

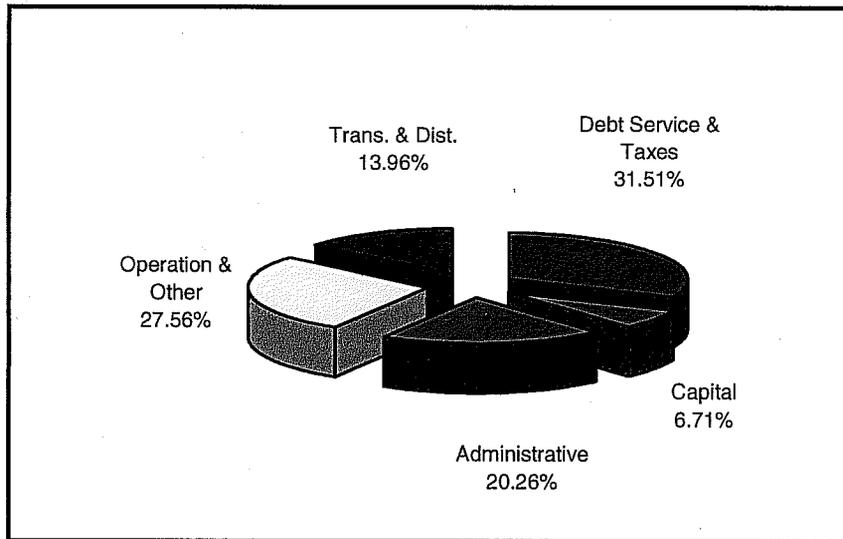
**WATER FUND**

**STATEMENT OF MISSION, ACCOMPLISHMENTS AND MAJOR OBJECTIVES**

|  |  |
|--|--|
| <b>STATEMENT OF MISSION</b>                      | 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.                    |
| <b>FISCAL YEAR 2004-2005<br/>ACCOMPLISHMENTS</b> | <ul style="list-style-type: none"><li>◆ Meter System Upgrade begun.</li><li>◆ Hydrant Replacement Program continues.</li><li>◆ Optimizing water treatment results in reduced lead and copper levels in drinking water.</li></ul>   |
| <b>MAJOR OBJECTIVES<br/>2005-2006</b>            | <ul style="list-style-type: none"><li>◆ Continue upgrade of meter System for Radio Read technology.</li><li>◆ Continue upgrade distribution piping in former community water systems.</li><li>◆ Continue upgrade hydrants to reduce the number out of service.</li></ul> |

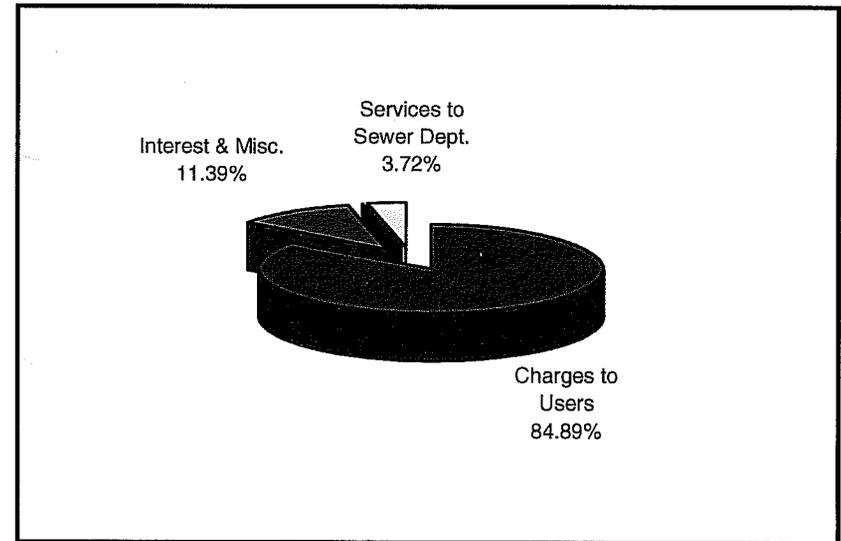
# CITY OF DANBURY WATER FUND 2005-2006 ADOPTED BUDGET

## EXPENSES



|                      |                    |
|----------------------|--------------------|
| Debt Service & Taxes | \$2,055,996        |
| Capital              | 437,500            |
| Administrative       | 1,321,840          |
| Operation & Other    | 1,798,488          |
| Trans. & Dist.       | 910,870            |
| <b>Total</b>         | <b>\$6,524,694</b> |

