

**CITY OF STAMFORD  
POLICEMEN'S PENSION TRUST FUND**

**FINANCIAL STATEMENTS  
AND  
SUPPLEMENTARY INFORMATION**

**Years Ended June 30, 2010 and 2009**

CITY OF STAMFORD  
POLICEMEN'S PENSION TRUST FUND

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Years Ended June 30, 2010 and 2009

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of  
The City of Stamford Policemen's  
Pension Trust Fund

We have audited the accompanying statements of plan net assets of the City of Stamford Policemen's Pension Trust Fund as of June 30, 2010 and 2009, and the related statements of changes in plan net assets for the years then ended and the statement of accumulated plan benefits as of June 30, 2009, and the related statement of changes in accumulated plan benefits for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the City of Stamford Policemen's Pension Trust Fund's plan net assets as of June 30, 2010 and 2009, and changes therein for the years then ended and its financial status as of June 30, 2009, and changes therein for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Schedule of Funding Progress and Schedule of Employer Contributions on pages 21 and 22 are not a required part of the basic financial statements of the City of Stamford Policemen's Pension Trust Fund but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management and the actuary regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Condensed Schedule of Investments on page 23 and the Schedule of Assets Held for Investment Purposes on pages 24 - 35 are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information. The supplemental information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Walter J. McKeever", followed by the letters "LLC". The signature is written in a cursive, flowing style.

Walter J. McKeever & Company, LLC  
Greenwich, Connecticut  
June 23, 2011

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**STATEMENTS OF PLAN NET ASSETS**  
**June 30, 2010 and 2009**

ASSETS	2010	2009
Cash and short-term investments	<u>\$ 8,397,188</u>	<u>\$ 20,786,570</u>
Receivables		
Employee contributions	24,542	48,562
Interest and dividends	203,103	237,333
Other		<u>5,500</u>
Total Receivables	<u>227,645</u>	<u>291,395</u>
Investments, at fair value (Note 7)		
United States government and federal agency obligations	5,626,431	3,505,796
Corporate bonds	9,573,920	10,700,091
Municipal bonds	106,756	125,805
Equities	27,536,376	33,468,940
Mutual funds	58,978,042	35,493,211
Hedge funds	14,135,620	8,961,584
Real estate	14,335,392	14,494,477
Unit investment trusts		<u>170,248</u>
Total Investments	<u>130,292,537</u>	<u>106,920,152</u>
Prepaid expenses	24,378	23,348
Property and equipment (net of accumulated depreciation of \$5,342 and \$4,756)	<u>832</u>	<u>1,419</u>
Total Assets	<u>138,942,580</u>	<u>128,022,884</u>
 LIABILITIES		
Accrued expenses	<u>130,053</u>	<u>136,151</u>
Total Liabilities	<u>130,053</u>	<u>136,151</u>
 Net Assets Held in Trust for Pension Benefits (A schedule of funding progress for the plan is presented on page 21)	 <u><u>\$ 138,812,527</u></u>	 <u><u>\$ 127,886,733</u></u>

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**STATEMENTS OF CHANGES IN PLAN NET ASSETS**  
**For the Years Ended June 30, 2010 and 2009**

	2010	2009
<b>ADDITIONS</b>		
Contributions (Note 4)		
Employer	\$ 2,305,022	\$ 1,390,000
Employee	<u>1,286,282</u>	<u>1,270,473</u>
Total Contributions	<u>3,591,304</u>	<u>2,660,473</u>
Investment Income (Loss)		
Net appreciation (depreciation) in fair value of investments (Note 8)	15,356,901	(32,551,712)
Commissions recaptured	1,676	4,498
Interest	632,865	1,077,342
Dividends	477,214	775,631
Rents/partnerships	892,571	916,909
Other income	<u>67,604</u>	<u>58,944</u>
	17,428,831	(29,718,388)
Less: investment expenses	<u>491,953</u>	<u>636,559</u>
Net Investment Gain (Loss)	<u>16,936,878</u>	<u>(30,354,947)</u>
Total Additions	<u>20,528,182</u>	<u>(27,694,474)</u>
<b>DEDUCTIONS</b>		
Benefits paid directly to participants (Note 9)	9,485,001	9,145,053
Administrative expenses	<u>117,387</u>	<u>98,996</u>
Total Deductions	<u>9,602,388</u>	<u>9,244,049</u>
Net Increase (Decrease)	10,925,794	(36,938,523)
Net Assets Held In Trust for Pension Benefits		
Beginning of year	<u>127,886,733</u>	<u>164,825,256</u>
End of year	<u><u>\$ 138,812,527</u></u>	<u><u>\$ 127,886,733</u></u>

See accompanying notes to the financial statements.

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**STATEMENT OF ACCUMULATED PLAN BENEFITS**  
**June 30, 2009**

Actuarial present value of accumulated plan benefits (Note 2)

Vested benefits

Members currently receiving benefits  
Other vested members

\$ 86,250,000  
78,406,000

164,656,000

Nonvested benefits

2,673,000

Total actuarial present value of accumulated plan benefits

\$ 167,329,000

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**STATEMENT OF CHANGES IN ACCUMULATED PLAN BENEFITS**  
**For the Year Ended June 30, 2009**

Actuarial present value of accumulated plan benefits at beginning of year	<u>\$ 160,057,486</u>
Increase (Decrease) during the year attributable to:	
Benefits accumulated	3,977,771
Increase for interest due to the decrease in the discount period	12,438,797
Benefits paid (Note 9)	<u>(9,145,054)</u>
Net increase	<u>7,271,514</u>
Actuarial present value of accumulated plan benefits at end of year	<u><u>\$ 167,329,000</u></u>

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**

NOTE 1. DESCRIPTION OF FUND

The following brief description of the City of Stamford Policemen's Pension Trust Fund (the "Fund") is provided for general information purposes only. Participants should refer to the Fund agreement for more complete information.

GENERAL

The Fund is a defined benefit pension plan covering substantially all City of Stamford employees classified as policemen, along with retirees, their families, dependents or beneficiaries who satisfy the eligibility requirements of the Fund. The Fund's benefits provisions are provided for in the City of Stamford Charter, collective bargaining agreement and the declaration of trust between the City of Stamford and the Stamford Police Association, Inc.

SERVICE RETIREMENT

The minimum years for service retirement is 20. After 20 years of service, the pension benefit equals 50% of the final salary. The pension benefit equals 50% of the final salary plus 3% per year of service for years 21-25 and plus 2.33% per year of service for years 26-30 to a maximum of 76.65% of final salary for 30 years or more of service.

DEATH AND DISABILITY BENEFITS

An active employee who suffers a work related illness or injury at any time during employment is eligible for a disability pension equal to 100% of base salary at the time a 50% or more disability occurs or a disability pension equal to 75% of base salary at the time a 30% or more disability occurs (agreement of the degree and/or presence of disability must be made by two out of three independent medical physicians selected by the Pension Board) but no less than the accrued service pension. For service connected death, the benefit is based on 30% above the base salary of the deceased policeman. If a retired employee dies, the surviving spouse will receive 100% of the pension which the retired officer was receiving at the time of death.

POST RETIREMENT BENEFIT ADJUSTMENTS

Effective July 1, 1995 all active members who retire thereafter may be eligible to receive a benefit adjustment based on the average annual investment return in excess of 10% (if any), commencing January 1, 1999, for those retirees who have attained the age of 62 and have received at least 12 monthly pension payments. This adjustment will be made on January 1 of every third year, retroactive to July 1 of the prior year.

VESTING

After 10 years of service, an employee will become vested in the Fund. The employee may elect to receive a vested pension calculated at the rate of 2.5% of annual salary payable monthly when the policeman would have reached 20 years of service. The employee may elect to receive a vested pension calculated at the rate of 2.5% per year of annual salary payable monthly when the policeman would have reached 20 years of service and age 48. Those receiving a vested pension are not eligible for health or life insurance coverage.

