OFFICIAL STATEMENT DATED MARCH 27, 2013

Refunding Issue **Ratings: Moody's Investors Service Aa1**
Standard & Poor's ..... AAA

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance with certain covenants and procedures relating to requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds may be includable in the calculation of certain taxes under the Code, including the federal alternative minimum tax imposed on certain corporations. In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. See "SECURITIES OFFERED – Tax Matters" herein.

CITY OF STAMFORD, CONNECTICUT
GENERAL OBLIGATION REFUNDING BONDS
BOOK-ENTRY-ONLY

$5,925,000
General Obligation Refunding Bonds
2013 Series B

$22,220,000
General Obligation Refunding Bonds
2013 Series C

Dated: Date of Delivery **Due: July 1, as shown on inside cover**

The Bonds are **not** subject to redemption prior to maturity.

The General Obligation Refunding Bonds, Series 2013 B (the "Series B Bonds"), and the General Obligation Refunding Bonds, 2013 Series C (the "Series C Bonds") (collectively the "Bonds") are issuable only as fully registered Bonds, without coupons, and when issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of the Bonds will be made in book-entry-only form, in denominations of $5,000 or any integral multiple thereof. Beneficial owners of the Bonds will not receive physical delivery of the bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Bonds. Interest on the Bonds will be payable on July 1, 2013 and semiannually thereafter on January 1 and July 1 in each year until maturity. So long as DTC or its nominee is the registered owner of the Bonds, reference herein to the Bond owners or registered owners shall mean Cede & Co., as aforesaid. Principal of and interest on the Bonds will be paid by the City or its agent directly to DTC. (See "SECURITIES OFFERED – Book-Entry-Only System" herein.)

The Certifying Agent, Paying Agent, Registrar, Transfer Agent and Escrow Agent will be U.S. Bank National Association in Hartford, Connecticut (the "Paying Agent").

The Bonds will be general obligations of the City of Stamford, and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds when due.

The Bonds are offered for delivery when, as and if issued, and received by the Underwriter, subject to the final approving opinion of Robinson & Cole LLP, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by Pullman & Comley, LLC, of Hartford and Bridgeport, Connecticut. It is expected that delivery of the Series B Bonds in definitive form will be made on or about April 16, 2013 in New York, New York. It is expected that delivery of the Series C Bonds in definitive form will be made on or about May 21, 2013 in New York, New York.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

RAYMOND JAMES®

CITY OF STAMFORD, CONNECTICUT
GENERAL OBLIGATION REFUNDING BONDS
BOOK-ENTRY-ONLY

$5,925,000
GENERAL OBLIGATION REFUNDING BONDS
2013 SERIES B

Dated: Date of Delivery **Due: Serially, July 1**

Due	Amount	Interest Rate	Yield	CUSIP Number	Due	Amount	Interest Rate	Yield	CUSIP Number
2013	$3,595,000	1.000%	0.160%	852634GM0	2014	$2,330,000	2.000%	0.300%	852634GN8

$22,220,000
GENERAL OBLIGATION REFUNDING BONDS
2013 SERIES C

Dated: Date of Delivery **Due: Serially, July 1**

Due	Amount	Interest Rate	Yield	CUSIP Number	Due	Amount	Interest Rate	Yield	CUSIP Number
2013	$ 350,000	2.000%	0.250%	852634GP3	2016	$1,880,000	4.000%	0.630%	852634GS7
2014	8,100,000	3.000	0.350	852634GQ1	2017	1,710,000	4.000	0.770	852634GT5
2015	8,365,000	3.000	0.440	852634GR9	2018	1,815,000	5.000	1.020	852634GU2

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OFFICIAL STATEMENT

CITY OF STAMFORD, CONNECTICUT
GENERAL OBLIGATION REFUNDING BONDS
(BOOK ENTRY ONLY)
$5,925,000 General Obligation Refunding Bonds, 2013 Series B, and
$22,220,000 General Obligation Refunding Bonds, 2013 Series C

INTRODUCTION

The purpose of this Official Statement is to provide certain financial information and supplementary economic and demographic data relevant to the City of Stamford, Connecticut (the "City") in connection with the issuance and sale of $5,925,000 General Obligation Refunding Bonds, 2013 Series B (the "Series B Bonds"), and $22,220,000 General Obligation Refunding Bonds, 2013 Series C (the "Series C Bonds"), (collectively the "Bonds"), of the City.

The Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale in such jurisdiction. No dealer, salesman, or any other person has been authorized to give any information or make any representation, other than those contained herein, in connection with the offering of the Bonds, and if given or made, such information or representation must not be relied upon. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue to be repeated in the future. Neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. All quotations and summaries and explanations of provisions of law herein do not purport to be complete and reference is made to said laws for full and complete statements of their provisions.

The information set forth herein has been obtained by the City, from sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date of the Official Statement.

The information in this Official Statement has been prepared by the City's financial advisor, Webster Bank (the "Financial Advisor"), from information supplied by City officials and other sources as indicated. The Financial Advisor does not assume responsibility for the adequacy or accuracy of the statements made herein and makes no representation that it has independently verified the same. An agreement between the City and the Financial Advisor has been entered into to conform to Municipal Securities Rulemaking Board Rule G-23. U.S. Bank National Association, of Hartford, Connecticut will act as Certifying Agent, Paying Agent, Registrar, Transfer Agent and Escrow Agent for the Bonds.

The independent auditors for the City are not passing upon and do not assume responsibility for the accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in Appendix A – "Auditor's Section" herein), and they make no representation that they have independently verified the same.

Bond Counsel are not passing upon and do not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth herein as the opinion of Bond Counsel), and they make no representation that they have independently verified the same.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in the Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The City currently files its official statements for primary offerings with the MSRB.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the City will agree to provide, or cause to be provided, annual financial information and operating data and notices of material events with respect to the Bonds pursuant to Continuing Disclosure Agreements to be executed by the City in substantially the forms attached as Appendix C to this Official Statement.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT LEVELS ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

SECTION I – SECURITIES OFFERED

Description of the Bonds

Series B Bonds

The Series B Bonds will be dated the date of delivery of the Series B Bonds and will mature July 1 in each of the years as follows:

Due July 1	Principal Amount
2013	$3,595,000
2014	2,330,000

Series C Bonds

The Series C Bonds will be dated the date of delivery of the Series C Bonds and will mature July 1 in each of the years as follows:

Due July 1	Principal Amount	Due July 1	Principal Amount
2013	$ 350,000	2016	$1,880,000
2014	8,100,000	2017	1,710,000
2015	8,365,000	2018	1,815,000

The Bonds

Interest on the Bonds will be payable on July 1, 2013 and semiannually thereafter on January 1 and July 1 in each year until maturity. Interest will be calculated on the basis of twelve 30-day months and a 360-day year. Interest will be payable to the registered owner as of the close of business on the fifteenth day of June and December in each year, or the preceding business day if such fifteenth day is not a business day, by check mailed to the registered owner, or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC and the City shall agree. The Bonds will be payable at the principal office of U.S. Bank National Association in Hartford, Connecticut. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of $5,000 or integral multiples thereof, with transfers effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. See "Book-Entry-Only System" herein.

The Bonds are not subject to redemption prior to maturity.

Authorization and Purpose

Authorization

The Bonds are issued pursuant to Title 7 of the Connecticut General Statutes, as amended, the Charter of the City of Stamford and resolutions adopted by the Board of Finance and the Board of Representatives of the City.

Purpose

The Bonds are being issued to refund all or any portion of the aggregate principal amount outstanding of certain of the City's general obligation bonds and to pay costs of issuance, including underwriter's discount. See "Plan of Refunding" herein.

Plan of Refunding

The Bonds are being issued to refund at or prior to maturity all or any portion of the outstanding maturities of certain of the City's general obligation bonds as set forth below (the "Refunded Bonds"). The refunding is contingent upon delivery of the Bonds.

Dated Date	Maturity Date	Interest Rate	Par Amount	Redemption Date	Redemption Price	CUSIP Number
Series B Bonds						
04/01/02:	07/15/13	5.500%	$3,475,000	05/17/13	100.0%	852631P79
	07/15/14	5.500	2,350,000	05/17/13	100.0	852631P87
			$5,825,000			
Series C Bonds						
04/01/03:	07/15/14	5.250%	$ 8,065,000	07/15/13	100.0%	852631U81
	07/15/15	5.250	5,095,000	07/15/13	100.0	852631U99
			$13,160,000			
11/01/03:	08/15/14	3.750%	$ 60,000	08/15/13	100.0%	8526312G4
	08/15/15	4.000	3,465,000	08/15/13	100.0	8526312H2
	08/15/16	4.000	2,155,000	08/15/13	100.0	8526312J8
	08/15/17	4.000	2,000,000	08/15/13	100.0	8526312L3
	08/15/18	4.125	2,110,000	08/15/13	100.0	8526312N9
			$9,790,0000			
			$28,775,000			

Upon delivery of the Series B Bonds, a portion of the Series B Bond proceeds will be deposited in an irrevocable trust fund (the "Series B Escrow Deposit Fund") established with U.S. Bank National Association, as escrow agent (the "Escrow Agent"), under an Escrow Agreement dated as of April 16, 2013 between the Escrow Agent and the City. Upon delivery of the Series C Bonds, a portion of the Series C Bond proceeds will be deposited in an irrevocable trust fund (the "Series C Escrow Deposit Fund" and together with the Series B Escrow Deposit Fund, the "Deposit Funds") established with the Escrow Agent, under an Escrow Agreement dated as of May 21, 2013 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase portfolios of non-callable direct obligations of, or obligations guaranteed by, the government of the United States of America, including United States Treasury State and Local Government Series ("SLGS") securities, Federal National Mortgage Association ("FNMA") and Federal Home Loan Mortgage Company ("FHLMC") securities, or any other securities permitted by Section 7-400 of the Connecticut General Statutes all of which shall not be callable or prepayable at the option of the issuer thereof (the "Escrow Securities"). The City may also enter into an agreement to reinvest receipts from Escrow Securities not immediately required to pay the principal of and redemption premium, if any, and interest on the Refunded Bonds. All investment income on and the maturing principal of the Escrow Securities held in the Escrow Deposit Funds will be irrevocably deposited by the City for payment of the Refunded Bonds. The balance of the proceeds will be used to pay costs of issuance and the Underwriter's discount.

Verification of Mathematical Computations

American Municipal Tax Exempt Compliance Corporation ("AMTEC") will verify from the information provided to it the mathematical accuracy as of the date of the closing of the Bonds of: (1) the computation that the anticipated receipts from the Escrow Securities and cash deposits set forth in the Underwriter's schedules will be sufficient to pay, when due, the principal, interest and applicable call premium, if any, payment requirements of the Refunded Bonds, and (2) the computations of yield on the Bonds and the Escrow Securities contained in the provided schedules. AMTEC will express no opinion on the assumptions provided to it.

Sources and Uses of Bond Proceeds

Proceeds of the Bonds will be applied as follows:

	Series B Bonds	Series C Bonds	Total
Sources:			
Par Amount of the Bonds	$5,925,000.00	$22,220,000.00	$28,145,000.00
Net Original Issue Premium	53,973.70	1,464,622.45	1,518,596.15
Total Sources	$5,978,973.70	$23,684,622.45	$29,663,596.15
Uses:			
Deposit to Escrow Deposit Fund	$5,933,269.18	$23,489,861.15	$29,423,130.33
Underwriter's Discount	13,476.50	91,361.00	104,837.50
Costs of Issuance	32,228.02	103,400.30	135,628.32
Total Uses	$5,978,973.70	$23,684,622.45	$29,663,596.15

Ratings

On March 14, 2013, Moody's Investors Service assigned a rating of Aa1 to the Bonds and affirmed the Aa1 rating on the City's parity debt outstanding. On March 15, 2013, Standard & Poor's assigned a rating of AAA to the Bonds and affirmed the AAA rating on the City's parity debt outstanding. The City furnished to the rating agencies certain information and materials, some of which may not have been included in this Official Statement. The ratings reflect only the view of each rating agency and are subject to revision or withdrawal, which could affect the market price of the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such ratings will continue for any given period of time or that the ratings will not be revised or withdrawn entirely by any agency if, in the judgment of such agency, circumstances so warrant. Each rating agency should be contacted directly for its rating on the Bonds and the explanation of such rating.

Tax Matters

The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements which must be met at and subsequent to delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Tax Regulatory Agreement, which will be executed and delivered by the City concurrently with the Bonds, contains representations, covenants and procedures relating to the use, expenditure and investment of proceeds of the Bonds in order to comply with such requirements of the Code. Pursuant to the Tax Regulatory Agreement, the City also covenants and agrees that it shall perform all things necessary or appropriate under any valid provision of law to ensure interest on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In the opinion of Bond Counsel, based on existing statutes and court decisions and assuming continuing compliance by the City with its covenants and the procedures contained in the Tax Regulatory Agreement, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds is, however, includable in adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations.

Ownership of the Bonds may also result in certain collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, certain foreign corporations doing business in the United States, certain S corporations with excess passive income, individual recipients of Social Security and Railroad Retirement benefits, taxpayers utilizing the earned income credit and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax exempt obligations, such as the Bonds. Prospective purchasers of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax

advisors regarding the federal tax consequences of ownership and disposition of, or receipt of interest on, the Bonds.

In the opinion of Bond Counsel, based on existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

The opinions of Bond Counsel are rendered as of their date and are based on existing law, which is subject to change. Bond Counsel assumes no obligation to update or supplement its opinions to reflect any facts or circumstances that may come to their attention, or to reflect any changes in law that may thereafter occur or become effective.

Prospective purchasers of the Bonds are advised to consult their own tax advisors regarding other State and local tax consequences of ownership and disposition of and receipt of interest on the Bonds.

Original Issue Discount

The initial public offering price of certain maturities of the Bonds may be less than the principal amount payable on such Bonds at maturity. The excess of the principal amount payable at maturity over the initial public offering price at which a substantial amount of these Bonds are sold constitutes original issue discount. The prices set forth on the inside cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one-half of the yield to maturity of such bond, and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest paid during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal income tax consequences of the disposition of and receipt of interest on the Bonds.

Original Issue Premium

The initial public offering price of certain maturities of the Bonds may be greater than the principal amount payable on such Bonds at maturity. The excess of the initial public offering price at which a substantial amount of these Bonds are sold over the principal amount payable at maturity or on earlier call date constitutes original issue premium. The prices set forth on the inside cover page of the Official Statement may or may not reflect the prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any Bond during each day it is owned by a taxpayer is subtracted from the owner's

adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Amortized original issue premium on the Bonds is not treated as a deduction from gross income for federal income tax purposes. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity using the taxpayer's cost basis and a constant semiannual compounding method. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal income tax consequences of the disposition of and receipt of interest on the Bonds.

Security and Remedies

The Bonds will be general obligations of the City, and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the City without limitation as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts.

Payment of the Bonds is not limited to property tax revenues or any other revenue source, but certain revenues of the City may be restricted as to use and therefore may not be available to pay debt service on the Bonds.

There are no statutory provisions for priorities in the payment of general obligation debt of the City. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Bonds, or judgments thereon, in priority to other claims.

The City is subject to suit on its general obligation bonds and notes, and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the City. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds or notes from funds lawfully available therefor or, in the absence thereof, to order the City to take all lawful action to obtain the same, including the raising of the required amount in the next tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors, including the current operating needs of the City and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds would also be subject to the applicable provisions of Federal bankruptcy laws and to provisions of other statutes, if any, hereafter enacted by the Congress or the Connecticut General Assembly extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied, as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Under the Federal bankruptcy code, the City may seek relief only, among other requirements, if it is specifically authorized, in its capacity as a municipality or by name, to be a debtor under Chapter 9, Title 11 of the United States Code, or by state law or by a governmental officer or organization empowered by state law to authorize such entity to become a debtor under such Chapter. Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

THE CITY OF STAMFORD, CONNECTICUT HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.

Qualification for Financial Institutions

The Bonds shall NOT be designated by the City as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Book-Entry-Only System

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be

governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from City or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

DTC Practices

The City can make no assurances that DTC, DTC Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its Participants which are on file with the Securities and Exchange Commission.

Underwriting

The Bonds are being purchased by Raymond James & Associates, Inc. (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase the Series B Bonds from the City at the net aggregate purchase price of $5,965,497.20 (consisting of the principal amount of $5,925,000.00, plus net original issue premium of $53,973.70, less underwriter's discount of $13,476.50), plus accrued interest, if any, from the dated date of the Series B Bonds to the delivery date. The Underwriter has agreed, subject to certain conditions, to purchase the Series C Bonds from the City at the net aggregate purchase price of $23,593,261.45 (consisting of the principal amount of $22,220,000.00, plus net original issue premium of $1,464,622.45, less underwriter's discount of $91,361.00), plus accrued interest, if any, from the dated date of the Series C Bonds to the delivery date. The Underwriter will be obligated to purchase all such Bonds, if any such Bonds are purchased. The Bonds may be offered and sold to certain dealers (including unit investment trusts and other affiliated portfolios of certain underwriters and other dealers depositing the Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriter.

SECTION II – THE ISSUER

History, Location, and Other Information

Stamford, first settled in 1641, is Connecticut's fourth largest city by population. It was named the Town of Stamford in 1642 and was admitted to Connecticut in October 1662. In 1893 the City of Stamford, comprising the central portion of the Town of Stamford, was incorporated. Thereafter, the City of Stamford became a composite part of the Town of Stamford, resulting in two separate governments. On April 15, 1949 the Town and City were consolidated and named the City of Stamford. Stamford covers an area of approximately 40 square miles located on Long Island Sound between Greenwich to the west and New Canaan and Darien to the east.

The City is less than one hour from New York City by rail or highway transportation. It is on the New Haven line of Metro-North commuter railroad, and also receives service from Shoreline East, Amtrak and Conrail, which provide daily passenger and freight service. It is served by interstate, intrastate, and local bus lines. The Connecticut Turnpike, I-95; the Boston Post Road, U.S. Route 1; and the Merritt Parkway, State Route 15, traverse the City.

Stamford has a high concentration of national and international corporate headquarters and it is the major retail trade center of Fairfield County, yet it maintains its suburban character and residential areas. The City offers its residents a high quality of life – including good schools, a broad array of public services, attractive parks and recreational activities, and a safe living environment. Through sound urban planning, the City has strengthened its downtown retail core, increased its housing and cultural facilities and attracted major office development. In June 2012, the Stamford Innovation Center ("I-Center") opened in the restored Old Town Hall, occupying 12,500 square feet of space. The I-Center houses very early stage companies and provides educational classes. Sikorsky Aircraft set up a "skunk works" team at the I-Center with the goal of developing new technologies. In July 2012, Chelsea Piers of New York City opened its 240,000-square-foot facility, following a $40 million retrofit of the former Clairol site, and has created 240 jobs. NBC Sports is in the process of completing its $100 million relocation to Stamford from multiple locations across the U.S., including New York City. When fully operational it is expected to employ in excess of 750 people.

The 82-acre Harbor Point development in the South End continues under active construction. To date, more than 2,000 apartment units have been completed, are under construction, or have received approval to commence construction. The project includes 4,000 residential units (of which ten percent are affordable housing); commercial space including office buildings, a grocery store, a waterfront hotel, restaurants and a marina; more than 11 acres of parks and public spaces; a community school; and publicly accessible waterfront areas.

Restoration of the Mill River, creation of a new 28-acre urban park along its banks, and a greenway leading from downtown Stamford to Long Island Sound, continues. The Mill River Park is spurring development and real estate tax revenues. Over 1,000 new residential units have been built or are in development around the perimeter of the park.

Stamford Hospital has begun the construction of a $475 million development that will include a new five-story hospital building and a central utility plant.

The second and final construction phase of the Stamford Urban Transitway, which provides automobile, enhanced bus, bike, and pedestrian connections between the Stamford Transportation Center and the City's East Side, commenced in the first quarter of 2013.

Stamford is an important residential suburb in one of the highest per capita income areas of the United States. The 2009–2011 American Community Survey reports Stamford's per capita income for 2011 was $41,762 with a 2010 Census population of 122,643.

Description of Government

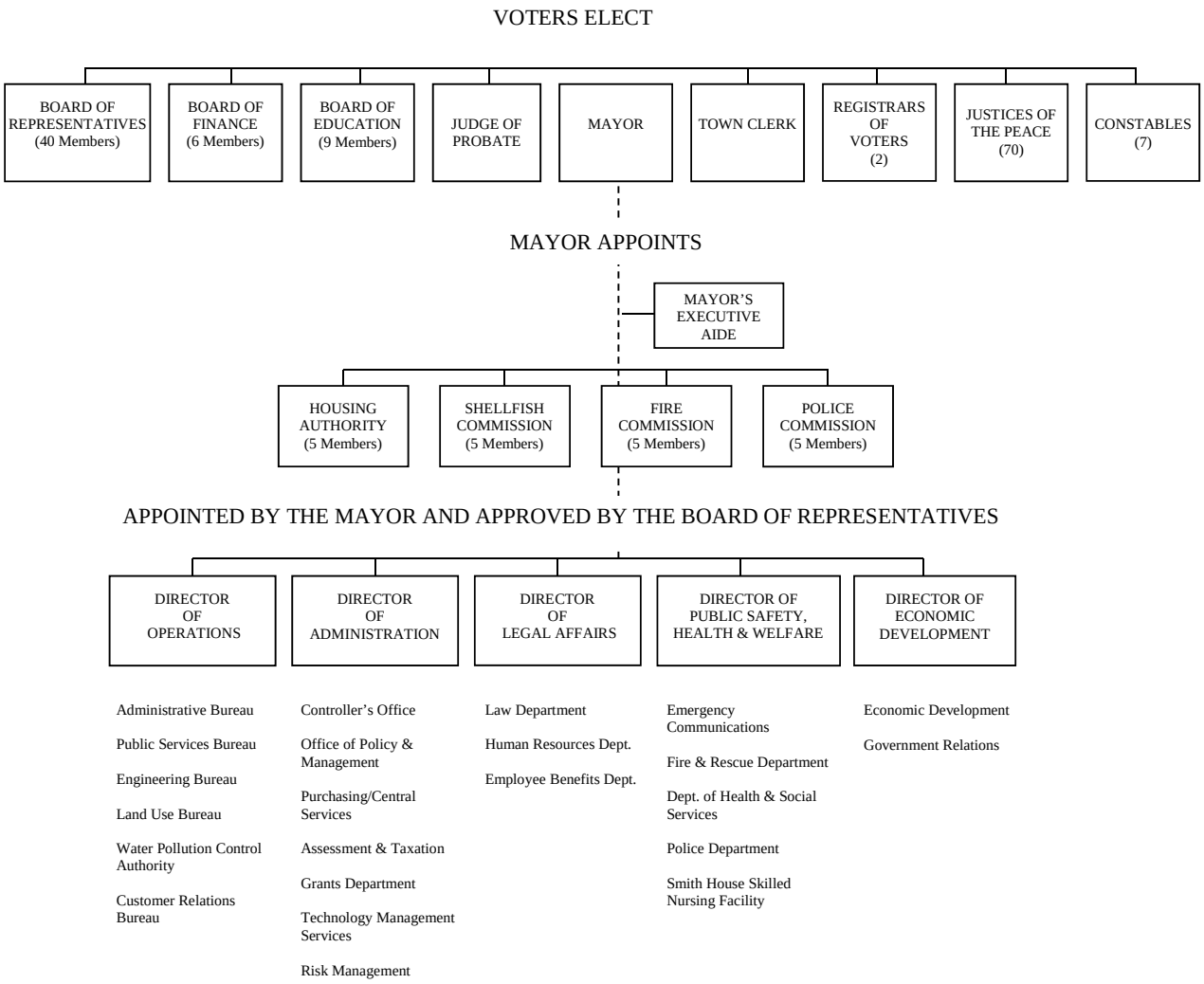
The City of Stamford operates under a Charter adopted in 1949 and most recently revised in November 2012. The 2012 revisions created a single Fire Department consisting of career and volunteer firefighters, created a Board of Ethics and Code of Ethics, and clarified the authority of the Board of Finance.

The chief executive officer of the City is the Mayor, who is elected for a four-year term of office. The legislative function is performed by a forty-member Board of Representatives whose members are elected, two from each of twenty districts, for four-year terms. The Board of Representatives adopts ordinances and resolutions and must approve all expenditures of funds. A six-member Board of Finance, elected to staggered four-year terms with provisions for representation of the two major political parties, establishes fiscal policy and must approve all expenditures of funds.

The Director of Administration is appointed by the Mayor and confirmed by the Board of Representatives. Under the direction of the Mayor, the Director of Administration has supervision over the Controller's Office, Office of Policy and Management, Purchasing, Central Services, Assessment and Taxation, Community Development, Intergovernmental Grants, Technology Management Services and Risk Management. The Director of Administration is the Chief Fiscal Officer of the City and performs accounting of all funds showing all financial transactions for all commissions, boards, departments, offices, agencies, authorities and other entities of the City. The Office of Administration provides certain support services for the Board of Education.

The Director of Administration has the powers and duties conferred on town treasurers, to issue and market all bonds and to invest funds of the City. The Director of Administration is also responsible for the preparation of the operating and capital budgets of the City. In addition, in accordance with Section 8-20-3 of the City Charter, the Director of Administration submits an opinion to the Mayor and Board of Finance in December of each year setting forth the amount and nature of capital expenditures that the City may incur safely for each of the six succeeding years.

Organizational Chart



Administration

The Mayor, subject to the approval of the Board of Representatives, appoints five Directors to his cabinet: the Director of Operations, Director of Administration, Director of Legal Affairs, Director of Public Safety, Health & Welfare, and Director of Economic Development. The Directors serve at the Mayor's pleasure, and their terms are coterminous with the Mayor's term of office. The Mayor's Executive Aide also serves as a member of the cabinet.

Principal Municipal Officials

Office	Name	Manner of Selection/Term	Length of Service
Mayor	Michael A. Pavia	Elected/4 years	3 years
Director of Administration	Michael E. Handler	Appointed/4 years	7 months
Director of Operations	Ernest A. Orgera	Appointed/4 years	3 years
Director of Legal Affairs	Joseph J. Capalbo, II, Esq.	Appointed/4 years	9 months
Director of Public Safety, Health and Welfare	Thaddeus K. Jankowski, Sr.	Appointed/4 years	6 months
Director of Economic Development	Laure C. Aubuchon	Appointed/4 years	3 years
Controller	David A. Yanik	Unclassified/indefinite	1 year
Director of Policy & Management	Peter F. Privitera	Civil service/indefinite	10 years
Superintendent of Schools	Dr. Winifred Hamilton	Appointed/3-year contract	6 months[1]

[1] Dr. Hamilton was appointed Superintendent of Schools on July 1, 2012 and was previously appointed Interim Superintendent of Schools on September 28, 2011 and Acting Superintendent on July 1, 2011. Dr. Hamilton had previously been employed by Stamford Public Schools for 42 years.

The City administers a Civil Service System, including hiring, promotional and competitive examinations and disciplinary actions. In addition, the Civil Service System conducts training programs and maintains employee benefits programs. The Department of Human Resources conducts collective bargaining negotiations on 14 contracts with municipal employee labor unions. The Board of Education negotiates with its employee labor unions. See "Municipal Employees Bargaining Organizations" herein.

The City currently employs 3,203 full-time persons for General Government and the Board of Education. The following table shows the City's employment rolls for the past seven fiscal years.

Municipal Employees[1]

	2012–13	2011–12	2010–11	2009–10	2008–09	2007–08	2006-07
General Government [2]	1,124	1,113	1,158	1,228	1,226	1,263	1,264
Board of Education	2,079	2,060	2,062	2,060	2,122	2,123	2,128
Total	3,203	3,173	3,220	3,288	3,348	3,386	3,392

[1] As of July 1 each fiscal year.

[2] General Government includes all employees involved in municipal operations plus employees of the Smith House Skilled Nursing Facility (100); the Water Pollution Control Authority (35); the E. Gaynor Brennan Golf Course (6); the Risk Management Fund (3); the Marina Fund (2) and the Parking Fund (18).

Municipal Employees Bargaining Organizations

Organization	Number of Employees	Current Contract Expiration Date
General Government		
Stamford Police Association	270	06/30/11[1]
Local #786 of the International Association of Firefighters, AFL-CIO (downtown)	249	06/30/11[2]
Local #2657 of the AFSCME, Council #4, AFL-CIO (Supervisors)	102	06/30/14
Local #465 of the AFSCME, Council # 4, AFL-CIO (Registered Nurses)	45	06/30/14
Local #1303-273 of the AFSCME, Council #4, AFL-CIO (Hygienists)	4	06/30/14
Local #1303-191 of the AFSCME, Council # 4, AFL-CIO (Attorneys)	5	06/30/10[2]
Local #145 of the International Brotherhood of Teamsters, AFL-CIO	22	06/30/14
Local #2377 of the International Union, United Automobile Workers, AFL-CIO	230	06/30/10[2]
New England Health Care Employees Union, District 1199 (Smith House)	83	06/30/12[2]
Local #222 of the United Electrical Radio & Machine Workers of America	114	06/30/15
Total Employees	1,124	
Board of Education		
Local #2657 of the AFSCME, Council #4, AFL-CIO (Supervisors)	6	06/30/14
Local #2377 of the International Union, United Automobile Workers, AFL-CIO	81	06/30/10[2]
Stamford Board of Education Employees Association (Custodian & Maintenance Workers)	152	06/30/13
Security Workers and Community Liaison Employees	33	06/30/13
Stamford Education Association	1,402	06/30/16
Paraeducators of Stamford Association	344	06/30/13
School Administrators Association of Stamford	61	06/30/14
Total Employees	2,079	

[1] In negotiation.
[2] In arbitration.

Connecticut General Statutes section 7-473c provides for a mandatory binding arbitration procedure of collective bargaining agreements between municipal employers and municipal employee organizations. Section 10-153f provides for mandatory mediation and arbitration of disagreements between any local or regional board of education and the exclusive bargaining representatives of a teachers' or administrators' unit concerning the terms and conditions of employment applicable in such unit. A panel of arbitrators or a single arbitrator shall hold a hearing or hearings and take testimony and evidence. At the conclusion of the hearing process the parties file last best offers. The arbitrator(s) are required to accept the last best offer of either party. In arriving at a decision, the arbitrator(s) shall give priority to the public interest and the financial capability of the municipal employer (town), including consideration of other demands on the financial capability of the town. Statute section 10-153f requires that when assessing the financial capability of the town, there is an irrefutable presumption that a budget reserve of five percent or less isn't available for payment of the cost of items that are the subject of the arbitration. In light of financial capability the arbitrator(s) are also required to consider the following factors: prior negotiations between the parties, interests and welfare of the employee group, cost of living changes (section 10-153f requires that the cost of living be averaged over the preceding three years), existing employment conditions of the specific employee group and similar groups, and wages/salaries, fringe benefits, and employment conditions in the labor market, including developments involving wages and benefits in the private sector (section 10-153f further provides the review of contract settlements and arbitration awards for other employee organizations in assessing this factor). An arbitration award may be rejected by a two-

thirds majority vote of the legislative body of the municipal employer. Such vote must take place within twenty-five days of receipt of the award. If the award is rejected, the body must notify in writing, the reasons for the vote, to the appropriate employee organization and the State of Connecticut. In the event of a rejection the appropriate State agency or department selects an arbitration panel of three arbitrators or, if the parties agree, a single arbitrator may be used. The arbitrator(s) review the record, briefs, and the decision on each rejected issue from the prior award. The reviewing arbitrator(s) are required to accept the last best offer of either of the parties and are limited to considering the public interest and financial capability of the town and the other previously mentioned factors, in light of the town's financial capability. After completion of such review the arbitrator(s) render a decision on each rejected issue which is final and binding on the parties unless a motion to vacate or modify the award is filed in the Superior Court of the State of Connecticut.

Pursuant to the terms of section 7-473c, the City has officially entered the binding arbitration process with Local 786, Local 1199, Local 1303-191 and Local 2377. The City has not begun the arbitration process with the Stamford Police Association. The City continues to meet with all unions currently in the binding arbitration process and the Police Association.

Each of the arbitrations is unlimited in that there is no restriction on language submission for the arbitrator to consider. The City expects to address such issues as wages, health care, pension benefits, work rules, and contract length.

Summary of Municipal Services

Fire Services: Background – The City of Stamford is served by six autonomous fire departments. The Stamford Fire & Rescue Department, historically under the control of the Chief, serves the City Fire Service District, except in case of emergency or special agreement. The fire districts outside of the Stamford Fire & Rescue fire district are served by five volunteer departments which have come to be called "The Big Five." Although nominally characterized as volunteer companies, historically they have relied upon paid professional firefighters, such that more accurately they are "combination" departments. In fiscal year 2008, an attempted re-organization was initiated by the Mayor's Office to augment staffing at three volunteer fire departments whereby the City would oversee the management and training of professional firefighters to improve fire protection throughout all fire districts. However, due to litigation the plan was only partially implemented. In 2010, the Mayor's Office proposed consolidating four of the five volunteer companies into one Stamford Volunteer Fire Department. The new department would have been a combination department with limited paid personnel supplemented with volunteers. The Mayor's proposed plan was not voted on by the elected boards.

In the summer of 2012, the 17th Charter Revision Commission proposed a change to create a single combined Fire Department led by a single Chief as well as creating the positions of Assistant Chief for Volunteer Services and Assistant Chief for Career Services. The revision submitted by the Commission was accepted by the Board of Representatives and approved by voters in November 2012. The Mayor's Director of Public Safety, Health & Welfare is currently working with the Stamford Fire and Rescue Chief and the Chiefs of the Volunteer Companies to develop an effective implementation plan for the new combined department. In the interim, the current status is as follows:

- Glenbrook (New Hope) Volunteer Fire Department – Volunteers supplemented with professional staff managed by Stamford Fire & Rescue
- Springdale Volunteer Fire Department – Volunteers supplemented with professional staff managed by Stamford Fire & Rescue
- Turn of River Volunteer Fire Department – All volunteer in Turn of River stations. Two temporary stations with professional staff managed by Stamford Fire & Rescue operate in Turn of River fire district.
- Long Ridge Volunteer Fire Department – Volunteers supplemented with professional staff managed by volunteer department
- Belltown Volunteer Fire Department – All volunteer

Stamford Fire & Rescue augments fire protection in all volunteer districts via mutual aid.

Department of Health and Social Services: The mission of the Department of Health and Social Services is to prevent epidemics and the spread of disease, protect against environmental hazards, prevent injuries, promote and encourage healthy behaviors, respond to disasters and assure the quality and accessibility of health services for the members of the community.

The School Nursing Program deploys school nurses and dental hygienists to provide screening, referral and follow-up services to students in school to promote and maintain health in order to enhance their ability to learn. The Community Nursing Program offers nursing services to the public to screen, provide referral for medical care, and to provide treatment of disease so to minimize transmission and stop the spread of disease in the community.

There are several inspection programs that are mandated through the General Statutes of the State of Connecticut, Connecticut Public Health Code and City of Stamford Code of Ordinances that the Environmental Inspections Division is required to perform. There are also many non-mandated services provided by the Environmental Inspections Division that are necessary in establishing a safe environment and improving the quality of life for the citizens of Stamford. All inspectors are certified in Food Service, Subsurface Sewage Disposal Phases I and/or II, and Lead Inspector and/or Lead Risk Assessor. The Environmental Inspections Division inspects and licenses food service establishments, septic systems, refuse trucks, multi-family structures, daycares, schools, salons and emergency shelters and acts as the lead division that enforces minimum housing standards that govern the quality of life for the residents in the City. The Health Department has come together with other City departments that perform inspections to strengthen enforcement on illegal units within the city. This concept has also put the City of Stamford in the forefront in promoting the Healthy Homes Initiative spearheaded by federal and state agencies. The disruption tenants is minimized by providing sufficient resources for relocation assistance, encouraging proactive efforts by property owners and working extensively with partners in the community to provide suitable, safe, affordable housing.

Stamford's enforcement programs are designed to maximize the impact of imposing health and safety regulations by targeting the most serious violators while ensuring equity through the broad-based application of codes.

