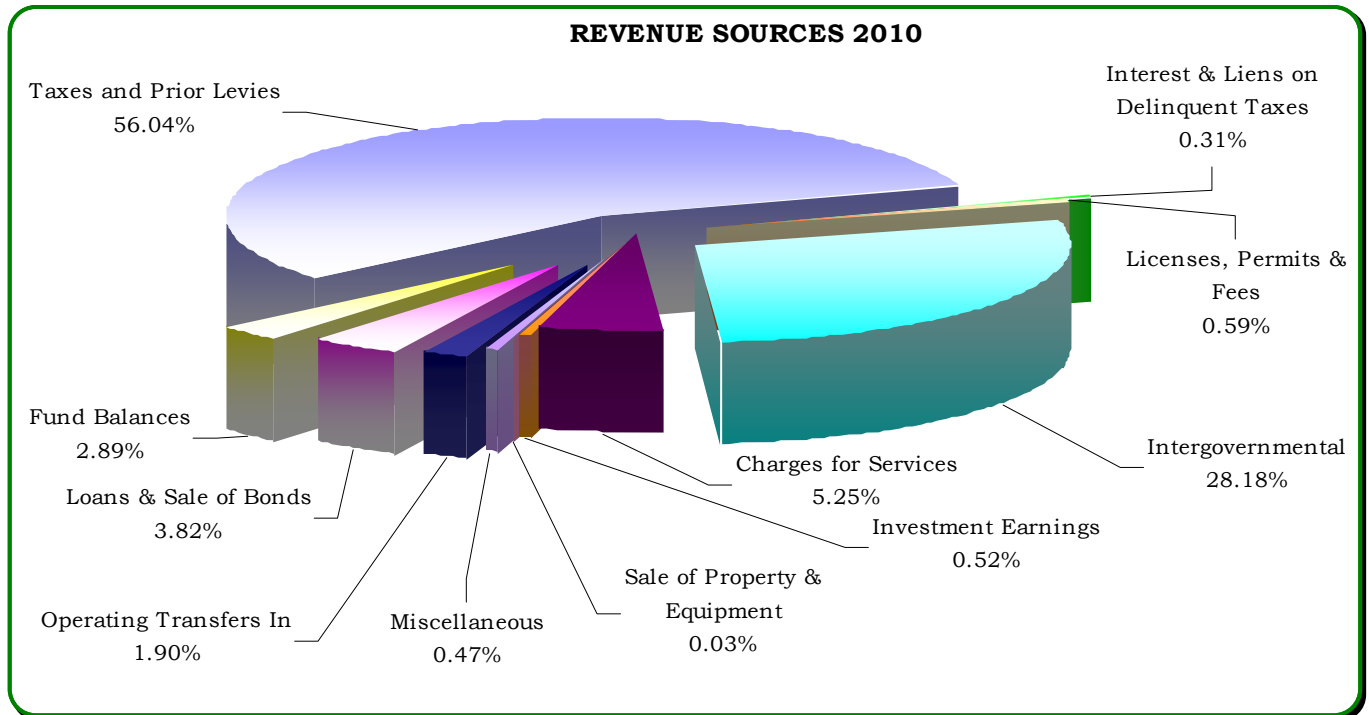


Operating Budget Summary

**CITY OF BRISTOL
Comparative Summary of Sources and Uses of Funds
FY 2009 Adopted/ FY 2010 Adopted Budgets**

	FY 2009 Adopted Budget	FY 2010 Adopted Budget	FY 2010 Over (Under) FY 2009	Percent Change
Sources:				
Taxes and Prior Levies	\$109,513,842	\$110,013,840	\$499,998	0.46%
Interest & Liens on Delinquent Taxes	605,700	600,000	(5,700)	(0.94%)
Licenses, Permits & Fees	1,185,250	1,157,000	(28,250)	(2.38%)
Intergovernmental	54,370,288	55,349,135	978,847	1.80%
Charges for Services	10,875,670	10,303,320	(572,350)	(5.26%)
Investment Earnings	1,956,500	1,025,500	(931,000)	(47.58%)
Sale of Property & Equipment	50,000	50,000	0	0.00%
Miscellaneous	1,089,140	557,788	(531,352)	(48.79%)
Operating Transfers In	3,828,460	4,105,810	277,350	7.24%
Loans & Sale of Bonds	10,092,000	7,500,000	(2,592,000)	(25.68%)
Fund Balances	4,395,000	5,675,000	1,280,000	29.12%
Appropriated Sources of Funds	\$197,961,850	\$196,337,393	(\$1,624,457)	(0.82%)
Uses:				
Salaries & Wages	\$101,184,649	\$100,565,083	(\$619,566)	(0.61%)
Employee Benefits	3,797,192	5,020,903	1,223,711	32.23%
Contractual Services	32,167,880	32,366,011	198,131	0.62%
Supplies & Materials	9,278,252	7,677,691	(1,600,561)	(17.25%)
Capital Outlay	15,697,632	12,919,945	(2,777,687)	(17.69%)
Miscellaneous/ Other	2,419,977	1,643,304	(776,673)	(32.09%)
Operating Transfers Out	32,414,961	35,123,124	2,708,163	8.35%
Contingency	1,001,307	1,021,332	20,025	2.00%
Appropriated Uses of Funds	\$197,961,850	\$196,337,393	(\$1,624,457)	(0.82%)

**CITY OF BRISTOL, CONNECTICUT
OPERATING BUDGET FUNDING
FISCAL YEAR 2010**



The City of Bristol has various revenue sources, each representing a different percentage of total revenues as depicted in the above chart. The total anticipated resources for Fiscal Year 2010 is \$196,337,393. Reserves of \$5,675,000 for revenue shortfalls have been budgeted from fund balances. The City's major revenue source is property taxes at 56.04% of the budgets followed by Intergovernmental revenues (State and Federal) at 28.18%. The following pages describe the various revenue sources and an overview of how revenue sources are estimated and developed.

Revenue Summary and Analysis

One of the first steps to prepare the City's budget is to make a reasonable estimate of how much money the City will have to spend on July 1st, the start of the fiscal year.

Preliminary estimates are developed in January. The estimates are further refined as information becomes known. Normally, the City budget is adopted the third Monday in May. The 2009-2010 budget was adopted on June 4, 2009. This was due to uncertainties of State Grant revenues. When the budget is adopted, all information has been finalized.

It is important to develop conservative revenue estimates, especially with large revenue sources such as taxes and grants (Intergovernmental Revenues). The City is conservative in its revenue estimates as a matter of prudent financial policy.

Operating Budget Summary

Operating Budget Summary (Continued)

Tax collection rates are comparatively high and stable. Economic activity in the City has been steady and following current economic trends. This activity contributes to other revenue sources such as building permits and real estate conveyance fees. These fees have seen a decline from highs several years ago, due to housing market drops locally and nationwide. The State of Connecticut had been running budget surpluses since 2004. In 2009, the State will experience a significant revenue shortfall due to nationwide economic trends. This has led the State of Connecticut to start the new fiscal year without an approved budget. As a result, several State grants, such as the PILOT (Payment in lieu of taxes) for State Property, the Casino grant, and several other State grants have been reduced due to shortfalls. The 2010 budget reflects the conservative estimates of the Governor and Legislature. The Governor and Legislature are recommending that the grants received for education and other programs remain at 2009 levels. This means that the City will have to consider reductions of expenditures or find other revenue sources to cover increases due to contractual obligations. If the State of Connecticut reduces or increases grants for the 2010 year the City may experience a deficit or surplus balance at the end of the fiscal year. The 2010 State estimates will be important because it will be setting the biennial budget that will also include 2011. Based on information the City had in June 2009, the City adopted a tax rate that was equal to the previous year. It was determined that due to the economic slump and recession that a tax increase was not prudent, and that many budget reductions were necessary to achieve no increase in taxes. In prior years State assistance grant programs like the Drug Enforcement Grant and the Summer Recreational Grant, were eliminated and not restored. In order to continue these necessary programs, the City was required to increase overtime within its police patrol and traffic division.

The City has the following revenue sources, which are typical for Connecticut municipalities.

- Taxes and Assessments
- Interest & Liens on Delinquent Taxes
- Licenses, Permits & Fees
- Intergovernmental
- Charges for Services
- Investment Earnings
- Sale of Property and Equipment
- Miscellaneous
- Operating Transfers In
- Loans & Sale of Bonds
- Fund Balances

Taxes

Funds: General

Property taxation is by far the largest source of local government revenue. Taxes may be levied (based on assessment) against real estate, personal property and motor vehicles. Other taxes levied and collected are interest and penalties.