## REVENUES



|                         |                    |
|-------------------------|--------------------|
| Charges to Users        | \$5,538,694        |
| Interest & Misc.        | 743,000            |
| Fund Balance            | 0                  |
| Services to Sewer Dept. | 243,000            |
| <b>Total</b>            | <b>\$6,524,694</b> |

**CITY OF DANBURY  
WATER FUND  
2005-2006 ADOPTED BUDGET**

|                                      | <u>ACTUAL<br/>2003-04</u> | <u>BUDGET<br/>2004-05</u> | <u>BUDGET<br/>2005-06</u> |
|--------------------------------------|---------------------------|---------------------------|---------------------------|
| <b><u>REVENUES</u></b>               |                           |                           |                           |
| <b><u>SALE OF WATER</u></b>          |                           |                           |                           |
| CHARGES TO USERS                     | \$4,276,799               | \$5,226,209               | \$5,538,694               |
| <b><u>OTHER INCOME</u></b>           |                           |                           |                           |
| SERVICES TO SEWER DEPT.              | 189,335                   | 125,000                   | 243,000                   |
| INTEREST & MISC.                     | 931,299                   | 402,000                   | 743,000                   |
| <b><u>OTHER RESOURCES</u></b>        |                           |                           |                           |
| FUND BALANCE                         | <u>-0-</u>                | <u>-0-</u>                | <u>-0-</u>                |
| TOTAL                                | \$5,397,433               | \$5,753,209               | \$6,524,694               |
| <b><u>EXPENSES</u></b>               |                           |                           |                           |
| OPERATIONS,<br>MAINTENANCE & CAPITAL | \$3,692,248               | \$3,842,744               | \$4,468,698               |
| DEBT SERVICE                         | <u>2,018,005</u>          | <u>1,910,465</u>          | <u>2,055,996</u>          |
| TOTAL                                | \$5,710,253               | \$5,753,209               | \$6,524,694               |

*Rate increase required.*

**CITY OF DANBURY, CONNECTICUT  
WATER REVENUE  
2005-2006 ADOPTED BUDGET**

| <b>REVENUE<br/>CODE</b> | <b>DEPARTMENT</b>       | <b>ACTUAL<br/>2003-2004</b> | <b>BUDGET<br/>AS OF<br/>02/28/05</b> | <b>PROPOSED<br/>BY MAYOR<br/>2005-2006</b> | <b>ADOPTED<br/>BUDGET<br/>07/01/05</b> |
|-------------------------|-------------------------|-----------------------------|--------------------------------------|--|--|
| 9800.4130               | INTEREST & LIENS        | 132,251                     | 100,000                              | 100,000                                    | 100,000                                |
| 9800.4401               | INTEREST ON INVESTMENTS | 1,616                       | 2,000                                | 25,000                                     | 25,000                                 |
| 9800.4640               | TAX LIEN ADMIN FEE      | 181                         | 0                                    | 0  | 0                                      |
| 9800.4655               | MISCELLANEOUS CHARGES   | 402,750                     | 80,000                               | 575,000                                    | 575,000                                |
| 9800.4658               | METERED SALES           | 4,276,799                   | 5,226,209                            | 5,538,694                                  | 5,538,694                              |
| 9800.4659.90            | OTHER REVENUES          | 189,335                     | 205,000                              | 243,000                                    | 243,000                                |
| 9800.4569.95            | PERMIT FEES             | 387,800                     | 140,000                              | 43,000                                     | 43,000                                 |
| 9800.4667               | METER DEPOSITS          | 6,700                       | 0                                    | 0  | 0                                      |
|                         | <b>GRAND TOTAL</b>      | <b>5,397,433</b>            | <b>5,753,209</b>                     | <b>6,524,694</b>                           | <b>6,524,694</b>                       |

