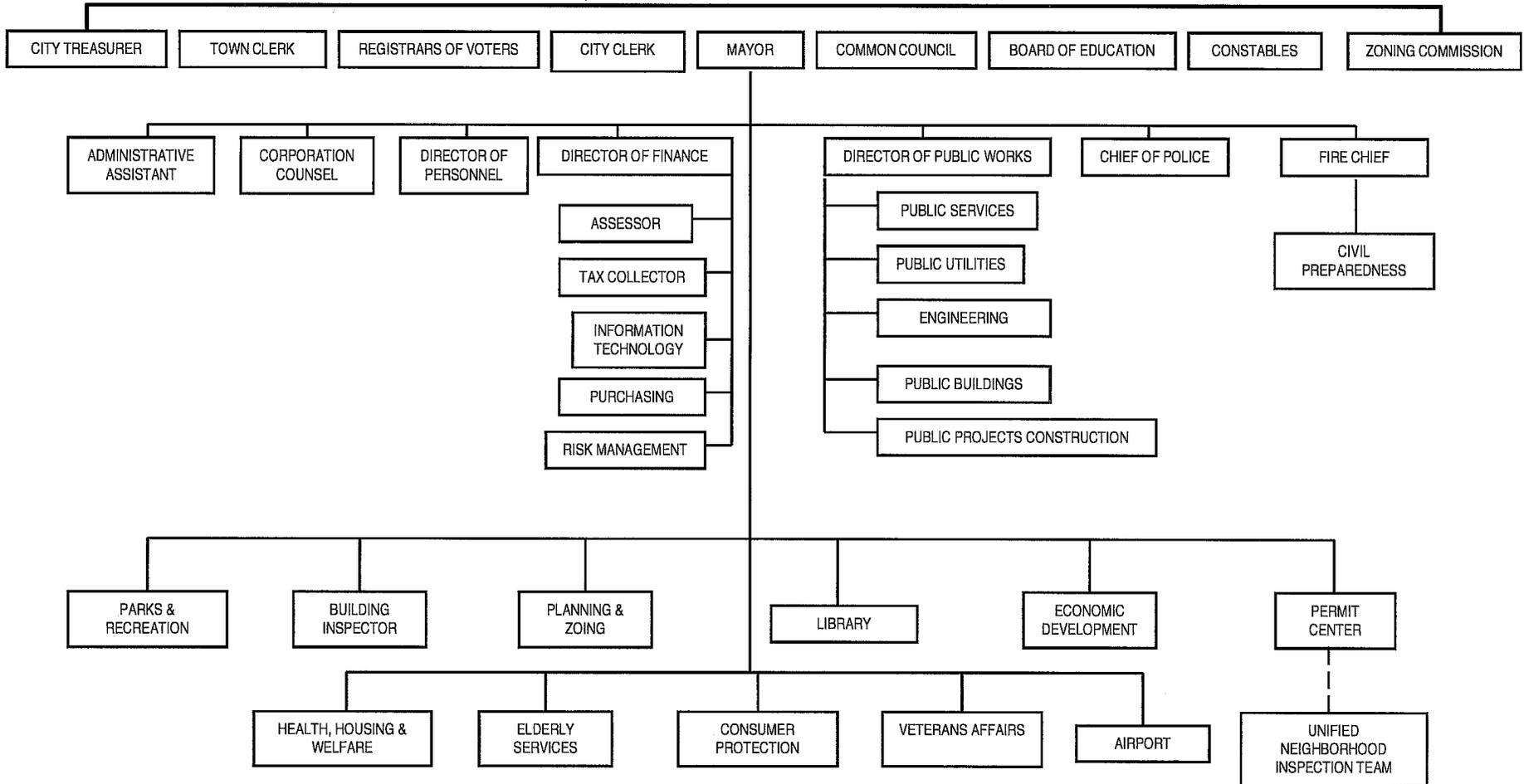


CITY OF DANBURY ORGANIZATION CHART

VOTERS ELECT



CITY OF DANBURY

ANNUAL OPERATING BUDGET PROCEDURES

BUDGET PROCESS

Since the Capital Improvement Program must be presented to the Planning Commission no later than February 15, the Planning Director distributes the Capital Improvement Program forms and guidelines to department heads in mid-November. The requests need to be submitted to the Planning Director within one month.

Traditionally, the budget “kick-off” meeting is held the second Friday in December. The Mayor and Director of Finance distribute the budget calendar, forms, and instructions to City department heads and representatives of the City’s grant agencies. An overview of economic conditions, trends and expectations is presented to provide a guideline for preparation of the next fiscal year’s budget. The budget must be submitted to the Director of Finance no later than the second Friday of January.

Budget submissions are reviewed, and a meeting is held with each department head during the last week of January and the first week of February to discuss justification of the budget submitted and any changes that need to be made. If necessary, additional discussions with department heads and grant agencies are scheduled throughout the month of February. During the month of March, the Mayor and Director of Finance finalize the budget, which will be presented to the Common Council at its April meeting. According to Danbury’s City Charter, the Mayor must present a budget to the Council no later than April 7, but allows the Mayor the option of submitting the budget earlier than the April meeting.

During the month of April, the Common Council reviews the Proposed Operating Budget. This budget is divided into four subdivisions – General Government I, General Government II, Public Works and Health & Housing, Public Safety and Social Services. Each is reviewed by a subcommittee composed of members of the Common Council. Public hearings are held so that the citizens of Danbury may ask questions and voice their opinion of the proposed budget. The last date that the budget can be adopted is May 15. However, the Common Council usually approves an Adopted Budget at its regularly scheduled May meeting. The Budget Ordinance and Tax Resolution are formalized. The Adopted Budget is printed and is ready for distribution and posting on the City’s web site by July 1.

FORMAL BUDGET PROCEDURES AS OUTLINED BY CITY CHARTER

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.
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.

Duties of the Mayor on the Budget (cont.)

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.
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.

Expenditures (cont.)

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 PREPARATION CALENDAR FOR FISCAL YEAR 2008-2009

November 14, 2007	Planning Director distributes Capital Budget forms and guidelines.
December 10, 2007	Director of Finance distributes budget guidelines.
December 14, 2007	Capital Budgets are due to Planning Director.
January 11, 2008	Deadline for submission of City Operating Budget.
January 14-18, 2008	Director of Finance reviews budget submissions.
January 22-February 5, 2008	Director of Finance meets with department heads.
February 6-March 21, 2008	Mayor and Director of Finance prepare final recommendations.
February 15, 2008*	Deadline for submission of Capital Budget from Planning Commission.
February 15, 2008*	Deadline for submission of Education Budget from Board of Education.
March 24-31, 2008	Budget is prepared for printing. Sent out for printing and binding. Budget Ordinance and Tax Resolution are drafted.
April 7, 2008	Mayor presents Budget to Common Council. (Must present to Council no later than April 7*).
April 8-May 1, 2008	Common Council reviews Budget. Public hearings are held (prior to May 1*). Notice of public hearings published five days prior. Proposed budget printed in Danbury News-Times.
May 6, 2008	Budget submitted to Common Council for final approval. (Last date Budget can be adopted is May 15, 2008*).
May 16 – June 30, 2008	Preparation & Printing of Adopted Budget documents.
July 1, 2008	Adopted Budgets ready for distribution and available on City's website.

**Mandated by City Charter*

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 17 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, 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 is not included in this document, but is 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 provisions of Section 7-10a of the City Charter require that any bonds authorized to meet the costs of a discrete project or purpose in excess of \$500,000 must be submitted to the electors for approval or disapproval.

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).

ACCOUNTING AND BUDGETARY BASIS

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.

The **budgetary basis** follows the modified accrual basis of accounting except:

Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order is issued, and accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures in the current year but are shown as reservation of fund balance on a GAAP basis.

Summary of Fund Types & Basis of Accounting

Fund	Fund Type	Basis of Accounting	Major Fund
General Fund	Governmental	Modified Accrual	Yes
Water Fund	Proprietary	Accrual	Yes
Sewer Fund	Proprietary	Accrual	Yes
Ambulance Fund	Governmental	Modified Accrual	No
Animal Control Fund	Governmental	Modified Accrual	No
Capital Projects Fund	Governmental	Modified Accrual	Yes

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, Planning, Economic Development, 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, Old Library Building and Park Buildings.

Public Safety – Includes Police Department, Contribution to Animal Control Fund (interfund transfer), Fire Department, Building Inspector, Civil Preparedness, Consumer Protection, and the Unified Neighborhood Inspection Team.

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

Health, Housing and Welfare – Includes Health, Housing and Welfare.

Social Services Agencies – Includes 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, Lake Kenosia Commission, Ives Authority for the Performing Arts and Danbury Museum Authority.

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.

