

Operating Budget Summary

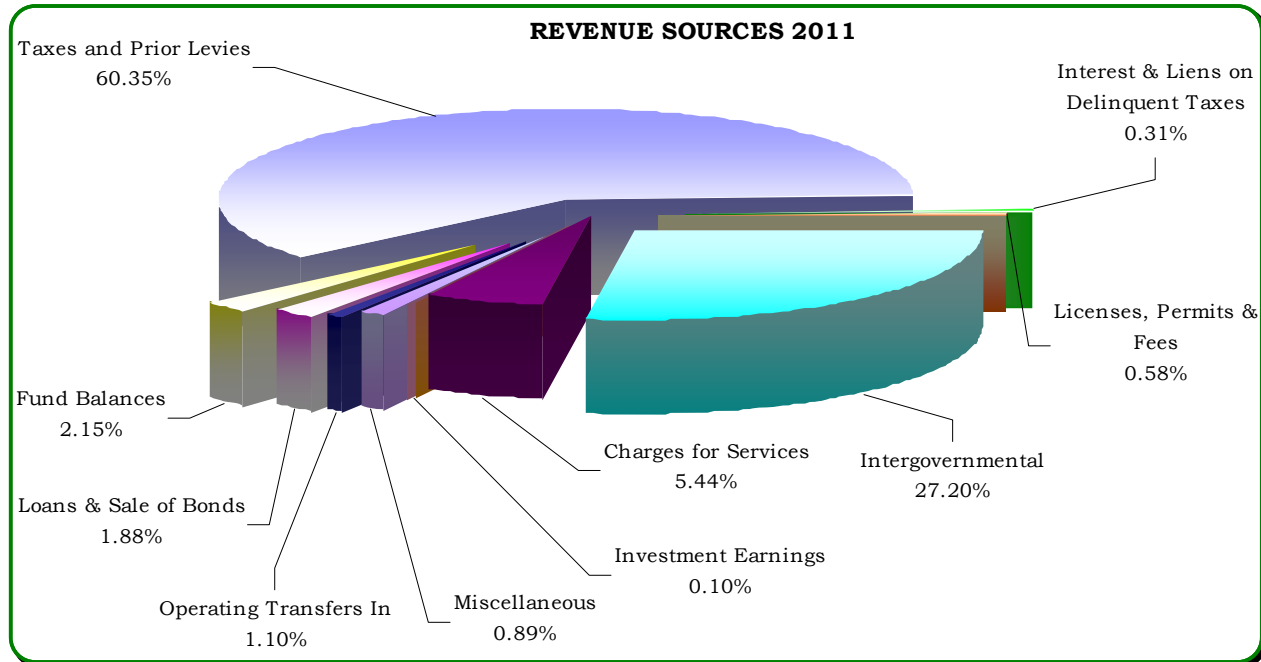
**CITY OF BRISTOL
Comparative Summary of Sources and Uses of Funds
FY 2010 Adopted/ FY 2011 Adopted Budgets**

	FY 2010 Adopted Budget	FY 2011 Adopted Budget	FY 2011 Over (Under) FY 2010	Percent Change
Sources:				
Taxes and Prior Levies	\$110,013,840	\$115,724,610	\$5,710,770	5.19%
Interest & Liens on Delinquent Taxes	600,000	600,000	0	0.00%
Licenses, Permits & Fees	1,157,000	1,114,550	(42,450)	(3.67%)
Intergovernmental	55,349,135	52,153,418	(3,195,717)	(5.77%)
Charges for Services	10,303,320	10,424,740	121,420	1.18%
Investment Earnings	1,025,500	182,970	(842,530)	(82.16%)
Sale of Property & Equipment	50,000	50,000	0	0.00%
Miscellaneous	557,788	1,676,754	1,118,966	200.61%
Operating Transfers In	4,105,810	2,103,090	(2,002,720)	(48.78%)
Loans & Sale of Bonds	7,500,000	3,613,610	(3,886,390)	(51.82%)
Fund Balances	5,675,000	4,125,000	(1,550,000)	(27.31%)
Appropriated Sources of Funds	\$196,337,393	\$191,768,742	(\$4,568,651)	(2.33%)
Uses:				
Salaries & Wages	\$100,565,083	\$99,979,999	(\$585,084)	(0.58%)
Employee Benefits	5,020,903	5,561,594	540,691	10.77%
Contractual Services	32,366,011	31,922,317	(443,694)	(1.37%)
Supplies & Materials	7,677,691	7,956,980	279,289	3.64%
Capital Outlay	12,919,945	9,461,697	(3,458,248)	(26.77%)
Miscellaneous/ Other (Insurance)	1,643,304	2,512,800	869,496	52.91%
Operating Transfers Out	35,123,124	32,771,235	(2,351,889)	(6.70%)
Contingency	1,021,332	1,602,120	580,788	56.87%
Appropriated Uses of Funds	\$196,337,393	\$191,768,742	(\$4,568,651)	(2.33%)

Operating Budget Summary

Operating Budget Summary (Continued)

CITY OF BRISTOL, CONNECTICUT OPERATING BUDGET FUNDING FISCAL YEAR 2011



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 2011 is \$191,768,742. Reserves of \$4,125,000 for revenue shortfalls have been budgeted from fund balance. The City's major revenue source is property taxes at 60.35% of the budgets followed by Intergovernmental revenues (State and Federal) at 27.20%. 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. The City budget is adopted the third Monday in May. The 2010-2011 budget was adopted on May 17, 2010. 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.

Tax collection rates are comparatively high and stable. Economic activity in the City has been relatively steady following current economic trends. This activity contributes to other revenue sources such as building permits and real estate

Operating Budget Summary (Continued)

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 2010, the State predicted significant revenue shortfalls due to nationwide economic trends and uses of one time revenue sources for 2011. The State of Connecticut made significant changes to its budget during 2010 and intends to borrow funds to help fund its operations in 2011. The State has developed a structural deficit for 2012 and beyond. It is expected that this will have impacts on future years grants to the City of Bristol that will either require reductions and/or eliminations of some grant programs. The 2011 intergovernmental revenues reflect the conservative estimates of the Governor and Legislature. In 2010, several formula changes were adopted by the State Legislature and the Governor, that reduced some grants to the City. As of June 30, 2010, the City lost approximately \$500,000 in anticipated revenue. In 2011, any further reductions will mean 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 2011 year the City may experience a deficit or surplus balance at the end of the fiscal year. 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 \$115,724,610 in taxes and assessments for fiscal year 2010-2011, an increase of \$5,710,770 over the prior year tax levies. The increase in tax collections is primarily due to the increase in the mill rate and in small part due to the increased grand list assessment. 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

