



## **CITY OF DANBURY**

**OFFICE OF THE MAYOR  
DANBURY, CONNECTICUT 06810**

**MARK D. BOUGHTON  
MAYOR**

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July 1, 2005

The Members of the Common Council  
The Citizens of the City of Danbury

I am pleased to present the adopted budget for the fiscal year commencing July 1, 2005 and ending on June 30, 2006.

### **INTRODUCTION**

The citizens of Danbury can take pride in our City's accomplishments and remain confident that the future of our City is bright. Danbury is widely recognized throughout the country as a City on the rise. Danbury's success is attributable to a number of factors, but ultimately what sustains our success is the quality of life we enjoy in Danbury. Quality of life means providing a first rate educational system for our students; providing comprehensive recreational opportunities to our citizens; and promoting a vibrant and exciting cultural life in our community. Sustaining this quality of life also means investing in and properly maintaining the City's infrastructure, including school buildings, our transportation network, and recreational facilities; yet doing so within a framework that does not create an undue burden on our taxpayers. The operating and capital budgets for FY 2005-2006 include the necessary resources to continue prior year initiatives and limit the increase in taxes to reasonable levels.

## MAJOR POLICY CONSIDERATIONS

### Financial Policies

The City of Danbury operates under a series of financial policies that help insure the financial stability and growth of the municipality. These policies include:

- 1) Maintaining or enhancing current levels of service and programs;
- 2) Maintaining the mill rate at reasonable levels to keep tax rates stable so as not to overburden taxpayers;
- 3) Maintaining the City's General Fund Balance of at least 5% of operating budget expenditures.

Over the last two years, insuring that these policies were not compromised made developing the budget challenging at best. The slowing economy resulted in revenue shortfalls necessitating some very difficult decisions. We experienced a reduction in the City workforce through early retirement; we were required to reduce spending on the City side of the budget to accommodate rising costs in healthcare and education; and we adjusted all of our user fees to compensate for significant reductions in State aid. For FY 2005-2006, the City will see an increase in State aid for the first time since FY 2001-2002. While we have not recaptured the level of revenue received in that fiscal year, the increase we expect to receive has allowed for the preservation of current programs and services, without burdening the taxpayers.

Coupled with the slowing economy, the property revaluation of October 2002 resulted in a significant inflation in property values that would have increased the tax burden beyond reasonable levels. Managing the revaluation has been a major consideration in developing the budget. The decision to phase-in property revaluation over four years has helped to stabilize tax rates, while allowing us to preserve key programs and maintain service levels. The FY 2005-2006 proposed budget reflects the third year of the four-year phase-in.

In addition to managing the property revaluation, new Grand List growth is a key factor in stabilizing tax rates. Expanding the City's tax base has been a major initiative of my administration and the October 2004 Grand List reflects the success of these efforts. The October 2003 Grand List was lower than the previous year for personal property and motor vehicle assessments. The October 2004 Grand List reflects a reversal of this trend with an overall increase of \$435.3 million or 8.4%. While a majority of this is due to the third year of the phase-in, personal property and motor vehicle assessments grew by 3.8% and 9.9% respectively. These two categories alone account for \$52.1 million in new growth. For real estate assessments, values increased by \$383.2 million or 8.6%. Of this amount, \$102.4 million represents new growth. We can expect additional grand list growth in the future, as development and construction activity in the City remains high.

<b>CHANGES IN NET TAXABLE GRAND LIST AFTER BOARD OF ASSESSMENT APPEALS</b>				
	<b>October 1, 2003</b>	<b>October 1, 2004</b>	<b>\$ Change</b>	<b>% Change</b>
<b>Real Estate</b>	\$4,469,003,460	\$4,852,267,730	\$383,264,270	8.57%
<b>Personal Property</b>	\$329,968,950	\$342,432,340	\$12,463,390	3.78%
<b>Motor Vehicles</b>	\$401,484,930	\$441,104,225	\$39,619,295	9.87%
<b>TOTAL</b>	<b>\$5,200,457,340</b>	<b>\$5,635,804,295</b>	<b>\$435,346,955</b>	<b>8.37%</b>

Finally, maintaining fund equity at levels consistent with the City's financial policies required that the FY 2004-2005 budget exclude this as a source of revenue. The FY 2005-2006 adopted budget does include the use of fund equity to balance the budget; however, projected operating results for FY 2004-2005 anticipate that fund balance will be restored to current levels of approximately \$12.0 million. Insuring that fund equity will be preserved was a key consideration in determining whether to include this revenue source in the FY 2005-2006 operating budget.

I am proud to say that the adopted budget for FY 2005-2006 achieves my financial objectives. The budget preserves current programs and enhances programs for neighborhood initiatives, reduces the mill rate by 7.4% and maintains General Fund Equity at 5.3% of operating budget expenditures.