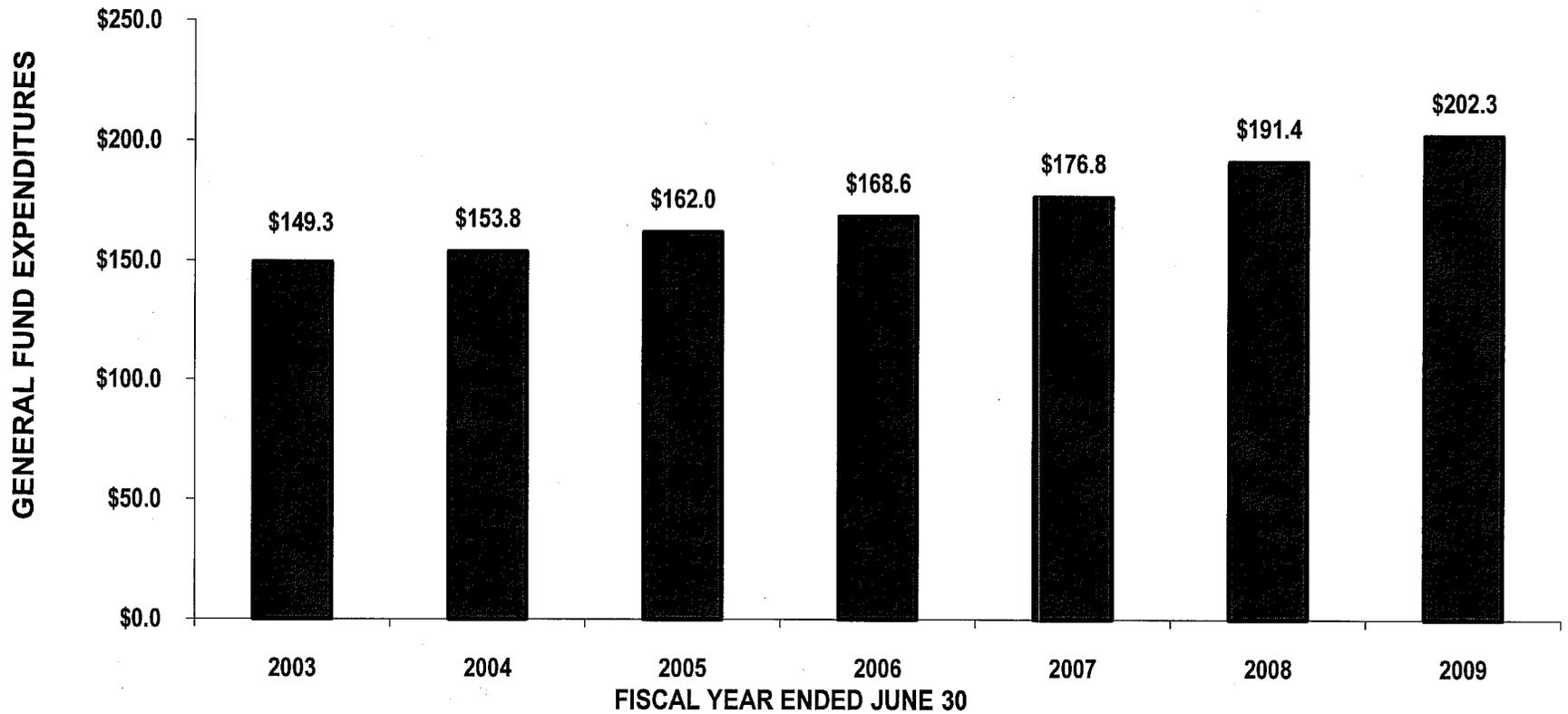
Transportation – Includes Airport and Housatonic Area Regional Transit (HART).

Contingency – Includes Contingency.

FUNCTION	FY02/03 ACTUAL		FY03/04 ACTUAL		FY04/05 ACTUAL		FY05/06 ACTUAL		FY06/07 ACTUAL		FY07/08 ADOPTED		FY08-09 ADOPTED	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
General Government	8,303,852	5.6%	7,956,227	5.2%	7,660,774	4.7%	7,936,686	4.7%	8,331,861	4.7%	8,646,226	4.9%	9,429,679	4.7%
Public Safety	21,319,959	14.3%	20,956,860	13.6%	21,148,464	13.1%	23,606,624	14.0%	23,791,569	13.5%	23,779,068	13.4%	27,642,828	13.7%
Public Works	6,208,842	4.2%	5,822,399	3.8%	7,596,982	4.7%	8,076,709	4.8%	8,093,234	4.6%	8,048,753	4.5%	9,471,668	4.7%
Health, Housing & Welfare	825,180	0.5%	798,224	0.5%	798,753	0.5%	858,174	0.5%	1,049,873	0.6%	1,133,718	0.6%	1,140,277	0.6%
Social Agencies	1,910,045	1.3%	1,904,273	1.2%	1,635,978	1.0%	1,852,439	1.1%	1,606,813	0.9%	1,635,471	0.9%	1,620,817	0.8%
Education	81,920,189	55.0%	85,734,789	55.7%	90,694,338	56.0%	95,141,056	56.4%	100,773,443	57.0%	100,161,196	56.2%	112,103,866	55.4%
Libraries	1,932,687	1.3%	1,915,464	1.2%	1,951,618	1.2%	2,064,689	1.2%	2,040,196	1.1%	2,049,733	1.2%	2,117,547	1.0%
Parks & Recreation	1,992,762	1.2%	2,023,342	1.3%	741,942	0.5%	813,435	0.5%	800,136	0.5%	850,610	0.5%	1,056,158	0.5%
Recurring Costs	15,386,530	10.3%	17,482,243	11.4%	19,073,439	11.8%	18,609,731	11.0%	20,084,658	11.4%	20,777,083	11.7%	22,874,416	11.3%
Debt Service	8,293,456	5.6%	7,795,991	5.1%	9,147,020	5.6%	8,674,279	5.1%	9,241,584	5.2%	9,465,260	5.3%	13,091,212	6.5%
Capital Projects	200,180	0.1%	165,862	0.1%	162,062	0.1%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Transportation	1,024,711	0.6%	1,007,728	0.7%	961,286	0.6%	1,079,051	0.6%	1,143,048	0.6%	1,144,864	0.6%	1,246,791	0.6%
Contingency	0	0.0%	465,999	0.3%	553,049	0.3%	0	0.0%	0	0.0%	400,000	0.2%	500,000	0.2%
Miscellaneous	0	0%	(209,702)	-0.1%	(91,265)	-0.1%	(149,018)	-0.1%	(150,114)	-0.1%	0	0.0%	0	0.0%
Total General Fund	149,318,392	100%	153,819,699	100%	162,034,440	100%	168,563,855	100%	176,806,300	100%	191,380,329	100%	202,295,259	100%

During Fiscal Years 02/03 and 05/06, contingency funds were transferred to other accounts, and as a result, the actual year-end balance does not reflect the utilization of contingency funds. In FY03/04 and FY04/05, the funds remaining in the contingency account were used to accrue for unsettled labor contracts.