(Continued)

CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2010 and 2009  
(Continued)

NOTE 1. DESCRIPTION OF FUND (Continued)

HOLIDAY PAY

The equivalent value of 14 paid holidays, whether taken as paid leave or "cashed in", shall be added to final salary for pension calculation purposes. Employee pension contributions will be deducted from the value of these days.

WITHDRAWAL - TERMINATION OF EMPLOYMENT

Contributions are refunded without interest upon termination.

SICK LEAVE DAYS

Effective July 1, 2001, upon death or retirement, including early or disability, an employee may elect one of these options: 1) trade in 50% accrued sick leave for additional pension credit up to a maximum of 7.5% 2) receive a one time, lump sum payout of 50% accrued sick leave at current regular rate of pay or 3) combination of options 1 and 2 not to exceed 50% of accrued sick leave.

NOTE 2. SUMMARY OF ACCOUNTING POLICIES

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

REVENUE AND EXPENSE RECOGNITION

The Fund is maintained on the accrual basis of accounting. Under this method, investment income and contributions are recognized in the period earned rather than collected and expenses are recorded in the period incurred rather than paid.

PROPERTY AND EQUIPMENT

Property and equipment are carried at cost and are being depreciated on a straight line basis over their estimated useful lives.

VALUATION OF INVESTMENTS

Investments are recorded at fair market value. See Note 7 for a discussion of fair value measurements which is effective for financial statements for fiscal years beginning after November 15, 2007.

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

ACTUARIAL ASSUMPTIONS

The significant actuarial assumptions used in the valuation as of July 1, 2009 prepared by Hooker & Holcombe, Inc. (the last valuation completed to date) were (a) life expectancy based on the 1983 Group Annuity Mortality Table, (b) interest earned by the Fund of 8% per year, (c) employee salaries will increase at a rate of 4.5% per year over the long term, (d) retirement will be attained at 25 years of service with 50% assumed to be age 55-59 with an additional 50% added upon attainment of 20 years of service and 100% of members remaining beyond the earlier of age 60 with 25 years of service or age 65, (e) 80% of employees are married and husbands are four years older than their wives, (f) administrative expenses are assumed to be paid directly by the city, and (g) 50% of retirees are assumed to elect an annuity from the pension fund. Representative values of the annual rates of withdrawal and disability among members in active service are as follows:

<u>AGE</u>	<u>WITHDRAWALS</u>	<u>DISABILITIES</u>
20	0.0544	0.0005
25	0.0489	0.0005
30	0.0370	0.0005
35	0.0235	0.0006
40	0.0000	0.0009
45	0.0000	0.0018
50	0.0000	0.0040
55	0.0000	0.0085
60	0.0000	0.0174

TAX STATUS

The City of Stamford Policemen's Pension Trust Fund is tax exempt as it is an agency of the City of Stamford, a municipality. This also exempts the plan from being subject to the Employee Retirement Income Securities Act (ERISA).

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are the amount of benefits that are attributable under the provisions of the Fund to employees' service rendered to the benefit information date. The actuarial assumptions are used to adjust these amounts to reflect the time value of money and the probability of payment between the benefit information date and the expected date of payment.

NOTE 3. PLAN PARTICIPATION

Plan participation at July 1, 2009 included 293 active members and 281 pensioners (including beneficiaries) for a total of 574 participants.

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 4. FUNDING STATUS AND PROGRESS

CONTRIBUTIONS

As a condition of participation, employees are required to contribute 7% of salary to the Fund. Effective April 2000, a Section 414(h) plan was adopted allowing these contributions to be on a pre-tax basis. No contributions are required for those employees with 30 or more years of service to the Stamford Police Association. Military service previously purchased by a member shall be considered years of service for this purpose.

The City's funding policy is to appropriate and recognize as an expenditure the amounts recommended by the actuary that are adequate to accumulate sufficient assets to pay benefits when due. These amounts include normal cost and amortization of prior service costs over a period of 15 years. The City uses the projected unit credit cost method utilizing the same actuarial assumptions described in Note 2 for calculation of the pension benefit obligation.

The City contributes to the plan based on the budgeted contribution, which is actuarially determined based on the prior valuation. The City's budgeted contribution for the year beginning July 1, 2009 is \$2,305,022. Any variance between the budgeted contribution and the actual valuation results are provided for in an adjustment to future year past service payments. The collective bargaining agreement, effective July 1, 2002, removed the City's requirement to make a minimum contribution equal to 7% of active members' salary. The City's contribution per the actuarial determination as of July 1, 2009 for the fiscal year ending June 30, 2011 is \$4,117,000. The City paid the budgeted contribution amount during the year ended June 30, 2010.

Information regarding funding as of July 1, 2009 is as follows:

Actuarial Funding Requirements:	
Normal cost	\$ 2,584,000
Amortization of unfunded accrued liabilities	<u>1,362,000</u>
Required contribution (actuarially determined)	<u>\$ 3,946,000</u>
Required contribution (adjusted monthly)	\$ 4,117,000
Contributions:	
Employer (actual)	\$ 2,305,022
Employee (estimated)	\$ 1,213,000
Covered Employees Payroll	\$ 20,861,000
Contribution as a percentage of covered payroll:	
Employer (actual)	11.0%
Employee (estimated)	5.8%

(Continued)

CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
 NOTES TO FINANCIAL STATEMENTS  
 June 30, 2010 and 2009  
 (Continued)

NOTE 4. FUNDING STATUS AND PROGRESS (Continued)

CONTRIBUTIONS

ACCRUED LIABILITY

The accrued liability is the portion of the present value of future benefits attributable to service rendered prior to the measurement date. The liability as of July 1, 2009 is as follows:

Active members	\$ 92,669,000
Retired members, beneficiaries and vested terminated members	<u>86,250,000</u>
Total Accrued Liability	178,919,000
Actuarial Asset Value	<u>166,328,000</u>
Unfunded Accrued Liability	<u>\$ 12,591,000</u>
Amortization over 15 year period	<u>\$ 1,362,000</u>
Funded Ratio	93%

ANNUAL PENSION COST AND NET PENSION OBLIGATION

The following shows the calculation of the annual pension cost and net pension obligation for the fiscal year beginning July 1, 2009:

Annual required contribution	\$ 2,305,000
Interest on net pension obligation	(76,000)
Adjustment to annual required contribution	<u>102,000</u>
Annual pension cost	2,331,000
City contributions made (budgeted contribution - rounded)	<u>(2,305,000)</u>
Increase in net pension obligation	26,000
Net pension obligation - beginning of year	<u>(945,000)</u>
Net pension obligation - end of year	<u>\$ (919,000)</u>

NOTE 5. FUND TERMINATION

In the event the Fund terminates, the net assets of the Fund Agreement shall be disbursed solely for the purpose of providing pension and related benefits to eligible employees, retirees, families, dependents, or beneficiaries and for administrative expenses related to this in order of priority as determined in accordance with applicable regulations thereunder and the Fund agreement.

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 6. CONTRACT SETTLEMENT

Under an arbitration award dated October 26, 2007, a new collective bargaining agreement for the period July 1, 2005 to June 30, 2009 was reached. As a result of this settlement, retroactive benefits due to retirees as of June 30, 2007 totaled \$42,523 and were paid in February 2008. Effective July 1, 2008, rather than the City maintaining a life insurance policy on retirees, the eligible beneficiary will receive, from the Fund, a \$4,000 lump sum pension bonus at the time of death. On February 23, 2009 and June 12, 2009 tentative agreements with the City were signed to extend the collective bargaining agreement until June 30, 2011.