The Health Department Laboratory offers laboratory services and expertise to the citizens of Stamford, by applying scientific and technical knowledge to prevent disease and promote health. Other services offered in the Health and Social Services Department include Women, Infants and Children's programs providing nutritional education, counseling and access to nutritional foods for pregnant women, infants and young children. The HIV Prevention program provides educational outreach and education to the residents of Stamford.

The Social Services Division's mission is to promote policies and strategies that adhere to the philosophy of individual and family self-sufficiency and to provide information to aid residents of Stamford in obtaining basic human sustenance and services.

Police Department: The Stamford Police Department is the sole, full-time law enforcement agency responsible for public safety in the City. The Department consists of several different units all falling within six distinct Divisions. Due in large part to the efforts of the Police Department, the FBI ranked Stamford as the 14th safest large city in the nation in 2011. The Department is firmly committed to a collaborative, cooperative and interactive community policing philosophy. The Patrol Division is divided into four squads that patrol four policing districts. District Captains and patrol commanders regularly attend meetings of neighborhood associations and community groups and are an integral part of many community functions. The Department is committed to working with residents to identify and solve community issues before they become crime problems.

Several enhancements have been made to make the Stamford Police Department a true full-service Police Department capable of providing residents with comprehensive police services. These enhancements include the establishment of two specialty units, the Special Response Team (SWAT) and the Hostage Crisis Team. In addition, the Department has acquired advanced technology to enhance efforts such as a

cloud computing system, Dashboard Digital that enables officers to analyze crime data in real time, and a satellite for the Command Vehicle. Also, the Department has purchased cutting-edge tactical equipment to be used in advanced tactical training and in the field in critical incidents.

Besides these enhancements the Department provides a host of services that go well beyond the traditional police response. Some examples of these services include a Critical Incident Stress Debriefing Team, Department-wide participation in Critical Incident Training and a Composite Artist Squad. Also, the Department collaborates with community agencies and professionals to provide an array of non-traditional police services. Some examples include collaborating with a host of physicians who assist mentally stressed individuals in such areas as forensic odontology and excitement delirium. In addition the Department has a long history of collaborating with local service providers to meet the needs of residents. Some examples of these partnerships include working with Child Guidance to assist at-risk youths, working with the Domestic Violence Crisis Center to assist victims of domestic violence, and working with the Domus Foundation to assist youths through a Boxing and Mentoring Program as well as a Juvenile Review Board. Moreover, the Department frequently provides assistance and guidance to other law enforcement agencies in the region. These enhancements coupled with traditional policing services enable the Police Department to be a leader in the industry.

Besides the Special Response and Hostage Crisis Teams, the Department comprises several other specialty units in addition to patrol, investigative and narcotics and organized crime unit that form a comprehensive police response. Examples of specialty units include the Special Victims Unit ("SVU"), the Internet Crimes Against Children Task Force ("ICAC"), the Collision Analysis and Reconstruction Squad ("CARS"), the Canine Unit, the Motorcycle Unit, the Marine Division and the Neighborhood Impact Unit ("NIU").

The Hostage Crisis Team is utilized in hostage/barricade/standoff situations. Members of the unit are trained to diffuse potentially dangerous situations through negotiations. The Special Response Team (SWAT) will be utilized in high-risk entry situations when negotiating is not a viable option. Both units are also indispensable in emergency and homeland security efforts.

The SVU is the first of its kind in the region and was formed to investigate crimes of domestic violence, elder abuse, crimes against people with diminished mental capacity, intimate stalking and harassment and cohabitating sexual assault investigations. The Unit partners with several state and local agencies as well as several social service providers and has assisted well over a thousand victims in its short lifespan.

The Narcotics and Organized Crime Unit collaboratively works with the FBI, ATF, DEA, ICE and the US Marshals. The Unit is responsible for major criminal operations and is nationally recognized. This year the Unit's case management included the dismantling of multiple major criminal organizations resulting in over 1,000 arrests. The unit investigated cases that had both national and international ramifications.

The ICAC Task Force is the lead law enforcement unit in the state, and serves as the lead agency in the regional Task Force comprising surrounding jurisdictions and the State's Attorney's Office. Investigators utilize advanced forensic capabilities to locate, arrest, and prosecute child sexual predators. The Task Force has taken the lead in utilizing forensic tools to address the growing problem of child exploitation via the Internet.

The CARS Unit is responsible for investigating fatal or serious accidents that may result in a fatality. All investigators in the Unit have received advanced training and are experts in the field of motor vehicle accident enforcement and Operating Under the Influence alcohol checkpoints.

The Canine Unit consists of four patrol dogs, one bomb dog used for ballistic detection and Gun Shot Residue, one Search and Rescue dog and one dog used for narcotics detection. This Unit has truly become a regional resource, frequently assisting other law enforcement agencies in the region.

The Motorcycle Unit operates year-round and is responsible for traffic enforcement that includes laser-equipped radar to detect traffic light and stop sign violations, and most importantly, school bus violations designed to protect children.

The Harbor Unit operates year-round and consists of three vessels including a Rock Salt V28PH Police Special, an aluminum-hulled patrol boat. The Unit's many responsibilities include search and rescue operations, enforcing laws pertaining to the water, maintaining criminal law enforcement on the water and assisting local, state and federal agencies. The Unit also works closely with many federal agencies in homeland security operations on the City's coastline.

The NIU, the fourth patrol platoon, has been extremely successful at addressing crime in neighborhoods, focusing on quality of life issues and street robberies, assaults and other violent crimes. The Unit is deployed during the peak hours of 7 p.m. to 3 a.m. when most crimes occur. This increased police presence and visibility has had a significant impact on reducing street crimes in Stamford.

In addition to these specialty units, the Patrol, Investigative and Narcotics Divisions provide protection for the citizens of Stamford on a daily basis. Each day officers respond to a wide range of calls for service, from quality of life issues to the most violent crimes. Their diligence enables the Stamford Police Department to continue to provide a safe and secure environment for our residents.

Smith House Skilled Nursing Facility: The City operates a 128-bed skilled nursing facility situated on thirteen acres in the north Stamford area of the City. Services offered include medical, rehabilitation and comprehensive nursing services, inpatient physical therapy, occupational therapy, speech language pathology services, therapeutic recreation activities, and social work services along with residential accommodations that comply with state and federal requirements for a comprehensive care nursing home.

Services are delivered within 68 private rooms and two 30-bed units comprising semi-private rooms, one of which is a 30-bed secure unit for patients diagnosed with dementia-related diseases. A dedicated 17-bed short-term rehabilitation unit cares for patients recovering from a recent hospital stay by providing rehabilitation services, intravenous therapy, and oxygen therapy, with the goal of enabling the person to return home. Patients receiving short-term rehabilitation usually stay at the facility an average of twenty-two days. The facility also offers Respite Care, Long Term Residential Care, and End of Life Care. The facility also houses a fully licensed Outpatient Rehabilitation Center.

The facility is surveyed by the Connecticut Department of Public Health to ensure it remains compliant with the Connecticut Public Health Code, General Statutes of Connecticut and Medicare/Medicaid Requirements for Long Term Care Facilities. The facility's recent attainment of a five-star Quality Rating from Medicare exemplifies its commitment to providing quality care to all it serves (for more information go to the Medicare website at and use the "compare nursing homes" link). This rating is based on its performance in State surveys, its achievement of high-quality related outcome measures, and its excellent staffing levels. Approximately 5% of the nation's nursing homes receive a five-star rating from Medicare, a reflection of the rigorous standards that facilities such as Smith House must meet to achieve this distinguished rating.

Arts and Culture: The Stamford Center for the Arts, established in 1983, is dedicated to serving as the region's premier center for the performing arts. In 1989, the Center acquired the 1,600-seat Palace Theater. The Theater, a Thomas Lamb-designed vaudeville house, opened in 1927 and has attracted some of the world's finest artists for 85 years. In addition to a full season of cultural and entertainment events, the Palace Theater is also home to the Stamford Symphony, Ballet School of Stamford, Connecticut Ballet, Namaskaar, Lumina String Quartet and the Stamford Young Artists Philharmonic. The Theater underwent extensive renovations to preserve the structure and to provide state-of-the-art technology for its performers and patrons. Throughout the process, the City worked closely with the Historic Neighborhood Preservation Program in an effort to preserve Atlantic Street's architecture, which has remained virtually unchanged since 1860. In addition to the restored 1,600-seat theater, the property now contains conference rooms and an art gallery. In 2009, SCA entered into a lease of one of the its facilities, Rich Forum, to NBC Universal for use as production space, employing 150-200 people. The City funds the arts and cultural activities through a community grant program supporting local arts organizations. Other municipal organizations that provide or promote cultural activities supported by the City include the Stamford Museum and Nature Center, a 118-acre natural woodland park and

museum that blends history, nature and art; the Bartlett Arboretum, a facility in North Stamford with 63 acres of nature trails and landscaped gardens; and the Stamford Historical Society Museum, a museum of local history.

Library: The Ferguson Library is Stamford's public library system, consisting of the Main Library downtown, the Harry Bennett Branch, the Weed Memorial & Hollander Branch, the South End Branch and a bookmobile. Total annual circulation system-wide is over 1.0 million items. Attendance system-wide in fiscal year 2012 was approximately 750,000 and 150,000 users visited the Library remotely via the Internet. The Library offered 1,600 programs for children, teens and adults, which were attended by more than 55,000 people. All library facilities are operated by The Ferguson Library, a 501(c)*(3)* non-profit corporation.

Stamford Partnership: In 1979, the City established a non-profit partnership of business and governmental leaders to improve its economic and physical health. The Stamford Partnership is charged with the following: (1) to work with public officials on strategies related to community-wide issues; (2) to act as a catalyst for civic action; and (3) to serve as a conduit for the application of private sector resources for civic purposes. The Partnership's current activities focus on the strategic areas of expanding business and workforce opportunities, strengthening families and neighborhoods, and growing key community institutions.

Office of Operations:

Administrative Bureau: The mission of the Administrative Bureau is to provide the other bureaus of the Office of Operations with administrative assistance and to provide the general policy guidelines by which all bureaus operate. In addition, the Administrative Bureau oversees the maintenance of all City facilities and parks and supervises operations at the Terry Conners Ice Rink, the E. Gaynor Brennan Golf Course, and the Parks Police.

Facilities Management – The Facilities Management Division provides the citizens, employees and visitors to the City of Stamford safe, comfortable, high-quality functional facilities for professional, recreational and service functions. Responsibility for the day-to-day management of City parks and facilities is carried out by a private management company.

The Leisure Services Division – The Leisure Services Division enhances the quality of life in Stamford by providing diverse recreational programs and coordinating services with and to other leisure service providers. The City has over 650 acres of park land and recreational facilities, structures and buildings, including four beaches, three municipal marinas that can serve over 600 boats up to 28 feet in length, athletic fields, game courts and picnic areas, an indoor ice-skating rink, a theater program, as well as planting beds and roadside areas and cultural and historic resources such as Fort Stamford and the Cove Island Mansion.

Public Services Bureau: Under the direct supervision of the Director of Operations, the Public Services Bureau is part of the Office of Operations. It includes functional elements of what was the City's Public Works Department. Currently, the Solid Waste, Vehicle Maintenance, Citizens Services Center, Building Inspection, Traffic and Road Maintenance and the Cashiering and Permitting Divisions are part of this Bureau. Shown below is a summary of the major activities of each of the divisions during fiscal year 2012.

Solid Waste/Recycling Division – The Solid Waste Division comprises two major sections: the Transfer Station section (which includes the Transfer Station and Scale House, the Katrina Mygatt Recycling Center, the Scofield Town Yard Recycling Center, and the Scofield Compost Yard) and the Collections section, which performs garbage and recycling collections for residents, up to six family houses, condominiums, Board of Education facilities, municipal buildings, parks, City streets, all special events, storm debris pickup, Christmas tree pickup, and supervision and plowing of snow from all City streets.

Prudent management of the Solid Waste Division has continually increased services despite reduced personnel and lowered budget requests in the past four years; total budget request is down to $11.7 million from $13.2 million (13%). Continued development of a single-stream recycling program resulted in a 25% increased diversion rate (9,994 tons) which saved the City $750,000 in garbage hauling expenses. Additionally, the program received $224,000 from the sale of recycling commodities. This emphasis on recycling has also resulted in a decrease of 1,851 tons of garbage, which reflects an additional $143,500 savings from hauling of garbage. In the continued efforts to increase recycling and satisfy public needs, the Division distributed over 5,000 additional or replacement recycling and garbage toters throughout the City.

Responsibilities of the Transfer Station section include overseeing the six-days-a-week operation of the State licensed, 800-ton per day, Transfer Station, Scale House, and Katrina Mygatt Recycling Center facilities in which all of the City's municipal solid waste ("MSW") and bulky waste is accepted, shredded, screened and separated (new operation) and reloaded for out of town disposal. Processed in fiscal year 2012 were: 48,285 tons of MSW, 5,250 tons of leaves, 9,957 tons of brush and logs, 9,994 tons of household recycling ($254,000 revenue), and 598 tons of mixed metal ($127,000 revenue).

The Scale House collected over $1.2 million processing the disposal of private commercial garbage and recycling, leaves and brush from contractors, payments for freon removal, compost sales and fees to residents for dumping over the allotted 200 free pounds per day.

The electronics recycling program, available at both recycling centers, has enabled Stamford to become the largest electronics recycler in the State by recycling 227 tons of electronics. The two recycling centers also collected and donated over 13 tons of clothing to Goodwill and Big Brother/Sister containers, recycled 2.0 tons of fluorescent bulbs and batteries, 4.2 tons of car batteries, and 416.5 gallons of yellow cooking oil.

The Collections section provides for the once-a-week curbside collection of garbage from over 18,600 single family homes, 2,342 two-family homes and 686 three-family dwellings, along with over 10,000 condominium units. Collection for residential curbside recycling is for over 33,000 households. The Division also collects garbage and recyclables from the City's public schools, fire and police stations and most municipally owned buildings including the Government Center. It also provides backyard collection of recyclables and garbage for approximately 900 residents with medical or age exemptions.

In addition, the Collections section is responsible for the operation and collection of the City's litter basket program (over 1,300 units throughout the City). During the spring and summer months, this is a seven-day-a-week program because of increased outdoor activity at parks, schools and beaches and the downtown business district in Stamford.

Other initiatives include:

- Coordination with Board of Education efforts to increase recycling by installing recycling dumpsters at all schools which resulted in an increase in the school recycling program to 161 tons.
- Continuation of our Recycling Education program by providing presentations to 18 additional schools and organizing trips for over 1,200 participants to the Solid Waste/WPCA education tour.
- Providing on-going marketing updates to the Advocate, Stamford Times and El Sol newspapers.
- Conducting the annual Hazardous Waste Recycling collections event for over 500 residents.

Fleet Management Division – The Fleet Management Division consists of three sections: vehicle and equipment maintenance, small equipment maintenance, and an auto body shop. The division provides maintenance for over 800 City vehicles and pieces of equipment. Fleet Maintenance is responsible for the operational safety and maintenance of vehicles and equipment used by

Collections, Composting Site, Transfer Station, Recyclables, Parks, Facilities, Highway Department, Engineering, Traffic Signal and Maintenance, Health Department and Traffic Enforcement.

It also handles emissions testing and all municipal marker plates for the City of Stamford fleet. Fleet Maintenance is responsible for ordering gasoline and diesel fuel and maintains two fuel dispensing facilities. Fleet Maintenance is responsible for developing the specification and warranties for vehicles and equipment purchased by the City. Fleet Maintenance is also responsible for ordering all new equipment, trucks and accessories for all departments including Police and Fire Department. Fleet Maintenances also oversees the sale of used, antiquated, surplus, and old equipment and vehicles. Fleet Maintenance has expanded its role to include liquidation of all City-wide surplus, equipment, vehicles, office equipment and assets. Fleet Maintenance has also taken the responsibility of overseeing the City's "Abandoned Car Program." This program will create new revenue.

The Fleet Management Division has implemented a preventive maintenance program and a new management software program that maintains all information pertaining to the City's fleet as well as its fuel consumption. This historical information and data provides the City with a valuable tool in managing its fleet more efficiently. The Fleet Management team works with all departments to provide the best possible service for the citizens of Stamford. The success of Fleet Maintenance is a direct result of the collective effort made by all departments that are serviced.

Citizens Services Center – The Citizens Services Center is the focal point for residents to request all City services and municipal information. The Center logged over 30,000 phone calls and e-mails requesting services or information about City programs, resulting in 10,052 service requests assigned to the appropriate City supervisors for assignment and completion. During the past year the Citizens Services Center, working with Social Services, offered information for the house-bound elderly and residents with special needs. The Center expanded coverage during hurricanes, windstorms and snowstorms working closely with City crews to clear City streets and restore electrical power to hard-hit residents.

Cashiering and Permitting – This department collects all revenue from parking tickets as well as managing subsequent appeals and hearings. Cashiering and Permitting issues City permits for beach stickers, boats, special events, picnics, film and television events and auctions. This department collects $6 million in revenue every year. The Beach Sticker distribution process was streamlined this year, resulting in the elimination of lines. The extended beach sticker season resulted in an additional $80,000 in revenue – without increasing fees. The City continues to offer residents the ability to pay parking tickets online. Last year 30 percent of all parking ticket fines were collected online.

Engineering Bureau: The mission of the Engineering Bureau is to deliver the City's substantial volume of design and construction projects in an expeditious, cost-effective manner while maintaining the highest degree of architectural, engineering, and construction quality. The Engineering Bureau includes the Engineering Department and the Traffic Engineering Department.

The Engineering Bureau administers many capital improvement projects involving the City's infrastructure, including storm and sanitary sewers, school construction, roadways, sidewalks, bridges, parks, City building facilities, street lights, traffic signals, energy performance and mechanical systems. In addition to managing design and construction of Engineering Bureau projects, the Bureau has undertaken the management of many capital projects for other departments, including the Board of Education, Land Use, Police Department, Fire Department, Public Safety, Parks and Recreation Department, and Facilities Management.

The Bureau prepares and administers design of many public improvement projects in house, with the majority of Board of Education and larger transportation projects utilizing professional consulting architects and engineers.

There are 55 City-owned bridges. The Engineering Bureau is responsible for the oversight of bridge infrastructure in the City of Stamford. This includes the administration of design, construction and inspection of bridges that require rehabilitation or replacement due to functional and/or structural

deficiencies. On all projects, the Bureau strives to incorporate context-sensitive design in the development of bridge aesthetics. Most current bridge projects are eligible to receive some State or federal aid under the Connecticut Department of Transportation's Local Bridge Program or Federal Local Bridge Program. There are major bridge replacements and repairs scheduled to be completed during the next three years, including the June Road bridge, and the Cedar Heights and Riverbank Road bridges.

The City-wide storm drainage program includes on-going, yearly projects to improve existing drainage conditions throughout the City's rights-of-way and to upgrade existing drainage structures. The Engineering Bureau is responsible for improving many miles of storm culverts that include more than 12,000 catch basins and 7,000 manholes. The Bureau has completed multiple projects such as the Brookdale Road Culvert Replacement. The Engineering Bureau also coordinates with the Highway Department to ensure that all City-wide storm drainage structures and systems are cleaned and kept in good flowing condition. The Bureau is also working with the Federal Emergency Management Agency ("FEMA") on possible projects as a result of storm damages, such as June and Westover Roads, and Kosciuszko and Cummings Parks.

The Engineering Bureau is responsible for improving traffic flow, safety and operations. The Bureau administers City roadway and street network planning, traffic analysis, design, construction of new roadways, and reconstruction of existing roadways. Stamford Urban Transitway ("SUT"), a large federally funded project, is one of the largest ongoing new roadway construction projects in the State, and provides a direct link from the Transportation Center to East Main Street. The first phase of the project was completed in 2010, and Intelligent Transportation Systems ("ITS") work is scheduled for completion in 2013. A second phase of the SUT project, which commenced in the fall of 2012, provides roadway improvements along Myrtle Avenue to East Main Street. The SUT project encourages multi-modal transportation by facilitating dedicated bike lanes and enhancing bus turn-outs. Several other ongoing roadway improvement/reconstruction projects are also under way, including projects to reconstruct South End streets south of the SUT.

The Engineering Bureau oversees City sidewalks improvements and the resurfacing of deteriorated City streets. The Bureau is working on projects that are part of a priority list based on condition surveys performed. Approximately six miles of roadway are paved each year.

The Engineering Bureau administers the design, construction, and renovation of all Board of Education facilities which include: two pre-schools with a combined size of about 49,000 square feet; 21 school buildings totaling approximately 2.9 million square feet; the 21,000-square-foot Stamford Academy; the 80,000- square-foot Trailblazers Academy; and several synthetic turf fields and tennis courts.

The Engineering Bureau is responsible for maintaining and upgrading over 10,000 roadway and streetscape lights, including 501 new streetscape lights for the Harbor Point development in the South End. A program to upgrade roadway lights to higher efficiency LED fixtures started in 2009 with the awards of federal EECBG grant funding and a CL&P energy efficiency rebate of $355,319. A total of 1,027 roadway lights were converted to LED lights in 2011. The Phase 2 installation of an additional 947 lights is completed. Another CL&P rebate for $205,479 awarded for the Phase 2 project will continue funding the project into 2013 and will be utilized to minimize the request for City capital funds. In addition to significant energy and cost savings, the new lights provide better visibility, higher reliability, and reduced maintenance costs.

The Engineering Bureau assists the Parks and Recreation Department and Facilities Management with the improvement and rehabilitation of the City's 55 parks, two City-owned golf courses, and three marinas. The Bureau has completed the Cummings Park pier replacement, the rehabilitation of Hatch Field Park, Cove Island Park, Cummings Park, Kosciuszko Park, Mill River Park playground area, Sterling Farms Golf Course entry drive reconstruction, and several synthetic turf athletic fields. Current projects include Scalzi Park renovation and a major phase of the Mill River Waterfront Park.

The Engineering Bureau is involved with the Public Health Department in providing safe drinking water to the Citizens of Stamford in properly closing former landfill sites, such as Kosciuszko and Scofieldtown Parks.

The Engineering Bureau is also responsible for Stamford's traffic signalization and system operations. The Stamford Traffic Control Signal System consists of over 200 traffic signals. All traffic signals are controlled by a computerized central traffic control system. A central computer communicates with all the traffic signals to enable the Bureau to change traffic signal timings at any specific location depending on the need. All traffic signals have pre-emption equipment to provide green signal indication for fire and ambulance vehicles. A state-of-the-art Bus Priority system is being installed for the new Stamford Urban Transitway corridor to reduce delays for transit buses. New parking guidance signs, with LED displays to inform the public of available parking spaces, are being installed at City-owned garages and the train station garage.

The existing copper-based communications cable network for all traffic signals is gradually being replaced by fiber optic communications cables to enhance the reliability of the traffic control system. This fiber optic cable network was designed to provide ample capacity for a future digital network for all City facilities, including the Government Center, Fire, and Police, libraries, garages and schools. This network of fiber optic cables will also provide access to the video from a network of traffic video surveillance cameras located at critical locations around the City to monitor traffic conditions and system operations, and also to access the video from security cameras at all the garages and schools. Over sixty cameras are currently in operation to monitor traffic conditions. All traffic signal displays were outfitted with energy efficient LED lamps that consume only 12 percent of the energy of regular incandescent lamps. Emergency battery backup power and the installation of transfer switching capabilities to portable generators were added at high priority intersections and will be expanded to other locations in the future. Long-range planning corridor studies are also being undertaken by the Bureau on the City's busiest arterial roads.

Land Use Bureau: The Planning Board is responsible for planning and coordinating the development of the City in accordance with the City Master Plan. The Board prepares, adopts and amends the Master Plan; adopts and amends Subdivision Regulations; reviews and acts upon subdivision applications; prepares capital project budgets and programs; reviews and acts upon referrals from the Zoning Board and Zoning Board of Appeals; and prepares and adopts neighborhood plans.

The Zoning Board is responsible for regulating the use of land and buildings within the City. The Board prepares, adopts and amends the Zoning Regulations and Zoning map to control and guide the appropriate use and development of property. The Board also reviews site and architectural plans, special exceptions and Coastal Site Plan applications and serves as the local Aquifer Protection Agency.

The primary function of the Zoning Board of Appeals is to consider variances of the zoning regulations where there is an unusual hardship with the land.

The Environmental Protection Board is organized by Ordinance as a multipurpose City agency combining the duties and responsibilities of a local Inland Wetland and Watercourses Agency, a local Conservation Commission, and a local Flood and Erosion Control Board.

Harbor Commission: All State regulatory agencies approved the Harbor Commission's Harbor Master Plan, as did the Board of Representatives (in March 2009). The Commission has the ability to charge fees for open water public moorings and authority to review and regulate waterfront development as well as all applications for floats, docks and buoys. It has received a report from the U.S. Army Corps of Engineers on the impact of the Mill River project on the West Branch Harbor. The Commission worked closely with the Engineering Department to restore the Cummings Beach fishing pier.

Water Pollution Control Authority ("WPCA"): The WPCA, which is a quasi-municipal agency, provides wastewater collection and treatment services as well as flood control barrier operation and maintenance for the City. The mission of the WPCA is to protect the environment and public health by using the most efficient and effective management and engineering methodologies. These methodologies include applying state-of-the-art process control, maintenance and management techniques. The WPCA completed a $105 million upgrade of the treatment plant in 2006. The WPCA has become the largest seller of nitrogen credits in the State of Connecticut. Not only does this increase revenue, but it also

enforces the mission of the WPCA which is to be a steward of the environment dedicated to protecting water quality and public health. The upgrade was financed primarily by grants and loans under the Clean Water Fund program of the State of Connecticut. See "DEBT SECTION – State of Connecticut Clean Water Fund" herein. A smaller portion of the project was financed by general obligation bonds of the City. The debt service associated with the Clean Water Fund loans is being paid entirely from revenues from user charges by the WPCA under the Indenture of Trust, dated as of December 21, 2001, by and among the City, the WPCA and U.S. Bank National Association (as successor to First Union National Bank) as Trustee (the "Trustee"), as amended and supplemented (the "Indenture"). The debt service associated with general obligation bonds is expected to be paid entirely from revenues of the sewerage system on a subordinated basis under the Indenture. In 2008, the WPCA completed construction of a solids drying process. This process enables the safe disposal and beneficial use of wastewater residuals.

The City has previously issued $12,480,000 Water Pollution Control System and Facility Revenue Bonds, 2003 Series A, a $73,561,481 Clean Water Fund Loan, and $19,765,000 Water Pollution Control System and Facility Revenue Bonds, 2006 Series, under the Indenture, to finance various sewer projects contained in capital budgets of the City for improvements to the City's sewerage system. The 2003 Series A Bonds, the Clean Water Fund Loan and the 2006 Series Bonds are special limited obligations of the City payable solely from revenues and other receipts, funds and moneys pledged therefore pursuant to the Indenture. A total of $10 million of the City's General Obligation Bonds (Taxable Build America Bonds – Direct Payment) dated August 1, 2009 were issued to finance additional sewerage system projects and are expected to be paid on a subordinated basis by revenues under the Indenture. See "DEBT SECTION – Debt of the WPCA" herein**.**

Stamford Community Development Program ("SCDP"): The Stamford Community Development Program administers the various federal, state and local funds for housing and community development activity.

The Community Development Block Grant ("CDBG") allocation to the City for federal fiscal year 2012 (Stamford fiscal year 2012–13) is $877,443, which is a 16% reduction from the prior year. The program's objective is to improve the quality of life and create a suitable living environment for low-income residents in targeted neighborhoods with an emphasis on rehabilitation of existing housing stock and the creation of new housing at levels affordable to low-income individuals and households (i.e., $82,500 for a household of four persons). CDBG funds also support non-profit organizations for a variety of public improvements to community facilities as well as social service activities for the homeless, the elderly, youth and the unemployed. CDBG supports economic development activities to assist businesses to create jobs and strengthen retail activity.

The Community Development Office administers the Federal HOME Investment Partnerships Program which is providing $401,082 in federal fiscal year 2012 (Stamford fiscal year 2012–13), which is a 32% reduction from the prior year. These funds are used for down-payment loans to low-income homebuyers, as well as construction loans to developers of affordable housing. In the prior fiscal year, the City received $50,000 in program income from the repayment of HOME loans. This program income is reinvested in additional HOME housing development and down-payment loans. Approximately 30 housing units are assisted each year. New Neighborhoods, Inc. in this current year completed construction on their development of 50 affordable apartments on Ludlow Place which received $220,000 in HOME funding.

In the spring of 2009, the Community Development Office received a funding agreement for $2,909,550 under the federal Neighborhood Stabilization Program ("NSP"). In February 2012, the City received an additional $380,000 from HUD's third round of NSP. The City is loaning these funds to non-profit and for-profit developers as well as low-income households to purchase and rehabilitate bank-owned foreclosed homes. The program focuses investments in the East Side, West Side and Cove neighborhoods. This funding, along with the net proceeds from the sale of rehabilitated homes and condominiums, will be used to purchase and rehabilitate approximately 30 units.

To date the City has utilized NSP to assist in the purchase of 11 foreclosed properties with a total of 17 housing units. One condominium was directly acquired by a low-income household. One single-family home was acquired and is rented to a low-income family. Three foreclosed condominiums have been acquired, rehabilitated and resold to low-income buyers. The net proceeds of these sales were approximately $325,000. The State has correspondingly increased the NSP Grant. One fire-destroyed multifamily property will be demolished and a new 6-family house will be constructed in its place and rented to low-income tenants. A dilapidated two-family home was acquired and will be rehabilitated and rented to low-income tenants. Of the remaining four properties, three have been fully rehabilitated and are on the market for sale to low-income buyers. Rehabilitation is under way on one condominium which will be sold to a low-income purchaser. There is a current commitment to a non-profit to purchase a three-family house on Spruce Street.

In 2006, the City of Stamford began receiving payments from developers in lieu of building affordable housing as required by the City's Inclusionary Zoning ("IZ") regulations. The Community Development Office administers the distribution of these funds as loans to developers of affordable housing. Metro Green, 50 units of affordable rental housing located adjacent to the Stamford train station, received a loan of approximately $1.4 million from the IZ funds to assist in development costs. This project is now complete and fully occupied.

The Community Development Office administers local funds that are available annually for affordable housing development. The Capital Projects Budget provides approximately $1.5 million annually as loans to developers for the purchase and development of affordable housing sites. In this current year, the City made a final payment of $350,000 for the completion of Palmers Square, a 76-unit rental project that includes 46 affordable apartments. There are two pending projects that are proceeding to a construction start on property that has already been acquired. Charter Oak Communities ("COC") will construct 45 apartments on Merrell Avenue of which 27 will be dedicated as affordable housing for low-income tenants. COC is collaborating with Inspirica, Inc. to construct 50 apartments at 992 Summer Street. These developments will receive from the capital budget $1,100,000 and $1,250,000, respectively. Both are expected to begin construction in the current fiscal year.

In 2006, the City, under its Linkage Ordinance, began dedicating a portion of its building permit fees on commercial construction to an affordable housing fund. The Community Development Office administers the distribution of these funds to developers of affordable housing. The City has committed $453,000 in Linkage funds to the Housing Authority of the City of Stamford for the development of 95 apartments, including 57 affordable apartments, at 58 Progress Drive which was completed last year and is known as Westwood.

Colleges: The University of Connecticut at Stamford, located in the downtown area, serves close to 1,400 full-time and part-time undergraduate students and approximately 500 active MBA and other graduate students. A Master's Entry into Nursing (MbEIN) - Accelerated Pre-Licensure Program is also offered at the Stamford campus. The undergraduate program offers students a full four-year degree program, with baccalaureate majors offered in a variety of fields and also offers a Bachelor in General Studies program for returning adults, minorities in business and women's studies. The Connecticut Information Technology Institute provides IT training and education. Additionally, the campus offers the University of Connecticut Administrator Preparation Program which culminates in a graduate degree for teachers wishing to become school administrators. An expansion of programs in both Digital Media and Business is under way.

Central Business District Retail: The Stamford Town Center, the retail centerpiece for the City and region, has about 1,000,000 square feet of retail space on four levels, served by seven levels of enclosed parking that accommodates approximately 4,000 vehicles. Over $175 million has been invested in this center which generates between $200 to $250 million in annual retail sales; a major upgrade of the mall was completed in 2007 recreating over 130,000 square feet of new retail and restaurant space.

Downtown Stamford now boasts over 10 million square feet of Class A office space, all within walking distance of an express rail connection to Manhattan and an extensive labor pool to the north and east.

Within the Central Business District is SUT, which provides automobile, enhanced bus, bike, and pedestrian connections between the Stamford Transportation Center and the City's East Side. The second and final construction phase of the SUT commenced in the first quarter of 2013. The Connecticut Department of Transportation is currently reviewing plans for a new parking garage development at the Stamford train station to provide additional parking capacity and potential transit oriented other development. Several rail underpass expansions are in the planning phase adjacent to the Transitway to facilitate movement between downtown Stamford, the Stamford Transportation Center, I-95, the Transitway, and Stamford's South End. When completed, the Transitway will accommodate the traffic that will be generated by in-fill development in downtown, the South End and along the Transitway corridor.

The Mill River: The Mill River project is an innovative approach to urban development. It combines urban redevelopment, environmental restoration, the creation of a large downtown park that will spur development and tax revenues, and public/private partnerships in all aspects of the undertaking that leverage municipal funding with federal, state and private funding.

The Mill River corridor, which envelops the downtown reach of the Mill (Rippowam) River, was established in 2001 as a designated urban redevelopment area. Fifty percent of new real estate taxes resulting from new development are dedicated for reinvestment in the district for public infrastructure including Mill River Park and affordable housing and debt service on bonds financing such infrastructure. Included in the redevelopment program is an increase in residential density which is already reflected in a significant increase in downtown construction of apartments and condominiums. Increased downtown density called for in Stamford's Master Plan should promote the growth of the core, and decreased reliance on vehicles in these areas adjacent to the express railroad station and the high concentration of office buildings. Several condominiums and the 1.1 million-square-foot Royal Bank of Scotland headquarters and parking garage in the Mill River corridor are already generating new real estate taxes that are being used to fund park improvements and land acquisition. Other Corridor projects are in various stages of development and municipal approval. This transit-oriented denser development in the downtown area is a cornerstone of the City's smart growth strategy.

Mill River itself loomed large as a development constraint with its deteriorated dam and Mill Pond and the increase in downtown flood risk it had caused. Historically, all buildings faced away from the river and it was essentially a sewer for the mills that used it for power. In 2002, Stamford created the Mill River Collaborative, a public/private partnership that is spearheading the restoration of the river and creation of a new 28-acre urban park along its banks and a greenway through downtown to Long Island Sound. Anticipation of the park is already spurring development of parcels around the park site. $5 million in federal funding was secured for the Army Corps of Engineers *Mill River and Mill Pond Restoration Project* under which the Mill Pond dam and a remnant dam at Pulaski Street were demolished in 2009. Reconstruction of the river channel has been completed and Mill River now runs freely for the first time since 1641. The river restoration will reduce 100-year flood levels in downtown by an average of 2.5 feet and will contain such floods totally within the park and greenway between North Street and Main Street, reducing potential flood damage, flood insurance and construction costs in surrounding areas. The removal of the Mill Pond and its dam also eliminated an estimated $1.5 million in dredging and sediment disposal costs every five years. In October 2011, construction of Phase 1 of the park around the river in the vicinity of the old Mill Pond broke ground. It will be completed in the spring of 2013. Over the next few years a carousel, event pavilion, ice skating rink and fountain will be added to the site. In managing the design of Phase 2 of the park from Main Street to I-95, the Mill River Collaborative has developed a design that will remove the remaining private properties from the 100-year flood plain south of Main Street. An additional $10 million in federal authorization was included in the 2007 Water Resources Development Act.

Olin Partnership, a world-recognized landscape architecture firm, is leading the design of the park. Permitting for the estimated $60 million in park improvements was completed in 2008. The construction contract for Phase 1 is $11.4 million. Mill River Collaborative has raised $13 million toward its private capital campaign goal of $20 million to complement Stamford's investment in the park. The City has entered into a 10-year contract with the Mill River Collaborative to develop, operate and maintain Mill River Park and Greenway with the City and Collaborative each contributing a portion of the operating

costs. The construction of Mill River Park is spurring development and real estate tax revenues. Over 1,000 new residential units have been built or are in development around the perimeter of the park.