**CITY OF DANBURY
GENERAL FUND EXPENDITURES
SEVEN YEAR HISTORY
(MILLIONS)**



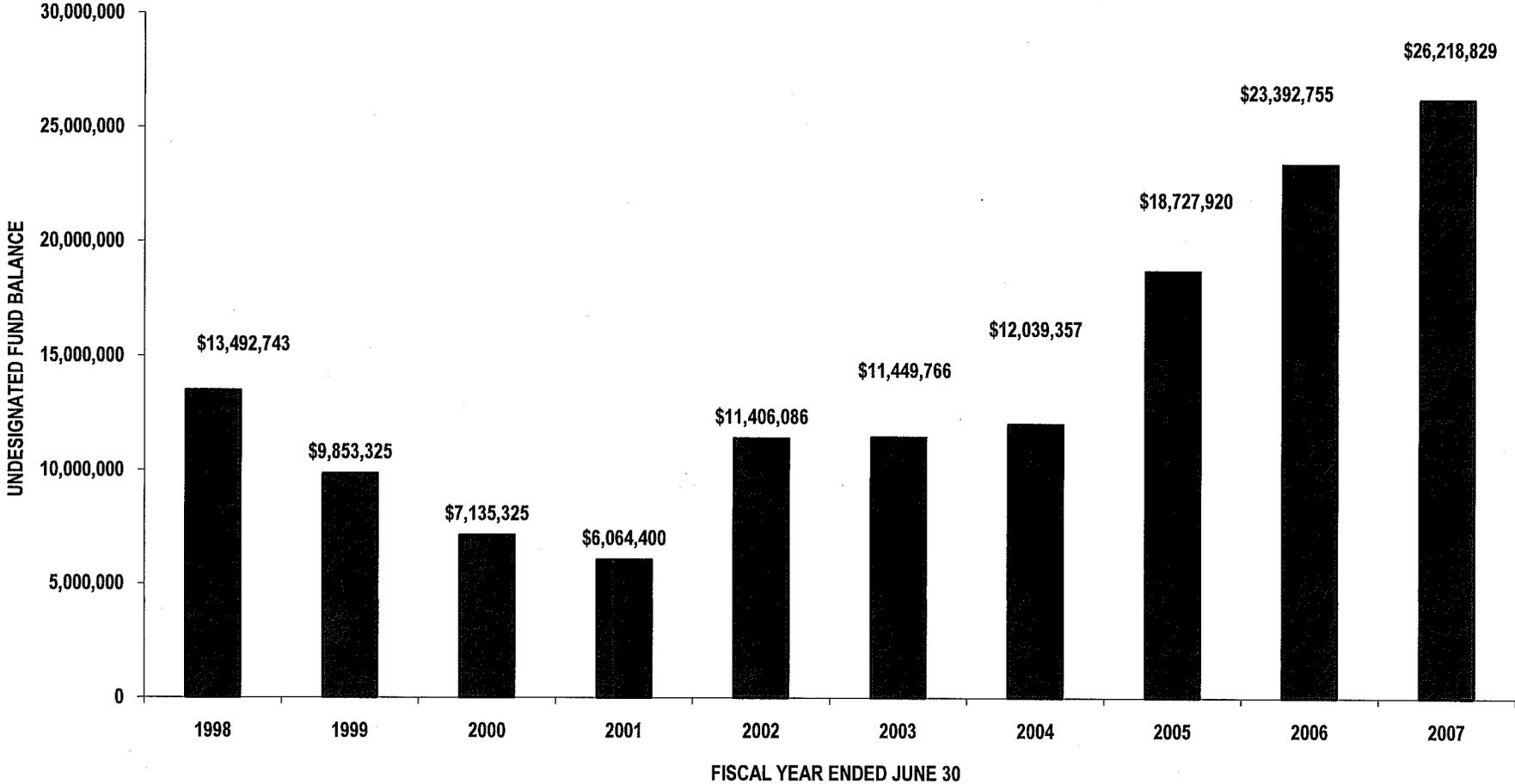
FY 2008 AND 2009 ARE BASED ON ADOPTED BUDGETS

**SUMMARY OF REVENUES, EXPENDITURES AND CHANGES IN GENERAL FUND BALANCE
FISCAL YEARS 2004-05 TO 2008-09**

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
<u>REVENUES</u>					
Property Taxes	\$ 128,472,290	\$ 128,855,805	\$ 134,915,435	\$ 138,859,007	\$ 154,126,461
Intergovernmental	26,541,876	27,435,245	29,304,993	32,793,640	33,120,718
Licenses & Permits	5,394,512	6,105,553	4,908,730	5,217,950	3,826,600
Fines & Penalties	984,552	1,222,113	358,545	1,453,000	1,348,000
Interest Income	1,335,962	3,028,730	3,700,270	3,200,000	4,000,000
Charges for Services	5,993,811	6,926,085	6,629,759	5,741,732	2,123,480
TOTAL REVENUE	168,723,003	173,573,531	179,817,732	187,265,329	198,545,259
<u>EXPENDITURES</u>					
General Government	7,660,774	7,936,686	8,454,436	9,169,378	9,429,679
Public Safety	21,148,464	23,606,624	24,832,822	25,143,011	27,642,828
Public Works	7,596,982	8,076,709	8,201,036	8,232,954	9,471,668
Health, Housing & Welfare	798,753	858,174	1,117,046	1,138,561	1,140,277
Social Services	1,635,978	1,852,439	1,673,986	1,703,504	1,620,817
Education	90,694,338	95,141,056	100,773,443	106,270,463	112,103,866
Libraries	1,951,618	2,064,689	2,040,196	2,123,609	2,117,547
Culture & Recreation	741,942	813,435	903,317	905,614	1,056,158
Recurring Costs	19,073,439	18,609,731	18,575,499	23,219,661	22,874,416
Debt Service	9,147,020	8,674,279	9,241,584	10,958,000	13,091,212
Capital Projects	162,062	195,823	35,245	-	-
Transportation	961,286	1,079,051	1,143,048	1,215,574	1,246,791
Congtingency	553,049	-	-	1,300,000	500,000
Miscellaneous Adjustment	(91,265)	-	-	-	-
TOTAL EXPENDITURES	162,034,440	168,908,696	176,991,658	191,380,329	202,295,259
Excess (Deficiency) of Revenues over Expenditures	\$ 6,688,563	\$ 4,664,835	\$ 2,826,074	\$ (4,115,000)	\$ (3,750,000)
Other Financing Sources	-	-	-	500,000	750,000
Excess (Deficiency) of Revenues over Expenditures and Other Financing Sources	\$ 6,688,563	\$ 4,664,835	\$ 2,826,074	\$ (3,615,000)	\$ (3,000,000)
Beginning Fund Balance	\$ 12,039,357	\$ 18,727,920	\$ 23,392,755	\$ 26,218,829	\$ 22,603,829
Ending Fund Balance	\$ 18,727,920	\$ 23,392,755	\$ 26,218,829	\$ 22,603,829	\$ 19,603,829

NOTE: Fund Balance for 2007-08 and 2008-09 are based on budget.

**CITY OF DANBURY
GENERAL FUND
UNDESIGNATED FUND BALANCE
TEN YEAR HISTORY**



2007-2009

SUMMARY OF FINANCIAL SOURCES AND USES

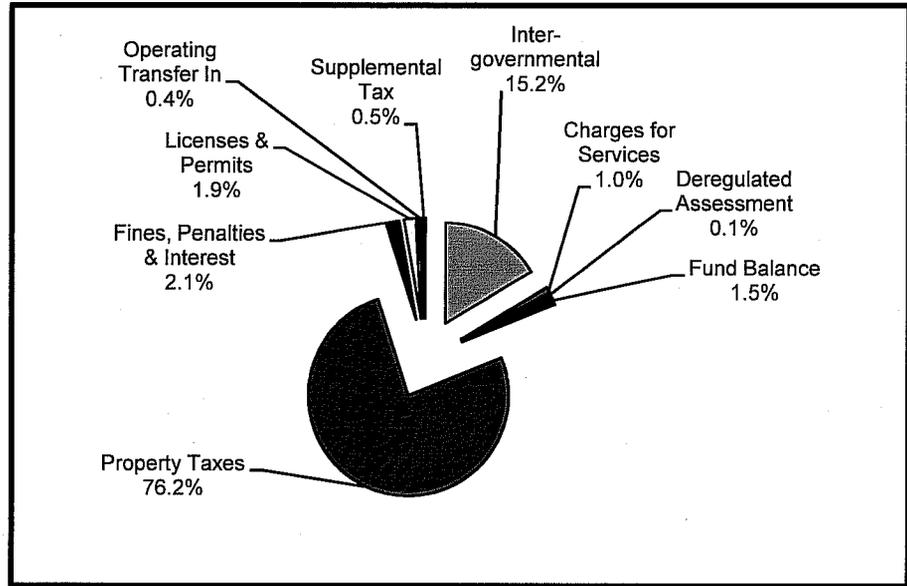
	GENERAL FUND			AMBULANCE FUND			ANIMAL CONTROL FUND		
	2006-2007 Actual	2007-2008 Budget	2008-2009 Budget	2006-2007 Actual	2007-2008 Budget	2008-2009 Budget	2006-2007 Actual	2007-2008 Budget	2008-2009 Budget
<u>FINANCIAL SOURCES</u>									
Property Taxes	134,915,435	138,859,007	154,126,461						
Supplemental Tax	-	-							
Intergovernmental	29,304,993	32,793,640	33,120,718						
Licenses and Permits	4,908,730	5,217,950	3,826,600						
Charges for Services	6,629,759	5,741,732	2,123,480						
Fines and Penalties	358,545	1,453,000	1,348,000						
Investment Income	3,700,270	3,200,000	4,000,000	10,111	7,500	7,500	1,444	900	1,500
Fund Equity		3,615,000	3,000,000						
Operating Transfer-In		500,000	750,000						
User Fees				2,558,747	2,009,627	2,017,595			
General Fund Subsidy							205,051	220,019	244,048
Animal Licenses & Other							15,361	13,300	13,300
Sewer Use									
Septic Waste									
Connection & Related Charges									
Intermunicipal Billings									
Interest & Liens									
Water Use									
Miscellaneous				(269,114)					
Total Financial Sources	179,817,732	191,380,329	202,295,259	2,299,744	2,017,127	2,025,095	221,856	234,219	258,848
<u>FINANCIAL USES</u>									
General Government	8,454,436	9,169,378	9,429,679						
Public Safety	24,832,822	25,143,011	27,642,828	1,852,219	2,017,127	2,025,095	202,375	234,219	258,848
Public Works	8,201,036	8,232,954	9,471,668						
Health & Housing	1,117,046	1,138,561	1,140,277						
Social Services	1,673,986	1,703,504	1,620,817						
Education	100,773,443	106,270,463	112,103,866						
Libraries	2,040,196	2,123,609	2,117,547						
Parks & Recreation	903,317	905,614	1,056,158						
Recurring Costs	18,575,499	23,219,661	22,874,416						
Debt Service	9,241,584	10,958,000	13,091,212						
Capital Program	35,245	-	-						
Transportation	1,143,049	1,215,574	1,246,791						
Contingency	-	1,300,000	500,000						
Miscellaneous Adjustment	-	-	-						
Total Financial Uses	176,991,659	191,380,329	202,295,259	1,852,219	2,017,127	2,025,095	202,375	234,219	258,848

**CITY OF DANBURY, CONNECTICUT
2007-2009
SUMMARY OF FINANCIAL SOURCES AND USES**

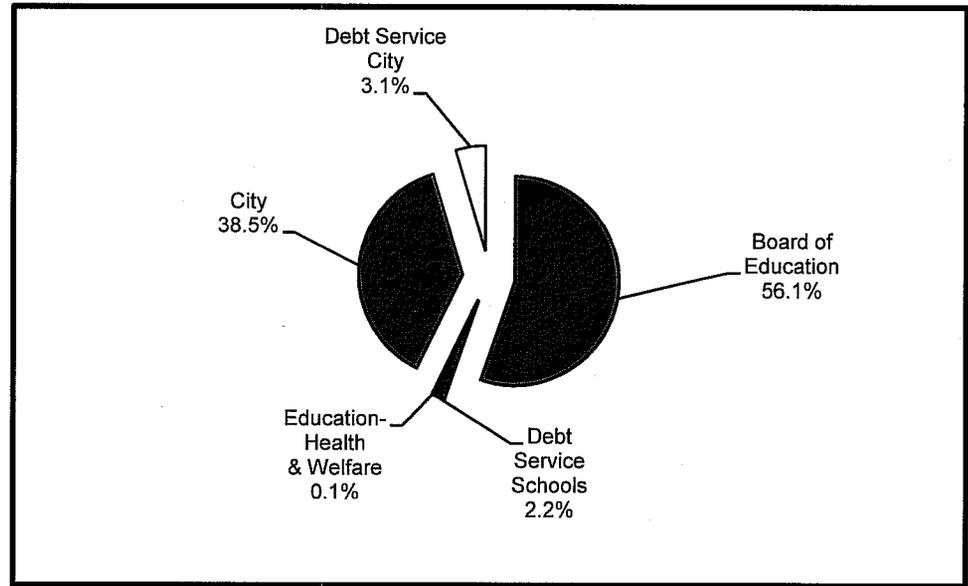
	SEWER FUND			WATER FUND			FUND TOTALS		
	2006-2007 Actual	2007-2008 Budget	2008-2009 Budget	2006-2007 Actual	2007-2008 Budget	2008-2009 Budget	2006-2007 Actual	2007-2008 Budget	2008-2009 Budget
FINANCIAL SOURCES									
Property Taxes							134,915,435	138,859,007	154,126,461
Supplemental Tax							-	-	-
Intergovernmental							29,304,993	32,793,640	33,120,718
Licenses and Permits							4,908,730	5,217,950	3,826,600
Charges for Services							6,629,759	5,741,732	2,123,480
Fines and Penalties							358,545	1,453,000	1,348,000
Investment Income	123,053	150,000	150,000	168,486	175,000	175,000	4,003,364	3,533,400	4,334,000
Fund Equity							-	3,615,000	3,000,000
Operating Transfer-In							-	500,000	750,000
User Fees							2,558,747	2,009,627	2,017,595
General Fund Subsidy							205,051	220,019	244,048
Animal Licenses & Other							15,361	13,300	13,300
Sewer Use	7,501,452	6,833,502	7,472,795				7,501,452	6,833,502	7,472,795
Septic Waste	1,009,678	1,161,000	1,050,000				1,009,678	1,161,000	1,050,000
Connection & Related Charges	2,426,181	395,000	412,164				2,426,181	395,000	412,164
Intermunicipal Billings	835,908	835,906	873,523				835,908	835,906	873,523
Interest & Liens	244,911	250,000	150,000	160,896	115,000	115,000	405,807	365,000	265,000
Water Use				7,530,710	6,549,222	7,214,461	7,530,710	6,549,222	7,214,461
Miscellaneous				2,639,290	903,000	730,000	2,639,290	903,000	730,000
Total Financial Sources	12,141,183	9,625,408	10,108,482	10,499,382	7,742,222	8,234,461	205,249,011	210,999,305	222,922,145
FINANCIAL USES									
General Government							8,454,436	9,169,378	9,429,679
Public Safety							26,887,416	27,394,357	29,926,771
Public Works	8,651,216	9,625,408	10,108,482	6,682,141	7,742,222	8,234,461	23,534,393	25,600,584	27,814,611
Health & Housing							1,117,046	1,138,561	1,140,277
Social Services							1,673,986	1,703,504	1,620,817
Education							100,773,443	106,270,463	112,103,866
Libraries							2,040,196	2,123,609	2,117,547
Parks & Recreation							903,317	905,614	1,056,158
Recurring Costs							18,575,499	23,219,661	22,874,416
Debt Service							9,241,584	10,958,000	13,091,212
Capital Program							35,245	-	-
Transportation							1,143,049	1,215,574	1,246,791
Contingency							-	1,300,000	500,000
Total Financial Uses	8,651,216	9,625,408	10,108,482	6,682,141	7,742,222	8,234,461	194,379,610	210,999,305	222,922,145