NOTE 7. FAIR VALUE MEASUREMENTS

The Fund's investments are reported at fair value in the accompanying statement of plan net assets held in trust for pension benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair value measurements at reporting date using:

<u>June 30, 2009</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
United States government federal agency obligations	\$ 3,505,796	\$ 1,834,236	\$ 1,671,560	\$ -
Corporate bonds	10,700,091		10,700,091	
Municipal bonds	125,805		125,805	
Equities	33,468,940	33,468,940		
Mutual funds	35,493,211	3,730,497		31,762,714
Hedge funds	8,961,584			8,961,584
Real estate	14,494,477			14,494,477
Unit Investment trusts	170,248		170,248	
<b>Total</b>	<b><u>\$106,920,152</u></b>	<b><u>\$ 39,033,673</u></b>	<b><u>\$ 12,667,704</u></b>	<b><u>\$ 55,218,775</u></b>

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 7. FAIR VALUE MEASUREMENTS (Continued)

<u>June 30, 2010</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
United States government				
federal agency obligations	\$ 5,626,431	\$ 3,964,619	\$ 1,661,812	\$ -
Corporate bonds	9,573,920		9,573,920	
Municipal bonds	106,756		106,756	
Equities	27,536,376	27,536,376		
Mutual funds	58,978,042	14,717,580		44,260,462
Hedge funds	14,135,620			14,135,620
Real estate	14,335,392			14,335,392
<b>Total</b>	<b><u>\$130,292,537</u></b>	<b><u>\$ 46,218,575</u></b>	<b><u>\$ 11,342,488</u></b>	<b><u>\$ 72,731,474</u></b>

The fair value measurements authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Fund uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Fund measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

*Level 1 Fair Value Measurements*

The fair values of common stock, certain mutual funds, and U.S. government securities are based on quoted market prices from active markets.

*Level 2 Fair Value Measurements*

The fair values of certain corporate bonds, federal agency obligations, and municipal bonds for which quoted market prices are not available are based on yields currently available on comparable securities of issuers with similar credit ratings.

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 7. FAIR VALUE MEASUREMENTS (Continued)

*Level 3 Fair Value Measurements*

The mutual funds, hedge funds and real estate funds are not actively traded and significant other observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. Mutual funds are valued by the investment manager who evaluates the funds individually to determine that its net asset value is calculated appropriately and considers whether an adjustment to the net asset value is necessary based upon various factors, including, but not limited to, the attributes of the interest in each individual fund, including the rights and obligations, and any restriction on or illiquidity of such interests, and the fair value of such fund's investment portfolio or other assets and liabilities. The valuation process for hedge funds takes into consideration factors such as interest rate changes, movements in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral, and market dislocation. The fair value of the underlying real estate funds are determined using independent appraisal of the real estate for each investment (performed at least annually) and includes a complete property inspection and market analysis.

Gains and losses (realized and unrealized) included in changes in plan net assets held in trust for pension benefits for the fiscal years ended June 30, 2010 and 2009, are reported in net appreciation (depreciation) in fair value of investments.

The following table provides further details of the Level 3 fair value measurements:

<u>June 30, 2010</u>	<u>Mutual Funds</u>	<u>Hedge Funds</u>	<u>Real Estate</u>	<u>Total</u>
Beginning balance	\$ 31,762,714	\$ 8,961,584	\$ 14,494,477	\$ 55,218,775
Total gains or losses (realized and unrealized) included in changes in plan net assets held in trust for pension benefits	3,514,482	3,426,946	(923,363)	6,018,065
Purchases and sales (net)	<u>8,983,266</u>	<u>1,747,090</u>	<u>764,278</u>	<u>11,494,634</u>
Ending balance	<u>\$ 44,260,462</u>	<u>\$ 14,135,620</u>	<u>\$ 14,335,392</u>	<u>\$ 72,731,474</u>
Total gains or losses for the year included in changes in plan net assets held in trust for pension benefits attributable to the change in unrealized gains or losses relating to investments still held at the reporting date				<u>\$ 8,433,669</u>

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 7. FAIR VALUE MEASUREMENTS (Continued)

<u>June 30, 2009</u>	<u>Mutual Funds</u>	<u>Hedge Funds</u>	<u>Real Estate</u>	<u>Total</u>
Beginning balance	\$60,074,960	\$ 5,074,640	\$ 18,298,554	\$ 83,448,154
Total gains or losses (realized and unrealized) included in changes in plan net assets held in trust for pension benefits	(43,496,607)	886,944	(4,556,679)	(47,166,342)
Purchases and sales (net)	<u>15,184,361</u>	<u>3,000,000</u>	<u>752,602</u>	<u>18,936,963</u>
Ending balance	<u>\$31,762,714</u>	<u>\$ 8,961,584</u>	<u>\$ 14,494,477</u>	<u>\$ 55,218,775</u>
Total gains or losses for the year included in changes in plan net assets held in trust for pension benefits attributable to the change in unrealized gains or losses relating to investments still held at the reporting date				<u>\$ (12,858,161)</u>

NOTE 8. INVESTMENTS

During fiscal years ended June 30, 2010 and 2009, the Fund's investments appreciated (depreciated) in fair value as follows:

	<u>6/30/10</u>	<u>6/30/09</u>
United States government and federal agency obligations	\$ 254,741	\$ (55,263)
Corporate bonds	854,450	127,045
Municipal bonds	(494)	(13,804)
Equities	2,708,067	29,063,627
Mutual funds	8,456,702	(38,109,683)
Hedge funds	3,865,002	761,683
Real estate	(947,144)	(4,564,881)
Unit investment trusts	7,988	55,004
	<u>15,199,312</u>	<u>(12,736,272)</u>
Realized gain (loss) on sale of investments	<u>157,589</u>	<u>(19,815,440)</u>
Net appreciation (depreciation)	<u>\$ 15,356,901</u>	<u>\$ (32,551,712)</u>

NOTE 9. BENEFITS PAID

The statement of accumulated plan benefits and the related statement of changes are provided directly by the actuarial firm of Hooker & Holcombe, Inc. The benefits paid on the statement of changes of accumulated plan benefits and the statement of changes in plan net assets may differ due to the fact that the actuary does not consider timing differences and audit adjustments, if any.

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 10. COMMITMENTS

In October 1971, the City of Stamford Policemen's Pension Trust Fund entered into an agreement with Bank of America (formerly known as Fleet Bank and Connecticut Bank and Trust Company) to appoint them Corporate Trustee for the Fund. Either party may terminate this agreement at any time by giving written notice. Compensation for services rendered is payable on a quarterly basis based on net principal value of the assets of the fund. Effective January 1, 2007, under a revised fee schedule, fees include transactional fees, annual asset fees at .025% of market value, and annual portfolio accounting fees of \$3,000 per portfolio. This agreement is currently in the process of revision.

In January 1997, the Fund entered into an investment management agreement with Lazard Freres & Co., LLC to invest \$10 million and manage a portfolio of mid-cap equity securities within specified guidelines. The mid-cap equity portfolio shall be managed and considered separate from the two existing LFAM investments in the international equity and small cap mutual funds. Advisory fees for these services are payable quarterly at the rate of sixty basis points of the fair market value of the assets managed by LFAM as of the last business day of the quarter previously ended. The investment in the international equity portfolio was terminated in November 2007. In April 2008, \$2.5 million was withdrawn from the mid-cap portfolio and \$2.5 million was withdrawn from the small cap portfolio.

On October 1, 2003, the Fund entered into an agreement with Segal Advisors, Inc. as an investment consultant. The term of the agreement is from October 1, 2003 to September 30, 2006 and will be automatically renewed for successive one-year renewal terms. Either party may terminate the agreement upon sixty days written notice. The annual fee for these services is \$57,000 to be billed quarterly, in arrears.

In April 2004, the Fund entered into an investment contract with State Street Global Advisors to invest approximately \$15 million in the S & P 500 Flagship Fund. Fees for these services are payable quarterly, in arrears, at the rate of fifty basis points on the first \$50 million and forty basis points of the next \$50 million. Additional fees include an annual administrative custody fee equal to .25 basis points on the net asset value of the fund and transaction fees equal to \$12 per fund transaction. State Street will waive an allocable portion of fees with respect to any assets invested in either the SSgA money market fund or the SSgA yield plus fund. Either party may terminate upon thirty days written notice to the other.

