

# Budget in Brief

**Proposed Fiscal Year 2024/25 Budget**  
**Budget Hearing: Thursday March 7, 2024**  
7:00 P.M. Lecture Hall,  
Coventry High School, Ripley Hill Road



## Overview

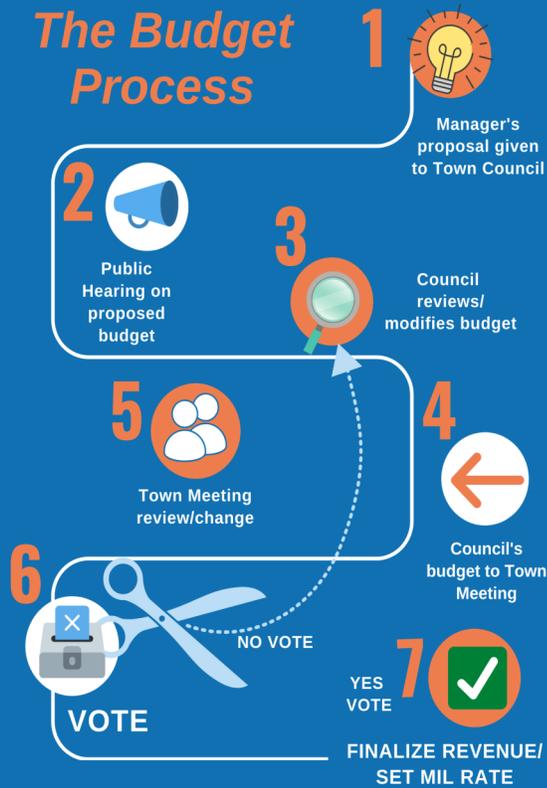
Continuing in transition from a COVID-19 period of uncertain revenues, the Town and Board staff reviewed programs and services and prepared budget proposals that address goals of the Town Council and Board of Education. Existing services have been maintained and infrastructure repairs, services to students, seniors, and public safety have been given a priority. We have been very successful in bringing in outside revenue through grants to address capital projects. The Town Manager's recommended budget demonstrates that we are moving out of the COVID-19 era and working to recover from several years of little growth and a reliance on American Rescue Plan Act (ARPA) funding. With a sharp decline in volunteer Emergency Medical Technicians over the last 8 years and the ARPA grant funding all having been used, additional taxes have been allocated to support continuing town-wide 24/7 ambulance services.

“The Town Manager’s budget proposals for the Town, Board, Capital and Debt Service call for a 6.42% spending increase.”

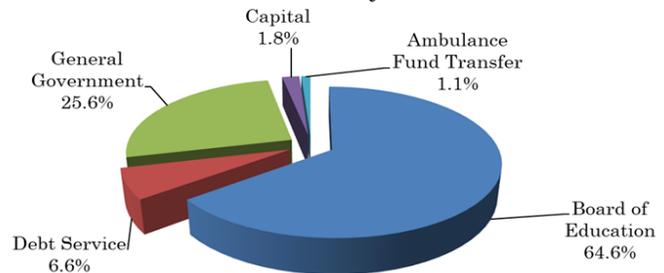
To save money, contract EMS staff will be replaced with four new positions that are proposed in the Town budget.

The Town Manager’s budget proposals for the Town, Board, Capital, Debt Service, and Ambulance Fund transfer call for a \$2,893,361 spending increase from the prior year’s adopted budget. The proposed budget will require an increase to the current mil rate of 3.0 mils, resulting in a rate of 34.74 mils for real estate and personal property and 32.46 for motor vehicles. The proposed budget will be reviewed and adjusted by the Town Council and sent to the Annual Town Meeting scheduled for Saturday, April 27, 2024, in the CHS Veterans Auditorium at 10:00 A.M. The adjourned Town Meeting vote is scheduled for Tuesday, May 7, 2024.