**CITY OF DANBURY, CONNECTICUT  
WATER DEPARTMENT  
2005-2006 ADOPTED BUDGET**

| <b>EXPENSE<br/>CODE</b> | <b>DEPARTMENT</b>              | <b>ACTUAL<br/>2003-2004</b> | <b>BUDGET<br/>AS OF<br/>02/28/05</b> | <b>PROJECTED<br/>EXPENSES<br/>2004-2005</b> | <b>PROPOSED<br/>BY DEPT<br/>2005-2006</b> | <b>PROPOSED<br/>BY MAYOR<br/>2005-2006</b> | <b>ADOPTED<br/>BUDGET<br/>07/01/05</b> |
|-------------------------|--------------------------------|-----------------------------|--------------------------------------|---|---|--|--|
| <b>9801</b>             | <b>LONG TERM DEBT-BONDS</b>    |                             |                                      |   |   |  |  |
| 9801.5901               | INTEREST ON DEBT               | -91,834                     | 0                                    | 0   | 0   | 0  | 0                                      |
| 9801.5903               | REDEMPTION OF BONDS-CITY       | 0                           | 0                                    | 0   | 0   | 0  | 0                                      |
| 9801.5904               | REDEMPTION OF DEBT             | 0                           | 1,163,650                            | 1,163,650                                   | 1,135,000                                 | 1,135,000                                  | 1,135,000                              |
| 9801.8026               | DEPRECIATION EXPENSE           | 1,255,297                   | 0                                    | 0   | 0   | 0  | 0                                      |
|                         | <b>SUBTOTAL</b>                | <b>1,163,463</b>            | <b>1,163,650</b>                     | <b>1,163,650</b>                            | <b>1,135,000</b>                          | <b>1,135,000</b>                           | <b>1,135,000</b>                       |
| <b>9802</b>             | <b>UTILITY PLANT</b>           |                             |                                      |   |   |  |  |
| 9802.8005               | IMPOUNDING RESERVOIR           | 3,430                       | 3,400                                | 2,900                                       | 65,000                                    | 65,000                                     | 65,000                                 |
| 9802.8007               | STRCTRES&IMPR-PUMPING PUM      | 7,378                       | 5,031                                | 5,031                                       | 40,000                                    | 40,000                                     | 40,000                                 |
| 9802.8008               | ELECTRIC PUMPING EQ            | 1,969                       | 33,420                               | 33,420                                      | 60,000                                    | 60,000                                     | 60,000                                 |
| 9802.8010               | WATER TREATMENT EQ             | 5,090                       | 17,370                               | 17,370                                      | 75,000                                    | 75,000                                     | 75,000                                 |
| 9802.8013               | DIST RESV & STAND PIPES        | 0                           | 0                                    | 0   | 25,000                                    | 25,000                                     | 25,000                                 |
| 9802.8014               | TRANS & DIST MAINS             | 25,076                      | 10,000                               | 10,000                                      | 50,000                                    | 50,000                                     | 50,000                                 |
| 9802.8015               | SERVICES-T & D MAINS           | 0                           | 2,500                                | 2,500                                       | 2,500                                     | 2,500                                      | 2,500                                  |
| 9802.8016               | METERS                         | 4,326                       | 30,000                               | 3,000                                       | 0   | 0  | 0                                      |
| 9802.8017               | HYDRANTS                       | 36,820                      | 55,294                               | 75,794                                      | 50,000                                    | 50,000                                     | 50,000                                 |
| 9802.8019               | OFFICE FURNITURE & EQ          | 221                         | 0                                    | 0   | 1,000                                     | 1,000                                      | 1,000                                  |
| 9802.8020               | TRANSPORTATION EQ              | 0                           | 0                                    | 0   | 20,000                                    | 20,000                                     | 20,000                                 |
| 9802.8021               | STORES EQUIPMENT               | 0                           | 0                                    | 0   | 1,000                                     | 1,000                                      | 1,000                                  |
| 9802.8022               | TOOLS, SHOP, GARAGE EQUIPMENT  | 0                           | 500                                  | 500   | 13,000                                    | 13,000                                     | 13,000                                 |
| 9802.8023               | LABORATORY EQ                  | 1,991                       | 7,800                                | 7,800                                       | 5,000                                     | 5,000                                      | 5,000                                  |
| 9802.9803               | POWER OPERATED EQUIPMENT       | 0                           | 0                                    | 0   | 30,000                                    | 30,000                                     | 30,000                                 |
|                         | <b>SUBTOTAL</b>                | <b>86,301</b>               | <b>165,314</b>                       | <b>158,315</b>                              | <b>437,500</b>                            | <b>437,500</b>                             | <b>437,500</b>                         |
| <b>9803</b>             | <b>UTILITY PLANT-OPERATION</b> |                             |                                      |   |   |  |  |
| 9803.5862               | TAXES OTHER THAN INCOME        | 20,212                      | 25,000                               | 25,000                                      | 25,000                                    | 25,000                                     | 25,000                                 |
| 9803.5901               | INTEREST ON BONDS              | 854,542                     | 746,815                              | 746,815                                     | 727,373                                   | 895,996                                    | 895,996                                |
|                         | <b>SUBTOTAL</b>                | <b>874,754</b>              | <b>771,815</b>                       | <b>771,815</b>                              | <b>752,373</b>                            | <b>920,996</b>                             | <b>920,996</b>                         |