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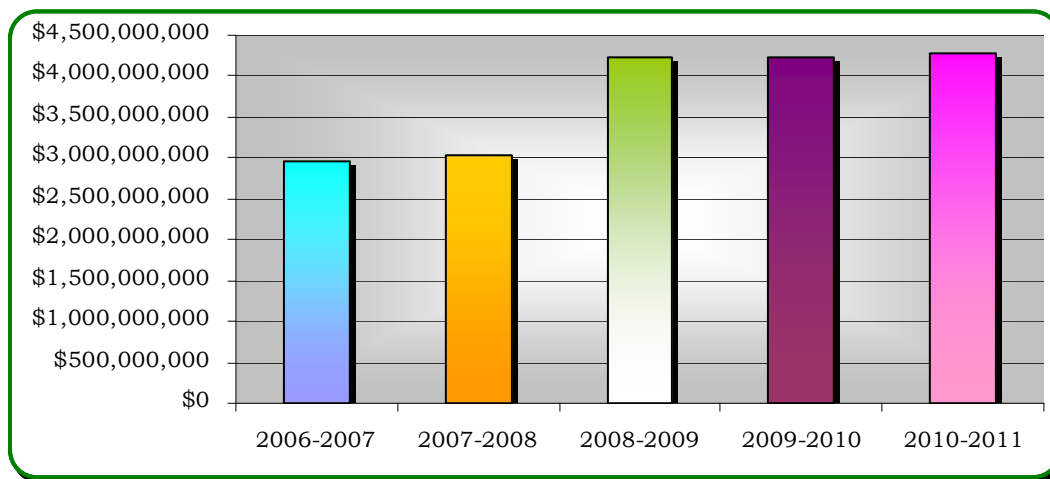
Operating Budget Summary (Continued)

expenditures, since the mill rate (tax rate) is computed on the basis of the total valuation of all taxable property within the boundaries 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	2005	2006	2007	2008	2009
Budget Year	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Net Grand List	\$2,959,283,000	\$3,040,560,000	\$4,235,435,000	\$4,242,584,000	\$4,271,705,934



The estimated 2009 Net Grand List (used for the 2010-2011 budget) grew to \$4,271,705,934. This represents an increase of \$29,121,934 over the 2008 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. 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.

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 373,374 and 376.

Assessments

Fund: Sewer Operating

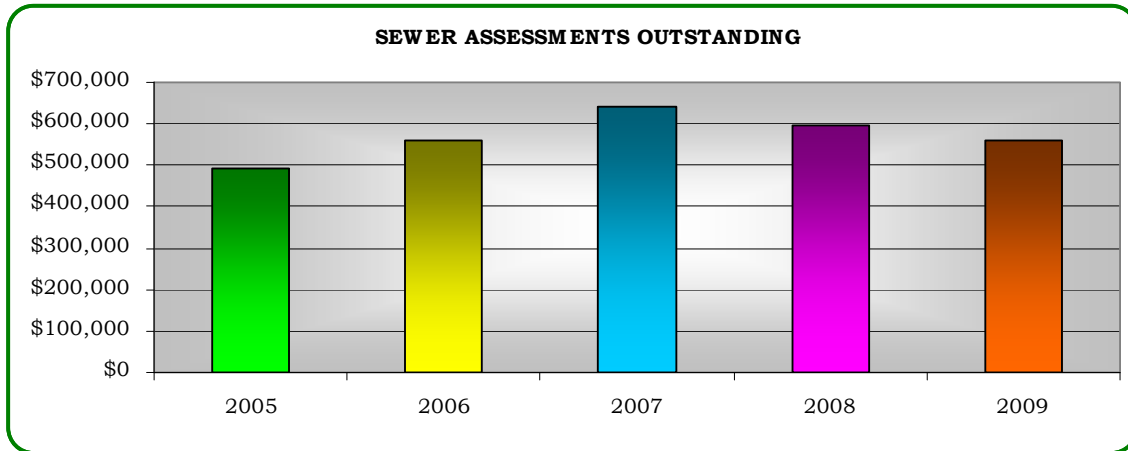
The City does not budget for sewer assessment collections. Initial assessments are levied and accounted for as receivables within the Sewer Operating and Assessment Fund. As receivables are collected, the offsetting account, deferred revenue, is reduced.

Total sewer assessment collections for FY2009 were \$41,128. Additionally, due to fewer new projects being added, assessment levies decreased by \$36,610.

Operating Budget Summary

Operating Budget Summary (Continued)

CITY OF BRISTOL SEWER ASSESSMENT COLLECTIONS LAST 5 YEARS					
Fiscal Year Ended June 30	2005	2006	2007	2008	2009
Assessments Collected	\$27,969	\$5,565	\$87,664	\$59,513	\$41,128
Assessments Outstanding	\$491,888	\$561,903	\$642,817	\$598,102	\$561,492



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

Licenses, Permits and Fees are anticipated to decrease \$42,550 from the 2009 budget.

The General Fund is expected to increase by \$8,150 due to the present national economic conditions and building permit trends. It is anticipated that in the Spring of 2011 a rebound may take place with housing starts and building permits being reevaluated for the 2011-2012 budget process. Additionally, the Police Department has collected substantial amounts of late parking ticket fines. This in part has reduced the amount collectable and current fines are being collected faster. On a positive note, the ordinance which reinstated the multiple false alarm penalties 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 \$15,000 over the 2010 budget. The remainder of the license fee decreases, \$20,000, is within the Solid Waste Fund. There is no anticipated increase in revenue in 2011 from this area of the budget.

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

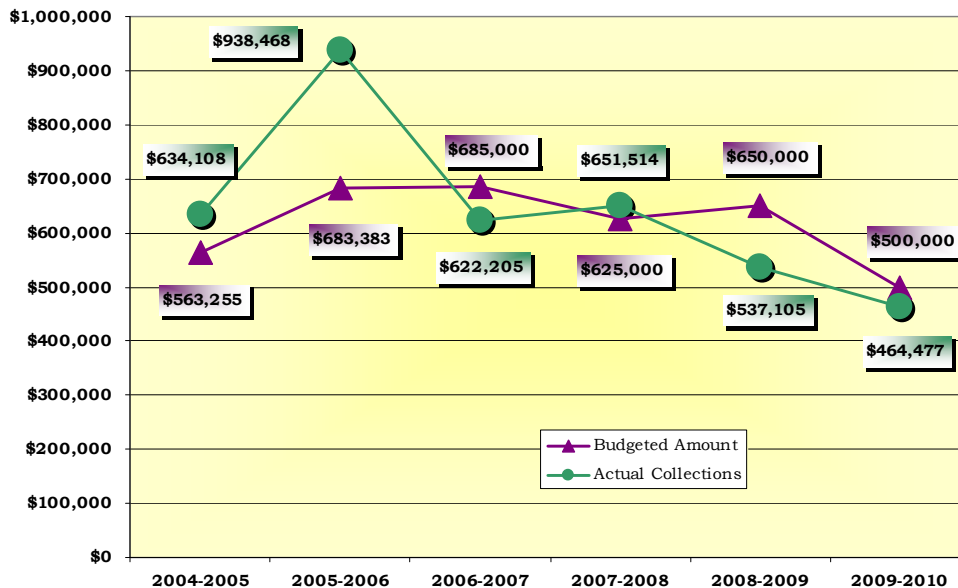
The following chart is a comparison of the revenue collected vs. budgeted amounts for building permits during the last six budget years.

