

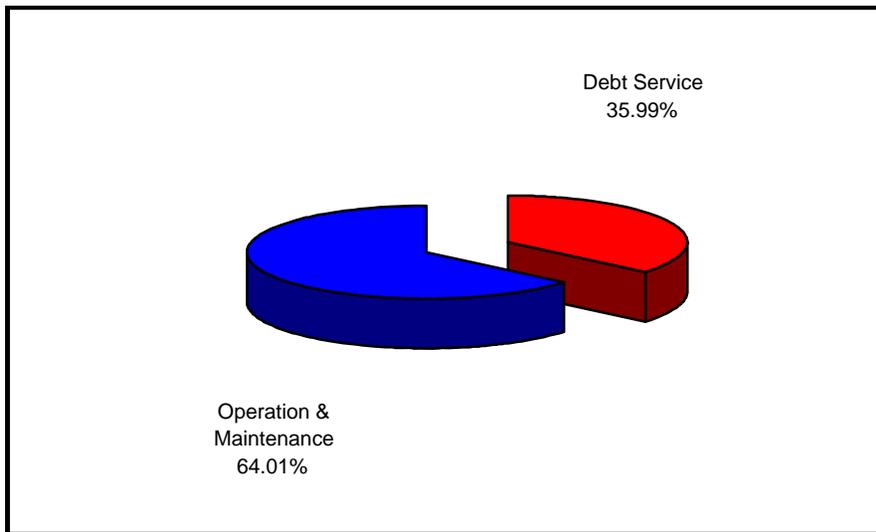
SEWER FUND

STATEMENT OF MISSION, ACCOMPLISHMENTS AND MAJOR OBJECTIVES

<p>STATEMENT OF MISSION</p>	<p>The mission of the Danbury Public Utilities Department is to operate and maintain a sanitary sewer utility infrastructure that will serve the existing and future demands of the City of Danbury as well as the demands of neighboring towns in accordance with established inter-municipal agreements. The Public Utilities Department is committed to meeting or exceeding the regulations established by the US EPA and the CT DEP for the operation of the Danbury Water Pollution Control Plant and associated wastewater collection system. The City of Danbury and the neighboring Region will be provided with sound disposal and treatment methods for wastewater and septic system wastes to ensure the protection of human health and the preservation of the environment.</p>
<p>FISCAL YEAR 2005-2006 ACCOMPLISHMENTS</p>	<ul style="list-style-type: none"> ◆ Pilot testing for Nitrogen Removal Study completed and design of Denitrification System at Danbury WPCP started. ◆ Evaluated the use of Fuel Cell Technology as an alternative energy supply at Danbury WPCP. ◆ Started design of West Side Sewer – Phase I.
<p>MAJOR OBJECTIVES 2006-2007</p>	<ul style="list-style-type: none"> ◆ Complete design and start construction of Denitrification System at Danbury WPCP. ◆ Complete design and begin construction of West Side Sewer Phase I. ◆ Study regional fats, oils and grease disposal at Danbury WPCP and study year round phosphorous removal.