The ordinance that created the Mill River Corridor District also provided for the use of Tax Increment Financing ("TIF Bonds") to finance the project. The TIF Bonds are secured by the 50% of new real estate taxes pledged to the Mill River Corridor District. To date, $16,245,000 of TIF Bonds have been sold to finance the first phase of the project and repay the City for funds previously advanced by the City.

Harbor Point Project: Recognizing an opportunity that stood silent for decades, Harbor Point Development set into motion an unprecedented vision of the Stamford waterfront known as Harbor Point. The development group, which owns more than 80 acres in the South End, is executing a sweeping and ambitious plan to redevelop the South End into a vibrant waterfront destination that will strengthen the neighborhood, provide positive and long-term economic development, and greatly increase tax revenue for the benefit of all of Stamford.

The project, as approved, includes 6 million square feet of mixed-use development: 85 percent residential (4,000 residential units, 10 percent of which is affordable housing); 15 percent commercial, including office buildings, a grocery store, a waterfront hotel, restaurants and a full-service marina; more than 11 acres of parks and public space; a community school; and publicly accessible waterfront open space. As currently planned, it is also expected to potentially create 9,500 new construction jobs and 2,500 permanent jobs.

Harbor Point is a transit-oriented development ("TOD"), situated only a ten-minute walk from the Stamford Transportation Center, and includes improved street and pedestrian areas. Harbor Point is also leading the way in environmental design and construction. Harbor Point is reducing energy use by over ten percent and water use by over twenty percent, recycling 90% of its demolition debris, creating park land, rehabilitating historic structures, minimizing the parking footprint, reducing its heat island, and creating pedestrian-friendly streets. For Harbor Point's success in environmental design and construction, it has received a certification of LEED-ND Gold, as part of the Leadership in Energy and Environmental Design for Neighborhood Development ("LEED-ND") pilot program, making it Connecticut's only LEED-ND Gold project.

In addition to new jobs, an increase in affordable housing stock, and new parks and public spaces, the City should benefit from this development in the form of fees, new tax revenue and other public improvements. The project is expected to generate an average of $32 million per year in property taxes and $352 million in personal property, automobile and conveyance taxes over 30 years. The City will also receive public improvements, including new and improved roads, utilities, sidewalks, streetscapes, street lighting, and the environmental remediation of parks and public spaces.

In connection with the project, the City has entered into an interlocal agreement with the Harbor Point Infrastructure Improvement District, a tax assessment district formed for the purpose of financing the infrastructure needs of the Harbor Point project. The interlocal agreement provides for the District to construct certain public improvements and issue up to $145 million of bonds of the District (not the City) to finance these public improvements. The interlocal agreement obligates the City to pay the lesser of 50% of the incremental property taxes collected in the District or the debt service on the bonds, and provide certain services to the District. The District issued $145 million of its bonds for such public improvements in February 2010.

General Economic Development: Businesses continue to move into the City in spite of the recent national economic decline. In 2011, Starwood Hotels and Resorts Worldwide, Inc. relocated its world headquarters from White Plains to the City and employs more than 1,000 people. Also during 2011, Louis Dreyfus Highbridge relocated from Wilton, Connecticut to Stamford bringing 250 jobs to the Harbor Point development in the South End. In July 2012, Chelsea Piers of New York City opened its 240,000-square-foot facility following a $40 million retrofit of the former Clairol site and has created 240 jobs. NBC Sports has completed its $100 million relocation from multiple locations across the U.S. to the City. When fully operational it is expected to employ in excess of 750 people. NBC Sports units already in the City include the Olympics Division and Versus, the Comcast unit that broadcasts NHL programs.

The conversion of the City's industrial space to higher tech uses includes the teaming of Fuji Film and GE to manufacture a bio-molecular imaging system for GE Healthcare (one of GE's fastest growing business units). The information technology sector is growing with the expansion of Indeed.com, a Stamford-based computer search engine company, the presence of the Gartner Group with its headquarters staff of 750 and a planned expansion of approximately 400 additional positions, along with internet start-ups TheBleachers.com and LiveClips.com. The NBC Sports move mentioned above continues to expand a key growth industry in Stamford – media. NBC Sports is building on the relocation of its sister division, NBC Universal, from Chicago to Stamford in 2009. The YES Network, the WWE (which announced a 22,000-square-foot expansion on its 120,000-square-foot location), and the Ascent Media group which includes Lifetime, A&E, History Channel and other cable products, are expecting continued growth.

The City's commercial property maintains a cost advantage over mid-town Manhattan and Greenwich, helping to sustain the City's commercial base during these recent challenging economic times at comparatively favorable rent levels.

Housing: Harbor Point, an 82-acre land assemblage in the South End developed by Building & Land Technology, which includes six million square feet of mixed-use development, is under active construction. To date more than 2,000 apartment units are finished, under construction or have received approval to commence construction. The full scope of the project includes 4,000 residential units (of which ten percent are affordable housing); commercial space including office buildings, a grocery store, a waterfront hotel, restaurants and a marina; more than 11 acres of parks and public spaces; a community school; and publicly accessible waterfront areas. Also currently under construction is the mixed-use MetroGreen project, which has completed 100 housing units and is poised to start construction of the final 138 units of housing, located just to the south of the Transportation Center.

In addition to the housing in the Harbor Point development in the South End, the downtown area of Stamford continues to emerge as a vibrant development area with more and more new residential housing. In July the 120-unit Parallel 41 was opened on Washington Boulevard and as with other recently opened projects has seen strong demand. The 336-unit former Advocate site residential complex began construction in the spring of 2012 and is estimated to be complete in 2014. Two new projects received approval. F. D. Rich Co. was approved to construct a 24-story 225-unit residential "in-fill" building on Summer Street. The Trinity Financial Co. of Boston received approval to begin a three year construction project on the former Park Square West site which will provide for two residential towers of 15 and 18 stories for a combined 417, 1- and 2-bedroom units. In addition a structured parking garage will be joined with the existing Summer Street garage to provide parking for the residents.

Government Assisted Housing: The Stamford Housing Authority d/b/a Charter Oak Communities ("COC") constructs, operates and maintains housing for low- and moderate-income families, market rate residents and senior citizens. The Authority manages over 1,400 dwelling units in 18 housing complexes as well as a Housing Choice Voucher rental assistance program for 1,500 families in privately owned housing units throughout the City. COC also sponsors a variety of workforce homeownership programs including down payment assistance and newly constructed units for households ranging from 40% to 120% of the area median income. Some of COC's most recent accomplishments include the revitalization of two large, federal low-income public housing facilities, Southfield Village (now Southwood Square) and Fairfield Court (now Fairgate), into mixed-income communities.

Funding and land have been obtained and plans continue to move forward on the replacement of 216 affordable units currently located at the Vidal Court state-assisted housing complex. By leveraging a $20 million commitment of State bond funds with $110 million of private equity and debt, its redevelopment in a total of five mixed-income settings will result in a total of 350 units altering the type of housing that has been typically associated with low-income development. The first, 95-unit off-site replacement phase, Westwood, has been completed and is fully occupied. The second, 76-unit phase, Palmer Square, has been completed and is being leased. The demolition of the existing Vidal Court complex has commenced and is scheduled for completion in spring 2013. When demolition is complete, COC will commence construction of the third replacement phase, the 45-unit Greenfield on Merrell Avenue, consisting of 45 mixed-income units. Future replacement phases will commence thereafter. Charter Oak

has also formed a unique cooperative relationship with Stamford Hospital which resulted in an exchange of properties to satisfy their respective redevelopment goals. This relationship has also spawned the formation of a unique health and wellness district along the Stillwater Avenue corridor, called *Vita*, which has received national attention. *Vita* will provide consumer-based health care and wellness support services, in an off-campus setting (relative to the Hospital), to typically underserved populations while functioning as a stimulus for economic development on the West Side. *Vita* initiatives launched to date include the Fairgate Community Health Center and Fairgate Farm.

Charter Oak Communities is also committed to the preservation and revitalization of its other, critical housing facilities. It is about to commence major, top-to-bottom renovations of two elderly properties – Clinton Manor and Quintard Manor – investing $15 million in capital generated from its sale of tax-exempt, private activity bonds and the sale of low-income housing tax credits. It has also recently commenced predevelopment activities for the replacement of the 50-unit Czescik Homes, another elderly property, which will be implemented in partnership with Inspirica (formerly St. Luke's Lifeworks).

Educational System

Stamford has a nine-member Board of Education, each elected to three-year terms, with three members elected each year. The officers of the Board, elected by Board members at the organizational meeting held every December, include a President, Vice President, Secretary, and Assistant Secretary. The Mayor serves as a tenth non-voting member.

The primary function of the Board is to establish policy and the budget of the public school system. Some of the areas for which such policies are set include curriculum, budget requests, policies ensuring that funds for education as appropriated by the City are properly expended, implementation of both State and federal laws, and planning for facilities needed by the system, including construction and renovation.

The City has three public high schools that serve students in grades 9-12. They include an interdistrict magnet school, the Academy of Information Technology & Engineering. There are five public middle schools and twelve public elementary schools, four of which are magnet schools. The Board of Education employs approximately 1,463 professional (certified) personnel and approximately 616 non-certified personnel including secretaries, clerks, custodians, maintenance personnel, paraeducators, and security workers.

Recently, the school system has experienced enrollment growth of approximately 2% per year for the last five years growing from 14,995 students in October 2008 to 15,941 in October 2012. The enrollment projection for October 2013 is 16,251.

School Facilities

School	Grades	Date Constructed (Last Remodeled)	Type of Construction	Number of Classrooms	Enrollment As of 10/1/12
Davenport Ridge	K–5	1972	Concrete	51	544
Murphy	K–5	1900 (2002)	Brick	49	560
Newfield	K–5	1954 (2002)	Brick	51	691
Northeast	K–5	2003	Brick/Stone	63	685
Rogers	K–8	2009	Wood/Brick	50	827
Toquam	K–5	1967 (1991)	Brick	56	680
Roxbury	K–5	1955 (2002)	Brick	59	646
Springdale	K–5	1908 (2003)	Brick	46	657
Hart	K–5	1915 (1998)	Brick	53	586
Stark	K–5	1927 (1997)	Brick	55	613
Stillmeadow	K–5	2003	Block	49	700
Westover	K–5	1999	Brick	65	713
Cloonan	6–8	2002	Brick	58	598
Dolan	6–8	1949	Brick	50	532
Turn of River	6–8	1963	Block/Brick	60	583
Rippowam Middle	6–8	2003	Steel Frame	150	657
Scofield Middle	6–8	2001	Brick	54	627
AITE	9–12	2007	Steel/Frame	60	684
Stamford High	9–12	1928 (2006)	Brick/Stone	215	1,899
Westhill High	9–12	2003 (2007)	Steel Frame/Brick	230	2,091
Boyle Stadium	n/a	1937 (1997)	Stone	n/a	n/a
Out-of-District	n/a	n/a	n/a	n/a	143
Home Instruction	n/a	n/a	n/a	n/a	104
Pre-K Special Ed./ Speech	n/a	n/a	n/a	n/a	121

School Enrollments

As of October 1	Elementary Headstart/K–5	Middle School 6–8	High School 9–12	Bi-lingual/Pre-K/ Special Education	Total Enrollment
Historical					
2003	7,003	3,354	4,139	1,070	15,566
2004	6,854	3,278	4,190	946	15,268
2005	6,891	3,280	4,465	668	15,304
2006	6,663	3,178	4,414	851	15,106
2007	6,649	3,158	4,346	808	14,961
2008	6,693	3,109	4,453	740	14,995
2009	7,148	3,124	4,695	209[1]	15,176
2010	7,267	3,176	4,817	230[1]	15,490
2011	7,412	3,183	4,742	340[1]	15,677
2012	7,641	3,258	4,674	368[1]	15,941
Projected					
2013	7,889	3,315	4,697	350[1]	16,251

[1] Includes pre-kindergarten, home instruction and students placed outside Stamford Public Schools; Bilingual and Special Education students are counted in the K–5, 6–8, and 9–12 statistics.

SECTION III – DEMOGRAPHIC AND ECONOMIC DATA

Population Trends and Densities

Year	Population[1]	Percent Change	Density[2]
1960	92,713	–%	2,324
1970	108,798	17.3	2,727
1980	102,453	(5.8)	2,568
1990	108,056	5.5	2,708
2000	117,083	8.4	2,934
2010	122,643	4.7	3,074
2011	123,868	1.0	3,104

Sources: [1] U.S. Department of Commerce, Bureau of Census, Census of Population 1960–2010; State of Connecticut Department of Public Health for 2011.
[2] Population per square mile: 39.9 square miles.

Age Distribution of the Population

	City of Stamford		State of Connecticut	
Age [1]	Number	Percent	Number	Percent
Under 5 years	8,309	6.8%	202,106	5.7%
5 to 9 years	7,009	5.7	222,571	6.2
10 to 14 years	6,846	5.6	240,265	6.7
15 to 19 years	6,539	5.3	250,834	7.0
20 to 24 years	7,309	6.0	227,898	6.4
25 to 34 years	21,335	17.4	420,377	11.8
35 to 44 years	18,501	15.1	484,438	13.5
45 to 54 years	17,443	14.2	575,597	16.1
55 to 59 years	7,089	5.8	240,157	6.7
60 to 64 years	6,170	5.0	203,295	5.7
65 to 74 years	7,806	6.4	254,944	7.1
75 to 84 years	5,531	4.5	166,717	4.7
85 years and over	2,756	2.2	84,898	2.4
Total	122,643	100.0%	3,574,097	100.0%
2010 median age (years) [1]	37.1	–	40.0	–
2000 median age (years) [2]	36.4	–	37.4	–

Sources: [1] U.S. Department of Commerce, Bureau of Census, 2010 Census.
[2] U.S. Department of Commerce, Bureau of Census, 2000 Census.

Income Distribution

	City of Stamford		State of Connecticut	
	Families	Percent	Families	Percent
$ 0 – 9,999	958	3.3%	30,321	3.4%
10,000 – 14,999	801	2.7	20,207	2.2
15,000 – 24,999	2,191	7.5	48,201	5.3
25,000 – 34,999	1,781	6.1	58,835	6.5
35,000 – 49,999	2,800	9.6	90,972	10.1
50,000 – 74,999	4,335	14.8	147,948	16.4
75,000 – 99,999	3,697	12.7	134,851	14.9
100,000 – 149,999	4,944	16.9	185,568	20.5
150,000 – 199,999	2,661	9.1	86,104	9.5
200,000 and over	5,042	17.3	100,939	11.2
Total	29,210	100.0%	903,946	100.0%

Source: 2009–2011 American Community Survey.

Comparative Income Measures

	City of Stamford	State of Connecticut
Per capita income	$41,762	$36,613
Median family income	$84,064	$84,558
Median household income	$75,815	$67,427

Source: 2009–2011 American Community Survey.

Educational Attainment

Years of School Completed – Age 25 and Over

	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade	7,442	8.7%	111,347	4.6%
9th to 12th grade, no diploma	6,119	7.2	162,645	6.7
High school graduate	18,578	21.8	680,397	28.0
Some college, no degree	12,164	14.2	429,810	17.6
Associate's degree	4,190	4.9	177,238	7.3
Bachelor's degree	21,725	25.4	491,234	20.2
Graduate or professional degree	15,240	17.8	378,761	15.6
Total	85,458	100.0%	2,431,432	100.0%
Total high school graduate or higher	–	84.1%	–	88.7%
Total bachelor's degree or higher	–	43.2%	–	35.8%

Source: 2009–2011 American Community Survey.

Labor Force Data

Reporting Period Average	Labor Force	Employed	Unemployed	Unemployment Rate (%) City of Stamford	Bridgeport/ Stamford Labor Market	State of Connecticut
January 2013	66,511	61,697	4,814	7.2	8.0	8.7
2012	68,126	63,362	4,764	7.0	7.9	8.4
2011	68,842	63,868	4,974	7.2	8.2	8.8
2010	68,241	63,017	5,224	7.7	8.5	9.1
2009	67,693	62,721	4,972	7.3	7.8	8.2
2008	66,853	63,710	3,143	4.7	5.3	5.7
2007	66,220	63,761	2,459	3.7	4.1	4.6
2006	65,813	63,446	2,367	3.6	4.0	4.4
2005	65,186	62,435	2,751	4.2	4.5	4.9
2004	64,787	62,120	2,667	4.1	4.6	4.9
2003	65,462	62,466	2,996	4.6	5.1	5.5
2002	64,794	62,209	2,585	4.0	4.3	4.4

Source: State of Connecticut, Labor Department, Office of Research.

Industry Classification

Sector	City of Stamford Number	City of Stamford Percent	State of Connecticut Number	State of Connecticut Percent
Agriculture, forestry, fishing, hunting, and mining	96	0.2%	6,539	0.4%
Construction	4,891	7.8	101,094	5.8
Manufacturing	3,475	5.6	193,152	11.0
Wholesale trade	1,651	2.6	43,227	2.5
Retail trade	5,482	8.8	189,948	10.9
Transportation, warehousing and utilities	2,109	3.4	66,665	3.8
Information	1,544	2.5	42,113	2.4
Finance, insurance, real estate and leasing	8,901	14.2	162,400	9.3
Professional, scientific, management, administrative and waste management	11,873	19.0	189,609	10.8
Educational, health and social services	11,578	18.5	459,714	26.3
Arts, entertainment, recreation, accommodation and food services	5,762	9.2	144,326	8.3
Other services	3,612	5.8	80,265	4.6
Public administration	1,511	2.4	67,741	3.9
Total	62,485	100.0%	1,746,793	100.0%

Source: 2009–2011 American Community Survey.

Commute to Work
16 years of age and over

	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Drove alone	41,880	68.5%	1,352,476	78.8%
Car pools	6,388	10.4	144,197	8.4
Using public transportation	6,898	11.3	78,733	4.6
Walked	3,234	5.3	51,070	3.0
Using other means	423	0.7	20,107	1.1
Worked at home	2,330	3.8	69,934	4.1
Total	61,153	100.0%	1,716,517	100.0%
Mean travel to work (minutes)	24.4	–	24.7	–

Source: 2009–2011 American Community Survey.

Major Employers

There are over 6,000 businesses located in Stamford. Its major employers include the following:

Name	Nature of Business
AC Nielsen	Computer and Data Services
Affinion Group	Marketing
Asbury Automotive Group Inc.	New and Used Car Dealers
Ascent Media	Programming
AT&T	Telephone and Communications
Bank of America	Finance
Bank of Ireland	Finance
Carolee	Jewelry Manufacturing
Charter Communications	Telecommunications
Chartwell Re Corp.	Reinsurance
Chelsea Piers	Leisure/Sports
Chirex Inc.	Contract Research and Development for Pharmaceutical Company
Circom/ACMI	Medical Instruments (HQ and Mfg.)
Citizen Communications	Utility
City of Stamford	Government and Education
Conair	Beauty Products (HQ)
Crane	Industrial
Crompton & Knowles	Chemicals
CYTEC	Chemicals (Research Laboratories)
Daymon Worldwide	Financial
Design Within Reach	Retail furniture (HQ)
Digitas	Digital Media
Deloitte	Public Accounting/Consulting
Elizabeth Arden	Cosmetics
Ernst & Young	Public Accounting/Consulting
Fairway Market	Retail Food
Fuji Photo Film	Manufacturing
Gantos	Women's Apparel and Accessories
Gartner, Inc.	Information Technology Advisory Services
Guardian Life	Insurance
GE Commercial Finance	Finance (HQ)

Major Employers (continued)

Name	Nature of Business
GE Money	Finance
General Re Corporation	Insurance (HQ)
General Signal	Transportation
Graph Network	Cable Television
Harmon International	Electronic Manufacturing (HQ)
Hexcel Corp.	Carbon Fiber Industrial Products Manufacturer
Indeed.Com	Internet Search (HQ)
Independence Holding Co.	Life and Health Insurer
International Telecomm Data	Billing Management Information Systems and Support Services
Intrepid Aviation	Aviation Services (HQ)
ITDS	Computer Software
Jeffries & Co.	Investment Advisors
KPMG	Accounting, Audit
Legg Mason	Finance
Lone Star Industry	Manufacturing and Distribution of Cement
Louis Dreyfus Highbridge	Energy Trading (HQ)
META Group	Consumer Services
Moore Corporation	Printed Forms
NacRe Insurance	Insurance
NBC Sports Group	Media (HQ)
NBC Universal	Media
Nestle Waters North America	Consumer Products (HQ)
Omega Engineering	Temperature Control Devices (HQ and Mfg.)
Oracle	Computer Software
Pitney Bowes, Inc.	Office Equipment (HQ)
Price Waterhouse Coopers	Public Accounting/Consulting
Purdue Pharma	Pharmaceuticals (HQ)
Rochdale Securities	Finance
Rockefeller & Co.	Wealth Management
Royal Bank of Scotland	Investment Banking (N. American HQ)
SAC	Investment Banking (HQ)
Sempra Energy Trading	Trading
Shamrock Maintenance Inc.	Building Cleaning Services
Silgan Holdings	Metal Products
Stamford Health Systems	Medical Care
Stamford Town Center	Retail Stores
Star Gas Partners	Liquefied Petroleum Gas Dealers
Starwood Hotels and Resorts Worldwide, Inc.	Leisure (HQ)
Synapse	Marketing
Tastey Bites	Food Manufacturing (HQ)
The Stamford Hospital	Medical Services
Thomson-Reuters	Publishing, Business Information
TIG Reinsurance	Insurance
Titan Sports WWE	Professional Wrestling
Tosco	Petroleum Refining
Tronox	Manufacturing (HQ)
Tweedy Browne	Financial Services (HQ)
U.S. Postal Service	Local and Regional Mail Service
UBS	Investment Banking (HQ)
Unilever Home & Personal Care	Home Care Products
United Distillers & Vintners	Beverages (HQ)

Major Employers (continued)

Name	Nature of Business
Versus	Communications/Programming
Vineyard Vines	Clothing Manufacturing (HQ)
Wachovia Bank, National Association	Banking
XL America	Financial, Info Tech, Insurance

HQ — Headquarters/Offices
Mfg — Manufacturing Facilities

Source: City of Stamford Department of Economic Development.

Office Vacancy Rates

	Stamford Central Business District		Stamford Non-Central Business District		Fairfield County	
Calendar Year	Square Feet Existing	Vacancy Percent	Square Feet Existing	Vacancy Percent	Square Feet Existing	Vacancy Percent
December						
2012	6,776,181	21.2	8,873,350	22.4	41,881,271	18.3
2011	6,832,948	23.1	8,405,596	22.7	40,890,889	19.1
2010	6,832,948	23.4	8,027,525	25.1	40,412,871	18.9
2009	6,741,182	16.9	8,061,946	19.1	40,041,515	14.7
2008	6,308,281	14.2	8,243,247	15.8	39,581,321	12.5
2007	6,308,281	13.7	8,174,740	15.7	38,774,641	14.7
2006	6,308,281	15.7	8,174,740	19.0	38,774,641	16.9
2005	6,307,898	16.0	8,279,388	18.2	38,236,387	18.1
2004	6,307,898	18.0	8,265,861	16.1	38,345,381	17.4

Source: Cushman & Wakefield.

The relatively high vacancy rate in Stamford is due to several factors. Historically, Stamford has had double digit vacancy rates, even during the mid-2000's when rates were in the mid-teens. From 2009 to 2010 there was a major uptick in occupancy from approximately 18% to 24%. In December 2009, Gen Re Insurance relocated from their 550,000 square foot building to a 310,000 square foot building. Both buildings are located in Stamford. Their former building now sits empty and represents 4% of the total commercial office space. That contraction, along with the addition of 1 million square feet of office space in the South End, of which only 40% is occupied, plus the relocation of many businesses into smaller space (including UBS which has reduced their workforce by some 2,000 employees) have all contributed to the mid-20% vacancy rate.

Value of Building Permits

Fiscal Year Ended 6/30	Residential	Commercial/ Industrial	Apartments/ Condominiums	Total
2012	$ 60,861,801	$ 203,491,861	N/A[1]	$264,353,662
2011	52,586,486	261,632,862	N/A[1]	314,219,348
2010	48,768,097	143,898,869	N/A[1]	192,666,966
2009	53,124,017	329,541,802	N/A[1]	382,665,819
2008	76,143,181	357,865,859	N/A[1]	434,009,040
2007	50,778,452	412,070,047	N/A[1]	462,848,499
2006	129,419,254	260,684,635	$15,113,989	390,103,889
2005	131,175,576	110,859,988	4,311,000	257,149,553
2004	138,432,128	196,867,884	4,487,000	339,611,012
2003	76,738,245	117,209,684	16,057,715	198,434,929

[1] Included in residential values.

Age Distribution of Housing

Household Characteristics	City of Stamford Number	City of Stamford Percent	State of Connecticut Number	State of Connecticut Percent
Built in 1939 or earlier	7,914	16.4%	342,759	23.0%
Built in 1940–1949	3,018	6.2	104,220	7.0
Built in 1950–1959	8,588	17.8	229,476	15.4
Built in 1960–1969	6,738	14.0	201,661	13.6
Built in 1970–1979	7,693	15.9	201,264	13.5
Built in 1980–1989	7,215	14.9	195,577	13.1
Built in 1990–1999	3,222	6.7	108,904	7.3
Built in 2000–2004	2,113	4.4	61,616	4.1
Built in 2005 or later	1,772	3.7	43,798	3.0
Total	48,273	100.0%	1,489,275	100.0%

Source: 2009–2011 American Community Survey.

Housing Units by Type of Structure

Household Characteristics	City of Stamford Number	City of Stamford Percent	State of Connecticut Number	State of Connecticut Percent
Single-family detached	17,980	37.3%	882,011	59.2%
Single-family attached	2,820	5.8	77,291	5.2
Multifamily	27,442	56.8	516,605	34.7
Mobile home, trailer, or other	31	0.1	13,368	0.9
Total	48,273	100.0%	1,489,275	100.0%

Source: 2009–2011 American Community Survey.

Housing Unit Vacancy Rates

Housing Units	City of Stamford Number	City of Stamford Percent	State of Connecticut Number	State of Connecticut Percent
Occupied housing units	47,357	93.6%	1,371,087	92.1%
Vacant housing units	3,216	6.4	116,804	7.9
Total units	50,573	100.0%	1,487,891	100.0%
Homeowner vacancy rate	–	2.1%	–	1.6%
Rental vacancy rate	–	6.3%	–	8.2%

Source: U.S. Department of Commerce, Bureau of Census, 2010 Census.

Owner-Occupied Housing Units

	City of Stamford	State of Connecticut
Total owner-occupied units	24,511	927,793
Persons per unit	2.75	2.66

Specified Owner-occupied Units	City of Stamford Number	City of Stamford Percent	State of Connecticut Number	State of Connecticut Percent
Less than $50,000	147	0.6%	17,014	1.8%
$ 50,000 to $ 99,999	167	0.7	21,317	2.3
$100,000 to $149,999	169	0.7	58,439	6.3
$150,000 to $199,999	612	2.5	129,744	14.0
$200,000 to $299,999	2,645	10.8	274,604	29.6
$300,000 to $499,999	7,129	29.1	262,712	28.3
$500,000 to $999,999	11,541	47.1	120,493	13.0
$1,000,000 or more	2,101	8.5	43,470	4.7
Total	24,511	100.0%	927,793	100.0%
Median value	$540,900	–	$285,800	–

Source: 2009–2011 American Community Survey.

Number and Size of Households

Household Characteristics	City of Stamford Number	City of Stamford Percent	State of Connecticut Number	State of Connecticut Percent
Persons in households	121,363	–	3,455,945	–
Persons per household (average)	2.56	–	2.52	–
Persons per family (average)	3.15	–	3.08	–
Family households	30,019	63.4%	908,661	66.3%
Non-family households	17,338	36.6	462,426	33.7
All households	47,357	100.0%	1,371,087	100.0%
Family households by type				
Married couple	22,178	73.9%	672,013	73.9%
Female householders, no spouse	5,765	19.2	176,973	19.5
Other	2,076	6.9	59,675	6.6
Total family households	30,019	100.0%	908,661	100.0%
Non-family households by type				
Householders living alone	13,698	79.0%	373,648	80.8%
Other	3,640	21.0	88,778	19.2
Total non-family households	17,338	100.0%	462,426	100.0%

Source: U.S. Department of Commerce, Bureau of Census, 2010 Census.

Land Use Summary

Land Use Category	Acres	Percent
Zoned for single family	19,688	80.0%
Zoned for multi-family	1,965	8.0
Zoned for mixed use	336	1.4
Zoned for business	754	3.1
Zoned for industry	982	4.0
Zoned for open space	863	3.5
Total	24,588	100.0%

Source: City of Stamford, Land Use Bureau, 2008 GIS data.

SECTION IV – DEBT SECTION

Legal Requirements for Approval of Borrowing

The City has the power to incur indebtedness by issuing its bonds and notes as authorized by the General Statutes of the State of Connecticut, subject to statutory debt limitations and the requirements of the City Charter for the authorization of indebtedness.

Debt Authorization

Debt is authorized by the Board of Representatives, upon request of the Mayor and approval by the Board of Finance. The City adopts a capital budget at the time that it adopts an annual operating budget. Each capital budget is financed from a combination of bonds, grants and other City funds.

Safe Debt Limit

The City of Stamford is also guided by a safe debt limit that is set each year by the Board of Finance. Section 8-20-3 of the Charter of the City provides that the Director of Administration report to the Board of Finance and the Mayor the amount and nature of expenditures that, in the Director's opinion, the City may incur safely for capital projects during each of the six succeeding fiscal years, and the estimated effect of such expenditures upon the current budgets for each of these years, together with the Director's recommendations in relation thereto. Pursuant to Section 8-20-4 of the Charter, the Board of Finance shall transmit to the Planning Board the report of the Director of Administration, together with its certificate of the amount and nature of expenditures that, in its opinion, the City may incur safely for capital projects in the next fiscal year, with the recommendations as to the method of financing for such capital projects to be included in the budget for that year. The Director's December 15, 2012 report recommended a safe debt limit of $25.0 million for FY 2013–14, followed by $35.0 million annually for the next five years for a total of $200 million. The safe debt limit of $25.0 million incorporates three different repayment schedules. The first is short-term debt financed over five years. This category consists of technology, vehicles, and various other types of equipment that have a useful life of five years. The second category consists of heavy equipment, trucks, and fire apparatus that have a useful life of at least fifteen years. The final category consists of any other capital improvements that have useful lives of at least 20 years. The Mayor's final Adopted Capital Budget for fiscal year 2012–13 authorized $35.0 million to be financed by general obligation bonds. The amount was determined based on a comprehensive assessment of all proposed capital projects.

School Projects

The State of Connecticut provides proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996. Debt service reimbursement will continue under the old program for all projects approved prior to July 1, 1996.

Under the old program, the State of Connecticut will reimburse the City for principal and interest costs for eligible school construction projects over the life of outstanding school bonds and the subsequent bond issues necessary to completely fund the projects. The City anticipates reimbursements of approximately $2.5 million for projects approved under the old program.

Under the new program, the State of Connecticut will make proportional progress payments for eligible design and construction costs. The percentage reimbursement for each school project is based on eligible costs as determined by the Connecticut Department of Education. Stamford's rate of reimbursement for new school construction projects is 25% of eligible project costs.

Sewer Projects

The Stamford Water Pollution Control Authority (the "WPCA"), a quasi-municipal agency, was established on November 28, 1996 pursuant to Ordinance No. 803 and Chapter 103, Sections 7-245 through 7-273a, inclusive, of the Connecticut General Statutes, as amended. The WPCA is governed by a nine-member Board of Directors. Since 1996, it has operated as an enterprise fund.

The WPCA has various debt obligations outstanding, including certain revenue bonds issued pursuant to an indenture of trust and certain general obligation bonds which are completely supported by sewerage system revenues. Such debt is not included in the calculation of the City's safe debt limit or the statutory debt limitation of the State of Connecticut. See "Debt of the WPCA" herein for more information.

Current Debt Statement
Pro Forma
As of May 21, 2013

Bonded debt:[1]	
This issue, Series B	$ 5,489,100
This issue, Series C	20,877,200
General purpose	257,337,085
Schools	122,528,492
Total bonded debt	406,231,877
Short-term debt	–
Total overall debt	406,231,877
Less school construction grants receivable	2,536,168
Total overall net debt	$403,695,709

[1] Excludes $15,609,094 of bonded general obligation sewer debt (including $1,778,700 of the Series B Bonds and the Series C Bonds) and four Clean Water Fund project loan obligations totaling $50,131,933 for which the City has pledged its full faith and credit, but which are expected to be repaid entirely from revenues of the sewerage system. (See "Debt of the WPCA" herein.)

Current Debt Ratios
Pro Forma
As of May 21, 2013

Population, 2010	122,643
Per capita income, 2011	$41,762
Net taxable grand list, 10/1/11	$18,848,916,044
Estimated full value @ 70%	$26,927,022,920
Equalized net grand list (2010)	$29,591,423,350

	Overall Debt $406,231,877	Overall Net Debt $403,695,709
Per capita	$3,312.31	$3,291.63
To net taxable grand list	2.16%	2.14%
To estimated full value	1.51%	1.50%
To net equalized grand list	1.37%	1.36%
Ratio of debt per capita to per capita income	7.93%	7.88%

Bonded Debt Maturity Schedule[1]
Pro Forma
As of May 21, 2013

Fiscal Year Ending	Principal Payments	Interest Payments	Total Payments	This Issue Series B	This Issue Series C	Cumulative Principal Retired (%)
2013 [3]	$ 4,360,000	$ 2,392,644	$ 6,752,644	$ –	$ –	1.07
2014	33,249,185	14,762,726	48,011,911	3,330,500	322,900	10.16
2015	26,471,690	13,596,680	40,068,370	2,158,600	7,473,400	19.05
2016	26,184,225	12,617,997	38,802,222	–	7,946,400	27.45
2017	30,155,993	11,525,406	41,681,399	–	1,785,900	35.31
2018	29,226,974	10,254,175	39,481,149	–	1,624,400	42.90
2019	28,141,514	8,881,858	37,023,372	–	1,724,200	50.26
2020	26,517,557	7,685,778	34,203,335	–	–	56.78
2021	25,893,588	6,559,877	32,453,465	–	–	63.16
2022	22,849,185	5,483,934	28,333,119	–	–	68.78
2023	20,757,333	4,576,450	25,333,783	–	–	73.89
2024	20,473,333	3,846,115	24,319,448	–	–	78.93
2025	17,260,000	3,127,023	20,387,023	–	–	83.18
2026	15,670,000	2,489,917	18,159,917	–	–	87.04
2027	12,580,000	1,935,993	14,515,993	–	–	90.13
2028	12,555,000	1,430,021	13,985,021	–	–	93.23
2029	7,660,000	926,527	8,586,527	–	–	95.11
2030	7,635,000	611,371	8,246,371	–	–	96.99
2031	5,725,000	345,706	6,070,706	–	–	98.40
2032	4,250,000	170,000	4,420,000	–	–	99.45
2033	2,250,000	67,500	2,317,500	–	–	100.00
Total	$379,865,577	$113,287,698	$493,153,275	$5,489,100	$20,877,200	

[1] Excludes $15,609,094 of bonded general obligation sewer debt (including $1,778,700 of the Series B Bonds and the Series C Bonds) and four Clean Water Fund project loan obligations totaling $50,131,932 for which the City has pledged its full faith and credit, but which are expected to be repaid entirely from revenues of the sewerage system. (See "Debt of the WPCA" herein.)

[2] Excludes $29,785,118 principal payments and $13,712,125 interest payments made from July 1, 2012 through May 21, 2013.

Overlapping/Underlying Debt

The City of Stamford does not have any overlapping or underlying debt.

Approved Capital Projects and Authorized but Unissued Debt

As of March 19, 2013, the City had $17,511,259 of authorized capital projects as follows:

	Bonds Authorized But Unissued[1]
Schools	$ 816
Public improvements	7,668,141
Sewer	9,842,302
Grand Total Authorized	$17,511,259

[1] Net of grants and other funding.