CITY OF DANBURY 2008-2009 ADOPTED BUDGET TOTAL - \$202,295,259

REVENUES



EXPENDITURES



Intergovernmental	\$33,120,718
Charges for Services	2,111,880
Deregulated Assessment	11,600
Fund Balance	3,000,000
Property Taxes	154,126,461
Fines, Penalties & Interest	4,314,000
Licenses & Permits	3,826,600
Operating Transfer In	750,000
Supplemental Tax	1,034,000
Total	\$202,295,259

Board of Education	\$111,895,291
Debt Service--Schools	3,728,213
Education--Health & Welfare	208,575
City	77,100,181
Debt Service--City	9,362,999
Total	\$202,295,259

**CITY OF DANBURY, CONNECTICUT
GENERAL FUND
2008-2009 ADOPTED BUDGET SUMMARY**

	<u>PROPOSED BY MAYOR</u>	<u>ADOPTED COMMON COUNCIL</u>
GENERAL GOVERNMENT	\$ 9,429,679	\$ 9,429,679
PUBLIC SAFETY	27,642,828	27,642,828
PUBLIC WORKS	9,471,668	9,471,668
HEALTH, HOUSING & WELFARE	1,140,277	1,140,277
SOCIAL SERVICES AGENCIES	1,620,817	1,620,817
SCHOOLS, GEN. & HEALTH & WELFARE	112,103,866	112,103,866
LIBRARIES	2,117,547	2,117,547
CULTURE & RECREATION	1,056,158	1,056,158
RECURRING COSTS	22,874,416	22,874,416
DEBT SERVICE – GENERAL	9,362,999	9,362,999
DEBT SERVICE – SCHOOLS	3,728,213	3,728,213
TRANSPORTATION	1,246,791	1,246,791
CONTINGENCY ACCOUNTS	<u>500,000</u>	<u>500,000</u>
TOTAL	\$202,295,259	\$202,295,259
<u>LESS INDIRECT REVENUE</u>		(44,418,798)
<u>LESS USE OF FUND BALANCE</u>		(3,000,000)
<u>LESS OPERATING TRANSFER IN</u>		<u>(750,000)</u>
REQUIRED TAXES		\$154,126,461
MILL RATE	\$21.35	
NET TAXABLE GRAND LIST	\$7,219,037,963	

**CITY OF DANBURY
ADOPTED BUDGET
FY 2008-2009**

SUMMARY OF OPERATING BUDGET EXPENDITURES

DEPARTMENT	ACTUAL FY 2006-2007	BUDGET FY 2007-2008	PROPOSED BY DEPT FY 2008-2009	ADOPTED BUDGET FY 2008-2009	\$ CHANGE 07-08 VS 08-09
GENERAL GOVERNMENT	8,331,861	9,169,378	10,041,854	9,429,679	260,301
PUBLIC SAFETY	23,791,569	25,143,011	29,387,571	27,642,828	2,499,817
PUBLIC WORKS	8,093,234	8,232,954	11,463,864	9,471,668	1,238,714
HEALTH, HOUSING AND WELFARE	1,049,873	1,138,561	1,156,731	1,140,277	1,716
SOCIAL SERVICES AGENCIES	1,606,813	1,703,504	1,982,955	1,620,817	(82,687)
EDUCATION	100,773,443	106,270,463	114,577,156	112,103,866	5,833,403
LIBRARIES	2,040,196	2,123,609	2,117,547	2,117,547	(6,062)
CULTURE & RECREATION	800,136	905,614	1,370,608	1,056,158	150,544
RECURRING COSTS	20,084,658	23,219,661	24,831,035	22,874,416	(345,245)
DEBT SERVICE	9,241,584	10,958,000	13,091,212	13,091,212	2,133,212
TRANSPORTATION	1,143,048	1,215,574	1,254,613	1,246,791	31,217
CONTINGENCY	0	1,300,000	500,000	500,000	(800,000)
MISCELLANEOUS ADJUSTMENT	(150,114)	0	0	0	0
GRAND TOTAL	176,806,300	191,380,329	211,775,146	202,295,259	10,914,930

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FY 2008-2009
SUMMARY OF OPERATING BUDGET EXPENDITURES**

DEPARTMENT	ACTUAL 2006-2007	ADOPTED BUDGET FY 2007-2008	PROPOSED BY DEPT 2008-2009	ADOPTED BUDGET 2008-2009	\$ CHANGE 07-08 VS 08-09
GENERAL GOVERNMENT					
COMMON COUNCIL	29,390	32,872	36,385	36,385	3,513
MAYOR'S OFFICE	334,819	344,949	365,525	365,525	20,576
CITY CLERK'S OFFICE	40,998	51,029	54,183	53,433	2,404
ORDINANCES	20,500	26,000	26,000	31,000	5,000
PROBATE COURT	16,272	14,950	20,450	20,075	5,125
REGISTRARS & ELECTIONS	168,453	172,456	180,491	182,741	10,285
CITY TREASURER	19,008	19,575	20,769	20,769	1,194
DIRECTOR OF FINANCE	780,942	796,887	822,170	822,170	25,283
DATA PROCESSING/INFO TECH	1,061,682	1,174,296	1,336,985	1,320,885	146,589
INDEPENDENT AUDIT	38,300	45,800	52,400	52,400	6,600
BUREAU OF ASSESSMENTS	420,427	434,260	429,771	407,671	(26,589)
BOARD OF ASSESSMENT & APPEAL	3,789	4,600	4,350	4,350	(250)
TAX COLLECTOR	612,488	626,005	650,066	648,366	22,361
PURCHASING	256,007	232,192	233,006	231,806	(386)
CORPORATION COUNSEL	853,614	812,792	812,239	812,239	(553)
TOWN CLERK	337,971	406,047	401,905	386,857	(19,190)
ANNUAL REPORT	10,000	10,500	11,250	11,000	500
PERMIT COORDINATION	315,480	327,392	352,985	329,795	2,403
PLANNING	466,341	462,866	477,906	463,024	158
OFFICE OF ECONOMIC DEVELOPMENT	110,910	113,372	184,142	108,942	(4,430)
DANBURY CONSERVATION COMMISSION	8,965	10,240	10,900	10,756	516
PERSONNEL/CIVIL SERVICE	289,345	308,802	417,953	343,630	34,828
MAYOR'S DISCRETIONARY FUND	20,651	17,000	22,000	18,000	1,000
FAIR RENT COMMISSION	1,031	1,450	1,450	1,400	(50)
CITY MEMBERSHIPS	96,738	83,261	102,448	86,698	3,437
LAKE AUTHORITY	58,800	59,829	61,325	61,325	1,496
RETIREMENT ADMINISTRATION	28,000	28,000	30,000	30,000	2,000
LABOR NEGOTIATIONS	82,735	153,000	203,500	78,500	(74,500)
PUBLIC BUILDINGS	1,002,667	1,089,700	1,227,935	1,199,015	109,315