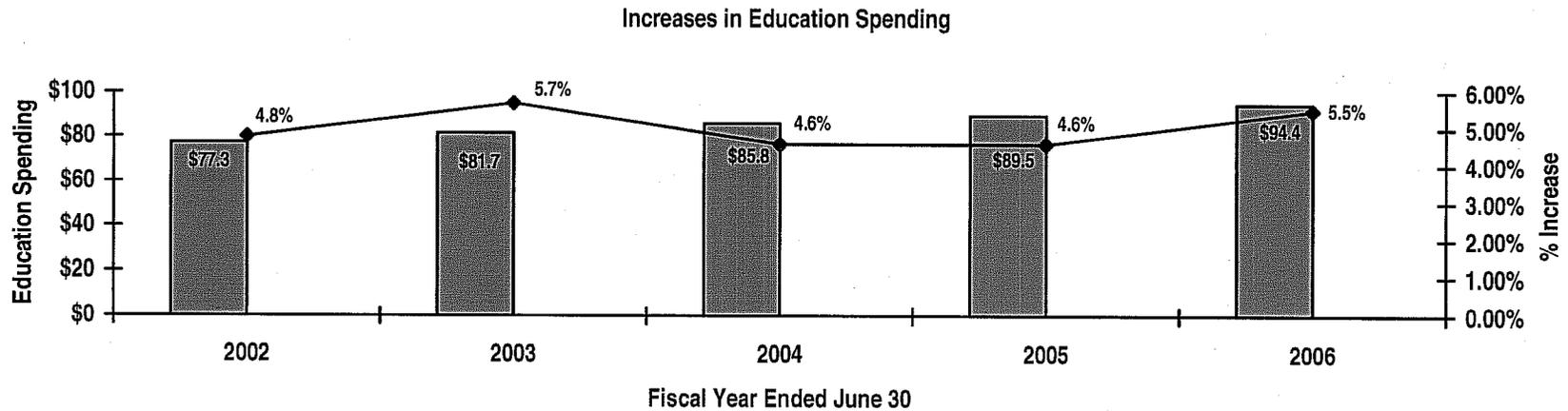
### **Mayoral Policy Objectives**

The budget also achieves my policy objectives for the City of Danbury which include:

- 1) Fostering a first rate education system and;
- 2) Safe Streets, Clean Streets, Strong Neighborhoods;

### **Education**

Fostering a first rate education system requires a financial commitment that takes many forms. Funding the school system at reasonable levels allows the district to achieve its educational goals for students. I am proud of the accomplishments of our school system and am confident that the budget increases over the last four years have contributed to its success. Over these years, spending on education has increased by \$12.2 million or 15.8%. I am continuing that commitment with this operating budget. The adopted budget reflects an expenditure increase for the Board of Education of 5.5%, totaling \$94.4 million, approximately \$4.9 million more than the FY 2004-2005 budget.



Increased operating budgets are not the only key to a successful, first-rate education system. Investment in the educational infrastructure is also a critical component. The 21<sup>st</sup> Century bond package approved by the voters in March 2004 includes \$34.5 million for school renovations and improvements to our two middle schools, the construction of a new elementary school, and \$1.0 million for technology upgrades. The Western Connecticut Academy of International Studies, the first elementary magnet school in this part of the State and fully funded by the State of Connecticut, had its ground breaking ceremony in April and will provide innovative educational experiences for our students.

### **Livable Neighborhood Plan**

The City of Danbury is a unique mix of neighborhoods that serve as the foundation of our community. Many quality of life complaints from residents stem from issues surrounding the use of property inconsistent with livable neighborhoods. To address these neighborhood concerns, the FY 2005-2006 adopted budget includes funding to implement my Livable Neighborhood Plan. The Plan has several components that are discussed below.

- ❖ **Unified Neighborhood Inspection Team (UNIT)** The foundation of the Plan is the Unified Neighborhood Inspection Team (UNIT), to be led by the UNIT Coordinator, a new position included in the budget. The UNIT will include representatives from the Departments of Health & Housing, Permit Coordination, Blight Enforcement, the Building Department, Police Department, Zoning Enforcement and the Fire Marshall's Office. The UNIT will respond to quality of life complaints through enforcement and education. Enforcement actions and remediation will be published on the City's website on a monthly basis, residents will be educated on the City's zoning regulations, and new property owners will receive a welcome packet describing the "Do's and Don'ts" of living in our City.

- ❖ **Danbury Neighborhood Bond** The FY 2005-2006 adopted budget includes a proposed bond issue that will be presented to the voters for consideration in November 2005. The Danbury Neighborhood Bond totals approximately \$11 million and includes \$3.2 million for park and playground improvements including the construction of an environmental education center on Candlewood Lake, \$2.8 million for road and bridge repairs, and \$1.9 million for traffic and streetscape improvements including an Intelligent Traffic System (ITS). The bond also includes \$300,000 for a new fire pumper to replace an aging piece of equipment. To develop the bond, the Capital Improvement Program was analyzed to determine which projects would have the greatest impact on the most neighborhoods. When completed, every neighborhood in the City will be touched by a project in the bond.
  