Statement of Statutory Debt Limitation
Pro Forma
As of May 21, 2013

Debt Limitation Base

Total tax collections, including interest and lien fees, for the fiscal year ended June 30, 2012	$417,292,696
Reimbursement for revenue loss on Elderly Tax Relief	8,000
Debt limitation base	$417,300,696

Debt Margin

Debt Limitation by Purpose	General Purpose	Schools	Sewers[1]	Urban Renewal	Pension Deficit Funding
2.25 x base	$938,926,566				
4.50 x base	–	$1,877,853,132			
3.75 x base	–	–	$1,564,877,610		
3.25 x base	–	–	–	$1,356,227,262	
3.00 x base	–	–	–	–	$1,251,902,088
Total debt limitation	938,926,566	1,877,853,132	1,564,877,610	1,356,227,262	1,251,902,088
Less indebtedness[2]					
This issue, Series B Bonds	2,030,000	3,459,100	–	–	–
This issue, Series C Bonds	10,093,600	10,783,600	–	–	–
Bonds payable	257,337,085	122,528,492	–	–	–
Authorized but unissued[2]	7,668,141	816	9,842,302	–	–
Total indebtedness	277,128,826	136,772,008	9,842,302	–	–
Less school construction grants receivable	–	2,536,168	–	–	–
Net total indebtedness	277,128,826	134,235,840	9,842,302	–	–
Debt limitation in excess of outstanding and authorized debt	$661,797,740	$1,743,617,292	$1,555,035,308	$1,356,227,262	$1,251,902,088

[1] Excludes $15,609,094 of bonded general obligation sewer debt (including $1,778,700 of the Series B Bonds and the Series C Bonds) and four Clean Water Fund project loan obligations totaling $50,131,932 for which the City has pledged its full faith and credit, but which are expected to be repaid entirely from revenues of the sewerage system.

[2] Net of grants receivable.

The State of Connecticut General Statutes require that in no event shall the total debt for the City exceed seven times the annual receipts from taxation. Maximum debt for the City of Stamford under this formula is $2.9 billion.

Comparison of Annual Debt Service to General Fund Expenditures and Transfers Out

Fiscal Year Ended June 30	Debt Service	Total General Fund Expenditures and Transfers Out	Debt Service as Ratio to Total Expenditures and Transfers Out
2012	$48,296,195	$497,226,410	9.71%
2011	43,242,839	476,440,759	9.08
2010	43,329,177	468,584,518	9.25
2009	43,773,749	468,943,293	9.33
2008	45,402,419	441,518,588	10.28

Debt of the WPCA

State of Connecticut Clean Water Fund

The City of Stamford is a participant in the State of Connecticut Clean Water Fund Program (General Statutes Section 22a-475 et seq., as amended), which provides financial assistance for eligible sewer projects through a combination of grants and loans bearing interest at a rate of 2% per annum. All participating municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow correction projects which are financed with a 50% grant and a 50% loan and denitrification projects which are financed with a 30% grant and 70% loan). Loans to participating municipalities are made pursuant to Project Grant and Project Loan Agreements ("Loan Agreement"). Each municipality is obligated to repay only that amount which it draws down for the payment of project costs (Interim Funding Obligations). Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality and/or a dedicated source of revenue of such municipality. Amortization of each loan is required to begin one year from the earlier of the project completion date specified in the Loan Agreement, or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are payable (1) in equal monthly installments commencing one month after the scheduled completion date, or (2) in a single annual installment representing 1/20 of total principal not later than one year from the project completion date specified in the Loan Agreement, repayable thereafter in monthly installments. The City may prepay its loans at any time prior to maturity without penalty. The City currently has a project loan obligation ("PLO") in the amount of $73.6 million, and has received a grant commitment of $23 million. The PLO is authorized as a revenue obligation to be secured by revenues of the sewerage system pursuant to an Indenture of Trust dated as of December 21, 2001, by and among the City, the Water Pollution Control Authority for the City and U.S. Bank National Association (as successor to First Union National Bank) as Trustee, as amended and supplemented by the First Supplemental Indenture, dated as of October 1, 2003, the Second Supplemental Indenture, dated as of February 28, 2006, the Third Supplemental Indenture dated as of September 1, 2006, and the Fourth Supplemental Indenture, dated as of August 1, 2009 (the Indenture, as amended and supplemented by the First, Second, Third and Fourth Supplemental Indentures, herein referred to as the "Indenture"). In addition, the City has four PLOs outstanding totaling $51,084,841 for repayment of which the City has pledged its full faith and credit but which are expected to be repaid entirely from revenues of the sewerage system on a parity basis with the 2003 Series A Revenue Bonds issued in October 2003, the PLO issued in February 2006, and the 2006 Series Revenue Bonds issued in September 2006. (See "Debt of the WPCA" herein.)

General Obligation Bonds

The City, prior to the establishment of the revenue bond program for sewerage system improvements, issued general obligation debt for purposes of sewerage system improvements. As of May 21, 2013 the City has $15,609,094 of general obligation bonds outstanding and four Clean Water Fund project loan obligations outstanding in the amount of $50,131,932 issued under the Clean Water Fund that are secured by the full faith and credit of the City. The City expects that debt service on such bonds and project loan obligations will be repaid entirely from revenues of the sewerage system. The debt service on the project loan obligations is treated as Parity Indebtedness and the general obligation bonds as Subordinated Indebtedness under the Indenture.

The following table sets forth the debt service requirements for indebtedness of the City incurred on behalf of the WPCA to make capital improvements to the Sewerage System. The payment of debt service on general obligation bonds of the City, which proceeds were used for Sewerage System improvements, is subordinate to the payment of debt service on the Parity Indebtedness.

Pro Forma as of May 21, 2013[1]

Fiscal Year Ending June 30	Senior Lien Debt (Parity Indebtedness) 2003 Series A & 2006 Sewer Revenue Bonds Principal	Interest	Existing Clean Water Fund Debt[2] Principal	Interest	Subordinated Debt General Obligation Sewer Bonds Principal	Interest	This Issue Series B & C Principal	Cumulative Percent Retired
2013[3]	$ –	$ –	$ 637,797	$ 166,575	$ –	$ –	$ –	0.70
2014	745,000	1,246,175	3,869,607	954,533	1,531,225	616,503	291,600	7.41
2015	775,000	1,217,181	3,864,423	876,859	930,033	564,237	798,000	13.50
2016	805,000	1,186,625	3,883,503	799,731	714,823	532,554	418,600	19.40
2017	840,000	1,152,331	3,943,011	721,412	1,049,610	495,533	94,100	25.77
2018	875,000	1,116,718	3,996,881	642,166	1,070,570	447,125	85,600	32.26
2019	910,000	1,079,991	4,077,554	561,492	924,429	401,377	90,800	38.72
2020	950,000	1,039,508	4,159,858	479,189	805,352	361,682	–	45.19
2021	995,000	996,730	4,026,883	397,206	825,352	324,037	–	51.57
2022	1,040,000	950,936	4,108,163	315,926	661,000	289,468	–	57.92
2023	1,090,000	903,653	4,191,084	233,005	681,000	257,838	–	64.43
2024	1,135,000	855,406	4,275,678	148,411	701,000	224,580	–	71.11
2025	1,190,000	803,456	4,361,980	62,109	716,000	190,030		77.96
2026	1,245,000	747,756	735,509	1,839	600,000	157,045	–	80.78
2027	1,305,000	689,406	–	–	620,000	125,320	–	82.88
2028	1,365,000	626,369	–	–	645,000	91,791	–	85.08
2029.....	1,435,000	558,331	–	–	665,000	56,416	–	87.37
2030	1,505,000	486,894	–	–	690,000	19,148	–	89.77
2031	1,580,000	411,931	–	–	–	–	–	91.50
2032	1,655,000	333,319	–	–	–	–	–	93.30
2033	1,745,000	250,694			–	–	–	95.21
2034	1,020,000	184,063			–	–	–	96.32
2035	1,070,000	134,425			–	–	–	97.49
2036	1,120,000	82,413			–	–	–	98.72
2037	1,175,000	27,906	–	–	–	–	–	100.00
Total	$27,570,000	$17,082,216	$50,131,932	$6,360,453	$13,830,394	$5,154,684	$1,778,700	

[1] Principal and interest payments reflect existing project loan obligations ("PLOs") between the City and the State of Connecticut, as follows: PLO 117-C (original amount of loan $2,731,211 and current principal amount outstanding $216,221); PLO 375-C (original amount of loan $852,229 and current principal amount outstanding $162,053; PLO 414-D (original amount of loan $3,574,208 and current principal amount outstanding $1,434,106); and PLO 414-C (original amount of loan $73,561,481 and current principal amount outstanding $48,319,552). Each PLO bears interest at the rate of 2% per annum, with payments of principal and interest made on a monthly basis.

[2] Excludes $5,620,613 of principal payments and $2,923,615 of interest payments made from July 1, 2012 through May 21, 2013.

SECTION V – FINANCIAL SECTION

Audited Financial Results for June 30, 2012 and Fiscal Year 2012-13 Adopted Budget

Audited Results for June 30, 2012: As of June 30, 2012, the total fund balance for the General Fund was $12.1 million. Of this amount, $8.4 million represented the committed portion of the General Fund fund balance (versus $6 million at the prior year-end period). The committed General Fund fund balance at year end represented 1.7% of total General Fund expenditures of $497.2 million reported on the modified accrual basis of accounting. Additionally, $3.6 million of the General Fund fund balance represented the assigned portion (versus $2.6 million at the prior year-end period). The assigned portion of the General Fund at year-end represented 0.7% of total General Fund expenditures of $497.2 million as reported on the modified accrual basis of accounting.

In fiscal 2012 the City achieved strong results in all areas of tax collections. The current levy collection rate (for all property types) was 98.6%, the eleventh consecutive year that the collection rate exceeded 98%. These positive results were achieved by a continued stable municipal tax base and the continuation of effective policies and practices employed in the area of delinquent collections.

Audited financial results indicate that the City achieved strong results in all areas of tax collection. The adopted levy rate was 98.45%; however tax revenue, adjusted for contingency reserves, came in above that, as evidenced by the net $9.3 million increase over budget, along with Federal Emergency Management Administration ("FEMA") reimbursements from Hurricane Irene, provided a further boost of revenues that were not originally included as part of the City's financing plan. Finally, due to the significant ongoing development in the City, building permit revenue was stronger than previously expected, as the $1.6 million increase over the Adopted Budget indicates.

On the expense side, all departments ended the year well within the budgetary plan. Of specific note are the Public Safety Departments with the most significant savings ($580,878) followed by Health and Welfare ($521,583), Operations ($273,000) and Administration ($592,425). The aggregate net savings achieved is a reflection of aggressive expense management procedures in place.

Utilizing conservative budgeting practices, the City was able to achieve positive budget variances for both revenues and expenditures resulting in a projected operating budgetary surplus (revenues over expenditures) of approximately $9.1 million after eliminating a negative balance in Risk and Parking Fund This projected operating surplus will increase the total budgetary fund balance to about $6 million. Adjusting for planned transfers and encumbrances will result in a projected GAAP operating surplus of approximately $2.5 million and a GAAP fund balance of approximately $8.6 million.

After completion of the June 30, 2012 audit report the City (subject to approval by the requisite governing boards) is considering eliminating a negative budget variance in the Self-Insurance and Parking Funds to use $4.0 million of the budgetary fund balance for the Rainy Day Fund. If approved, the balance in the Rainy Day Fund will increase to approximately $14.0 million.

Estimated Results for Fiscal Year 2012-13: The Adopted Budget is composed of $198.6 million for City operating expenses, $44.5 million for debt service, and $236.7 million for education costs. Included in the budget is approximately $4.2 million for contingency reserves for significant snow or other weather related events, potential labor settlements, and other unforeseen or unplanned occurrences.

The Office of Policy and Management ("OPM") is currently preparing the second quarter financial review for FY 2012-13. The first quarter financial review of all operating departments along with an analysis of General Fund revenue sources includes actual revenues and expenditures posted through the first quarter of the fiscal year and revenue and expenditure projections based on trends and anticipated changes from the revised budget identify a year-end surplus of $21,651. This analysis does not take into consideration any storm related costs associated with Storm Sandy. It is anticipated that expenses could increase significantly given the vast amount of flooding, the accumulation of debris, loss of power, and the required manpower necessary to assist with the storm's aftermath.

Revenues through the first quarter totaled $242.1 million, leaving a balance of $241.9 million of the projected $483.9 million to be collected by the end of the fiscal year. Included in this amount is $4.2 million in contingency funds. The Tax Collector reports tax receipts through the first billing cycle are on target and slightly exceed prior year's collection rate.

Expenditures on the municipal side, excluding Board of Education, through the first quarter are $103.6 million or 41% of the total City budget. First quarter expenditures include $18.9 million or 18% of total expenditures for annual payments for pension and other post-employment benefits paid in July/August in accordance with the operating plan.

Accounting Policies

The City's accounting policies are summarized in Appendix A – "Auditor's Section, Notes to Financial Statements, Note 1" herein.

Basis of Accounting

See Appendix A – "Auditor's Section, Notes to Financial Statements, Note 1" herein.

Audit

Pursuant to the provisions of the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes) and the City of Stamford Charter, the City is obligated to undergo an annual examination by an independent public accountant. The auditors, O'Connor Davies, LLP, were appointed by the Board of Finance, and are required to conduct their examination under the guidelines issued by the State of Connecticut, Office of Policy & Management, which receives a copy of the audit report when completed.

Budgetary Procedures

The City of Stamford conforms to the following budgetary sequences and time schedules:

Department estimates due for six-year capital program	December 10
Report of the Director of Administration to Board of Finance recommending the amount and nature of capital expenditures for the ensuing year	December 15
Certificate of Board of Finance to Planning Board of amount and nature of capital expenditures for subsequent year	January 15
Public hearing by Planning Board	February 10
Capital Budget from Planning Board to Mayor	March 1
Board of Education submits its Budget to the Board of Finance	March 1
Mayor's Operating and Capital Budget to Board of Finance	March 8
Joint Public Hearing before Board of Finance and Board of Representatives	April 8
Budget to Board of Representatives from Board of Finance	April 20
Budget adopted by Board of Representatives	May 15
Board of Finance establishes the mill rate	May 25

Taxable Grand List
($ in thousands)

Grand List 10/1	Residential Real Property Percent	Commercial and Industrial Real Property Percent	Other Percent	Personal Property Percent	Motor Vehicle Percent	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List	Percent Change
2012	56.9%	33.6%	0.3%	5.1%	4.1%	$19,125,128	$276,212	$18,848,916	(22.4)%
2011	59.6	32.5	0.2	4.3	3.5	24,598,527	304,121	24,294,406	1.1
2010	60.0	32.4	0.2	4.1	3.3	24,381,703	352,951	24,028,752	(0.3)
2009	59.2	33.5	0.2	4.0	3.1	24,376,201	286,215	24,089,986	0.2
2008	59.1	33.5	0.3	4.1	3.2	24,263,665	208,190	24,055,475	0.5
2007[1]	59.0	31.1	2.6	3.8	3.4	24,162,168	217,625	23,944,543	81.4
2006[2]	58.8	26.9	1.8	6.0	6.6	13,318,632	120,788	13,197,844	7.9
2005	56.5	29.7	0.4	6.3	7.2	11,327,695	129,929	11,197,766	1.5
2004	61.0	24.9	0.4	6.6	7.2	11,226,848	190,331	11,036,517	–

[1] Revaluation.
[2] Revaluation – Phase-In. See "Property Tax" herein.

Tax Collections

Fiscal Year Ended 6/30	Net Taxable Grand List (000s)	Adjusted Annual Levy	Percent of Annual Levy Collected at End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 3/1/13
2013	$24,294,406	$431,277,703	----------In collection----------		
2012	24,028,752	417,787,311	98.5	1.5	0.9
2011	24,089,986	406,891,242	98.6	1.4	0.3
2010	24,055,475	402,388,009	98.6	1.4	0.1.
2009.....	23,944,543	386,200,745	98.5	1.5	0.1
2008	13,197,844	356,270,017	98.4	1.6	0.1
2007	11,197,766	338,789,500	98.3	1.7	–
2006	11,036,517	323,570,472	98.5	1.5	–
2005	10,892,248	313,394,228	98.6	1.4	–

Property Taxes Receivable

Fiscal Year Ended June 30	Current Year (000s)	Total (000s)
2012	$6,285	$12,304
2011	7,260	12,804
2010	5,876	16,525
2009	5,681	14,839
2008	6,104	14,185
2007	5,764	12,216
2006	4,884	9,452
2005	4,486	14,443

Major Taxpayers

Name	Business	Taxable Valuation As of 10/1/11	Percent of Net Taxable Grand List
BLT Group	Development	$ 541,517,880	2.87%
RFR Properties	Office Buildings	361,708,310	1.92
Avalon	Apartments	162,783,980	0.86
UBS AG Stamford	Banking/Finance	145,300,100	0.77
First Stamford Place	Office Buildings	142,297,700	0.76
HPHV Direct LLC	Office Buildings/Retail	114,114,550	0.61
Rich-Taubman	Office Buildings/Retail	110,023,440	0.58
Four Hundred Atlantic Title	Office Buildings	104,399,360	0.55
One Stamford Realty	Office Buildings	96,476,880	0.51
Landmark	Office Buildings	96,326,020	0.51
Reckson/Stamford Towers	Office Buildings	78,568,450	0.42
Town Grove LLC	Apartments	76,677,550	0.41
UB Stamford LP	Office Buildings/Retail	75,732,630	0.40
One Station Place	Office Buildings	74,977,290	0.40
33 Broad Street Assoc. II LLC	Condominium	62,340,710	0.33
Pitney Bowes	Office Buildings	61,889,180	0.33
High Ridge Office Park LLC	Office Buildings	59,064,560	0.31
Soundview Farms LLC	Office Buildings	54,604,270	0.29
Stanford Square Associates	Office Buildings	48,351,890	0.26
Summer Street Equity LLC	Office Buildings	46,031,930	0.24
Total		$2,513,186,680	13.33%

Net Taxable Grand List for 10/1/12: $18,848,916,044.

Property Tax

The maintenance of an equitable tax base and the location and appraisal of all real and personal property within the City for inclusion onto the Grand List is the responsibility of the Assessor's Office. The Grand List represents the total of assessed value for all taxable real and personal property located within the City on October 1, in accordance with Section 12-62a of the Connecticut General Statutes. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments are computed at 70 percent of the market value.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the building inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of revaluation (Grand List of 2007). The property depreciation and obsolescence factors are also considered when arriving at an equitable value. The City completed a revaluation on the October 1, 2006 grand list, which was phased in over a five-year period. The City completed another revaluation on the October 1, 2007 grand list that superseded the October 1, 2006 revaluation. In accordance with the Connecticut General Statutes, the City is in the process of completing the revaluation of all real property for the 2012 Grand List. The entire process of the 2012 revaluation should be completed by March 31, 2013 and will be effective for the tax year beginning July 1, 2013 .

Motor vehicle lists are furnished to the City by the State of Connecticut Department of Motor Vehicles. The State utilizes the NADA (National Automobile Dealers Association) pricing schedules to determine market value. Assessed value for motor vehicles are computed at 70% of market value.

All personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually with all manufacturers and businesses required to complete and return (by November 1st) a

Personal Property Declaration. The declaration is a determination of value of taxable personal property as of October 1st. The City utilizes an accelerated depreciation schedule for certain types of personal property. Upon receipt of declarations, the assessor's staff reviews and prices property for all accounts.

The City derived 85.0% of its annual revenues for fiscal year 2012 through property taxes. For fiscal year 2011 the City collected 85.5% of its annual revenues from property taxes. The City expects that a similar proportion of its total revenue will be generated from property taxes in the future.

Tax Districts

The City of Stamford is divided into four taxing districts, based upon municipal services furnished. As the City's sewer program is extended to new areas, municipal garbage collection service is provided and the tax district classification is changed accordingly.

District A: Basic services (schools, police, etc.) plus sanitary sewers, garbage collection and paid fire protection.

District B: Basic services plus paid fire protection.

District C: Basic services plus paid and volunteer fire protection.

District C/S: Basic services plus paid and volunteer fire protection, sanitary sewers and garbage collection.

The core of the City is represented by Districts A and B which include the highest density of residential, commercial, and industrial development. District B is a very small portion of this core area to which sanitary sewers have not been extended.

Districts C and C/S are predominantly zoned for single-family residential use. District C/S is that portion of District C that has been provided with sanitary sewers and garbage collection.

The City, pursuant to State law and local ordinance, utilizes a uniform, State-recommended depreciation schedule for business and personal property. This depreciation schedule allows businesses to depreciate electronic data processing equipment much faster than had been previously permitted, Stamford businesses enjoyed a reduction in their assessments and corresponding taxes for electronic personal property, most notably computer equipment. In order to partially mitigate the impact of this reduction in personal property taxes, the City established a Personal Property Tax District. For fiscal year 2013 the Personal Property Tax District mill rate is 17.89 mills.

Tax Rates by District
(Mills)

Tax List	Fiscal Year	District A	District B	District C	District C/S	Uniform Auto Rate	Personal Property
October 1, 2011	2013	17.89	17.49	16.73	17.08	26.50	17.89
October 1, 2010	2012	17.49	17.10	16.31	16.64	26.50	17.37
October 1, 2009	2011	17.17	16.80	15.95	16.28	26.50	17.17
October 1, 2008	2010	16.82	16.45	15.68	16.01	26.50	16.82
October 1, 2007	2009	16.18	15.82	15.16	15.49	24.00	16.18
October 1, 2006	2008	27.03	26.28	25.20	25.88	34.00	27.03
October 1, 2005	2007	30.68	29.94	27.89	28.56	36.60	30.68
October 1, 2004	2006	29.81	29.01	27.16	27.90	35.62	29.81
October 1, 2003	2005	29.16	28.31	26.67	27.26	34.37	29.16
October 1, 2002	2004	28.68	28.59	27.00	27.56	33.19	28.68

Revenues

The City derives its revenues from a direct tax levy on property, state and federal aid, various fees and charges, and certain miscellaneous sources. City revenues are summarized for fiscal years ended through 2011 in "General Fund Revenue and Expenditures" herein.

Intergovernmental Revenues as a Percent of General Fund Revenues

Fiscal Year Ended June 30	Intergovernmental Revenues	General Fund Revenues	Aid as a Percentage of General Fund Revenues
2012	$45,996,081	$497,505,346	9.25%
2011	40,296,862	476,130,068	8.46
2010	36,958,336	462,646,616	7.99
2009	39,936,682	458,840,376	8.70
2008	38,740,568	442,328,318	8.76
2007	35,462,340	408,263,643	8.69
2006	38,510,261	389,612,700	9.88
2005	28,609,083	367,435,215	7.79
2004	27,509,205	361,647,956	7.61
2003	19,926,170	330,045,168	6.04
2002	21,513,708	316,619,272	6.79

Real Property Tax Collection Procedure

Taxes for the fiscal year are paid on the Grand List on the prior October 1, and are payable in two installments, one half on July 1 and one half on January 1. Payments not received by February 1 and August 1 become delinquent.

According to the provisions of Public Act No. 81-44, effective July 1, 1981, and applicable to property taxes due on or after said date, delinquent property taxes were subject to interest at the rate of 1.25% per month. Public Act No. 82-141, effective July 1, 1982, changed the interest rate to 1.5% per month for all delinquent property taxes.

Real Property Tax Levies

Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. At the discretion of the City and for the convenience of the taxpayer, tax bills are payable in two installments on July 1 and January 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as assessor errors, is provided by establishing a reserve for uncollected amounts when computing anticipated property tax revenue from the current levy. A modest estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least three times a year, with interest charged at the rate of one and one-half percent per month in accordance with Connecticut General Statutes, with a minimum charge of $2. Outstanding real estate tax accounts are automatically liened each year prior to June 30. The Tax Collector utilizes the City's Legal Department, outside attorneys, and collection agencies in the collection of real estate, personal property and motor vehicle tax bills. Real estate accounts and other accounts are transferred to suspense 15 years after the due date in accordance with State Statutes.

Five-Year Capital Improvement Program[1]

Proposed Expenditures	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18
Office of the Mayor	$ 1,250,000	$ 1,500,000	$ 1,250,000	$ 1,250,000	$ 1,250,000	$ 1,500,000
Office of Administration	125,312	130,124	130,124	130,124	130,124	130,124
Office of Operations	36,929,150	43,431,000	30,192,500	28,545,000	22,750,000	18,665,000
Office of Public Safety, Health & Welfare	1,299,300	1,921,495	1,190,000	1,557,000	615,000	2,608,000
Bartlett Arboretum	-	250,000	100,000	-	150,000	150,000
Childcare Learning Center	303,000	212,000	110,000	179,000	-	129,000
Ferguson Library	1,210,000	430,500	425,000	310,000	350,000	350,000
Scofield Manor	247,000	-	-	-	-	-
Stamford Center for the Arts	186,580	-	-	-	-	150,000
Stamford Historical Society	-	200,000	-	50,000	50,000	-
Stamford Museum	210,000	600,000	1,000,000	1,400,000	1,650,000	2,000,000
Old Town Hall Restoration	-	-	-	-	-	-
Board of Education	8,953,662	12,875,000	19,825,000	20,775,000	16,470,000	13,800,000
Parking Fund	540,000	-	-	-	-	-
Water Pollution Control Authority	1,285,234	4,150,000	2,150,000	760,000	650,000	50,000
E. G. Brennan Golf Course	-	-	-	-	-	-
Short-term Capital	4,493,830	7,045,000	7,595,000	7,495,000	8,445,000	2,445,000
Total Expenditures	$57,033,068	$72,745,119	$64,192,624	$62,451,124	$52,660,124	$41,977,124
Funding Sources						
GO Bonds	$34,466,648	$41,451,175	$38,089,938	$38,388,257	$32,360,648	26,263,878
Grants	14,365,874	18,323,531	16,169,271	15,730,611	13,264,387	10,573,481
Other	6,915,312	8,820,413	7,783,415	7,572,256	6,385,089	5,089,765
WPCA Revenue Bonds	1,285,234	4,150,000	2,150,000	760,000	650,000	50,000
Total Funding Sources	$57,033,068	$72,745,119	$64,192,624	$62,451,124	$52,660,124	$41,977,124

[1] A "safe debt limit" of $45.0 million in fiscal 2013 was proposed by the Director of Administration. The Mayor's final Adopted Capital Budget for fiscal 2013 authorized $34.5 million to be funded by bonds.

Comparative Balance Sheets – General Fund

	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08
Assets					
Cash and equivalents	$ 887,459	$ 1,123,705	$ 1,523,010	$ 890,360	$ 5,268,842
Property taxes	9,304,045	9,804,432	10,524,508	16,191,113	17,204,750
Intergovernmental	5,218,663	5,541,717	5,711,643	8,086,289	6,615,673
Other receivables	2,948,861	3,435,915	2,826,135	216,895	1,413,776
Due from other funds	6,279,759	6,782,637	457,186	518,528	5,039,386
Investments	16,279,215	16,226,278	20,068,247	19,789,289	21,370,819
Other assets	35,065	43,455	296,598	365,856	364,447
Total assets	$40,953,067	$42,958,139	$41,407,327	$46,058,330	$57,277,693
Liabilities and fund balance					
Liabilities					
Accounts payable/liabilities	$10,776,296	$11,125,942	$10,884,636	$ 9,629,609	$ 8,854,627
Deferred revenues	17,992,316	23,141,319	24,319,617	28,003,049	32,853,156
Due to other funds	63,300	63,300	63,300	63,300	63,300
Total liabilities	28,831,912	34,330,561	35,267,553	37,695,958	41,771,083
Fund Balance					
Reserved:					
For encumbrances	–	–	2,866,245	3,860,955	4,092,404
For inventory	–	–	22,937	–	–
For long-term advances	–	–	–	–	–
Total reserved fund balance	–	–	2,889,182	3,860,955	4,092,404
Designated:					
General Fund	–	–	3,250,592	4,501,417	–
For future contracts	–	–	–	–	–
	–	–	3,250,592	4,501,417	–
Unreserved and undesignated	–	–	–	–	11,414,206
Nonspendable	154,240	43,455	–	–	–
Committed	8,376,207	5,961,692	–	–	–
Assigned	3,590,708	2,622,431	–	–	–
Unassigned	–	–	–	–	–
Total fund balance	12,121,155	8,627,578	6,139,774	8,362,372	15,506,610
Total liabilities and fund balance	$40,953,067	$42,958,139	$41,407,327	$46,058,330	$57,277,693
Operating revenues	$497,505,346	$476,130,068	$462,646,616	$458,840,376	$442,328,318
Fund balance as percent of operating revenues	2.44%	1.81%	1.32%	1.82%	3.50%
Unassigned/unreserved fund balance as percent of operating revenues[1]	–%	–%	–%	–%	2.58%

[1]City Charter provides that the current year surplus or deficit must be applied to or funded in subsequent operating budgets or transferred into the "Rainy Day" Fund. The Mayor (subject to Board approval) may direct up to 75% of any budget surplus from the prior fiscal year to the "Rainy Day" Fund. The "Rainy Day" Fund is not to exceed 5% of General Fund expenditures for the prior fiscal year, and may be used by board resolution to support expenditures in the following fiscal years.

General Fund Revenues and Expenditures

The General Fund revenues, expenditures, and changes in fund balance for the fiscal years ended June 30, 2008 through 2011 have been derived from audited financial statements and are based on a GAAP basis of accounting. The adopted budget for 2013 and projected results for 2012 are provided by the City and are based on the budgetary basis of accounting. The City's independent accountants have not examined, reviewed or compiled any of the estimates presented below or expressed any conclusion or provided any other form of assurance with respect to such estimates, and accordingly, assume no responsibility for them. The financial information presented herein is the responsibility of the City of Stamford's management.

	Adopted Budget 2012–13[1]	2011-12[2]	2010–11[2]	2009–10[2]	2008–09[2]	2007–08[2]
Revenues						
General property taxes	$427,253,260	$423,093,113	$407,018,129	$397,485,307	$386,679,253	$360,287,944
Intergovernmental	17,907,470	45,996,081	40,296,862	36,958,336	39,936,682	38,740,568
Charges for services[3]	27,534,808	27,178,287	27,161,337	26,430,218	27,563,098	36,341,541
Interest and dividends	125,000	174,911	388,795	840,759	3,027,546	5,594,675
Other	2,727,499	1,062,954	1,264,945	931,996	1,633,797	1,363,590
Total revenues	475,548,037	497,505,346	476,130,068	462,646,616	458,840,376	442,328,318
Expenditures						
Government and community services	13,744,576	12,146,466	12,810,773	14,331,454	13,999,298	13,759,212
Administration	8,162,791	8,341,802	7,620,847	7,174,646	6,854,078	7,949,133
Legal affairs	15,248,435	15,143,895	11,183,426	7,545,585	12,895,688	6,987,466
Public health, safety & welfare	123,285,188	122,360,069	121,345,353	109,076,752	106,814,350	110,782,689
Operations	38,142,809	37,296,486	37,825,856	38,018,801	39,887,392	40,102,137
Board of Education[4]	236,717,158	252,544,074	241,144,181	244,611,342	243,089,067	221,558,188
Debt service[5]	–	–	–	–	–	–
Total expenditures	435,300,957	447,832,792	431,930,436	420,758,580	423,539,873	401,138,825
Excess of revenues over expenditures	40,247,080	49,672,554	44,199,632	41,888,036	35,300,503	41,189,493
Other financing sources (uses)						
Operating transfers in	4,264,461	3,214,641	2,798,495	3,715,304	2,958,679	2,531,303
Operating transfers out	(44,511,541)	(49,393,618)	(44,510,323)	(47,825,938)	(45,403,420)	(40,379,763)
Total other financing sources (uses)	(40,247,080)	(46,178,977)	(41,711,828)	(44,110,634)	(42,444,741)	(37,848,460)
Special and extraordinary items						
Smith House reclassification	–	–	–	–	–	(6,816,520)
State teachers' on-behalf payments	–	–	–	–	–	(70,000,000)
State teachers' on-behalf revenues	–	–	–	–	–	70,000,000
Total extraordinary items	–	–	–	–	–	(6,816,520)
Excess (deficiency) of revenues and other financing sources (uses) over (under) expenditures and other financing uses	–	3,493,577	2,487,804	(2,222,598)	(7,144,238)	(3,475,487)
Fund balance, July 1		8,627,578	6,139,774	8,362,372	15,506,610	18,982,097
Fund balance, June 30		$12,121,155	$8,627,578	$ 6,139,774	$ 8,362,372	$15,506,610

[1] Budgetary basis of accounting; does not include payments made on behalf of the City by the State of Connecticut for Teachers Retirement System.
[2] GAAP basis of accounting.
[3] Beginning in fiscal year 2007–08, operations of Smith House have been accounted for in the General Fund.
[4] In fiscal year 2012, $24,307,000 entry in BOE to record State teachers' retirement.
[5] Debt service included in operating transfers out.

Pension Plans

The City's pension plans cover all employees of the City, except teachers, who are covered by the State Teachers Retirement Fund. There are four separate plans: Classified Employees' Retirement Fund; Firefighters Pension Trust Fund; Police Pension Trust Fund; and the Custodians' & Mechanics' Retirement Fund. Hooker & Holcombe, Inc., are the consulting actuaries for the City.

The City's funding policy is to appropriate and recognize as an expenditure the amounts recommended by an actuary that are adequate to accumulate sufficient assets in each of the City's Plans 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 actuarial funding method utilizing the same actuarial assumptions as described in Appendix A, "Auditor's Section, Notes to Financial Statements" in this Official Statement.

The following is a schedule of the total funding progress by the City to all City pension plans:

As of July 1[1]	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio	Overfunded/ (Unfunded) Actuarial Accrued Liability
2011	$537,601,000	$586,098,000	92%	$(48,497,000)
2010	521,228,000	559,964,000	93	(38,736,000)
2009	521,769,000	537,484,000	97	(15,715,000)
2008	546,601,118	511,663,824	107	34,937,294
2007	535,601,000	484,354,000	111	51,247,000
2006	507,918,000	463,312,000	110	44,606,000
2005	491,929,000	438,830,000	112	53,099,000
2004	478,298,132	418,828,016	114	59,470,116
2003	467,855,124	380,371,000	123	87,484,124
2002	465,795,461	365,832,328	127	99,963,133

[1] Based on the valuations completed by Hooker & Holcombe, Inc. for fiscal 2009 through 2011; 2008 is based on the valuations completed by Buck Consultants.

Self-Insurance Programs

The City is exposed to various risk of loss related to torts, theft, or impairment of assets, errors and omissions, injuries to employees, and natural disasters. The City Risk Management office actively manages risk on behalf of the City, through a combination of loss prevention and control, risk retention, and risk transfer.

In response to changing market conditions, the City periodically evaluates its risk management program, including its self-insured retention levels. Currently, the City carries a $1,000,000 self-insured retention for general liability and auto liability claims, $1,000,000 for public officials' liability, $250,000 for property losses and $1,500,000 for workers' compensation claims. The City purchases commercial insurance for claims in excess of these retentions. All claim expenses and accruals, insurance premiums, and administrative expenses for risk management are reported in a separate Risk Management Internal Service fund.

It is also the City's policy to self-insure its employee health insurance programs with an individual stop loss currently set at $250,000 per claim. Above this threshold, the City purchases commercial insurance. Costs associated with employee health insurance risks are reported in the City's self-insurance fund.

Investment Policies and Practices

The City Charter and Connecticut General Statutes Sections 7-400, as amended by Public Act 94-190, 7-401 and 7-402 govern the investments the City is permitted to acquire. Furthermore, the City has an Investment Policy adopted by the Board of Finance (revised September 2008). Accordingly, the City may invest and

only invests in U.S. Treasury Bills, Federal Agency Securities, Federal Instrumentalities, Time Certificates of Deposits, Money Market Mutual Funds, Investment Pools, and the State Short-Term Investment Fund.

