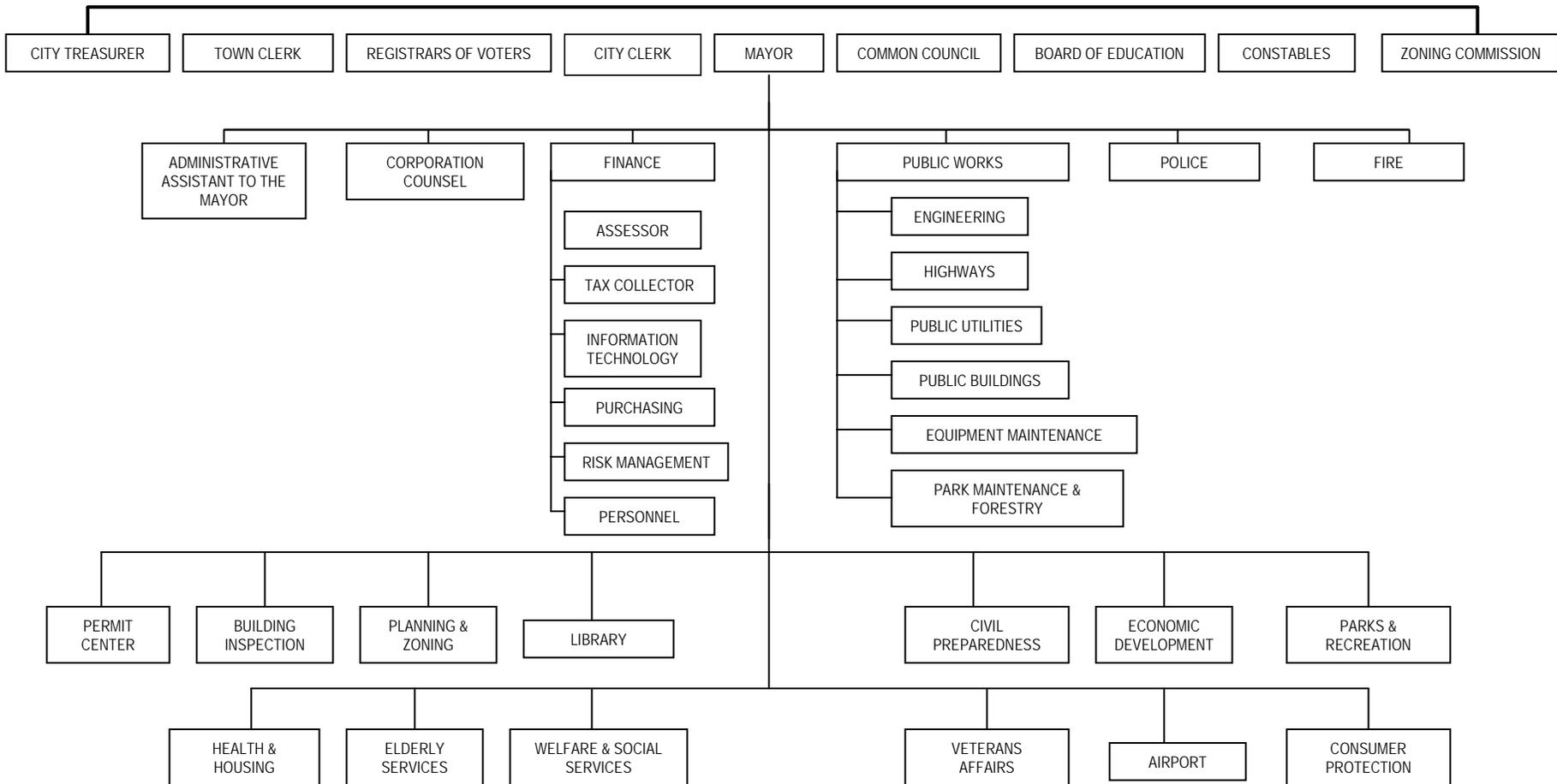


**CITY OF DANBURY, CONNECTICUT
ORGANIZATION CHART**



CITY OF DANBURY

ANNUAL OPERATING BUDGET PROCEDURES

General Form of Budget Presentation

The Mayor shall require each department, office or agency of the City, supported wholly or in part by any funds, or for which a specific City appropriation is made, including the Board of Education, to set forth in narrative or such other form as the Mayor may prescribe, a program or programs showing services, activities and work accomplished during the current year and to be accomplished during the ensuing year with associated costs thereof and such other detailed information as the Mayor may require. The merit of a budget request shall stand the test of past and expected performance.

Department Estimates

The Mayor shall compile preliminary estimates for the annual budget. The head of each department, office or agency of the City, including the Board of Education, shall not later than February 15th, or the next business day, thereafter if February 15th shall not be a business day, file with the Mayor, on forms prescribed and provided by him, a detailed estimate of the expenditures to be made by the department, office or agency and the revenue other than tax revenues to be collected thereby in the ensuing fiscal year and such other information as may be required by the Mayor or Common Council.

Duties of the Mayor on the Budget

Not later than April 7th or the next business day thereafter if April 7th shall not be a business day, the Mayor shall present to the Common Council a budget consisting of:

1. A budget message outlining the financial policy of the City government and describing in connection therewith the important features of the budget plan indicating any major changes from the current fiscal year in financial policies, expenditures and revenues together with the reasons for such changes, and containing a clear general summary of its contents.
2. Estimates of revenue, presenting in parallel columns the itemized revenue collected in the last completed fiscal year, the receipts collected during the current fiscal year prior to the time of preparing the estimates, total revenue estimated to be collected during the current fiscal year, estimates of revenue, other than from the property tax, to be collected in the ensuing fiscal year, and a statement of an estimate of available surplus.
3. Itemized estimates of expenditures, presenting in parallel columns the actual expenditures for each department, office, agency or activity for the last completed fiscal year and for the current fiscal year prior to the time of preparing the estimates, total expenditures as estimated for the current fiscal year, and the Mayor's recommendations of the amounts to be appropriated for the ensuing fiscal year for all items, and such other information as may be required by the Common Council. The Mayor shall present reasons for his recommendations.

Duties of the Mayor on the Budget (cont.)

4. The Board of Education shall have the same duties and follow the same form and procedure with respect to the budget of the Board of Education as required of the Mayor for other departmental estimates.
5. As part of the budget, the Mayor shall present a program, previously considered and acted upon by the City Planning Commission in accordance with Section 8-24 of the General Statutes, as amended, concerning municipal improvements, of proposed capital projects for the ensuing fiscal year and for the five fiscal years thereafter. Estimates of the costs of such projects shall be submitted to each department, office or agency in the form and manner prescribed by the Mayor. The Mayor shall recommend to the Common Council those projects to be undertaken during the ensuing fiscal year and the method of financing them.
6. As part of the budget, the Mayor shall present to the Council the data required to be presented to the Mayor under the "General Form of Budget Presentation" heading above.

Duties of the Common Council on the Budget

The Common Council shall hold one or more public hearings not later than May 1st or the next business day thereafter if May 1st shall not be a business day, at which any elector or taxpayer may have an opportunity to be heard regarding appropriations for the ensuing fiscal year. Following receipt of the estimates from the Mayor, the Council shall cause sufficient copies of said estimates to be made available for general distribution in the office of the City Clerk and, at least five (5) days prior to the aforementioned public hearing, the Council shall cause to be published in a newspaper having a circulation in the City a notice of such public hearing and a summary of said proposed budget estimates showing anticipated revenues by major sources, and proposed expenditures by budgets or department, and shall also show the amounts to be raised by taxation. Not later than May 15th, or the next business day thereafter if May 15th shall not be a business day, the Council shall adopt a budget and file the same with the City Clerk; provided, however, if the Council shall insert new amounts or programs in the budget, such changes shall be adopted by an affirmative vote of at least two-thirds (2/3) of all members of the Council. The ordinance adopting the budget may provide for appropriations by department or function, and such appropriations need not be in greater detail than to indicate the total appropriation for each department or function. At the time when the Council shall adopt the budget, together with a provision for uncollectible taxes reserve, it shall also fix the tax rate in mills, which shall be levied on the taxable property in the City for the ensuing fiscal year. Should the Council fail to adopt a budget within the time specified, the budget as transmitted by the Mayor shall be deemed to have been finally adopted by said Council. The tax rate shall forthwith be fixed by the Mayor and thereafter expenditures shall be made in accordance with the budget so adopted.

Expenditures

1. The departments, commissions, officers and boards of the City shall not involve the City in any obligation to spend money for any purpose in excess of the amount appropriated therefore until the matter has been approved by the Common Council.

Expenditures (cont.)

2. The Mayor may at any time transfer any unencumbered appropriation among programs within a department, office, board, commission or agency. Upon the request of the Mayor but only within the last four (4) months of the fiscal year the Common Council may by resolution transfer any unencumbered appropriation, balance or portion thereof from one department, commission, board or office to another. No transfer shall be made from any appropriation for debt service and other statutory charges.
3. Additional appropriations over and above the total budget may be made from time to time by resolution of the Common Council, upon recommendation of the Mayor and certification from the Director of Finance that there are available unappropriated general fund resources in excess of the proposed additional appropriations.
4. If at any time during the fiscal year the Mayor shall ascertain that revenues for the year and the general fund surplus from the preceding year will be less than the total appropriations, he shall review work programs and allotments to forestall the incurring of a deficit. He shall report to the Common Council without delay, indicating the estimated amount of the deficit and his recommendations as to further action. The Council shall then take such action as may be necessary to prevent or reduce any deficit and for the purpose it may, by resolution, reduce one or more appropriations.
5. Whenever at the close of a fiscal year there shall appear a deficit in the current accounts of the City, it shall be mandatory to make an appropriation sufficient to cover such deficit in the next succeeding budget.

