

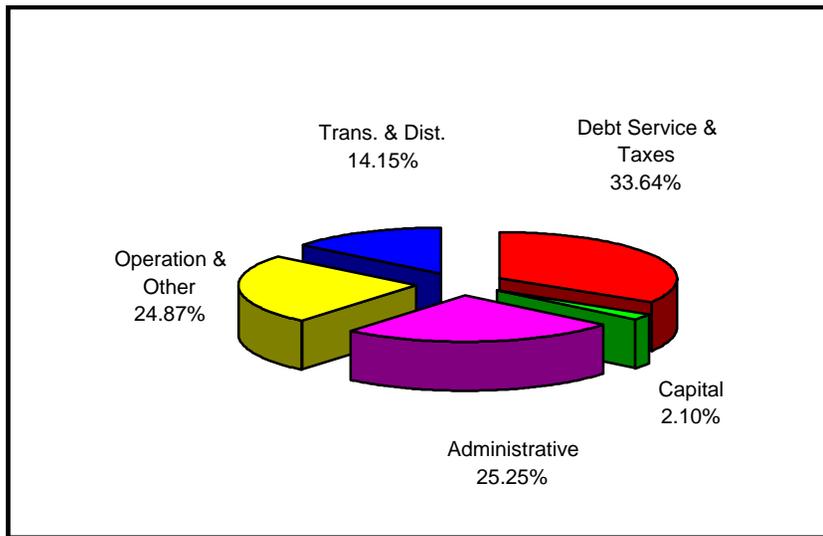
WATER FUND

STATEMENT OF MISSION, ACCOMPLISHMENTS AND MAJOR OBJECTIVES

STATEMENT OF MISSION	To manage and operate the water utility to provide value to our customers by delivering drinking water to the tap, which meets standards, established for protection of Public Health and providing adequate quantities of water for fire protection.
FISCAL YEAR 2003-2004 ACCOMPLISHMENTS	<ul style="list-style-type: none"> ◆ Implemented recommendations of 2002 customer survey including alternate payment methods and return envelopes. ◆ Completed Vulnerability Assessment of Water System and submitted to USEPA as required by BioTerrorism Act. ◆ Completed permanent installation of water mains in Ta'Agan Point thus resolving long-standing neighborhood problem.
MAJOR OBJECTIVES 2004-2005	<ul style="list-style-type: none"> ◆ Begin Upgrade of Meter System for Radio Read technology. ◆ Upgrade distribution piping in former community water systems. ◆ Upgrade hydrants to reduce the number out of service.

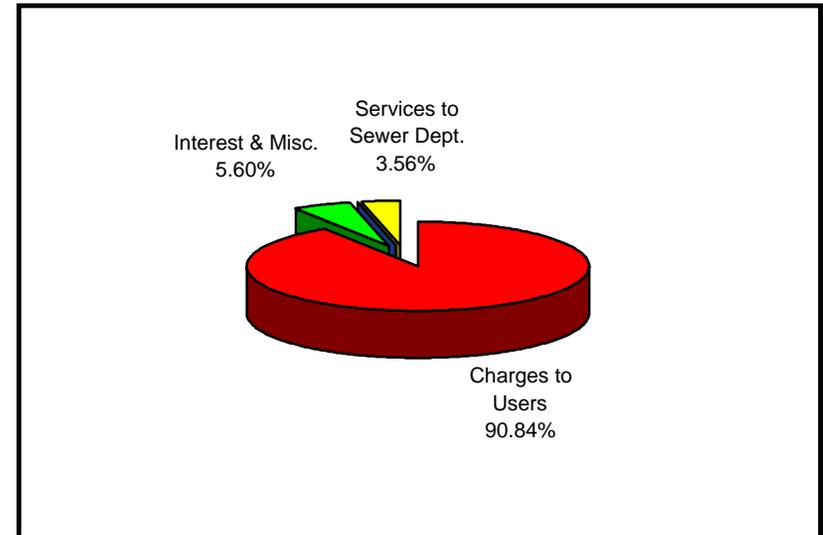
CITY OF DANBURY WATER FUND 2004-2005 ADOPTED BUDGET

EXPENSES



Debt Service & Taxes	\$1,935,465
Capital	120,800
Administrative	1,452,520
Operation & Other	1,430,582
Trans. & Dist.	813,842
Total	\$5,753,209