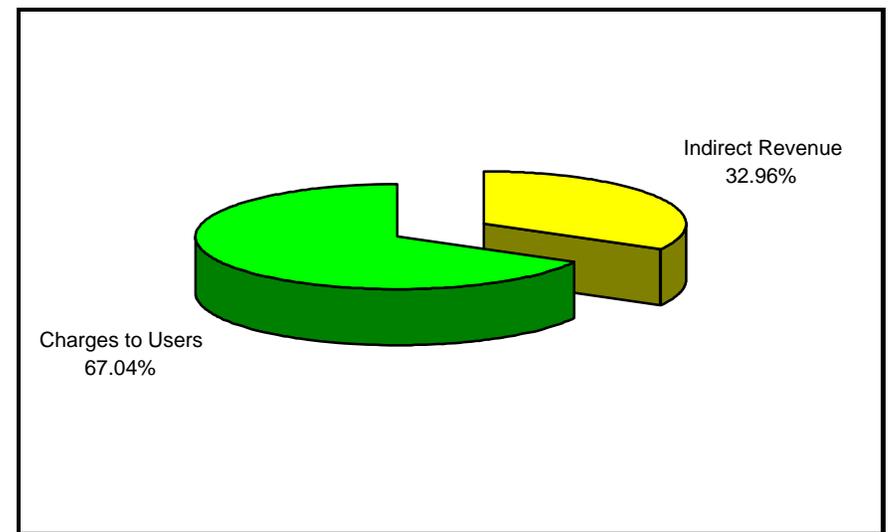
CITY OF DANBURY SEWER FUND 2006-2007 ADOPTED BUDGET

EXPENSES



Debt Service	\$3,386,052
Operation & Maintenance	6,022,208
Total	\$9,408,260

REVENUES



Indirect Revenue	\$3,101,150
Charges to Users	6,307,110
Total	\$9,408,260

**CITY OF DANBURY, CONNECTICUT
SEWER FUND
2006-2007 ADOPTED BUDGET**

	<u>ACTUAL</u> <u>2004-05</u>	<u>BUDGET</u> <u>2005-06</u>	<u>BUDGET</u> <u>2006-07</u>
<u>REVENUES</u>			
CHARGES TO USERS	\$5,376,206	\$6,148,130	\$6,307,110
INDIRECT REVENUE	2,914,494	2,643,782	3,101,150
FUND BALANCE	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	\$8,290,700	\$8,791,912	\$9,408,260
<u>EXPENSES</u>			
OPERATIONS, MAINTENANCE & CAPITAL	\$4,584,199	\$5,288,812	\$6,022,208
DEBT SERVICE	<u>3,363,085</u>	<u>3,503,100</u>	<u>3,386,052</u>
TOTAL	\$7,947,284	\$8,791,912	\$9,408,260

Rate increase required.

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FISCAL YEAR 2006-2007**

REVENUE CODE-9500	SEWER FUND	ACTUAL 2004-05	BUDGET AS OF 02/28/06	PROPOSED BY MAYOR 2006-2007	ADOPTED BUDGET 07/01/06
9500.4130	INTEREST & LIENS	239,952	250,000	250,000	250,000
	SUBTOTAL	239,952	250,000	250,000	250,000
9500.4401	INTEREST ON INVESTMENTS	105,453	15,000	150,000	150,000
	SUBTOTAL	105,453	15,000	150,000	150,000
9500.4626	SEPTIC WASTE	926,059	1,027,000	1,050,000	1,050,000
9500.4626.10	SEWER USE CHARGES	6,447,155	6,148,130	6,307,110	6,307,110
9500.4627	SEWER CONNECTION CHARGES	299,197	540,000	800,000	800,000
9500.4628	BETHEL SEWER	490,699	490,000	560,507	560,507
9500.4629	BROOKFIELD SEWER	153,545	154,545	118,167	118,167
9500.4630	NEWTOWN SEWER	2,237	2,237	7,476	7,476
9500.4640	TAX LIEN ADMIN FEE	242	0	0	0
9500.4655	MISC CHARGES-SERVICES	2,688,048	0	0	0
9500.4659.95	PERMIT FEES	46,200	95,000	95,000	95,000
9500.4665	WATER PLANT RESIDUALS	70,000	70,000	70,000	70,000
	SUBTOTAL	11,123,382	8,526,912	9,008,260	9,008,260
	TOTAL	11,468,788	8,791,912	9,408,260	9,408,260

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FISCAL YEAR 2006-2007**

EXPENSE CODE-9800	SEWER FUND	ACTUAL 2004-05	BUDGET AS OF 02/28/06	PROJECTED EXPENSES 2005-2006	PROPOSED BY DEPT 2006-2007	PROPOSED BY MAYOR 2006-2007	ADOPTED BUDGET 07/01/06
9501	SEWAGE TREATMENT						
9501.5311	PROFESSIONAL SER-FEES	28,775	58,800	45,300	178,500	178,500	178,500
9501.5334	OUTSIDE SERVICES	4,148,285	4,465,097	4,465,097	4,487,234	4,487,234	4,487,234
9501.5805	PAYMENT IN LIEU OF TAX ASSESS.	378,709	363,509	363,509	382,000	382,000	382,000
9501.5855	CONTRIBUTIONS-GRANTS	0	9,000	0	0	0	0
	SUBTOTAL	4,555,768	4,896,406	4,873,906	5,047,734	5,047,734	5,047,734
9502	SEWAGE COLLECTION & MAINT						
9502.5311	PROFESSIONAL SER-FEES	125,000	125,000	125,000	129,000	129,000	129,000
9502.5326	UTILITY SERVICE	14,138	13,700	15,140	18,320	18,320	18,320
9502.5508	MAINTAIN TOOLS INSTRUMENTS	0	0	0	1,000	1,000	1,000
9502.5510	MAINTAIN SEWAGE SYSTEM	28,819	75,400	75,401	75,400	72,500	72,500
9502.5615	HEATING FUEL	30,271	15,800	15,800	15,800	23,200	23,200
9502.5712	SEWER EQUIPMENT	0	3,300	3,300	3,300	11,900	11,900
9502.5713	PUBLIC SAFETY EQUIPMENT	0	3,212	3,212	3,000	3,000	3,000
	SUBTOTAL	198,229	236,412	237,853	245,820	258,920	258,920
9503	SEWER ADMINISTRATION						
9503.5311	PROFESSIONAL SER-FEES	96,098	87,221	87,221	89,900	89,900	89,900
9503.5312	INDEPENDENT ACCTG-AUDIT	12,000	13,000	13,000	14,000	14,000	14,000
9503.5315	COMMUNICATION SERVICES	3,691	4,100	4,100	4,200	4,200	4,200
9503.5318	POSTAGE	9,461	10,260	10,260	10,300	10,300	10,300
9503.5324	PRINTING & BINDING	500	1,000	1,000	1,000	1,000	1,000
9503.5325	LEGAL & PUBLIC NOTICES	0	4,200	4,200	4,300	4,300	4,300
9503.5507	MAINTAIN OFFICE EQ-FRNTUR	442	555	555	511	511	511
9503.5601	OFFICE SUPPLIES	1,631	1,500	1,500	1,700	1,700	1,700