Emergency Appropriations

For the purpose of meeting a public emergency threatening the lives, health or property of citizens, emergency appropriations may be made upon the recommendation of the Mayor and by an affirmative vote of not less than two-thirds (2/3) of the entire membership of the Common Council, provided a public hearing, at which any elector or taxpayer of the City shall have an opportunity to be heard, shall be held prior to making such appropriation, notice of which hearing shall be given in a newspaper having circulation in the City not more than ten (10) nor less than five (5) days prior to such hearing. Such hearing and notice of hearing may be waived if the Council, by at least two-thirds (2/3) affirmative vote of its entire membership, shall decide that a delay in making the emergency appropriation would jeopardize the lives, health or property of citizens.

BUDGET CALENDAR FOR FISCAL YEAR 2004-2005

November 24, 2003	Planning Director distributes Capital Budget forms and guidelines.
December 5, 2003	Director of Finance distributes budget guidelines.
December 19, 2003	Capital Budgets are due to Planning Director.
January 16, 2004 at Noon	Deadline for submission of City Operating Budget.
February 13, 2004	Deadline for submission of Capital Budget from Planning Commission.
February 17, 2004	Deadline for submission of Education Budget from Board of Education.
January 20-March 25, 2004	Budget submissions reviewed. Meetings scheduled with department heads.
April 6, 2004	Mayor presents Budget to Common Council.
April 7 – May 3, 2004	Common Council reviews Budget. Public hearings are held.
May 17, 2004	Last date Budget can be adopted by the Common Council.
May 17 – June 15, 2004	Preparation of Adopted Budget documents.

CITY OF DANBURY

FINANCIAL STRUCTURE AND BASIS OF ACCOUNTING

FINANCIAL STRUCTURE

The accounts of the City of Danbury are organized on a fund basis, each of which is considered a separate accounting entity. The activities of each fund are accounted for with a distinct set of self-balancing accounts that includes expenditures, revenues, assets, liabilities and fund equity. Resources are allocated to and accounted for in individual funds based on the purposes for which they are to be expended and to maintain control and accountability.

All of the funds of the City of Danbury are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds: Governmental funds are used to finance the vast majority of the City's activities. Governmental funds include the General Fund, the Capital Projects Fund and Special Revenue Funds. While the City maintains approximately 15 individual governmental funds, budgetary appropriations are made for the following:

- General Fund – The General Fund is the general operating fund of the City government. All unrestricted sources except those required to be accounted for in another fund are included in this fund. General operating expenditures, fixed charges, principal and interest on long term debt and some capital improvement costs are paid from this fund.
- Special Revenue Funds – The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are either required by law or administrative action to be accounted for in a separate fund. Special Revenue Funds appropriated in the budget include the Ambulance Fund and the Animal Control Fund, and the Local Capital Improvement Program (LOCIP). Other special revenue funds maintained by the City of Danbury are not subject to appropriation, and information on these funds are not included in this document, but are included in the City's Comprehensive Annual Financial Report (CAFR)
- Capital Projects Fund – The Capital Projects Fund is used to account for resources related to the acquisition and construction of capital facilities. The aggregate appropriation for capital improvements cannot exceed \$500,000 unless approved by the voters at a citywide referendum.

Proprietary Funds: These funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The City maintains two Enterprise Funds, both of which are subject to budgetary control and appropriation. The Water Fund accounts for activities related to the provision of water services to City residents, and the Sewer Fund accounts for activities related to wastewater treatment.

Fiduciary Funds: Fiduciary Funds are used to account for assets held in a trustee capacity for others, and include Pension Trusts, Private Purpose Trusts, and Agency Funds. The funds are not subject to budgetary appropriation. Information on these funds can be found in the City's Comprehensive Annual Financial Report (CAFR).

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The City of Danbury relies on two methods in its accounting and budgetary systems to account for revenues and expenditures.

Modified Accrual Basis of Accounting: Under the modified accrual basis of accounting, revenues are recognized when they are both measurable and available to finance current operations. These revenue items consist primarily of property taxes, special assessments and interest on investments. Fines, permits and charges for services are not susceptible to accrual as they are not measurable until the cash is received. Expenditures are generally recognized under the modified accrual basis of accounting when the liability is incurred. Exceptions to this policy are: (1) principal and interest on long-term debt which is recognized when paid; and (2) compensated absences, claims and landfill closure costs which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Accrual Basis of Accounting: The accrual basis of accounting is used for pension funds, internal service funds and non-expendable trust funds with revenues recorded when earned and expenses when incurred.

CITY OF DANBURY
EXPENDITURE BUDGET ANALYSIS
TREND INFORMATION

Expenditure Categorization

The City's General Fund expenditures are categorized as follows:

General Government – Includes Common Council, Mayor, City Clerk, Ordinances, Probate Court, Registrars and Elections, Treasurer, Finance, Data Processing/Information Technology, Independent Audit, Bureau of Assessments, Board of Assessment & Appeal, Tax Collector, Purchasing, Corporation Counsel, Town Clerk, Annual Report, Permit Coordination, Economic Development, Planning, Conservation Commission, Personnel, Mayor's Discretionary Fund, Fair Rent Commission, City Memberships, Lake Authority, Retirement Administration, Labor Negotiations, Public Buildings, City Hall Building, Library Building, Police Station Buildings, Senior Center Building, and Old Library Building.

Public Safety – Includes Police Department, Contribution to Animal Control Fund, Fire Department, Contribution to Ambulance Fund, Building Inspector, Civil Preparedness and Consumer Protection.

Public Works – Includes Highways, State Aid Highway Projects, Snow and Ice Removal, Street Lighting, Public Building Maintenance and Repair, Equipment Maintenance, Recycling/Solid Waste, Park Maintenance and Forestry, and Engineering.

Health and Housing – Includes Health & Housing.

Public Welfare/Social Agencies – Includes Welfare, Veterans Advisory Center, Commission on Aging, Elderly Transportation, and Grants to Human & Social Welfare Agencies.

Education – Includes Education and Schools Health and Welfare.

Libraries – Includes Danbury Public Library and Long Ridge Library.

Parks & Recreation – Includes Recreation, Tarrywile Park Authority, Cultural Commission, and Lake Kenosia Commission.

Recurring Costs – Includes FICA, Pension Expense, Employee Service Benefit, Worker's Compensation, Unemployment Compensation, Employee Health & Life Insurance, Union Welfare Contribution, and Insurance & Official Bond Premiums.

Debt Service – Includes Interest on Debt, Interest on School Debt, Redemption of Debt, and Redemption of School Debt.

Capital Projects – Includes Capital Projects.

Transportation – Includes Airport and Housatonic Area Regional Transit.

Contingency – Includes Contingency.

**EXPENDITURES BY FUNCTION
FOR THE YEARS ENDING JUNE 30, 1999 THRU 2005**

FUNCTION	FY98/99 ACTUAL		FY99/00 ACTUAL		FY00/01 ACTUAL		FY01/02 ACTUAL		FY02/03 ACTUAL		FY03/04 ADOPTED		FY04/05 ADOPTED	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
General Government	6,547,106	4.7	7,041,246	5.1	7,391,273	4.9	8,457,923	6.0	8,303,852	5.6	8,017,098	5.2	7,501,112	4.7
Public Safety	17,892,195	12.9	19,238,889	13.6	19,598,805	13.0	20,312,417	14.4	21,319,959	14.3	20,699,823	13.4	20,658,871	12.8
Public Works	5,323,690	3.8	5,379,930	3.8	5,658,052	3.7	5,512,853	3.9	6,208,842	4.2	5,583,595	3.6	6,940,646	4.3
Health & Housing	731,159	.5	772,679	.5	771,397	.5	835,641	.6	825,180	.5	838,082	.5	834,630	.5
Public Welfare/Social Agencies	1,637,011	1.2	1,672,659	1.2	1,740,008	1.2	1,808,370	1.3	1,910,045	1.3	1,929,745	1.3	1,615,669	1
Education	69,219,662	49.9	72,093,168	51.5	73,943,059	48.9	77,489,070	54.9	81,920,189	55.0	85,731,685	55.7	89,708,575	55.6
Libraries	1,536,019	1.1	1,619,739	1.1	1,658,188	1.2	1,847,082	1.3	1,932,687	1.3	1,920,585	1.2	1,894,319	1.2
Parks & Recreation	1,654,164	1.2	1,822,100	1.3	1,799,806	1.2	1,901,227	1.4	1,992,762	1.2	2,033,067	1.3	755,870	.5
Recurring Costs	12,875,710	9.3	12,217,369	8.1	13,273,498	8.8	14,203,116	10.1	15,386,530	10.3	17,651,694	11.4	19,704,312	12.2
Debt Service	7,731,899	5.6	8,124,202	5.7	8,064,790	5.3	7,417,124	5.3	8,293,456	5.6	8,021,861	5.2	9,240,656	5.7
Capital Projects	1,993,835	1.4	814,000	.6	4,429,242	2.9	305,343	.2	200,180	.1	0	0	0	0
Transportation	836,872	.6	877,649	.6	899,366	.6	1,083,708	.8	1,024,711	.6	982,543	.6	945,781	.6
Contingency	0	0	0	0	0	0	0	0	0	0	850,985	.6	1,428,754	.9
State & Federal School Projects	9,144,199	6.6	9,608,188	6.8	11,799,596	7.3	0	0	0	0	0	0	0	0
State & Federal Airport Projects	1,589,092	1.2	195,322	.1	216,083	.1	0	0	0	0	0	0	0	0
Total General Fund	138,712,613	100%	141,477,140	100%	151,243,163	100%	141,173,874	100%	149,318,392	100%	\$154,260,763	100%	161,229,195	100%

In Fiscal Year 2001/2002 Federal and State School and Airport Projects were moved into a special revenue fund.