It is estimated that the General Fund will yield \$110,013,840 in taxes and assessments for fiscal year 2009-2010, an increase of \$499,998 over the prior year tax

Operating Budget Summary

Operating Budget Summary (Continued)

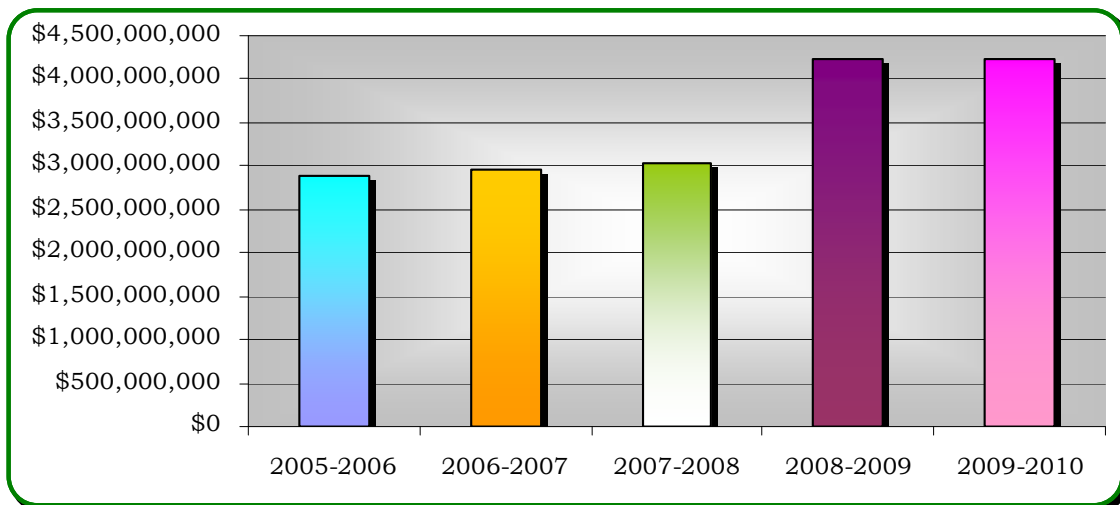
levies. The increase in tax collections is due primarily to the increase in assessments. The increase in tax collection rates offsets, in part, increases in expenditures.

The total of all taxable property minus exemptions is commonly known as the "net grand list". Any growth in the net grand list helps to offset any growth in budgeted expenditures, since the mill rate (tax rate) is computed on the basis of the total valuation of all taxable property within the boundary of the City.

There are positives and negatives in the revenue trends the City is currently experiencing. The more significant trend revenues are reviewed herewith.

The following chart presents the annual net grand list growth for a five-year period.

CITY OF BRISTOL NET GRAND LISTS LAST 5 BUDGET YEARS					
Grand List Year	2004	2005	2006	2007	2008
Budget Year	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Net Grand List	\$2,875,250,000	\$2,959,283,000	\$3,040,560,000	\$4,235,435,000	\$4,242,584,000



The estimated 2008 Net Grand List (used for the 2009-2010 budget) grew to \$4,242,584,000. This represents an increase of \$7,149,000 over the 2007 grand list. This is primarily due to new housing units and exemptions coming off personal property.

In past years there were many mortgage refinancing opportunities that took place due to lower interest rates. Banks require more tax escrow during the refinancing process, which guarantee tax payments to municipalities.

Several statistical tables are available behind the appendix tab of this document that review the history of tax levies and collections, as well as comparative assessed valuation of taxable property. These charts can be found on pages 385, 386 and 388.

Operating Budget Summary

Operating Budget Summary (Continued)

The refinancing process also increases the payment of delinquent taxes because all delinquent taxes must be paid at the time of refinancing, thus reducing the City's outstanding tax collectibles.

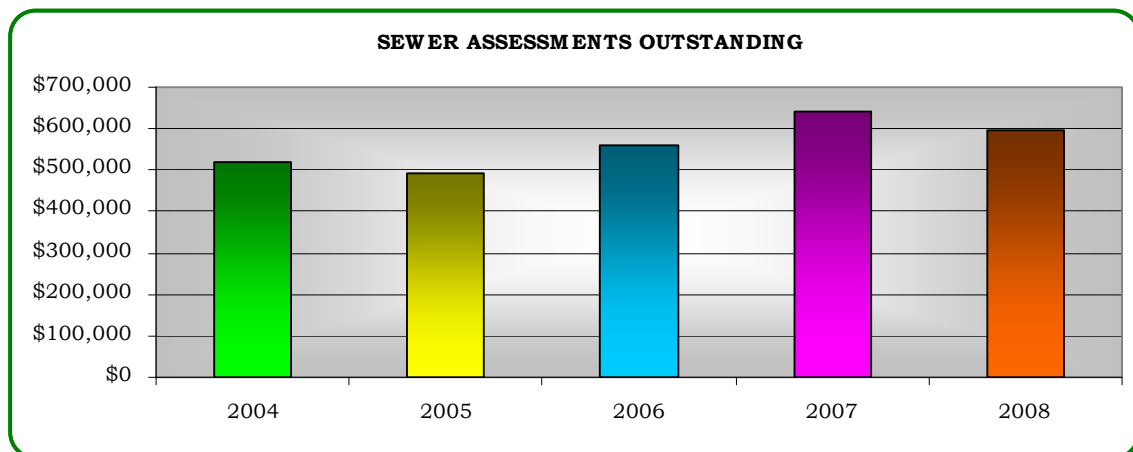
Assessments

Fund: Sewer Operating

The City does not budget for sewer assessment collections. Initial assessments are levied and accounted for as receivables within the Sewer Operating and Assessment Fund. As receivables are collected, the offsetting account, deferred revenue, is reduced.

Total sewer assessment collections for FY2008 were \$59,513. Additionally, due to fewer new projects being added, Assessment levies decreased by \$44,715.

CITY OF BRISTOL SEWER ASSESSMENT COLLECTIONS LAST 5 YEARS					
Fiscal Year Ended June 30	2004	2005	2006	2007	2008
Assessments Collected	\$44,367	\$27,969	\$5,565	\$87,664	\$59,513
Assessments Outstanding	\$519,857	\$491,888	\$561,903	\$642,817	\$598,102



Shown in the chart and graph above are the sewer assessments outstanding by fiscal year. Additional information regarding sewer assessment collections can be found in the appendix section.

Licenses, Permits and Fees

Funds: General, Sewer Operating, Solid Waste

In total, licenses, Permits and Fees are anticipated to decrease \$28,250 in total from the 2009 budget.

The General Fund is expected to decrease by \$152,600 due to the present national economic conditions and building permit trends. It is expected that in the Spring of 2010 a small rebound may take place, with housing starts and building

Operating Budget Summary

Operating Budget Summary (Continued)

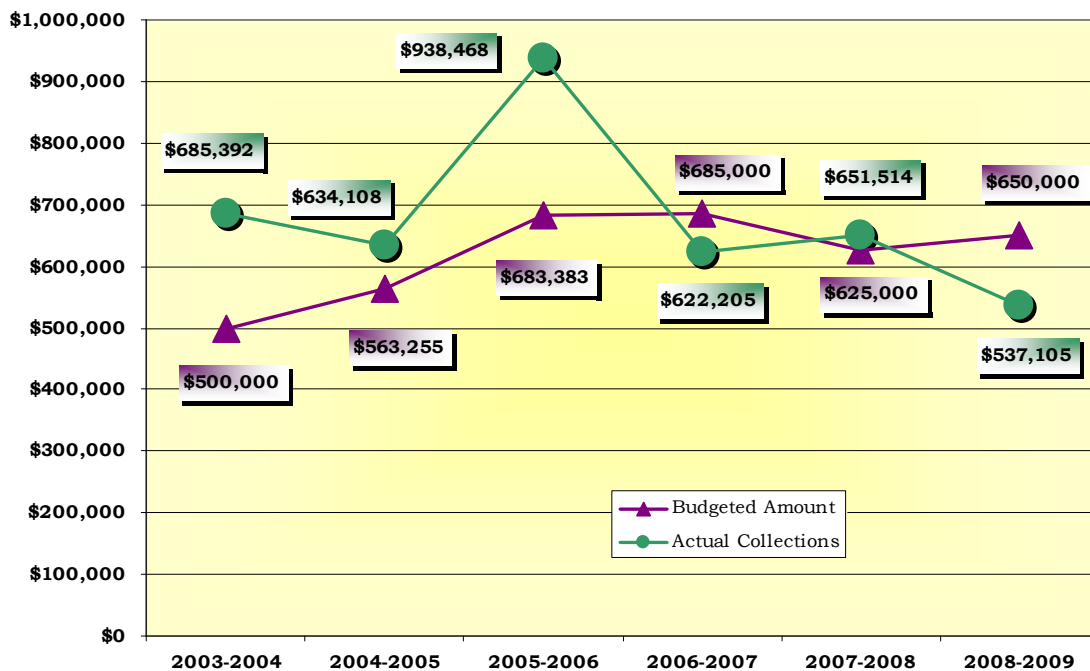
permits being reevaluated for the 2010-2011 budget process. Additionally, the Police Department has collected substantial amounts of back parking ticket fines. This has reduced the amounts collectable and it is expected the revenue will be less than in the past. On a positive note, the ordinance which reinstated the multiple false alarm penalties, has created a new revenue stream for the City. Water Pollution Control is expecting a decrease in its permits for new sewer installations, which is in correlation with fewer building permits and new housing starts. This is expected to result in a decrease of \$60,000 over the 2009 budget. The remainder of the license fee decreases, \$3,000, is within the Solid Waste Fund. Additional licenses, permits and fees can be found in the Solid Waste Disposal budget. There is no anticipated increase in revenue in 2009 from this area of the budget.