On November 2, 2005, the Fund entered into an agreement with Wedge Capital Management L.L.P. for investment advisory services. Wedge Capital was hired as the new large cap value portfolio manager to replace Armstrong Shaw Associates, Inc. The fee is \$.50 per year on the first \$25 million, \$.40 per year on the next \$75 million and \$.30 per year on all over \$100 million. The minimum annual fee for these services is \$25,000, billed quarterly in arrears, based on market value as of the last business day of the quarter. The agreement shall be valid until terminated upon thirty days prior written notice by the Fund or sixty days prior written notice by Wedge Capital.

Effective July 2006 the Fund entered into a net commission rebate structure with State Street Global Markets, LLC. Under the terms of the agreement, State Street Global Markets, LLC will rebate to the Fund 80% of the commissions charged in excess of executing brokers' execution-only rates. In addition, for all trades directed through State Street Global Markets, LLC, the Fund will be reimbursed 100% in excess of the execution-only rates.

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 10. COMMITMENTS (Continued)

In September 2006 the Fund entered into a discretionary investment agreement with Navellier & Associates, Inc. Navellier was contracted to provide a large cap growth portfolio to replace McHugh and Associates. The fee of .45% per annum is based on the market value of the first business day of each calendar quarter as reported by the Custodian. There is no minimum fee and fees will be billed quarterly in arrears. Either party may terminate the agreement upon sixty days written notice.

On June 22, 2007 the Fund entered into an investment management agreement with Aetos Alternative Management to invest in tax-exempt Cayman Funds within permissible ranges. The fee includes an annual 10% of the aggregate net profits (including realized and unrealized gains) and 1% of the aggregate value of the Fund's shares in the underlying investments. The fee, payable quarterly, is based on the investments' month end net assets. The agreement can be terminated with thirty days written notice from either party. The effective date of the initial \$4.5 million investment was July 1, 2007.

In September 2007, the Fund entered into a subscription agreement with Blackstone Alternative Asset Management, as a Class C Investor in a non-taxable limited partnership. Performance based fees are assessed by the General Partnership. On June 30 and December 31 of each year the Fund may request, in writing, a withdrawal of all or part of its capital account, with 95 days prior notice. In the event that the aggregate amount of withdrawal requests with respect to any date on which the Fund withdraws all or a portion of its capital account exceeds 25% of the Partnership's net asset value, the General Partner may, at its sole discretion, determine that withdrawal requests by Class C partners will be granted on a pro rata basis at the time of such withdrawal so that not more than 25% of the Partnership's net asset value as of the withdrawal date is withdrawn.

In November 2007 the Fund entered into an adoption agreement with Julius Baer Investment Management, LLC and invested \$15 million in the Julius Baer International Equity II Group Trust Fund. The fees for this service are as follows: .85% per year on the first \$20 million, .65% per year on the next \$20 million, .55% per year on the next \$60 million, and .45% on assets in excess of \$100 million. The fees will be billed quarterly in arrears, based on the average of the market value as of the last business day of each month within the calendar quarter. Either party may terminate the agreement with advance written notice.

Effective November 2007 the legal structure of the Fund's investment in the PMSA and RESA funds with UBS were converted from separate accounts to REIT based funds to be known as the UBS Trumbull Property Fund and UBS Trumbull Property Income Fund.

Effective January 1, 2008 the Fund entered into a \$2 million subscription agreement with Wolver Hill Japan Multi-Strategy Fund II with Wolver Hill Asset Management. In March 2011 the Fund invested an additional \$2 million in the Wolver Hill Asia Emerging Manager Fund. Performance based fees are assessed by the General Partnership. Either party may terminate the agreement with advance written notice.

In February 2008 the Fund approved a transfer of \$5 million from Columbia Asset Management fixed income portfolio with a corresponding investment into Loomis Sayles & Company Core Plus Full Discretion Composite Fund. The fees for this service, payable quarterly in arrears, are as follows: .45% on the first \$10 million, .35% on the next \$10 million, and .25% on the value over \$20 million with a minimum annual fee of \$22,500. Either party may terminate the agreement with advance written notice.

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 10. COMMITMENTS (Continued)

Effective April 2008, \$5 million was invested with Oppenheimer & Co., Inc. into a cash management account to increase the Fund's fixed income portfolio. Performance based fees are assessed by the General Partnership. Oppenheimer & Co. has the right to terminate the agreement at any time by notice to the Fund.

In June 2008, the Fund entered into an agreement with Hildene Capital Management, LLC. and invested \$3 million in Hildene Opportunities Offshore Fund, Ltd. The Fund will pay management fees of 1% of assets and a 10% incentive fee on the initial investment. Either party may terminate the agreement with advance written notice.

In September 2009, the Fund entered into a \$2 million subscription agreement with Stone Lion Fund, Ltd. investing in Class A shares. These shares are subject to a management fee of 2% annually, a 20% performance allocation and a one-year lock-up period, provided that a 4% redemption fee is charged to the Fund on redemptions in the twelve month period following the initial lock-up period.

In January 2010, the Fund entered into a subscription agreement with Mount Lucas Management Corporation to invest \$2,000,000 with Peak Select Access Fund L.P. The redemption of the interest is restricted to the terms of the investment memorandum.

In April 2010, the Fund entered into a subscription agreement with GlobeOp Financial Services and invested \$2,000,000 in the Rubicon Global Fund. Either party may terminate the agreement with advance written notice.

In March 2011, the Fund entered into a subscription agreement with Golub Capital Partners.

The Fund entered into a thirty six month non-cancelable lease with IKON Financial Services in April 2005 for use of a copy machine. The lease was renewed in June 2008 for a minimum term of 60 months. The monthly payment is \$109 plus \$0.007 per copy. Future minimum lease payments as of June 30, 2010, for the years ending June 30, 2011 - June 30, 2013 are \$1,308 per year.

NOTE 11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 23, 2011, the date which the financial statements were available for issue.

In November 2010 the Board approved a plan to rebalance the Fund's investments. The overall goal is to move away from separate actively managed accounts and re-allocate to the indexes and benchmarks they manage against using institutional class mutual funds (per unit trust funds). The plan to rebalance will position the Fund with a low overall operating cost while offering future flexibility and ease of management. This plan includes liquidation of the following investments held at June 30, 2010: Lazard Small Cap Equity Fund, Navellier, Wedge Capital, Artio Global, Aetos, Blackstone and State Street Global S&P 500 Index Fund. As of June 23, 2011 the funds were re-invested as follows: the Vanguard Total Bond Market Index Fund, the PIMCO Total Return Fund, Loomis Sayles Investment Grade Fixed Income Fund, Golub Capital Partners International VII Fund, the GC 2009 Mezzanine Partners Fund, the Turner Spectrum Institutional Equity Fund, the Touchstone Large Cap Growth Fund, the Columbia Acorn Fund, the Royce Penn Mutual Fund, the Fifth Third Micro Cap Value Fund, the Vanguard Institutional Index Fund, the Vanguard Russell 2000 Institutional Index Fund, the Vanguard Developed Markets Index Fund, and the Oppenheimer Developing Markets Fund.

(Continued)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2010 and 2009**  
**(Continued)**

NOTE 11. SUBSEQUENT EVENTS (Continued)

The fund is pursuing reimbursement of a minimum of \$97,050 from the City of Stamford for fines and forfeitures collected from members of the Stamford Police Force which by Charter of the City of Stamford with regards to the Police Pension Fund should be deposited in the Stamford Police Pension Fund.