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Operating Budget Summary (Continued)

City of Bristol Revenue Trends Building Permits						
Fiscal Year	Budgeted Amount	Increase Over Base 2004-2005	Increase Over Previous Year	Actual Collections	Increase Over Base 2004-2005	Increase Over Previous Year
2004-2005	\$563,255	0.00%	12.65%	\$634,108	0.00%	(7.48%)
2005-2006	\$683,383	21.33%	21.33%	\$938,468	48.00%	48.00%
2006-2007	\$685,000	21.61%	0.24%	\$622,205	(1.88%)	(33.70%)
2007-2008	\$625,000	10.96%	(8.76%)	\$651,514	2.74%	4.71%
2008-2009	\$650,000	15.40%	4.00%	\$537,105	(15.30%)	(17.56%)
2009-2010	\$500,000	-11.23%	(23.08%)	\$464,477	(26.75%)	(13.52%)
AVERAGE:	\$617,773		1.06%	\$641,313		(3.26%)

BUDGET VS. ACTUAL COLLECTIONS



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.

The **General Fund** receives the largest share of state and federal aid. This year, the fund is expected to receive \$49,311,565 in grants. The Educational Cost Sharing Grant is the largest in this category, with \$41,657,310 budgeted. Overall, State grants decreased by \$3,280,217.

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

Operating Budget Summary

Operating Budget Summary (Continued)

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 \$682,478. There is also \$15,554 of reprogrammed Federal funds and \$76,660 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 Water Pollution's Capital and Non-Recurring fund.

The **School Lunch Program** has a total budget of \$3,360,190. This program will receive \$1,550,510 in federal grants and \$147,205 in state grants in 2011. These grants assist with the operations of Bristol school cafeterias. The Intergovernmental grants increased by 20.1% 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. Generally these grant receipts are relatively stable each fiscal year. This year, we anticipate receiving \$385,000. Last year we received \$729,158.69. This grant is reimbursed on an expenditure basis. The Capital Budget is recommending the use of \$385,000 for 2011.

Charges for Services

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

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

Both fee collections relate to a certain correlation with Building Permits. These revenue sources have experienced declining levels of activity over the past few years, due to decreased development and 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, ESPN, Inc., 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, and the City allowed 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 2010-2011 budget reflects a rate increase of 5%. The last time user fees were increased was in the 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 Board of Public Works, acting as the Sewer Authority. The last increase was examined thoroughly by 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 charge 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.

Operating Budget Summary

Operating Budget Summary (Continued)

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. The City Council acting as the policy making board for the City decided not to implement the additional fee at that time. However, in March 2004, the City Council revisited the “conveyance tax” matter 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 \$452,665 in revenue in 2009-2010.

The State of Connecticut held a special session in June 2010 and voted to continue the increased rate until June 30, 2011. It is expected that the tax will be repealed or modified by the legislature when it sunsets in 2011. If this occurs, the City will stand to lose approximately \$400,000 in revenue for 2011-2012.

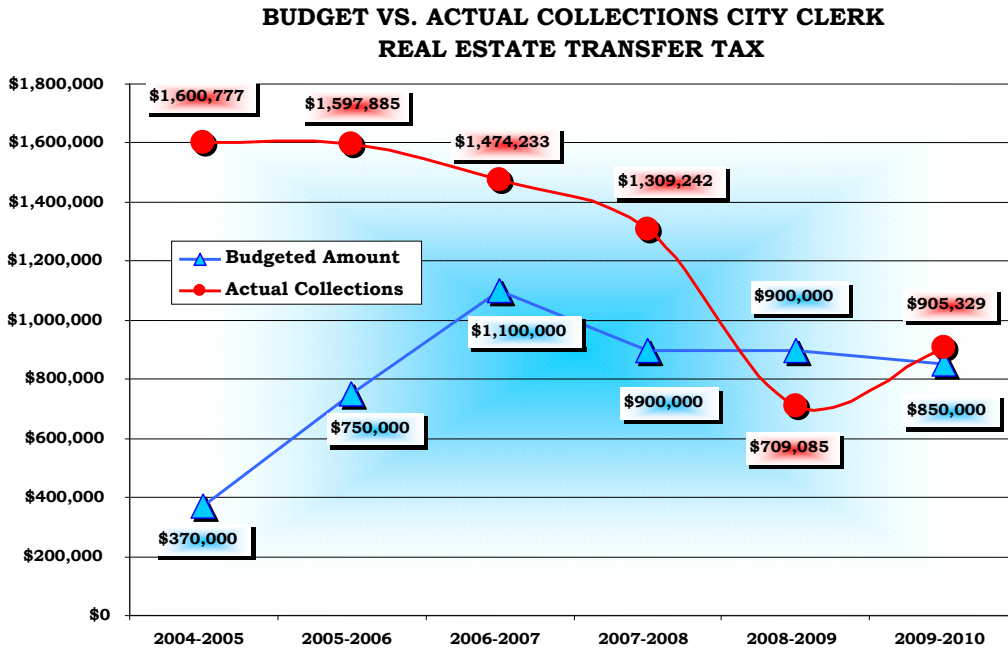
Due to the economic uncertainties at the state and federal level concerning refinancing and mortgages and the possibility of the fee being lowered, the City is closely monitoring its revenue intake in the 2010-2011 budget year and may adjust revenue forecasts for 2011-2012 and beyond.