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FY 2008-2009
SUMMARY OF OPERATING BUDGET EXPENDITURES**

DEPARTMENT	ACTUAL 2006-2007	ADOPTED BUDGET FY 2007-2008	PROPOSED BY DEPT 2008-2009	ADOPTED BUDGET 2008-2009	\$ CHANGE 07-08 VS 08-09
CITY HALL BUILDING	432,487	469,199	542,872	448,424	(20,775)
LIBRARY BUILDING	211,633	260,230	297,018	241,296	(18,934)
POLICE STATION BUILDINGS	202,604	253,050	275,338	255,118	2,068
SENIOR CENTER BUILDING	76,406	87,800	97,926	100,224	12,424
OLD LIBRARY BUILDING	44,984	58,850	58,515	57,675	(1,175)
PARK BUILDINGS	0	150,280	174,671	143,160	(7,120)
EMPLOYEE SERVICE BENEFIT	(122,576)	29,847	45,025	45,025	15,178
GENERAL GOVERNMENT	8,331,861	9,169,378	10,041,854	9,429,679	260,301
PUBLIC SAFETY					
POLICE DEPARTMENT	14,307,943	13,682,274	16,309,174	14,802,430	1,120,156
ANIMAL CONTROL	205,051	220,019	281,784	244,048	24,029
FIRE DEPARTMENT	9,516,253	10,276,137	11,713,548	11,538,743	1,262,606
BUILDING INSPECTOR	547,726	586,756	607,835	589,685	2,929
DEPARTMENT OF CIVIL PREPAREDNESS	10,564	10,200	93,310	91,752	81,552
DEPARTMENT OF CONSUMER PROTECTION	39,889	56,766	59,098	57,048	282
UNIFIED NEIGHBORHOOD INSPECTION TEAM	205,396	302,587	311,589	307,889	5,302
EMPLOYEE SERVICE BENEFIT	(1,041,252)	8,272	11,233	11,233	2,961
PUBLIC SAFETY	23,791,569	25,143,011	29,387,571	27,642,828	2,499,817
PUBLIC WORKS					
DIRECTOR OF PUBLIC WORKS	0	0	275,967	261,347	261,347
HIGHWAYS	2,467,568	2,567,088	2,846,681	2,649,510	82,422
STATE AID-HIGHWAY PROJECT	411,458	305,989	575,000	305,989	0
SNOW & ICE REMOVAL	317,543	493,011	1,032,500	792,500	299,489
STREET LIGHTING	438,501	465,000	520,000	506,979	41,979
PARK MAINTENANCE	1,587,994	1,407,507	1,426,701	1,288,401	(119,106)
FORESTRY	0	0	357,392	354,242	354,242
PUBLIC BLDG-MAINTENANCE REPAIR	546,326	525,600	1,211,563	359,200	(166,400)

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FY 2008-2009
SUMMARY OF OPERATING BUDGET EXPENDITURES**

DEPARTMENT	ACTUAL 2006-2007	ADOPTED BUDGET FY 2007-2008	PROPOSED BY DEPT 2008-2009	ADOPTED BUDGET 2008-2009	\$ CHANGE 07-08 VS 08-09
EQUIPMENT MAINTENANCE	1,195,022	1,064,806	1,304,129	1,276,740	211,934
RECYCLING/SOLID WASTE	305,875	311,000	425,000	382,824	71,824
ENGINEERING DEPARTMENT	930,749	1,080,579	1,186,051	1,005,556	(75,023)
CONSTRUCTION SERVICES	0	0	287,377	272,877	272,877
EMPLOYEE SERVICE BENEFIT	(107,802)	12,374	15,503	15,503	3,129
PUBLIC WORKS	8,093,234	8,232,954	11,463,864	9,471,668	1,238,714
HEALTH, HOUSING & WELFARE					
HEALTH, HOUSING & WELFARE	1,117,046	1,133,219	1,150,499	1,134,045	826
EMPLOYEE SERVICE BENEFIT	(67,173)	5,342	6,232	6,232	890
HEALTH, HOUSING & WELFARE	1,049,873	1,138,561	1,156,731	1,140,277	1,716
SOCIAL SERVICES AGENCIES					
VETERANS ADVISORY CENTER	59,353	62,170	62,308	61,558	(612)
COMMISSION ON AGING	283,827	306,958	312,027	312,027	5,069
ELDERLY TRANSPORTATION	12,000	12,000	18,770	12,000	0
GRANTS-HUMAN & SOCIAL WELFARE	1,318,806	1,320,511	1,587,645	1,233,027	(87,484)
EMPLOYEE SERVICE BENEFIT	(67,173)	1,865	2,205	2,205	340
SOCIAL SERVICES AGENCIES	1,606,813	1,703,504	1,982,955	1,620,817	(82,687)
EDUCATION					
SCHOOLS-REGULAR	100,564,868	106,061,888	114,368,581	111,895,291	5,833,403
SCHOOLS-HEALTH & WELFARE	208,575	208,575	208,575	208,575	0
EDUCATION	100,773,443	106,270,463	114,577,156	112,103,866	5,833,403
LIBRARIES					
DANBURY PUBLIC LIBRARY	2,034,196	2,114,393	2,107,795	2,107,795	(6,598)

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FY 2008-2009
SUMMARY OF OPERATING BUDGET EXPENDITURES**

DEPARTMENT	ACTUAL 2006-2007	ADOPTED BUDGET FY 2007-2008	PROPOSED BY DEPT 2008-2009	ADOPTED BUDGET 2008-2009	\$ CHANGE 07-08 VS 08-09
EMPLOYEE SERVICE BENEFIT	0	3,216	3,752	3,752	536
LONG RIDGE LIBRARY	6,000	6,000	6,000	6,000	0
LIBRARIES	2,040,196	2,123,609	2,117,547	2,117,547	(6,062)
CULTURE & RECREATION					
DEPARTMENT OF RECREATION	396,759	412,654	455,616	437,968	25,314
TARRYWILE PARK AUTHORITY	315,000	315,000	606,802	315,000	0
CULTURAL COMMISSION	102,282	105,000	105,000	105,000	0
LAKE KENOSIA COMMISSION	14,276	22,000	27,000	22,000	0
IVES AUTHORITY FOR THE PERFORMING ARTS	75,000	50,000	80,000	80,000	30,000
DANBURY MUSEUM AUTHORITY	0	0	95,000	95,000	95,000
EMPLOYEE SERVICE BENEFIT	(103,181)	960	1,190	1,190	230
PARKS & RECREATION	800,136	905,614	1,370,608	1,056,158	150,544
RECURRING COSTS					
FICA	1,295,612	1,535,000	1,690,000	1,690,000	155,000
PENSION EXPENSE	3,433,250	3,021,459	2,286,000	2,286,000	(735,459)
EMPLOYEE SERVICE BENEFIT	314,747	253,236	640,488	640,488	387,252
WORKER'S COMPENSATION	515,642	611,000	602,000	602,000	(9,000)
STATE UNEMPLOYMENT COMPENSATION	20,380	35,000	35,000	35,000	0
EMPLOYEE HEALTH & LIFE INSURANCE	10,141,176	14,245,584	15,862,352	13,907,183	(338,401)
UNION WELFARE	972,034	1,055,106	1,150,214	1,150,214	95,108
INSURANCE & OFFICIAL BOND PREMIUM	3,391,816	2,463,276	2,564,981	2,563,531	100,255
RECURRING COSTS	20,084,658	23,219,661	24,831,035	22,874,416	(345,245)
DEBT SERVICE					
INTEREST ON DEBT	2,021,875	2,648,000	3,750,649	3,750,649	1,102,649
INTEREST ON DEBT-SCHOOL	1,114,859	1,210,000	1,030,213	1,030,213	(179,787)

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FY 2008-2009
SUMMARY OF OPERATING BUDGET EXPENDITURES**

DEPARTMENT	ACTUAL 2006-2007	ADOPTED BUDGET FY 2007-2008	PROPOSED BY DEPT 2008-2009	ADOPTED BUDGET 2008-2009	\$ CHANGE 07-08 VS 08-09
REDEMPTION OF DEBT	3,334,850	4,400,000	5,612,350	5,612,350	1,212,350
REDEMPTION OF DEBT-SCHOOL	2,770,000	2,700,000	2,698,000	2,698,000	(2,000)
DEBT SERVICE	9,241,584	10,958,000	13,091,212	13,091,212	2,133,212
TRANSPORTATION					
AIRPORT	476,276	528,499	562,109	554,287	25,788
EMPLOYEE SERVICE BENEFIT	0	1,217	1,419	1,419	202
HART	666,772	685,858	691,085	691,085	5,227
TRANSPORTATION	1,143,048	1,215,574	1,254,613	1,246,791	31,217
MISCELLANEOUS					
MISCELLANEOUS ADJUSTMENT	(150,114)	0	0	0	0
MISCELLANEOUS	(150,114)	0	0	0	0
CONTINGENCY					
CONTINGENCY	0	1,300,000	500,000	500,000	(800,000)
CONTINGENCY	0	1,300,000	500,000	500,000	(800,000)
GRAND TOTAL	176,800,300	191,380,329	211,775,146	202,295,259	10,914,930

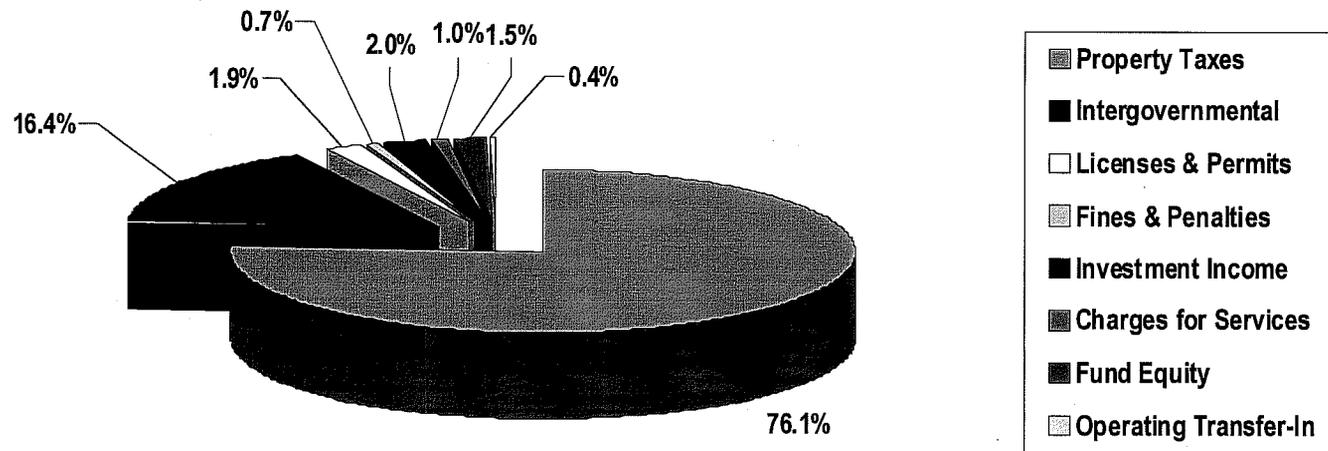
REVENUE BUDGET ANALYSIS

Summary

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

- 1) Property Taxes levied on real and personal property (76.1% of the FY08-09 budgeted revenues)
- 2) Intergovernmental Revenue (16.4% of the FY08-09 budgeted revenues)
- 3) Licenses and Permits (1.9% of the FY08-09 budgeted revenues)
- 4) Fines and Penalties (.7% of the FY08-09 budgeted revenues)
- 5) Investment Income (2.0% of the FY08-09 budgeted revenues)
- 6) Charges for Services (1.0% of the FY08-09 budgeted revenues)
- 7) Fund Equity (1.5% of the FY08-09 budgeted revenues)
- 8) Operating Transfer-In (.4% of the FY08-09 budgeted revenues)