**SUPPLEMENTARY INFORMATION**

CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF FUNDING PROGRESS  
June 30, 2010 and 2009  
(Unaudited)

Actuarial Valuation Date	<u>6/30/09</u>	<u>6/30/08</u>	<u>6/30/07</u>	<u>6/30/06</u>	<u>6/30/05</u>	<u>6/30/04</u>	<u>6/30/03</u>	<u>6/30/02</u>	<u>6/30/01</u>	<u>6/30/00</u>
Actuarial Value of Assets (A)	\$166,328,000	\$175,945,000	\$171,826,000	\$162,374,000	\$156,275,000	\$149,936,000	\$144,432,000	\$141,769,000	\$137,754,000	\$129,326,000
Actuarial Accrued Liability (AAL) (B)	\$178,919,000	\$171,655,000	\$160,970,000	\$153,436,000	\$146,015,000	\$138,234,000	\$131,686,000	\$124,301,000	\$126,211,000	\$115,329,000
Unfunded AAL (Funding Excess) (B-A)	\$ 12,591,000	\$ (4,290,000)	\$ (10,856,000)	\$ (8,938,000)	\$ (10,260,000)	\$ (11,702,000)	\$ (12,746,000)	\$ (17,468,000)	\$ (11,543,000)	\$ (13,997,000)
Funded Ratio (A/B)	93.0%	102.5%	106.7%	105.8%	107.0%	108.5%	109.7%	114.1%	109.1%	112.1%
Covered Payroll (C)	\$ 20,861,000	\$ 19,963,000	\$ 18,682,000	\$ 18,064,000	\$ 17,996,000	\$ 18,016,000	\$ 17,496,000	\$ 17,054,000	\$ 16,460,000	\$ 16,783,000
Unfunded AAL (Funding Excess) as a percentage of Covered Payroll ((B-A)/(C))	60.4%	(21.5%)	(58.1%)	(49.5%)	(57.0%)	(65.0%)	(72.9%)	(102.4%)	(70.1%)	(83.4%)

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

June 30, 2010 and 2009

(Unaudited)

Actuarial Valuation Date	Employer Contribution	Annual Required Contribution	Percentage Contributed
6/30/09	\$ 2,305,000	\$ 2,305,000	100.0%
6/30/08	1,390,000	2,305,000	60.3%
6/30/07	1,700,000	1,617,000	105.1%
6/30/06	1,719,000	1,584,000	108.5%
6/30/05	1,465,141	1,449,000	101.1%
6/30/04	1,450,000	1,289,985	112.4%
6/30/03	1,012,258	1,114,000	90.8%
6/30/02	887,000	517,200	171.5%
6/30/01	887,000	887,000	100.0%
6/30/00	902,931	378,000	238.9%

The information presented in the required supplementary schedules of funding progress and employer contributions was determined as a part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	7/1/2009
Valuation Method	Projected unit credit
Amortization Schedule	15 Years
Asset Valuation Method	Smoothed market approach using preliminary value (prior year's actuarial asset value and the assumed yield rate equal to the valuation rate of interest plus 20% of the difference of market and expected value) subject to a minimum of 80% or a maximum of 120% of market value.

Actuarial Assumptions

Investment Rate of Return	8%
Projected Salary Increases	4.50%
Retirement	50% probability of 25 years of service for ages 55-59 and 50% probability after 20 years of service and 100% probability of those remaining beyond the earlier age of 60 with 25 years of service or age 65.
Deaths	1983 Group Annuity Mortality table with ages set forward 5 years for disabled retirees

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**CONDENSED SCHEDULE OF INVESTMENTS**  
June 30, 2010

	Cost	Market
<b><u>Fixed Income</u></b>		
US Government and Federal Agency Obligations	\$ 5,425,872	\$ 5,626,431
Corporate Bonds	9,023,706	9,573,920
Municipal Bonds	114,348	106,756
	14,563,926	15,307,107
<b><u>Equities</u></b>		
Consumer Discretionary	3,272,108	3,595,095
Consumer Staples	2,309,639	2,321,162
Energy	2,191,770	1,911,020
Financials	2,553,091	2,543,905
Health Care	5,420,537	5,302,703
Industrials	1,303,998	1,500,479
Information Technology	6,617,452	7,577,331
Materials	1,688,334	1,942,162
Telecommunication Services	65,219	78,321
Utilities	783,498	764,198
	26,205,646	27,536,376
<b><u>Mutual Funds</u></b>	63,161,054	58,978,042
<b><u>Hedge Funds</u></b>	9,925,485	14,135,620
<b><u>Real Estate</u></b>	15,154,685	14,335,392
<b>Total Investments</b>	\$ 129,010,796	\$ 130,292,537

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES  
June 30, 2010**

<u>Par</u>	<u>US Government &amp; Federal Agency Obligations</u>	<u>Cost</u>	<u>Market</u>
87,593	Federal Home Loan Mortgage Corp 4.0% due 8/15/22	\$ 89,882	\$ 91,631
115,000	Federal Home Loan Mortgage Corp. 6.0% due 11/15/34	116,146	125,091
151,438	Federal Home Loan Mortgage Corp. Pool #1J1035 Variable rate due 4/01/38	152,994	160,463
14,217	Federal Home Loan Mortgage Corp. Pool #E80881 8.0% due 05/01/15	14,342	15,552
160,000	Federal National Mortgage Assn 1.58% due 6/28/13	160,000	160,450
100,000	Federal National Mortgage Assn 5.375% due 6/12/17	105,808	116,531
470,000	Federal National Mortgage Assn 5.000% due 6/1/40	493,793	493,793
34,711	Federal National Mortgage Assn 5.5% due 9/25/35	34,742	35,452
150,000	Federal National Mortgage Assn Pool #463278 4.68% due 9/1/19	151,031	161,458
94,072	Federal National Mortgage Assn Pool #974781 4.902% Due 4/01/38	95,252	99,695
2,002	FGLMC Gold #E81076 8.0% due 7/1/15	2,019	2,183
7,261	FHLMC Gold #E81313 7.50% due 9/1/15	7,272	7,883
7,817	FNMA Pool #514501 7.5% due 11/1/29	7,831	8,904
13,532	GNMA Pool #445413 7.5% Due 2/15/27	13,826	15,384
11,802	GNMA Pool #780551 7.5% Due 4/15/27	11,721	13,408
230,000	Resolution Fdg Corp Fed Book Due 1/15/1991	146,792	153,934
470,000	United States Treasury Bill Due 7/08/10	469,998	469,995
440,000	United States Treasury Bond 6.25% due 5/15/30	204,929	198,651
815,000	United States Treasury Bond 4.375% due 11/15/39	202,224	243,188
485,000	United States Treasury Bond 4.5% due 8/15/39	490,351	534,184

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**  
**June 30, 2010**

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>US Government &amp; Federal Agency Obligations (Continued)</u>			
78,809	United States Treasury Note 3.0% due 7/15/12	\$ 81,412	\$ 83,839
171,694	United States Treasury Note 1.625% due 1/15/18	155,876	180,976
760,000	United States Treasury Note 3.625% due 2/15/20	770,450	802,986
1,440,000	United States Treasury Note 1.0% due 4/30/12	1,447,181	1,450,800
	Total	<u>\$ 5,425,872</u>	<u>\$ 5,626,431</u>
<u>Municipal Bonds</u>			
45,000	California State 7.55% due 4/1/2039	\$ 41,750	\$ 48,287
75,000	Illinois State 5.1% due 6/1/2033	72,598	58,469
	Total	<u>\$ 114,348</u>	<u>\$ 106,756</u>
<u>Corporate Bonds</u>			
185,000	AGL Cap Corp. 4.45% due 4/15/13	\$ 184,865	\$ 194,528
95,000	AOL Time Warner Inc. 6.875% due 5/1/12	96,666	103,497
35,000	Amerada Hess Corp. 7.3% due 8/15/31	39,316	41,293
100,000	America Movil S A B DE C V 5.625% due 11/15/17	99,633	109,311
100,000	American Elec. Pwr Inc. 5.25% due 6/1/15	96,531	109,254
95,000	American Express Cr. Account Variable rate due 3/16/15	91,026	93,922
100,000	American Express Cr Corp. 5.875% due 5/2/13	99,657	109,413
40,000	Americredit Automobile 1.22% due 10/8/13	39,998	40,010
35,000	Anadarko Pete Co. 6.2% due 3/15/40	33,993	27,691
55,000	Arcelormittal SA Luxembourg 9.85% due 6/1/19	56,867	68,730

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND**  
**SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**  
**June 30, 2010**