Shown below and on the next page are 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 2004-2005	Increase Over Previous Year	Actual Collections	Increase Over Base 2004-2005	Increase Over Previous Year
2004-2005	\$370,000	0.00%	27.59%	\$1,600,777	0.00%	0.00%
2005-2006	\$750,000	102.70%	102.70%	\$1,597,885	(0.18%)	(0.18%)
2006-2007	\$1,100,000	197.30%	46.67%	\$1,474,233	(7.91%)	(7.74%)
2007-2008	\$900,000	143.24%	(18.18%)	\$1,309,242	(18.21%)	(11.19%)
2008-2009	\$900,000	143.24%	0.00%	\$709,085	(55.70%)	(45.84%)
2009-2010	\$850,000	129.73%	(5.56%)	\$905,329	(43.44%)	27.68%
AVERAGE:	\$811,667		25.54%	\$1,266,092		-6.21%

Operating Budget Summary

Operating Budget Summary (Continued)



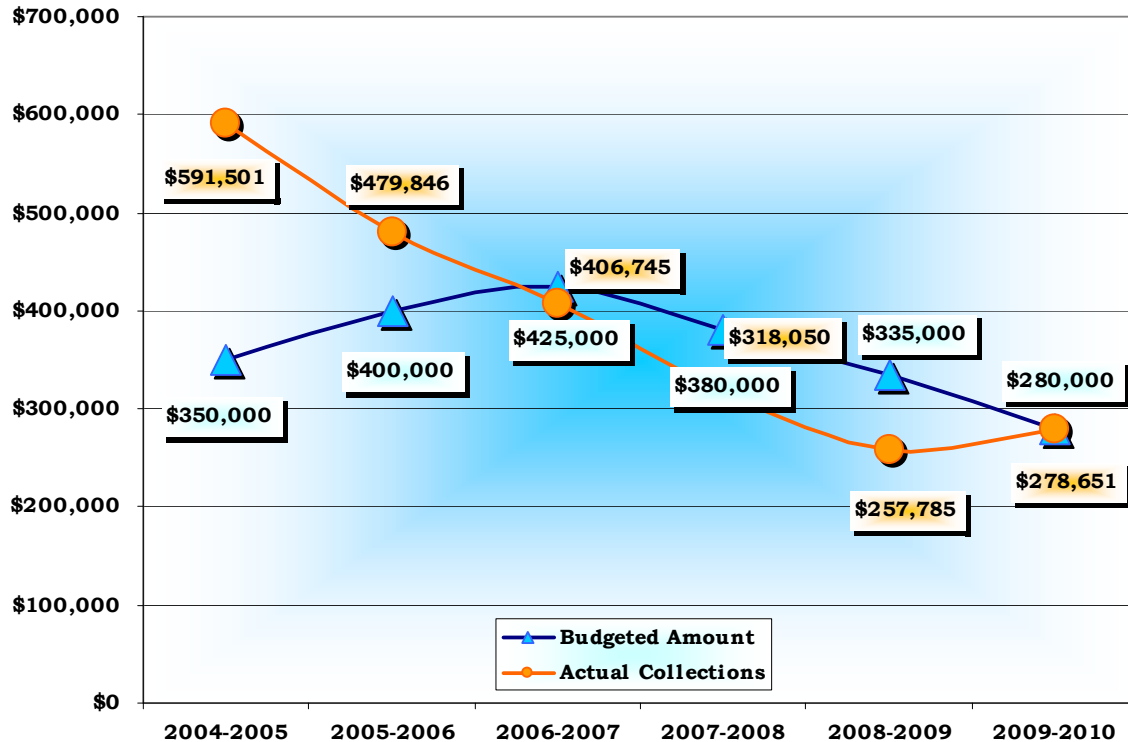
The City Clerk’s Office collects fees for the recording of documents. The fees charged are set by the State of Connecticut and the revenue offsets expenditures within the City Clerk’s office, as well as assisting other programs within the City of Bristol. Shown below is a six-year revenue trend for the 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 and economic decline in the City, State, and Nation due to the economic recession.

City of Bristol Revenue Trends City Clerk Recording Fees						
Fiscal Year	Budgeted Amount	Increase Over Base 2004-2005	Increase Over Previous Year	Actual Collections	Increase Over Base 2004-2005	Increase Over Previous Year
2004-2005	\$350,000	0.00%	20.69%	\$591,501	0.00%	0.00%
2005-2006	\$400,000	14.29%	14.29%	\$479,846	-18.88%	(18.88%)
2006-2007	\$425,000	21.43%	6.25%	\$406,745	-31.24%	(15.23%)
2007-2008	\$380,000	8.57%	(10.59%)	\$318,050	-46.23%	(21.81%)
2008-2009	\$335,000	-4.29%	(11.84%)	\$257,785	-56.42%	(18.95%)
2009-2010	\$280,000	-20.00%	(16.42%)	\$278,651	-52.89%	8.09%
AVERAGE:	\$410,000		0.40%	\$388,763		(11.13%)

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Operating Budget Summary (Continued)

BUDGET VS. ACTUAL COLLECTIONS



Investment Earnings

Funds: General, Sewer Operating, 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 significantly decreased this year. During the last few budget years, investment earnings were meager due to the overall economic condition of the country with borrowing rates at an all time low in the 1-3% category compared to 5% three years ago. Since that time, and most recently, short term interest rates have been decreasing with rates under 2% in the 2009-2010 budget; however, due to economic decline in other sectors, the federal government has lowered the prime borrowing rate which had a direct correlation to interest paid on savings and checking accounts. This resulted in the reduction of the City's General Fund budget of \$925,000 in 2009-2010 to \$160,000 in 2010-2011. 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 2010-2011 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 2011-2012 budget, if warranted.

Operating Budget Summary

Operating Budget Summary (Continued)

The Sewer Operating Fund decreased its revenue estimate for interest earnings by \$61,500 to \$18,500 for the 2010-2011 fiscal year from a budget of \$80,000 it had in 2009-2010. This is also 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, School Lunch

The line item Operating Transfers-In accounts are for revenue received from other sources within a government. There is an approved transfer-in of \$138,090 within the School Lunch budget to help with the costs of running the school lunch program. This is paid for using General Fund board of education funds in 2010-2011.

The Sewer Operating and Assessment Fund is estimating a transfer of \$3,500 to the General Fund in 2010-2011. 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 Division.

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 \$380,000 for 2010-2011. Additionally, the Solid Waste Disposal Fund also receives monies from the General Fund to support the operations of City resident's trash disposal in the amount of \$1,160,000 for 2010-2011. 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 2010-2011 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

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Operating Budget Summary (Continued)

funds in the amount of \$69,215, 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