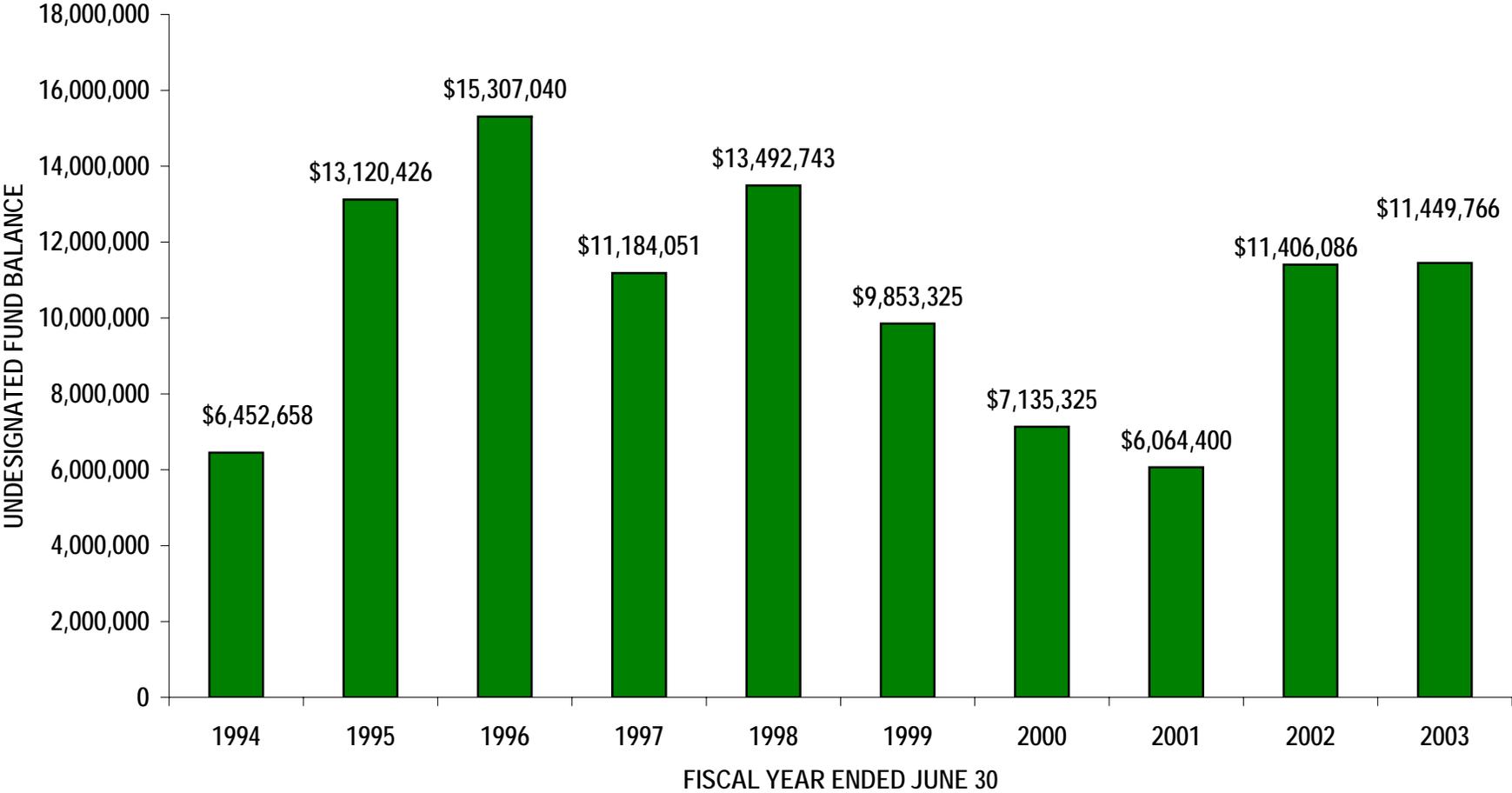
During Fiscal Years 98/99 through 02/03, contingency funds were transferred to other accounts, and as a result, the actual year-end balance does not reflect the utilization of contingency funds.

**SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN GENERAL FUND BALANCE
FISCAL YEARS 2000-01 TO 2004-05**

	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005
<u>REVENUES</u>					
Property Taxes	\$ 101,866,512	\$ 109,011,992	\$ 114,944,665	\$ 118,624,972	\$ 128,446,048
Intergovernmental	38,022,780	26,280,060	25,821,708	25,324,849	24,497,027
Licenses & Permits	2,233,495	3,740,355	2,549,179	2,895,599	3,872,312
Fines & Penalties	1,135,939	1,194,685	1,004,335	838,302	1,176,000
Interest Income	854,046	428,060	249,626	350,000	200,000
Charges for Services	6,059,466	5,860,408	4,791,637	2,252,041	3,037,808
TOTAL REVENUE	150,172,238	146,515,560	149,361,150	150,285,763	161,229,195
<u>EXPENDITURES</u>					
General Government	7,391,273	8,457,923	8,303,852	8,017,098	7,501,112
Public Safety	19,598,805	20,312,417	21,319,959	20,699,823	20,658,871
Public Works	5,658,052	5,512,853	6,208,842	5,583,595	6,940,646
Health & Housing	771,397	835,641	825,180	838,082	834,630
Public Welfare/Social Agencies	1,740,008	1,808,370	1,910,045	1,929,745	1,615,669
Education	73,943,059	77,489,070	81,920,189	85,731,685	89,708,575
Libraries	1,658,188	1,847,082	1,932,687	1,920,585	1,894,319
Parks & Recreation	1,799,806	1,901,227	1,992,762	2,033,067	755,870
Recurring Costs	13,273,498	14,203,116	15,386,529	17,651,694	19,704,312
Debt Service	8,064,790	7,417,124	8,293,456	8,021,861	9,240,656
Capital Projects	4,429,242	305,343	200,180	-	-
Transportation	899,366	1,083,708	1,024,711	982,543	945,781
Congtingency	-	-	-	850,985	1,428,754
State & Federal School Projects	11,799,596	-	-	-	-
State & Federal Airport Projects	216,083	-	-	-	-
TOTAL EXPENDITURES	151,243,163	141,173,874	149,318,392	154,260,763	161,229,195
Excess (Deficiency) of Revenues over Expenditures	\$ (1,070,925)	\$ 5,341,686	\$ 43,680	\$ (3,975,000)	\$ -
Other Financing Sources	-	-	-	500,000	-
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources	\$ (1,070,925)	\$ 5,341,686	\$ 43,680	\$ (3,475,000)	\$ -
Beginning Fund Balance	\$ 7,135,325	\$ 6,064,400	\$ 11,406,086	\$ 11,449,766	\$ 7,974,766
Ending Fund Balance	\$ 6,064,400	\$ 11,406,086	\$ 11,449,766	\$ 7,974,766	\$ 7,974,766

NOTE: Fund Balance for 2003-04 and 2004-05 is projected.

CITY OF DANBURY
GENERAL FUND
UNDESIGNATED FUND BALANCE
TEN YEAR HISTORY



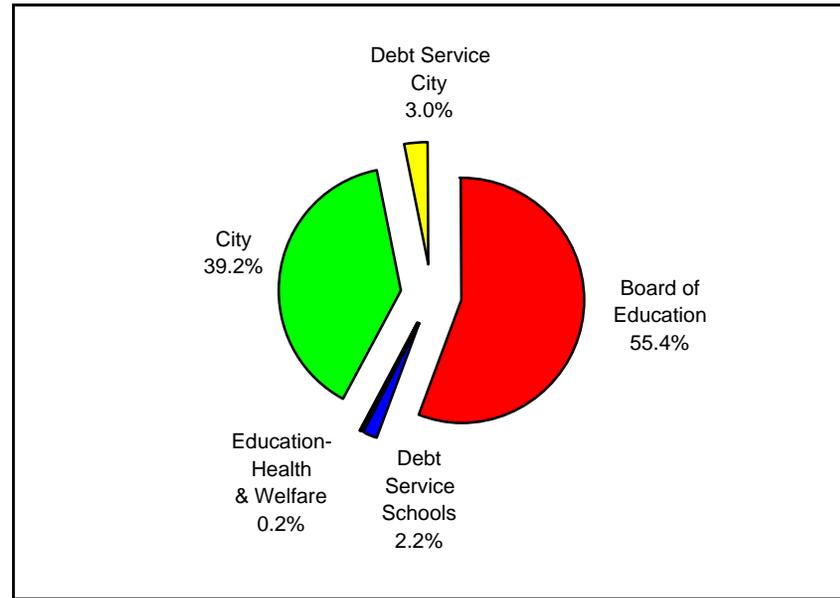
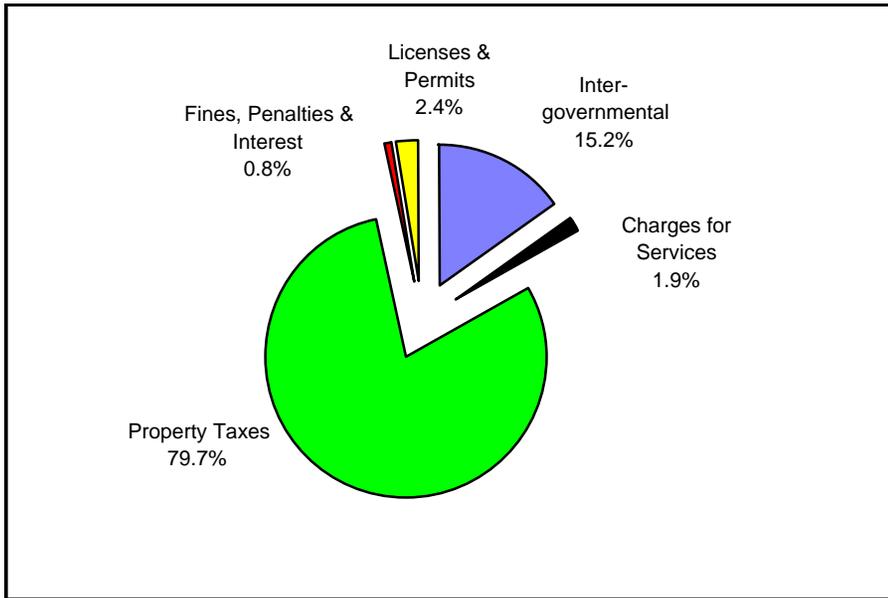
**CITY OF DANBURY, CONNECTICUT
2003-2005 SUMMARY OF FINANCIAL SOURCES AND USES**