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Corporate Bonds (Continued)</u>			
65,621	Bear Stearns 6.48% due 2/15/35	\$ 68,159	\$ 67,024
90,000	Bear Stearns Coml Mortgage Secs Ser. 4.83% due 8/15/38	87,458	94,378
84,930	Bear Stearns Coml Mortgage Secs Tr. 5.145% due 1/12/45	78,471	86,984
127,045	Bear Stearns Coml Mortgage Secs Tr. 5.422% due 9/11/42	127,359	131,402
45,000	Becton Dickinson & Co. 5.0% due 5/15/19	44,707	49,704
90,000	Berkshire Hathaway Inc. Del. Variable rate due 2/11/13	90,000	90,159
64,000	BMW Veh. Lease Tr. 2009-1 2.91% due 3/15/12	64,930	64,810
45,000	BNSF FDG TR I 6.613% due 12/15/55	42,750	42,863
135,000	Boeing Co. 1.875% due 11/20/12	134,191	136,678
45,000	Boston Properties Inc. 6.25% due 1/15/13	44,437	49,015
70,000	Brandywine Oper. Partnership LP 7.5% due 5/15/15	71,380	76,327
75,000	British Telecommunications 5.95% due 1/15/18	77,712	78,214
50,000	Canadian Nat. Res. Ltd. 5.7% due 5/15/17	50,391	55,964
100,000	Capital One Bank 5.75% due 9/15/10	100,149	100,789
13,903	Capital One Prime Auto Rec. 4.89% due 1/17/12	13,901	13,976
50,000	Carolina Pwr & Lt 5.125% due 9/15/13	49,553	55,070
30,000	CD 2007-CD5 Mortgage Tr. 5.886% due 11/15/44	30,551	30,416
50,000	Chevron Corp. 4.95% due 3/03/19	49,984	54,981
100,000	Citibank Credit Card Issuance Tr. Variable rate due 7/15/13	95,613	98,902
150,000	Citigroup Coml Mortgage Tr. 2004-C2 4.733% due 10/15/41	150,740	155,520

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
	<u>Corporate Bonds (Continued)</u>		
115,000	Citigroup Inc. 6.125% due 5/15/18	\$ 117,448	\$ 120,023
100,000	Citigroup Inc. 6.5% due 8/19/13	95,193	106,518
20,000	CNA Finl Corp. 5.85% due 12/15/14	20,008	20,720
20,000	CNA Finl Corp. 7.35% due 11/15/19	20,696	21,253
25,000	Cobalt CMBS Coml Mortgage Tr. 2007-C2 5.484% due 4/15/47	20,803	23,712
50,000	Comcast Corp. 6.5% due 11/15/35	49,451	54,375
25,000	Commercial Mortgage Tr. 2006-GG7 6.11% due 6/10/16	21,223	26,132
70,000	Commonwealth Edison Co. 5.95% due 8/15/16	70,123	79,996
6,000	Conagra Foods Inc. 6.75% due 9/15/11	6,342	6,376
60,000	Cox Communications 7.75% due 11/01/10	59,802	61,219
65,000	Credit Suisse First Boston Mortgage 5.183% due 11/15/36	67,722	68,293
59,000	Credit Suisse First Boston Mortgage 4.940% due 12/15/35	61,632	62,248
65,000	CVS Caremark Corp. 6.125% due 9/15/39	65,706	69,481
35,000	Deutsche BK AG 4.875% due 5/20/13	34,952	37,371
150,000	Developers Diversified Realty 4.625% due 8/1/10	146,666	150,058
90,000	Diageo Cap. 5.2% due 1/30/13	91,112	97,894
45,000	Discover Financial Svcs 10.25% due 7/15/19	53,343	53,556
60,000	Dow Chemical Co. 5/13/09 8.55% due 5/15/19	61,531	73,447
100,000	Duke Energy Corp. 5.3% due 10/01/15	99,928	113,160
5,554	Equity One Ser. 2004-3 Class AV2 Floating rate due 7/25/34	5,554	3,948
40,000	ERP Oper. Ltd Partnership 5.375% due 8/1/16	39,805	42,953

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Corporate Bonds (Continued)</u>			
70,000	Express Scripts Inc. 7.25% due 6/15/19	\$ 72,234	\$ 84,614
145,000	Ford Cr Auto Owner Tr. 5.16% due 4/15/13	146,223	153,575
70,000	Fortune Brands Inc. 5.125% due 1/15/11	69,920	71,345
60,000	FPL Group Cap. Inc. 6.0% due 3/01/19	65,713	67,426
80,000	France Telecom SA 7.75% due 3/01/11	93,896	83,480
80,000	Franklin Auto Tr. Auto Ln. Nt. Tr. 5.36% due 5/20/16	79,999	82,280
100,000	GE Cap Credit Card Master Nt. Tr. 3.69% due 7/15/15	103,996	103,929
70,000	General Electric Cap. Corp. 6.875% due 1/10/39	63,172	77,289
80,000	Goldman Sachs Group Inc. 4.75% due 7/15/13	77,964	83,526
60,000	Greenwich Cap Coml Fdg Corp. 5.317% due 6/10/36	61,081	64,136
60,000	GS Mortgage Secs Tr. 5.56% due 11/10/39	59,306	60,881
100,000	GS Mortgage Secs Tr. 2007 GG10 5.993% due 8/10/45	78,750	98,317
25,000	Halliburton Co. 5.9% due 9/15/18	25,108	26,755
125,000	Health Care Property Invs Inc. 6.3% due 9/15/16	124,626	129,366
40,000	Honeywell Intl Inc. 5.3% due 3/01/18	40,844	45,677
22,847	Hyundai Auto Receivables Tr. 5.04% due 1/17/12	22,846	23,033
45,000	Ingersoll-Rand Global Holding Co. 9.5% due 4/15/14	52,549	55,755
120,000	International Business Machines 6.5% due 10/15/13	120,738	138,757
140,000	International Lease Fin Corp 4.875% due 9/01/10	139,880	139,300
125,000	J P Morgan Chase & Co Variable rate due 2/26/13	125,000	124,996
55,000	JP Morgan Chase Cap. XVIII 6.95% due 8/17/36	58,077	54,970

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Corporate Bonds (Continued)</u>			
80,000	JP Morgan Chase Coml Mortgage Sec Corp. 5.179% due 12/15/44	\$ 83,978	\$ 85,096
76,000	JP Morgan Chase Coml Mortgage Sec Tr. 5.79% due 6/12/43	79,800	81,179
165,000	JP Morgan Chase Coml Mortgage Sec Tr. 5.818% due 6/15/49	159,360	161,431
54,208	JP Morgan Chase Coml Mortgage Sec Tr. 5.273% due 2/12/51	54,343	55,198
65,000	Keycorp Sr. 6.5% due 5/14/13	59,647	71,102
75,000	Kraft Foods Inc. 6.5% due 8/11/17	75,840	87,114
60,000	Kroger Co. 8.0% due 9/15/29	70,024	77,384
55,000	LB-UBS CMBS TR 5.866% due 9/15/45	55,260	55,410
60,000	Lincoln Natl Corp. Ind. 8.75% due 7/01/19	66,855	73,535
100,000	Lubrizol Corp. 5.5% due 10/01/14	92,931	107,642
50,000	M & I Marshall & Ilsley Bank 5.25% due 9/04/12	49,825	49,962
100,000	Marshall & Ilsley Medium Term Note 6.375% due 9/01/2011	105,605	101,492
115,000	Merrill Lynch Mtg Tr 2007-C1 Variable rate due 6/12/50	111,874	117,704
50,000	Metlife Inc. 7.717% due 2/15/19	50,175	59,511
30,000	Metlife Inc. 6.75% due 6/01/16	30,014	33,940
30,000	Morgan Stanley Cap. I Tr. 2006-IQ 5.945% due 10/15/42	31,472	32,128
100,000	Morgan Stanley Dean Witter Cap I 4.92% due 3/12/35	98,632	105,793
70,000	Morgan Stanley Ser 2002-TOP 7 CL 5.98% due 1/15/2039	70,831	73,819
50,000	National City Corp. 6.875% due 5/15/19	45,500	56,126
45,000	National City Corp. 4.9% due 1/15/15	37,744	48,508
80,000	National Rural Utils Coop. Fin. 10.375% due 11/01/18	85,576	110,934