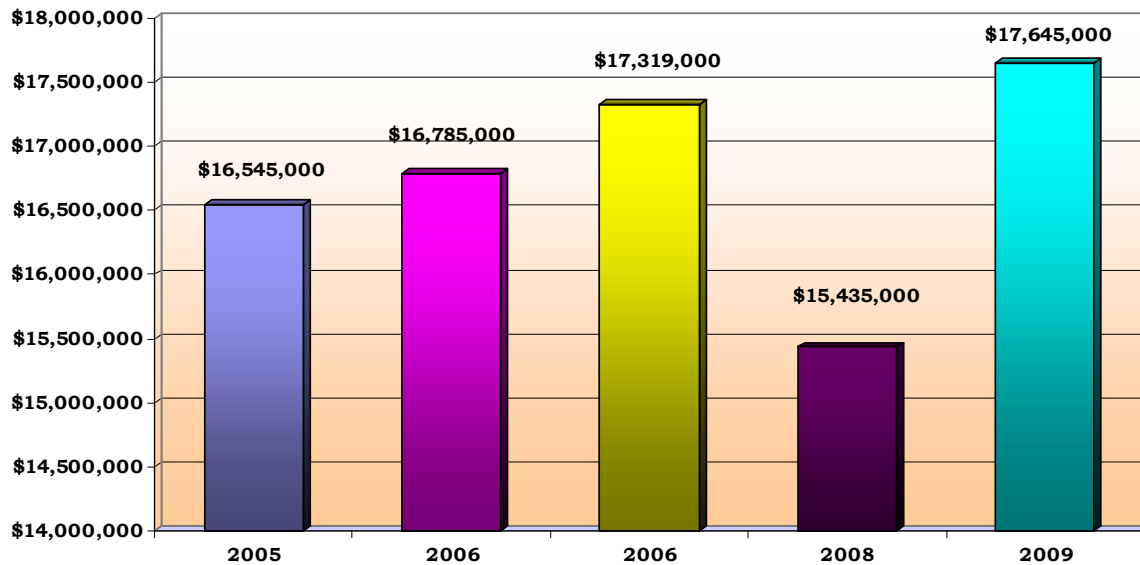
Funds: General, Sewer Operating, Capital Projects, Pine Lake Challenge Course

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 2010-2011 budget uses \$875,000 of fund balance, or a drop of \$120,000 over the 2009-2010 budget.

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



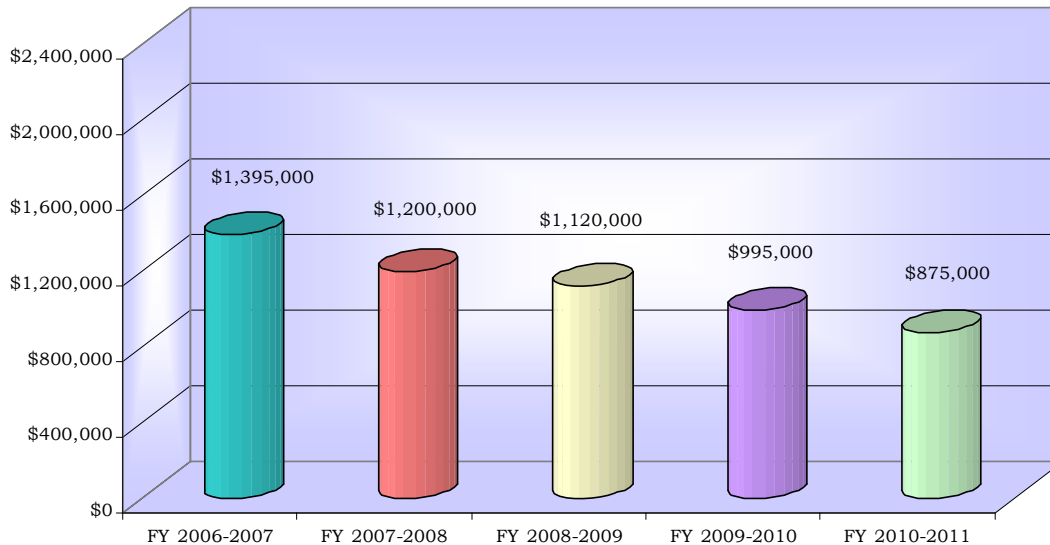
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At June 30, 2009, the City of Bristol's General Fund had the following fund balance designations and fund balance:

Encumbrances	\$496,000
Landfill Closure	502,000
Compensated Absences	2,000,000
Carryover Projects	1,498,000
Heart & Hypertension	600,000
Economic Development	345,000
Capital Projects	510,000
Post Employment Benefits	1,100,000
Subsequent Year Expenditures	<u>2,895,000</u>
Total Designations:	\$9,946,000
Undesignated	<u>\$17,645,000</u>
Total Fund Balance:	<u>\$27,591,000</u>