	GENERAL FUND			AMBULANCE FUND			ANIMAL CONTROL FUND			SEWER FUND			WATER FUND		
	2002-2003	2003-2004	2004-2005	2002-2003	2003-2004	2004-2005	2002-2003	2003-2004	2004-2005	2002-2003	2003-2004	2004-2005	2002-2003	2003-2004	2004-2005
	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget	Actual	Budget	Budget
FINANCIAL SOURCES															
Property Taxes	115,852,586	118,624,972	128,446,048												
Intergovernmental	25,821,708	25,324,849	24,497,027												
Licenses and Permits	2,549,179	2,895,599	3,872,312												
Charges for Services	4,686,431	2,252,041	3,037,808												
Fines and Penalties	96,414	838,302	1,176,000												
Investment Income	249,626	350,000	200,000	906											
Fund Equity		3,475,000													
Operating Transfer-In		500,000													
User Fees				1,283,469	1,489,432	1,601,000									
General Fund Subsidy				221,744			244,092	132,805	172,993						
Animal Licenses & Other							14,503	14,945	13,600						
Sewer Use										5,479,937	6,050,000	6,464,077			
Septic Waste										887,420	994,900	930,000			
Connection & Related Chgs										883,546	570,000	470,000			
Intermunicipal Billings										437,912	432,600	415,600			
Interest & Liens										260,547	265,000	233,000			
Water Use													4,145,050	5,280,336	5,226,209
Miscellaneous	105,206												466,430	703,848	527,000
Total Financial Sources	149,361,150	154,260,763	161,229,195	1,506,119	1,489,432	1,601,000	258,595	147,750	186,593	7,949,362	8,312,500	8,512,677	4,611,480	5,983,984	5,753,209
FINANCIAL USES															
General Government	8,303,852	8,017,098	7,501,112												
Public Safety	21,319,959	20,699,823	20,658,871	1,430,006	1,489,432	1,601,000	229,974	147,750	186,593				5,840,762	5,983,981	5,753,209
Public Works	6,208,842	5,583,595	6,940,646							7,578,651	8,312,500	8,512,677			
Health & Housing	825,180	838,082	834,630												
Social Services	1,910,045	1,929,745	1,615,669												
Education	81,920,189	85,731,685	89,708,575												
Libraries	1,932,687	1,920,585	1,894,319												
Parks & Recreation	1,992,761	2,033,067	755,870												
Recurring Costs	15,386,529	17,651,694	19,704,312												
Debt Service	8,293,456	8,021,861	9,240,656												
Capital Program	200,180	-	-												
Transportation	1,024,711	982,543	945,781												
Contingency	-	850,965	1,428,754												
Total Financial Uses	149,318,392	154,260,763	161,229,195	1,430,006	1,489,432	1,601,000	229,974	147,750	186,593	7,578,651	8,312,500	8,512,677	5,840,762	5,983,981	5,753,209

CITY OF DANBURY 2004-2005 ADOPTED BUDGET TOTAL - \$161,229,195

REVENUES

EXPENDITURES



Intergovernmental	\$24,497,027
Charges for Services	3,037,808
Property Taxes	128,446,048 *
Fines, Penalties & Interest	1,376,000
Licenses & Permits	3,872,312
Total	\$161,229,195

Board of Education	\$89,500,000
Debt Service--Schools	3,874,674
Education--Health & Welfare	208,575
City	62,279,964
Debt Service--City	5,365,982
Total	\$161,229,195

*Does not include Reserve for Tax Appeals.

**CITY OF DANBURY
GENERAL FUND
2004-2005 BUDGET SUMMARY**

	<u>PROPOSED BY MAYOR</u>	<u>ADOPTED COMMON COUNCIL</u>
GENERAL GOVERNMENT	\$ 7,502,355	\$ 7,501,112
PUBLIC SAFETY	20,658,871	20,658,871
PUBLIC WORKS	6,940,646	6,940,646
HEALTH & HOUSING	834,630	834,630
PUBLIC WELFARE, SOCIAL AGENCIES	1,616,179	1,615,669
SCHOOLS, GEN. & HEALTH & WELFARE	89,708,575	89,708,575
LIBRARIES	1,894,319	1,894,319
PARKS & RECREATION	754,117	755,870
RECURRING COSTS	19,704,312	19,704,312
DEBT SERVICE – GENERAL	5,365,982	5,365,982
DEBT SERVICE – SCHOOLS	3,874,674	3,874,674
CAPITAL PROGRAM	0	0
TRANSPORTATION	945,781	945,781
CONTINGENCY ACCOUNTS	<u>1,428,754</u>	<u>1,428,754</u>
TOTAL	\$161,229,195	\$161,229,195
<u>LESS</u> INDIRECT REVENUE		(32,783,147)
<u>ADD</u> RESERVE FOR TAX APPEALS		<u>850,000</u>
REQUIRED TAXES		\$129,296,048
 MILL RATE	 24.86	
 NET TAXABLE GRAND LIST	 \$5,200,457,340	

**CITY OF DANBURY
ADOPTED BUDGET
FY 2004-2005**

SUMMARY OF OPERATING BUDGET EXPENDITURES

DEPARTMENT	ACTUAL 2002-2003	BUDGET FY 2003-2004	PROPOSED BY DEPT FY 2004-2005	PROPOSED BY MAYOR 2004-05	ADOPTED 2004-2005	\$ CHANGE 03-04 VS. 04-05
GENERAL GOVERNMENT	8,303,852	8,017,098	7,947,153	7,502,355	7,501,112	(515,986)
PUBLIC SAFETY	21,319,959	20,699,823	21,547,060	20,658,871	20,658,871	(40,952)
PUBLIC WORKS	6,208,842	5,583,595	6,024,545	6,940,646	6,940,646	1,357,051
HEALTH & HOUSING	825,180	838,082	842,299	834,630	834,630	(3,452)
PUBLIC WELFARE & SOCIAL AGENCIES	1,910,045	1,929,745	2,198,576	1,616,179	1,615,669	(314,076)
EDUCATION	81,920,189	85,731,685	92,547,469	89,708,575	89,708,575	3,976,890
LIBRARIES	1,932,687	1,920,585	1,983,836	1,894,319	1,894,319	(26,266)
PARKS & RECREATION	1,992,762	2,033,067	2,277,865	754,117	755,870	(1,277,197)
RECURRING COSTS	15,386,529	17,653,144	20,376,123	19,704,312	19,704,312	2,051,168
DEBT SERVICE	8,293,456	8,021,861	9,370,284	9,240,656	9,240,656	1,218,795
CAPITAL PROJECTS	200,180	0	0	0	0	0
TRANSPORTATION	1,024,711	981,093	996,829	945,781	945,781	(35,312)
CONTINGENCY	0	850,985	1,428,754	1,428,754	1,428,754	577,769
GRAND TOTAL	149,318,392	154,260,763	167,540,793	161,229,195	161,229,195	6,968,432