- ❖ **Other Program Improvements** The FY 2005-2006 adopted and capital budgets include other program improvements designed to help build strong neighborhoods.
  - 1) Investments in the Danbury Public Library will expand operating hours, provide improved technology including an automated circulation machine and new computers, and facility improvements including new carpeting and upgrading the HVAC system. Funding was also restored to the Long Ridge Library.
  - 2) The budget includes funding for the restoration of a Fire Marshall position that was eliminated in the FY 2004-2005 budget, includes funding for an additional Building Inspector and increases clerical support to assist with the activities of the UNIT.
  - 3) Additional funding has been included to improve the City's lakes, parks and recreation programs.
  - 4) Transitional funding to the YMCA will help preserve a valuable community asset in the City's downtown.
  - 5) Tree stump removal to improve and repair city sidewalks.
  - 6) The White Street streetscape project will enhance the town/gown relationship with Western Connecticut State University through the construction of sidewalks, granite curbs, handicapped access and decorative lighting.
  - 7) The West Street streetscape project will enhance the area from Library Plaza to City Hall with decorative streetlights, landscaping and signage.
  - 8) Traffic calming projects planned for key neighborhoods in the City will make our streets safer.

### SUMMARY OF THE ADOPTED BUDGET

The total general fund spending plan for FY 2005-2006, including the Board of Education, is \$169,600,122. This represents an increase over the current year budget of \$8,370,927. Spending by the Board of Education is projected to increase by \$4.9 million or 5.5%, and City expenditures (excluding contingency) are expected to increase by \$3.3 million or 4.6%. Net revenue from all sources other than current property taxes total \$40,648,694, leaving a balance to be raised from local taxes of \$129,951,428. With adjustments for a reserve for tax appeals, the gross tax levy that must be raised to support the budget is \$129,801,428. The grand list as filed by the Tax Assessor has grown by \$435.3 million and reflects the third year of the phase-in of property revaluation. Based on an assumed grand list of \$5.6 billion after Board of Assessment Appeals, the mill rate needed to support the adopted budget is 23.03 mills. This represents a decrease in the mill rate of 1.83 mills, or 7.37%.

On the City side of the budget, overall spending will increase by 4.8%. City Departments were instructed to submit flat budget requests that reflect only their core mission. Where possible, most departments complied with these instructions; however, budgets ultimately presented by departments would have increased spending by 7.3%. Over the past two years, City spending had been reduced to support increases in education spending and offset revenue shortfalls due to the slowing economy. For FY 2005-2006, I was able to satisfy the majority of requests from City Departments without increasing the tax rate. This was achieved through the strong Grand List growth, and an increase in non-tax revenues, including additional State aid, payments due the City from private developers and the use of fund balance.

#### OPERATING BUDGET SUMMARY - THREE-YEAR HISTORY

DEPARTMENT	ACTUAL FY 2003-2004	BUDGET FY 2004-2005	ADOPTED FY 2005-2006	\$ CHANGE 04-05 VS. 05-06
GENERAL GOVERNMENT	7,956,227	7,501,112	8,080,613	579,501
PUBLIC SAFETY	20,956,860	20,658,871	22,055,044	1,396,173
PUBLIC WORKS	5,822,399	6,940,646	7,504,671	564,025
HEALTH & HOUSING	798,224	834,630	893,184	58,554
PUBLIC WELFARE & SOCIAL AGENCIES	1,904,273	1,615,669	1,848,689	233,020
EDUCATION	85,734,789	89,708,575	94,631,075	4,922,500
LIBRARIES	1,915,464	1,894,319	2,068,265	173,946
PARKS & RECREATION	2,023,343	755,870	797,688	41,818
RECURRING COSTS	17,482,243	19,704,312	20,185,978	481,666
DEBT SERVICE	7,795,991	9,240,656	8,876,101	(364,555)
CAPITAL PROJECTS	165,862	0	0	0
TRANSPORTATION	1,007,728	945,781	1,047,531	101,750
CONTINGENCY	465,999	1,428,754	1,611,283	182,529
MISCELLANEOUS ADJUSTMENT	(209,702)	0	0	0
<b>GRAND TOTAL</b>	<b>153,819,699</b>	<b>161,229,195</b>	<b>169,600,122</b>	<b>8,370,927</b>

## BUDGET ASSUMPTIONS

### **Revenues:**

- As was the case in prior years, the budget assumes that the City will collect 100% of its current tax levy by June 30, 2006. Since the City does not budget for prior year tax collections and supplemental automobile taxes, any fall-off from the 100% collection rate is offset by these unbudgeted sources of revenue.
- The budget assumes that State aid will increase by \$1.3 million. This increase is due to increases in aid for education and Town Road Aid.
- The City will realize \$11.2 million in revenue from licenses and permits, fines and penalties and charges for services, an increase of \$3.0 million or 37.5 % from the FY 2004-2005 budget. Increases in these sources of revenue are primarily driven by payments due the City from private developers for the purchase of land. These payments will continue through FY 2007-2008.
- The budget assumes revenue from investment income will total \$675,000. Due to historically low interest rates, revenue from this source dropped by 76.5% between FY 2000-2001 and FY 2004-2005. Interest rates have begun to rise and the City was able to use more favorable assumptions in forecasting this source of revenue.
- The budget assumes the use of \$3.0 million of fund equity for FY 2005-2006. The level of fund balance has remained steady for the past three years, and the City anticipates favorable operating results for the current year, which will replenish fund balance to FY 2003-2004 levels.

### **Expenditures:**

- For the most part, goods and services are budgeted at either current year levels or with some slight inflationary increases. The exception is electric utility costs, heating fuel and motor fuel. The cost of these commodities is increasing significantly higher than the rate of inflation. These three items are budgeted at \$1,597,451, an increase of \$260,143 or 19.5%. Electric utility costs are increasing by 15.2%, heating fuel by 28.9% and motor fuel by 24.6%. Adjustments have been made to reflect these increases.
- In FY 2005-2006, there will be 53 pay periods instead of the traditional 52. The proposed budget includes an additional \$525,905 for the 53<sup>rd</sup> pay period, increasing budgeted wages by 1.9%.

