOR PROFESSIONAL SERVICES		\$ 289,579	\$ 291,035	\$ 84,570	\$ 291,033	\$ 313,400	\$ 22,365	7.68%
PROPERTY SERVICES								
410	UTILITIES	\$ 401,833	\$ 370,082	\$ 168,052	\$ 419,555	\$ 434,050	\$ 63,968	17.28%
411	SEWER SERVICES	41,250	42,281	44,000	44,000	44,000	1,719	4.07%
420	DISPOSAL SERVICES	41,527	36,000	21,927	36,000	38,100	2,100	5.83%
430	CONTRACTED SERVICES	678,904	713,437	455,376	635,530	732,833	19,396	2.72%
TOTAL FOR PROPERTY SERVICES		\$ 1,163,514	\$ 1,161,800	\$ 689,355	\$ 1,135,085	\$ 1,248,983	\$ 87,183	7.50%
OTHER SERVICES								
510	STUDENT TRANSPORTATION	\$ 1,408,258	\$ 1,664,131	\$ 525,589	\$ 1,432,968	\$ 1,665,242	\$ 1,111	0.07%
513	ATHLETIC TRIPS	66,687	64,400	24,997	59,200	63,400	(1,000)	-1.55%
520	PROPERTY & LIABILITY INSURANCE	224,418	230,748	167,253	217,450	217,451	(13,297)	-5.76%
530	TELEPHONE	80,621	81,232	36,673	81,748	84,491	3,259	4.01%
531	POSTAGE	14,948	18,000	9,850	15,000	15,000	(3,000)	-16.67%
540	ADVERTISING	-	2,500	-	1,000	100	(2,400)	-96.00%
550	PRINTING	8,735	8,430	3,519	8,390	8,025	(405)	-4.80%
560	TUITION	903,185	974,166	302,231	494,943	444,753	(529,413)	-54.35%
560	EXCESS COST REIMBURSEMENT	(239,781)	(325,769)	-	(18,953)	-	325,769	-100.00%
561	TUITION, NON-PUBLIC	529,451	507,032	241,964	689,106	704,666	197,634	38.98%
561	EXCESS COST REIMBURSEMENT	(196,777)	(270,750)	-	(213,818)	(276,487)	(5,737)	2.12%
580	TRAVEL	16,448	26,744	10,037	26,044	27,069	325	1.22%
TOTAL FOR OTHER SERVICES		\$ 2,816,193	\$ 2,980,864	\$ 1,322,113	\$ 2,793,078	\$ 2,953,710	\$ (27,154)	-0.91%
SUPPLIES								
611	INSTRUCTIONAL SUPPLIES	\$ 396,984	\$ 457,823	\$ 252,804	\$ 430,490	\$ 466,027	\$ 8,204	1.79%
612	CUSTODIAL SUPPLIES	76,174	67,000	57,210	61,000	63,700	(3,300)	-4.93%
613	MAINTENANCE SUPPLIES	96,553	85,000	87,740	85,000	89,300	4,300	5.06%
620	HEAT ENERGY	225,116	214,993	75,031	250,782	269,837	54,844	25.51%
626	GASOLINE & DIESEL	66,521	91,650	34,574	97,593	110,900	19,250	21.00%
640	TEXTBOOKS	52,069	28,420	15,727	21,300	41,046	12,626	44.43%
641	WORKBOOKS	45,611	36,715	32,252	36,715	46,628	9,913	27.00%
642	LIBRARY BOOKS & PERIODICALS	16,758	23,492	16,643	20,442	21,963	(1,529)	-6.51%
690	OTHER SUPPLIES	72,222	71,040	25,346	70,840	70,960	(80)	-0.11%
TOTAL FOR SUPPLIES		\$ 1,048,008	\$ 1,076,133	\$ 597,327	\$ 1,074,162	\$ 1,180,361	\$ 104,228	9.69%
EQUIPMENT								
739	OTHER EQUIPMENT	\$ 109,916	\$ 47,426	\$ 11,137	\$ 40,820	\$ 42,613	\$ (4,813)	-10.15%
TOTAL FOR EQUIPMENT		\$ 109,916	\$ 47,426	\$ 11,137	\$ 40,820	\$ 42,613	\$ (4,813)	-10.15%
OTHER								
	COUNCIL REDUCTIONS TO BE ALLOCATED		\$ -	\$ -	\$ -	\$ (230,000)	\$ (230,000)	100.00%
810	DUES AND FEES	105,303	112,530	76,002	111,148	115,635	3,105	2.76%
891	ATHLETIC SUBSIDY	52,400	52,400	52,400	52,400	57,800	5,400	10.31%
892	ASSEMBLIES & GRADUATION	14,830	18,675	2,462	18,765	18,800	125	0.67%
TOTAL FOR OTHER		\$ 172,533	\$ 183,605	\$ 130,864	\$ 182,313	\$ (37,765)	\$ (221,370)	-120.57%
TOTAL FOR BUDGET		\$ 28,256,910	\$ 29,027,461	\$ 13,177,134	\$ 28,655,038	\$ 29,594,330	\$ 566,869	1.95%

Debt Service

Debt Service as a percentage of the budget is 6.45% of the total budget which is well below the 10% threshold of concern. It is proposed to decrease by \$22,262 or -0.76%. 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. A slight decrease is expected in FY24 as the Town retires a capital lease from FY17. 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. The WPCA is not raising sewer use bills but is partially compensating for this shortfall caused in part by lower investments earnings.