Amount Budgeted from Fund Balance for the General Fund



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General Fund Revenue

ORGCODE	OBJECT	REVENUE SOURCE	2009 ACTUAL REVENUE	2010 ORIGINAL BUDGET	2010 REVISED BUDGET	2011 REVENUE REQUEST	2011 JOINT BOARD
SOURCE		TAXES AND PRIOR LEVIES					
0011016	401000	CURRENT PROPERTY TAXES	\$108,099,229	\$108,513,840	\$108,513,840	\$108,513,840	\$114,224,610
0011016	401001	PRIOR LEVIES	1,868,963	1,500,000	1,500,000	1,500,000	1,500,000
0011016	401002	60-DAY GAAP	80,090	0	0	0	0
TOTAL TAXES AND PRIOR LEVIES			\$110,048,282	\$110,013,840	\$110,013,840	\$110,013,840	\$115,724,610
SOURCE		INTEREST & LIEN FEES ON DELINQUENT TAXES					
0011016	410000	INTEREST & LIEN FEES	\$1,087,483	\$600,000	\$600,000	\$550,000	\$600,000
TOTAL INTEREST & LIEN FEES ON DELINQUENT TAJ			\$1,087,483	\$600,000	\$600,000	\$550,000	\$600,000
SOURCE		LICENSES, PERMITS & FEES					
0011014	422003	ASSESSOR LATE FILING FEE	\$770	\$750	\$750	\$750	\$750
0011018	421000	CIRCUIT COURT FINES	1,589	750	750	800	800
0011023	422020	DOG PENALTY	479	1,000	1,000	1,000	1,000
0011023	441001	MERCHANDISING LICENSES	7,015	4,000	4,000	4,000	4,000
0011023	441002	DOG LICENSES	8,508	8,000	8,000	8,000	8,000
0011023	441004	HUNTING AND FISHING LICENSES	1,715	2,500	2,500	800	800
0011023	441005	MARRIAGE LICENSES	3,940	3,500	3,500	3,500	3,500
0011023	442001	CLERK FEES	7,496	8,000	8,000	7,000	7,000
0011023	442002	LIQUOR	178	150	150	150	150
0011023	442003	NOTARY SER	2,900	2,500	2,500	2,500	2,500
0011023	442004	NOTARY APP	2,080	1,500	1,500	1,500	1,500
0011023	442005	BURIAL PERMITS	2,403	2,000	2,000	2,000	2,000
0011023	442007	TRADE NAME	760	1,000	1,000	800	800
0011023	442011	VITALS	80,014	70,000	70,000	80,000	105,000
0012110	421002	PARKING VIOLATIONS	70,281	50,000	50,000	50,000	65,000
0012110	421005	ALARM FINES	37,895	35,000	35,000	28,000	28,000
0012110	441000	POLICE REPORT FEES	15,132	7,500	7,500	13,000	13,000
0012615	442006	BUILDING PERMITS	525,492	500,000	500,000	460,000	460,000
0013010	442008	PUBLIC WORKS EXCAVATION PERMITS	7,070	11,500	11,500	8,000	8,000
0013012	442009	LAND USE FEES & PERMITS	16,185	12,000	12,000	16,000	16,000
0014240	422015	BLIGHT COMMITTEE FEES/VIOLATIONS	1,290	0	0	0	0
0014240	422025	BUILDING FINES	720	0	0	0	0
0016010	421001	LIBRARY FINES	30,026	23,000	23,000	25,000	25,000
TOTAL LICENSES, PERMITS & FEES			\$823,938	\$744,650	\$744,650	\$712,800	\$752,800
SOURCE		CHARGES FOR SERVICES					
0011014	450102	COPIER CHARGES	\$2,713	\$1,750	\$1,750	\$1,750	\$1,750
0011014	450109	STREET BOOK SALES	30	0	0	0	0
0011016	450104	TAX COLLECTOR COPIER	1,609	0	0	600	1,000
0011016	450209	TALL GRASS ABATEMENT	0	0	0	1,000	1,000
0011016	450420	CODE ENFORCEMENT FINES	279,259	20,000	20,000	10,000	20,000
0011018	450201	WATER DEPT. REIMBURSEMENT	1,810	5,000	5,000	3,500	3,500
0011018	450205	FORECLOSURE COSTS	10,878	25,000	25,000	25,000	25,000
0011018	450310	COURT RENTAL	146,777	140,000	140,000	70,000	90,000
0011018	450320	RENTAL OF 51 HIGH STREET	13,569	13,560	13,560	13,560	13,560
0011018	450321	OTHER RENTALS	1	5	5	5	5
0011018	450400	MISCELLANEOUS CHARGES	17,966	17,500	17,500	17,500	17,500
0011023	422000	RECORDING FEES	257,785	280,000	280,000	270,000	270,000
0011023	450102	COPIER CHARGES	38,917	40,000	40,000	40,000	40,000
0011023	450115	REAL ESTATE TRANSFER TAX	708,084	850,000	850,000	800,000	800,000
0011023	450302	SALE OF ORDINANCES	300	150	150	150	150
0011027	450002	DIAL A RIDE	0	0	0	0	8,640
0011027	450004	SENIOR CITIZEN NON-RESIDENT FEE	1,816	1,800	1,800	1,800	1,800
0011027	450315	SENIOR CENTER RENTALS	66,851	66,995	66,995	70,000	70,000
0012110	450101	POLICE ID CHARGES	14,659	7,500	7,500	12,000	12,000
0012114	450000	POLICE SPECIAL SERVICES	1,216,957	475,000	475,000	1,000,000	600,000
0012211	450200	FIRE SERVICES	519	1,000	1,000	500	500
0012312	450116	DOG WARDEN CHARGES	2,995	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
0012615	450102	COPIER CHARGES	402	200	200	0	0
0013010	450003	PUBLIC WORKS FEES	243,074	212,500	212,500	233,750	233,750
0013010	450208	OTHER RECYCLING	11,667	11,100	11,100	11,100	11,100
0013010	450300	ENGINEERING MAPS	2,502	2,000	2,000	2,000	2,000
0013010	450303	RECYCLING RECEIPTS	89,200	100,000	100,000	130,460	130,460

Operating Budget Summary

Operating Budget Summary (Continued)

ORGCODE	OBJECT	REVENUE SOURCE	2009 ACTUAL REVENUE	2010 ORIGINAL BUDGET	2010 REVISED BUDGET	2011 REVENUE REQUEST	2011 JOINT BOARD
0013010	450400	PUBLIC WORKS MISCELLANEOUS CHARGES	26	20	20	0	0
0013016	450324	BARREL SALE	11,219	7,000	7,000	11,320	25,000
0014240	450205	CODE ENFORCEMENT FINES	504	0	0	0	0
0014240	422024	SW FINES	270	0	0	0	0
0014500	450400	MISC MAYOR	680	0	0	0	0
0015000	432049	TUITION	347,783	300,000	300,000	300,000	300,000
0015000	450312	SCHOOL BUILDING RENTAL	60,646	0	0	5,000	5,000
0016010	450102	COPIER CHARGES	6,536	4,000	4,000	6,000	6,000
0016010	450313	LIBRARY RENTAL	540	300	300	800	800
0016025	VARIOUS	LIBRARY EVENTS	0	0	0	0	0
0017000	450103	POOL CHARGES	134,522	138,095	138,095	128,075	128,075
0017000	450105	SUMMER RECREATION	35,864	40,100	40,100	41,100	41,100
0017000	450106	FALL RECREATION PROGRAM	9,980	9,340	9,340	8,560	8,560
0017000	450107	WINTER RECREATION PROGRAM	15,780	14,760	14,760	13,980	13,980
0017000	450311	MUZZY RENTALS	7,950	7,300	7,300	8,000	8,000
0017000	450321	RENTAL OF PARKS	0	1,500	1,500	1,750	1,750
0017000	450322	CONCESSION/MISCELLANEOUS	1,400	2,830	2,830	3,400	3,400
0017000	450400	PARKS MISCELLANEOUS CHARGES	3,176	1,000	1,000	1,000	1,000
0017025	VARIOUS	RECREATION EVENTS	0	0	0	0	0
TOTAL		CHARGES FOR SERVICES	\$3,778,716	\$2,811,805	\$2,811,805	\$3,258,160	\$2,910,880
SOURCE		INVESTMENT EARNINGS					
0011019	460001	INTEREST GENERAL FUND	\$958,105	\$925,000	\$925,000	\$129,905	\$160,000
0011019	460006	INTEREST ACCOUNTS RECEIVABLE	1,719	1,500	1,500	1,500	1,500
TOTAL		INVESTMENT EARNINGS	\$959,824	\$926,500	\$926,500	\$131,405	\$161,500
SOURCE		SALE OF PROPERTY & EQUIPMENT					
0011018	450309	SALE OF PROPERTY & EQUIPMENT	\$55,750	\$50,000	\$50,000	\$50,000	\$50,000
TOTAL		SALE OF PROPERTY & EQUIPMENT	\$55,750	\$50,000	\$50,000	\$50,000	\$50,000
SOURCE		OTHER/MISCELLANEOUS REVENUE					
0011014	422010	AIRCRAFT REGISTRATION FEE	\$250	\$250	\$250	\$250	\$250
0011018	454001	MISCELLANEOUS	1	100	100	100	100
0011018	472002	REFUNDS	61,915	0	0	0	0
0014012	450301	REIMBURSEMENTS SOCIAL SERVICES	3,782	3,000	3,000	3,000	3,000
0015000	450301	REIMBURSEMENTS	1,500	0	0	0	0
0016010	471000	LIBRARY GIFTS	3,977	0	0	0	0
0016010	480001	LIBRARY TRUST FUNDS	1,867	2,200	2,200	2,200	2,200
0016014	480002	LIBRARY TRUST- GOODSSELL	12,583	13,650	13,650	12,995	12,995
0017000	480003	PARK TRUST FUNDS	385,437	310,740	310,740	313,620	313,620
0017016	480004	PARK TRUST- GOODSSELL	12,000	13,830	13,830	10,635	10,635
TOTAL		OTHER/MISCELLANEOUS REVENUE	\$483,312	\$343,770	\$343,770	\$342,800	\$342,800
SOURCE		CONTRIBUTIONS					
0011018	470030	HMO WATER DEPARTMENT CONTRIBUTION	\$3,108	\$250	\$250	\$400	400
0011031	470000	CONTRIBUTIONS	1,400	0	0	0	0
0011033	470007	INTERDISTRICT BOARD OF EDUCATION	120,000	0	0	0	0
0015000	470000	BOE CONTRIBUTIONS	127,781	0	0	0	0
TOTAL		CONTRIBUTIONS	\$252,289	\$250	\$250	\$400	\$400
SOURCE		FEDERAL GRANTS					
0011018	431080	HOUSING- PILOT	\$87,899	\$80,500	\$80,500	\$81,000	81,000
0012413	431003	CIVIL PREPAREDNESS	3,655	3,000	3,000	3,500	3,500
0015000	431060	ECS-ARRA	0	0	5,943,040	0	0