**CITY OF DANBURY, CONNECTICUT  
WATER DEPARTMENT  
2005-2006 ADOPTED BUDGET**

| <b>EXPENSE<br/>CODE</b> | <b>DEPARTMENT</b>                 | <b>ACTUAL<br/>2003-2004</b> | <b>BUDGET<br/>AS OF<br/>02/28/05</b> | <b>PROJECTED<br/>EXPENSES<br/>2004-2005</b> | <b>PROPOSED<br/>BY DEPT<br/>2005-2006</b> | <b>PROPOSED<br/>BY MAYOR<br/>2005-2006</b> | <b>ADOPTED<br/>BUDGET<br/>07/01/05</b> |
|-------------------------|-----------------------------------|-----------------------------|--------------------------------------|---|---|--|--|
| <b>9804</b>             | <b>SOURCE OF SUPPLY</b>           |                             |                                      |   |   |  |  |
| 9804.5339               | OPERATION SUPV & ENGR             | 41,537                      | 38,461                               | 38,461                                      | 220,000                                   | 155,000                                    | 155,000                                |
|                         | <b>SUBTOTAL</b>                   | <b>41,537</b>               | <b>38,461</b>                        | <b>38,461</b>                               | <b>220,000</b>                            | <b>155,000</b>                             | <b>155,000</b>                         |
| <b>9805</b>             | <b>PUMPING OPERATION</b>          |                             |                                      |   |   |  |  |
| 9805.5326               | UTILITY SERVICE                   | 239,513                     | 230,000                              | 230,000                                     | 241,500                                   | 241,500                                    | 241,500                                |
| 9805.5552               | MAINTENANCE OF STRUCTURES         | 357                         | 3,000                                | 3,000                                       | 5,000                                     | 5,000                                      | 5,000                                  |
| 9805.5553               | MAINT OF PUMPING EQ               | 48,860                      | 28,400                               | 24,800                                      | 25,000                                    | 25,000                                     | 25,000                                 |
|                         | <b>SUBTOTAL</b>                   | <b>288,730</b>              | <b>261,400</b>                       | <b>257,800</b>                              | <b>271,500</b>                            | <b>271,500</b>                             | <b>271,500</b>                         |
| <b>9806</b>             | <b>WATER TREATMENT OPERATION</b>  |                             |                                      |   |   |  |  |
| 9806.5025               | OPERATION LABOR                   | 412,654                     | 510,990                              | 510,900                                     | 580,921                                   | 599,897                                    | 599,897                                |
| 9806.5032               | OVERTIME SERVICES                 | 81,766                      | 56,000                               | 56,000                                      | 63,600                                    | 63,600                                     | 63,600                                 |
| 9806.5554               | MAINT STRUCTURES & IMP            | 17,820                      | 7,000                                | 7,000                                       | 21,000                                    | 21,000                                     | 21,000                                 |
| 9806.5555               | MAINT WATER TREATMENT EQ          | 37,317                      | 28,799                               | 17,799                                      | 31,500                                    | 31,500                                     | 31,500                                 |
| 9806.5682               | OPERATION EXPENSES                | 182,332                     | 167,900                              | 164,100                                     | 224,263                                   | 224,263                                    | 224,263                                |
| 9806.5683               | MISC EXPENSE                      | 6,022                       | 6,000                                | 6,000                                       | 6,200                                     | 6,200                                      | 6,200                                  |
| 9806.5689               | CHEMICALS                         | 233,859                     | 294,000                              | 294,000                                     | 323,000                                   | 323,000                                    | 323,000                                |
|                         | <b>SUBTOTAL</b>                   | <b>971,770</b>              | <b>1,070,689</b>                     | <b>1,055,799</b>                            | <b>1,250,484</b>                          | <b>1,269,460</b>                           | <b>1,269,460</b>                       |
| <b>9807</b>             | <b>TRANS &amp; DIST OPERATION</b> |                             |                                      |   |   |  |  |
| 9807.5026               | OPERATION LABOR-T&D               | 504,226                     | 570,289                              | 570,289                                     | 612,358                                   | 629,555                                    | 629,555                                |
| 9807.5027               | OPERATION LABOR-METER             | 81,859                      | 88,354                               | 88,354                                      | 93,822                                    | 96,215                                     | 96,215                                 |
| 9807.5033               | OVERTIME SERVICES- T&D            | 133,397                     | 72,500                               | 57,000                                      | 100,000                                   | 53,000                                     | 53,000                                 |
| 9807.5034               | OVERTIME-METERS                   | 6,138                       | 4,999                                | 5,000                                       | 5,200                                     | 5,200                                      | 5,200                                  |
| 9807.5344               | CUSTOMER INSTALLATION EXPENSE     | 88                          | 200                                  | 200   | 2,000                                     | 2,000                                      | 2,000                                  |
| 9807.5556               | MAINTENANCE OF STRUCTURES         | 8,994                       | 12,741                               | 12,740                                      | 15,750                                    | 15,750                                     | 15,750                                 |