REVENUES



Charges to Users	\$5,226,209
Interest & Misc.	322,000
Fund Balance	0
Services to Sewer Dept.	205,000
Total	\$5,753,209

**CITY OF DANBURY
WATER FUND
2004-2005 ADOPTED BUDGET**

	<u>ACTUAL 2002-03</u>	<u>BUDGET 2003-04</u>	<u>BUDGET 2004-05</u>
<u>REVENUES</u>			
<u>SALE OF WATER</u>			
CHARGES TO USERS	\$4,145,050	\$5,280,336	\$5,226,209
<u>OTHER INCOME</u>			
SERVICES TO SEWER DEPT.	179,123	125,500	125,000
INTEREST & MISC.	287,307	578,148	402,000
<u>OTHER RESOURCES</u>			
FUND BALANCE	<u>1,229,282</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	\$5,840,762	\$5,983,984	\$5,753,209
<u>EXPENSES</u>			
OPERATIONS, MAINTENANCE & CAPITAL	\$3,654,003	\$3,984,195	\$3,842,744
DEBT SERVICE	<u>2,186,759</u>	<u>1,999,789</u>	<u>1,910,465</u>
TOTAL	\$5,840,762	\$5,983,984	\$5,753,209

Rate increase required.

**CITY OF DANBURY, CONNECTICUT
WATER 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
9800.4130	INTEREST & LIENS	145,958	180,000	100,000	100,000
9800.4401	INTEREST ON INVESTMENTS	5,357	15,000	2,000	2,000
9800.4640	TAX LIEN ADMIN FEE	62	0	0	0
9800.4655	MISCELLANEOUS CHARGES	30	243148	80,000	80,000
9800.4658	METERED SALES	4,145,050	5,280,336	5,226,209	5,226,209
9800.4659.90	OTHER REVENUES	179,123	125,500	205,000	205,000
9800.4569.95	PERMIT FEES	135,900	140,000	140,000	140,000
9800.4667	METER DEPOSITS	0	6,700		
	FINAL TOTALS	4,611,480	5,990,684	5,753,209	5,753,209

**CITY OF DANBURY, CONNECTICUT
WATER DEPARTMENT
2004-2005 ADOPTED BUDGET**

EXPENSE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROJECTED EXPENSES 2003-04	PROPOSED BY DEPT 2004-05	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
9801	LONG TERM DEBT-BONDS						
9801.5901	INTEREST ON DEBT	360,248	0	0	0	0	0
9801.5903	REDEMPTION OF BONDS-CITY	-1,135,000	0	0	0	0	0
9801.5904	REDEMPTION OF DEBT	1,135,000	1,163,650	1,163,650	1,163,650	1,163,650	1,163,650
9801.8026	DEPRECIATION EXPENSE	1,251,450	0	0	0	0	0
	SUBTOTAL	1,611,698	1,163,650	1,163,650	1,163,650	1,163,650	1,163,650
9802	UTILITY PLANT						
9802.8005	IMPOUNDING RESERVOIR	1,466	40,700	40,700	20,000	20,000	20,000
9802.8007	STRCTRES&IMPR-PUMPING PUM	38,664	155,895	155,895	184,000	0	0
9802.8008	ELECTRIC PUMPING EQ	-37,482	39,262	39,262	72,000	0	0
9802.8010	WATER TREATMENT EQ	295	32,000	32,000	98,000	0	0
9802.8014	TRANS & DIST MAINS	9,114	117,289	117,289	50,000	10,000	10,000
9802.8015	SERVICES-T & D MAINS	183	9,000	9,000	2,500	2,500	2,500
9802.8016	METERS	0	30,000	30,000	30,000	30,000	30,000
9802.8017	HYDRANTS	30,809	50,000	50,000	70,000	50,000	50,000
9802.8019	OFFICE FURNITURE & EQ	480	221	221	0	0	0
9802.8020	TRANSPORTATION EQ	-5,000	0	0	0	0	0
9802.8021	STORES EQUIPMENT	0	0	0	1,000	0	0
9802.8022	TOOLS, SHOP, GARAGE EQUIPMENT	0	0	0	13,000	500	500
9802.8023	LABORATORY EQ	0	9,300	9,300	7,800	7,800	7,800
9802.8024	POWER OPERATED EQUIPMENT	0	0	0	110,000	0	0
	SUBTOTAL	38,529	483,667	483,667	658,300	120,800	120,800
9803	UTILITY PLANT-OPERATION						
9803.5862	TAXES OTHER THAN INCOME	19,858	20,213	20,213	25,000	25,000	25,000
9803.5901	INTEREST ON BONDS	913,326	861,139	816,139	815,453	746,815	746,815
	SUBTOTAL	933,185	881,352	836,352	840,453	771,815	771,815