Operating Budget Summary

Operating Budget Summary (Continued)

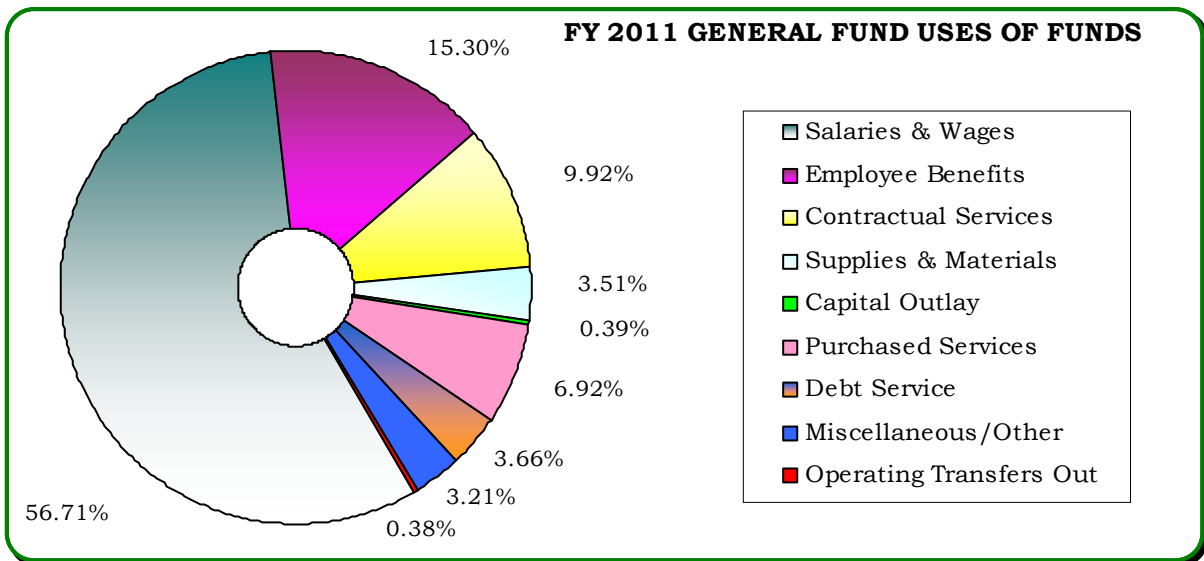
ORGCODE	OBJECT	REVENUE SOURCE	2009 ACTUAL REVENUE	2010 ORIGINAL BUDGET	2010 REVISED BUDGET	2011 REVENUE REQUEST	2011 JOINT BOARD
TOTAL		FEDERAL GRANTS	\$91,554	\$83,500	\$6,026,540	\$84,500	\$84,500
SOURCE		STATE GRANTS					
0011014	432012	STATE PROPERTY	\$77,777	\$57,665	\$57,665	\$53,500	\$53,500
0011014	432014	MFG. INVENTORY	2,565,319	2,180,130	2,180,130	2,250,000	2,250,000
0011014	432015	ELDERLY FREEZE	10,753	14,000	14,000	9,100	9,100
0011014	432018	BOAT GRANT	11,869	11,800	11,800	0	0
0011014	432024	ELDERLY CIRCUIT BREAKER	367,078	375,000	375,000	372,000	372,000
0011014	432025	HOSPITAL PILOT	896,804	683,675	683,675	622,275	622,275
0011014	432027	TOTAL DISABLED PILOT	6,244	6,000	6,000	6,000	6,000
0011014	432064	VETERANS GRANT	23,032	22,000	22,000	22,000	22,000
0011014	432077	ENTERPRISE ZONE REIMBURSEMENT	110,899	137,560	137,560	150,000	150,000
0011018	432020	TOWNAID ROAD GRANT	341,253	307,540	340,540	340,370	340,370
0011018	432021	MASHANTUCKET PEQUOT GRANTS	913,570	588,855	588,855	583,890	583,890
0011018	432023	PAYMENT IN LIEU OF TAXES	79,062	0	0	0	0
0011018	432030	OFF-TRACK BETTING	99,411	110,000	110,000	80,000	80,000
0011018	432038	MISCELLANEOUS STATE REVENUE	15,785	10,000	10,000	10,000	10,000
0011018	432051	VIDEO TAX GRANT	1,029	1,000	1,000	45,000	45,000
0011018	432076	UTILITIES TAX	249,556	250,000	250,000	230,000	230,000
0011027	432146	DEMP RESP	59,991	0	59,991	0	0
0011031	432026	YOUTH BUREAU	49,262	49,270	49,270	49,270	49,270
0011031	432147	ENHANCEMENT SERVICES	7,550	0	7,550	0	0
0012115	432050	E-911 SUBSIDY GRANT	0	0	0	0	130,000
0012115	432400	EMD GRANT	2,354	3,000	3,000	3,000	3,000
0014654	432079	SCHOOL READINESS	1,923,273	0	2,119,700	0	0
0014654	432080	QUALITY ENHANCEMENT GRANT	31,559	0	31,559	0	0
0015000	432002	EDUCATION COST SHARING GRANT	41,674,605	41,657,310	35,714,270	41,657,310	41,657,310
0015000	432003	TRANSPORTATION- SCHOOL GRANT	759,735	749,180	749,180	660,500	660,500
0015000	432004	MEDICAID COORDINATION GRANT	249,450	140,000	140,000	140,000	140,000
0015000	432006	EDUCATION FOR THE BLIND GRANT	9,788	30,000	30,000	10,000	10,000
0015000	432007	EXCESS STUDENT COST GRANT	2,652,865	2,400,000	2,400,000	1,400,000	1,400,000
0015000	432016	PUBLIC ACT 481 GRANT	252,892	300,000	300,000	250,000	250,000
0015000	432017	NON-PUBLIC SCHOOL TRANSPORTATION	180,934	181,540	181,540	152,850	152,850
0015000	432056	HEATING	106,195	0	0	0	0
0016010	432022	LIBRARY- CONNECTICARD GRANT	4,336	0	0	0	0
0016010	432029	PUBLIC LIBRARY GRANT	4,923	4,500	4,500	0	0
TOTAL		STATE GRANTS	\$53,739,153	\$50,270,025	\$46,578,785	\$49,097,065	\$49,227,065
SOURCE		OTHER FINANCING SOURCES					
0011018	461001	USE OF FUND BALANCE	\$0	\$995,000	\$995,000	\$875,000	\$875,000
0011018	461002	BUD. FUND BALANCE UNRESTRICTED	0	1,900,000	3,998,190	0	0
0011018	461002	BUD FUN BAL	0	0	300,000	0	0
0011018	461002	BUD FUN BAL	0	0	210,000	0	0
TOTAL		OTHER FINANCING SOURCES	\$0	\$2,895,000	\$5,503,190	\$875,000	\$875,000
SOURCE		OPERATING TRANSFERS IN					
0011018	490101	EQUIPMENT/BUILDING SINKING FUND	\$1,850,000	\$1,850,000	\$1,850,000	\$0	\$0
0011018	490104	TRANS BDA	\$200	\$0	\$0	\$0	\$0
0011018	490700	PERMANENT FUND	2,165	0	0	0	0
0011018	VARIOUS	SPECIAL REVENUE FUNDS	9,771	5,000	5,000	5,000	5,000
0011018	490201	DEBT SERVICE TRANSFER IN	0	200,000	200,000	200,000	200,000
0011018	490300	CAPITAL PROJECTS	5,876	0	0	0	0
TOTAL		OTHER FINANCING SOURCES	\$1,868,012	\$2,055,000	\$2,055,000	\$205,000	\$205,000
TOTAL REVENUES GENERAL FUND			\$173,188,313	\$170,794,340	\$175,654,330	\$165,320,970	\$170,934,555