**CITY OF DANBURY, CONNECTICUT  
WATER DEPARTMENT  
2005-2006 ADOPTED BUDGET**

| <b>EXPENSE<br/>CODE</b> | <b>DEPARTMENT</b>                  | <b>ACTUAL<br/>2003-2004</b> | <b>BUDGET<br/>AS OF<br/>02/28/05</b> | <b>PROJECTED<br/>EXPENSES<br/>2004-2005</b> | <b>PROPOSED<br/>BY DEPT<br/>2005-2006</b> | <b>PROPOSED<br/>BY MAYOR<br/>2005-2006</b> | <b>ADOPTED<br/>BUDGET<br/>07/01/05</b> |
|-------------------------|------------------------------------|-----------------------------|--------------------------------------|---|---|--|--|
| 9807.5557               | MAINTENANCE DISTRB TANKS           | 12,032                      | 15,000                               | 15,000                                      | 15,750                                    | 15,750                                     | 15,750                                 |
| 9807.5558               | MAINTENANCE OF METERS              | 5,342                       | 6,000                                | 6,000                                       | 6,200                                     | 6,200                                      | 6,200                                  |
| 9807.5559               | MAINTENANCE-HYDRANTS               | 1,912                       | 2,000                                | 2,000                                       | 4,200                                     | 4,200                                      | 4,200                                  |
| 9807.5684               | T & D LINES EXP-MATERIALS          | 111,381                     | 74,000                               | 74,000                                      | 60,000                                    | 60,000                                     | 60,000                                 |
| 9807.5685               | METER-MATERIALS                    | 5,010                       | 8,065                                | 3,065                                       | 7,200                                     | 7,200                                      | 7,200                                  |
| 9807.5686               | MISCELLANEOUS EXPENSE              | 31,635                      | 25,000                               | 25,000                                      | 15,800                                    | 15,800                                     | 15,800                                 |
|                         | <b>SUBTOTAL</b>                    | <b>902,014</b>              | <b>879,148</b>                       | <b>858,648</b>                              | <b>938,280</b>                            | <b>910,870</b>                             | <b>910,870</b>                         |
| <b>9809</b>             | <b>CUSTOMER ACCTS OPERATION</b>    |                             |                                      |   |   |  |  |
| 9809.5028               | CUSTOMER RECORDS LABOR             | 67,899                      | 64,118                               | 64,118                                      | 70,564                                    | 70,564                                     | 70,564                                 |
| 9809.5688               | MISC CUST ACCT EXPENSES            | 29,599                      | 38,374                               | 38,374                                      | 31,964                                    | 31,964                                     | 31,964                                 |
|                         | <b>SUBTOTAL</b>                    | <b>97,498</b>               | <b>102,492</b>                       | <b>102,492</b>                              | <b>102,528</b>                            | <b>102,528</b>                             | <b>102,528</b>                         |
| <b>9810</b>             | <b>ADM &amp; GENERAL OPERATION</b> |                             |                                      |   |   |  |  |
| 9810.5029               | ADMINISTRATIVE SALARIES            | 453,497                     | 427,389                              | 442,389                                     | 291,172                                   | 298,573                                    | 298,573                                |
| 9810.5035               | OVERTIME-ADMINISTRATIVE            | 6,311                       | 1,500                                | 1,500                                       | 4,200                                     | 4,200                                      | 4,200                                  |
| 9810.5220               | FICA                               | 123,346                     | 122,649                              | 122,649                                     | 117,856                                   | 130,621                                    | 130,621                                |
| 9810.5231               | UNION WELFARE CONTRIBUTION         | 177,270                     | 215,280                              | 215,280                                     | 239,200                                   | 239,200                                    | 239,200                                |
| 9810.5233               | CONT TO EMP GROUP INSURANCE        | 123,574                     | 174,227                              | 174,227                                     | 145,190                                   | 150,000                                    | 150,000                                |
| 9810.5243               | WORKERS COMP INSURANCE             | 19,920                      | 27,395                               | 27,395                                      | 24,058                                    | 24,058                                     | 24,058                                 |
| 9810.5312               | INDEPENDENT ACCTG-AUDIT            | 16,000                      | 17,280                               | 17,280                                      | 13,000                                    | 13,000                                     | 13,000                                 |
| 9810.5334               | OUTSIDE SERVICES                   | 11,430                      | 34,719                               | 34,719                                      | 10,400                                    | 10,400                                     | 10,400                                 |
| 9810.5506               | MAINTAIN AUTOMOTIVE EQ             | 49,813                      | 25,259                               | 25,259                                      | 36,800                                    | 36,800                                     | 36,800                                 |
| 9810.5601               | OFFICE SUPPLIES                    | 5,873                       | 6,000                                | 6,000                                       | 8,900                                     | 8,900                                      | 8,900                                  |
| 9810.5620               | FUEL                               | 32,155                      | 20,000                               | 20,000                                      | 30,000                                    | 30,000                                     | 30,000                                 |
| 9810.5622               | TIRES                              | 1,862                       | 4,000                                | 4,000                                       | 4,200                                     | 4,200                                      | 4,200                                  |

