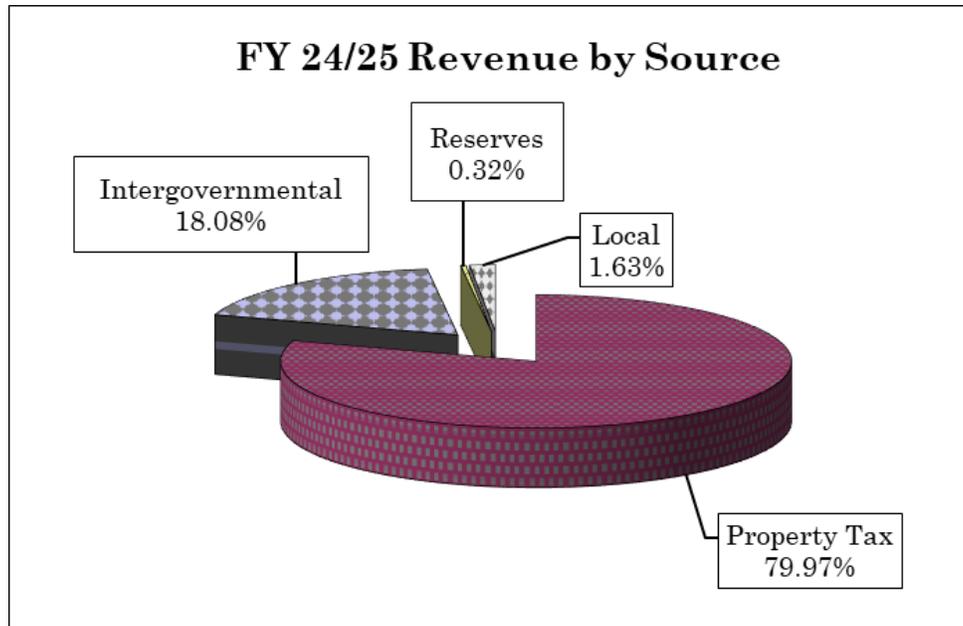


## Revenues – General Government

### Revenues

The expenditures proposed in the fiscal year 2024/2025 (“FY 24/25”) budget will require revenues equaling \$47,205,034. These revenues will be generated from local property taxes, intergovernmental grants, and other local revenues:

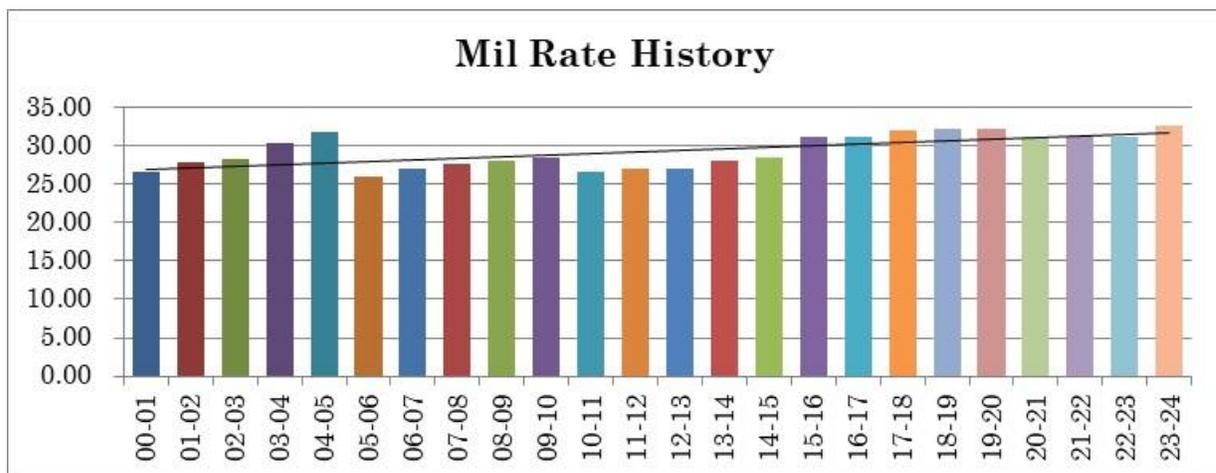
	2023 Actual	Current FY 23-24	TC Proposed FY 24-25	Change
<b>Property Tax</b>				
<b>Current Taxes</b>	\$33,082,633	\$ 34,370,794	\$ 36,858,081	\$ 2,487,287
<b>Delinquent Taxes</b>	406,394	300,000	290,000	(10,000)
<b>Interest &amp; Penalties</b>	346,132	180,000	180,000	-
<b>Sup. Motor Veh.</b>	431,958	420,000	420,000	-
<i>Subtotal</i>	<u>34,267,117</u>	<u>35,270,794</u>	<u>37,748,081</u>	<u>2,477,287</u>
<b>Intergovernmental</b>				
<b>Sewer Assessment</b>	375,000	375,000	375,000	-
<b>State - Education</b>	7,935,627	7,948,245	7,965,272	17,027
<b>State - Gen Govt</b>	585,401	531,684	209,081	(322,603)
<i>Subtotal</i>	<u>8,896,028</u>	<u>8,854,929</u>	<u>8,549,353</u>	<u>(305,576)</u>
<b>Reserves</b>	-	175,000	150,000	(25,000)
<b>Other Local</b>	<u>964,808</u>	<u>781,267</u>	<u>757,600</u>	<u>(23,667)</u>
<b>General Fund Total</b>	<u>\$44,127,953</u>	<u>\$ 45,081,990</u>	<u>\$ 47,205,034</u>	<u>\$ 2,123,044</u>