Operating Budget Summary

Operating Budget Summary (Continued)

General Fund Uses Summary

General Fund Appropriated Uses of Fund				
Uses:	2009 Actual	2010 Original Budget	2010 Revised Budget	2011 Joint Board Approved
Salaries & Wages	\$96,024,852	\$97,495,418	\$97,620,098	\$96,936,880
Employee Benefits	23,035,438	25,135,728	25,546,492	26,147,916
Contractual Services	19,618,459	16,205,667	19,699,087	16,959,368
Supplies & Materials	7,987,914	5,969,160	6,725,882	5,998,865
Capital Outlay	3,021,730	875,945	1,560,198	675,087
Purchased Services	10,850,196	11,581,307	11,482,356	11,836,689
Debt Service	6,610,088	6,528,550	6,528,550	6,250,175
Miscellaneous/Other	3,959,346	6,448,096	5,257,911	5,486,036
Operating Transfers Out	3,541,114	554,469	1,983,813	643,539
Totals	\$174,649,137	\$170,794,340	\$176,404,387	\$170,934,555



Shown above is a chart and graphic representation of the City's General Fund Expenditure objects. Salaries and Wages comprise the highest percentage at 56.71%, of total General Fund expenditures.

Operating Budget Summary (Continued)

Expenditure Summary and Analysis

Salaries and Benefits

The total number of full-time employees in the General Fund is 1,687. This includes the General City employees and Board of Education employees and represents a total reduction of 38 full-time positions over last year. The reductions are due to position consolidation and eliminated due to vacancies within various departments throughout the City that occurred during the City. Also, the Board of Education closed the Clarence A. Bingham school. Further discussion on the positions can be found in the Reader's Guide section on pages 33-34.

Two Special Revenue Funds (Sewer Operating & Assessment and Community Development Act (BDA)) account for a total of 30 positions. The Enterprise Fund (Bristol Water Department) has a total of 37 full-time employees.

Before any new position is added, requests must be made by the department (excluding education) and 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 2009-2010 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 \$1,000,000 has been budgeted in 2010-2011.

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

Police Union	3.5%
Fire Union	1.5%
Local 233 (Clerical)	In Negotiation
Local 1338 (Public Works)	In Negotiation
BPSA (Supervisory)	In Negotiation
Non-Bargaining	Unsettled
Elected/Appointed	0%

A detailed analysis of personnel expenditures, including wages, salaries and benefits, was presented on page 119. A listing of authorized full time positions can be found in the Readers Guide on page 34. Additionally, a listing of all positions can be found in the appendix section on pages 385-391.

City retirement contributions have decreased in the past several years due to the three pension funds being fully funded. The 2010-2011 budget does not require a contribution from the City or Board of Education.

Health Benefits has a net increase of \$843,281 due to increased utilization of the City's Health Benefits Program. The increases would had been projected to be \$1,000,000 higher, however, through the efforts of the City's Board of Finance Insurance Committee, a decision was made to change providers from Anthem Blue Cross/Blue Shield to Cigna for medical and Medco for prescription services. Complete health benefits information can be found behind the Internal Service tab on pages 327-332.

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 premium increase, the City negotiated

Operating Budget Summary

Operating Budget Summary (Continued)

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 City decided to self-insure its Workers' Compensation Program. A new fund was established in 2003-2004 which 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 332.

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 change yearly based on the IRS reimbursement rates.

Heating and motor fuels comprise the largest line items in the supplies and maintenance objects and are based on prevailing economic circumstances. Due to market fluctuations, it was anticipated that there would be slight increase in costs for motor and heating fuels.

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. Yearly the City evaluates each request 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 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 2010-2011 budget reflects a transfer-out special revenue-Equipment/Building Sinking Fund set at \$100,000 for the fire-truck replacement program.

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".

Operating Budget Summary

Operating Budget Summary (Continued)

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 Board of Public Works 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 2010-2011 budget. A listing of projects to be completed in 2011 are shown on page 297 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 65 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 2010-2011 budget has a City contribution to the Economic Development Account of \$75,000.

Program Summaries Description

The 2010-2011 budget document contains, for 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 each department or unit mission (organization) and scope of service(s) as well as each department head name and department telephone number.

Operating Budget Summary (Continued)

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, last year estimated and 2011 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.