**CITY OF DANBURY, CONNECTICUT  
WATER DEPARTMENT  
2005-2006 ADOPTED BUDGET**

| <b>EXPENSE<br/>CODE</b> | <b>DEPARTMENT</b>           | <b>ACTUAL<br/>2003-2004</b> | <b>BUDGET<br/>AS OF<br/>02/28/05</b> | <b>PROJECTED<br/>EXPENSES<br/>2004-2005</b> | <b>PROPOSED<br/>BY DEPT<br/>2005-2006</b> | <b>PROPOSED<br/>BY MAYOR<br/>2005-2006</b> | <b>ADOPTED<br/>BUDGET<br/>07/01/05</b> |
|-------------------------|-----------------------------|-----------------------------|--------------------------------------|---|---|--|--|
| 9810.5687               | MISC EXPENSE ADMINISTRATION | 12,829                      | 30,000                               | 30,000                                      | 30,000                                    | 30,000                                     | 30,000                                 |
| 9810.5813               | PROPERTY INSURANCE          | 151,887                     | 177,670                              | 177,670                                     | 151,888                                   | 151,888                                    | 151,888                                |
| 9810.5817               | WORKERS COMP DEDUCT EXP     | 98,418                      | 124,000                              | 144,000                                     | 144,000                                   | 100,000                                    | 100,000                                |
| 9810.5819               | PUBLIC LIABILITY DEDUCTIBLE | 0                           | 22,100                               | 16,094                                      | 60,000                                    | 50,000                                     | 50,000                                 |
| 9810.9811               | CONTINGENCY                 | 0                           | 0                                    | 25,000                                      | 40,000                                    | 40,000                                     | 40,000                                 |
|                         | <b>SUBTOTAL</b>             | <b>1,284,185</b>            | <b>1,429,468</b>                     | <b>1,483,462</b>                            | <b>1,350,864</b>                          | <b>1,321,840</b>                           | <b>1,321,840</b>                       |
|                         | <b>GRAND TOTAL</b>          | <b>5,710,253</b>            | <b>5,882,437</b>                     | <b>5,890,442</b>                            | <b>6,458,529</b>                          | <b>6,524,694</b>                           | <b>6,524,694</b>                       |

**COMBINED SCHEDULE OF BONDED DEBT THROUGH MATURITY  
WATER FUND  
AS OF MAY 31, 2005**

| <u>Fiscal<br/>Year</u> | <u>Principal<br/>Payments</u> | <u>Interest<br/>Payments</u> | <u>Total Debt<br/>Service</u> |
|------------------------|-------------------------------|------------------------------|-------------------------------|
| 2004-2005              | -                             | -                            | -                             |
| 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                        |
| <b>Total</b>           | <b>16,484,550</b>             | <b>5,022,396</b>             | <b>21,506,946</b>             |