**CITY OF DANBURY
ADOPTED BUDGET
FY 2004-2005**

SUMMARY OF OPERATING BUDGET EXPENDITURES

<u>DEPARTMENT</u>	<u>ACTUAL 2002-2003</u>	<u>BUDGET FY 2003-2004</u>	<u>PROPOSED BY DEPT FY 2004-2005</u>	<u>PROPOSED BY MAYOR 2004-05</u>	<u>ADOPTED 2004-2005</u>	<u>\$ CHANGE 03-04 VS. 04-05</u>
GENERAL GOVERNMENT						
COMMON COUNCIL	9,479	60,552	61,462	62,853	62,853	2,301
MAYOR'S OFFICE	292,950	307,637	307,737	311,118	311,118	3,481
CITY CLERK'S OFFICE	96,865	45,904	51,175	44,354	44,354	(1,550)
ORDINANCES	18,764	16,100	20,600	20,600	20,600	4,500
PROBATE COURT	13,591	14,250	15,625	15,625	15,625	1,375
REGISTRARS & ELECTIONS	131,994	144,054	155,219	154,880	153,637	9,583
CITY TREASURER	25,920	21,205	17,748	17,748	17,748	(3,457)
DIRECTOR OF FINANCE	707,032	698,260	707,070	717,030	717,030	18,770
DATA PROCESSING/INFO TECH	1,191,256	1,050,008	1,123,862	1,052,770	1,052,770	2,762
INDEPENDENT AUDIT	46,050	40,750	44,825	43,900	43,900	3,150
BUREAU OF ASSESSMENTS	340,431	350,436	356,124	375,647	375,647	25,211
BOARD OF ASSESSMENT & APPEAL	3,747	4,050	4,550	4,050	4,050	0
TAX COLLECTOR	480,703	488,314	499,497	501,461	501,461	13,147
PURCHASING	227,012	207,587	207,207	209,956	209,956	2,369
CORPORATION COUNSEL	1,413,158	1,377,252	786,328	591,202	591,202	(786,050)
TOWN CLERK	437,266	360,246	386,992	364,148	364,148	3,902
ANNUAL REPORT	6,000	4,500	7,650	7,650	7,650	3,150
PERMIT COORDINATION	0	219,772	280,800	282,573	282,573	62,801
PLANNING	606,364	472,055	475,879	468,956	468,956	(3,099)
ECONOMIC DEVELOPMENT	0	0	0	88,000	88,000	88,000
DANBURY CONSERVATION COMM	9,206	9,465	9,964	8,665	8,665	(800)
PERSONNEL/CIVIL SERVICE	336,300	283,263	283,327	222,498	222,498	(60,765)
MAYOR'S DISCRETIONARY FUND	15,002	10,000	10,000	10,000	10,000	0
FAIR RENT COMMISSION	958	1,450	1,450	1,450	1,450	0
CITY MEMBERSHIPS	71,305	74,056	77,786	77,786	77,786	3,730
LAKE AUTHORITY	48,812	48,812	54,112	48,812	48,812	0
RETIREMENT ADMINISTRATION	117,242	85,660	88,300	72,500	72,500	(13,160)
LABOR NEGOTIATIONS	75,706	78,000	83,000	82,000	82,000	4,000

**CITY OF DANBURY
ADOPTED BUDGET
FY 2004-2005**

SUMMARY OF OPERATING BUDGET EXPENDITURES

<u>DEPARTMENT</u>	<u>ACTUAL 2002-2003</u>	<u>BUDGET FY 2003-2004</u>	<u>PROPOSED BY DEPT FY 2004-2005</u>	<u>PROPOSED BY MAYOR 2004-05</u>	<u>ADOPTED 2004-2005</u>	<u>\$ CHANGE 03-04 VS. 04-05</u>
PUBLIC BUILDINGS	870,662	830,976	950,841	863,633	863,633	32,657
CITY HALL BUILDING	314,530	259,797	343,256	281,046	281,046	21,249
LIBRARY BUILDING	172,714	155,414	189,775	162,885	162,885	7,471
POLICE STATION BUILDINGS	164,005	162,513	198,390	174,965	174,965	12,452
SENIOR CENTER BUILDING	21,122	57,650	86,190	79,100	79,100	21,450
OLD LIBRARY BUILDING	37,706	34,110	60,412	38,092	38,092	3,982
EMPLOYEE SERVICE BENEFIT	0	43,000	0	44,402	44,402	1,402
GENERAL GOVERNMENT	8,303,852	8,017,098	7,947,153	7,502,355	7,501,112	(515,986)
PUBLIC SAFETY						
POLICE DEPARTMENT	11,665,583	11,495,779	11,791,585	11,443,035	11,443,035	(52,744)
ANIMAL CONTROL	244,092	132,805	191,673	172,993	172,993	40,188
FIRE DEPARTMENT	8,615,703	8,504,221	9,015,311	8,487,154	8,487,154	(17,067)
AMBULANCE FUND	221,744	0	0	0	0	0
BUILDING INSPECTOR	553,421	487,452	475,884	453,423	453,423	(34,029)
DEPT CIVIL PREPAREDNESS	19,417	70,066	72,607	41,650	41,650	(28,416)
EMPLOYEE SERVICE BENEFIT	0	9,500	0	9,957	9,957	457
DEPART OF CONSUMER PROTECTION	0	0	0	50,659	50,659	50,659
PUBLIC SAFETY	21,319,959	20,699,823	21,547,060	20,658,871	20,658,871	(40,952)
PUBLIC WORKS						
HIGHWAYS	2,042,591	2,015,981	2,116,606	2,073,531	2,073,531	57,550
STATE AID-HIGHWAY PROJECT	459,635	181,994	181,121	181,121	181,121	(873)
SNOW & ICE REMOVAL	531,661	465,000	526,000	426,000	426,000	(39,000)
STREET LIGHTING	381,645	375,000	386,250	386,250	386,250	11,250
PARK MAINTENANCE & FORESTRY	0	0	0	1,259,825	1,259,825	1,259,825
PUBLIC BLDG MAINT-REPAIR	540,168	494,871	581,565	510,653	510,653	15,782
EQUIPMENT MAINTENANCE	849,460	740,207	856,738	778,828	778,828	38,621

**CITY OF DANBURY
ADOPTED BUDGET
FY 2004-2005**

SUMMARY OF OPERATING BUDGET EXPENDITURES

<u>DEPARTMENT</u>	<u>ACTUAL 2002-2003</u>	<u>BUDGET FY 2003-2004</u>	<u>PROPOSED BY DEPT FY 2004-2005</u>	<u>PROPOSED BY MAYOR 2004-05</u>	<u>ADOPTED 2004-2005</u>	<u>\$ CHANGE 03-04 VS. 04-05</u>
RECYCLING/SOLID WASTE	322,646	328,300	376,050	326,150	326,150	(2,150)
ENGINEERING DEPARTMENT	1,081,036	966,942	1,000,215	981,702	981,702	14,760
EMPLOYEE SERVICE BENEFIT	0	15,300	0	16,586	16,586	1,286
PUBLIC WORKS	6,208,842	5,583,595	6,024,545	6,940,646	6,940,646	1,357,051
HEALTH AND HOUSING						
HEALTH & HOUSING DEPT	825,180	831,482	842,299	827,771	827,771	(3,711)
EMPLOYEE SERVICE BENEFIT	0	6,600	0	6,859	6,859	259
HEALTH & HOUSING	825,180	838,082	842,299	834,630	834,630	(3,452)
PUBLIC WELFARE & SOCIAL AGENCIES						
WELFARE DEPARTMENT	308,649	314,476	317,826	312,097	312,097	(2,379)
VETERANS ADVISORY CENTER	53,175	54,306	54,806	55,838	55,838	1,532
COMMISSION ON AGING	245,236	243,296	239,761	227,013	227,013	(16,283)
ELDERLY TRANSPORTATION	12,000	12,000	16,800	12,000	12,000	
GRANTS-HUMAN & SOCIAL WLF	1,290,985	1,302,067	1,569,383	1,005,493	1,004,983	(297,084)
EMPLOYEE SERVICE BENEFIT	0	3,600	0	3,738	3,738	138
PUBLIC WELFARE & SOCIAL AGENCIES	1,910,045	1,929,745	2,198,576	1,616,179	1,615,669	(314,076)
EDUCATION						
SCHOOLS-REGULAR	81,711,614	85,500,000	92,338,894	89,500,000	89,500,000	4,000,000
SCHOOLS-HEALTH & WELFARE	208,575	231,685	208,575	208,575	208,575	(23,110)
EDUCATION	81,920,189	85,731,685	92,547,469	89,708,575	89,708,575	3,976,890

**CITY OF DANBURY
ADOPTED BUDGET
FY 2004-2005**

SUMMARY OF OPERATING BUDGET EXPENDITURES

<u>DEPARTMENT</u>	<u>ACTUAL 2002-2003</u>	<u>BUDGET FY 2003-2004</u>	<u>PROPOSED BY DEPT FY 2004-2005</u>	<u>PROPOSED BY MAYOR 2004-05</u>	<u>ADOPTED 2004-2005</u>	<u>\$ CHANGE 03-04 VS. 04-05</u>
LIBRARIES						
DANBURY PUBLIC LIBRARY	1,926,437	1,914,335	1,977,586	1,894,319	1,894,319	(20,016)
LONG RIDGE LIBRARY	6,250	6,250	6,250	0	0	(6,250)
LIBRARIES	1,932,687	1,920,585	1,983,836	1,894,319	1,894,319	(26,266)
PARKS & RECREATION						
RECREATION	1,681,728	1,715,067	1,753,885	430,144	430,144	(1,284,923)
TARRYWILE PARK AUTHORITY	245,000	245,000	431,980	245,000	245,000	0
CULTURAL COMMISSION	66,034	67,000	69,000	75,000	76,753	9,753
LAKE KENOSIA COMMISSION	0	2,500	23,000	2,500	2,500	0
EMPLOYEE SERVICE BENEFIT	0	3,500	0	1,473	1,473	(2,027)
PARKS & RECREATION	1,992,762	2,033,067	2,277,865	754,117	755,870	(1,277,197)
RECURRING COSTS						
FICA	1,201,570	1,168,303	1,203,352	1,403,411	1,403,411	235,108
PENSION EXPENSE	3,434,805	4,080,000	4,080,000	3,911,000	3,911,000	(169,000)
EMPLOYEE SERVICE BENEFIT	509,597	164,432	177,370	177,370	177,370	12,938
WORKER'S COMPENSATION	535,738	428,381	677,575	641,852	641,852	213,471
STATE UNEMPLOYMENT COMP	31,280	42,000	36,000	36,000	36,000	(6,000)
EMP HEALTH & LIFE INS	7,285,849	8,418,288	10,466,060	10,095,593	10,095,593	1,677,305
UNION WELFARE	619,281	697,466	740,000	740,000	740,000	42,534
INS & OFFICIAL BOND PREM	1,768,409	2,652,824	2,995,766	2,699,086	2,699,086	46,262
OTHER EMPLOYEE SERVICE BENEFITS	0	1,450	0	0	0	(1,450)
RECURRING COSTS	15,386,529	17,653,144	20,376,123	19,704,312	19,704,312	2,051,168