- In most cases, regular wages are budgeted at 100% of a full complement of personnel based on approved collective bargaining agreements. Where no agreement exists, wages have been budgeted based on the most recent contract settlement. As was the case in the FY 2004-2005 budget, raises for non-union employees will be merit based and will be effective January 1, 2006.
- Employee health insurance costs for City employees and retirees are expected to increase by 9.2% over the FY 2004-2005 adopted budget, based on national trends in the health insurance industry. The City participated in the Connecticut Public Sector Prescription Drug Coalition that reduced prescription drug costs by almost 15%. The Coalition is comprised of twelve municipalities that issued a joint Request for Proposals (RFP) for Pharmacy Benefit Managers (PBM's). By consolidating its purchasing power, the municipalities participating in the Coalition were able to achieve significant savings. The Coalition is currently working on a joint RFP for life insurance and is anticipating similar results.
- The budget provides for flat funding for risk management costs compared to the adopted budget for FY 2004-2005. The renewal for FY 2004-2005 was more favorable than anticipated and the City secured a three-year rate guarantee with its insurance carrier that will keep rates stable for the next two years. There are still concerns about rising workers' compensation costs. While the line item for workers' compensation deductible is funded at current year levels, expenditures for this line item have increased from \$400,000 in FY2002-2003 to \$780,000 projected for FY 2004-2005.
- The general fund appropriation for debt service will decrease by \$364,555 or by 4%. The City executed a refunding of general obligation bonds in 2004 that resulted in reduced debt service costs. The budget does include interest expense of \$372,000 for a \$14.7 million bond sale planned for July.
- The budget includes a contingency of approximately \$1.6 million for unsettled labor contracts and unanticipated expenses throughout the year.

## **BUDGET OVERVIEW AND MAJOR INITIATIVES**

### **GENERAL FUND**

#### **General Government**

- The budget for the Corporation Counsel's Office will increase by \$194,981. The contractors that were retained for the landfill closure in 1998 have made a claim against the City and the budget for litigation related expenses needed to be increased.

- All aspects of building maintenance have been funded at current year levels, excluding utility costs. Line items for natural gas and electricity are budgeted at \$290,476, an increase of \$32,140 or 12.4% over FY 2003-2004 actual expenditures. Heating fuel is budgeted at \$168,626, an increase of \$70,736 or 72% over FY 2003-2004 actual expenditures.
- The adopted budget for FY 2005-2006 includes an increase to the Candlewood Lake Authority of \$2,706 or 5% consistent with State statutes. In addition, the Danbury Neighborhood Bond includes \$500,000 for the construction of a Candlewood Lake Environmental Education Center to be located on the shores of Candlewood Lake in the City of Danbury town park. The center will be used as a classroom extension of the lake.

## **Public Safety**

- The adopted budget for the Police Department includes funding for 158 personnel. A salary accrual of \$41,634 has been incorporated in the budget as a result of vacancies that occur throughout the year. The Department's appropriation for overtime is budgeted at current year levels of \$800,000. Improved management of overtime expenditures and vacant positions has enabled the Department to fund additional overtime expenses internally.
- The budget for the Police Department includes \$80,000 to lease ten new police cruisers. The new vehicles will enable the Department to retire older vehicles in the fleet and improve response time. The budget also includes \$20,000 for training, a 25% increase over the FY 2004-2005 adopted budget. The budget also includes enhanced funding for communication and public safety equipment. The additional \$16,049 will provide additional radios and emergency lights.
- The City's contribution to the Animal Control Fund is increasing by \$14,887. The increase is due to the 53<sup>rd</sup> payroll week as well as funding to install air conditioning in the kennel area and for sidewalk improvements around the facility.
- The adopted budget for the Fire Department includes funding for 111 full-time positions. This is an increase of one full-time position and reflects the restoration of a Deputy Fire Marshal position that was eliminated in the FY 2004-2005 budget. The additional Deputy Fire Marshal is an integral component of the Livable Neighborhood Plan.
- As was the case in the FY 2004-2005 budget, the operating budget for FY 2005-2006 does not include a general fund subsidy to the Ambulance Fund. Expenditures in the Ambulance Fund will increase by \$121,312 or 7.5%. Wages and benefits are drivers of this increase. The budget also includes funds to lease upgraded cardiac monitors that will provide real time analysis of pre-hospital ECG's by cardiologists at the hospital.

This type of analysis can save precious minutes in a cardiac emergency. The adopted budget also includes funds to lease mobile digital terminals (MDT's) that will link Emergency Medical Services (EMS) with the current public safety systems used by the Police & Fire Departments. Linking EMS with these other departments will result in a more efficient and safer response.

- The adopted budget includes funding for the newly created Unified Neighborhood Inspection Team (UNIT). The position of UNIT Coordinator has been included in the budget at a salary of \$58,000, and will coordinate the activities of the other members of the team. The mission of the UNIT is to respond to neighborhood quality of life complaints.
- The adopted budget for the Building Department will increase by \$109,507 or 24%. The increase is due to the inclusion of an additional Assistant Building Inspector and an additional clerical position. The increase in construction activity in the City justified the need for these additional positions. In addition, the Building Department will play a critical role in executing the mission of the UNIT.