FY 2008-2009 Budgeted Revenues – Percentage by Type



The budgeted General Fund Revenues for FY 2008-2009 total \$202,295,259, an increase of \$10,914,930, or 5.7 % over the prior year. The factors accounting for this change are as follows:

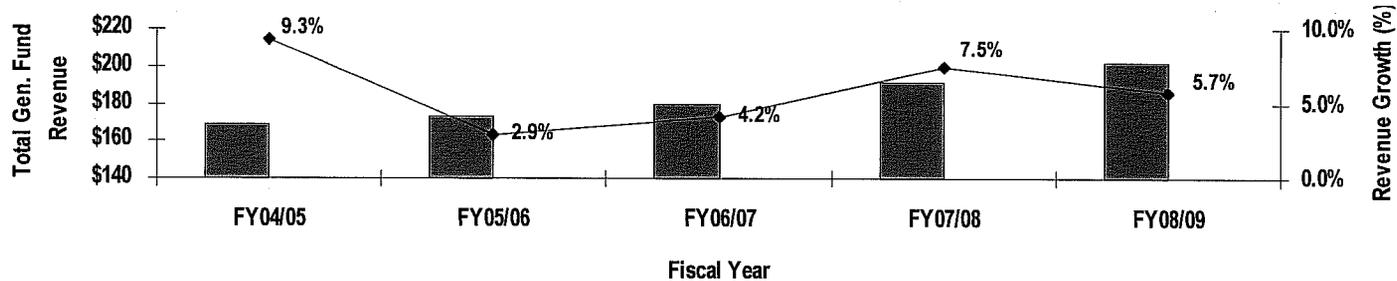
Taxes	\$15,267,454
Licenses and Permits	(1,391,350)
Charges for Services	(3,618,252)
Intergovernmental	327,078

Investment Income	\$800,000
Use of Fund Equity	(615,000)
Operating Transfer-In	250,000
Fines & Penalties	(105,000)

The chart below illustrates revenue changes since FY 2004-2005 as well as the budget for the succeeding year.

Revenue	FY 04-05		FY 05-06		FY 06-07		FY 07-08		FY 07-08		FY 08-09	
	Actual		Actual		Actual		Budget		Projected		Budget	
Taxes	128,472,290	76.1%	128,855,805	74.3%	134,915,435	74.7%	138,859,007	72.6%	140,135,108	73.3%	154,126,461	76.1%
Intergovernmental	26,541,876	15.7%	27,435,245	15.8%	29,298,062	15.8%	32,793,640	17.1%	31,575,168	16.5%	33,120,718	16.4%
Licenses & Permits	5,394,512	3.2%	6,105,553	3.5%	4,908,731	2.7%	5,217,950	2.7%	3,043,950	1.6%	3,826,600	1.9%
Fines & Penalties	984,552	0.6%	1,222,113	0.7%	1,385,638	0.8%	1,453,000	0.8%	1,478,350	0.8%	1,348,000	0.7%
Interest Income	1,335,962	0.8%	3,028,730	1.7%	3,700,270	2.0%	3,200,000	1.7%	4,250,000	2.2%	4,000,000	2.0%
Charges for Services	5,993,811	3.6%	6,926,085	3.9%	6,486,575	3.6%	5,741,732	3.0%	6,609,513	3.5%	2,123,480	1.0%
Fund Equity	0	0.0%	0	0.0%	0	0.0%	3,615,000	1.9%	3,615,000	1.9%	3,000,000	1.5%
Operating Transfer-In	0	0.0%	0	0.0%	0	0.0%	500,000	0.3%	500,000	0.2%	750,000	0.4%
TOTAL	168,723,003	100%	173,573,531	100%	180,694,711	100%	191,380,329	100%	191,207,089	100%	202,295,259	100%
Revenue Growth	\$14,313,713	9.27%	\$4,850,528	2.89%	\$7,270,200	4.19%	\$13,288,347	7.46%	-\$173,240	0.1%	\$10,914,930	5.7%

Total General Fund Revenues & Revenue Growth
FY 04-05 through FY 08-09
 (Millions)



Revenue Overview

Property Taxes:

The principal source of revenue for the City of Danbury is local property taxes. Local taxes, which comprise 76.1% 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 2008-2009 is \$8,467,514,508, an increase of 35.2% over the current year.

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. 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.

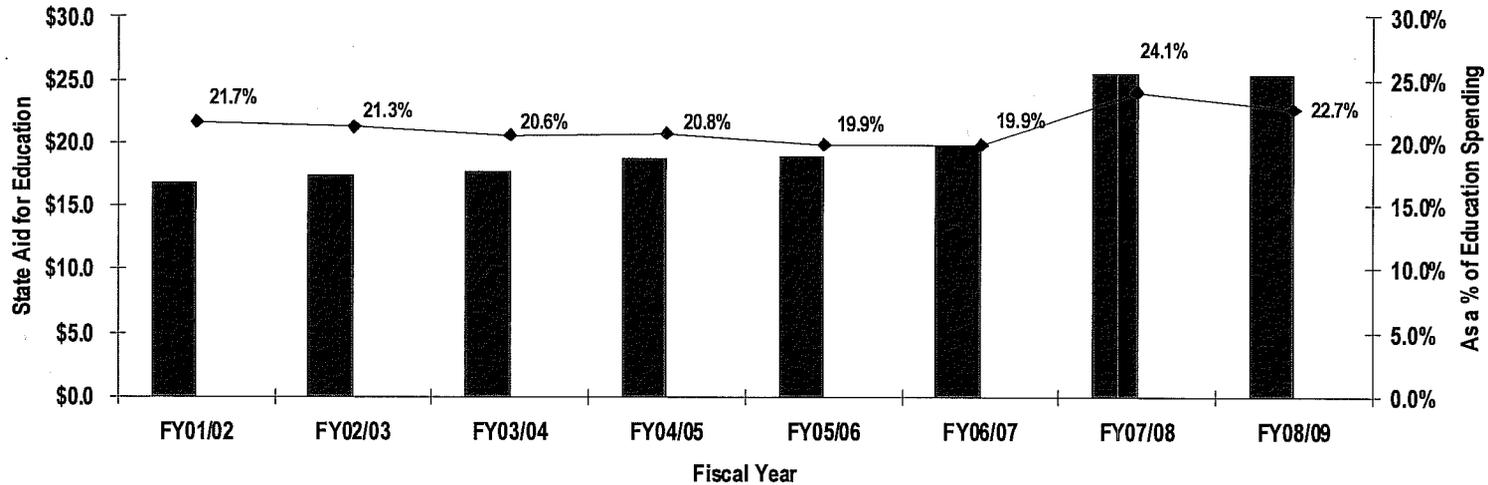
Property Tax Revenues

<u>Revenue</u>	<u>FY 04-05 Actual</u>	<u>FY 05-06 Actual</u>	<u>FY 06-07 Actual</u>	<u>FY 07-08 Budget</u>	<u>FY 07-08 Projected</u>	<u>FY 08-09 Budget</u>	<u>FY 08-09 vs. FY 07-08 Budget</u>
Property Taxes	\$128,472,290	\$129,727,965	\$134,915,435	\$138,859,007	\$140,135,108	\$154,126,461	\$15,267,454
Total Tax Revenue	\$128,472,290	\$129,727,965	\$134,915,435	\$138,859,007	\$140,135,108	\$154,126,461	\$15,267,454

Intergovernmental Revenue:

The receipts from this revenue source are expected to increase by \$327,078 or 1%. This is mainly due to increases in state payments in lieu of property taxes.

State Aid for Education as a % of Education Spending



Education spending excludes federal & state grants designated for specific programs.

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 2008-2009, education revenues are budgeted at \$25,410,810, a decrease of \$251,683 or 1% from the FY 2007-2008 budget. Projected revenue for FY 2007-2008 is lower than budget by \$1,474,196. This is due to the methodology the City employs to budget this revenue source. Budget estimates are based on the governor's proposed budget which is released in February of each year.

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 \$434,320, an increase of \$112,011 or 34.8%.

Payment in Lieu of Taxes (PILOTS) – These payments represent a partial reimbursement for foregone 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, and grant proceeds from State agreements with gaming facilities located in Connecticut. Revenue from these sources is budgeted at \$7,197,956, an increase of \$467,000 or 6.9% from the FY 2007-2008 budget. This is due to an increase in PILOT payments for state-owned properties located in Danbury, and increases in gaming revenue.

Other – The City of Danbury receives other types of revenue that help fund other programs throughout the City. These include reimbursement from boat registrations, and public safety programs. These revenues are budgeted at \$77,632, a decrease of \$250 or .3%.

Intergovernmental Revenue

<u>Revenue</u>	<u>FY 04-05 Actual</u>	<u>FY 05-06 Actual</u>	<u>FY 06-07 Actual</u>	<u>FY 07-08 Budget</u>	<u>FY 07-08 Projected</u>	<u>FY 08-09 Budget</u>	<u>F Y08-09 vs. FY 07-08 Budget</u>
Education	\$18,846,412	\$20,016,778	\$21,515,270	\$25,662,493	\$24,188,297	\$25,410,810	\$(251,683)
Public Works	310,478	427,851	462,205	322,309	435,156	434,320	112,011
PILOTS	7,142,808	6,744,156	6,788,669	6,730,956	6,870,448	7,197,956	467,000
Other	242,178	211,020	531,918	77,882	81,267	77,632	(250)
TOTAL	\$26,541,876	\$27,429,805	\$29,298,062	\$ 32,793,640	\$31,575,168	\$33,120,718	\$327,078

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 \$1,600,000 for FY 2008-2009, a decrease of \$800,000 or 33.3% from the 2007-2008 budget.