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.



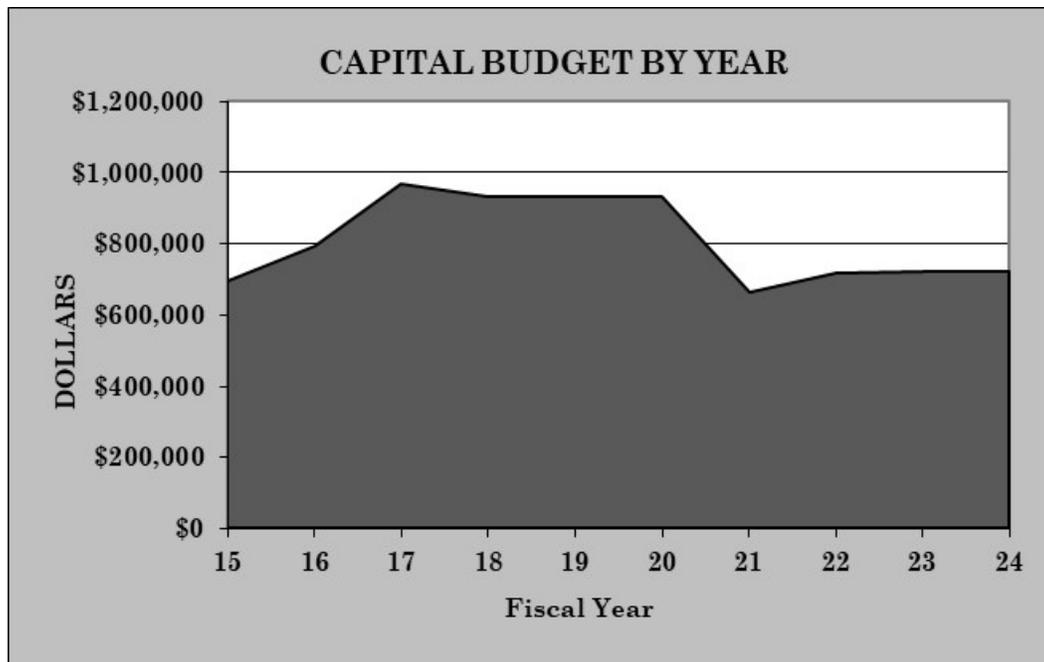
Capital Expenditures

The Town Manager's Capital Expenditures Budget request for the general operating budget is \$820,000, an increase of \$96,500 or 13.34% from the prior year budget. The Town Council has reduced this budget by \$96,500 resulting in a zero increase from the prior year. The Town Council's largest reduction was removing a police vehicle from the Capital Budget. This item will be purchased through a 5-year lease purchase rather than purchased through the Capital Budget. The largest items are recurring expenses for summer roads, lake management, Town and School computer resources, replacement Police, Fire and Public works equipment, and a contribution into the Open Space fund.

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. The current Capital Budget remains lower than the FY19 budget, in which we had \$932,000 available.

Please refer to the Capital section of the budget for further details and information on other funding sources.

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. \$101,000 is proposed for several projects this year.



Ambulance Fund Transfer

The Ambulance Fund Transfer proposed in the FY24 budget is \$362,500, no increase from the prior year. The Ambulance Fund Transfer represents 0.80% of the total budget.

In March of 2020 at the start of the COVID 19 pandemic, it was determined that there was an immediate need to switch to 24 hours a day, 7 days a week ambulance services (previously the Town had contracted for 12 hours a day, 7 days a week). Preliminary revenue projections showed the services to almost fully cover themselves.

As time went on, it has become very clear that the Ambulance Fund is not able to sustain the 24/7 ambulance service without additional funding from the tax payers. One main reason for this is Medicare and Medicaid cost rates. When we bill for ambulance services, Medicare's allowable reimbursement is approximately 50% of our total charges. Medicaid's allowable reimbursement is approximately 30%. Medicare and Medicaid calls represent approximately 76.12% of all calls made by our ambulance. This severely limits the amount of revenue that can be generated from these calls.

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.

Based on review of current operations at the continued 24 hour a day, 7 day a week coverage, the amount needed to properly fund the ambulance services is \$500,000.