### **Public Works**

- The adopted budget for the Engineering Department includes funding for an additional Engineer. The new position was added to provide additional resources to perform site plan reviews due to the significant increase in construction activity in the City.
- Funding for snow and ice removal has been increased by \$114,000 or 25.2%. The harsh winter weather over the past three years had necessitated additional funding from the City's Contingency Account. Increased funding should mitigate the need for mid-year emergency appropriations.
- The budget includes an increase in utility costs for streetlights of \$43,750 or 11.3%. This is consistent with the rate increases recently imposed by Connecticut Light and Power (CL&P).
- The adopted budget increases funding for the Park Maintenance Department by \$118,271. Additional funds were shifted from the Recreation Department to Park Maintenance for overtime expenses and for landscaping at City parks.

### **Health and Housing**

- The adopted budget recommends funding at current year levels for the Department of Health and Housing. The City is currently recruiting for a new Director of Health, a position that was vacated through retirement in December 2004. Any program improvements have been deferred until a new Director has had an opportunity to evaluate the needs of the department and the community.

## **Public Welfare and Social Agencies**

- The adopted budget includes an increase in funding for grant agencies. Funding for the majority of agencies was increased by three percent to adjust for inflation. Funding to the Downtown Council was partially restored for the holiday lighting program in downtown, a program that was eliminated in the FY 2004-2005 budget and was ultimately funded through private donors. As was the case in FY 2004-2005, the appropriation to the Cultural Commission will fund organizations that focus on cultural activities.
- The adopted budget includes \$125,000 to support the continued operations at Boughton Street YMCA. The facility was slated to close in July 2005 due to severe budget shortfalls and significant capital improvement needs. This funding is part of a larger strategy to keep the organization operating. Additional funds from the Community Development Block Grant program will assist with some capital improvements, and the organization is launching a fundraising campaign to raise additional dollars. Continued funding of the YMCA is dependent on its ability to raise the additional funds needed to make the capital improvements.
- The adopted budget for the Commission on Aging totals \$252,362, an increase of \$25,349 or 11.1%. The increase is attributable to the funding of additional part-time staff to assist with the Rent Rebate Program.

## **Education**

- The adopted budget includes funding for the Board of Education totaling \$94,631,075, an increase of \$4,922,500 or 5.5%. This amount includes \$208,575 for the City's subsidy for public and private school nurses. This component has been budgeted at FY 2004-2005 levels.

## **Libraries**

- The adopted budget restores funding to the Long Ridge Library. Efforts to raise money privately to continue operations at the Long Ridge Library were unsuccessful. Funding to the Library for FY 2004-2005 was made via an appropriation during the fiscal year.
- Funding to the Danbury Public Library will increase by \$168,927 or 8.9%. Additional funds have been included for part-time staff that will increase the hours at the main library by three hours per week and at the technology center by 14 hours per week. In addition, funding has been included to lease additional computer equipment, and a new automated circulation machine has been included for funding in the capital budget. Funding for adult books, children's books, recordings, films, and audio books remain at FY 2004-2005 budgeted levels. Additionally, the Library Board can direct funding it receives from library fines and donations toward the purchase of books and other materials.

## **Parks and Recreation**

- The adopted budget reflects a decrease in funding of \$22,359 for the Recreation Department. The reduction is due to a reallocation of funds for overtime expenses to the Park Maintenance Department. This is offset by an increase in funding for part-time staff and outside services to continue recreational programming under the Safe Summer Program. This program had been funded by a grant, which has since been eliminated.
- The adopted budget includes a \$27,000 increase or 36% in funding to the Cultural Commission. The increase will insure the continuation of cultural programs in the City. In the FY 2004-2005 adopted budget, funding to individual cultural organizations was eliminated and consolidated under the Cultural Commission. The organizations applying for grants to the Commission exceeded available funding, so additional support has been provided.
- The adopted budget includes an increase in funding to the Tarrywile Park Authority. The additional \$20,000 will assist with the operating expenses associated with maintaining the Park. In addition, funding for a new equipment garage for the Authority has been included in the Danbury Neighborhood Bond.
- The adopted budget includes an additional \$20,000 for the Lake Kenosia Commission. The funds will be used to implement non-chemical treatment processes for priority swimming areas of the lake to control rooted aquatic plants.

## **Recurring Costs**

- As discussed earlier, spending on employee health insurance is expected to increase by \$988,962 or 9.2%. The increase is due to trends in the health care industry. Some savings were achieved through the City's participation in the Connecticut Public Sector Prescription Drug Coalition.
- Spending on workers' compensation and related insurance is expected to remain flat at approximately \$3.1 million.
- The City's contribution to the pension funds is budgeted at \$3,548,709, a decrease of \$362,291 or 9.2%. Favorable results in the stock and bond markets contributed to this decline.

## **Debt Service**

- The adopted budget includes debt service expenses totaling \$8,876,101, a decrease of \$364,555. As discussed earlier, the City executed a refunding of general obligation bonds in 2004 that resulted in reduced debt service costs. The budget does include interest expense of \$372,000 for a \$14.7 million bond sale planned for July.