**CITY OF DANBURY
ADOPTED BUDGET
FY 2004-2005**

SUMMARY OF OPERATING BUDGET EXPENDITURES

<u>DEPARTMENT</u>	<u>ACTUAL 2002-2003</u>	<u>BUDGET FY 2003-2004</u>	<u>PROPOSED BY DEPT FY 2004-2005</u>	<u>PROPOSED BY MAYOR 2004-05</u>	<u>ADOPTED 2004-2005</u>	<u>\$ CHANGE 03-04 VS. 04-05</u>
DEBT SERVICE						
INTEREST ON DEBT	1,431,307	1,286,186	1,758,938	1,678,632	1,678,632	392,446
INTEREST ON DEBT-SCHOOL	1,237,688	1,126,213	1,341,884	1,329,674	1,329,674	203,461
REDEMPTION OF DEBT	3,374,462	3,359,462	3,724,462	3,687,350	3,687,350	327,888
REDEMPTION OF DEBT-SCHOOL	2,250,000	2,250,000	2,545,000	2,545,000	2,545,000	295,000
DEBT SERVICE	8,293,456	8,021,861	9,370,284	9,240,656	9,240,656	1,218,795
CAPITAL PROJECTS						
CAPITAL PROJECTS	200,180	0	0	0	0	0
CAPITAL PROJECTS	200,180	0	0	0	0	0
TRANSPORTATION						
AIRPORT	379,452	318,666	318,666	312,267	312,267	(6,399)
H A R T	645,259	662,427	678,163	632,040	632,040	(30,387)
EMPLOYEE SERVICE BENEFITS	0	0	0	1,474	1,474	1,474
TRANSPORTATION	1,024,711	981,093	996,829	945,781	945,781	(35,312)
CONTINGENCY						
CONTINGENCY	0	850,985	1,428,754	1,428,754	1,428,754	577,769
CONTINGENCY	0	850,985	1,428,754	1,428,754	1,428,754	577,769
GRAND TOTAL	149,318,392	154,260,763	167,540,793	161,229,195	161,229,195	6,968,432

REVENUE BUDGET ANALYSIS

Summary

The City's General Fund Revenues are derived from the following sources:

- 1) Property Taxes levied on real and personal property (79.7% of the FY04-05 budgeted revenues)
- 2) Intergovernmental Revenue (15.2% of the FY04-05 budgeted revenues)
- 3) Licenses and Permits (2.4% of the FY04-05 budgeted revenues)
- 4) Fines and Penalties (.7% of the FY04-05 budgeted revenues)
- 5) Interest Income (.1% of the FY04-05 budgeted revenues)
- 6) Charges for Services (1.9% of the FY04-05 budgeted revenues)
- 7) Fund Equity (0% of the FY04-05 budgeted revenues)

The budgeted General Fund Revenues for FY04-05 total \$161,229,195, an increase of \$6,968,432 or 4.5% over the prior year. The factors accounting for this change are as follows:

Taxes	\$9,821,076	Intergovernmental	(\$827,822)
Licenses and Permits	\$976,713	Interest Income	(\$150,000)
Charges for Services	\$785,767	Use of Fund Equity	(\$3,475,000)
Fines & Penalties	\$337,698	Operating Transfer-In	(\$500,000)

The chart below illustrates revenue changes since FY 98-99 as well as the budget for the succeeding year.

Revenue Budget Comparison For the Years Ending June 30, 1999 Through 2005

Revenue	FY 98-99		FY 99-00		FY 00-01		FY 01-02		FY 02-03		FY 03-04		FY 04-05	
	Actual		Actual		Actual		Actual		Actual		Budget		Budget	
Taxes	88,430,049	65.8%	96,821,385	68.4%	101,866,512	67.4%	109,011,992	74.4%	114,944,665	77.0%	118,624,972	76.9%	128,446,048	79.7%
Intergovernmental	34,980,527	25.9%	34,556,295	24.4%	38,022,780	25.1%	*26,280,061	17.8%	25,821,707	17.3%	25,324,849	16.4%	24,497,027	15.2%
Licenses & Permits	2,210,956	1.6%	1,985,534	1.4%	2,233,495	1.5%	3,740,355	2.6%	2,549,179	1.7%	2,895,599	1.9%	3,872,312	2.4%
Fines & Penalties	785,519	.6%	692,225	.5%	1,135,939	.8%	1,194,685	.8%	1,004,335	.6%	838,302	.5%	1,176,000	.7%
Interest Income	1,067,565	.8%	791,710	.6%	854,046	.6%	428,060	.3%	249,626	.2%	350,000	.3%	200,000	.1%
Charges for Services	3,496,231	2.6%	3,909,991	2.8%	6,059,465	4.0%	5,860,408	4.1%	4,791,637	3.2%	2,252,041	1.4%	3,037,808	1.9%
Fund Equity	3,639,418	2.7%	2,718,000	1.9%	1,070,925	.7%	0	0%	0	0%	3,475,000	2.3%	0	0%
Operating Transfer-In	0	0%	0	0%	0	0%	0	0%	0	0%	500,000	.3%	0	0%
TOTAL	134,610,265	100%	141,475,140	100%	151,243,162	100%	146,515,560	100%	149,361,150	100%	154,260,763	100%	161,229,195	100%
Revenue Growth	(\$825,879)	(.6%)	\$6,864,875	5.1%	\$9,768,022	6.9%	(\$4,727,602)	(3.1%)	\$2,845,590	1.9%	\$4,899,613	3.2%	\$6,968,432	4.5%

*In Fiscal Year 01-02, Federal and State School Projects and Airport Projects were moved into a special revenue fund.

Revenue Overview

Property Taxes:

The principal source of revenue for the City of Danbury is local property taxes. Local taxes, which comprise 79.7% of the City's revenue, are levied annually to cover the operating expenses of City government. There are four factors that determine the level of taxes that must be raised each year to meet the needs of City government.

Gross Expenditures – The size of the City's operating budget is a key determinant of the amount of money that must be raised through taxes each year. Since the City is required to operate with a balanced budget, when all other factors are equal, the larger the operating budget, the more money that must be raised through taxation.

Other Revenue Sources – The City of Danbury also receives revenue from sources other than taxation. These revenue sources include intergovernmental revenue, licenses and permits, charges for services, investment income, and fines and penalties. Stronger revenue collections from these sources can reduce the amount of revenue that must be raised through taxation.

Grand List – The Grand List is the assessed value of all auto, real estate, and personal property. The Grand List for FY 2004-2005 is \$5,200,457,340. This includes the second year of a four-year phase-in of property revaluation, which began with the October 2002 Grand List.

Tax Collection Rate – Over the last five years, the City of Danbury has collected in excess of 98% of its current tax levy each year. However, the inclusion of prior year tax collections has resulted in collection rates of over 100% for nine of the last ten years. Unlike other municipalities, the City of Danbury does not budget revenues from prior year tax collections and supplemental auto taxes. The budget assumes a collection rate of 100% on the current year levy. These other sources of unbudgeted revenue have consistently resulted in the desired rate of collection.

Property Tax Revenues

<u>Revenue</u>	<u>FY 00-01 Actual</u>	<u>FY 01-02 Actual</u>	<u>FY 02-03 Actual</u>	<u>FY 03-04 Budget</u>	<u>FY 04-05 Budget</u>	<u>Change</u>
Property Taxes	101,866,512	109,011,992	114,944,665	118,624,972	128,446,048	9,821,076
Total Tax Revenue	101,866,512	109,011,992	114,944,665	118,624,972	128,446,048	9,821,076

Intergovernmental Revenue:

The receipts from this revenue source are expected to decline by \$827,822 or 3.3%. The decrease is due to revisions to municipal reimbursements and a reduction in taxes paid by telecommunications companies.

Education - Revenues in this category are subsidies to local governments designed to offset the cost of education and are formula driven. They include education equalization, transportation, special education and reimbursement for school construction projects. For FY 2004-2005, education revenues are budgeted at \$17,499,104, a decrease of \$67,526 or .4% from the FY 2003-2004 budget.

Public Works – State revenues received for the Department of Public Works include grants for State Aid for Highways and State Road Maintenance. These revenues are budgeted at \$197,441, a decrease of \$873 or .4%

Payment in Lieu of Taxes (PILOTS) – These payments represent a partial reimbursement for forgone property tax revenues from State owned property and hospitals, tax relief for the elderly and tax exemptions for veterans. Also included is a reimbursement program for machinery and equipment located in a manufacturing facility, grant proceeds from State agreements with gaming facilities located in Connecticut. Revenue from these sources is budgeted at \$5,819,898, a reduction of \$384,131 or 6.2% from the FY 2003-2004 budget. The reduction is due to audited Grand List adjustments made by the State Office of Policy and Management.

Other – The City of Danbury receives other types of revenue that help fund other programs throughout the City. These include reimbursement from boat registrations, telephone line access tax, and public safety programs. These revenues are budgeted at \$980,584, a decrease of \$375,292 or 27.7%. This reduction is due to a reduction in asset acquisitions by telecommunications companies, reducing their tax liabilities from the prior year.