## The Budget Process



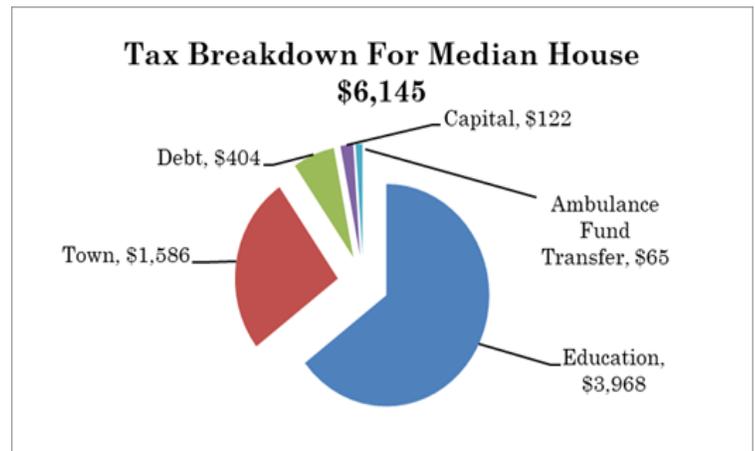
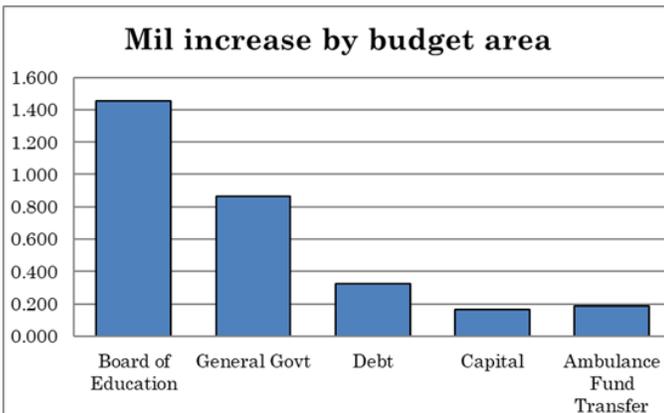
## Where Your Money Goes



## 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 \$47,975,351, an increase of \$2,893,361 or 6.42% compared to the adopted FY23-24 budget. A breakdown of the budgets are illustrated below.

Budget Area	Approved Budget FY23/24	Proposed Budget FY24/25	\$ Inc/Dec	% Change
General Government	\$ 11,491,730	\$ 12,382,072	\$ 890,342	7.75%
Board of Education	29,594,330	30,974,700	1,380,370	4.66%
Debt Service	2,909,930	3,157,506	247,576	8.51%
Capital	723,500	952,183	228,683	31.61%
Ambulance Fund Transfer	362,500	508,890	146,390	40.38%
<b>TOTAL EXPENDITURES</b>	<b>\$ 45,081,990</b>	<b>\$ 47,975,351</b>	<b>\$ 2,893,361</b>	<b>6.42%</b>

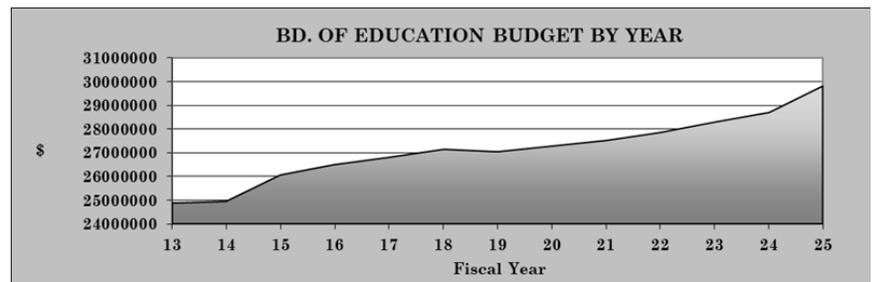


## Town Operating Budget Summary

The Town operating budget recommended for FY25 is \$12,382,072; an increase of \$890,342. Health insurance increased 9% due to increased claim trends. The Town's required pension contribution, as calculated by our actuary, increased by \$14,180 or 2.65%. The expenditures for wages have increased by \$464,040 or 8.72%. Public Works, Supervisors and Police Union contracts were ratified with rate increases. Nonunion employees are receiving comparable wage increases. Increased wages also means an increase to social security payments. This budget maintains the current level of Town staffing. Many newly hired employees are receiving step increases based on their union contract.