As discussed above, the building permit fees are the largest source of revenue in this category and were decreased per the recommendation of the building official.

Below is a comparison of the revenue collected vs. budgeted amounts for building permits during the last six budget years.

City of Bristol Revenue Trends Building Permits						
Fiscal Year	Budgeted Amount	Increase Over Base 2003-2004	Increase Over Previous Year	Actual Collections	Increase Over Base 2003-2004	Increase Over Previous Year
2003-2004	\$500,000	0.00%	6.38%	\$685,392	0.00%	0.26%
2004-2005	\$563,255	12.65%	12.65%	\$634,108	(7.48%)	(7.48%)
2005-2006	\$683,383	36.68%	21.33%	\$938,468	36.92%	48.00%
2006-2007	\$685,000	37.00%	0.24%	\$622,205	(9.22%)	(33.70%)
2007-2008	\$625,000	25.00%	(8.76%)	\$651,514	(4.94%)	4.71%
2008-2009	\$650,000	30.00%	4.00%	\$537,105	(21.64%)	(17.56%)
AVERAGE:	\$617,773		5.97%	\$678,132		(0.96%)

BUDGET VS. ACTUAL COLLECTIONS



Operating Budget Summary

Operating Budget Summary (Continued)

Intergovernmental Funds

Funds: General, Community Development Act, School Lunch Program, LoCIP, Capital Projects

Local governments depend on state and federal grants to supplement their property tax and other revenue sources.

The City prepares the grants portion of its budget based on the Governor's preliminary proposed budget in February and then revises those numbers based on the State General Assembly's final approved actions.

Overall, state grant funding has increased due to the State's previous year's budget surplus.

The **General Fund** receives the largest share of state and federal aid. This year, the fund is expected to receive \$50,353,525 in grants. The Educational Cost Sharing Grant is the largest in this category, with \$41,657,310 budgeted. Overall, State grants decreased by \$1,398,120.

The City's **Special Revenue Funds** also receive grant funding.

The **Community Development Act** (Bristol Development Authority- BDA) receives a federal grant called the Community Development Block Grant (CDBG). This year's CDBG is expected to be \$601,472. There is also \$17,626 of reprogrammed Federal funds and \$36,838 for program income.

The **Water Pollution Control Fund** has received low interest loans and grants from the State of Connecticut to upgrade the treatment system under the Clean Water Act to reduce nitrogen discharge. These grants were received in prior budget years and the loans are recorded within the Water Pollution's Capital and Non-Recurring fund.

The **School Lunch Program** has a total budget of \$2,995,700. This program will receive \$1,266,308 in federal grants and \$147,207 in state grants in 2010. These grants assist with the operations of Bristol school cafeterias. The Intergovernmental grants increased by 7.8% due to new healthy food initiatives taking place and increases in aid formulas.

The **LoCIP Fund** (Local Capital Improvement Program) receives a grant from the State of Connecticut Office of Policy and Management. These grant receipts are relatively stable each fiscal year. This year, we anticipate receiving \$413,000. Last year we received \$520,268. This grant is reimbursed on an expenditure basis. The Capital Budget is recommending the use of \$413,000 for 2010.

Charges for Services

Funds: General, Sewer Operating, School Lunch Program, Solid Waste Disposal

There are two sources within this category that comprise the majority of revenues. They are City Clerk Recording Fees and Real Estate Transfer (conveyance) Taxes.

Operating Budget Summary (Continued)

Both fee collections relate to a certain amount of Building Permits, under Licenses, Permits and Fees. These revenue sources have experienced declining levels of activity over the past two years. This is due to a decreased development of housing starts within the City and nationwide. There is however; an aggressive commercial economic development program on behalf of the current administration. The City's largest employer, Entertainment Sports Programming Network (ESPN), embarked on a multi-year \$500 million dollar expansion project several years ago that will enhance its local workforce. Future plans for expansion are underway as the City has allowed for the closing of a nearby road for its development activities.

The City recognizes that the increased revenues it received will not continue once ESPN's projects are completed. Therefore, revenues are budgeted at moderately increasing levels through the use of trend analysis and account evaluations.

The **Special Revenue Funds** account for most of their revenue through charges for services. For instance, the Sewer Operating and Assessment Fund charges system users quarterly. The last increase for usage fees was 2008-2009 budget year when sewer usage fees increased 10%. The decision whether to increase the fees is periodically examined, and a conscious decision is made by the Public Works Board acting as the Sewer Authority. The last increase was examined thoroughly by the Water Pollution Control and the Comptroller's Office and increased due to future debt service payments for the Clean-water Loans from the State of Connecticut. Additionally, the Sewer Operating and Assessment fund has been continuously improving its infrastructure and upgrading its projects. The excess funds that have been accumulated over the years pay for these projects. These projects can be found in the Capital Budget Summary section of this document. In addition, the School Lunch Program charges students and staff for school lunches and the Solid Waste Disposal Fund charges private haulers a fee for the trash they bring to the disposal site. The Pine Lake Challenge Course charges users of that facility to participate in programs.

In 2003-2004, the State of Connecticut Legislature increased the fee that municipalities may charge for real estate transfer. The fees known as the "Conveyance Tax" was allowed to increase from \$.11 to \$.25 per \$1,000 of property sold. It also allowed 18 "target investment communities" including the City of Bristol, to double the fee as of July 1, 2003 to \$.50 per \$1,000. In March 2003, the City Council acting as the policy making board for the City decided not to implement the additional fee.

In March 2004, the City Council revisited the "conveyance tax" and approved an increase of the fee to \$.50 per \$1,000 effective April 1, 2004. Due to the increased fee, the City realized an additional \$654,621 in revenue in 2007-2008.

The State of Connecticut held a special session in June 2008 and voted to continue the increased rate until June 30, 2010. It is expected that the tax will be repealed or modified by the legislature when it sunsets in 2010. If this occurs, the City will stand to lose approximately \$450,000 in revenue for 2010-2011.

Due to the economic uncertainties at the state and federal level concerning refinancing and mortgages and the possibility of the fee being lowered, the City is closely monitoring its revenue intake in the 2009-2010 budget year and may adjust revenue forecasts for 2010-2011 and beyond.

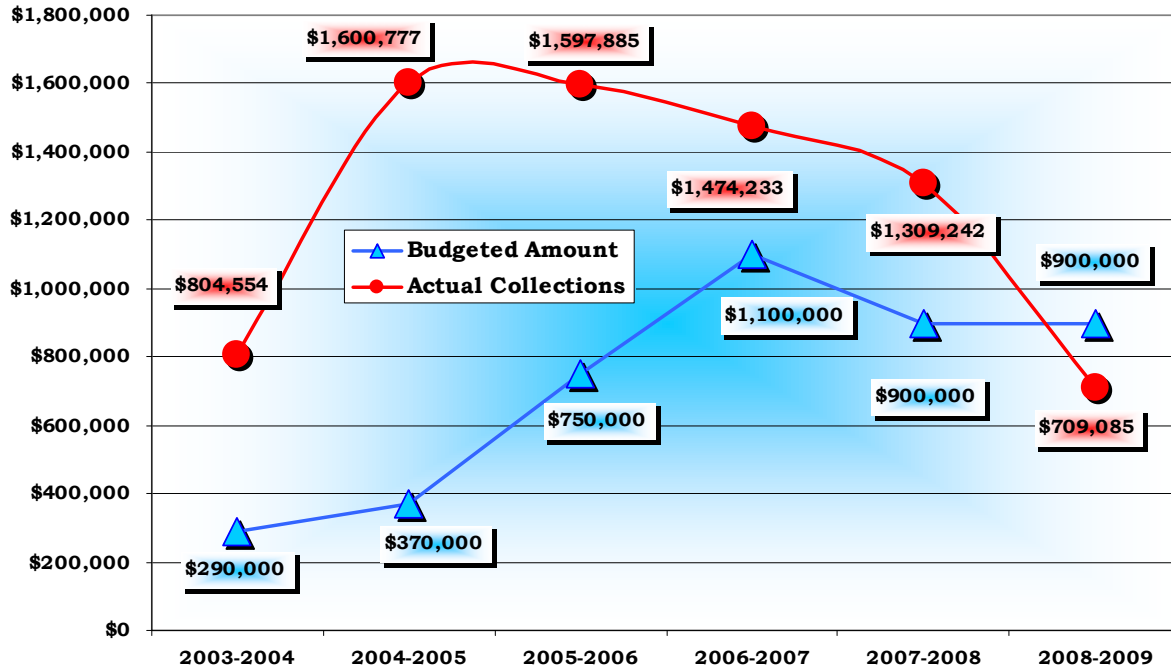
Operating Budget Summary

Operating Budget Summary (Continued)

Shown below is a revenue trend chart and graph representing six years of budgets and collections for the real estate transfer (conveyance) tax.