Intergovernmental Revenue

<u>Revenue</u>	<u>FY 00-01 Actual</u>	<u>FY 01-02* Actual</u>	<u>FY 02-03 Actual</u>	<u>FY 03-04 Budget</u>	<u>FY 04-05 Budget</u>	<u>Change</u>
Education	\$28,500,516	\$16,826,858	\$17,487,403	\$17,566,630	\$17,499,104	(\$67,526)
Public Works	\$629,288	\$497,225	\$250,215	\$198,314	\$197,441	(\$873)
Payment in Lieu of Taxes	\$7,091,678	\$7,226,678	\$6,613,013	\$6,204,029	\$5,819,898	(384,313)
Other	\$1,801,298	\$1,729,300	\$1,471,076	\$1,355,876	\$980,584	(\$375,292)
TOTAL	38,022,780	26,280,061	25,821,707	25,324,849	24,497,027	(\$827,822)

*In Fiscal Year 01-02, Federal and State School Projects and Airport Projects were moved into a special revenue fund.

Licenses & Permits

The City of Danbury derives revenue through the assessment of charges permitting individuals and businesses to either operate a business, undertake construction or convey property. Revenues in this category include building permits, conveyance tax, recording fees, Health Department licenses and permits, and street opening fees.

Building Department – Permit fees are charged to any person or business that desires to either renovate an existing structure or structures or undertake new development either commercial or residential. Building permit revenue is budgeted at \$1,300,000 for FY 2004-2005. This is a slight increase over the FY 2003-2004 budget; however, building permit revenue for the current year is projected to come in well below budget. Revisions in the way building permit fees are calculated and collected, and several projects in the planning stages are expected to improve revenue collections in this area.

Town Clerk – The Town Clerk collects revenue through the conveyance of property and vital statistics. Revenue for the Town Clerk is budgeted at \$2,107,000, an increase of \$651,803 or 44.8%. The increase is due to the expectation that the State legislature will continue the increased conveyance tax that was scheduled to sunset on June 30, 2004.

Health Department – The Health Department issues certificates of occupancy and issues permits for septic sewage, rooming houses and restaurants. Health Department revenue is budgeted at \$162,812, a decrease of \$6,775 or 4%. The reduction is based on the level of current permit activity.

Public Safety – The FY 2004-2005 budget includes \$270,000 for the registration of fire and burglar alarms in the City. Alarm registration is part of a larger new program designed to reduce the number of false alarms in the City. This category also includes miscellaneous revenue from permits issued by the Police Department.

Public Works – The Department of Public Works issues street opening permits for excavation work in the City. Revenue is budgeted at \$28,000, an increase of \$10,375 or 5.9%. The increase is based on on-going activity.

Licenses & Permits

<u>Revenue</u>	<u>FY 00-01 Actual</u>	<u>FY 01-02 Actual</u>	<u>FY 02-03 Actual</u>	<u>FY 03-04 Budget</u>	<u>FY 04-05 Budget</u>	<u>Change</u>
Building Department	\$1,121,500	\$1,188,178	\$893,532	\$1,250,000	\$1,300,000	\$50,000
Town Clerk	\$1,018,689	\$2,437,222	\$1,519,714	\$1,455,197	\$2,107,000	\$651,803
Health Department	\$80,380	\$99,264	\$123,332	\$169,587	\$162,812	(\$6,775)
Public Safety	\$5,851	\$4,767	\$4,451	\$3,190	\$274,500	\$271,310
Public Works	\$7,075	\$10,925	\$8,150	\$17,625	\$28,000	\$10,375
TOTAL	2,233,495	3,740,356	2,549,179	2,895,599	3,872,312	\$976,713

Fines, Penalties & Interest:

The City of Danbury derives revenue from parking violations, state court fines, and interest and lien fees on delinquent taxes. The FY 2004-2005 budget also includes revenue from false alarm fines as part of its new program to reduce false alarms citywide.

Delinquent Taxes – Interest on delinquent taxes are set at the rate of 18% per annum and are mandated by State legislation. Penalty fees for late payment are also mandated by State legislation. Penalty charges include lien fees, warrant fees, and returned check charges. Revenue in this category is budgeted at \$900,000, an increase of \$150,000 over FY 2003-04, or 20%. The increase is based on historical collections.

Police Department – The Police Department issues parking violations throughout the City, excluding those issued by the Parking Authority. Parking violations are primarily issued by the Police during snow emergencies and other similar situations. The City also receives revenue from the State of Connecticut for other traffic violations. Also included in this category are false alarm fines, a new revenue category budgeted at \$130,000. Total revenue for this category for FY 2004-2005 is budgeted at \$276,000, an increase of \$187,698 or 212.6%. The increase is due to the new false alarm fines, and a new contract for parking ticket management services that has significantly increased delinquent parking tickets.

Fines, Penalties and Interest

<u>Revenue</u>	<u>FY 00-01 Actual</u>	<u>FY 01-02 Actual</u>	<u>FY 02-03 Actual</u>	<u>FY 03-04 Budget</u>	<u>FY 04-05 Budget</u>	<u>Change</u>
Delinquent Taxes	\$1,075,504	\$1,134,170	\$907,921	\$750,000	\$900,000	\$50,000
Police Department	\$60,435	\$60,515	96,414	\$88,302	\$276,000	\$187,698
TOTAL	1,135,939	1,194,685	1,004,335	838,302	1,176,000	237,698

Interest Income:

Investment income is derived through the investment of cash on a short-term basis in highly liquid investments and available to meet the cash flow needs of the City. Investment income has been reduced based on the decline of interest rates.

Interest Income

<u>Revenue</u>	<u>FY 00-01 Actual</u>	<u>FY 01-02 Actual</u>	<u>FY 02-03 Actual</u>	<u>FY 03-04 Budget</u>	<u>FY 04-05 Budget</u>	<u>Change</u>
Interest Income	\$854,046	\$428,060	\$249,626	\$350,000	\$200,000	(\$150,000)
TOTAL	854,046	428,060	249,626	350,000	200,000	(150,000)

Charges for Services:

Service charges are individual fees charged specifically for the use of a particular City service or activity.

Planning & Zoning – The Planning Department and its various boards and commissions assess fees related to development in the City. Budgeted revenues for FY 2004-05 total \$281,055, an increase of \$79,905 or 39.7%. The increase is due to planned development activity over the course of next year.

Public Works – The Water and Sewer Funds reimburse the General Fund for services provided on their behalf including data processing, and collection of user fees. In addition, this category includes a new fee for site plan reviews performed by the Engineering Department. Revenues for FY 2004-05 total \$234,137, an increase of \$87,539 or 59.7%. The increase is driven by the new engineering fees, which total \$75,000.

Public Safety – Both the Police and Fire Departments assess fees for various activities including extra duty and fire watch services, and finger prints, police reports and permits. This category also includes new fees for Fire Marshal inspections and permits, and fees for weights and measures inspections. Budgeted revenues for FY 2004-2005 total \$716,322, an increase of \$205,222 or 40.2%. The increase is due to the new fees for Fire Marshal inspections and permits and fees for weights and measure inspections.

Education – Revenues are from tuition reimbursements and reimbursements for services provided on behalf of the City to the Danbury Public Schools. Revenues are budgeted at \$335,285, a slight increase from FY 2003-04 revenues of \$325,285.

Transportation – The City operates a municipal airport through which a majority of these revenues are derived. In addition, the City receives reimbursement from Housatonic Area Regional Transit (HART), which provides bus, and trolley services in Danbury. Revenues for FY 2004-2005 are budgeted at \$693,760, an increase of \$139,352 or 42.8%. The increase is due to an increase in fees at the airport.

Parks and Recreation – The Department of Parks and Recreation charges fees to City residents to participate in recreational activities throughout the City. For FY 2004-2005, budgeted revenues in this category total \$170,000, an increase of \$95,000 or 126.7% over FY 2003-04. The increase is due to the implementation of new fees for some recreational activities, and the elimination of the assignment of revenues from the Hatters Park facilities to the Police Activities League.

Other - Other revenues include the sale and rental of land, civil service test fees, welfare reimbursement, grant administration, class fees from the senior center, copying charges from various departments, the sale of surplus property, data processing services and other miscellaneous reimbursements from various sources. Revenues from this category are budgeted at \$607,250, an increase of \$168,750 or 38.5%. The increase is due to increases in various fees and charges throughout the City.

<u>Revenue</u>	<u>FY 00-01</u> <u>Actual</u>	<u>FY 01-02</u> <u>Actual</u>	<u>FY 02-03</u> <u>Actual</u>	<u>FY 03-04</u> <u>Budget</u>	<u>FY 04-05</u> <u>Budget</u>	<u>Change</u>
Planning & Zoning	\$155,699	\$153,442	\$191,000	\$201,150	\$281,055	\$79,905
Public Works	\$117,686	\$129,418	\$136,120	\$146,598	\$234,137	\$87,539
Public Safety	\$1,282,852	1,166,979	\$1,033,429	\$511,100	\$716,322	\$205,222
Education	\$304,498	\$277,507	\$313,054	\$325,285	\$335,285	\$10,000
Transportation	\$547,045	\$552,047	\$533,478	\$554,408	\$693,760	\$139,352
Parks & Recreation	\$26,617	\$36,985	\$35,369	\$75,000	\$170,000	\$95,000
Other	\$3,625,068	\$3,544,030	\$2,549,187	\$438,500	\$607,250	\$168,750
TOTAL	6,059,465	5,860,408	4,791,637	2,252,041	3,037,808	785,767