## Board of Education Summary

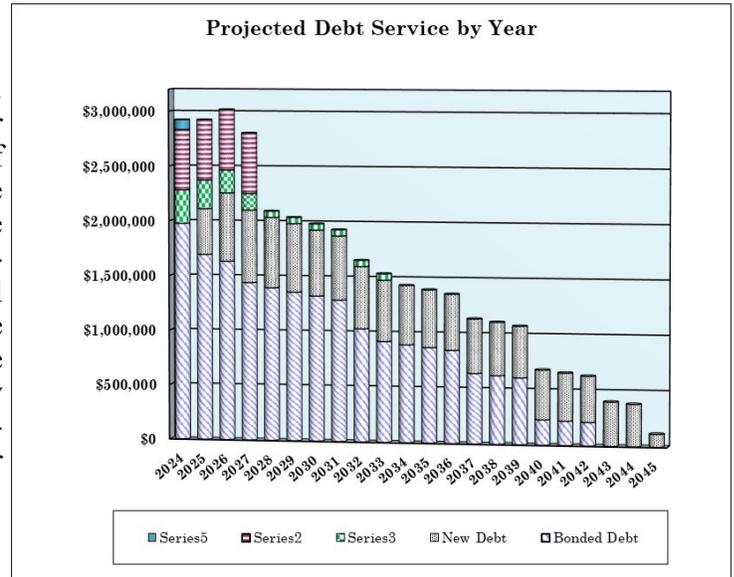
The Board of Education budget is proposed at \$30,974,700; an increase of \$1,380,370 or 4.66% from their originally adopted FY24 budget.



Some limited funds to restore the Capital budget during the peak of Covid are also included, but far below the amount requested. You will note the above chart shows the budget history for the Board of Education. Details are available on the web at [www.coventrypublicschools.org](http://www.coventrypublicschools.org).

## Debt Service

Debt Service represents 6.57% of the Town budget. This is far below a common threshold of 10% for Towns. For FY25, there is a proposed increase of \$247,576 or 8.51% from the prior year. This increase is due to bonding for school HVAC, fire truck, fire alarm replacement and high school weight room relocation. Also included in the FY25 budget is a capital lease for a small dump truck and in car police cameras. While this will lead to increased debt service budgets for FY25 and FY26, 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.



## Capital Projects

Summer Road Program (1/2-see Town Aid)	\$290,000
Network Refresh	50,000
Education Computer Upgrades	40,000
GHR Gym Floor Refinishing	38,000
Town Hall Computer Upgrades	45,000
Window AC Units-CGS	25,000
Window AC Units-GHR	26,200
Window AC Units-CNH	25,800
Revaluation	95,000
Public Water Supply Design-Plains Rd.	119,000
SCBA (FD Air tanks)	24,000
Fire Personal Protective Turn Out Gear	25,000
Special Ops. FD gear	9,683
Fire Hose/Equipment	12,000
CNREF	50,000
Lake Management (water quality)	65,000
Sidewalk Extension/Repair	2,500
GIS Upgrades	<u>10,000</u>
<b>TOTAL</b>	<b>\$952,183</b>

The proposed capital projects budget for the General Fund for FY25 totals \$952,183, an increase of \$228,683 or 31.61%. Of this budget, \$205,000 is related to capital projects for the Board of Education. In total 18 projects are proposed from the General Fund.

In addition to the capital project budget outlined in the General Fund, several capital projects are proposed through grants, including Town Aid Road, (\$290,000), Local Capital Improvement Program (\$154,500). The Capital budget also includes a \$3,000,000 bond proposal which will be used for a fire truck, fire alarms at GHR and CGS, and new CHS weight room. Please refer to the Capital Budget section of the budget for additional details.

## Transfer to Ambulance Fund

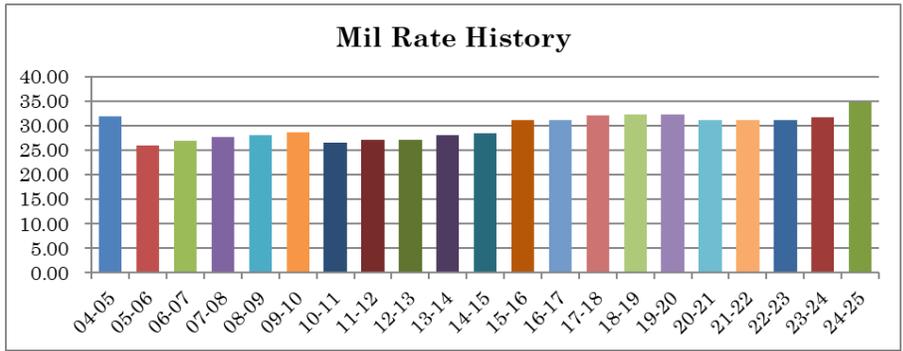
The FY25 budget separates out the transfer to the Ambulance Fund as a separate budgetary line. It is proposed to transfer \$508,890 to the Ambulance fund to fund the ambulance coverage currently provided to residents on a 24 hours a day, 7 days a week basis.