City of Bristol Revenue Trends						
City Clerk Real Estate (Conveyance) Transfer Tax						
Fiscal Year	Budgeted Amount	Increase Over Base 2003-2004	Increase Over Previous Year	Actual Collections	Increase Over Base 2003-2004	Increase Over Previous Year
2003-2004	\$290,000	0.00%	79.01%	\$804,554	0.00%	109.32%
2004-2005	\$370,000	27.59%	27.59%	\$1,600,777	98.96%	98.96%
2005-2006	\$750,000	158.62%	102.70%	\$1,597,885	98.61%	(0.18%)
2006-2007	\$1,100,000	279.31%	46.67%	\$1,474,233	83.24%	(7.74%)
2007-2008	\$900,000	210.34%	(18.18%)	\$1,309,242	62.73%	(11.19%)
2008-2009	\$900,000	210.34%	0.00%	\$709,085	-11.87%	(45.84%)
AVERAGE:	\$718,333		39.63%	\$1,249,296		23.89%

BUDGET VS. ACTUAL COLLECTIONS CITY CLERK REAL ESTATE TRANSFER TAX



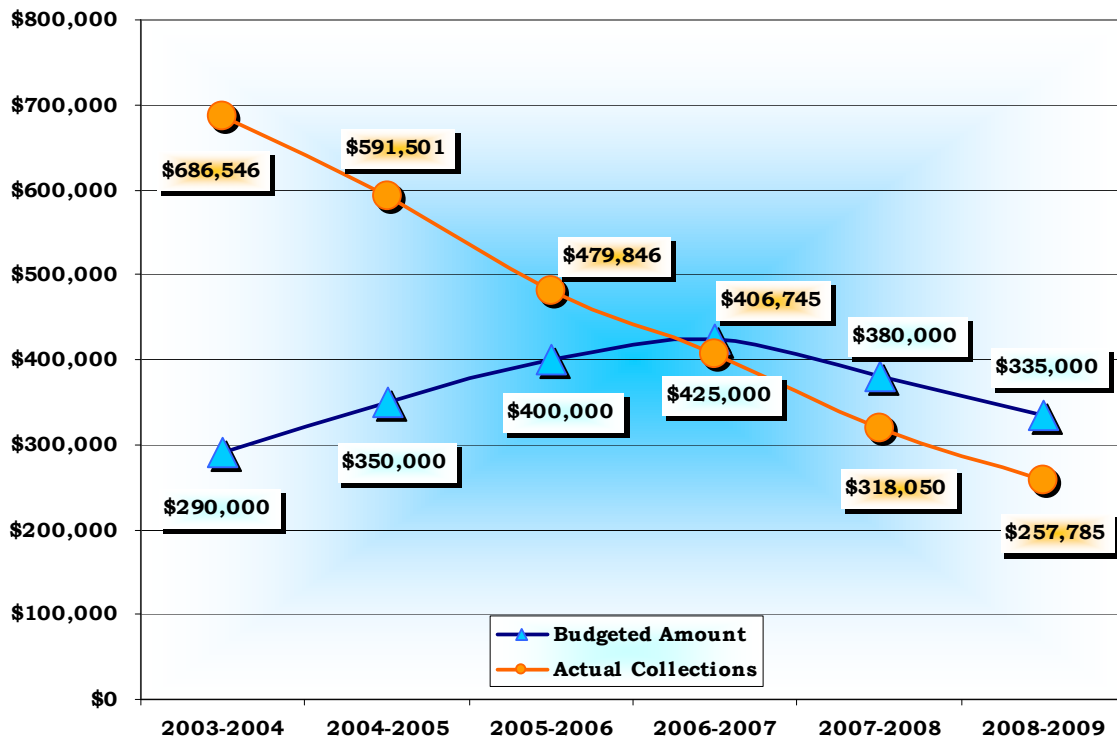
Operating Budget Summary

Operating Budget Summary (Continued)

The City Clerk’s Office collects fees for the recording of documents. The fees charged are set by the State of Connecticut and the revenue offsets expenditures within the City Clerk’s office, as well as assisting other programs within the City of Bristol. Shown below is a six-year revenue trend for the Recording Fees revenue account within the City Clerk’s Office, as well as a graphic representation of budget to actual collections. The revenue decline is a result of a reclassification of several revenue line items that occurred in the 2005-2006 budget year due to the installation of a new computer program.

City of Bristol Revenue Trends City Clerk Recording Fees						
Fiscal Year	Budgeted Amount	Increase Over Base 2003-2004	Increase Over Previous Year	Actual Collections	Increase Over Base 2003-2004	Increase Over Previous Year
2003-2004	\$290,000	0.00%	(12.12%)	\$686,546	0.00%	4.75%
2004-2005	\$350,000	20.69%	20.69%	\$591,501	-13.84%	(13.84%)
2005-2006	\$400,000	37.93%	14.29%	\$479,846	-30.11%	(18.88%)
2006-2007	\$425,000	46.55%	6.25%	\$406,745	-40.75%	(15.23%)
2007-2008	\$380,000	31.03%	(10.59%)	\$318,050	-53.67%	(21.81%)
2008-2009	\$335,000	15.52%	(11.84%)	\$257,785	-62.45%	(18.95%)
AVERAGE:	\$363,333		1.11%	\$456,746		(13.99%)

BUDGET VS. ACTUAL COLLECTIONS



Operating Budget Summary

Operating Budget Summary (Continued)

Investment Earnings

Funds: General, Sewer Operating, School Lunch Program, Solid Waste Disposal

The investment earnings revenue source accounts for interest income on City investments. Revenue is generated through the Treasurer's office and is allocated monthly to each fund. The allocation is determined by the funds cash balance at month-end.

As discussed earlier in the Comptroller's budget message, interest income revenue estimates have decreased this year. During the last few budget years, investment earnings were meager due to the overall economic condition of the country and borrowing rates at an all time low in the 2-3% category compared to 5% three years ago. Since that time, and most recently, short term interest rates have been decreasing and rates are under 3% in the 2008-2009 budget; however, due to economic decline in other sectors, the federal government has lowered the prime borrowing rate which had a direct correlation with interest paid savings and checking accounts. This resulted in the reduction of the City's General Fund budget of \$1,800,000 in 2008-2009 to \$925,000 in 2009-2010. As stated earlier in the "Policy Initiatives" section, the City is in the process of developing a GFOA recommended investment policy that is intended to be implemented in the 2009-2010 budget year. As a result of the implementation of this policy, the Board of Finance will monitor the implementation process and make adjustments to the 2010-2011 budget.

The Sewer Operating Fund decreased its revenue estimate for interest earnings by \$30,000 to \$80,000 for the 2009-2010 fiscal year from a budget of \$110,000 it had in 2008-2009. This is due to the overall economy and lower interest rates.

Sale of Property & Equipment/ Miscellaneous

Funds: General, Sewer Operating, and School Lunch Program

The Sale of Property & Equipment is based on the disposal of phased-out old or ineffective City property such as vehicles, equipment, and furnishings. The revenue generated usually offsets the cost of replacement items for the departments affected by the loss of this property.

The Miscellaneous source is a catch-all classification with the exception of income generated from Park and Library Trust Funds. Trust fund interest, and in some cases, principal, are used to offset or add to Park and Library Appropriations. For example, the Park Bequest and Library Bequest are appropriated and can be found behind the "Library" and "Parks and Recreation" tabs.

Operating Transfers-In

Funds: General, Sewer Operating and Assessment, Community Development Act, and Solid Waste Disposal

The line item Operating Transfers-In accounts are for revenue received from other sources within a government. There is an approved transfer-in of \$1,850,000 during the 2009-2010 budget from the Equipment/Building Sinking Fund. This was due to a surplus within the 2007-2008 budget year and will offset equipment purchases in 2009-2010.

Operating Budget Summary

Operating Budget Summary (Continued)

The Sewer Operating and Assessment Fund is estimating a transfer of \$1,000 to the General Fund in 2009-2010. This offsets old debt service for Capital Projects for the sewer system paid by the City. The transfer is for prior assessments and interest collected by the Water Pollution Control office.