**CITY OF DANBURY, CONNECTICUT ADOPTED BUDGET
FISCAL YEAR 2006-2007**

EXPENSE CODE-9800	SEWER FUND	ACTUAL 2004-05	BUDGET AS OF 02/28/06	PROJECTED EXPENSES 2005-2006	PROPOSED BY DEPT 2006-2007	PROPOSED BY MAYOR 2006-2007	ADOPTED BUDGET 07/01/06
9503.5808	AUTOMOBILE INSURANCE	15,561	15,561	15,561	17,895	17,895	17,895
9503.5811	FIRE INSURANCE	56,627	56,627	56,627	56,627	56,627	56,627
9503.5819	PUBLIC LIABILITY DEDUCTIBLE	65,059	100,000	100,000	65,121	65,121	65,121
	SUBTOTAL	261,069	294,024	294,024	265,554	265,554	265,554
9504	CONTINGENCY						
9504.5853	CONTINGENCY	8,962	44,862	58,862	50,000	50,000	50,000
	SUBTOTAL	8,962	44,862	58,862	50,000	50,000	50,000
9505	SEWER DEBT						
9505.5901	INTEREST ON BONDS	336,700	409,213	409,213	176,401	306,043	306,043
9505.5902	INTEREST ON NOTES	443,959	391,571	391,571	377,693	377,693	377,693
9505.5903	REDEMPTION OF BONDS	0	105,000	105,000	105,000	105,000	105,000
9505.5905	REDEMPTION OF NOTES	0	2,597,316	2,597,316	2,597,316	2,597,316	2,597,316
9505.8026	DEPRECIATION	2,671,140	0	0	0	0	0
	SUBTOTAL	3,451,798	3,503,100	3,503,100	3,256,410	3,386,052	3,386,052
9506	CAPITAL						
9506.7000.270	SCADA SYSTEM UPGRADE	0	0	0	800,000	400,000	400,000
	SUBTOTAL	0	0	0	800,000	400,000	400,000
	TOTAL	8,475,825	8,974,804	8,967,745	9,665,518	9,408,260	9,408,260

**COMBINED SCHEDULE OF BONDED DEBT THROUGH MATURITY
SEWER FUND
AS OF MAY 31, 2006**

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Debt Service</u>
2005-2006	206,873	29,952	236,825
2006-2007	3,028,382	550,516	3,578,898
2007-2008	3,028,382	478,819	3,507,201
2008-2009	3,028,382	406,975	3,435,357
2009-2010	2,914,539	335,103	3,249,642
2010-2011	2,914,539	266,428	3,180,967
2011-2012	2,914,539	197,788	3,112,327
2012-2013	2,914,539	128,640	3,043,179
2013-2014	638,939	78,460	717,399
2014-2015	241,840	58,395	300,235
2015-2016	165,000	46,479	211,479
2016-2017	165,000	39,004	204,004
2017-2018	165,000	32,179	197,179
2018-2019	164,000	25,808	189,808
2019-2020	163,000	19,294	182,294
2020-2021	84,000	14,240	98,240
2021-2022	84,000	10,628	94,628
2022-2023	65,000	7,131	72,131
2023-2024	65,000	4,388	69,388
2024-2025	65,000	1,463	66,463
Total	23,015,954	2,731,690	25,747,644