**CITY OF DANBURY, CONNECTICUT
WATER DEPARTMENT
2004-2005 ADOPTED BUDGET**

EXPENSE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROJECTED EXPENSES 2003-04	PROPOSED BY DEPT 2004-05	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
9804	SOURCE OF SUPPLY						
9804.5339	OPERATION SUPV & ENGR	55,250	72,382	72,382	35,000	20,000	20,000
	SUBTOTAL	55,250	72,382	72,382	35,000	20,000	20,000
9805	PUMPING OPERATION						
9805.5326	UTILITY SERVICE	298,095	220,000	220,000	230,000	230,000	230,000
9805.5552	MAINTENANCE OF STRUCTURES	46	3,000	3,000	3,000	3,000	3,000
9805.5553	MAINT OF PUMPING EQ	14,759	54,000	54,000	20,000	15,000	15,000
	SUBTOTAL	312,899	277,000	277,000	253,000	248,000	248,000
9806	WATER TREATMENT OPERATION						
9806.5025	OPERATION LABOR	431,526	448,374	448,374	517,636	518,990	518,990
9806.5032	OVERTIME SERVICES	77,428	56,000	65,000	60,000	56,000	56,000
9806.5554	MAINT STRUCTURES & IMP	12,875	17,462	17,462	20,000	6,000	6,000
9806.5555	MAINT WATER TREATMENT EQ	45,443	37,934	37,934	30,000	15,000	15,000
9806.5682	OPERATION EXPENSES	183,592	153,500	153,500	202,100	164,100	164,100
9806.5683	MISC EXPENSE	4,011	6,000	6,000	6,000	6,000	6,000
9806.5689	CHEMICALS	220,492	285,000	285,000	294,000	294,000	294,000
	SUBTOTAL	975,366	1,004,270	1,013,270	1,129,736	1,060,090	1,060,090
9807	TRANS & DIST OPERATION						
9807.5026	OPERATION LABOR-T&D	534,260	540,467	567,967	580,503	574,289	574,289
9807.5027	OPERATION LABOR-METER	66,058	85,129	85,129	88,353	88,353	88,353
9807.5033	OVERTIME SERVICES- T&D	83,845	85,000	75,000	50,000	45,000	45,000
9807.5034	OVERTIME-METERS	1,869	3,000	5,000	5,000	5,000	5,000
9807.5040	PART TIME LABOR	0	0	0	10,000	0	0
9807.5344	CUSTOMER INSTALLATION EXPENSE	119	200	200	200	200	200
9807.5556	MAINTENANCE OF STRUCTURES	10,434	8,150	8,150	28,000	6,000	6,000