## **Transportation**

- Funding for the Airport will increase by \$84,937 or 27.2%. The additional funds will be used to replace the hangar doors on the airport maintenance garage and for maintenance of the runways.
- The adopted budget includes an increase in the City's subsidy to Housatonic Area Regional Transit (HART) of \$17,096. The increase is due to an increase in operating costs. However, total funding of \$649,136 is still below FY 2003-2004 actual expenditures of \$662,427.

## **Contingency**

- The adopted budget includes a contingency totaling \$1,611,283, an increase of \$185,529 or 12.7%. The City is currently in negotiations with two of its collective bargaining units. One contract expired on June 30, 2003; the second will expire on June 30, 2005.

## **SEWER AND WATER FUNDS**

- Expenditures in the Sewer Fund are expected to increase by \$279,235 or 3.2%. The increase is driven by increased administrative costs related to insurance and utility costs. Although expenditures are only increasing by 3.2%, the Sewer Fund continues to experience cash flow problems due to low rates that are not sufficient to sustain the operations. In 2004, the City hired a consultant to perform a cost of service study that articulates a five-year plan for improving the financial viability of the Sewer Fund. The study provides a blueprint for the future that will insure that the rate structure generates sufficient resources to support operations and maintenance, while providing for needed capital improvements that are critical to the operation of the plant. The study also provides projections for generating a capital reserve fund that is a required element of a utility's financial structure. Consistent with the study, the Danbury Neighborhood Bond includes approximately \$1.0 million for needed capital improvements to the sewage treatment plant. In a 2003 survey of sewer rates in Connecticut, the average annual sewer bill in the City of Danbury was \$102, 106% below the statewide average of \$210, and the second lowest in the State. As a result, the adopted budget includes an increase in sewer rates as well as increases in other related fees and charges.

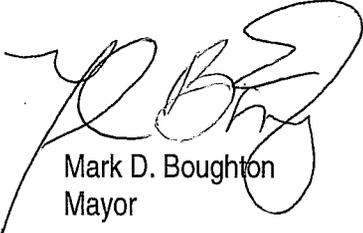
- Expenditures in the Water Fund are expected to increase by \$771,485 or 13.4%. Expenditure growth is driven by needed capital improvements to the plant as well as administrative costs including the 53<sup>rd</sup> pay period. As is the case with the Sewer Fund, the Water Fund is experiencing cash flow problems resulting from low rates and multi-year budget deficits. A cost of service study was also prepared for the Water Fund that provides the direction needed to be taken to improve the financial viability of the Water Fund. Consistent with the study, the Danbury Neighborhood Bond includes approximately \$1.0 million for needed capital improvements to the water infrastructure. In a 2003 survey of water rates in Connecticut, the average annual water bill in the City of Danbury ranged between \$88 and \$102 depending on the meter size. That is the lowest in the State of Connecticut and 165% below the statewide average of \$273. To ensure sufficient cash flow to sustain the operations of the Fund, the adopted budget includes an increase in water rates as well as increases in other related fees and charges.

### CONCLUSION

The 2005-2006 adopted budget is a balanced plan of operations designed to continue essential municipal services and direct additional resources into public education and selected quality of life initiatives related to the City's neighborhoods. The budget that we have crafted represents a finely tuned plan, which meets the City's service needs, reorders our priorities where appropriate, and challenges all of our employees to deliver public services more efficiently. Moreover, the plan places the minimum burden possible on our taxpayers consistent with sound financial practice.

I would like to thank all of the department heads, and other City staff involved in the budget preparation process for the many long hours that they have put into developing the budget. I would also like to thank the members of the Common Council who spent several weeks working diligently on the budget. And most of all, I would like to express my sincere gratitude to the citizens of Danbury who have provided me with many valuable insights and suggestions, which we have incorporated into the adopted plan.

Respectfully Submitted,



Mark D. Boughton  
Mayor



**ORDINANCE**  
CITY OF DANBURY, STATE OF CONNECTICUT  
**COMMON COUNCIL**

May 3, 2005

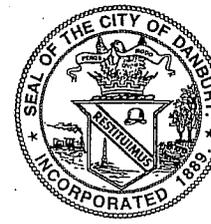
Be it ordained by the Common Council of the City of Danbury:

AN ORDINANCE MAKING APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2005 AND ENDING JUNE 30, 2006.

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF DANBURY:

SECTION 1. That the amounts hereinafter set forth aggregating \$169,600,122 or so much as may be necessary, are hereby appropriated for the General Fund, from current revenue, for the use of the several departments of the Municipal Government and for the purpose hereinafter mentioned for the fiscal year beginning July 1, 2005 and ending June 30, 2006.