## Property Taxes

The chart below illustrates how the proposed mil rate would affect houses of differing assessed values. Assessed value is 70% of October 1, 2023 fair market value. It is estimated that the median house in Coventry is now assessed at \$179,410. This means that half the properties are above this point and half are below:

Market Value	Assessed Value	FY 23/24		FY 24/25		Annual Increase	Monthly Increase
		Monthly	Annually	Monthly	Annually		
100,000	70,000	185.15	2,222	198.16	2,378	156	13.01
125,000	87,500	231.44	2,777	247.70	2,972	195	16.26
150,000	105,000	277.73	3,333	297.24	3,567	234	19.51
175,000	122,500	324.01	3,888	346.78	4,161	273	22.76
200,000	140,000	370.30	4,444	396.32	4,756	312	26.02
252,700	176,890	467.87	5,614	500.75	6,009	394	32.87
250,000	175,000	462.88	5,555	495.40	5,945	390	32.52
275,000	192,500	509.16	6,110	544.94	6,539	429	35.77
300,000	210,000	555.45	6,665	594.48	7,134	468	39.03
325,000	227,500	601.74	7,221	644.01	7,728	507	42.28



## Intergovernmental Revenues

Intergovernmental revenues are the second largest source of revenues for Coventry. The Town Council proposed budget for the FY24/25 budget shows a decrease in total State and Federal Aid. This decrease is due to the phase out of one time American Rescue Plan Act funding. This represents a 3.45% decrease from the FY23/24 approved budget. Estimates pertaining to State aid were taken from the Governor's proposed State budget released in February 2024. State Aid changes from year to year depending upon the climate at the State Capitol. Based on the revised Education Cost Share formula approved in 2017, Coventry will continue to see decreases in education funding each year through FY28.

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 24/25, the Sewer Operating Fund has committed to a contribution of \$35,000. 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%”. As of June 30, 2023 the Town’s unassigned fund balance is \$6,125,076 or 12.93%. Bond rating agencies look at fund balance, and other factors, when rating a municipality’s credit worthiness.

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 future budgets to smooth the impact of returning to no use of fund balance. Based on this, the Town Council has included the use of \$150,000 in the FY24/25 budget. This represents 0.3% of the total revenue estimate.

## **Other Local Revenues**

Other Local Revenues consist of a variety of fees for permits and services. These include insurance reimbursement, building department permits/fess, police private duty and interest revenue.