**CITY OF DANBURY, CONNECTICUT
WATER DEPARTMENT
2004-2005 ADOPTED BUDGET**

EXPENSE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROJECTED EXPENSES 2003-04	PROPOSED BY DEPT 2004-05	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
9807.5557	MAINTENANCE DISTRB TANKS	12,753	15,000	15,000	15,000	15,000	15,000
9807.5558	MAINTENANCE OF METERS	7,503	5,500	5,500	6,000	6,000	6,000
9807.5559	MAINTENANCE-HYDRANTS	5,022	2,000	4,000	4,000	2,000	2,000
9807.5684	T & D LINES EXP-MATERIALS	55,442	69,420	69,420	80,000	50,000	50,000
9807.5685	METER-MATERIALS	6,991	7,000	7,000	7,000	7,000	7,000
9807.5686	MISCELLANEOUS EXPENSE	21,341	30,684	30,684	20,000	15,000	15,000
	SUBTOTAL	805,637	851,550	873,050	894,056	813,842	813,842
9809	CUSTOMER ACCTS OPERATION						
9809.5028	CUSTOMER RECORDS LABOR	53,061	175,229	220,229	64,118	64,118	64,118
9809.5688	MISC CUST ACCT EXPENSES	28,479	33,391	33,391	38,374	38,374	38,374
	SUBTOTAL	81,540	208,620	253,620	102,492	102,492	102,492
9810	ADM & GENERAL OPERATION						
9810.5029	ADMINISTRATIVE SALARIES	324,117	349,675	349,675	445,636	452,389	452,389
9810.5035	OVERTIME-ADMINISTRATIVE	2,787	5,500	6,000	4,000	1,500	1,500
9810.5220	FICA	116,603	120,681	120,681	122,649	122,649	122,649
9810.5231	UNION WELFARE CONTRIBUTION	170,491	189,904	189,904	215,280	215,280	215,280
9810.5233	CONT TO EMP GROUP INSURANCE	120,052	151,125	151,125	174,227	174,227	174,227
9810.5234	DENTAL INSURANCE	0	0	0	0	0	0
9810.5241	UNEMPLOYMENT COMPENSATION	1,476	0	0	0	0	0
9810.5243	WORKERS COMP INSURANCE	18,738	41,550	41,550	27,395	27,395	27,395
9810.5312	INDEPENDENT ACCTG-AUDIT	15,000	16,000	16,000	17,280	17,280	17,280
9810.5334	OUTSIDE SERVICES	5,260	7,800	9,000	10,130	10,130	10,130
9810.5506	MAINTAIN AUTOMOTIVE EQ	31,590	56,146	50,000	35,000	25,000	25,000
9810.5601	OFFICE SUPPLIES	6,752	8,500	8,500	8,500	6,000	6,000
9810.5620	FUEL	19,343	17,000	17,000	20,000	20,000	20,000
9810.5622	TIRES	3,708	4,000	4,000	4,000	4,000	4,000

**CITY OF DANBURY, CONNECTICUT
WATER DEPARTMENT
2004-2005 ADOPTED BUDGET**

EXPENSE CODE	DEPARTMENT	ACTUAL 2002-03	BUDGET AS OF 02/29/04	PROJECTED EXPENSES 2003-04	PROPOSED BY DEPT 2004-05	PROPOSED BY MAYOR 2004-05	ADOPTED BUDGET 07/01/04
9810.5687	MISC EXPENSE ADMINISTRATION	17,593	29,500	29,500	34,000	30,000	30,000
9810.5813	PROPERTY INSURANCE	151,887	194,670	194,670	177,670	177,670	177,670
9810.5817	WORKERS COMP DEDUCT EXP	21,263	49,000	38,000	144,000	144,000	144,000
9810.9811	CONTINGENCY	0	3,787	0	50,000	25,000	25,000
	SUBTOTAL	1,026,658	1,244,838	1,225,605	1,489,767	1,452,520	1,452,520
	GRAND TOTAL	5,840,762	6,187,329	6,198,596	6,566,454	5,753,209	5,753,209

COMBINED SCHEDULE OF BONDED DEBT THROUGH MATURITY
WATER FUND
AS OF MAY 31, 2004

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Debt Service</u>
2003-2004	-	-	-
2004-2005	1,233,650	740,812	1,974,462
2005-2006	1,233,650	727,375	1,961,025
2006-2007	1,253,650	673,774	1,927,424
2007-2008	1,253,650	618,947	1,872,597
2008-2009	1,289,650	562,477	1,852,127
2009-2010	1,288,650	503,998	1,792,648
2010-2011	1,288,650	444,927	1,733,577
2011-2012	1,285,650	385,968	1,671,618
2012-2013	1,280,000	326,558	1,606,558
2013-2014	1,281,000	265,190	1,546,190
2014-2015	1,136,000	201,030	1,337,030
2015-2016	1,024,000	143,617	1,167,617
2016-2017	1,027,000	93,625	1,120,625
2017-2018	1,018,000	50,401	1,068,401
2018-2019	691,000	18,439	709,439
2019-2020	78,000	3,789	81,789
2020-2021	28,000	1,708	29,708
2021-2022	28,000	574	28,574
Total	17,718,200	5,763,208	23,481,408