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

**June 30, 2010**

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Corporate Bonds (Continued)</u>			
40,000	News Amer Inc. 6.55% due 3/15/33	\$ 40,334	\$ 42,891
40,000	Nexen Inc. 5.875% due 3/10/35	37,999	39,135
75,000	Nucor Corp. 5.85% due 6/01/18	75,085	85,944
60,000	Oncor Elec Delivery Co. 6.375% due 1/15/15	67,455	67,979
25,000	Oneok Partners LP 6.85% due 10/15/37	25,562	26,392
70,000	Ontario Hydro 7.45% due 3/31/13	78,457	80,524
50,000	Onatario Prov. Canada 4.1% due 6/16/14	53,271	53,770
40,000	Oracle Corp. 5.0% due 7/08/19	40,552	44,372
8,448	Origen Manufactured HSG Contract Tr. 4.49% due 5/15/18	8,447	8,475
60,000	Pepco Holdings Inc. 6.45% due 8/15/12	64,643	66,843
85,000	Pepsico Inc. 4.5% due 1/15/20	85,425	90,621
60,000	Petrobas 5.875% due 3/1/18	59,335	61,751
25,000	Plains All Amern Pipeline LP/PAA Fin. Corp. 6.65% due 1/15/37	24,514	24,968
100,000	Principal Life Income Fundings 5.3% due 4/24/13	91,500	108,133
40,000	Prudential Finl Inc. 6.0% due 12/01/17	39,742	42,758
50,000	Prudential Finl Inc. 7.375% due 6/15/19	49,999	57,898
50,000	Quebec Prov. CDA 4.625% due 5/14/18	49,035	54,615
50,000	Regions Finl Corp. 7.75% due 11/10/14	49,697	52,747
30,000	Rockwell Collins Inc. Del. 5.25% due 7/15/19	30,569	33,056
50,000	Safeway Inc. 5.8% due 8/15/12	51,112	54,318
100,000	SBC Communications Inc. 5.1% due 9/15/14	96,916	110,934

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Corporate Bonds (Continued)</u>			
80,000	Sempra Energy 6.5% due 6/01/16	\$ 80,890	\$ 91,800
70,000	Telecom Italia Cap. 7.2% due 7/1/36	68,922	67,889
65,000	Telefonica Emisiones S A U 6.221% due 7/3/17	70,142	70,700
20,000	Time Warner Companies 6.95% due 1/15/28	20,738	22,595
35,000	Time Warner Cable Inc. 6.75% due 6/15/39	37,483	38,665
120,000	Transcanada Pipelines Ltd. JR Sub Variable rate due 5/15/67	119,785	106,950
75,000	Tyco Intl / Tyco Intl Fin. 6.875% due 1/15/21	79,914	90,061
75,000	United Technologies Corp. 5.375% due 12/15/17	76,630	85,968
45,000	Unum Group 7.125% due 9/30/16	47,654	49,444
11,295	USAA Auto Owner Tr. 4.9% due 2/15/12	11,293	11,335
90,000	Valero Energy Corp. 6.875% due 4/15/12	93,562	96,897
24,000	Volkswagon Auto Ln Enhanced 5.47% due 3/20/13	24,933	24,865
60,000	Wachovia Bk Coml Mortgage Tr. 5.110% due 7/15/42	61,931	63,555
60,000	Wachovia Bk Coml Mortgage Tr. Coml 6.011% due 6/15/45	62,475	63,847
30,000	Wachovia Bk Coml Mortgage Tr. Ser. 2006 5.765% due 7/15/45	27,141	31,455
85,000	Wachovia Corp. Global 5.5% due 5/01/13	81,600	92,254
85,000	Wachovia Cap. Tr. I 5.8% due 8/29/49	84,871	67,575
70,000	Weatherford Intl Ltd. 6.0% due 3/15/18	62,451	72,022
75,000	Xerox Corp 5.5% due 5/15/12	74,406	79,946
	Total	<u>\$ 9,023,706</u>	<u>\$ 9,573,920</u>

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Equities</u>			
1,600	3M Co.	\$ 107,767	\$ 126,384
3,100	Abbott Labs	166,081	145,018
3,800	Ace Ltd.	190,264	195,624
828	Adobe Systems Inc.	29,219	21,884
2,000	Advanced Auto Parts Inc.	101,376	100,360
3,450	Aeropostale	80,874	98,808
5,500	Aetna Inc.	166,636	145,253
800	Air Products & Chemicals Inc.	53,197	51,848
1,760	Alcon Inc.	256,353	260,814
9,000	Altera Corp.	180,663	223,290
7,100	Altria Group Inc.	131,216	142,284
2,150	Amazon Com. Inc.	164,142	234,909
3,200	Ameren Corp.	90,357	76,064
5,000	Ameriprise Financial Inc.	190,884	180,650
14,680	Amerisourcebergen Corp.	415,011	466,090
2,800	Amgen Inc.	158,239	147,280
5,400	Amphenol Corp. New	173,969	212,556
7,700	Analog Devices Inc.	222,287	214,920
1,970	Apple Inc.	405,507	495,514
2,000	Archer Daniels Midland Co.	55,999	51,640
1,100	Ashland Inc.	41,908	51,251
5,300	Assurant Inc.	172,577	183,910
3,000	Astrazeneca PLC	131,374	141,390
2,700	Autoliv Inc.	116,047	129,195
5,500	Autonation Inc.	96,515	107,250
1,610	Autozone Inc.	263,267	311,084
7,900	Baidu Inc.	245,343	537,832
1,000	Ball Corp.	47,228	52,830
2,700	Bed Bath & Beyond Inc.	87,338	100,342
2,840	Big Lots Inc.	83,743	91,136
3,000	Biogen Idec Inc.	173,539	142,350
2,400	BP PLC	145,948	69,312
6,300	Bristol Meyers Squibb Co.	167,736	157,122
13,210	Broadcom Corp.	316,362	435,534
1,100	Bunge Ltd.	67,179	54,109
4,800	Carmax Inc.	119,899	95,520
1,942	Celanese Corp. Del.	44,169	48,375
3,415	Cerner Corp.	281,218	259,164
1,500	Chevron Corp.	78,620	101,790
3,800	Chubb Corp.	180,862	190,038
4,700	Cigna Corp.	148,525	145,982
6,660	Citrix Systems Inc.	292,481	281,252
1,100	Cliffs Natural Resources Inc.	55,548	51,876
5,200	CMS Energy Corp.	63,275	76,180
7,610	Cognizant Technology Solutions	231,210	380,957
3,196	Colgate Palmolive Co.	219,414	251,717
19,020	Companhia Siderurgica Nacional	147,396	279,404
4,700	Computer Sciences Corp.	232,633	212,931
2,100	Conocopillips	120,402	103,089
2,200	Constellation Energy Corp.	68,250	70,950
4,700	Credit Suisse Group	258,585	175,921
4,500	Cree Inc.	290,664	270,135
1,900	Cummins Inc.	58,354	123,747
2,000	Devry Inc. Del.	119,600	104,980
9,470	Directv	198,057	321,222
3,200	Dolby Laboratories Inc.	113,268	200,608
2,400	Dollar Tree Inc.	65,648	99,912
2,100	Dow Chem. Co.	56,535	49,812
10,390	Dr. Pepper Snapple Inc.	376,645	388,482
1,600	Du Pont E I De Nemours & Co.	51,955	55,344
1,000	Eastman Chem. Co.	45,982	53,360