Other Post-Employment Benefits ("OPEB")

The City offers certain post-retirement medical benefits to eligible retirees and their dependents on a partially contributory basis and life insurance benefits to eligible retirees, as set forth in various collective bargaining agreements. Depending on the union contract, the benefits cover hospital care in full for a specified number of days (generally 120); surgical costs; certain major medical benefits; and small amounts of life insurance. In addition, the City pays a portion of the Medicare Part B premium for certain retirees. The City offers certain post-retirement medical benefits to eligible retirees and their dependents on a partially contributory basis and life insurance benefits to eligible retirees, as set forth in various collective bargaining agreements. Postretirement health benefits vary depending on the union contract that was in effect at the time of retirement. In most instances the City offers employees a comprehensive indemnity plan. Under these plans the employees pay a monthly cost share that ranges from 0% to 66% of the cost of the plan. Additionally, most plans have a co-pay for medical visits that also varies depending on the service offered. Most City retirees have Medicare supplement plans similar to the active plan. The City has recently begun the process of negotiating contracts that eliminate the Medicare supplement plans and increase all retiree monthly cost share to at least 50%. Some retirees also have a small death benefit. Benefits for all plans integrate with Medicare on a 100% coordination basis.

During fiscal 2012, the net amount paid for retiree medical claims and medical and life insurance premiums was approximately $12 million and covers approximately 1,000 individuals.

The Board of Representatives approved, by ordinance, the establishment of a trust to address Governmental Accounting Standards Board Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions." The trust was established in fiscal year 2008 and an investment advisor and custodian were selected.

The funding of the OPEB Trust fund was considered by all parties and it was initially agreed that funding of the Annual Recommended Contribution ("ARC") would be addressed through a five-year phase-in. Contributions to the fund, investment of fund assets, as well as payment of benefits from the fund commenced during fiscal year 2009. In fiscal 2011 the City/Board of Education made an OPEB payment of approximately $5.5 million, representing 50% of its projected ARC. Based upon the July 1, 2010 actuarial valuation, the 2012 OPEB payment was approximately $7.9 million representing 60% of the projected ARC. Primarily in light of the current difficult economic environment, the Board of Representatives approved a modification of the City's multi-year funding plan. Pursuant to the revised plan, the City/Board of Education will fund 60% of the ARC in fiscal 2013, 70% in fiscal 2014, 80% in fiscal 2015, 90% in fiscal 2016 and 100% in fiscal 2017. This change will afford the City some near-term financial flexibility while maintaining the City's commitment to progressively fully fund the ARC in a reasonable time frame.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the past five years is as follows:

Fiscal Year Ended June 30	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	$28,817,000	69.59%	$35,063,000
2011	25,455,000	63.61	26,299,000
2010	19,518,000	63.10	19,641,000
2009	18,429,000	69.93	12,439,000
2008	16,006,000	57.48	6,806,000

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Excess (Unfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Excess (Unfunded) Liability as a Percentage of Covered Payroll
7/1/11	$8,629,000	$252,250,000	$(243,621,000)	3.4%	N/A	N/A
7/1/10	3,906,000	298,344,000	(294,438,000)	1.3	$215,910,000	(136.4)%
7/1/08	–	215,337,000	(215,337,000)	–	226,225,000	(95.2)
7/1/06	894,000	200,894,000	(200,000,000)	–	188,244,000	(106.2)

SECTION VI – ADDITIONAL INFORMATION

Litigation

In the opinion of the City's Director of Legal Affairs, as of the date of this Official Statement, there are no claims or litigation pending or to his knowledge threatened, which would individually or in the aggregate result in final judgments against the City in excess of five percent (5%) of the City's annual revenues, or which would impact the validity of the Bonds or the power of the City to levy and collect taxes to pay them.

Availability of Continuing Information

The City prepares, in accordance with State law, annual audited financial statements and files such annual audits with the State Office of Policy and Management within six months of the end of its fiscal year. In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the City will agree to provide or cause to be provided annual financial information and operating data and notices of material events with respect to the Bonds pursuant to Continuing Disclosure Agreements to be executed in substantially the forms attached as Appendix C to this Official Statement.

The City has previously undertaken in continuing disclosure agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). In the past five years, the City has not failed to meet any of its undertakings under such agreements.

Legal Matters

Robinson & Cole LLP, Hartford, Connecticut is serving as bond counsel with respect to the authorization and issuance of the Bonds and will render its opinion with respect to the Bonds in substantially the forms attached to the Official Statement as Appendix B.

Documents to Be Furnished at Closing

Upon delivery of the Bonds, the Underwriter will be furnished with the following:

1. Signature and No Litigation Certificates stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.

2. A certificate on behalf of the City, signed by the Mayor and the Director of Administration, which will be dated the date of delivery and attached to a signed copy (or a copy with conformed signatures) of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, that as of the date of the execution of the Bond Purchase Agreement and the date of the issuance of the Bonds, the description and statements in the Official Statement relating to the City and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the City from that set forth in or contemplated by the Official Statement.

3. Receipts for the purchase price of the Bonds.

4. The approving opinions of Robinson & Cole LLP, Bond Counsel, of Hartford, Connecticut, substantially in the forms attached hereto as Appendix B.

5. Executed Continuing Disclosure Agreements substantially in the forms attached hereto as Appendix C.

6. Any other documents required by the Bond Purchase Agreement.

The City of Stamford has prepared an Official Statement for the Bonds which is dated _____, 2013. The City deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(1), but it is subject to revision or amendment. The City will make available to the Underwriter a reasonable number of copies of the Official Statement within seven business days of the signing of the Bond Purchase Agreement.

A transcript of the proceedings taken by the City in authorizing the Bonds will be kept on file at the principal office of the Paying Agent, U.S. Bank National Association, in Hartford, Connecticut and may be examined upon reasonable notice.

Additional Information

Additional information may be obtained upon request from Michael E. Handler, Director of Administration, City of Stamford, Government Center, 888 Washington Boulevard, Stamford, Connecticut 06904-2152, telephone (203) 977-4182 or from Barry J. Bernabe, Vice President, Webster Bank, National Association, 185 Asylum Street, Hartford, Connecticut 06103, telephone (203) 578-2203.

The City has retained Webster Bank, National Association, Hartford Connecticut (the "Financial Advisor") in connection with the preparation of the City's issuance of the Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement.

The Official Statement is submitted in connection with the sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. This Official Statement has been duly authorized and approved by the City and duly executed and delivered on its behalf by the City.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any such statements will be realized. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds.

Concluding Statement

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, such statements are made as such and not as representations of fact or certainty, and no representation is made that any of such statements will be realized. Information herein has been derived by the City from official and other sources and is believed by the City to be reliable, but such information other than that obtained from official records of the City has not been independently confirmed or verified by the City and its accuracy is not guaranteed.

This Official Statement has been duly prepared and delivered by the City and executed for and on behalf of the City by the following officials.

CITY OF STAMFORD, CONNECTICUT

By /s/ Michael A. Pavia
Michael A. Pavia
Mayor

By /s/ Michael E. Handler
Michael E. Handler
Director of Administration

Dated as of _March 27, 2013

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APPENDIX A – AUDITOR'S SECTION

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O'CONNOR DAVIES

PKF

INDEPENDENT AUDITORS' REPORT

To the Board of Finance of the
City of Stamford, Connecticut:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut ("City") as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of June 30, 2012 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2012 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

O'CONNOR DAVIES, LLP
One Stamford Landing, 62 Southfield Avenue, Stamford, CT 06902 | Tel: 203.323.2400 | Fax: 203.967.8733 | www.odpkf.com
O'Connor Davies, LLP is a member firm of the PKF International Limited network of legally independent firms and does not accept any responsibility or liability for the actions or inactions on the part of any other individual member firm or firms.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and the Schedule of Funding Progress for Pensions and Other Post Employment Benefits be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

O'Connor Davies, LLP

O'Connor Davies, LLP
Stamford, Connecticut
December 17, 2012

City of Stamford, Connecticut
Management's Discussion and Analysis
June 30, 2012

This discussion and analysis of the City of Stamford, Connecticut ("City") is intended to provide an overview of the City's financial activities for the fiscal year ended June 30, 2012. Please read it in conjunction with the letter of transmittal and the City's financial statements that follow this section.

Financial Highlights

- In fiscal 2012, the City's net assets increased by $21.3 million, or 5.8%, to $389.2 million. On a government-wide basis, including all governmental activities and business-type activities but excluding a small component unit, the City's assets ($1,051.6 million) exceeded its liabilities ($662.4 million), by $389.0 million as of June 30, 2012. Within governmental activities, net assets increased by $18.8 million, while net assets in business-type activities increased by $2.5 million. Overall, the continuing high level of net assets contributes to the City's financial strength.
- The City's governmental funds, which are reported on a current financial resource basis, had a combined ending fund balance of $92.5 million, an increase of $42.7 million from the prior fiscal year-end period.
- As of June 30, 2012, the total fund balance for the General Fund was $12.1 million. Of this amount, $8.4 million represented the committed portion of the General Fund fund balance (versus $6 million at the prior year-end period). The committed General Fund fund balance at year end represented 1.7% of total General Fund expenditures of $497.2 reported on the modified accrual basis of accounting. Additionally, $3.6 million of the General Fund fund balance represented the assigned portion (versus $2.6 million at the prior year-end period). The assigned portion of the General Fund at year-end represented 0.7% of total General Fund expenditures of $497.2 million as reported on the modified accrual basis of accounting. It is also worth noting that the General Fund fund balance was reduced by $4.9 million in planned transfers to the Rainy Day Fund in fiscal 2012.
- The City's Rainy Day Fund was increased by $4.9 million in fiscal year 2012 and had a balance of approximately $13.9 million as of June 30, 2012. The Rainy Day Fund provides an additional assignment of fund balance totaling 2.8% of General Fund expenditures and strengthens the City's financial flexibility by providing resources outside of the City's General Fund.
- The City's total long-term debt (bonds and notes payable) increased by $22.3 million to $513.9 million in fiscal 2012. During the 2012 fiscal year, the City issued $45.0 million in General Obligation Bonds at interest rates ranging from 2.0% to 5.0% depending on maturity to finance capital projects. Additionally, the City issued $16.3 million in Special Obligation Tax Increment Revenue Bonds at an interest rate of 7.0%. The debt service on the Special Obligation Tax increment Revenue Bonds is payable from the additional property taxes generated by the properties within the Mill River Corridor project area. The City and its taxpayers

are not liable for such bonds, except to the extent of the additional property taxes generated within the project area and dedicated to repayment of the bonds. The City's debt level is considered "low to moderate" by Standard & Poor's and Moody's Investors Service, who currently rate the City's outstanding debt AAA and Aa1, respectively.

- The City's four defined benefit pension plans (Classified Employees, Police, Firefighters and Custodians and Mechanics), incurred a combined decrease in net assets of $15.7 million, or 3.4%, in fiscal 2012. The decrease consisted primarily of employee/employer contributions of $17.8 million, increase in net investment returns of $.54 million, offset by benefit payouts of $34.1 million. The pension funds were approximately 92% funded from an actuarial standpoint. The pension trusts' Boards and City officials closely monitor the various plans to ensure their ongoing stability, given the continuing challenging financial market conditions and weak economic environment.
- The City also continued to implement its 5-year phase-in funding plan for OPEB costs by funding approximately 70% of the actuarially required contribution (approximately $8.0 million) to the OPEB trust fund in fiscal 2012.
- Combined assets for all trust funds under management total $503.8 million as of June 30, 2012.

Overview of the Financial Statements

This discussion and analysis is intended to provide an introduction to the City's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to financial statements. This report also contains supplementary information and a statistical section. The statistical section provides comparisons of selected information for the past several years.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a general understanding of the City's finances, in a manner similar to those for private-sector businesses. All the resources the City has at its disposal are reported, including major capital assets such as buildings and infrastructure. In addition, a thorough accounting of the costs of government operations as well as its revenue sources is provided.

The Statement of Net Assets presents information on all of the City's assets and liabilities, with the differences reported as net assets. Evaluating the amount and composition of the City's net assets - the difference between assets and liabilities - is one way to measure the City's financial health or financial position. Over time, increases or decreases in net assets may serve as an indicator of whether the financial position of the City is improving or deteriorating. However, other non-financial factors need to be considered as well, including changes in the City's property tax base and the condition of the City's capital assets, to assess the overall financial health of the City.

The Statement of Activities presents information showing how the City's net assets changed during the fiscal year. All of the most recent fiscal year's revenues and expenses are taken into account, regardless of when cash was received or paid. Thus, revenues and expenses are reported in this statement for some items that may only result in cash flow in some future fiscal period. Uncollected taxes and earned but unused vacation leave expenses are examples of these types of items.

The government-wide financial statements distinguish functions of the City that are supported by taxes and intergovernmental revenues (which are reported as "governmental" activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (which are reported as "business-type" activities).

- Governmental activities of the City encompass most of the City's basic services, including education; governmental and community services; administration; public safety; health and welfare and public works. Property taxes, charges for services and intergovernmental grants finance the majority of these activities.
- Included in Total Governmental Funds, but shown separately as a major fund, is the Mill River Capital Projects Fund. The Mill River Capital Projects Fund was created to be a financing mechanism, whereby a portion of property taxes in the Mill River Corridor tax increment financing district are set aside to fund improvements in the district.
- Business-type activities of the City include the Stamford Water Pollution Control Authority ("SWPCA"), the Old Town Hall Redevelopment Agency ("OTHRA") and the E.G. Brennan Golf Course. They are reported as business-type activities because the City charges a fee to customers or service users to help cover all or most of the cost of their operations.
- The City includes one separate legal entity in its report: the Urban Redevelopment Commission ("URC"). Although legally separate, this "component unit" is included, since the City is financially accountable for it.

The government-wide financial statements (Statement of Net Assets and Statement of Activities) are provided on pages 19-21 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control and accountability over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law, while others are established to help control and manage money for a particular purpose. The City has three kinds of funds, as follows:

Governmental Funds The majority of the City's basic services are reported in governmental funds. These reports focus on how money flows into and out of those funds and the balances at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. Governmental fund information helps determine whether there are more or fewer

financial resources that can be spent in the near future to finance the City's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation following the fund financial statements.

The City of Stamford maintains 21 individual governmental funds, including the General Fund, 4 Capital Projects funds, 1 Debt Service Fund and 15 Special Revenue funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Capital Projects Fund and the Mill River Capital Projects Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation as Non-Major Governmental Funds. Non-major governmental funds for the City include the Stamford Community Development Program, Board of Education Food Service Program, Town Aid Highway, Dog License, Drug Asset Forfeiture (State and Federal), Police Extra Duty, Educational Grants Programs, Other City Grants Programs, School Building Use, Continuing Education, Marinas, Greater Stamford Transit District, Parking, Rainy Day, Board of Education Energy Reserve, Transportation Capital, Capital Non-Recurring, and the Debt Service Fund. Individual fund data for each of these non-major governmental funds is provided in the Combining Balance Sheet and in the Combining Statement of Revenues, Expenditures and Changes in Fund Balances.

The City adopts an annual budget for its General Fund. A budgetary comparison statement is provided for the General Fund to demonstrate compliance with the authorized budget. The Statement of Revenues, Expenditures and Changes in Fund Balance on a Budgetary Basis is presented on page 26.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance) are presented on pages 22 and 24 of this report.

Proprietary Funds The City maintains two different types of proprietary funds. Enterprise funds are used to report the same types of functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the SWPCA, OTHRA and the E.G. Brennan Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the City's various functions. The City uses its internal service funds to account for risk management costs, including tax appeals and employee health benefits costs for City and Board of Education employees. Because the internal service funds predominantly benefit governmental rather than business-type functions, they are included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements. The Proprietary Fund financial statements provide separate information for the SWPCA and OTHRA, which are considered to be major proprietary funds of the City. Separate information is also provided for the E.G. Brennan Golf Course, which is considered a non-major Proprietary Fund of the City. In addition, individual fund data for the internal service funds are provided in separate columns in the Proprietary Fund

Financial statements. The basic Proprietary Fund financial statements (Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets and Statement -of Cash Flows) are presented on pages 29-32 of this report.

Fiduciary Funds The City is the trustee, or fiduciary, for its employees' pension plans. Fiduciary funds are not reflected in the government-wide financial statements because the City cannot use these assets to finance its operations. For reporting purposes only, the over-funded portion of pension assets is reflected as a non-current asset in the government-wide financial statements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The City has four pension trust funds (Classified, Police, Firefighters and Custodians and Mechanics), an Other Post Employment Benefits ("OPEB") trust fund, and two agency funds (Student Activity Fund and Scholarship Fund). The basic Fiduciary Fund financial statements are provided on pages 33-34 of this report.

Notes to Financial Statements

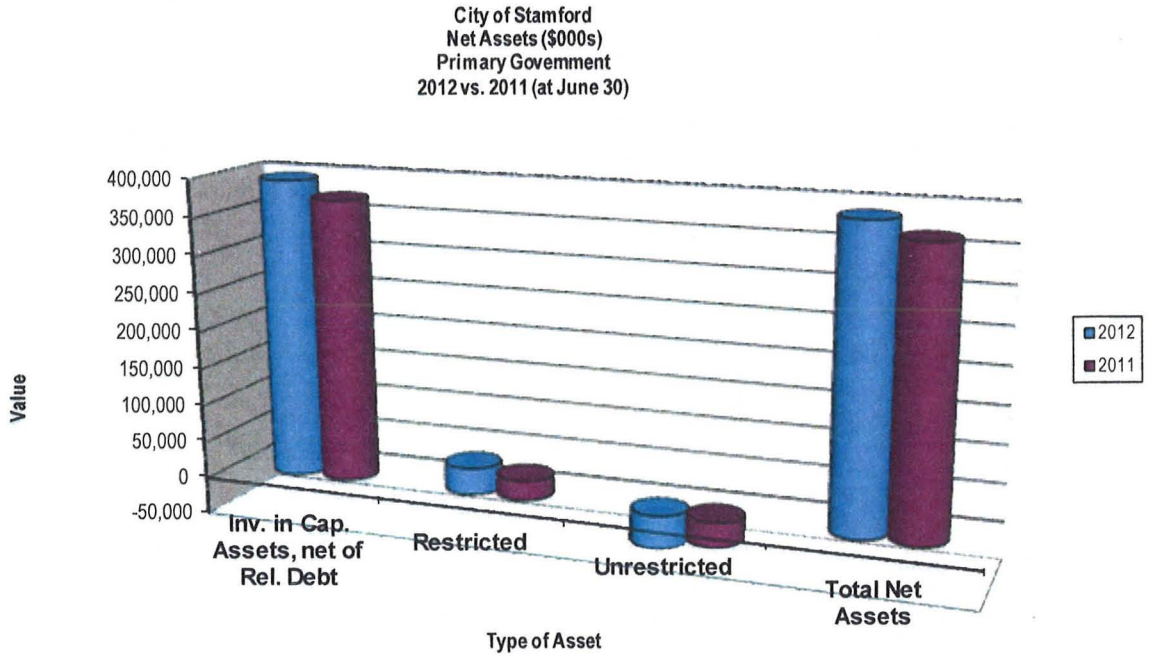
The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements are provided on pages 35-37 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the City, the governmental activities assets ($872.9 million) exceeded its liabilities ($548.5 million) by $324.4 million at June 30, 2012.

City of Stamford
Net Assets ($000s)

	June 30, 2012				June 30, 2011			
	Primary Government			Component Unit	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Urban Redevelopment Commission	Governmental Activities	Business-Type Activities	Total	Urban Redevelopment Commission
Current and other assets	$ 173,977	$ 11,828	$ 185,805	$ 5,032	$ 134,352	$ 11,909	$ 146,261	$ 5,213
Capital assets	698,906	166,878	865,784	-	680,391	171,420	851,811	-
Total Assets	872,883	178,706	1,051,589	5,032	814,743	183,329	998,072	5,213
Current liabilities	44,295	2,906	47,201	708	41,301	3,839	45,140	660
Long-term liabilities	504,197	110,958	615,155	1,656	467,874	117,107	584,981	1,656
Total Liabilities	548,492	113,864	662,356	2,364	509,175	120,946	630,121	2,316
Net Assets:								
Invested in capital assets, net of related debt	340,195	56,453	396,648	-	322,221	52,235	374,456	-
Restricted	27,257	7,992	35,249	-	17,764	8,060	25,824	-
Unrestricted	(43,061)	397	(42,664)	2,669	(34,417)	2,088	(32,329)	2,897
Total Net Assets	$ 324,391	$ 64,842	$ 389,233	$ 2,669	$ 305,568	$ 62,383	$ 367,951	$ 2,897



Net Assets

On a government-wide basis, excluding component units, as of June 30, 2012 the primary government's assets ($1,051.6 million) exceeded its liabilities ($662.4 million), resulting in total net assets of $389.2 million, an increase of $21.3 million from last fiscal year-end's net assets of $368.0 million. Total net assets for only governmental activities at fiscal year-end were $324.4 million, up $18.8 million from $305.6 million the previous year, and total net assets for business-type activities were $64.8 million (an increase of $2.5 million from the prior year balance of $62.3 million).

Unrestricted Net Assets In the government-wide financial statements for governmental activities, the assets ($872.9 million) of the City exceeded its liabilities ($548.5 million) at fiscal 2012 year-end by $324.4 million. Of this amount, the unrestricted portion was a deficit of $43.1 million, which would need to be financed from future operations. This deficit does not mean that the City does not have resources available to meet its obligations in the ensuing year. It is the result of having long-term commitments, compensated absences ($21.4 million) and other post-employment benefit ("OPEB") obligations ($35.1 million) that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made. The City has also reported assets restricted for debt service and special revenue funds, which also contributed to the unrestricted deficit mentioned above.

Net Assets Invested in Capital Assets, Net of Related Debt As expected, the largest portion of the City's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, equipment and infrastructure), net of accumulated depreciation and any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not readily available to fund future capital spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources

needed to repay this debt must be provided from other sources, since the capital assets themselves realistically cannot be used to liquidate these liabilities.

Restricted Net Assets Of the City's total net assets of $389.2 million as of June 30, 2012, $35.3 million, or approximately 9.1%, was restricted for specific uses, including $18.7 million for debt service (reflecting funds set aside in debt service reserve accounts in accordance with indenture agreements), and $16.6 million restricted for special revenue funds (related to net assets which have constraints placed on their use by Federal, State and local requirements.)

Financial Ratios

A common measure of liquidity is the current ratio (current assets ÷ current liabilities), which helps one determine if, over the next year, the City will have enough cash or readily liquid assets on hand to finance its short term obligations within that period. As of June 30, 2012, the City's current ratio was 3.93 to 1, indicating that the City has sufficient liquidity to meet its short term obligations. A more conservative measure of liquidity is the quick ratio, whereby only the most liquid assets (cash and short term liquid investments) are compared with current liabilities. As of June 30, 2012, the City's Quick Ratio was 1.85 to 1, a respectable ratio. Both these liquidity ratios were comparable to the prior year period.

The City's debt service ratio (i.e., annual debt service divided by General Fund expenditures) was under 10% as of June 30, 2012, which is favorably considered "moderate to average" by the major rating agencies. In addition, the City's debt burden ratio of 1.31% (i.e., net debt outstanding for the City's Governmental Activities divided by Equalized Net Grand List or $386.2 million ÷ $29,591.4 million = 1.31%) is considered "low to moderate" and compares favorably to the national median debt burden for AAA-rated municipalities.

Additional information regarding the City's outstanding debt and credit quality is provided on pages 62-67.

City of Stamford
Changes in Net Assets ($000s)

	2012				2011			
	Primary Government			Component Unit	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Urban Redevelopment Commission	Governmental Activities	Business-Type Activities	Total	Urban Redevelopment Commission
Revenues:								
Program Revenues:								
Charges for services	$ 43,270	$ 23,405	$ 66,675	$ -	$ 45,174	$ 23,408	$ 68,582	$ -
Operating grants and contributions	83,606	-	83,606	280	80,444	-	80,444	296
Capital grants and contributions	19,762	-	19,762	-	11,946	-	11,946	-
General Revenues:								
Property taxes	420,983	-	420,983	-	407,065	-	407,065	-
Grants and contributions not restricted to specific programs	7,116	-	7,116	-	6,510	-	6,510	-
Unrestricted investment earnings	205	99	304	1	469	120	589	1
Total Revenues	574,942	23,504	598,446	281	551,608	23,528	575,136	297
Expenses:								
Government and community services	16,300	-	16,300	-	18,078	-	18,078	-
Administration and legal affairs	25,281	-	25,281	-	19,863	-	19,863	-
Public safety	104,502	-	104,502	-	102,938	-	102,938	-
Health and welfare	36,694	-	36,694	-	33,295	-	33,295	-
Operations	62,013	21,045	83,058	-	51,031	21,551	72,582	-
Education	296,729	-	296,729	-	291,280	-	291,280	-
Interest	14,600	-	14,600	-	13,698	-	13,698	-
Other	-	-	-	509	-	-	-	726
Total Expenses	556,119	21,045	577,164	509	530,183	21,551	551,734	726
Change in Net Assets	18,823	2,459	21,282	(228)	21,425	1,977	23,402	(429)
Net Assets, beginning	305,568	62,383	367,951	2,897	284,143	60,406	344,549	3,326
Net Assets, ending	$ 324,391	$ 64,842	$ 389,233	$ 2,669	$ 305,568	$ 62,383	$ 367,951	$ 2,897

Change in Net Assets

Governmental Activities

In fiscal 2012, governmental activities increased the City's net assets by $18.8 million. Governmental activities' revenues were $574.9 million, up $23.3 million from the prior year. Revenue by source was consistent with past years and management's expectations. More than 73% of revenues in total governmental activities revenues were derived from property taxes. About 18% of revenues was derived from operating and capital grants and contributions, while about 8% came from charges for services; the remainder was derived from investment earnings and other sources (including planned transfers from other funds). As expected, the property tax levy increased over the prior year due to grand list growth and Federal and State aid increased by approximately $1.1 million from the previous year. The City continues to focus on containing costs, although rising structural costs (e.g., Pensions, OPEB, Medical, etc.) represent a continuing challenge.

Business-Type Activities

In fiscal 2012, changes in the net assets of business-type activities resulted in an increase in the City's net assets as of June 30, 2012 of $2.5 million, primarily reflecting the increased investment in capital assets, net of related debt.

Financial Analysis of the Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with generally accepted accounting principles and emphasize accountability, segregating specific activities in accordance with laws, regulations or special restrictions.

Governmental Funds The focus of the City's governmental funds accounting and disclosures is to provide information on near-term inflows, outflows, and types and amounts of available resources. Such information is useful in assessing the City's cash needs, financing requirements, and available resources. In particular, unassigned fund balances may serve as a useful measure of a government's net resources available for future costs at the end of the fiscal year.

As of June 30, 2012, the City's Governmental Funds (General Fund, Capital Projects Fund, Mill River Capital Projects Fund, Non-Major Governmental funds) combined fund balance was $92.5 million, an increase of $42.7 million from the prior year. Approximately $65.1 million of the combined fund balance is reported as nonspendable and restricted, since it has been obligated for the following purposes:

- $38.5 million for ongoing capital projects inclusive of capital non-recurring
- $10.7 million for debt service for the City and Mill River Capital Projects
- $15.9 million for potential exposure on long-term accounts receivable, advances to OTHRA enterprise fund, prepaid expenses, and inventory

The General Fund is the chief operating fund of the City. As of June 30, 2012, the total fund balance was $12.1 million consisting of committed fund balance of $8.4 million and $3.7 million of nonspendable or assigned fund balance. This means the total fund balance represented 2.6% of total General Fund expenditures, as compared to 1.8% a year ago. In order to strengthen the City's financial flexibility, a portion of the unassigned General Fund balance in recent years has typically been transferred to the Rainy Day Fund as noted below.

The City Charter provides that a current year surplus, or deficit, must be applied to, or funded, in subsequent operating budgets or in the case of surpluses, be transferred into the Rainy Day Fund. The Mayor (subject to approval by the requisite governing boards) may direct up to 75% of any budget surplus from the prior fiscal year be transferred to the Rainy Day Fund. The Rainy Day Fund may not exceed 5% of General Fund expenditures for the prior fiscal year and may only be used to support expenditures in subsequent fiscal years. During fiscal year 2012, approximately $4.9 million was transferred from the fiscal 2011 General Fund surplus to the Rainy Day Fund, bringing the balance in the City's Rainy Day Fund to approximately $13.9 million as of June 30, 2012. The City has committed $4.2 million from the fiscal year 2012 surplus to be transferred to the City's Rainy Day Fund in fiscal year 2013.

The budgetary basis fund balance of the City's General Fund increased by $2.5 million to $8.5 million as of June 30, 2012; the primary factors affecting this change in fund balance were as follows:

- Planned transfers out during the year were $4.9 million, which was transferred into the Rainy Day Fund to increase its reserves.
- Current year (i.e., fiscal 2012) operating results (revenues less expenditures) produced an approximate $6.2 million operating surplus and $1.2 million of unexpended prior year encumbrances were also returned to the fund balance. Once again, the City achieved very strong results in all areas of tax collections. The combined current levy collection rate (for all property types) was 98.7%, marking the eleventh consecutive year that the City's collection rate exceeded 98%. This favorable result was enabled by a continued strong and diverse tax base and execution of effective practices involving delinquent tax payments.

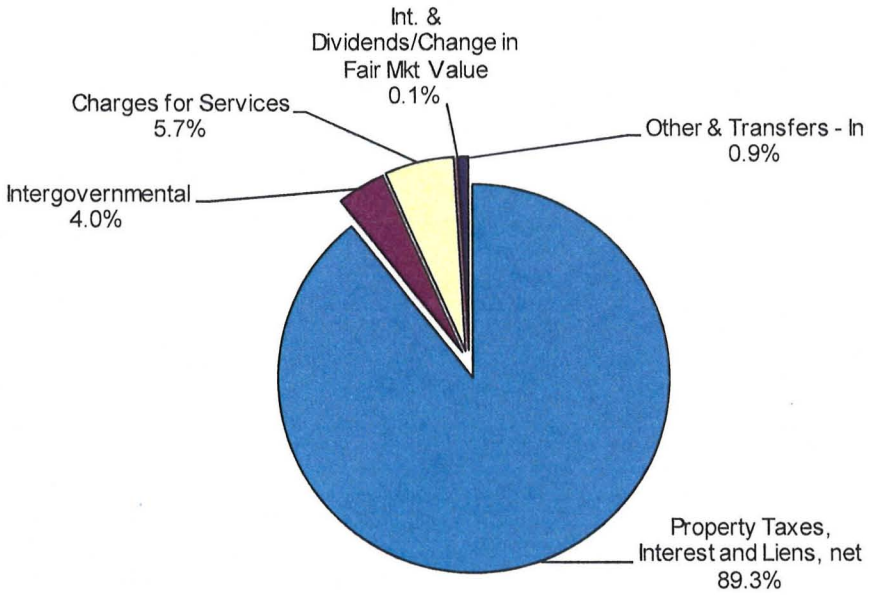
As of June 30, 2012, the Capital Projects Fund had a total fund balance of $45.1 million, significantly up from $17.4 million in the prior year. In fiscal 2012, $45.0 million in new general obligation bonds were issued as part of the City's plan to finance current capital projects.

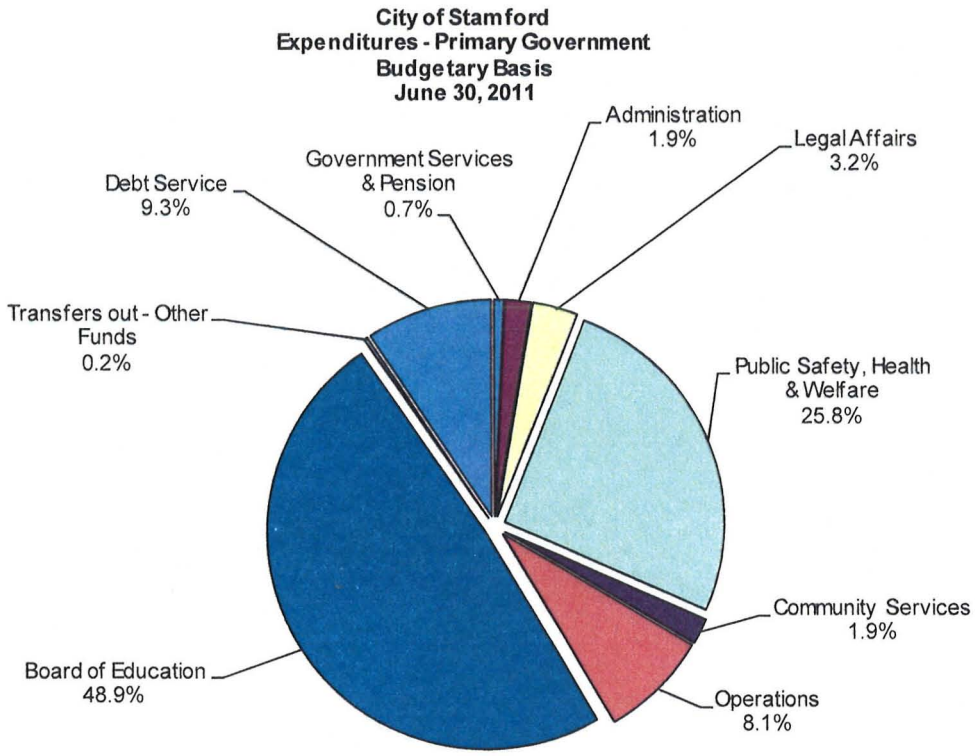
As of June 30, 2012, the Mill River Capital Projects Fund had a total fund balance of $9.9 million, up from $2.9 million in the prior year. In fiscal 2012, $16.3 million in Special Obligation Tax Increment Revenue Bonds were issued as part of the City's plan to finance the project areas within the Mill River Corridor.

Non-Major Governmental Funds had a total fund balance of $25.3 million, up from $23.7 million in the prior year. (Note – the Million River Capital Projects Fund was considered

a non-major governmental Fund in the prior year). The specific fund having an increase in its respective fund balance included the Rainy Day Fund ($4.9 million). The City's operating flexibility is greatly enhanced by the maintenance of these independent restricted and/or assigned funds that may be used to supplement certain General Fund expenditures. More information on Non-Major Governmental Funds is provided on pages 87-94.

City of Stamford
Revenues - Primary Government
Budgetary Basis
June 30, 2011





Proprietary Funds The City's Proprietary Funds provide the same type of information presented in the government-wide financial statements.

As of June 30, 2012, net assets of the SWPCA were $59.5 million, up $3.3 million from the comparable prior year period (mainly due to increased sewer usage charges and lower operating expenses). Unrestricted net assets of the SWPCA were $5.2 million, up $2.5 million as compared to the prior year-end period of $2.7 million. The SWPCA recorded operating revenues of $19.4 million and non-operating income of approximately $2.8 million in fiscal 2012. For more information on the SWPCA, please refer to their stand-alone audit report (which contains a detailed presentation of the SWPCA's finances for fiscal year 2012).

Old Town Hall Redevelopment Agency had net assets of $3.8 million, of which the unrestricted amount was a deficit of $5.3 million and the loss from operations was $0.7 million, resulting from depreciation and interest expense exceeding the nominal rental income amount.

Net assets for the non-major Enterprise Fund – E.G. Brennan Golf Course totaled $1.6 million as of June 30, 2012.

General Fund Budgetary Highlights

In fiscal 2012, the difference between the General Fund original Revenues and Other Financing Sources budget of $466.3 million and the final amended Revenue budget of $467.9 million was approximately $1.6 million. The revenue budget adjustments

primarily included higher property tax revenues ($1.5 million). The difference between the General Fund original Expenditures, Encumbrances and Other Uses budget of $466.3 million and the final amended Expenditure budget of $473.8 million was approximately $7.5 million. The primary expenditure budget adjustments, which were made taking certain risks and contingencies into consideration, primarily included higher Property Revaluation expenditures ($1.0 million), Legal Affairs ($0.3 million), Building Maintenance ($0.4 million), Registrar of Voters ($0.2 million), and planned transfers to the Rainy Day Fund ($4.9 million).

During the year, actual Revenues and Other Sources were $473.9 million, which exceeded the final budget of $467.9 million by approximately $6.0 million. This favorable variance was primarily due to higher property taxes and liens ($6.5 million), and Licenses, Fees and Permits ($2.0 million), and partially offset by lower Smith House Revenues ($2.2 million) and interest income ($0.3 million). During the year, actual Expenditures, Encumbrances and Other Uses were held to $472.5 million, which compared favorably to the final budget of $473.8 million. This $1.3 million favorable variance was achieved through aggressive cost management within all municipal functions.

The budgetary basis General Fund balance as of June 30, 2012 was $8.5 million. Of this amount, $4.2 million is expected to be committed to the Rainy Day Fund.