	<u>MAYOR'S</u>	<u>ADOPTED</u>
	<u>BUDGET</u>	<u>BUDGET</u>
I. <u>GENERAL GOVERNMENT</u>		
Common Council	\$ 66,264	\$ 66,264
Mayor's Office	324,372	327,998
City Clerk's Office	48,028	48,028
Ordinances	20,600	20,600
Probate Court	16,450	16,450
Registrars & Elections	161,935	161,935
City Treasurer	18,624	18,624
Director of Finance	764,935	764,935
Data Processing/Info Tech	1,049,728	1,049,728
Independent Audit	44,800	44,800
Bureau of Assessments	411,594	411,594
Board of Assessment & Appeals	4,350	4,350
Tax Collector	565,023	565,023
Purchasing	225,095	225,095
Corporation Counsel	786,183	786,183
Town Clerk	378,992	378,992
Annual Report	9,500	9,500
Permit Coordination	306,984	306,984
Planning Department	517,296	517,296
Office of Economic Development	86,501	86,501
Conservation Commission	8,720	8,720
Personnel Department/Civil Service	227,982	227,982
Mayor's Discretionary Fund	17,000	17,000
Fair Rent Commission	1,450	1,450
City Memberships	80,050	80,050
Lake Authority	56,818	56,818



**ORDINANCE**  
CITY OF DANBURY, STATE OF CONNECTICUT  
**COMMON COUNCIL**

May 3, 2005

Be it ordained by the Common Council of the City of Danbury:

	<u>MAYOR'S</u>	<u>ADOPTED</u>
	<u>BUDGET</u>	<u>BUDGET</u>
<u>GENERAL GOVERNMENT</u>		
Retirement Administration	\$ 41,000	\$ 41,000
Labor Negotiations	83,000	83,000
Public Buildings	910,125	910,125
City Hall Building	325,798	325,798
Library Building	179,062	179,062
Police Station Building	174,234	174,234
Senior Center Building	85,050	85,050
Old Library Building	43,346	43,346
Employee Service Benefit	<u>36,098</u>	<u>36,098</u>
<u>TOTAL GENERAL GOVERNMENT</u>	<u>\$ 8,076,987</u>	<u>\$ 8,080,613</u>
II. <u>PUBLIC SAFETY</u>		
Police Department	\$11,805,751	\$11,805,751
Animal Control	187,880	187,880
Fire Department	9,381,509	9,381,509
Building Inspector	562,930	562,930
Department of Civil Preparedness	14,629	14,629
Employee Service Benefit	4,853	4,853
Department of Consumer Protection	39,492	39,492
Unified Neighborhood Inspection Team	<u>58,000</u>	<u>58,000</u>
<u>TOTAL PUBLIC SAFETY</u>	<u>\$22,055,044</u>	<u>\$22,055,044</u>
III. <u>PUBLIC WORKS</u>		
Highways	\$ 2,142,619	\$ 2,142,619
State Aid - Highways	294,158	294,158
Snow and Ice Removal	430,842	430,842
Street Lighting	430,000	430,000
Park Maintenance & Forestry	1,378,096	1,378,096
Public Building Maintenance and Repair	541,917	541,917
Equipment Maintenance	867,825	867,825
Recycling/Solid Waste	310,300	310,300
Engineering Department	1,091,572	1,091,572



**ORDINANCE**  
CITY OF DANBURY, STATE OF CONNECTICUT  
**COMMON COUNCIL**

May 3, 2005

Be it ordained by the Common Council of the City of Danbury:

	<u>MAYOR'S</u>	<u>ADOPTED</u>
	<u>BUDGET</u>	<u>BUDGET</u>
<u>PUBLIC WORKS</u>		
Employee Service Benefit	\$ 17,342	\$ 17,342
<u>TOTAL PUBLIC WORKS</u>	<u>\$ 7,504,671</u>	<u>\$ 7,504,671</u>
IV. <u>HEALTH &amp; HOUSING DEPARTMENT</u>		
Health & Housing	\$ 889,019	\$ 889,019
Employee Service Benefit	4,165	4,165
<u>TOTAL HEALTH &amp; HOUSING</u>	<u>\$ 893,184</u>	<u>\$ 893,184</u>
V. <u>PUBLIC WELFARE, SOCIAL AGENCIES</u>		
Welfare Department	\$ 344,372	\$ 344,372
Veterans' Advisory Center	58,777	58,777
Commission on Aging	252,362	252,362
Elderly Transportation	12,000	12,000
Grants – Human Services	1,178,161	1,178,161
Employee Service Benefit	3,017	3,017
<u>TOTAL PUBLIC WELFARE, SOCIAL AGENCIES</u>	<u>\$ 1,848,689</u>	<u>\$ 1,848,689</u>
VI. <u>SCHOOL DEPARTMENT</u>		
Schools, Regular	\$94,422,500	\$94,422,500
Schools, Health & Welfare	208,575	208,575
<u>TOTAL SCHOOL BUDGET</u>	<u>\$94,631,075</u>	<u>\$94,631,075</u>
VII. <u>LIBRARIES</u>		
Danbury Public Library	\$ 2,058,187	\$ 2,058,187
Employee Service Benefit	4,078	4,078
Long Ridge Library	6,000	6,000
<u>TOTAL LIBRARIES</u>	<u>\$ 2,068,265</u>	<u>\$ 2,068,265</u>
VIII. <u>PARKS &amp; RECREATION</u>		
Department of Recreation	\$ 407,785	\$ 407,785
Tarrywile Park Authority	265,000	265,000



**ORDINANCE**  
CITY OF DANBURY, STATE OF CONNECTICUT  
**COMMON COUNCIL**

May 3, 2005

Be it ordained by the Common Council of the City of Danbury:

	<u>MAYOR'S</u>	<u>ADOPTED</u>
	<u>BUDGET</u>	<u>BUDGET</u>
<u>PARKS &amp; RECREATION</u>		
Cultural Commission	\$ 102,000	\$ 102,000
Lake Kenosia Commission	22,000	22,000
Employee Service Benefit	903	903
<u>TOTAL PARKS &amp; RECREATION</u>	<u>\$ 797,688</u>	<u>\$ 797,688</u>
IX. <u>RECURRENT COSTS</u>		
FICA	\$ 1,440,038	\$ 1,440,038
Pension Expense	3,548,709	3,548,709
Employee Service Benefit	180,380	180,380
Worker's Compensation	605,088	605,088
State Unemployment Compensation	35,000	35,000
Employee Health & Life Insurance	10,894,407	10,894,407
Union Welfare	832,000	832,000
Insurance & Official Bond Premium	2,650,356	2,650,356
<u>TOTAL RECURRENT COSTS</u>	<u>\$ 20,185,978</u>	<u>\$ 20,185,978</u>
X. <u>DEBT SERVICE</u>		
Interest on Debt	\$ 1,735,206	\$ 1,735,206
Interest on Debt – School	1,121,433	1,121,433
Redemption of Debt	3,439,462	3,439,462
Redemption of Debt – School	2,580,000	2,580,000
<u>TOTAL DEBT SERVICE</u>	<u>\$ 8,876,101</u>	<u>\$ 8,876,101</u>
XI. <u>CAPITAL PROGRAM</u>	0	0
<u>TOTAL CAPITAL PROGRAM</u>	<u>0</u>	<u>0</u>
XII. <u>TRANSPORTATION</u>		
Danbury Airport	\$ 397,204	\$ 397,204
H.A.R.T.	649,136	649,136
Employee Service Benefit	1,191	1,191
<u>TOTAL TRANSPORTATION</u>	<u>\$ 1,047,531</u>	<u>\$ 1,047,531</u>



**ORDINANCE**  
CITY OF DANBURY, STATE OF CONNECTICUT  
**COMMON COUNCIL**

May 3, 2005

Be it ordained by the Common Council of the City of Danbury:

	<u>MAYOR'S</u>	<u>ADOPTED</u>
	<u>BUDGET</u>	<u>BUDGET</u>
XIII. <u>CONTINGENCY</u>	\$ 1,611,283	\$ 1,611,283
<u>TOTAL CONTINGENCY</u>	\$ 1,611,283	\$ 1,611,283
<u>TOTAL BUDGET</u>	\$169,596,496	\$169,600,122

SECTION 2. That the amount of \$1,722,312 is appropriated to the AMBULANCE FUND in the same manner as set forth in Section 1 hereof.

SECTION 3. That the amount of \$201,500 is appropriated to the ANIMAL CONTROL FUND in the same manner as set forth in Section 1 hereof.

SECTION 4. That the amount of \$8,791,912 is appropriated to the SEWER FUND in the same manner as set forth in Section 1 hereof.

SECTION 5. That the amount of \$6,524,694 is appropriated to the WATER FUND in the same manner as set forth in Section 1 hereof.

SECTION 6. That a provision for tax appeals reserve is established in the amount of \$850,000.

Adopted by the Common Council  
Approved by Mayor Mark D. Boughton

\_\_\_\_\_  
MARK D. BOUGHTON  
Mayor

ATTEST:

\_\_\_\_\_  
Vincent P. Nolan, Jr.  
President, Common Council



**RESOLUTION**

CITY OF DANBURY, STATE OF CONNECTICUT

May 3 A. D., 2005

RESOLVED by the Common Council of the City of Danbury:

A RESOLUTION LEVYING THE PROPERTY TAX FOR THE FISCAL YEAR

BEGINNING JULY 1, 2005 AND ENDING JUNE 30, 2006

SECTION 1. The sum of \$129,801,428 representing the gross appropriation for the City of Danbury of \$169,600,122 for the fiscal year of July 1, 2005 and ending June 30, 2006, minus Indirect Revenue of \$37,548,694, minus operating transfer in of \$100,000, minus use of fund balance of \$3,000,000, plus reserve for tax appeals in the amount of \$850,000, is hereby levied and assessed on all taxable property in the City of Danbury as set forth on the annual Grand List as of October 1, 2004.

SECTION 2. Accordingly, the General Fund Tax Rate for the fiscal year beginning July 1, 2005 and ending June 30, 2006 shall be as follows:

TAX RATE: 23.03 MILLS

SECTION 3. The taxes levied and assessed as hereinafter provided shall be payable in quarterly installments on July 1, 2005, October 1, 2005, January 1, 2006, and April 1, 2006 except for taxes levied and assessed on mobile homes, motor vehicles and where not in excess of One Hundred Dollars (\$100.00), which taxes shall be paid on July 1, 2005, in accordance with the General Statutes of the State of Connecticut, unless said dates shall have lapsed before the effective date of this resolution, in which case the Tax Collector shall fix the dates and installments as if said dates had not been fixed herein as provided by law.

SECTION 4. The Tax Collector shall cause the said taxes above levied and assessed to be inserted on the tax rolls for the fiscal year beginning July 1, 2005 and ending June 30, 2006.