Town Clerk – The Town Clerk collects revenue through the conveyance of property and vital statistics. Revenue for the Town Clerk is budgeted at \$2,030,000, a decrease of \$577,000 or 22.1%. The City expects that property sales and refinancing activity will decline over the next year, which will reduce conveyance tax revenues.

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 \$158,600, a slight decrease of \$12,850 or 7.5%.

Public Safety – Revenue in this category includes alarm registrations and permits issued by the Police Department. For FY 2008-2009 revenue is budgeted at \$10,000, an increase of \$500 or 5.3% over the prior year.

Public Works – The Department of Public Works issues street opening permits for excavation work in the City. For FY 2008-2009 revenue is budgeted at \$28,000 a decrease of \$2,000 or 6.67% from the prior year.

Licenses & Permits

<u>Revenue</u>	<u>FY 04-05 Actual</u>	<u>FY 05-06 Actual</u>	<u>FY 06-07 Actual</u>	<u>FY 07-08 Budget</u>	<u>FY 07-08 Projected</u>	<u>FY 08-09 Budget</u>	<u>FY 08-09 vs. FY 07-08 Budget</u>
Building Dept.	\$1,763,928	\$ 3,174,708	\$2,301,086	\$2,400,000	\$1,100,000	\$1,600,000	\$(800,000)
Town Clerk	3,351,499	2,716,211	2,420,157	2,607,000	1,755,000	2,030,000	(577,000)
Health Department	179,914	170,668	153,119	171,450	165,700	158,600	(12,850)
Public Safety	67,736	15,187	11,237	9,500	7,250	10,000	500
Public Works	31,437	28,780	23,132	30,000	16,000	28,000	(2,000)
TOTAL	\$5,394,514	\$6,105,554	\$4,908,731	\$5,217,950	\$3,043,950	\$3,826,600	\$(1,391,350)

Fines, Penalties & Interest:

The City of Danbury derives revenue from parking violations, state court fines, and interest and lien fees on delinquent taxes.

Delinquent Taxes – Interest on delinquent taxes is set at the rate of 18% per annum and is 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 \$1,034,000, a decrease of \$116,000 or 10% from FY 2007-2008.

Public Safety – The Police Department issues parking violations throughout the City, excluding those issued by the Parking Authority. The Police primarily issue parking violations 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. Total revenue for FY 2008-2009 is budgeted at \$314,000, an increase of \$11,000 or 3.6%.

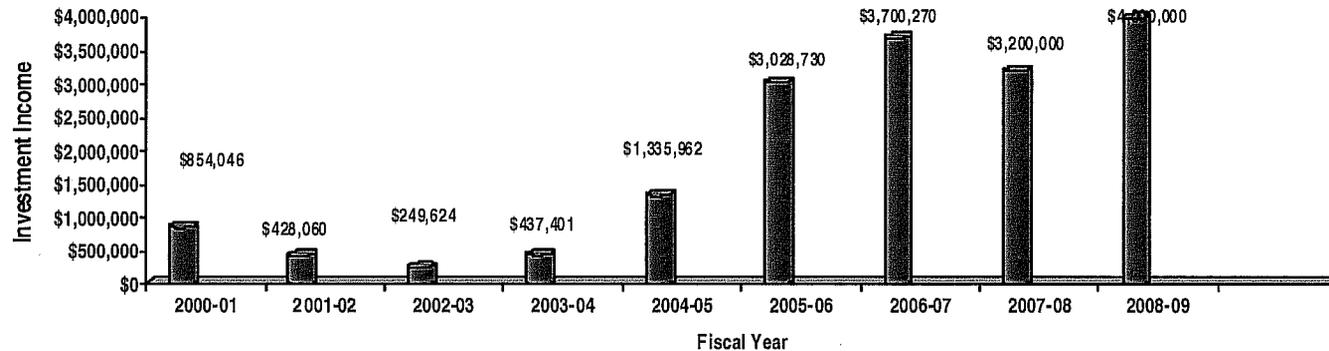
Fines, Penalties and Interest

Revenue	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Budget	FY 07-08 Projected	FY 08-09 Budget	FY 08-09 vs. FY 07-08 Budget
Delinquent Taxes	\$838,026	\$ 895,215	\$1,027,093	\$1,150,000	\$1,145,000	\$1,034,000	\$(116,000)
Public Safety	146,525	349,952	358,545	303,000	333,350	314,000	11,000
TOTAL	\$984,551	\$1,245,167	\$1,385,638	\$1,453,000	\$1,478,350	\$1,348,000	\$(105,000)

Investment 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. The City's undesignated fund balance and expanded capital improvement program has resulted in an increase in cash available for investment.

Investment Income - FY 2000-2001 through FY 2008-2009



Amounts for FY 07-08 & FY 08-09 are based on budget, all other years reflect actual collections

Investment Income

Revenue	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Actual	FY 07-08 Budget	FY 07-08 Projected	08-09 Budget	F Y08-09 vs. FY 07-08 Budget
Investment Income	\$1,335,962	\$3,028,730	\$3,700,270	\$3,200,000	\$4,250,000	\$4,000,000	\$800,000
TOTAL	\$1,335,962	\$3,028,730	\$3,700,270	\$3,200,000	\$4,250,000	\$4,000,000	\$800,000

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 assesses fees related to development in the City. Budgeted revenues for FY 2008-2009 total \$183,600, a decrease of \$117,200 or 40%.

Public Works – The Water and Sewer Funds reimburse the General Fund for services provided on their behalf, including data processing and the collection of user fees. In addition, this category includes a fee for site plan reviews performed by the Engineering Department. Revenues for FY 2008-2009 total \$214,396, a decrease of \$40,402 or 15.9%.

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 fees for Fire Marshal inspections and permits and fees for weights and measures inspections. Budgeted revenues for FY 2008-2009 total \$112,500, a decrease of \$792,200 or 87.6%. This decrease is mainly due to the removal of the revenue and corresponding expenditure for Police and Fire special services from the budget, which will be accounted for collectively in the expenditure accounts.

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 \$397,434, a decrease from FY 2007-08 revenues of \$95,000 or 19.3%.

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 2008-2009 are budgeted at \$642,000, an increase of \$45,000 or 7.5%. The increase is due to improved activity at the Danbury Municipal Airport.

Parks and Recreation – The Department of Parks and Recreation charges fees to City residents to participate in recreational activities throughout the City. FY 2008-2009 budgeted revenues in this category total \$132,000, a decrease of \$5,000 or 3.7% from FY 2007-2008.

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 \$441,550, a decrease of \$2,613,450 or 85.5%. The decrease is due to the conclusion of an agreement with a private developer that totaled \$2,500,000 per year for a four year period.

Charges for Services

<u>Revenue</u>	<u>FY 04-05 Actual</u>	<u>FY 05-06 Actual</u>	<u>FY 06-07 Actual</u>	<u>FY 07-08 Budget</u>	<u>FY 07-08 Projected</u>	<u>FY 08-09 Budget</u>	<u>FY 08-09 vs. FY 07-08 Budget</u>
Planning & Zoning	\$ 249,902	\$ 293,296	\$ 254,356	\$ 300,800	\$ 161,350	\$183,600	\$(117,200)
Public Works	171,186	199,856	239,656	254,798	215,796	214,396	(40,402)
Public Safety	1,268,183	1,622,011	1,803,023	904,700	2,038,700	112,500	(792,200)
Education	374,023	496,231	395,448	492,434	397,434	397,434	(95,000)
Transportation	540,577	604,303	632,761	597,000	698,900	642,000	45,000
Parks & Recreation	101,502	107,785	165,008	137,000	128,500	132,000	(5,000)
Other	3,288,438	3,453,585	2,996,323	3,055,000	2,968,833	441,500	(2,613,450)
TOTAL	\$5,993,811	\$6,777,067	\$6,486,575	\$5,741,732	\$6,609,513	\$2,123,430	\$(3,618,252)

**GENERAL FUND INDIRECT REVENUE ADOPTED BUDGET
FISCAL YEAR 2008-2009**

REVENUE CODE	DEPARTMENT	ACTUAL 2006-07	BUDGET AS OF 02/29/08	PROJECTED 2007-2008	PROPOSED BY MAYOR 2008-2009	ADOPTD BUDGET 07/01/08
TAX FEES						
1000.4120	SUSPENSE TAX COLLECTIONS	55,517	0	60,000	24,000	24,000
1000.4130	INTEREST & LIEN FEES	971,576	900,000	975,000	950,000	950,000
1000.4140	UNREGISTERED MOTOR VEHICLES	0	250,000	110,000	60,000	60,000
	SUBTOTAL	1,027,093	1,150,000	1,145,000	1,034,000	1,034,000
LICENSES & PERMITS						
1000.4201	POLICE LICENSES & PERMITS	5,917	4,500	5,000	5,000	5,000
1000.4202	BUILDING DEPARTMENT	2,301,086	2,400,000	1,100,000	1,600,000	1,600,000
1000.4203	CONVEYANCE TAX	1,710,812	1,800,000	1,100,000	1,400,000	1,400,000
1000.4204	TOWN CLERK'S FEES	704,797	800,000	650,000	625,000	625,000
1000.4205	PERMIT-TOWN CLERK	4,548	7,000	5,000	5,000	5,000
1000.4206	LICENSE & PERMITS-HEALTH	132,578	145,450	140,000	135,000	135,000
1000.4207	ROOM HOUSE&HOTEL-MOTEL LIC	12,276	15,000	15,000	13,000	13,000
1000.4208	CERT OF APT OCCUP HEALTH	7,565	10,000	10,000	10,000	10,000
1000.4209	HAZ MAT SITE INSP HEALTH	700	1,000	700	600	600
1000.4211	STREET OPENING FEES	23,132	30,000	16,000	28,000	28,000
1000.4213	ALARM REGISTRATIONS	5,320	5,000	2,250	5,000	5,000
	SUBTOTAL	4,908,730	5,217,950	3,043,950	3,826,600	3,826,600
FINES & PENALTIES						
1000.4301	PARKING VIOLATIONS	89,680	80,000	81,000	81,000	81,000
1000.4302	PARKING VIOLATIONS FINES	23,065	15,000	22,500	21,000	21,000
1000.4303	STATE COURT FINES	25,066	8,000	17,000	11,000	11,000
1000.4304	FALSE ALARM FINES	220,184	200,000	210,000	200,000	200,000
1000.4305	ZONING VIOLATION FEES	550	0	2,850	1,000	1,000
	SUBTOTAL	358,545	303,000	333,350	314,000	314,000
INTEREST						
1000.4401	INTEREST ON INVESTMENTS	2,038,127	2,100,000	2,000,000	2,000,000	2,000,000
1000.4403	BONDS & SPECIAL FUNDS	1,662,143	1,100,000	2,250,000	2,000,000	2,000,000
	SUBTOTAL	3,700,270	3,200,000	4,250,000	4,000,000	4,000,000