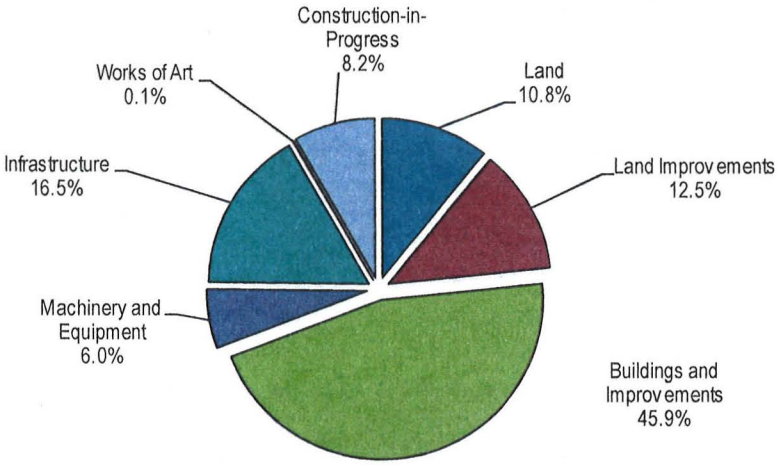
Capital Assets and Debt

Capital Assets As of June 30, 2012, the City's investment in capital assets for its governmental and business-type activities amounted to $865.6 million (net of accumulated depreciation), an increase of $13.8 million, or 1.6%, from the prior year period. This investment in capital assets includes land, building and system improvements, machinery equipment, park facilities, roads, sewers and bridges.

City of Stamford
Capital Assets (net of depreciation) ($000s)
June 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business Type Activities	Total	Urban Redevelopment Commission
Land	$ 88,833	$ 4,864	$ 93,697	$ 4,243
Land Improvements	106,326	2,241	108,567	-
Buildings and Improvements	296,140	101,230	397,370	-
Machinery and Equipment	40,160	11,591	51,751	-
Infrastructure	97,035	45,781	142,816	-
Works of Art	767	-	767	-
Construction-in-Progress	69,645	1,171	70,816	-
Total	$ 698,906	$ 166,878	$ 865,784	$ 4,243

City of Stamford
Capital Assets - Primary Govemment
June 30, 2012



Capital projects during fiscal 2012 included the following:

City of Stamford
Capital Projects
(Millions)

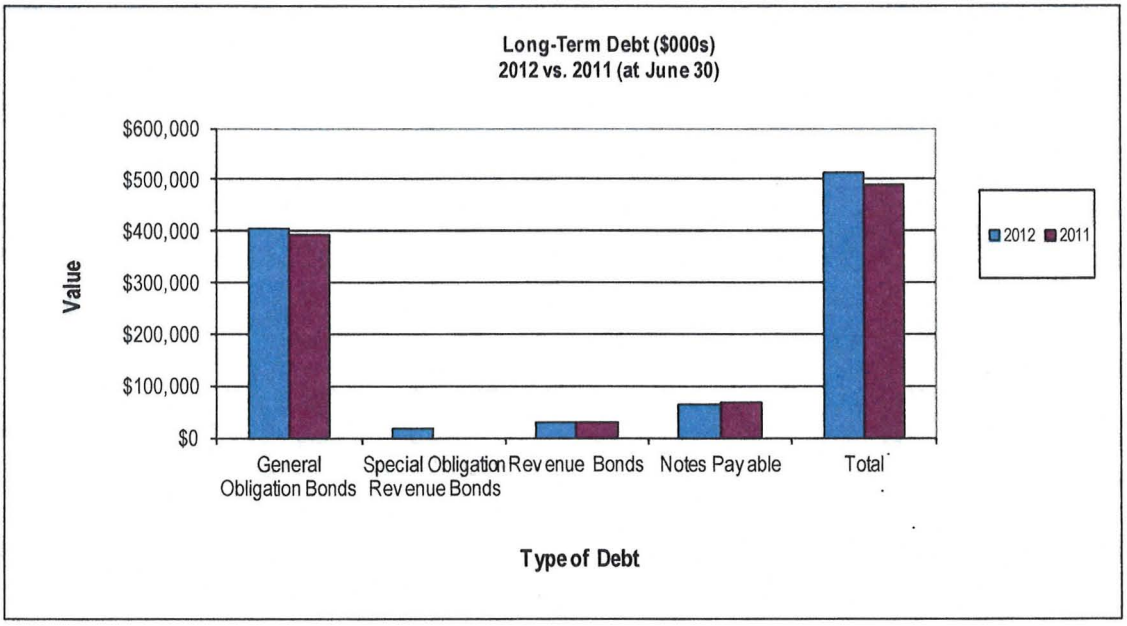
Project	Amount
Stamford Urban Transitway	$ 7.1
Mill River Park Improvements	5.5
Total	$ 12.6

Additional information on capital assets is provided in Note 3, D on pages 54-55 of this report.

Long-Term Debt As of June 30, 2012, the City had total long term debt outstanding of $513.9 million, up $22.3 million versus the prior year-end period. A detailed comparison of the City's long-term debt is provided below:

City of Stamford
Long-Term Debt
General Obligation and Revenue Bonds, Notes Payable

	June 30, 2012			June 30, 2011		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
General Obligation Bonds	$ 386,193,801	$ 18,744,385	$ 404,938,186	$ 373,316,413	$ 20,468,660	$ 393,785,073
Special Obligation Revenue Bonds	16,245,000	-	16,245,000	-	-	-
Revenue Bonds	-	28,285,000	28,285,000	-	28,975,000	28,975,000
Notes Payable	956,031	63,473,113	64,429,144	1,599,665	67,198,158	68,797,823
Total	$ 403,394,832	$ 110,502,498	$ 513,897,330	$ 374,916,078	$ 116,641,818	$ 491,557,896



The City's high credit quality is reflected by its AAA rating from Standard & Poor's (S&P) and its Aa1 rating by Moody's Investors Service (Moody's). The City's bond ratings have been recently reaffirmed by both S&P (at AAA) and Moody's (at Aa1), respectively.

The overall statutory debt limit for the City is equal to seven times annual receipts from taxation or approximately $2.9 billion. The City's outstanding debt of $513.9 million as of June 30, 2012 was substantially below this statutory debt limit.

Additional information on long-term liabilities is provided in Note 3, G on pages 62-71 of this report.

Economic Factors and Subsequent Events

Despite the continuing adverse effects of the weak global economy, the Stamford economy, although impacted, held up comparatively well during fiscal 2012, primarily reflecting the strength and resilience of the City's diverse commercial and retail business mix and the community's high household income level.

The City's unemployment rate of 6.8% compared favorably with the 8.4% rate for the State of Connecticut and 8.4% nationally. The office vacancy rate (for central business district properties) in Stamford declined from 26.5% in the first quarter of fiscal 2012 (period ended September 30, 2011) to 26.9% in the fiscal 2012 fourth quarter (period ended June 30, 2012); although the commercial vacancy rate remains high, due to its strategic location and attractive overall attributes. Stamford is continuing to attract significant new corporate, commercial and retail businesses, which are expected to increase jobs and further strengthen the City's economic and tax base.

The 2012 estimated median household income in the Stamford Metropolitan Area was approximately $77,800, which compared favorably to the estimated median household income in the State of Connecticut of approximately $70,700 and nationally of approximately $50,500.

These economic factors, including the expectation of continuing cost pressures and the likelihood of a slow economic recovery, were considered in preparing the City's fiscal 2013 budget.

Requests for Information

This financial report is designed to provide a general understanding of the City's most recent financial statements for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Administration (mhandler@ci.stamford.ct.us) at 888 Washington Boulevard, Stamford, CT 06901.

BASIC FINANCIAL STATEMENTS

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CITY OF STAMFORD, CONNECTICUT

STATEMENT OF NET ASSETS
JUNE 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Urban Redevelopment Commission
ASSETS				
Cash and equivalents	$ 85,705,727	$ 1,180,256	$ 86,885,983	$ 487,291
Investments	16,279,215	-	16,279,215	-
Restricted cash and equivalents	17,849,675	7,991,808	25,841,483	16,881
Receivables:				
Taxes, net	9,304,045	-	9,304,045	-
Accounts, net	6,496,863	66,441	6,563,304	144,728
Usage, net	-	2,406,372	2,406,372	-
Loans	7,938,712	-	7,938,712	-
Intergovernmental	17,368,688	-	17,368,688	-
Special assessments, net	-	8,454,105	8,454,105	-
Non-usage, net	-	1,176,000	1,176,000	-
Due from component unit	273,661	-	273,661	-
Due from primary government	-	-	-	140,155
Internal balances	9,686,751	(9,686,751)	-	-
Prepaid expenses	471,585	45,130	516,715	-
Inventory	85,091	9,902	94,993	-
Pension assets	1,661,000	-	1,661,000	-
Deferred charges	855,286	184,890	1,040,176	-
Land held for resale	-	-	-	4,243,190
Capital assets:				
Not being depreciated	159,244,814	6,034,899	165,279,713	-
Being depreciated, net	539,661,647	160,842,657	700,504,304	-
Total Assets	872,882,760	178,705,709	1,051,588,469	5,032,245
LIABILITIES				
Accounts payable	16,803,382	1,437,610	18,240,992	65,544
Accrued liabilities	6,151,248	213,166	6,364,414	16,978
Retainages payable	1,391,548	-	1,391,548	-
Accrued interest payable	5,616,946	1,074,521	6,691,467	-
Due to primary government	-	-	-	273,661
Due to component unit	140,155	-	140,155	-
Unearned revenues	14,191,411	180,542	14,371,953	351,546
Non-current liabilities:				
Due within one year	59,379,629	6,326,267	65,705,896	-
Due in more than one year	444,817,567	104,631,940	549,449,507	1,656,000
Total Liabilities	548,491,886	113,864,046	662,355,932	2,363,729
NET ASSETS				
Invested in capital assets, net of related debt	340,194,685	56,452,503	396,647,188	-
Restricted for:				
Debt service	10,664,507	7,991,808	18,656,315	-
Special revenue funds:				
Community development purposes	518,128	-	518,128	-
Educational purposes	783,422	-	783,422	-
Public safety purposes	1,376,735	-	1,376,735	-
Rainy day purposes	13,914,058	-	13,914,058	-
Unrestricted	(43,060,661)	397,352	(42,663,309)	2,668,516
Total Net Assets	$ 324,390,874	$ 64,841,663	$ 389,232,537	$ 2,668,516

The notes to financial statements are an integral part of this statement.

Functions/ Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental activities:				
Governmental services	$ 7,247,887	$ 4,003,675	$ 1,275,271	$ -
Administration	9,971,267	-	501,451	-
Legal affairs	15,310,217	52,902	-	-
Public safety	104,501,671	7,395,742	1,292,582	17,762,289
Health and welfare	36,694,461	13,100,670	11,115,506	-
Community services	9,051,672	921,224	2,538,405	2,000,000
Operations	62,012,855	14,982,965	1,991,101	-
Education	296,728,917	2,812,943	64,891,742	-
Interest	14,600,309	-	-	-
Total Governmental Activities	556,119,256	43,270,121	83,606,058	19,762,289
Business-type activities:				
Water Pollution Control Authority	18,880,259	22,112,974	-	-
Old Town Hall Redevelopment Agency	990,376	32,289	-	-
E.G. Brennan Golf Course	1,174,349	1,258,888	-	-
Total Business-type Activities	21,044,984	23,404,151	-	-
Total Primary Government	$ 577,164,240	$ 66,674,272	$ 83,606,058	$ 19,762,289
Component Unit - Urban Redevelopment Commission	$ 509,260	$ 279,516	$ -	$ -

General Revenues:
Real property taxes
Grants and contributions not restricted to specific programs
Unrestricted investment earnings

Total General Revenues

Change in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

The notes to financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Urban Redevelopment Commission
$ (1,968,941)	$ -	$ (1,968,941)	$ -
(9,469,816)	-	(9,469,816)	-
(15,257,315)	-	(15,257,315)	-
(78,051,058)	-	(78,051,058)	-
(12,478,285)	-	(12,478,285)	-
(3,592,043)	-	(3,592,043)	-
(45,038,789)	-	(45,038,789)	-
(229,024,232)	-	(229,024,232)	-
(14,600,309)	-	(14,600,309)	-
(409,480,788)	-	(409,480,788)	-
-	3,232,715	3,232,715	-
-	(958,087)	(958,087)	-
-	84,539	84,539	-
-	2,359,167	2,359,167	-
(409,480,788)	2,359,167	(407,121,621)	-
-	-	-	(229,744)
420,982,629	-	420,982,629	-
7,116,241	-	7,116,241	-
204,795	99,322	304,117	838
428,303,665	99,322	428,402,987	838
18,822,877	2,458,489	21,281,366	(228,906)
305,567,997	62,383,174	367,951,171	2,897,422
$ 324,390,874	$ 64,841,663	$ 389,232,537	$ 2,668,516

CITY OF STAMFORD, CONNECTICUT

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General	Capital Projects	Mill River Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Equivalents	$ 887,459	$ 20,918,324	$ 3,042,161	$ 30,022,686	$ 54,870,630
Investments	16,279,215	-	-	-	16,279,215
Restricted Cash	-	2,564,234	15,285,441	-	17,849,675
Taxes Receivable, net of allowance for uncollectible amounts	9,304,045	-	-	-	9,304,045
Other Receivables:					
Accounts	2,556,025	-	-	1,533,078	4,089,103
Loans	-	7,938,712	-	-	7,938,712
Intergovernmental	5,218,663	6,697,493	-	5,452,532	17,368,688
Due from component unit	273,661	-	-	-	273,661
Advances to other funds	119,175	7,291,107	-	-	7,410,282
Due from other funds	6,279,759	5,130,011	-	-	11,409,770
	14,447,283	27,057,323	-	6,985,610	48,490,216
Prepaid Expenditures	-	-	-	471,585	471,585
Inventories	35,065	-	-	50,026	85,091
Total Assets	$ 40,953,067	$ 50,539,881	$ 18,327,602	$ 37,529,907	$ 147,350,457
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 9,213,707	$ 3,111,300	$ -	$ 4,419,150	$ 16,744,157
Accrued liabilities	1,562,589	54,716	-	428,632	2,045,937
Retainage payable	-	1,391,548	-	-	1,391,548
Due to other funds	-	-	5,130,011	703,290	5,833,301
Advances from other funds	-	-	3,300,000	-	3,300,000
Due to component unit	63,300	-	-	76,855	140,155
Unearned revenues	7,466,489	866,330	-	5,842,532	14,175,351
Deferred revenues	10,525,827	-	-	731,807	11,257,634
Total Liabilities	28,831,912	5,423,894	8,430,011	12,202,266	54,888,083
Fund Balances (Deficits):					
Nonspendable	154,240	15,229,819	-	521,611	15,905,670
Restricted	-	29,886,168	9,897,591	9,427,460	49,211,219
Committed	8,376,207	-	-	-	8,376,207
Assigned	3,590,708	-	-	16,589,013	20,179,721
Unassigned	-	-	-	(1,210,443)	(1,210,443)
Total Fund Balances	12,121,155	45,115,987	9,897,591	25,327,641	92,462,374
Total Liabilities and Fund Balances	$ 40,953,067	$ 50,539,881	$ 18,327,602	$ 37,529,907	$ 147,350,457

The notes to financial statements are an integral part of this statement.

CITY OF STAMFORD, CONNECTICUT

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO
THE GOVERNMENT - WIDE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2012

Fund Balances - Total Governmental Funds	$ 92,462,374
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	698,906,461
Internal service funds are used by management to charge the costs of insurance and general services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	9,410,499
Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Deferred charges	855,286
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Real property taxes	5,957,520
Departmental income	5,300,114
Pension assets	1,661,000
	12,918,634
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable	(5,616,946)
Bonds payable	(412,254,698)
Notes payable	(956,031)
Capital leases	(132,864)
Claims payable	(4,966,518)
Early retirement incentive	(3,535,212)
Compensated absences	(21,397,111)
Pollution remediation obligation	(6,200,000)
Net pension obligation	(40,000)
Other post employment benefit obligations payable	(35,063,000)
	(490,162,380)
Net Assets of Governmental Activities	$ 324,390,874

The notes to financial statements are an integral part of this statement.

CITY OF STAMFORD, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	General	Capital Projects	Mill River Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 423,093,113	$ -	$ 420,644	$ -	$ 423,513,757
Intergovernmental	45,996,081	17,962,289	-	44,227,663	108,186,033
Charges for services	27,178,287	-	-	16,964,991	44,143,278
Interest, dividends and investment income	174,911	2,574	-	-	177,485
Other	1,062,954	134,589	1,800,000	198,729	3,196,272
Total Revenues	497,505,346	18,099,452	2,220,644	61,391,383	579,216,825
EXPENDITURES					
Current:					
Government services	3,197,652	-	-	3,604,925	6,802,577
Administration	8,341,802	-	-	-	8,341,802
Legal affairs	15,143,895	-	-	-	15,143,895
Public safety	97,470,241	-	-	7,888,844	105,359,085
Health and welfare	24,889,828	-	-	8,554,136	33,443,964
Community services	8,948,814	-	-	-	8,948,814
Operations	37,296,486	-	-	3,233,259	40,529,745
Board of Education	252,544,074	-	-	34,547,628	287,091,702
Debt service:					
Principal	-	-	-	32,766,246	32,766,246
Interest	-	-	-	15,529,949	15,529,949
Capital outlay	-	41,311,067	6,229,033	-	47,540,100
Total Expenditures	447,832,792	41,311,067	6,229,033	106,124,987	601,497,879
Excess (Deficiency) of Revenues Over Expenditures	49,672,554	(23,211,615)	(4,008,389)	(44,733,604)	(22,281,054)
OTHER FINANCING SOURCES (USES)					
Transfers in	3,214,641	5,900,745	1,185,216	50,076,557	60,377,159
Transfers out	(49,393,618)	-	(6,396,669)	(4,586,872)	(60,377,159)
Bonds issued	-	45,000,000	16,245,000	-	61,245,000
Issuance premium	-	-	-	3,695,270	3,695,270
Total Other Financing Sources (Uses)	(46,178,977)	50,900,745	11,033,547	49,184,955	64,940,270
Net Change in Fund Balances	3,493,577	27,689,130	7,025,158	4,451,351	42,659,216
Fund Balances - Beginning of Year	8,627,578	17,426,857	2,872,433	20,876,290	49,803,158
Fund Balances - End of Year	$ 12,121,155	$ 45,115,987	$ 9,897,591	$ 25,327,641	$ 92,462,374

The notes to financial statements are an integral part of this statement.

CITY OF STAMFORD, CONNECTICUT

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balances - Total Governmental Funds	$ 42,659,216
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.	
Capital outlay expenditures	48,750,600
Depreciation expense	(30,235,142)
	18,515,458
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Real property taxes	(2,531,128)
Departmental income	(1,770,874)
	(4,302,002)
Change in pension assets	530,000
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
Bonds issued	(61,245,000)
Issuance premium	(3,695,270)
Principal paid on bonds	32,122,612
Principal paid on notes	643,634
Principal paid on capital leases	258,740
Amortization of loss on refunding bonds, issuance premium and issuance costs	1,008,573
	(30,906,711)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest	(200,183)
Claims	945,380
Early retirement incentive	978,761
Compensated absences	290,573
Pollution remediation obligation	400,000
Other post employment benefit obligations	(8,764,000)
	(6,349,469)
Internal service funds are used by management to charge the costs of medical, risk management and other claims to individuals funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	(1,323,615)
Change in Net Assets of Governmental Activities	$ 18,822,877

The notes to financial statements are an integral part of this statement.

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CITY OF STAMFORD, CONNECTICUT

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGETARY BASIS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes, interest, liens and contingency	$ 415,083,040	$ 416,563,171	$ 423,093,113	$ 6,529,942
Intergovernmental	18,898,105	18,976,855	19,127,711	150,856
Charges for services	27,484,796	27,484,796	27,178,287	(306,509)
Interest and dividends	550,000	550,000	213,857	(336,143)
Change in fair market value	-	-	(38,946)	(38,946)
Other	1,081,712	1,081,712	1,062,954	(18,758)
Total Revenues	463,097,653	464,656,534	470,636,976	5,980,442
EXPENDITURES				
Current:				
Governmental services	3,477,118	3,671,483	3,267,074	404,409
Administration	8,322,031	9,346,686	8,754,261	592,425
Legal affairs	14,735,814	15,035,814	15,354,387	(318,573)
Public safety	98,237,968	98,490,603	97,909,725	580,878
Health and welfare	22,792,408	23,037,830	22,516,247	521,583
Community services	9,382,195	9,382,195	8,983,014	399,181
Operations	37,489,856	38,081,660	37,808,334	273,326
Board of Education	228,581,089	228,581,089	228,557,534	23,555
Total Expenditures	423,018,479	425,627,360	423,150,576	2,476,784
Revenues Over Expenditures	40,079,174	39,029,174	47,486,400	8,457,226
OTHER FINANCING SOURCES (USES)				
Transfers in	3,214,641	3,214,641	3,214,641	-
Transfers out - Mill River Capital Projects Fund	-	-	(1,185,216)	(1,185,216)
Transfers out - Debt Service Fund	(43,293,815)	(43,293,815)	(43,296,710)	(2,895)
Total Other Financing Uses	(40,079,174)	(40,079,174)	(41,267,285)	(1,188,111)
Revenues Over Expenditures, Encumbrances and Other Financing Uses	-	(1,050,000)	6,219,115	7,269,115
Use of Fund Balance	-	5,961,692	-	(5,961,692)
Transfers out - Other funds	-	(4,911,692)	(4,911,692)	-
Change in Fund Balance	$ -	$ -	1,307,423	$ 1,307,423
Budgetary Fund Balance - Beginning of Year			6,005,147	
Return of Prior Year Encumbrances			1,217,877	
Budgetary Fund Balance - End of Year			$ 8,530,447	

The notes to financial statements are an integral part of this statement.

CITY OF STAMFORD, CONNECTICUT

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Business-Type Activities - Enterprise Funds		
	Water Pollution Control Authority	Old Town Hall Redevelopment Agency	Non-Major Enterprise Fund - E.G. Brennan Golf Course
ASSETS			
Current Assets:			
Cash and equivalents	$ 515,420	$ 49,751	$ 615,085
Receivables:			
Accounts, net	-	61,095	5,346
Usage, net	2,406,372	-	-
Special assessments and connection charges, net	1,235,538	-	-
Non - Usage, net	1,176,000	-	-
Prepaid expense	-	45,130	-
Inventory	9,902	-	-
Total Current Assets	5,343,232	155,976	620,431
Noncurrent Assets:			
Restricted cash	7,742,365	249,443	-
Receivables - Special assessments and connection charges - noncurrent, net	7,218,567	-	-
Deferred charges	184,890	-	-
Capital assets:			
Not being depreciated	3,804,648	1,614,391	615,860
Being depreciated, net	142,645,532	17,404,444	792,681
	146,450,180	19,018,835	1,408,541
Total Noncurrent Assets	161,596,002	19,268,278	1,408,541
Total Assets	166,939,234	19,424,254	2,028,972
LIABILITIES			
Current Liabilities:			
Accounts payable	475,305	894,154	68,151
Accrued liabilities	100,829	78,167	34,170
Accrued interest payable	668,021	406,500	-
Due to other funds	5,576,469	-	-
Advances from other funds	-	4,110,282	-
Unearned revenues	177,542	-	3,000
Claims payable	-	-	-
Current maturities of bonds payable	2,458,440	-	35,924
Current maturities of notes payable	3,796,603	-	-
Compensated absences	32,000	-	3,300
Total Current Liabilities	13,285,209	5,489,103	144,545
Noncurrent Liabilities:			
Claims payable	-	-	-
Bonds payable, less current maturities	44,383,159	-	259,307
Notes payable, less current maturities	49,494,134	10,182,376	-
Compensated absences	283,347	-	29,617
Total Noncurrent Liabilities	94,160,640	10,182,376	288,924
Total Liabilities	107,445,849	15,671,479	433,469
NET ASSETS			
Invested in capital assets, net of related debt	46,502,734	8,836,459	1,113,310
Restricted for debt service	7,742,365	249,443	-
Unrestricted	5,248,286	(5,333,127)	482,193
Total Net Assets	$ 59,493,385	$ 3,752,775	$ 1,595,503

The notes to financial statements are an integral part of this statement.

Totals	Governmental Activities - Internal Service Funds
$ 1,180,256	$ 30,835,097
66,441	2,407,760
2,406,372	-
1,235,538	-
1,176,000	-
45,130	-
9,902	-
6,119,639	33,242,857
7,991,808	-
7,218,567	-
184,890	-
6,034,899	-
160,842,657	-
166,877,556	-
182,272,821	-
188,392,460	33,242,857
1,437,610	59,225
213,166	4,105,311
1,074,521	-
5,576,469	-
4,110,282	-
180,542	16,060
-	16,474,262
2,494,364	-
3,796,603	-
35,300	-
18,918,857	20,654,858
-	3,177,500
44,642,466	-
59,676,510	-
312,964	-
104,631,940	3,177,500
123,550,797	23,832,358
56,452,503	-
7,991,808	-
397,352	9,410,499
$ 64,841,663	$ 9,410,499

CITY OF STAMFORD, CONNECTICUT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2012

	Business-Type Activities - Enterprise Funds		
	Water Pollution Control Authority	Old Town Hall Redevelopment Agency	Non-Major Enterprise Fund - E.G. Brennan Golf Course
Operating Revenues:			
Charges for services	$ 18,178,361	$ 32,289	$ 1,258,888
Miscellaneous	1,231,337	-	-
Total Operating Revenues	19,409,698	32,289	1,258,888
Operating Expenses:			
Salaries	2,976,481	-	595,314
Employee benefits	1,596,146	-	125,279
Operations and supplies	6,119,690	211,682	381,094
Insurance	-	14,630	-
Judgments and claims	-	-	-
Depreciation and amortization	5,054,649	548,868	58,604
Total Operating Expenses	15,746,966	775,180	1,160,291
Income (Loss) from Operations	3,662,732	(742,891)	98,597
Non-Operating Revenues (Expenses):			
Interest income	97,752	589	981
Interest expense	(3,133,293)	(215,196)	(14,058)
Special assessments and connection charges	2,703,276	-	-
Total Non-Operating Revenues (Expenses)	(332,265)	(214,607)	(13,077)
Change in Net Assets	3,330,467	(957,498)	85,520
Net Assets - Beginning of Year	56,162,918	4,710,273	1,509,983
Net Assets - End of Year	$ 59,493,385	$ 3,752,775	$ 1,595,503

The notes to financial statements are an integral part of this statement.

Totals	Governmental Activities - Internal Service Funds
$ 19,469,538	$ 81,437,390
1,231,337	2,345,681
20,700,875	83,783,071
3,571,795	251,211
1,721,425	78,198,433
6,712,466	516,698
14,630	3,086,465
-	3,081,189
5,662,121	-
17,682,437	85,133,996
3,018,438	(1,350,925)
99,322	27,310
(3,362,547)	-
2,703,276	-
(559,949)	27,310
2,458,489	(1,323,615)
62,383,174	10,734,114
$ 64,841,663	$ 9,410,499

CITY OF STAMFORD, CONNECTICUT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2012

	Business-Type Activities - Enterprise Funds		
	Water Pollution Control Authority	Old Town Hall Redevelopment Agency	Non-Major Enterprise Fund - E.G. Brennan Golf Course
Cash Flows From Operating Activities:			
Cash received from customers and users	$ 20,681,199	$ -	$ 1,244,542
Cash payments to employees	(2,944,249)	-	(595,515)
Cash payments to suppliers	(7,909,447)	(465,855)	(330,169)
Cash payments for benefits and claims	(1,596,146)	-	(125,279)
Net Cash Provided by (Used in) Operating Activities	8,231,357	(465,855)	193,579
Cash Flows From Capital and Related Financing Activities:			
Principal paid on debt	(6,125,311)	-	(37,041)
Acquisition and construction of capital assets	(925,863)	-	(51,599)
Interest paid on debt	(3,133,712)	-	(14,058)
Special assessments and connection charges	1,832,283	-	-
Net Cash Used in Capital and Related Financing Activities	(8,352,603)	-	(102,698)
Cash Flows From Non-Capital Financing Activities - Advances from other funds	-	464,179	-
Cash Flows From Investing Activities - Interest income	97,752	589	981
Net Increase (Decrease) in Cash and Equivalents	(23,494)	(1,087)	91,862
Cash and Equivalents - Beginning of Year	8,281,279	300,281	523,223
Cash and Equivalents - End of Year	$ 8,257,785	$ 299,194	$ 615,085
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:			
Income (loss) from operations	$ 3,662,732	$ (742,891)	$ 98,597
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:			
Provision for dobutful accounts	894,906	-	-
Depreciation	5,054,649	548,868	58,604
Changes in operating assets and liabilities:			
Accounts receivable	339,951	(33,989)	(5,346)
Prepaid expenses	356	15,586	-
Accounts payable	(415,461)	(253,429)	53,337
Accrued liabilities	(662,434)	-	664
Due to other funds	(697,226)	-	-
Unearned revenues	36,644	-	(9,000)
Compensated absences payable	17,240	-	(3,277)
Claims payable	-	-	-
Net Cash Provided by (Used in) Operating Activities	$ 8,231,357	$ (465,855)	$ 193,579

The notes to financial statements are an integral part of this statement.

Totals	Governmental Activities - Internal Service Funds
$ 21,925,741	$ 81,893,775
(3,539,764)	(9,944,920)
(8,705,471)	(3,668,700)
(1,721,425)	(68,661,222)
7,959,081	(381,067)
(6,162,352)	-
(977,462)	-
(3,147,770)	-
1,832,283	-
(8,455,301)	-
464,179	-
99,322	27,310
67,281	(353,757)
9,104,783	31,188,854
$ 9,172,064	$ 30,835,097
$ 3,018,438	$ (1,350,925)
894,906	-
5,662,121	-
300,616	(1,817,330)
15,942	-
(615,553)	39,186
(661,770)	3,401,826
(697,226)	-
27,644	(71,966)
13,963	-
-	(581,858)
$ 7,959,081	$ (381,067)

CITY OF STAMFORD, CONNECTICUT

STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2012

	Agency Fund	Trust Funds
ASSETS		
Cash	$ 902,228	$ 9,069,389
Investments, at fair value:		
Money market funds	-	4,792,524
U.S. government obligations	-	10,721,979
Corporate bonds	-	16,772,513
Common and preferred equities	-	192,951,808
Common/collective trusts	-	69,160,180
Mutual funds	-	166,865,911
Alternative investments/Hedge funds	-	31,626,981
	-	492,891,896
Employer contributions receivable	-	4,324,980
Accrued interest and dividends	-	604,236
Total Assets	902,228	506,890,501
LIABILITIES		
Due to student groups	902,228	-
Claims payable	-	1,560,599
Other	-	1,549,069
Total Liabilities	902,228	3,109,668
NET ASSETS		
Held in Trust for Pension Benefits (Schedules of Funding Progress for the plans are presented in the Required Supplementary Information)	$ -	$ 503,780,833

The notes to financial statements are an integral part of this statement.

CITY OF STAMFORD, CONNECTICUT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
TRUST FUNDS
JUNE 30, 2012

	Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 33,243,915
Plan members	10,042,874
Total Contributions	43,286,789
Investment Income:	
Net change in fair value of investments	(9,886,621)
Interest and dividends	12,015,942
	2,129,321
Less - Investment management fees	1,591,963
Net Investment Income	537,358
Total Additions	43,824,147
DEDUCTIONS	
Pension benefits	51,504,558
Change in Net Assets	(7,680,411)
Net Assets - Beginning of Year	511,461,244
Net Assets - End of Year	$ 503,780,833

The notes to financial statements are an integral part of this statement.

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Note 1 - Summary of Significant Accounting Policies

The City of Stamford, Connecticut ("City") was incorporated as a City in 1893 and operates in accordance with its Charter, adopted in 1949 and revised on an ongoing basis, and the various other applicable laws of the State of Connecticut. The legislative function is performed by an elected forty-member Board of Representatives. The Mayor serves as the chief executive officer and the Director of Administration serves as the chief financial officer. The Mayor, a six-member elected Board of Finance and the Board of Representatives must approve all appropriations (except that the Mayor does not approve Board of Education appropriations). The City provides the following services to its residents: education, public safety, public works, parks and recreation, health and welfare, community services and general administrative support.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the City's more significant accounting policies:

A. Financial Reporting Entity

The financial reporting entity consists of: a) the primary government, which is the City; b) organizations for which the City is financially accountable and c) other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete as set forth by GASB.

In evaluating how to define the City, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the City's reporting entity was made by applying the criteria set forth by GASB, including legal standing, fiscal dependency and financial accountability. Based upon the application of these criteria, the following individual component unit is included in the City's reporting entity because of its operational or financial relationship with the City.

The Urban Redevelopment Commission ("URC") is an agency created by the City in 1954 in accordance with Section 8-124 to 8-1289 of the General Statutes of Connecticut to handle municipal development projects. The URC has all of the powers and duties of a redevelopment agency as set forth in the General Statutes. Members are appointed by the Mayor, with the approval of the Board of Representatives, for five year terms. All plans prepared and/or approved by the URC for urban redevelopment and renewal projects must be approved by the City's Board of Representatives and Board of Finance in order to become effective and, therefore, the City is able to impose its will on the URC. Since the URC does not provide services entirely or almost entirely to the City, the financial statements of the URC have been reflected as a discretely presented component unit. Separate financial statements have not been prepared for the URC.

The Old Town Hall Redevelopment Agency ("OTHRA") is an agency created by the City in 2005 in accordance with Chapter 130 of the General Statutes of Connecticut for the purpose of the redevelopment of the Old Town Hall. Included within OTHRA are two entities, Old Town Hall QALICB, LLC ("QALICB") and Old Town Hall Manager, Inc., which were established as financial

Note 1 - Summary of Significant Accounting Policies (Continued)

mechanisms for earning Federal historical and new market tax credits to help fund the rehabilitation. The OTHRA board consists of seven members appointed by the Mayor, with the approval of the Board of Representatives, for five year terms. The members include the Mayor, two members of the Board of Representatives, one member of the Board of Finance, one member from the URC, one member from the Downtown Special Services District and one community representative. Since the activities of OTHRA provide services entirely or almost entirely to the City, OTHRA has been reflected as a blended component unit in the financial statements as a proprietary fund. Separate financial statements have not been prepared for OTHRA.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all non-fiduciary activities of the primary government as a whole. For the most part, the effect of interfund activity has been removed from these statements, except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Net Assets presents the financial position of the City at the end of its fiscal year. The Statement of Activities demonstrates the degree to which direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods or services, or privileges provided by a given function or segment, (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and (3) interest earned on grants that is required to be used to support a particular program. Taxes and other items not identified as program revenues are reported as general revenues. The City does not allocate indirect expenses to functions in the Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the Enterprise funds and the Internal Service funds are charges to customers for services. Operating expenses for the Enterprise funds and the Internal Service funds include the cost of services, administrative expenses, depreciation costs and benefit costs. All revenues and expenses not meeting the definition are reported as non-operating revenues and expenses.

C. Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts which comprise its assets, liabilities, fund balances/net assets, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in

Note 1 - Summary of Significant Accounting Policies (Continued)

demonstrating compliance with finance related legal and contractual provisions. The City maintains the minimum number of funds consistent with legal and managerial requirements. The focus of governmental fund financial statements is on major funds as that term is defined in professional pronouncements. Each major fund is to be presented in a separate column, with non-major funds, if any, aggregated and presented in a single column. The City maintains proprietary and fiduciary funds, which are reported by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the pages following, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation. The City's resources are reflected in the fund financial statements in three broad fund categories, in accordance with generally accepted accounting principles as follows:

Fund Categories

a. Governmental Funds - Governmental funds are those through which most general government functions are financed. The acquisition, use and balances of expendable financial resources and the related liabilities are accounted for through governmental funds. The following are the City's major governmental funds:

General Fund - The General Fund constitutes the primary fund of the City and is used to account for and report all financial resources not accounted for and reported in another fund.

Capital Projects Fund - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary funds.

Mill River Capital Projects Fund - The Mill River Capital Projects Fund was created to be a financing mechanism, whereby a portion of property taxes in the Mill River Corridor tax increment financing district are set aside to fund improvements in the district.