Based on review of current operations at the continued 24 hour a day, 7 day a week coverage through our third-party contractor Vintech, the amount they are charging for Fiscal Year 2025 is \$630,720. Contracting out services to a third-party company is no longer feasible and more costly than implementing paid EMS/Fire staff.

Under the staffing model proposed by the Fire Chief, Coventry would hire 4 full-time staff members and up to 9 part-time staff members. Part-time employee count is dependent on hours needed to be covered. The approximate cost of staffing would be \$603,000 compared to Vintech's contract is a savings of \$27,720. It is in the best interest of the Town to hire paid Town staff to invest in the community and eliminate the unpredictability of Vintech contract increases.

## Revenues

The property tax is the major revenue source for Coventry(80%). The proposed budget is an increase of 6.2% from the prior year. The proposed mil rate is 34.74 for real estate and personal property, a 3.0 mil or 9.45% change from the prior year. The motor vehicle mil rate will be capped at 32.46 per current State Law. The proposed mil rate increase would put the Town at a five-year mil rate increase average of only 0.51 mil per year. This increase over five years is far below the rate of inflation. Coventry currently has a much lower tax rate than most Towns in are area. Especially when you consider that we offer 24/7 Police and Ambulance services. Even with the proposed increase in the tax rate, our Town would still have a tax mil rate lower than comparable Towns in our immediate area (see Chart below).

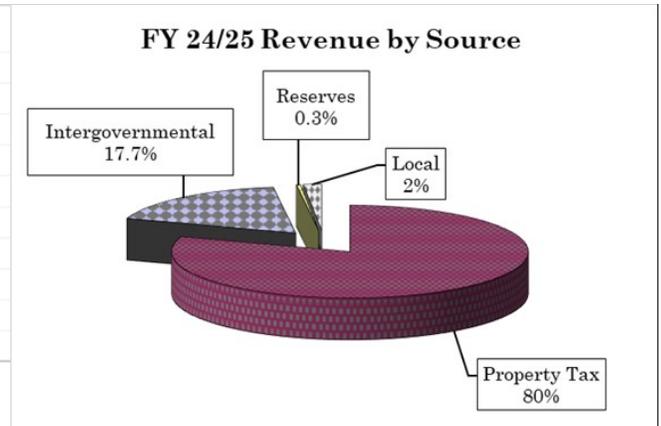
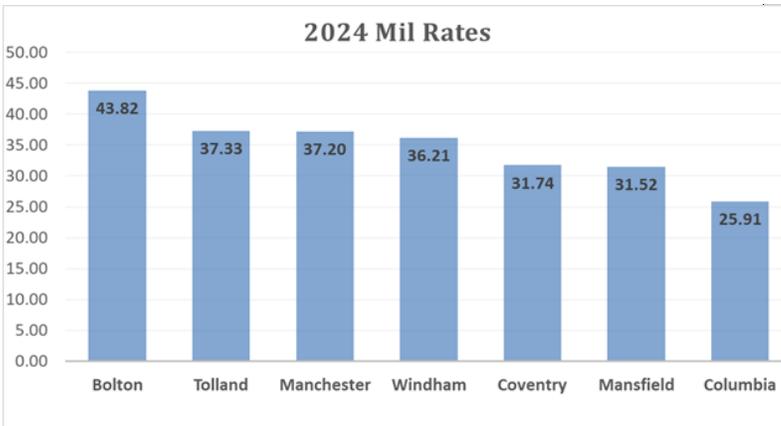


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Intergovernmental revenues, mostly State aid, are the second largest revenue source (17.7%) of revenues for Coventry. This is a reduction of 3.6% from the prior year adopted budget. These revenues are based on the assumed State budget which is not yet final. American Rescue Plan funds were removed from FY25 as the Town phased that grant out of the budget.

Other local revenues consist of a variety of fees for permits, services and interest earnings. This area which represents 2% of the Town’s budget is expected to increase \$11,355 from the prior year. Increases are caused by the increase in interest revenue based on current market conditions.

Lastly, our proposed revenue budget for FY25 includes use of \$197,661 from fund balance. This stems from the Town’s COVID 19 financial impact plan that was previously adopted to help mitigate the impact of the pandemic. This amount represents 0.3% of total revenue.



To learn more about the fiscal year 2024/25 proposed budget, you can view the full Town budget document online at [www.coventry-ct.gov](http://www.coventry-ct.gov) 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 24/25 proposed budget, please don't hesitate to email [budgetcomments@coventry-ct.gov](mailto:budgetcomments@coventry-ct.gov)

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 15, 2024.**