The Community Development Act receives a transfer-in from the General Fund for the cost of the City share portion of its operations. This cost is estimated at \$370,450 for 2009-2010. Additionally, the Solid Waste Disposal Fund also receives monies from the General Fund to support the operations of City resident's trash disposal. The expenditure amounts can be found in the Miscellaneous section and the revenue amounts can be found in the Special Revenue section of this budget document.

Loans & Sale of Bonds

Funds: Capital Projects

In order to finance large road improvement projects and building enhancements, it is sometimes necessary to borrow funds in order to complete the project in a timely and efficient manner. In doing so, the City makes adjustments to its debt service schedule and budgets accordingly for principal and interest repayments on this debt. The debt is repaid with General Fund monies, however, the expenditures and revenue proceeds for the various projects are recorded within the Capital Projects funds.

The 2009-2010 budget reflects less principal and interest payments associated with the long-term bond issuance that occurred in February 2009. Due to debt retiring, the City was able to reduce its debt service budget this year. The City has set aside funds in the amount of \$151,680, for short-term interest payments on short term notes for the mall property purchase and demolition. The Sewer Operating Fund has completed several infiltration and inflow studies to rehabilitate its operations. The State of Connecticut approved several loans to the City to make this possible. The loan repayments are recorded within the Sewer Operating Capital and Non-Recurring Fund and repaid monthly with interest. The full details of these loan repayments can be found in the Debt Management Section of this document.

Information regarding the City's outstanding debt can be found behind the "Debt Management" tab and the debt service policy that was adopted several years ago can be found behind the "Policy Initiatives" tab.

Fund Balances

Funds: General, Sewer Operating, Capital Projects, Pine Lake Challenge Course

Fund balances in the General Fund are occasionally used to balance the budgeted revenues with the budgeted expenditures when there are not enough estimated revenues to balance the budget.

A policy was established several years ago to reduce the reliance on General Fund Fund-Balance to balance the operating needs of the City. As a result, a plan has been established to lower the use of the General Fund's fund balance yearly until it reaches \$0. The 2009-2010 budget uses \$995,000 of fund balance or a drop of \$125,000 over the 2008-2009 budget. In addition, the City designated \$2,500,000 at the end of 2007-2008 for a planned draw down of undesignated fund balance to assist with the City budget in 2009-2010. \$1,900,000 was appropriated as part of the

Operating Budget Summary

Operating Budget Summary (Continued)

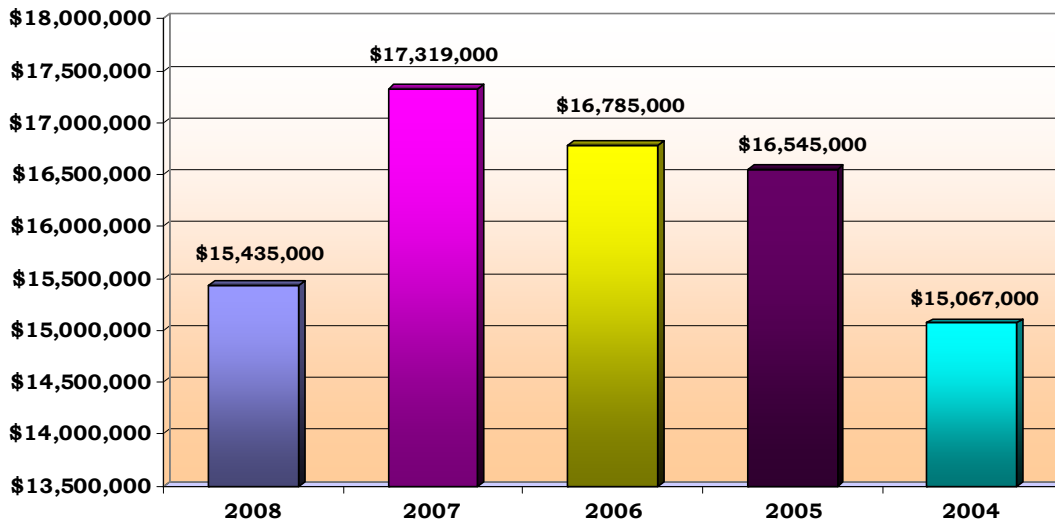
operating budget for education expenditures. The remainder, \$600,000 will be appropriated in 2009-2010 for public works vehicle replacements.

The 2009-2010 budget will use \$1,850,000 that was designated at the end of 2007-2008 for capital projects for capital outlay purchases in 2009-2010 within the General Fund. As stated earlier, these monies will be transferred into the General Fund from the Equipment Building Sinking Fund.

The Capital Budget as found in the "Capital Budget Summary" section of this document will use the WPC Capital and Non-recurring Fund balance to fund sewer construction projects in 2009-2010. Also, the General Fund will contribute an additional \$510,000 for Capital projects this year.

Shown below is a graph illustrating the City of Bristol's Undesignated Fund Balance during the last five years.

General Fund Undesignated Fund Balance By Year



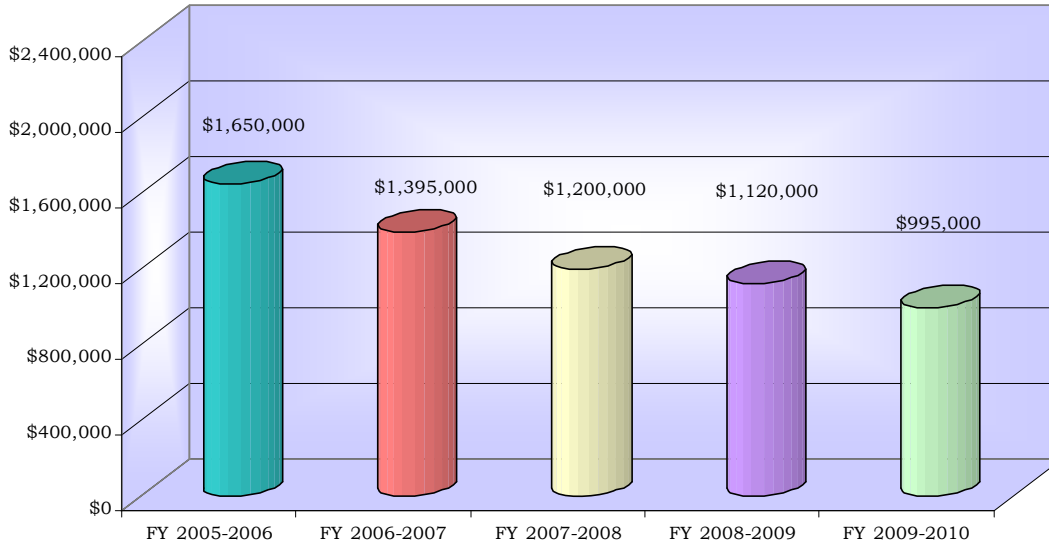
At June 30, 2008, the City of Bristol's General Fund had the following fund balance designations and fund balance:

Encumbrances	\$1,350,145
Landfill Closure	508,523
Compensated Absences	2,000,000
Carryover Projects	1,416,727
Heart & Hypertension	600,000
Economic Development	472,324
Capital Projects	2,550,000
Equipment Sinking Fund	2,500,000
Post Employment Benefits	1,100,000
Subsequent Year Expenditures	1,120,000
Total Designations:	\$13,617,719
Undesignated	\$15,435,215
Total Fund Balance:	<u>\$29,052,934</u>

Operating Budget Summary

Operating Budget Summary (Continued)