**GENERAL FUND INDIRECT REVENUE ADOPTED BUDGET
FISCAL YEAR 2008-2009**

REVENUE CODE	DEPARTMENT	ACTUAL 2006-07	BUDGET AS OF 02/29/08	PROJECTED 2007-2008	PROPOSED BY MAYOR 2008-2009	ADOPTED BUDGET 07/01/08
INTERGOVERNMENTAL						
1000.4501	HIGHWAY-STATE AID	417,258	305,989	418,836	418,000	418,000
1000.4502	STATE ROAD MAINTENANCE	44,947	16,320	16,320	16,320	16,320
1000.4505	STATE REIMB BOATS	20,132	20,132	20,132	20,132	20,132
1000.4508	EDUCATION EQUALIZATION	18,274,759	22,863,411	21,439,331	22,857,000	22,857,000
1000.4509	SPECIAL ED AGENCY PLACEMENT	772,690	815,665	815,665	815,000	815,000
1000.4510	ELEM-HIGH SCHOOL TRANS	1,284,424	865,397	835,474	810,197	810,197
1000.4511	TRANSP-NON PUBLIC	260,892	195,516	208,396	202,533	202,533
1000.4512	SCHOOL CONST. CODE COMP	130,911	130,911	130,911	0	0
1000.4516	SCHOOL RENOVATIONS	584,417	584,416	584,416	582,547	582,547
1000.4517	INTRST-SUBSIDY SCH BONDS	207,177	207,177	174,104	143,533	143,533
1000.4518	PUBLIC HOUSING-LIEU TAX	180,312	200,000	175,000	170,000	170,000
1000.4519	STATE PROP IN LIEU OF TAX	1,837,023	1,692,065	1,851,184	2,075,938	2,075,938
1000.4520	IN LIEU TAX-HOSP&COLLEGE	1,277,200	1,117,187	1,185,618	1,188,518	1,188,518
1000.4521	MANUFACTURERS EXEMPT STATE	1,119,961	1,110,000	1,309,166	1,200,000	1,200,000
1000.4522	MASHANTUCKET PEQUOT FUND	1,468,568	1,421,770	1,477,661	1,737,000	1,737,000
1000.4523	VETS EXEMPTION-ST. OF CT.	14,057	15,700	17,228	16,300	16,300
1000.4524	ELDERLY-LIEU OF TAXES	36,236	32,500	32,498	28,600	28,600
1000.4525	STATE-HEART PROGRAM	343,245	297,500	337,093	301,600	301,600
1000.4531	PHONE ACCESS LINES	512,067	844,234	485,000	480,000	480,000
1000.4532	CIVIL DEFENSE	24,250	24,250	30,884	27,500	27,500
1000.4535	FEMA	0	0	0	0	0
1000.4536	STATE REVENUE SHARING	454,006	0	0	0	0
1000.4538	STATE PUB. SAFETY ANSWERING F	33,530	33,500	30,251	30,000	30,000
	SUBTOTAL	29,298,062	32,793,640	31,575,168	33,120,718	33,120,718
CHARGES FOR SERVICES						
1000.4601	HOUSATONIC AREA REG TRANSIT	110,000	121,000	110,000	110,000	110,000
1000.4602	HOUSING AUTHORITY	19,842	29,000	19,800	19,800	19,800
1000.4603	PLANNING COMMISSION	38,130	24,600	14,500	18,000	18,000

**GENERAL FUND INDIRECT REVENUE PROPOSED OPERATING BUDGET
FISCAL YEAR 2008-2009**

REVENUE CODE	DEPARTMENT	ACTUAL 2006-07	BUDGET AS OF 02/29/08	PROJECTED 2007-2008	PROPOSED BY MAYOR 2008-2009	ADOPTED BUDGET 07/01/08
1000.4604	ZONING BOARD	4,820	4,200	3,000	3,600	3,600
1000.4605	ZONING BOARD OF APPEALS	13,650	18,000	8,850	12,000	12,000
1000.4606	ENVIRONMENTAL IMPACT COMM	46,330	54,000	25,000	30,000	30,000
1000.4607	PLANNING & ZONING DEPT.	151,426	200,000	110,000	120,000	120,000
1000.4608	RENTAL OF LAND	14,113	35,000	43,000	43,000	43,000
1000.4609	SALE OF ASSETS	2,635,380	2,500,000	2,525,000	0	0
1000.4610	CIVIL SERVICE TEST FEES	9,555	15,000	9,000	9,000	9,000
1000.4611	VETS ADVISORY CENTER	870	1,500	1,325	1,500	1,500
1000.4612	DATA PROCESSING SERVICES	450	1,000	400	500	500
1000.4615	SEWER REIMB-TAX SERVICES	70,564	73,508	73,408	73,408	73,408
1000.4616	SEWER REIMB-DP SERVICES	15,914	16,391	16,292	16,292	16,292
1000.4618	WATER REIMB-TAX SERVICES	70,564	73,508	77,536	77,536	77,536
1000.4619	WATER REIMB-DP SERVICES	15,914	16,391	17,160	17,160	17,160
1000.4621	SCHL REIMB-PRKS-REC-SERV	292,434	292,434	292,434	292,434	292,434
1000.4631	GRANT ADMINISTRATION	58,374	50,000	47,000	50,000	50,000
1000.4632	POLICE REPORTS	10,685	12,300	10,000	10,000	10,000
1000.4632.10	POLICE FINGERPRINTS	7,851	8,000	7,300	8,000	8,000
1000.4633	POLICE SPECIAL SERVICES	1,549,838	1,600,000	1,795,400		
1000.4634	FIRE SPECIAL SERVICES	126,688	160,000	138,500		
1000.4635	FIRE-PERMITS&REPORTS REG.	1,521	1,400	1,400	1,500	1,500
1000.4638	FIRE DEPT COMMUNICATIONS	0	0	0	0	0
1000.4640	TAX LIEN ADMIN FEE	15,936	30,000	10,000	30,000	30,000
1000.4641	AIRCRAFT REGISTRATIONS	26,750	16,000	38,900	16,000	16,000
1000.4642	AIRPORT CHARGES	496,011	460,000	550,000	460,000	460,000
1000.4645	FEES-REG. OF COLLECTIONS	2,400	4,000	0	4,000	4,000
1000.4647	WELFARE REIMBURSEMENT	211	0	0	0	0
1000.4648	TUITION-OTHER	103,014	200,000	105,000	105,000	105,000
1000.4649	PHONE BOOTHS	112	100	100	100	100
1000.4652	COMMISSION ON AGING	6,729	6,215	7,500	7,800	7,800
1000.4653	HATTERS PARK REVENUE	38,712	47,000	8,500	12,000	12,000

**GENERAL FUND INDIRECT REVENUE ADOPTED BUDGET
FISCAL YEAR 2008-2009**

REVENUE CODE	DEPARTMENT	ACTUAL 2006-07	BUDGET AS OF 02/29/08	PROJECTED 2007-2008	PROPOSED BY MAYOR 2008-2009	ADOPTED BUDGET 2008-2009
1000.4654	RECREATION	126,296	90,000	120,000	120,000	120,000
1000.4655	MISC. CHARGES-SERVICES	145,578	310,911	210,000	220,000	220,000
1000.4659.93	DONATION REVENUE	53,137	31,000	0	0	0
1000.4663	TOWN CLERK COPYING CHARGES	6,930	60,000	55,000	55,000	55,000
1000.4666	TOWN CLERK HISTORIC DOCUMENTS	2,000	13,558	13,558	0	0
1000.4667	METER DEPOSITS	2,000	0	500	0	0
1000.4668	CONSERVATION IMPROVEMENTS	0	7,000	7,000	7,000	7,000
1000.4669	ENGINEERING SITE PLAN REVIEWS	66,700	75,000	31,400	30,000	30,000
1000.4670	FIRE MARSHAL INSPECTIONS	32,175	45,000	32,600	36,000	36,000
1000.4671	FIRE MARSHAL PLAN REVIEWS	26,000	30,000	11,500	12,000	12,000
1000.4673	TAX SEARCHES	360	5,000	250	250	250
1000.4674	CONSUMER PROTECTION	48,265	48,000	42,000	45,000	45,000
	SUBTOTAL	6,462,228	6,786,016	6,590,113	2,111,880	2,111,880
	DEREGULATED ASSESSMENT					
1000.4700	MISC. REVENUE ADJUSTMENT	0	0	0	0	0
1000.4703	DEREGULATED ASSMT	24,347	19,400	19,400	11,600	11,600
	SUBTOTAL	24,347	19,400	19,400	11,600	11,600
	GRAND TOTAL	45,779,275	49,470,006	46,956,981	44,418,798	44,418,798