The City also reports the following non-major governmental funds.

Special Revenue Funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The non-major Special Revenue Funds of the City are as follows:

Stamford Community Development Program Fund – The Stamford Community Development Program Fund is used to account for Federal community development block grant funds. Its focus is on improving the quality of life in specifically targeted central city neighborhoods, consisting primarily of low and moderate income residents with emphasis on rehabilitation of existing housing and creation of new housing.

Note 1 - Summary of Significant Accounting Policies (Continued)

Board of Education Food Service Program Fund – The Board of Education Food Service Program Fund is used to account for the operation of the Board of Education's cafeteria system. Revenues are received from Federal and State agencies and fees are charged for lunches.

Town Aid Highway Fund – The Town Aid Highway Fund is used to account for Department of Transportation grants relating to improvement of local roads as set forth in the General Statutes of Connecticut.

Dog License Fund – The Dog License Fund is used to account for revenue from dog license fees pursuant to the General Statutes of Connecticut.

Drug Asset Forfeiture Fund – The Drug Asset Forfeiture Fund is used to account for the cash receipts and disbursements of Federal and State drug asset forfeiture funds.

Police Extra Duty Fund – The Police Extra Duty Fund is used to account for revenue received and expenditures incurred from the use of City police officers by outside parties.

Educational Grants Programs Fund – The Educational Grants Programs Fund is used to account for U.S. Department of Education and Connecticut Department of Education grants, as well as local grants relating to education.

Other Grants Programs Fund – The Other Grants Programs Fund is used to account for funds related to grant programs not accounted for in another fund.

School Building Use Fund – The School Building Use Fund was established July 1, 1968 and is used to account for the revenues and expenditures incurred in connection with the use of Board of Education facilities by residents and organizations within the City.

Continuing Education Fund – The Continuing Education Fund was established July 1, 1975 to provide adult education courses determined by the State Board of Education to be largely recreational (discretionary) in nature.

Marinas Fund – The Marinas Fund is used to account for the revenues and expenditures associated with the operation and maintenance of the City's three publicly-owned marina facilities.

Greater Stamford Transit District Fund – The Greater Stamford Transit District Fund is used to account for the revenues and disbursements of funds used in connection with the development, maintenance and improvement of mass transportation systems within the City.

Note 1 - Summary of Significant Accounting Policies (Continued)

Parking Fund – The Parking Fund is used to account for revenues and expenditures related to the operation of three parking garages, debt service related to those facilities, parking enforcement and ticketing, and the operation of surface lots, including commuter lots at the Metro North train stations.

Rainy Day Fund – The Rainy Day Fund is used to accumulate fund balance. Per City Charter, the Mayor can direct that a surplus from the prior fiscal year be transferred into the fund and in subsequent years direct that it be expended for any lawful purpose. All transfers and expenditures shall require the approval of the Board of Finance and the Board of Representatives.

BOE Energy Reserve Fund – The BOE Energy Reserve Fund is used to accumulate sufficient BOE energy reserves to provide fiscally prudent and stable financial budgeting for BOE school facilities.

The following are the City's non-major capital projects funds:

Transportation Capital Fund – The Transportation Capital Fund was established pursuant to State Public Act 84-497 to provide financing for the acquisition, development, expansion or capital repair of parking, traffic, transportation or public transit facilities or equipment. Revenues are derived from fees paid to the City in lieu of planning and zoning parking requirements and interest earned thereon.

Capital Nonrecurring Fund – The Capital Nonrecurring Fund is authorized by the General Statutes of Connecticut, Sections 7-359 through 7-368, as revised. Revenues can be derived from (1) transfers from the General Fund, including proceeds from the sale of capital assets, or (2) amounts raised by the annual levy of a tax, not to exceed two mills. This fund can be used only for financing all or part of the planning, construction, reconstruction or acquisition of capital facilities, improvements or equipment.

Debt Service Fund - The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years.

b. Proprietary Funds - Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private enterprises or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for management accountability. Enterprise funds are used to account for those operations that provide services to the public. Internal Service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The operations of the Stamford Water Pollution Control Authority ("SWPCA") and OTHRA are recorded as major enterprise funds. The operations of the E.G. Brennan Golf Course are recorded as a non-major enterprise fund. The City has

Note 1 - Summary of Significant Accounting Policies (Continued)

established its City Medical, Board of Education Medical, Risk Management and Disputed Assessments funds as Internal Service funds. The City applies all applicable Financial Accounting Standards Board ("FASB") guidance issued prior to November 30, 1989 in accounting and reporting for its enterprise operations that do not conflict with or contradict GASB guidance. The City has elected not to follow subsequent private sector guidance.

c. Fiduciary Funds (Not Included in Government-Wide Financial Statements) - The Fiduciary Funds are used to account for assets held by the City in an agency capacity on behalf of others. These include Pension Trust and Agency funds. The Pension Trust Funds are provided to account for the activities of the City's four defined benefit pension plans and the Other Post Employment Benefit Trust Fund, which accumulate resources for pension and health benefit payments to qualified employees upon retirement. The Agency Fund is primarily utilized to account for monies held as custodian for outside student groups.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets less current liabilities) or economic resources (all assets and liabilities). The basis of accounting indicates the timing of transactions or events for recognition in the financial reports.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. The Agency Fund has no measurement focus and utilizes the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Property taxes and certain other revenues are considered to be available if collected within sixty days of the fiscal year end. Property taxes associated with the current fiscal period, as well as charges for services and intergovernmental revenues are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Fees and other similar revenues are not susceptible to accrual because generally they are not measurable until received in cash. If expenditures are the prime factor for determining eligibility, revenues from Federal and State grants are accrued when the expenditure is made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to capital leases, early retirement incentives, compensated absences, pollution remediation obligations, other post employment benefit obligations, pension obligations and certain claims payable are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Note 1 - Summary of Significant Accounting Policies (Continued)

Component Units

The component units are presented on the basis of accounting that most accurately reflects their activities. The URC and OTHRA are accounted for on the flow of economic resources measurement focus. This measurement focus emphasizes the determination of net income. With this measurement focus, all assets and liabilities (whether current or non-current) associated with the operation of these activities are included on the Statement of Net Assets.

Operating statements present increases (revenues) and decreases (expenses) in net total assets. The URC and OTHRA are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred. The URC and OTHRA apply all applicable FASB guidance issued prior to November 30, 1989 in accounting and reporting for their operations that do not conflict with or contradict GASB guidance. The City has elected not to follow subsequent private sector guidance.

E. Assets, Liabilities and Net Assets or Fund Balances

Deposits, Investments and Risk Disclosure

Cash and Equivalents - Cash and equivalents consist of funds deposited in demand deposit accounts, time deposit accounts, certificates of deposit, money market funds, State of Connecticut Treasurer's Short-Term Investment Fund, Tax Exempt Proceeds Funds and treasury bills with original maturities of less than three months.

The City's custodial credit risk policy is to only allow the City to use banks that are in the State of Connecticut. The State of Connecticut requires that each depository maintain segregated collateral in an amount equal to a defined percentage of its public deposits based upon the bank's risk-based capital ratio.

Investments - The investment policies of the City conform to the policies as set forth by the State of Connecticut. The City's policy is to only allow prequalified financial institution broker/dealers and advisors. The City policy allows investments in the following: (1) obligations of the United States and its agencies; (2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof; and (3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the Connecticut Short-Term Investment Fund and the Tax Exempt Proceeds Fund.

Investments are stated at fair value, based on quoted market prices.

The pension funds allow for investments in certain alternative investments. Alternative investments may include private equity partnerships, infrastructure limited partnerships, hedge and absolute return funds for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets,

Note 1 - Summary of Significant Accounting Policies (Continued)

which may be materially higher or lower than values determined if a ready market for the securities existed.

Other provisions of the Statutes cover specific municipal pension funds with particular investment authority and do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries (i.e., prudent person rule) and the provisions of the applicable plan. Their approved policies target an asset mix to provide the probability of meeting or exceeding the return objectives at the lowest possible risk. The set asset allocation parameters are as follows:

Large Cap Equities	30.0% - 50.0%
Small Cap Equities	7.5% - 15.0%
Fixed Income	35.0% - 45.0%
International Equities	5.0% - 17.5%

The Connecticut State Treasurer's Short-Term Investment Fund is an investment pool managed by the State of Connecticut Office of the State Treasurer. Investments must be made in instruments authorized by Connecticut General Statutes 3-27c through 3-27e. Investment guidelines are adopted by the State Treasurer. The fair value of the position in the pool is the same as the value of the pool shares.

Investments in 2a-7 like pools are stated at amortized cost.

Interest Rate Risk - The City's and the pension funds' policy is to limit its exposure to fair value losses arising from changes in interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

Restricted Cash and Equivalents - Certain assets are classified as restricted because their use is limited. Restricted cash and equivalents in the Capital Projects, Mill River Capital Project and Enterprise funds are to be used for construction purposes and debt service.

Taxes Receivable - Property taxes are assessed as of October 1st, levied on the following July 1st, and billed and due in two installments, July 1st and January 1st. Motor vehicle taxes are due in one installment on July 1st, and supplemental motor vehicle taxes are due in full January 1st. Taxes become delinquent thirty days after the installment is due. Liens are filed by the last day of the fiscal year.

Other Receivables - Other receivables include amounts due from other governments and individuals for services provided by the City. Receivables are recorded and revenues recognized as earned or as specific program expenditures/expenses are incurred. Allowances are recorded when appropriate.

Loans Receivable - Loans receivable in the Capital Projects Fund are due, directly or indirectly, from OTHRA. Loans receivable are recorded and revenues recognized as earned. The loans have various interest rates and maturities.

Note 1 - Summary of Significant Accounting Policies (Continued)

Prepaid Expenses/Expenditures - Certain payments to vendors reflect costs applicable to future accounting periods, and are recorded as prepaid items using the consumption method in both the government-wide and fund financial statements. Prepaid expenses/expenditures consist of certain costs related to the food service program at the Board of Education which have been satisfied prior to the end of the fiscal year, but represent items which have been provided for in the subsequent year's budget and/or will benefit such periods. Reported amounts are equally offset by nonspendable fund balance, in the fund financial statements, which indicates that these amounts do not constitute "available spendable resources" even though they are a component of current assets.

Inventories - Inventories in the governmental funds are valued at cost on a first-in, first-out basis, and consist of certain expendable supplies held for consumption. The cost is recorded as inventory at the time individual items are purchased. The City uses the consumption method to relieve inventory. In the fund financial statements, reported amounts are equally offset by nonspendable fund balance in governmental funds, which indicates that they do not constitute "available spendable resources" even though they are a component of current assets. Purchases of other inventoriable items are recorded as expenditures/expenses at the time of purchase and year-end balances are not material.

Deferred Charges - Deferred charges in the government-wide financial statements represent the unamortized portion of the cost of issuance of bonds. These costs are being amortized over the term of the respective bond issue.

Land Held for Resale - The URC was created to promote development within certain geographic areas of the City. To further its objectives, URC purchases and holds land for resale. As such, this land is presented as an asset of the component unit at the lower of cost or net realizable value.

Advances From/To Other Funds - Advances from/to other funds represent loans to other funds, which are not expected to be repaid within the subsequent annual operating cycle. The advances are offset by nonspendable fund balance in the fund financial statements, which indicates that the funds are not "available" for appropriation and are not expendable available financial resources.

Due From/To Other Funds - During the course of its operations, the City has numerous transactions between funds to finance operations, provide services and construct assets. To the extent that certain transactions between funds had not been paid or received as of June 30, 2012, balances of interfund amounts receivable or payable have been recorded in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Capital Assets - Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and enterprise fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Purchased and constructed assets are recorded at historical cost or estimated

Note 1 - Summary of Significant Accounting Policies (Continued)

historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and used an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year).

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, net of interest earned on specific project related debt, during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed.

Land and construction-in-progress are not depreciated. Property, plant, equipment and infrastructure of the City are depreciated using the straight line method over the following estimated useful lives.

Assets	Years
Buildings and improvements	25-50
Land improvements	20-40
Distribution and collection systems	50-100
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

The costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures on the governmental fund financial statements. Capital assets are not shown on the governmental fund balance sheet.

Unearned/Deferred Revenues - Unearned/deferred revenues arise when assets are recognized before revenue recognition criteria have been satisfied. In the government-wide financial statements, unearned revenues consist of revenue received in advance and/or amounts from grants received before the eligibility requirements have been met. Deferred revenues in the fund financial statements are those where asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Such amounts in the fund financial statements have been deemed to be measurable but not "available" pursuant to generally accepted accounting principles.

Note 1 - Summary of Significant Accounting Policies (Continued)

At the end of the current fiscal year, the various components of unearned revenues and deferred revenues were as follows:

	Unearned Revenues	Deferred Revenues
General Fund:		
Taxes	$ 7,466,489	$ 5,957,520
School construction receivable	-	3,446,786
Miscellaneous	-	1,121,521
	7,466,489	10,525,827
Capital Projects Fund -		
Grants	866,330	-
Non-Major Governmental Funds:		
Town aid highway	233,272	-
Drug asset forfeiture	505,792	-
Police extra duty	-	198,817
Educational grants programs	3,564,762	-
Other grants programs	1,538,706	-
Parking	-	532,990
	5,842,532	731,807
Total Governmental Funds	14,175,351	11,257,634
Enterprise Funds:		
Water Pollution Control Authority	177,542	-
E.G. Brennan Golf Course	3,000	-
Total Enterprise Funds	180,542	-
Internal Service Funds -		
City Medical	16,060	-
Total Primary Government	$ 14,368,953	$ 11,257,634

Long-Term Liabilities - In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, and debt payments, are reported as debt service expenditures.

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences - City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. Vacation and sick leave expenses to be paid in future periods are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if the liability has matured through employee resignation or retirement. In addition, certain vacation and sick leave expenses will be paid out of the pension funds upon retirement.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets on the Statement of Net Assets include, invested in capital assets, net of related debt, restricted for debt service and special revenue funds. The balance is classified as unrestricted.

Fund Balance - Generally, fund balance represents the difference between current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Under this standard, the fund balance classifications are as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form (inventories, prepaid amounts, long-term receivables) or they are legally or contractually required to be maintained intact (the corpus of a permanent fund).

Restricted fund balance is to be reported when constraints placed on the use of the resources are imposed by grantors, contributors, laws or regulations of other governments or imposed by law through enabling legislation. Enabling legislation includes a legally enforceable requirement that these resources be used only for the specific purposes as provided in the legislation. This fund balance classification will be used to report funds that are restricted for debt service obligations and for other items contained in the Connecticut statutes.

Committed fund balance will be reported for amounts that can only be used for specific purposes pursuant to formal action of the City's highest level of decision making authority. The Board of Finance and Board of Representatives are the highest level of decision making authority for the City that can, by the adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, these funds may only be used for the purpose specified unless the Board of Finance and Board of Representatives removes or changes the purpose by taking the same action that was used to establish the commitment. This classification includes certain designations established and approved by the Board of Finance and Board of Representatives.

Assigned fund balance, in the General Fund, will represent amounts constrained either by the Board of Finance and Board of Representatives or a person with delegated authority from the governing boards to assign amounts for a specific intended purpose. Unlike commitments, assignments generally only exist temporarily, in that additional action does not normally have to be taken for the removal of an assignment. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. This classification will include amounts designated for balancing the subsequent year's

Note 1 - Summary of Significant Accounting Policies (Continued)

budget and encumbrances. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance amounts.

Unassigned fund balance, in the General Fund, represents amounts not classified as nonspendable, restricted, committed or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. For all governmental funds other than the General Fund, unassigned fund balance would necessarily be negative, since the fund's liabilities, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, the City considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

F. Encumbrances

In governmental funds, encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve applicable appropriations, is generally employed as an extension of formal budgetary integration in the General Fund. Encumbrances outstanding at year-end are reported as assigned fund balance since they do not constitute expenditures or liabilities.

G. 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

H. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 17, 2012.

Note 2 - Stewardship, Compliance and Accountability

A. Budgetary Data

The City's general budget policies are as follows:

An annual budget is legally adopted for the General Fund. Budgetary control within the General Fund is exercised at the operating department level. Consistent with State statutes, the Board of Education is budgeted as a single operating department. Unless encumbered, General Fund appropriations lapse at the end of the fiscal year.

Note 2 - Stewardship, Compliance and Accountability (Continued)

The City's Charter establishes the following process for adopting the annual General Fund budget:

a. By March 8th, the Board of Education's and the Mayor's operating budgets are submitted to the Board of Finance and the Board of Representatives.

b. By April 8th, joint public hearings on the budgets are held before the Board of Finance and the Board of Representatives.

c. By April 20th, the budgets are approved by the Board of Finance and are submitted to the Board of Representatives. The Board of Finance may not increase amounts requested by the Mayor and the Board of Education.

d. By May 15th, the Board of Representatives adopts the final budgets and files a report with the City Clerk. The Board of Representatives may not increase amounts approved by the Board of Finance.

e. By May 25th, the Board of Finance sets the tax rate, which rate also allows for anticipated supplemental General Fund appropriations. During the year ended June 30, 2012, there was approximately $7,500,000 in additional appropriations.

f. Additional appropriations during the fiscal year require approval of the Mayor, the Board of Finance and the Board of Representatives.

g. The General Fund budget is legally adopted annually on a basis consistent with generally accepted accounting principles. Budgets for the various special revenue funds that are utilized to account for specific grant programs are established in accordance with the requirements of the grantor agencies. Such budgets are non-lapsing and may comprise more than one fiscal year. The Capital Projects Fund is budgeted on a project basis. Annual budgets are also adopted for the Proprietary funds.

h. Transfers may be made in proper cases from one line item to another, with the approval of the Director of Administration and the Board of Finance. A transfer or transfers between non-salary line item accounts within a department may not exceed, in the case of any single transfer, the greater of $50,000 or 5% of the budget of said department and, in the case of all such transfers during any fiscal year, the greater of $100,000 or 10% of the budget of said department. Transfers may be made up to 10% of the annual appropriation from salary accounts to overtime accounts and/or from overtime accounts to salary accounts.

i. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reflected in budgetary reports as expenditures of the current year.

Note 2 - Stewardship, Compliance and Accountability (Continued)

Classifications of certain revenues and expenditures under accounting principles generally accepted in the United States of America ("GAAP") differ from classifications utilized for budgetary purposes. A reconciliation of revenues and other financing sources of the General Fund, as presented in accordance with GAAP, and revenues and other financing sources presented on the budgetary basis, is as follows:

Revenues and other financing sources, budgetary basis	$ 473,851,617
On-behalf payments, paid directly by the State of Connecticut to the Teachers' Retirement System, not recognized for budgetary purposes	24,307,000
On-behalf payments, paid directly by the State of Connecticut Department of Public Health to WIC and HIV recipients, not recognized for budgetary purposes	2,561,370
Revenues and other financing sources, GAAP basis	$ 500,719,987

A reconciliation of expenditures and other financing uses of the General Fund presented in accordance with GAAP and expenditures, encumbrances and other financing uses presented on the budgetary basis is as follows:

Expenditures, encumbrances and other financing uses, budgetary basis	$ 472,544,194
Encumbrances and continued appropriations:	
June 30, 2012	(3,590,708)
June 30, 2011	1,404,554
On-behalf payments, paid directly by the State of Connecticut to the Teachers' Retirement System not recognized for budgetary purposes	24,307,000
On-behalf payments, paid directly by the State of Connecticut Department of Public Health to WIC and HIV recipients, not recognized for budgetary purposes	2,561,370
Expenditures and other financing uses, GAAP basis	$ 497,226,410

B. Fund Deficits

The following funds reflect deficits at June 30, 2012:

Special Revenue Funds -	
Parking Fund	$ 692,162
Internal Service Funds:	
Risk Management	2,470,779
Disputed Assessments	30,740

The City plans to address these deficits in the subsequent year.

Note 2 - Stewardship, Compliance and Accountability (Continued)

C. Expenditures in Excess of Budget

The Legal Affairs – Employee Benefits, Transfers Out – Mill River Capital Projects Fund and Debt Service Fund expenditure categories within the General Fund exceeded their budgetary provision by $448,835, $1,185,216 and $2,895, respectively.

Note 3 - Detailed Notes on All Funds

A. Deposits and Investments

Cash and investments of the City consist of the following at June 30, 2012:

Cash, Restricted Cash and Equivalents:		
Deposits with financial institutions	$ 85,309,877	
State of Connecticut Short-Term Investment Fund	37,893,378	
Total Cash, Restricted Cash and Equivalents	$ 123,203,255	
Investments:		
General Fund:		
U.S. Government Obligations	$ 9,761,848	*
U.S. Government Agency Securities	6,517,367	*
Total General Fund Investments	16,279,215	
Pension Trust Funds:		
Money Market Funds	4,792,524	
U.S. Government Obligations	10,721,979	*
Corporate Bonds	16,772,513	*
Common and Preferred Stocks	192,951,808	*
Common/Collective Trusts	69,160,180	
Mutual Funds	166,865,911	
Alternative Investments/Hedge Funds	31,626,981	
Total Pension Investments	492,891,896	
Total Investments	509,171,111	
Total Cash and Equivalents and Investments	$ 632,374,366	

*These investments are uninsured and unregistered, with securities held by the counterparty, but not in the City's or the Pension Trust Fund's name.

Note 3 - Detailed Notes on All Funds (Continued)

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Assets	
Cash and equivalents	$ 87,373,274
Restricted cash and equivalents	25,858,364
Investments	16,279,215
	129,510,853
Fiduciary Funds	
Cash and equivalents	9,971,617
Investments	492,891,896
Total Fiduciary Funds Investments	502,863,513
Total Cash and Investments	$ 632,374,366

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. As of June 30, 2012, $50,805,368 of the City's bank balance of $61,446,753 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 50,805,368

Interest Rate Risk - This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the exposure of the City's debt type investments to this risk using the segmented time distribution model is as follows:

		Investment Maturities (in Years)			
Type of Investment	Fair Value	Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Pooled Fixed Income	$ 37,893,378	$ 37,893,378	$ -	$ -	$ -
U.S. Government Agencies	6,517,367	-	6,517,367	-	-
U.S. Government Obligations	20,483,827	9,984,174	3,975,381	3,515,950	3,008,322
Corporate Bonds	16,772,513	510,418	5,868,068	9,243,920	1,150,107
Total	$ 81,667,085	$ 48,387,970	$ 16,360,816	$ 12,759,870	$ 4,158,429

Credit Risk - Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. government obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. Presented below is the minimum rating as required for each debt type investment.

Note 3 - Detailed Notes on All Funds (Continued)

Average Rating	Corporate Bonds	U.S. Government Agency	Pooled Income Fund
AAA	$ -	$ 6,517,367	$ 37,893,378
A1	1,219,803	-	-
A2	1,083,017	-	-
A3	1,057,168	-	-
Aa2	55,383	-	-
B1	2,852,564	-	-
B2	2,409,333	-	-
B3	3,022,990	-	-
Ba1	297,425	-	-
Ba2	506,119	-	-
Ba3	1,446,146	-	-
Baa1	779,166	-	-
Baa2	1,170,343	-	-
Baa3	273,350	-	-
Caa1	599,706	-	-
	$ 16,772,513	$ 6,517,367	$ 37,893,378

Concentration of Credit Risk - The City's and the City's pension funds' policy is to maintain a diversified portfolio to minimize the risk of loss resulting from over concentration of assets in a specific maturity.

The following represents the investments in each respective Plan that represents more than 5% of the respective Plan's net assets as of June 30, 2012:

Classified Employees' Retirement Fund	
GMO Global Asset Allocation Fund III	$ 26,883,675
PIMCO All Asset Fund Cl I	26,320,882
Metropolitan West Total Return Bond Cl I	15,986,377
EB Aggregate Bond Index Fund	15,239,467
Artisan International Fund	14,485,205
Templeton Institutional Funds Inc Foreign	12,878,802
SSGA Russell 1000 Index SL	12,732,905
Hartford Institutional Trust	9,744,303
Police Pension Trust Fund	
Oppenheimer and Company	103,753,069
UBS Trumbull Property Fund TPF	10,664,159
Hildene Opportunities Offshore Fund	9,963,840
UBS Trumbull Property Fund TPI	7,784,797

Note 3 - Detailed Notes on All Funds (Continued)

Firefighters' Pension Trust Fund	
Beach Point Access Ltd	$ 9,772,762
Custodians' and Mechanics' Retirement Fund	
SSGA Russell 1000 Index SL	12,994,488
GMO Global Bal Asset Alloc FD III	9,133,247
Templeton Foreign Equity Series	5,410,507
Metropolitan West T/R Bd Cl I	5,435,180
Pimco All Asset FD Instl Cl	4,859,165
Vanguard Total Bond Fund	3,588,033
OPEB	
Vanguard 500 Index Signal	3,394,753
Metropolitan West Total Return Bond Cl	3,240,963
Wells Fargo Advantage Ast All Fund - Admiral	2,648,258
PIMCO All Asset Fund Cl	2,630,689
Vanguard International Growth Fund - Admiral	1,155,355
Vanguard International VA IV	1,144,743
Vanguard Total Bond Market	1,438,972

B. Taxes Receivable

Taxes receivable at June 30, 2012 consisted of the following:

Property taxes - Current	$ 6,284,997
Property taxes - Delinquent	6,019,048
Property taxes - Collection agency	9,737,896
	22,041,941
Allowance for uncollectible amounts	(12,737,896)
	$ 9,304,045

Taxes receivable in the fund financial statements are also partially offset by deferred tax revenues of $5,957,520, which represents an estimate of the taxes receivable which will not be collected within the first sixty days of the subsequent year.

C. Due From/To Other Funds

The balances reflected as due from/to other funds at June 30, 2012 were as follows:

Due From	General Fund	Capital Projects Fund	Total
Enterprise - SWPCA Fund	$ 5,576,469	$ -	$ 5,576,469
Mill River Capital Projects Fund	-	5,130,011	5,130,011
Non-Major Governmental Funds	703,290	-	703,290
Total Due To	$ 6,279,759	$ 5,130,011	$ 11,409,770

Note 3 - Detailed Notes on All Funds (Continued)

The outstanding balances between funds result mainly from the time lag between the dates that: 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made.

D. Capital Assets

Changes in the City's capital assets are as follows:

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
Governmental Activities:				
Capital Assets, not being depreciated:				
Land	$ 88,833,265	$ -	$ -	$ 88,833,265
Construction-in-progress	47,331,719	22,312,830	-	69,644,549
Works of art	767,000	-	-	767,000
Total Capital Assets, not being depreciated	$ 136,931,984	$ 22,312,830	$ -	$ 159,244,814
Capital Assets, being depreciated:				
Land improvements	$ 129,044,368	$ 6,757,812	$ -	$ 135,802,180
Buildings and improvements	536,244,895	3,809,162	-	540,054,057
Machinery and equipment	98,182,037	5,323,010	-	103,505,047
Infrastructure	231,353,909	10,547,786	-	241,901,695
Total Capital Assets, being depreciated	994,825,209	26,437,770	-	1,021,262,979
Less Accumulated Depreciated for:				
Land improvements	23,876,406	5,599,717	-	29,476,123
Buildings and improvements	232,787,413	11,127,093	-	243,914,506
Machinery and equipment	54,903,753	8,441,500	-	63,345,253
Infrastructure	139,798,618	5,066,832	-	144,865,450
Total Accumulated Depreciation	451,366,190	30,235,142	-	481,601,332
Total Capital Assets, being depreciated, net	543,459,019	(3,797,372)	-	539,661,647
Governmental Activities Capital Assets, net	$ 680,391,003	$ 18,515,458	$ -	$ 698,906,461

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
Business-type Activities:				
Capital Assets, not being depreciated:				
Land	$ 4,863,529	$ -	$ -	$ 4,863,529
Construction-in-progress	825,007	346,363	-	1,171,370
Total Capital Assets, not being depreciated	$ 5,688,536	$ 346,363	$ -	$ 6,034,899

Note 3 - Detailed Notes on All Funds (Continued)

	Balance July 1, 2011	Additions	Deletions	Balance June 30, 2012
Business-type Activities:				
Capital Assets, being depreciated:				
Land improvements	$ 3,568,943	$ 337,052	$ -	$ 3,905,995
Buildings and improvements	132,301,602	-	-	132,301,602
Machinery and equipment	36,625,194	135,693	-	36,760,887
Infrastructure	65,637,806	300,263	-	65,938,069
Total Capital Assets, being depreciated	238,133,545	773,008	-	238,906,553
Less Accumulated Depreciated for:				
Land improvements	537,716	1,127,114	-	1,664,830
Buildings and improvements	28,016,138	3,055,603	-	31,071,741
Machinery and equipment	23,785,785	1,384,074	-	25,169,859
Infrastructure	20,062,136	95,330	-	20,157,466
Total Accumulated Depreciation	72,401,775	5,662,121	-	78,063,896
Total Capital Assets, being depreciated, net	165,731,770	(4,889,113)	-	160,842,657
Business-type Activities Capital Assets, net	$ 171,420,306	$ (4,542,750)	$ -	$ 166,877,556

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Services	$ 1,164,088
Administration	1,535,362
Public safety, health and welfare	2,996,636
Operations	11,791,280
Education	12,747,776
Total Depreciation Expense - Governmental Activities	$ 30,235,142
Business-type Activities:	
Water Pollution Control Authority	$ 5,054,649
Old Town Hall Redevelopment Agency	548,868
E.G. Brennan Golf Course	58,604
Total Depreciation Expense - Business-type Activities	$ 5,662,121

Construction Commitments

The City has active construction projects as of June 30, 2012 that include building construction and renovations, infrastructure upgrades, road construction and a variety of projects. At June 30, 2012, the City had $25,160,379 in construction encumbrances.

Note 3 - Detailed Notes on All Funds (Continued)

E. Single Employer Pension Plans

Description of Plans

As required by collective bargaining agreements with the City's labor unions, the City has established four separate, contributory, defined benefit pension plans. Substantially all full-time City employees (except teachers and administrators who are covered by the Connecticut State Teachers' Retirement System) are covered by one of these plans. City and employee contributions are made pursuant to City Charter and union contracts. Administrative fees are paid by the City. Each of the four defined benefit pension plans operated by the City submits standalone financial reports which can be obtained from the City's Controllers Office or the City's website (www.ci.stamford.ct.us).

Classified Employees' Retirement Fund

Eligibility begins at date of hire and vesting occurs in full after 5 years of service. Benefits are payable to an employee who retires at age 60 with a minimum of 10 years of service or an employee who has reached age 58 with at least 15 years of service. Certain contracts allow employees with 25 years of service to retire. Annual benefits equal 2% per year of service with maximums up to 70% of final salary for each year of credited service. Employees contribute 3% of their annual salary until they have reached 33 years of credited service. Some union contracts allow employees to exchange sick or vacation leave for up to 4% additional pension credit (1% per 25 days). Interest of 5% is credited to the employees' contribution.

Police Pension Trust Fund

Eligibility begins at date of hire and vesting in the City's contributions occurs in full after completing 10 years of service. Benefits are payable to employees with 20 years of service. Upon retirement, annual benefits are paid equal to 50% of final salary plus 3% for each year of service between 20 and 25 years and an additional 2.33% per year of service, up to a maximum of 76.65% of final salary at 30 years. Police contribute 7% of their annual salary. Individuals employed 30 years or more are not required to contribute to the plan. The plan allows employees to exchange vacation leave for up to 7.5% additional pension credit (1.5% per 20 days). Interest is not credited to the employees' contribution for this plan.

Firefighters' Pension Trust Funds

Eligibility begins at date of hire and vesting in the City's contributions occurs in full after completing 15 years of service. Benefits are payable to employees with 20 years of service and for firefighters hired in 1981 or later, after attainment of age 48. Upon retirement, annual benefits are paid equal to 50% of final salary plus 2% for each year of service over 20 years, up to a maximum pension of 74% of final salary. Firefighters contribute 6.25% of their annual salary. Individuals employed 32 years or more are not required to contribute to the plan. The Plan allows employees to exchange vacation leave for up to 7.5% additional pension credit (1.5% per 20 days). Interest is not credited to the employees' contribution for this plan.

Note 3 - Detailed Notes on All Funds (Continued)

Custodians' and Mechanics' Retirement Fund

Eligibility begins at date of hire and vesting occurs in full after 10 years of service. Benefits are payable to an employee who retires at age 60 or upon completion of 25 years of service regardless of age. Annual benefits are paid equal to 2.25% of final salary for each year of service, up to a maximum pension of 74.25% of final salary. The employees contribute 7% of their salary until they have reached 33 years of credited service. The Plan allows employees to exchange sick and vacation leave for up to 7.5% additional pension credit (1.5% per 25 days). Interest of 4% is credited to the employees' contribution. The education assistants, security workers and school liaisons are included in this pension plan. They receive eligibility and vesting from their date of hire. Annual benefits equal to 1.5% of final salary for each year of service, up to a maximum pension of 49.5% of final salary.

Annual Pension Cost and Net Pension Obligation (Asset)

	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Annual Required Contribution	$ 5,362,000	$ 4,341,000	$ 2,080,000	$ 1,380,000
Interest on Net Pension Obligation	3,000	(72,000)	3,000	(21,000)
Adjustment to Annual Required Contribution	(4,000)	97,000	(4,000)	29,000
Annual Pension Cost	5,361,000	4,366,000	2,079,000	1,388,000
Contributions Made	(5,390,000)	(4,341,000)	(2,080,000)	(1,913,000)
Increase in Net Pension Obligation (Asset)	(29,000)	25,000	(1,000)	(525,000)
Net Pension Obligation (Asset), Beginning of Year	33,000	(894,000)	37,000	(267,000)
Net Pension Obligation (Asset), End of Year	$ 4,000	$ (869,000)	$ 36,000	$ (792,000)

The annual required contribution for the current year was determined as part of the July 1, 2011 actuarial valuation using the projected unit credit method. The actuarial assumptions include an 8.0% investment rate of return, projected salary increases of 4.5% per year, and the utilization of the 1983 group annuity mortality tables. The actuarial value of assets was determined using a smoothing method.

Note 3 - Detailed Notes on All Funds (Continued)

The Board of Trustees of each plan establishes and may amend the contribution requirements of plan members and the City. The contribution requirements of plan members and the City are as follows:

	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Contribution rates:				
City	** %	** %	** %	** %
Plan members	3.00	7.00	6.25	7.00

** - Determined by valuation

Current membership in these programs is comprised of the following at June 30, 2012:

	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Retirees and beneficiaries currently receiving benefits	655	285	209	133
Active plan members	784	279	268	514
Terminated plan members entitled to a refund of employee contributions but have elected to defer receipt	9	-	1	-
Terminated plan members entitled to, but not yet receiving benefits	73	1	-	4
Total	1,521	565	478	651

Note 3 - Detailed Notes on All Funds (Continued)

The City's annual pension cost, the percentage of annual pension costs contributed to the plan and the net pension obligation (asset) for the current and the two preceding years is as follows:

	Annual Pension Cost	Percentage of Pension Cost Contributed	Net Pension Obligation (Asset)
Classified Employees' Retirement Fund			
2012	$ 5,361,000	100.5 %	$ 4,000
2011	4,174,000	100.0	33,000
2010	2,324,000	101.7	34,000
Police Pension Trust Fund			
2012	4,366,000	99.4	(869,000)
2011	4,142,000	99.4	(894,000)
2010	2,331,000	98.9	(919,000)
Firefighters' Pension Trust Fund			
2012	2,079,000	100.0	36,000
2011	1,716,000	100.1	37,000
2010	405,000	100.2	38,000
Custodians' and Mechanics' Retirement Fund			
2012	1,388,000	137.8	(792,000)
2011	1,229,000	99.3	(267,000)
2010	751,000	94.7	(275,000)

The schedule of funding progress for the plans is as follows at June 30, 2012:

Actuarial						
Valuation Date	Value of Assets	Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Liability as a Percentage of Covered Payroll
Classified Employees' Retirement Fund July 1, 2011	$ 185,099,000	$ 202,613,000	$ 17,514,000	91.4 %	$ 48,396,000	36.2 %
Police Pension Trust Fund July 1, 2011	$ 171,079,000	$ 192,260,000	$ 21,181,000	89.0 %	$ 22,340,000	94.8 %
Firefighters' Pension Trust Fund July 1, 2011	$ 135,656,000	$ 139,939,000	$ 4,283,000	96.9 %	$ 22,638,000	18.9 %
Custodians' and Mechanics' Retirement Fund July 1, 2011	$ 45,767,000	$ 51,286,000	$ 5,519,000	89.2 %	$ 19,247,000	28.7 %

The schedule of funding progress for the defined benefit pension plans immediately following the notes to financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

Note 3 - Detailed Notes on All Funds (Continued)

The following chart provides information for the actuarial assumptions utilized:

	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Valuation Date	July 1, 2011	July 1, 2011	July 1, 2011	July 1, 2011
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Dollar Amount Open	Level Dollar Amount Open	Level Dollar Amount Open	Level Dollar Amount Open
Remaining amortization period	14 years	14 years	14 years	14 years
Asset valuation method	Actuarial Value	Actuarial Value	Actuarial Value	Actuarial Value
Actuarial assumptions:				
Investment rate of return	8.0%	8.0%	8.0%	8.0%
Projected salary increase	4.5%	4.5%	4.5%	4.5%
Inflation rate	None	None	None	None

The following schedule presents the net assets held in trust for pension benefits and OPEB at June 30, 2012 and the changes in net assets for the year then ended.