Amount Budgeted from Fund Balance for the General Fund



General Fund Revenue

ORGCODE	OBJECT	REVENUE SOURCE	2008 ACTUAL REVENUE	2009 ORIGINAL BUDGET	2009 REVISED BUDGET	2010 REVENUE REQUEST	2010 JOINT BOARD
SOURCE		TAXES AND PRIOR LEVIES					
0011016	401000	CURRENT PROPERTY TAXES	\$103,853,055	\$108,013,842	\$108,013,842	\$116,715,237	\$108,513,840
0011016	401001	PRIOR LEVIES	1,721,152	1,500,000	1,500,000	1,500,000	1,500,000
0011016	401002	60-DAY GAAP	(76,227)	0	0	0	0
TOTAL TAXES AND PRIOR LEVIES			\$105,497,980	\$109,513,842	\$109,513,842	\$118,215,237	\$110,013,840
SOURCE		INTEREST & LIEN FEES ON DELINQUENT TAXES					
0011016	410000	INTEREST & LIEN FEES	\$1,012,124	\$600,000	\$600,000	\$600,000	\$600,000
TOTAL INTEREST & LIEN FEES ON DELINQUENT TAX			\$1,012,124	\$600,000	\$600,000	\$600,000	\$600,000
SOURCE		LICENSES, PERMITS & FEES					
0011014	422003	ASSESSOR LATE FILING FEE	\$750	\$800	\$800	\$750	\$750
0011018	421000	CIRCUIT COURT FINES	470	750	750	750	750
0011023	422020	DOG PENALTY	631	1,000	1,000	1,000	1,000
0011023	441001	MERCHANDISING LICENSES	6,985	4,000	4,000	4,000	4,000
0011023	441002	DOG LICENSES	8,493	8,000	8,000	8,000	8,000
0011023	441004	HUNTING AND FISHING LICENSES	3,629	3,500	3,500	2,500	2,500
0011023	441005	MARRIAGE LICENSES	3,540	3,000	3,000	3,500	3,500
0011023	441006	CIVIL UNION	70	100	100	0	0
0011023	442001	CLERK FEES	9,752	9,000	9,000	8,000	8,000
0011023	442002	LIQUOR	166	100	100	150	150
0011023	442003	NOTARY SER	2,755	2,000	2,000	2,500	2,500
0011023	442004	NOTARY APP	1,830	1,500	1,500	1,500	1,500
0011023	442005	BURIAL PERMITS	2,610	2,000	2,000	2,000	2,000
0011023	442007	TRADE NAME	880	1,000	1,000	1,000	1,000
0011023	442011	VITALS	87,466	70,000	70,000	70,000	70,000
0012110	421002	PARKING VIOLATIONS	70,079	68,000	68,000	50,000	50,000
0012110	421005	ALARM FINES	13,320	7,500	7,500	35,000	35,000
0012110	441000	POLICE REPORT FEES	7,520	5,000	5,000	7,500	7,500
0012615	442006	BUILDING PERMITS	651,514	650,000	650,000	500,000	500,000
0013010	442008	PUBLIC WORKS EXCAVATION PERMITS	10,285	11,500	11,500	11,500	11,500
0013012	442009	LAND USE FEES & PERMITS	33,445	23,500	23,500	12,000	12,000
0014240	422015	BLIGHT COMMITTEE FEES/VIOLATIONS	270	0	0	0	0
0016010	421001	LIBRARY FINES	30,256	25,000	25,000	23,000	23,000
TOTAL LICENSES, PERMITS & FEES			\$946,716	\$897,250	\$897,250	\$744,650	\$744,650

Operating Budget Summary

Operating Budget Summary (Continued)

<i>SOURCE</i>	<i>CHARGES FOR SERVICES</i>						
0011014	450102	COPIER CHARGES	\$4,212	\$6,000	\$6,000	\$1,750	\$1,750
0011014	450109	STREET BOOK SALES	480	500	500	0	0
0011016	450104	TAX COLLECTOR COPIER	35	0	0	0	0
0011018	450201	WATER DEPT. REIMBURSEMENT	3,862	5,000	5,000	5,000	5,000
0011018	450205	FORECLOSURE COSTS	68,060	25,000	25,000	25,000	25,000
0011018	450310	COURT RENTAL	146,776	146,775	146,775	0	140,000
0011018	450320	RENTAL OF 51 HIGH STREET	12,245	13,560	13,560	13,560	13,560
0011018	450321	OTHER RENTALS	1	5	5	5	5
0011018	450400	MISCELLANEOUS CHARGES	55,948	17,500	17,500	17,500	17,500
0011023	422000	RECORDING FEES	318,050	335,000	335,000	280,000	280,000
0011023	450102	COPIER CHARGES	43,007	42,000	42,000	40,000	40,000
0011023	450115	REAL ESTATE TRANSFER TAX	1,309,241	900,000	900,000	850,000	850,000
0011023	450302	SALE OF ORDINANCES	195	0	0	150	150
0011027	450004	SENIOR CITIZEN NON-RESIDENT FEE	1,594	1,500	1,500	1,800	1,800
0011027	450315	SENIOR CENTER RENTALS	67,146	64,930	64,930	66,996	66,995
0012110	450101	POLICE ID CHARGES	10,335	5,000	5,000	7,500	7,500
0012114	450000	POLICE SPECIAL SERVICES	957,326	460,000	460,000	475,000	475,000
0012211	450200	FIRE SERVICES	1,110	1,000	1,000	1,000	1,000
0012312	450116	DOG WARDEN CHARGES	3,930	3,000	3,000	3,000	3,000
0012312	450314	PLYMOUTH RENTAL OF DOG POUND	11,500	11,500	11,500	11,500	11,500
0013010	450003	PUBLIC WORKS FEES	145,570	120,000	120,000	212,500	212,500
0012615	450102	COPIER CHARGES	318	250	250	200	200
0013010	450208	OTHER RECYCLING	12,126	11,000	11,000	11,100	11,100
0013010	450300	ENGINEERING MAPS	2,047	2,500	2,500	2,000	2,000
0013010	450303	RECYCLING RECEIPTS	91,289	77,500	77,500	100,000	100,000
0013010	450400	PUBLIC WORKS MISCELLANEOUS CHARGES	16	0	0	20	20
0013016	450324	BARREL SALE	10,125	10,000	10,000	7,000	7,000
0013025	450113	PERM PATCH	27,998	0	0	0	0
0014240	450205	CODE ENFORCEMENT FINES	0	0	0	20,000	20,000
0014500	450400	MISC MAYOR	600	0	0	0	0
0015000	432049	TUITION	480,744	325,000	325,000	325,000	300,000
0015000	450312	SCHOOL BUILDING RENTAL	82,225	75,000	75,000	0	0
0016010	450102	COPIER CHARGES	3,741	2,500	2,500	4,000	4,000
0016010	450313	LIBRARY RENTAL	660	300	300	300	300
0016025	VARIOUS	LIBRARY EVENTS	10,963	0	0	0	0
0017000	450103	POOL CHARGES	139,619	139,450	139,450	138,095	138,095
0017000	450105	SUMMER RECREATION	39,287	35,875	35,875	40,100	40,100
0017000	450106	FALL RECREATION PROGRAM	9,207	9,840	9,840	9,340	9,340
0017000	450107	WINTER RECREATION PROGRAM	14,545	14,760	14,760	14,760	14,760
0017000	450321	RENTAL OF PARKS	0	0	0	1,500	1,500
0017000	450311	MUZZY RENTALS	8,525	7,300	7,300	7,300	7,300
0017000	450322	CONCESSION/MISCELLANEOUS	1,573	1,575	1,575	2,830	2,830
0017000	450400	PARKS MISCELLANEOUS CHARGES	2,544	1,000	1,000	1,000	1,000
0017025	VARIOUS	RECREATION EVENTS	138,579	0	0	0	0
TOTAL	CHARGES FOR SERVICES		\$4,237,354	\$2,872,120	\$2,872,120	\$2,696,806	\$2,811,805
<i>SOURCE</i>	<i>INVESTMENT EARNINGS</i>						
0011019	460001	INTEREST GENERAL FUND	\$2,058,230	\$1,800,000	\$1,800,000	\$925,000	\$925,000
0011019	460006	INTEREST ACCOUNTS RECEIVABLE	8,985	1,500	1,500	1,500	1,500
TOTAL	INVESTMENT EARNINGS		\$2,067,215	\$1,801,500	\$1,801,500	\$926,500	\$926,500
<i>SOURCE</i>	<i>SALE OF PROPERTY & EQUIPMENT</i>						
0011018	450309	SALE OF PROPERTY & EQUIPMENT	\$179,572	\$50,000	\$50,000	\$50,000	\$50,000
TOTAL	SALE OF PROPERTY & EQUIPMENT		\$179,572	\$50,000	\$50,000	\$50,000	\$50,000
<i>SOURCE</i>	<i>OTHER/MISCELLANEOUS REVENUE</i>						
0011014	422010	AIRCRAFT REGISTRATION FEE	\$250	\$250	\$250	\$250	\$250
0014012	450301	REIMBURSEMENTS SOCIAL SERVICES	3,399	3,000	3,000	3,000	3,000
0015000	450301	MAGENT SCHOOL TRANSPORTATION	2,340	0	0	0	0
0011018	454001	MISCELLANEOUS	1,070	100	100	100	100
0017025	454001	RECREATIONAL EVENTS MISC. REV	24,967	0	0	0	0
0016010	471000	LIBRARY GIFTS	4,280	0	0	0	0
0017019	471001	CONCERT DONATIONS	5,400	0	0	0	0
0011018	472002	REFUNDS	62,065	0	0	0	0
0011019	480005	O/S CHECKS	30,910	0	0	0	0
0016010	480001	LIBRARY TRUST FUNDS	3,463	2,200	2,200	2,200	2,200
0016014	480002	LIBRARY TRUST- GOODSSELL	15,915	10,585	10,585	13,650	13,650
0017000	480003	PARK TRUST FUNDS	419,960	409,625	409,625	310,739	310,740
0017016	480004	PARK TRUST- GOODSSELL	12,000	15,010	15,010	13,829	13,830
TOTAL	OTHER/MISCELLANEOUS REVENUE		\$586,019	\$440,770	\$440,770	\$343,768	\$343,770