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
	<u>Equities (Continued)</u>		
2,000	Eaton Corp.	\$ 124,882	\$ 131,104
2,400	Edison Intl.	99,552	76,128
3,780	Edwards Lifesciences Corp.	199,359	211,756
3,200	Encana Corp.	106,758	97,088
2,800	ENI S P A	159,818	102,340
2,700	Ensco PLC	114,014	106,056
7,620	Express Scripts Inc.	291,380	358,292
1,800	Exxon Mobil Corp.	153,843	102,726
4,400	F5 Networks Inc.	309,027	301,708
2,500	Family Dollar Stores Inc.	97,118	94,225
2,200	Firstenergy Corp.	83,642	77,506
3,200	Fluor Corp.	148,141	136,361
30,730	Ford Motor Co. Del.	387,173	309,758
2,200	Franklin Res. Inc.	144,981	189,926
5,000	Gap Inc. Del.	113,771	97,300
10,265	General Mills Inc.	385,151	374,915
3,900	Gilead Sciences Inc.	180,018	133,692
4,347	Glaxosmithkline PLC	171,144	147,841
5,215	Goldcorp Inc.	178,817	228,678
1,300	Goldman Sachs Group Inc.	193,461	170,651
810	Google Inc.	482,457	360,410
1,523	Harsco Corp.	51,047	35,791
2,421	Hasbro Inc.	89,151	99,503
4,900	Hewlett Packard Co.	184,073	212,444
3,400	Humana Inc.	163,050	155,278
6,590	Infosys Technologies Ltd.	166,007	394,807
1,817	Integrys Energy Group Inc.	70,325	79,594
10,900	Intel Corp.	212,754	212,376
4,860	International Business Machines	472,266	600,323
2,500	International Paper Co.	39,101	56,575
1,200	ITT Educational Services Inc.	109,948	99,624
5,100	J P Morgan Chase & Co.	213,861	186,711
2,400	Johnson & Johnson	147,312	141,744
5,000	Johnson Controls Inc.	107,651	134,799
2,500	Joy Global Inc.	56,028	125,225
6,500	KBR Inc.	105,850	132,389
6,545	Kellogg Co.	355,316	329,213
4,800	Leggett & Platt Inc.	117,881	96,288
4,600	Limited Brands Inc.	122,077	101,744
7,700	Linear Technology Corp.	214,495	214,344
1,900	Lorillard Inc.	148,532	136,762
3,670	Lubrizol Corp.	304,072	294,738
3,200	Marathon Oil Corp.	124,496	99,488
17,120	Marvell Technology Group Ltd.	340,145	269,811
5,360	McKesson Corp.	333,881	359,978
5,870	Mead Johnson Nutrition Co.	295,661	294,204
6,605	Medco Health Solutions Inc.	360,276	363,803
4,100	Medtronic Inc.	172,854	148,937
6,543	Merck & Co. Inc.	173,253	228,809
4,800	Metlife Inc.	185,994	181,248
5,300	Nabors Inds. Inc.	113,776	93,386
2,900	National Oilwell Varco Inc.	125,367	95,903
10,580	Netapp Inc.	357,600	394,740
1,890	Netflix.com Inc.	207,177	205,348
4,110	Newmont Mng. Corp.	195,362	253,751
2,400	NII Hldgs. Inc.	65,219	78,321
5,300	Nisource Inc.	96,276	76,850
6,400	NV Energy Inc.	67,313	75,584
5,330	Occidental Pete Corp. Del.	294,001	411,209
2,400	Parker Hannifin Corp.	129,215	133,555
8,500	Paterson-Uti Energy Inc.	132,975	109,395

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Equities (Continued)</u>			
3,395	Perrigo Co.	\$ 199,669	\$ 200,543
10,400	Pfizer Inc.	183,957	148,578
3,200	Philip Morris Intl. Inc.	138,568	146,688
2,200	Pinnacle West Cap. Corp.	75,194	79,992
5,500	Pitney Bowes Inc.	147,367	120,780
900	PPG Inds. Inc.	51,177	54,369
3,260	Precision Castparts Corp.	265,399	335,519
3,800	Price T Rowe Group Inc.	125,710	168,682
3,400	Purdential Financial Inc.	147,119	182,444
1,300	Reliance Steel & Aluminum Co.	45,151	46,995
2,900	Reynolds Amern. Inc.	135,958	151,148
2,000	Ross Stores Inc.	77,226	106,580
2,100	Royal Dutch Shell PLC	130,014	105,462
4,415	Salesforce Com. Inc.	296,638	378,895
4,800	Sanofi-Aventis	169,656	144,288
13,100	Schwab Charles Corp. New	212,815	186,075
6,800	Talisman Energy Inc.	125,820	103,224
10,580	Teck Resources Ltd.	330,736	312,956
5,000	Teco Energy Inc.	69,314	75,350
2,314	Tempur-Pedic Intl. Inc.	71,451	71,451
4,890	Teva Pharmaceutical Inds. Ltd.	293,645	254,231
9,000	Texas Instruments Inc.	187,692	209,947
9,220	TJX Cos Inc. New	265,318	386,779
2,300	Total S A	147,999	102,672
3,700	Travelers Cos. Inc.	161,493	182,225
5,200	Unitedhealth Group Inc.	149,846	147,680
6,000	Valero Energy Corp. New	117,919	107,880
2,400	Visa Inc.	174,485	169,800
3,000	Wellpoint Inc.	166,525	146,790
11,208	Western Digital Corp.	466,842	338,033
1,100	Whirlpool Corp.	119,608	96,602
8,000	Xilinx Inc.	193,850	202,080
	Total	<u>\$ 26,205,646</u>	<u>\$ 27,536,376</u>
<u>Shares</u>			
		<u>Cost</u>	<u>Market</u>
<u>Mutual Funds</u>			
14,460	Aetos Alternative Management Multi-Strategy Arbitrage Cayman Fund	\$ 1,138,406	\$ 1,356,278
8,866	Aetos Alternative Management Distressed Investment Strategies Cayman Fund	877,367	995,184
22,613	Aetos Alternative Management Long/Short Strategies Cayman Fund	2,255,925	1,847,255
2,141	Aetos Alternative Management Capital Opportunities Cayman Fund	213,486	193,066
49,479	Artio Global Management Intl Equity II Group Trust Fund	9,189,654	5,852,820
4,272,564	Blackstone Alternative Management BPIF Non-Taxable LP	5,500,000	4,272,564
1,282,019	Lazard Funds Inc. U.S. Small-Mid Cap Equity	15,298,774	14,717,580
717,141	Loomis Sayles & Company Core Plus Full Discrtn Tr.	8,000,000	9,236,775

**CITY OF STAMFORD POLICEMEN'S PENSION TRUST FUND  
SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (CONTINUED)**

June 30, 2010

<u>Par</u>		<u>Cost</u>	<u>Market</u>
<u>Mutual Funds (Continued)</u>			
3,153,231	Peak Select Access LP Monthly Val. Fund	\$ 3,000,000	\$ 3,153,231
20,000	Rubicon Fund Management LP Global Fund	2,000,000	2,032,886
44,915	State Street Global Advisors S & P 500 Flagship (CMII) Fund	10,356,562	9,491,788
4,329	Stone Lion Fund Cl. A Cayman Fund	5,330,880	5,828,615
	Total	<u>\$ 63,161,054</u>	<u>\$ 58,978,042</u>
<u>Shares</u>		<u>Cost</u>	<u>Market</u>
<u>Hedge Funds</u>			
6,088	Hildene Opportunities Offshore Fund Ltd. - Class B Ser 2	\$ 7,866,351	\$ 11,905,538
2,055	Wolver Hill Japan Multi-Strategy Fund - Class D Units	2,059,134	2,230,082
	Total	<u>\$ 9,925,485</u>	<u>\$ 14,135,620</u>
<u>Shares</u>		<u>Cost</u>	<u>Market</u>
<u>Real Estate</u>			
9,420,874	UBS Trumbull Property Fund	\$ 9,420,874	\$ 8,370,016
5,733,811	UBS Trumbull Property Income Fund	5,733,811	5,965,376
	Total	<u>\$ 15,154,685</u>	<u>\$ 14,335,392</u>