**CITY OF DANBURY, CONNECTICUT
GENERAL FUND INDIRECT REVENUE
2004-2005 ADOPTED BUDGET**

REVENUE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
1000.4100	SUPPLEMENTAL AUTO TAX	0	0	0	0
1000.4105	CURRENT PRO-RATE TAX LEVY	0	0	0	0
1000.4120	SUSPENSE TAX COLLECTIONS	12,059	0	0	0
1000.4130	INTEREST & LIEN FEES	907,921	750,000	900,000	900,000
	SUBTOTAL	919,980	750,000	900,000	900,000
1000.4201	POLICE LICENSES & PERMITS	4,451	3,190	4,500	4,500
1000.4202	BUILDING DEPARTMENT	893,532	1,250,000	1,300,000	1,300,000
1000.4203	CONVEYANCE TAX	579,920	650,000	1,300,000	1,300,000
1000.4204	TOWN CLERKS FEES	939,794	800,000	800,000	800,000
1000.4205	PERMIT-TOWN CLERK	6,204	5,197	7,000	7,000
1000.4206	LICENSE & PERMITS-HEALTH	98,371	146,700	139,150	139,150
1000.4207	ROOM HOUSE & HOTEL-MOTEL LICENSE	10,612	14,112	14,192	14,192
1000.4208	CERT OF APT OCCUP HEALTH	7,300	7,875	7,525	7,525
1000.4209	HAZ MAT SITE INSP HEALTH	700	900	1,800	1,800
1000.4210	HEALTH CITATIONS	145	0	145	145
1000.4211	STREET OPENING FEES	8,150	17,625	28,000	28,000
	ALARM REGISTRATIONS	0	0	270,000	270,000
	SUBTOTAL	2,549,179	2,895,599	3,872,312	3,872,312
1000.4301	PARKING VIOLATIONS	76,430	80,000	90,000	90,000
1000.4302	PARKING VIOLATIONS FINES	10,325	4,302	50,000	50,000
1000.4303	STATE COURT FINES	9,659	4,000	6,000	6,000
	FALSE ALARM FINES	0	0	130,000	130,000
	SUBTOTAL	96,414	88,302	276,000	276,000
1000.4401	INTEREST ON INVESTMENTS	195,037	300,000	150,000	150,000
1000.4403	BONDS & SPECIAL FUNDS	52,461	50,000	50,000	50,000
1000.4404	BOND ISSUANCE PROCEEDS	2,128	0	0	0
	SUBTOTAL	249,626	350,000	200,000	200,000

**CITY OF DANBURY, CONNECTICUT
GENERAL FUND INDIRECT REVENUE
2004-2005 ADOPTED BUDGET**

REVENUE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
1000.4501	HIGHWAY-STATE AID	233,895	181,994	181,121	181,121
1000.4502	STATE ROAD MAINTENANCE	16,320	16,320	16,320	16,320
1000.4505	STATE REIMB BOATS	20,132	20,000	20,000	20,000
1000.4508	EDUCATION EQUALIZATION	14,843,290	15,110,980	14,995,564	14,995,564
1000.4509	SPECIAL ED AGENCY PLACEMENT	609,773	600,000	600,000	600,000
1000.4510	ELEMENTARY-HIGH SCHOOL TRANS	710,056	581,747	704,470	704,470
1000.4511	TRANSPORTATION-NON PUBLIC	155,432	170,839	155,291	155,291
1000.4512	SCHOOL CONST. CODE COMPLIANCE	180,003	169,775	169,776	169,776
1000.4513	ROGERS PARK JUNIOR HIGH	8,080	8,080	3,001	3,001
1000.4516	SCHOOL RENOVATIONS	602,409	598,433	584,416	584,416
1000.4517	INTERSET-SUBSIDY SCHOOL BONDS	378,360	326,776	286,586	286,586
1000.4518	PUBLIC HOUSING IN LIEU OF TAX	234,297	180,000	235,000	235,000
1000.4519	STATE PROP IN LIEU OF TAX	1,643,313	1,545,513	1,412,618	1,412,618
1000.4520	IN LIEU TAX-HOSPITAL & COLLEGE	1,371,579	1,317,055	1,245,633	1,245,633
1000.4521	MANUFACTURERS EXEMPT STATE	1,045,999	1,133,270	1,056,200	1,056,200
1000.4522	MASHANTUCKET PEQUOT FUND	1,859,284	1,574,191	1,510,347	1,510,347
1000.4523	VETS EXEMPTION-ST. OF CT.	57,976	58,000	14,800	14,800
1000.4524	ELDERLY-LIEU OF TAXES	54,665	54,000	48,800	48,800
1000.4525	STATE-HEART PROGRAM	345,900	342,000	296,500	296,500
1000.4531	PHONE ACCESS LINES	1,254,028	1,254,028	873,745	873,745
1000.4532	CIVIL DEFENSE	5,066	16,747	21,738	21,738
1000.1000	FEMA	107,032	0	0	0
1000.4536	STATE REVENUE SHARING	0	0	0	0
1000.4538	STATE PUB. SAFETY ANSWERING Pt SUB	84,818	65,101	65,101	65,101
	SUBTOTAL	25,821,708	25,324,849	24,497,027	24,497,027
1000.4601	HOUSATONIC AREA REGIONAL TRANSIT	124,649	135,800	125,000	125,000
1000.4602	HOUSING AUTHORITY	36,784	65,000	40,000	40,000
1000.4603	PLANNING COMMISSION	11,590	21,050	23,400	23,400
1000.4604	ZONING BOARD	4,000	6,000	9,900	9,900
1000.4605	ZONING BOARD OF APPEALS	13,600	12,000	21,750	21,750
1000.4606	ENVIRONMENTAL IMPACT COMMISSION	57,067	41,600	76,000	76,000

**CITY OF DANBURY, CONNECTICUT
GENERAL FUND INDIRECT REVENUE
2004-2005 ADOPTED BUDGET**

REVENUE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
1000.4607	PLANNING & ZONING DEPARTMENT	104,743	120,500	150,005	150,005
1000.4608	RENTAL OF LAND	33,552	40,000	80,000	80,000
1000.4609	SALE OF LAND	1,956,280	0	0	0
1000.4610	CIVIL SERVICE TEST FEES	26,612	0	15,000	15,000
1000.4611	VETS ADVISORY CENTER	215	2,000	1,500	1,500
1000.4612	DATA PROCESSING SERVICES	8,525	400	1,000	1,000
1000.4615	SEWER REIMBURSEMENT-TAX SERVICES	53,059	58,299	64,118	64,118
1000.4616	SEWER REIMBURSEMENT-DP SERVICES	15,000	15,000	15,450	15,450
1000.4618	WATER REIMBURSEMENT-TAX SERVICES	53,061	58,299	64,118	64,118
1000.4619	WATER REIMBURSEMENT-DP SERVICES	15,000	15,000	15,450	15,450
1000.4621	SCHOOL REIMB-PARKS-REC-SERVICES	246,314	259,285	269,285	269,285
1000.4622	SCHOOL REIMB-PURCHASE SERVICES	-1,488	56,490	6,000	6,000
1000.4631	GRANT ADMINISTRATION	71,958	58,000	58,000	58,000
1000.4632	POLICE REPORTS	11,330	11,200	12,000	12,000
1000.4632.10	POLICE FINGERPRINTS	8,765	8,200	7,000	7,000
1000.4633	POLICE SPECIAL SERVICES	955,012	750,000	450,000	450,000
1000.4634	FIRE SPECIAL SERVICES	56,588	50,000	56,588	56,588
1000.4635	FIRE-PERMITS&REPORTS REG.	544	800	544	544
1000.4638	FIRE DEPT COMMUNICATIONS	1,190	900	1,190	1,190
1000.4640	TAX LIEN ADMIN FEE	29,414	7,000	20,000	20,000
1000.4641	AIRCRAFT REGISTRATIONS	17,060	16,270	19,950	19,950
1000.4642	AIRPORT CHARGES	391,769	402,338	377,835	377,835
1000.4645	FEES-REG. OF COLLECTIONS	3,600	0	2,500	2,500
1000.4647	WELFARE REIMBURSEMENT	413	0	500	500
1000.4648	TUITION-OTHER	68,228	60,000	60,000	60,000
1000.4649	PHONE BOOTHS	3,221	4,000	3,000	3,000
1000.4650	LIBRARY RECEIPTS	57	3,197	0	0
1000.4651	LIBRARY DONATIONS	0	0	0	0
1000.4652	COMMISSION ON AGING	7,219	0	5,000	5,000
1000/4653	HATTERS PARK REVENUE	0	0	0	0
1000.4654	RECREATION	35,369	75,000	130,000	130,000
1000.4655	MISC. CHARGES-SERVICES	262,657	262,006	275,000	275,000
1000.4659	OTHER REVENUES	3,474	0	0	0

**CITY OF DANBURY, CONNECTICUT
GENERAL FUND INDIRECT REVENUE
2004-2005 ADOPTED BUDGET**

REVENUE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
1000.4663	TOWN CLERK COPYING CHARGES	0	0	60,000	60,000
	ENGINEERING SITE PLAN REVIEWS	0	0	75,000	75,000
	FIRE MARSHAL INSPECTIONS	0	0	90,000	90,000
	FIRE MARSHAL PLAN REVIEWS	0	0	40,000	40,000
	HATTERS PARK REVENUE	0	0	40,000	40,000
	NEW AIRPORT FEES	0	0	170,975	170,975
	TAX SEARCHES	0	0	5,250	5,250
	CONSUMER PROTECTION	0	0	59,000	59,000
	PERMIT EXTENSION FEE	0	0	3,000	3,000
	SUBTOTAL	4,686,432	2,615,634	3,000,308	3,000,308
1000.4700	MISC. REVENUE ADJUSTMENT	53,026	0	0	0
1000.4703	DEREGULATED ASSESSMENT	52,180	37,100	37,500	37,500
	SUBTOTAL	105,206	37,100	37,500	37,500
	FINAL TOTALS	34,428,544	32,061,484	32,783,147	32,783,147