Operating Budget Summary

Operating Budget Summary (Continued)

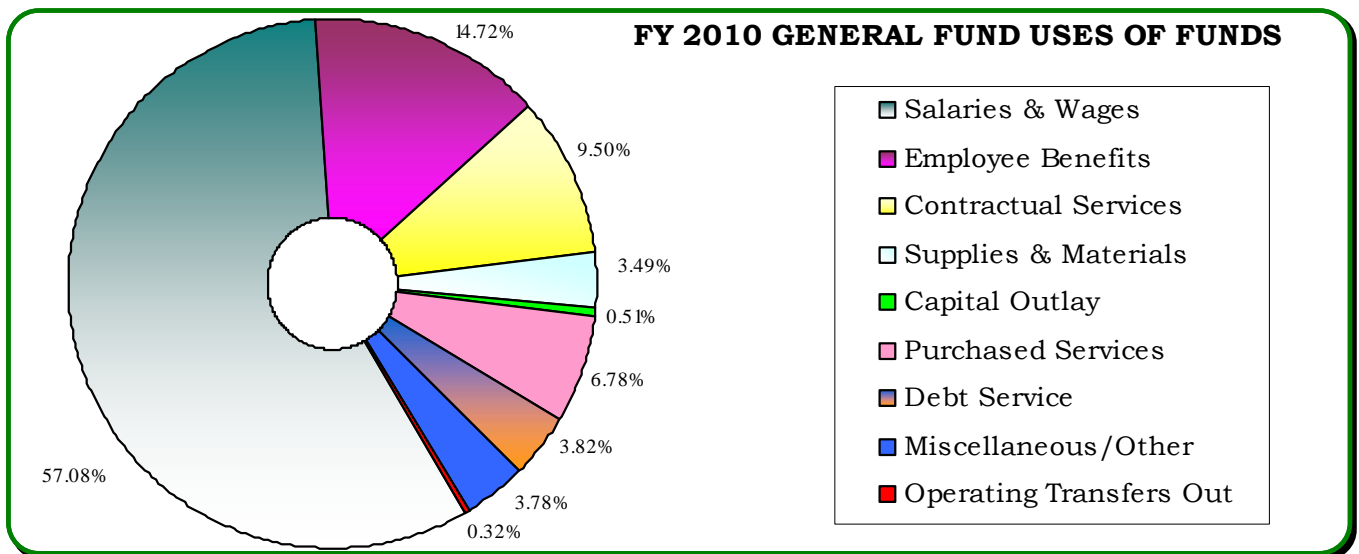
SOURCE		CONTRIBUTIONS					
0011018	470030	HMO WATER DEPARTMENT CONTRIBUTION	\$216	\$200	\$200	\$250	\$250
0011027	470000	CONTRIBUTIONS	360	0	0	0	0
0011033	470007	INTERDISTRICT BOARD OF EDUCATION CONTI	120,000	0	0	0	0
0015000	470000	BOE CONTRIBUTIONS	121,871	0	127,780	0	0
0017019	470021	CONTRIBUTIONS- PARK DEPARTMENT	790	0	0	0	0
TOTAL		CONTRIBUTIONS	\$243,237	\$200	\$127,980	\$250	\$250
SOURCE		FEDERAL GRANTS					
0011018	431080	HOUSING- PILOT	\$87,497	\$80,500	\$80,500	\$80,500	\$80,500
0012413	431003	CIVIL PREPAREDNESS	2,800	3,000	3,000	3,000	3,000
TOTAL		FEDERAL GRANTS	\$90,297	\$83,500	\$83,500	\$83,500	\$83,500
SOURCE		STATE GRANTS					
0011014	432012	STATE PROPERTY	\$76,779	\$77,515	\$77,515	\$57,665	\$57,665
0011014	432014	MFG. INVENTORY	3,675,055	2,518,600	2,518,600	2,180,130	2,180,130
0011014	432015	ELDERLY FREEZE	13,871	14,000	14,000	14,000	14,000
0011014	432018	BOAT GRANT	11,869	11,800	11,800	11,800	11,800
0011014	432024	ELDERLY CIRCUIT BREAKER	364,573	360,000	360,000	375,000	375,000
0011014	432025	HOSPITAL PILOT	908,665	897,940	897,940	683,675	683,675
0011014	432027	TOTAL DISABLED PILOT	7,777	6,000	6,000	6,000	6,000
0011014	432064	VETERANS GRANT	28,554	23,300	23,300	22,000	22,000
0011014	432077	ENTERPRISE ZONE REIMBURSEMENT	44,441	108,000	108,000	137,560	137,560
0011018	432020	TOWNAID ROAD GRANT	341,711	341,710	341,710	307,540	307,540
0011018	432021	MASANTUCKET PEQUOT GRANTS	920,053	926,320	926,320	588,855	588,855
0011018	432023	PAYMENT IN LIEU OF TAXES	83,246	0	0	0	0
0011018	432030	OFF-TRACK BETTING	100,660	135,000	135,000	110,000	110,000
0011018	432038	MISCELLANEOUS STATE REVENUE	19,340	15,000	15,000	10,000	10,000
0011018	432051	VIDEO TAX GRANT	0	0	0	1,000	1,000
0011018	432076	UTILITIES TAX	302,132	250,000	250,000	250,000	250,000
0011027	432146	DEMP RESP	59,991	0	59,991	0	0
0011031	432147	ENHANCEMENT SERVICES	7,550	0	7,550	0	0
0011031	432026	YOUTH BUREAU	49,262	49,270	49,270	49,270	49,270
0012115	432400	EMD GRANT	1,679	3,000	3,000	3,000	3,000
0014654	432079	SCHOOL READINESS	1,367,977	0	2,091,188	0	0
0014654	432080	QUALITY ENHANCEMENT GRANT	31,559	0	31,559	0	0
0015000	432002	EDUCATION COST SHARING GRANT	40,101,462	41,657,310	41,657,310	41,657,310	41,657,310
0015000	432003	TRANSPORTATION- SCHOOL GRANT	741,132	739,920	739,920	749,180	749,180
0015000	432004	MEDICAID COORDINATION GRANT	305,556	300,000	300,000	300,000	140,000
0015000	432006	EDUCATION FOR THE BLIND GRANT	51,800	50,000	50,000	30,000	30,000
0015000	432007	EXCESS STUDENT COST GRANT	2,221,386	2,715,000	2,715,000	2,715,000	2,400,000
0015000	432016	PUBLIC ACT 481 GRANT	291,991	275,000	275,000	300,000	300,000
0015000	432017	NON-PUBLIC SCHOOL TRANSPORTATION	172,690	189,460	189,460	181,540	181,540
0016010	432022	LIBRARY- CONNECTICARD GRANT	4,250	0	0	0	0
0016010	432029	PUBLIC LIBRARY GRANT	4,175	4,000	4,000	4,500	4,500
TOTAL		STATE GRANTS	\$52,311,186	\$51,668,145	\$53,858,433	\$50,745,025	\$50,270,025
SOURCE		OTHER FINANCING SOURCES					
0011018	461001	USE OF FUND BALANCE	\$0	\$1,120,000	\$1,120,000	\$995,000	\$995,000
0011018	461002	BUD. FUND BALANCE UNRESTRICTED	0	0	2,589,051	0	1,900,000
TOTAL		OTHER FINANCING SOURCES	\$0	\$1,120,000	\$3,709,051	\$995,000	\$2,895,000
SOURCE		OPERATING TRANSFERS IN					
0011018	490101	EQUIPMENT/BUILDING SINKING FUND	\$1,750,000	\$1,850,000	\$1,850,000	\$1,850,000	\$1,850,000
0011018	490700	PERMANENT FUND	25,569	0	0	0	0
0011018	VARIOUS	SPECIAL REVENUE FUNDS	10,925	5,000	5,000	5,000	5,000
0011018	490201	DEBT SERVICE TRANSFER IN	0	0	0	0	200,000
0011018	490300	CAPITAL PROJECTS	0	0	5,876	0	0
TOTAL		OTHER FINANCING SOURCES	\$1,786,494	\$1,855,000	\$1,860,876	\$1,855,000	\$2,055,000
TOTAL REVENUES GENERAL FUND			\$168,958,193	\$170,902,327	\$175,815,322	\$177,255,736	\$170,794,340

Operating Budget Summary

Operating Budget Summary (Continued)

General Fund Uses Summary

General Fund Appropriated Uses of Fund				
Uses:	2008 Actual	2009 Original Budget	2009 Revised Budget	2010 Joint Board Approved
Salaries & Wages	\$92,464,106	\$97,345,209	\$97,678,070	\$97,495,418
Employee Benefits	21,414,727	24,094,315	23,519,700	25,135,728
Contractual Services	18,764,543	17,528,007	21,115,649	16,205,667
Supplies & Materials	7,082,168	7,499,918	7,764,532	5,969,160
Capital Outlay	2,691,122	2,348,632	3,359,365	875,945
Purchased Services	10,547,517	10,010,675	9,990,376	11,581,307
Debt Service	6,892,344	6,650,000	6,650,000	6,528,550
Miscellaneous/Other	3,896,564	4,662,586	5,760,525	6,448,096
Operating Transfers Out	3,872,805	762,985	3,416,460	554,469
Totals	\$167,625,895	\$170,902,327	\$179,254,677	\$170,794,340



Shown above is a chart and graphic representation of the City's General Fund Expenditure objects. Salaries and Wages comprise the highest percentage at 57.03% of the total General Fund expenditures.

Operating Budget Summary (Continued)

Salaries and Benefits

The total number of full-time employees in the General Fund is 1,725. This includes the General City employees and Board of Education employees. This represents a total reduction of 18.5 full-time positions over last year. The reductions are due to position consolidations. Positions eliminated were due to vacancies within various departments throughout the City that occurred during the past year. Further discussion on the positions can be found in the Reader's Guide section on pages 35-36.

Two Special Revenue Funds (Sewer Operating & Assessment and Community Development Act (BDA)) account for a total of 32 positions. The Enterprise Fund (Bristol Water Department) has a total of 37 full-time employees.

Before any new positions are added, requests must be made by the departments (excluding education) and must be justified to and approved by the Salary Committee of the City Council, prior to Board of Finance inclusion in the budget.

Most line items within the Salaries Object were held at the same levels as the 2008-2009 budget, except where union contractual agreements or proper justification indicated otherwise. Funding was budgeted within the City's contractual obligation account for anticipated labor agreement settlements, new positions, or additional costs for contracts under negotiation. A total of \$733,355 has been budgeted in 2009-2010.

Below is a listing of the wage increases for the City employees:

Police Union	3.5%
Fire Union	In Arbitration

Local 233 (Clerical), BPSA (Supervisory), Local 1338 (Public Works), Non-Bargaining and Elected/Appointed did not receive an increase.

A detailed analysis of personnel expenditures, including wages, salaries and benefits, was presented on page 121. A listing of authorized full time positions can be found in the Readers Guide on page 36. Additionally, a listing of all positions can be found in the appendix section on pages 397-403.

Retirement contributions have decreased in the past several years due to the three pension funds being fully funded. The 2009-2010 budget does not require a contribution from the City or Board of Education.

Health Benefits have a net increase \$1,529,607 due to increased utilization of the City's Health Benefits Program (through Anthem Blue Cross/Blue Shield). Complete health benefits information can be found behind the Internal Service tab on pages 339-344.

In 2002-2003, Workers' Compensation experienced its highest percentage increase (33.5%). In 2003-2004, the City's experience modification rate had increased substantially over the prior year. Due to the increase, the City negotiated with several bargaining unions to implement light-duty programs for employees out on Worker's Compensation in order to lower the absence rate of injured employees. In addition, the

Operating Budget Summary (Continued)

City decided to self-insure its Workers' Compensation Program. A new fund was established in 2003-2004 and is closely monitored by the Insurance Committee arm of the Board of Finance. The new fund called "New Workers' Compensation Fund" can be found in the Internal Service section of this document on pages 344.

Contractual Service & Supplies and Materials

Under the Contractual Services object, most professional fees and services and repairs and maintenance items were held to the current levels or received minimal increased funding levels. Yearly allowances and clothing allowance amounts are contractual in nature and increases were tied to respective bargaining contracts. The remaining line-items, such as telephone, postage, travel reimbursement, printing and binding, and advertising had larger increases on a percentage basis to reflect current economic circumstances. For instance, the travel reimbursement rates were not raised in many years. It was agreed the rates now follow the changes in IRS reimbursement rates on a yearly basis.

Heating and motor fuels comprise the largest line items in the supplies and maintenance objects and are based on prevailing economic circumstances. Due to increasing oil prices nationally and worldwide, the City had experienced increases as much as 30-50% for motor and heating fuels. It is expected that the costs will come down in FY 2009-2010 through consortium purchasing agreements and stabilization of markets worldwide.

Capital Outlay

Capital expenditures include items that normally last more than one year and cost more than \$1,000. The need for capital items may be a function of the number of personnel in a department. For example, police cruisers or capital purchases may be a function of service levels.

Capital items generally include personal property such as vehicles, maintenance equipment, computers, office furniture, real property such as replacements or enhancements to City buildings and facilities.

The key elements in reviewing capital requests by departments are: need, priority and available resources. The City evaluates each request yearly and determines an appropriate amount to budget for capital outlay items. The public works department and fire department have created and maintain a vehicle inventory and replacement schedule to be reviewed yearly by the Comptroller's office and Board of Finance for periodic large one-time purchases of fire engines and large construction vehicles.

Sinking Fund

Funding for the Sinking Fund is provided by periodic transfers-out from the General Fund to those funds at fiscal year end.

The 2009-2010 budget reflects a transfer-out special revenue-Equipment/Building Sinking Fund within the General Fund for Capital Outlay items. A section entitled "Equipment and Building Sinking Fund" can be found behind the Special Revenue tab of this budget document. The amount designated as a transfer-out from

Operating Budget Summary

Operating Budget Summary (Continued)

the Equipment and Building Sinking Fund for fiscal year 2009-2010 has been set at \$100,000 for the fire-truck replacement program. Additionally, the Sinking Fund will supplement the General Fund budget as stated in the revenue section with a \$1,850,000 operating transfer-in.

Debt Management

Debt may be incurred to provide money to pay for the construction or purchase of fixed assets. This can be accounted for in the Uses section entitled "Construction".

This object (Debt Management) is used to appropriate funding to provide repayment of principal and interest on all debt when due. The amounts appropriated in Debt Management, are then transferred out to the Miscellaneous object except for the principal and interest on any lease/purchases.

A more complete discussion of the City's debt management may be found after the "Debt Management" tab. The debt policy can be found in its entirety behind the "Policy Initiatives" tab.

Miscellaneous/Other & Contingency

Miscellaneous object groups are comprised of all expenditures not included in all other budget groups. Most of the miscellaneous objects appear behind the "Miscellaneous" tab. These expenditures encompass employee benefits, insurance costs, transfers to other funds and all other expenditures. The account heading entitled "City Buildings" was created several years ago on the advice of the public works board to better account for the maintenance and upkeep of City owned properties that do not directly affect the public works department. \$200,000 was established for the 2009-2010 budget. A listing of projects to be completed in 2010 are shown on page 310 behind the "Miscellaneous" tab in this budget document.

Other Post Employment Benefits was created for the City of Bristol's compliance with GASB Statement 45. Further discussion on this topic can be found in the "Policy Initiatives" tab on page 67 and in the Comptroller's budget message on pages 21.

Behind the "Board of Education" tab, miscellaneous accounts include fringe benefits, other educational costs, private school transportation, and program and instructional improvements. These expenditures are fixed costs that are determined during the budgetary process and are not part of the regular Board of Education budget.

The significant areas classified as All Other, include the Contingency Account and Economic Development Account. It had been the practice of the City to set aside funds to be available for emergency appropriations during the year as a way of stabilizing funds without the utilization of Unreserved Fund Balance. The Economic Development Account was set up several years ago to aid businesses to relocate or expand in Bristol to increase the City's tax base and to create employment opportunities. The remaining balance of this account at the end of the fiscal year is carried over to the next year by a designation of fund balance. The 2009-2010 budget does not have a City contribution to the Economic Development Account as the balance

Operating Budget Summary

Operating Budget Summary (Continued)

within the account was approximately \$344,000 at the end of the 2008-2009 year.

Program Summaries Description

The 2009-2010 budget document contains in the most part all the information shown below for each department and/or organizational unit. Each department and/or organizational unit is located in the tabs behind the Operating Budget Summary and continues on to the Capital Budget Summary.

Service Narrative

- ✓ Provides a description of the department's or unit's mission (organization) and scope of service(s) as well as the department heads name and department telephone number.

Major Service Level Accomplishments

- ✓ Presents major service level accomplishments performed by each organizational unit.

Major Service Level Goals

- ✓ Presents major service level goals to be accomplished by the organization for the year. Most service level goals are referenced to the long-term Programmatic and Financial policies in the "Policy Initiatives" tab.

Performance Measures

- ✓ Presents selected quantitative and/or qualitative performance measures of the organization or program. Information is presented for three budget years.

Expenditure and Position Summary

- ✓ Presents expenditures and positions for prior year actual, current year estimated and 2010 budget year.

Organizational Chart

- ✓ Presents an organizational chart for certain departments and organizational units within the City.

Budget Highlights

- ✓ Presents the approved budget of the department or organizational unit and lists all budgetary accounts. Information is presented for prior year actual, last year original budget, last year revised year, current year budget request, current year approved budget.