	Trust Funds					
	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	OPEB	Total Trust Funds
ASSETS						
Cash	$ -	$ -	$ 9,069,136	$ -	$ 253	$ 9,069,389
Investments, at fair value:						
Money market funds	1,003,920	2,469,077	-	977,432	342,095	4,792,524
U.S. government obligations	-	-	10,721,979	-	-	10,721,979
Corporate bonds	-	-	16,772,513	-	-	16,772,513
Common and preferred equities	17,422,092	120,189,267	55,340,449	-	-	192,951,808
Common/collective trusts	37,716,736	18,448,956	-	12,994,488	-	69,160,180
Mutual funds	112,024,251	-	7,316,143	29,987,266	17,538,251	166,865,911
Alternative investment/Hedge funds	-	13,610,659	18,016,322	-	-	31,626,981
	168,166,999	154,717,959	108,167,406	43,959,186	17,880,346	492,891,896
Receivables:						
Accounts	-	-	-	-	3,714,027	3,714,027
Employer contributions	77,805	-	-	-	-	77,805
Due from Pension Trust Fund	533,148	-	-	-	-	533,148
	610,953	-	-	-	3,714,027	4,324,980
Accrued interest and dividends	257,887	27	321,988	8,420	15,914	604,236
Total Assets	169,035,839	154,717,986	117,558,530	43,967,606	21,610,540	506,890,501
LIABILITIES						
Accounts payable	-	-	-	-	1,003,403	1,003,403
Claims payable	-	-	-	-	1,560,599	1,560,599
Due to Pension Trust Fund	-	-	-	533,148	-	533,148
Other	-	-	-	8,383	4,135	12,518
Total Liabilities	-	-	-	541,531	2,568,137	3,109,668
NET ASSETS						
Held in Trust for Pension Benefits	$ 169,035,839	$ 154,717,986	$ 117,558,530	$ 43,426,075	$ 19,042,403	$ 503,780,833

Note 3 - Detailed Notes on All Funds (Continued)

	Trust Funds					
	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	OPEB	Total Trust Funds
ADDITIONS						
Contributions:						
Employer contribution - Short - Term	$ 5,390,000	$ 4,341,000	$ 2,080,000	$ 1,380,000	$ 12,015,915	$ 25,206,915
Employer contribution - Long - Term	-	-	-	-	8,037,000	8,037,000
Employee/retiree contributions	1,271,600	1,190,495	1,205,707	985,471	5,389,601	10,042,874
Total Contributions	6,661,600	5,531,495	3,285,707	2,365,471	25,442,516	43,286,789
Investment Income:						
Net change in fair value of investments	(2,575,900)	4,008,231	(10,203,819)	(792,028)	(323,105)	(9,886,621)
Interest and dividends	4,222,602	2,921,535	3,423,775	1,070,283	377,747	12,015,942
	1,646,702	6,929,766	(6,780,044)	278,255	54,642	2,129,321
Less investment expenses - Investment management fees	324,873	224,918	943,975	61,489	36,708	1,591,963
Net Investment Income	1,321,829	6,704,848	(7,724,019)	216,766	17,934	537,358
Total Additions	7,983,429	12,236,343	(4,438,312)	2,582,237	25,460,450	43,824,147
DEDUCTIONS						
Benefits	13,234,388	10,522,795	7,736,766	2,605,093	17,405,516	51,504,558
Change in Net Assets	(5,250,959)	1,713,548	(12,175,078)	(22,856)	8,054,934	(7,680,411)
Net Assets Held in Trust for Pension Benefits - Beginning of Year	174,286,798	153,004,438	129,733,608	43,448,931	10,987,469	511,461,244
Net Assets Held in Trust for Pension Benefits - End of Year	$ 169,035,839	$ 154,717,986	$ 117,558,530	$ 43,426,075	$ 19,042,403	$ 503,780,833

Pay Plan Employees

Per the Charter Section 47-1.2 certain elected, appointed and Unclassified employees who hold a position in the City are considered "Pay Plan Employees". These employees, which include the Mayor and his Cabinet members, shall be eligible for pension compensation in the form of a City match to the Pay Plan employee's Internal Revenue Service Section 457 plan account, pursuant to the terms of the Pay Plan. The cost of this program was approximately $185,000 for fiscal year 2012.

F. Pension Plan - Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167-a of the General Statutes of Connecticut, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age sixty and has accumulated twenty years of credited service in the public schools of Connecticut or has attained any age and has accumulated thirty-five years of credited service, at least twenty-five of which are service in the public schools of Connecticut. The State of Connecticut Teachers' Retirement System is considered to be a part of the State of Connecticut financial reporting entity and is included in the State's financial reports as a pension trust fund. Those reports may be obtained by writing to the State of Connecticut, Office of the State Comptroller, 55 Elm Street, Hartford, Connecticut 06106.

Note 3 - Detailed Notes on All Funds (Continued)

Certain part-time and full-time certified teachers are eligible to participate in the plan and are required to contribute 7.25% of their annual earnings to the plan. The City does not, and is not legally required to, contribute to the plan.

The State of Connecticut contributes based on actuarially determined amounts. The funding level is determined based on an actuarial valuation of the plan as a whole, which does not provide actuarial information on an individual city/town basis.

In addition, the City has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the State of Connecticut Teachers' Retirement system by the State of Connecticut. Such on-behalf payments were approximately $24,307,000 for the year ended June 30, 2012.

G. Long-Term Liabilities

The following table summarizes changes in the City's long-term indebtedness for the year ending June 30, 2012:

	Balance, July 1, 2011	Increases	Decreases	Balance June 30, 2012	Due Within One Year
Governmental Activities:					
General obligation bonds	$ 373,316,413	$ 45,000,000	$ 32,122,612	$ 386,193,801	$ 34,109,194
Plus - Deferred amounts on refunding bonds	7,250,450	3,695,270	1,129,823	9,815,897	-
	380,566,863	48,695,270	33,252,435	396,009,698	34,109,194
Special obligation revenue bonds	-	16,245,000	-	16,245,000	-
Notes payable	1,599,665	-	643,634	956,031	669,323
Capital leases	391,604	-	258,740	132,864	132,864
Other Non-Current Liabilities:					
Early retirement incentive	4,513,973	462,020	1,440,781	3,535,212	1,418,986
Compensated absences	21,687,684	1,878,427	2,169,000	21,397,111	2,140,000
Pollution remediation obligations	6,600,000	325,000	725,000	6,200,000	2,200,000
Other post employment benefit obligations payable	26,299,000	28,817,000	20,053,000	35,063,000	-
Net pension obligation	70,000	7,440,000	7,470,000	40,000	-
Claims payable	26,145,518	81,058,641	82,585,879	24,618,280	18,709,262
Total Other Non-Current Liabilities	85,316,175	119,981,088	114,443,660	90,853,603	24,468,248
Governmental Activities Long-Term Liabilities	$ 467,874,307	$ 184,921,358	$ 148,598,469	$ 504,197,196	$ 59,379,629
Business-Type Activities:					
General obligation bonds	$ 20,468,660	$ -	$ 1,724,275	$ 18,744,385	$ 1,779,364
Unamortized premium	54,059	-	6,766	47,293	-
	20,522,719	-	1,731,041	18,791,678	1,779,364
Revenue bonds	28,975,000	-	690,000	28,285,000	715,000
Unamortized premium	76,418	-	16,266	60,152	-
	29,051,418	-	706,266	28,345,152	715,000
Notes payable	67,198,158	-	3,725,045	63,473,113	3,796,603
Other Long-Term Liabilities - Compensated absences	334,301	47,563	33,600	348,264	35,300
Business-Type Activity Long-Term Liabilities	$ 117,106,596	$ 47,563	$ 6,195,952	$ 110,958,207	$ 6,326,267

Note 3 - Detailed Notes on All Funds (Continued)

Governmental fund liabilities for bonds and notes are liquidated by the Debt Service Fund, which is funded primarily by the General Fund. Each governmental funds liability for capital leases, early retirement incentives, compensated absences, pollution remediation obligations, other post employment benefit obligations, net pension obligation and claims are liquidated by the respective fund, primarily the General Fund.

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2012 consisted of the following:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2012
Refunding Bonds	2002	$ 43,485,000	2015	5.250 - 5.500 %	$ 10,730,000
Public Improvements	2002	40,000,000	2013	5.000	2,105,000
Refunding Bonds	2003	51,485,000	2016	5.25	30,835,000
Refunding Bonds	2004	25,345,000	2019	3.400 - 5.250	19,435,000
Public Improvements	2004	35,000,000	2014	3.375 - 3.500	3,500,000
Public Improvements	2005	15,190,000	2014	3.500 - 5.250	1,475,000
Refunding Bonds	2005	28,095,000	2021	3.750 - 5.000	26,810,000
Refunding Bonds	2006	17,530,000	2024	3.500 - 5.000	17,160,000
Public Improvements	2006	59,000,000	2013	5.000	2,825,000
Qualified Zone Academy Bonds	2007	1,337,000	2022	2.000	933,186
Public Improvements	2008	88,000,000	2028	3.100 - 5.000	47,745,000
Refunding Bonds	2008	19,050,000	2015	3.000 - 5.000	6,920,000
Qualified Zone Academy Bonds	2009	3,750,000	2023	-	2,750,000
Refunding Bonds	2009	54,405,000	2020	2.500 - 5.000	54,405,000
Clean Renewable Energy	2010	2,000,000	2024	-	1,600,000
Public Improvements	2010	50,000,000	2030	1.500 - 5.550	47,350,000
Refunding Bonds	2010	26,580,000	2023	3.000 - 5.000	26,175,000
Public Improvements	2011	21,600,000	2028	2.700 - 5.000	21,600,000
Public Improvements	2011	4,425,000	2031	5.250 - 5.350	4,425,000
Public Improvements	2011	8,975,000	2016	2.000	7,200,000
Refunding Bonds	2011	23,960,000	2026	2.000 - 4.000	23,960,000
Public Improvements	2012	45,000,000	2032	2.000 - 5.000	45,000,000
					404,938,186
			Less amount representing business-type activities		(18,744,385)
					$ 386,193,801

School Bond Reimbursements

The State of Connecticut reimburses the City for eligible school bond principal and interest costs. The amount of reimbursement for the year ended June 30, 2012 was approximately $898,000. Additional reimbursements of principal and interest aggregating approximately $3,446,786 are expected to be received through the bonds' maturity dates.

Note 3 - Detailed Notes on All Funds (Continued)

Special Obligation Revenue Bonds (Tax Increment Financing)

Special obligation tax increment revenue bonds outstanding as of June 30, 2012 consisted of the following:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rate	Amount Outstanding at June 30, 2012
Public Improvements - Mill River Corridor	2012	$ 16,245,000	2041	7.000 %	$ 16,245,000

During 2012, the City issued $16,245,000 in special obligation tax increment revenue bonds. Under Chapter 130 of the Connecticut General Statutes, the City, acting through the URC, is authorized to issue tax increment revenue bonds with respect to the Mill River Corridor Project. The debt service on these bonds is payable from the additional property taxes generated by the properties within the project area. The City and its taxpayers are not liable for such bonds, except to the extent of the additional property taxes generated within the project area and dedicated to repayment of the bonds. If the project does not generate enough additional taxes to pay the debt service on the bonds, the bondholders do not have any rights for claims against the City's other taxes and revenues. The bondholders only have rights against the tax incremental revenues. It is not considered a default if there is insufficient tax incremental revenues to pay the full amount of principal and interest on the bonds. If the tax incremental revenues are insufficient to pay the full amount of principal and interest at maturity, the bonds will be deemed satisfied and paid in full. The City was obligated to fund a debt service surplus fund of $2.8 million to be used in the event that the incremental tax revenues do not generate enough additional taxes to pay the debt service on the special obligation tax increment revenue bonds. The balance of the debt service surplus fund at June 30, 2012 was $2,724,726. The special obligation tax increment revenue bonds are not general obligations of the City nor do they count against the City's statutory debt limit. The special obligation tax increment revenue bonds are interest only for the first ten years and then mature annually through April 2041. Total principal and interest remaining on the bonds is $43,369,650 payable through 2041. For the current year, interest paid was $495,924, while total incremental property tax revenues generated were $420,644.

Revenue Bonds

SWPCA revenue bonds outstanding as of June 30, 2012 consisted of the following:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2012
Stamford Water Pollution Control System and Facility Revenue Bonds	2003	$ 12,480,000	July, 2032	2.0 - 5.00 %	$ 10,345,000
Stamford Water Pollution Control System and Facility Revenue Bonds	2006	19,765,000	September, 2036	3.4 - 4.75	17,940,000
					$ 28,285,000

Note 3 - Detailed Notes on All Funds (Continued)

The City issued bonds pursuant to a 2001 and 2006 indenture of trust by and among the City, the SWPCA and the Bank (the "Indenture"), supplemented through 2006. This Indenture requires the SWPCA to establish and maintain restricted accounts, and follow certain procedures for bond issuance and payments. The SWPCA deposits all revenues into a "revenue fund," which is used first to pay operating expenses and then to fund the restricted bond accounts.

After each fiscal year, the SWPCA is required to review its fees to ensure anticipated revenues are sufficient to meet the above requirements. If this review discloses any risk of future noncompliance, the SWPCA must engage an independent industry specialist to undertake a study of its fee schedules. Within 90 days after the beginning of the fiscal year, the specialist's recommended fees must be implemented at a level adequate to meet the above requirements.

The City has pledged future SWPCA customer revenues, net of specified operating expenses, to repay $28,285,000 in outstanding SPWCA revenue bonds. Proceeds from the bonds provided financing for the construction of capital assets or refunded other revenue bonds issued for that purpose. The bonds are payable solely from SWPCA customer net revenues and are payable through 2036.

Notes Payable

The City has a note payable for various energy equipment. The note bears interest at 3.92% and is payable in monthly installments of $57,905, including interest, through November 2013. The balance due at June 30, 2012 is $956,031.

The SWPCA has loans from the State of Connecticut for various sewer projects. The loans bear interest at 2%. The loans are payable in monthly installments ranging from $3,601 to $368,000, including interest through August 2025. As of June 30, 2012, the combined loan balance is $53,290,737.

OTHRA has a loan from the City for funding of the Old Town Hall redevelopment. The loan bears interest at 4.32%, with monthly interest payments of approximately $8,000 through December 2017 and monthly principal and interest payments ranging from approximately $22,000 to $24,000 through February 2029. OTHRA has a mortgage payable that bears interest at 0.5%, with monthly interest only payments of approximately $3,000 through February 2029 and monthly principal and interest payments ranging from approximately $24,000 to $26,000 through June 2043. As of June 30, 2012, the combined loan balance is $10,182,376.

Capital Leases Payable

The City, in a prior year, entered into a capital lease agreement to acquire recycling trucks in the aggregate amount of $1,228,016. The semi-annual payments include interest at 3.59% and the obligation matures in November 2012.

The City's capital lease obligation at June 30, 2012 is as follows:

2013	$ 135,249
Less - Interest	(2,385)
Present Value of Minimum Payments	$ 132,864

Note 3 - Detailed Notes on All Funds (Continued)

Payments to Maturity

The annual requirements to amortize all general obligation bonds, revenues bonds, special obligation revenue bonds, notes and capital leases outstanding as of June 30, 2012, including interest payments of $178,990,383, were as follows:

Year Ending June 30,	Governmental Activities - General Obligation Bonds		Business-Type Activities - General Obligation Bonds		Governmental Activities - Special Obligation Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	$ 34,109,194	$ 16,061,778	$ 1,779,364	$ 843,116	$ -	$ 1,137,150
2014	33,534,080	14,602,665	1,806,182	766,037	-	1,137,150
2015	33,212,348	13,139,917	1,824,653	684,147	-	1,137,150
2016	31,248,919	11,775,134	1,399,855	613,945	-	1,137,150
2017	29,275,390	10,511,582	1,240,193	555,762	-	1,137,150
2018-2022	123,733,203	34,245,456	5,378,138	1,926,181	5,000	5,685,750
2023-2027	74,655,667	12,988,210	3,316,000	954,490	870,000	5,599,650
2028-2032	26,425,000	2,129,126	2,000,000	167,355	2,695,000	5,061,000
2033-2037	-	-	-	-	5,445,000	3,763,200
2038-2042	-	-	-	-	7,230,000	1,329,300
2043	-	-	-	-	-	-
	$ 386,193,801	$ 115,453,868	$ 18,744,385	$ 6,511,033	$ 16,245,000	$ 27,124,650

Year Ending June 30,	Business-Type Activities - Revenue Bonds		Governmental Activities - Notes Payable		Business-Type Activities - Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2013	$ 715,000	$ 1,273,825	$ 669,323	$ 25,536	$ 3,796,603	$ 1,168,161
2014	745,000	1,246,175	286,708	2,816	3,869,606	1,091,562
2015	775,000	1,217,181	-	-	3,864,423	1,013,888
2016	805,000	1,186,625	-	-	3,883,503	936,759
2017	840,000	1,152,331	-	-	3,943,011	858,441
2018-2022	4,770,000	5,183,883	-	-	20,369,341	3,081,123
2023-2027	5,965,000	3,999,677	-	-	13,564,250	1,130,511
2028-2032	7,540,000	2,416,844	-	-	-	685,146
2033-2037	6,130,000	679,501	-	-	-	685,146
2038-2042	-	-	-	-	-	685,146
2043	-	-	-	-	10,182,376	178,170
	$ 28,285,000	$ 18,356,042	$ 956,031	$ 28,352	$ 63,473,113	$ 11,514,053

Year Ending June 30,	Governmental Activities - Capital Leases		Total	
	Principal	Interest	Principal	Interest
2013	$ 132,864	$ 2,385	$ 41,202,348	$ 20,511,951
2014	-	-	40,241,576	18,846,405
2015	-	-	39,676,424	17,192,283
2016	-	-	37,337,277	15,649,613
2017	-	-	35,298,594	14,215,266
2018-2022	-	-	154,255,682	50,122,393
2023-2027	-	-	98,370,917	24,672,538
2028-2032	-	-	38,660,000	10,459,471
2033-2037	-	-	11,575,000	5,127,847
2038-2042	-	-	7,230,000	2,014,446
2043	-	-	10,182,376	178,170
	$ 132,864	$ 2,385	$ 514,030,194	$ 178,990,383

Note 3 - Detailed Notes on All Funds (Continued)

The above general obligation bonds, revenue bonds, notes and capital leases are direct obligations of the City, for which its full faith and credit are pledged and are payable from taxes levied on all taxable property located within the City.

The special obligation tax increment revenue bonds are not obligations of the City nor do they count against the City's statutory debt limit. The City is not liable for such bonds, except to the extent of the additional property taxes generated within the Mill River Corridor project area and dedicated to repayment of the bonds.

Upon completion or cancellation of a bonded capital project, any unexpended general obligation bond funds will be used for any other authorized capital project after approval by the City's Board of Finance and Board of Representatives.

Legal Debt Limit

The City's indebtedness (including authorized but unissued bonds), net of principal reimbursements expected from the state, does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

	Debt Limit	Indebtedness	Balance
General purpose	$ 929,405,246	$ 454,637,835	$ 474,767,411
Schools	1,858,810,491	306,374,591	1,552,435,900
Sewers	1,549,008,743	83,053,772	1,465,954,971
Urban renewal	1,342,474,244	-	1,342,474,244
Unfunded pension benefit obligation	1,239,206,994	-	1,239,206,994

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or $2,891,482,986.

Prior Year Defeasance of Debt

In prior years, the City defeased certain bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. At June 30, 2012, $114,530,000 of bonds outstanding are considered defeased.

Early Retirement Incentive

An early retirement incentive plan was offered to members of the Stamford Education Association ("SEA") whose age and years of teaching total at least 70 and who have been employed by the BOE for at least 15 years. Those who are eligible and elect early retirement shall receive $16,550 over the first two or three years after retirement. During the fiscal year ended June 30, 2012, the City paid approximately $1,095,000 in early retirement benefits and this amount was charged to the General Fund. At June 30, 2012, the balance due of $3,535,212 has been reflected in the government-wide financial statements for governmental activities.

Note 3 - Detailed Notes on All Funds (Continued)

Compensated Absences

Vacation time earned during the fiscal year can be carried over to the succeeding year, subject to limitations as provided in the respective collective bargaining agreements. Employees are entitled to accumulate sick leave up to a maximum amount stipulated in each contract. Payment for accumulated sick leave is dependent upon the length of service and accumulated days. Additionally, certain vacation and sick leave expenses will be paid out of the pension funds upon retirement. The value of all compensated absences has been reflected in the government-wide financial statements.

Pollution Remediation Obligation

GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, requires the reporting of pollution remediation obligations as a general long-term obligation of the City. The pollution remediation obligation represents contractual commitments of the City with either vendors to clean up hazardous waste contaminated sites or the administrative authorization to proceed to clean up identified hazardous waste contaminated sites. Pollution remediation activities include the engagement of contractors to define the extent of the hazardous waste contamination through a remedial investigative contract; outline the method of clean up/remediation through a feasibility study contract; implement the required/recommended remediation action through construction contractors; and maintain and monitor the operations of the clean up remedy at the site.

The pollution remediation obligation estimates that appear in this report are subject to change over time. Costs may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to these estimates. Prospective recoveries from responsible parties may reduce the City's obligation.

On September 10, 2010, the City entered into a Consent Order with the State of Connecticut Department of Environmental Protection regarding the Scofieldtown Landfill, whereby the City agreed to: 1) complete an expedited assessment of any potential current off-site impact emanating from the landfill, and subsequent corrective action as needed to address any such impacts; and 2) prepare and implement a Closure Plan to ensure that the landfill is fully assessed and properly closed, including capping and long-term groundwater monitoring. The estimated cost of completing these actions is included in the total pollution remediation obligation liability shown as of June 30, 2012.

The estimated liability as of June 30, 2012 is $6,200,000. The reported amount represents the unexpended balances of those cleanup actions in which the City has obligated itself to commence remediation. The reported amounts represent the prospective outlays for existing remediation activities and not anticipated remediation work that may be addressed by the site's responsible parties at some future time or date.

Other Post Employment Benefit Obligations Payable

In addition to providing pension benefits, the City provides certain health care benefits for retired employees through a single employer defined benefit plan. The various collective bargaining

Note 3 - Detailed Notes on All Funds (Continued)

agreements stipulate the employees' covered and the percentage of contribution, if any, to the cost of health care benefits. Contributions by the City may vary according to length of service. The cost of providing post-employment health care benefits is shared between the City and the retired employee. Substantially all of the City's employees may become eligible for these benefits if they reach normal retirement age while working for the City. The cost of retiree health care benefits is recognized as an expenditure as claims are paid.

The City's annual other post employment benefit ("OPEB") cost (expense) is calculated based on the annual required contribution, ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. GASB Statement No. 45 establishes standards for the measurement, recognition and display of the expenses and liabilities for retirees' medical insurance. As a result, reporting of expenses and liabilities will no longer be done under the "pay-as-you-go" approach. Instead of expensing the current year premiums paid, a per capita claims cost will be determined, which will be used to determine a "normal cost", an "actuarial accrued liability", and ultimately the ARC. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

Actuarial valuations for OPEB plans involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, the assumptions and projections utilized do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial calculations of the OPEB plan reflect a long-term perspective.

The City is required to accrue on the government-wide financial statements the amounts necessary to finance the plan as actuarially determined, which is equal to the balance not paid by plan members. The contribution requirements of plan members and the City are established and may be amended by the City. The assumed health care cost trend rates, representative of the future expected increases in net medical premiums are as follows:

Year Ended June 30,	Assumed Increase
2013	7.00 %
2014	6.00
2015 +	5.00

The amortization basis is the level percentage of payroll method with an open amortization approach with 26 years remaining in the amortization period. The actuarial assumptions included a 7.5% investment rate of return. The actuarial cost method utilized was the projected unit credit method.

Note 3 - Detailed Notes on All Funds (Continued)

The number of participants as of June 30, 2012 was as follows:

Active Employees	3,182
Retired Employees	1,262
Total	4,444

Amortization Component:	
Actuarial Accrued Liability as of July 1, 2011	$ 321,215,000
Assets at Market Value	10,988,000
Unfunded Actuarial Accrued Liability ("UAAL")	$ 310,227,000
Funded Ratio	3.42%
Covered Payroll (Active plan members)	$ 225,626,000
UAAL as a Percentage of Covered Payroll	137.50%
Annual Required Contribution	$ 28,543,000
Interest on Net OPEB Obligation	1,972,000
Adjustment to Annual Required Contribution	(1,698,000)
Annual OPEB Cost	28,817,000
Contributions Made	(20,053,000)
Increase in Net OPEB Obligation	8,764,000
Net OPEB Obligation - Beginning of Year	26,299,000
Net OPEB Obligation - End of Year	$ 35,063,000

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the current and two preceding years is as follows:

Fiscal Year Ended June 30,	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2012	$ 28,817,000	69.59 %	$ 35,063,000
2011	25,455,000	63.61	26,299,000
2010	19,518,000	63.10	19,641,000

The schedule of funding progress for the OPEB plan immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan assets is increasing or decreasing relative to the actuarial accrued liability for the benefits over time.

Net Pension Obligation

The net pension obligation represents a $40,000 pension fund liability due to the Classified Employees' Retirement Fund and the Firefighters' Pension Trust Fund. Financial

Note 3 - Detailed Notes on All Funds (Continued)

reporting requirements for net pension fund obligations fall under the purview of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers.*

Claims Payable

The Internal Service funds reflect medical benefits for City and Board of Education employees, risk management, disputed assessments and heart and hypertension claims which are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled. The length of time for which such costs must be estimated varies depending on the coverage involved. Because actual claim costs depend on such complex factors as inflation, changes in doctrines of legal liability and damage awards, the process used in computing claim liabilities does not necessarily result in an exact amount. Claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflects past inflation and other factors that are considered to be appropriate modifiers of past experience.

An analysis of the activity of unpaid claim liabilities is as follows:

	Year Ended June 30, 2012				
	Medical Benefits-City	Medical Benefits-BOE	Risk Management	Disputed Assessments	Heart and Hypertension
Balance - Beginning of Year	$ 2,591,713	$ 3,386,594	$ 10,031,323	$ 4,223,990	$ 5,911,898
Provision for Claims and Claims Adjustment Expenses	30,417,542	38,087,182	9,693,709	-	2,860,208
Claims and Claims Adjustment Expenses Paid	(29,936,455)	(38,398,858)	(7,780,466)	(2,664,512)	(3,805,588)
Balance - End of Year	$ 3,072,800	$ 3,074,918	$ 11,944,566	$ 1,559,478	$ 4,966,518
Current Portion	$ 3,072,800	$ 3,074,918	$ 8,999,066	$ 1,327,478	$ 2,235,000

	Year Ended June 30, 2011				
	Medical Benefits-City	Medical Benefits-BOE	Risk Management	Disputed Assessments	Heart and Hypertension
Balance - Beginning of Year	$ 2,767,300	$ 3,882,876	$ 10,052,839	$ 13,117,876	$ 4,591,594
Provision for Claims and Claims Adjustment Expenses	27,183,582	36,151,172	7,741,020	6,083,855	2,634,425
Claims and Claims Adjustment Expenses Paid	(27,359,169)	(36,647,454)	(7,762,536)	(14,977,741)	(1,314,121)
Balance - End of Year	$ 2,591,713	$ 3,386,594	$ 10,031,323	$ 4,223,990	$ 5,911,898
Current Portion	$ 2,591,713	$ 3,386,594	$ 8,444,627	$ 2,853,735	$ 2,276,000

Note 3 - Detailed Notes on All Funds (Continued)

H. Revenues, Expenditures and Transfers

Interfund Transfers

Interfund transfers are defined as the flow of assets, such as cash or goods and services, without equivalent flows of assets in return. The interfund transfers reflected below have been reported as transfers.

	Transfers In				
Transfers Out	General Fund	Capital Projects Fund	Mill River Capital Project Fund	Non-Major Governmental Funds	Total
General Fund	$ -	$ -	$ 1,185,216	$ 48,208,402	$ 49,393,618
Mill River Capital Project Fund	-	5,900,745	-	495,924	6,396,669
Non-Major Governmental Funds	3,214,641	-	-	1,372,231	4,586,872
	$ 3,214,641	$ 5,900,745	$ 1,185,216	$ 50,076,557	$ 60,377,159

Transfers are used to 1) move funds from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due and 2) move funds from the General Fund to the Internal Service funds in accordance with budget authorizations.

I. Net Assets

The components of net assets are detailed below:

Invested in Capital Assets, Net of Related Debt - the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

Restricted for Debt Service - the component of net assets that reflects funds set aside in accordance with indenture agreements with bondholders.

Restricted for Special Revenue Funds - the component of net assets that reports the difference between assets and liabilities of the various special revenue funds with constraints placed on their use by federal, state or local requirements.

Unrestricted - all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Note 3 - Detailed Notes on All Funds (Continued)

J. Fund Balances

	General Fund	Capital Projects Fund	Mill River Capital Projects Fund	Non-Major Governmental	Total
Nonspendable:					
Prepaid expenditures	$ -	$ -	$ -	$ 471,585	$ 471,585
Inventories	35,065	-	-	50,026	85,091
Advances	119,175	7,291,107	-	-	7,410,282
Long-term loans and accounts receivable	-	7,938,712	-	-	7,938,712
	154,240	15,229,819	-	521,611	15,905,670
Restricted:					
Capital projects	-	29,886,168	5,548,371	3,112,173	38,546,712
Debt service	-	-	4,349,220	6,315,287	10,664,507
	-	29,886,168	9,897,591	9,427,460	49,211,219
Committed:					
Rainy Day Fund purposes	4,182,526	-	-	-	4,182,526
Parking Fund purposes	692,162	-	-	-	692,162
Risk Management Internal Service Fund purposes	2,470,779	-	-	-	2,470,779
Disputed Assessments Internal Service Fund purposes	30,740				30,740
Unreimbursed Hurricane Costs	1,000,000	-	-	-	1,000,000
	8,376,207	-	-	-	8,376,207
Assigned:					
Purchases on order:					
Governmental services	97,575	-	-	-	97,575
Administration	435,995	-	-	-	435,995
Legal affairs	232,279	-	-	-	232,279
Public safety	504,169	-	-	-	504,169
Health and welfare	208,806	-	-	-	208,806
Community services	34,200	-	-	-	34,200
Operations	686,984	-	-	-	686,984
Board of Education	1,390,700	-	-	-	1,390,700
	3,590,708	-	-	-	3,590,708
Stamford Community Development Program	-	-	-	518,128	518,128
Town Aid Highway	-	-	-	28,324	28,324
Dog License	-	-	-	105,412	105,412
Police Extra Duty	-	-	-	992,471	992,471
School Building Use	-	-	-	344,674	344,674
Continuing Education	-	-	-	306,778	306,778
Marinas	-	-	-	56,558	56,558
Greater Stamford Transit District	-	-	-	192,770	192,770
Rainy Day	-	-	-	13,914,058	13,914,058
BOE Energy Reserve	-	-	-	129,840	129,840
	3,590,708	-	-	16,589,013	20,179,721
Unassigned	-	-	-	(1,210,443)	(1,210,443)
Total Fund Balances	$ 12,121,155	$ 45,115,987	$ 9,897,591	$ 25,327,641	$ 92,462,374

Note 3 - Detailed Notes on All Funds (Continued)

Certain elements of fund balance are described above. Those additional elements which are not reflected in the Statement of Net Assets but are reported in the governmental funds balance sheet are described below.

Prepaid Expenditures has been provided to account for certain payments made in advance. The amount is classified as nonspendable to indicate that funds are not "available" for appropriation or expenditure even though they are a component of current assets.

Inventories in the BOE food service program and the Continuing Education funds have been classified as nonspendable to indicate that a portion of fund balance is not "available" for expenditure because the asset is in the form of commodities and the City anticipates utilizing them in the normal course of operations.

Advances have been established to indicate the long-term nature of funds advanced to the OTHRA enterprise fund. These funds do not represent "available" spendable resources even though they are a component of current assets.

Long-term Loans and Accounts Receivable represent funds set aside to indicate the long-term nature of amounts due from the OTHRA enterprise fund. These funds do not represent "available" spendable resources even though they are a component of current assets.

Purchases on order are assigned and represent the City's intention to honor the contracts in process at year-end. The subsequent year's appropriation will be amended to provide authority to complete the transactions.

Unassigned fund balance in the General Fund represents amounts not classified as non-spendable, restricted, committed or assigned.

Committed

The City Charter provides that a current year surplus or deficit must be applied to or funded in subsequent operating budgets or an operating reserve fund ("Rainy Day Fund"). In fiscal 2012, revenues and transfers exceeded expenditures by $6,219,115, and $1,217,877 of unexpended prior year encumbrances were also returned to the fund balance. These were offset by transfers out from the prior year's designation of fund balance of $4,911,692, resulting in an overall positive change to fund balance of $1,307,423. This results in an unassigned fund balance on the budgetary basis of accounting of $8,376,207 (Exclusive of inventories of $35,065 and advances of $119,175). The anticipated use is as follows:

Rainy Day Fund purposes	$ 4,182,526
Parking Fund purposes	692,162
Risk Management Internal Service Fund purposes	2,470,779
Disputed Assessments Internal Service Fund purposes	30,740
Unreimbursed Hurricane Costs	1,000,000
	$ 8,376,207

Note 4 - Summary Disclosure of Significant Contingencies

A. Litigation

The City is a defendant in numerous pending disputed tax assessment proceedings, the results of which cannot be determined at this time. Any future refunds resulting from adverse settlements will be funded in the year in which the payments are made. The City has accrued $1,559,478 for tax appeals associated with the latest property revaluations in the Disputed Assessments Internal Service Fund.

The City is a defendant in various lawsuits including personal injury, property damage, civil rights violations and other miscellaneous claims. For certain of these cases, where it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated, a loss contingency has been accrued for in the Risk Management Internal Service Fund of $3,907,500. Estimated pollution remediation costs of $6,200,000 have been accounted for in long-term liabilities. Based upon the advice of the City Corporation Counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on the financial statements of the City.

B. Contingencies

The City participates in various Federal and State grant programs. These programs are subject to program compliance audits pursuant to the Federal and State Single Audit Acts. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, to be immaterial.

The SWPCA had a waste-to-energy project ("Project"), the objective of which was to evaluate and design an interface between the sludge drying system (pelletization) and the proposed electrical generating system, including schematic design and waste-to-energy options. However, on July 7, 2010, the SWPCA Board voted to discontinue this project. The Project was supported by grant funding from the U.S. Department of Energy ("DOE") on a 50% basis. Of the approximately $2.2 million in costs incurred since the Project's inception, approximately $1.1 million was provided by the DOE. Discussions are currently underway with the DOE regarding the discontinuation of the Project.

The SWPCA was issued a Notice of Violation ("NOV") dated September 10, 2012 by the Connecticut Department of Energy & Environmental Protection ("DEEP") stating that the SWPCA failed to meet regulatory requirements for effluent permit limits, the operation of secondary clarifier and nitrified recycle pumps, bypass prevention and maintaining a system of user charges that supported the maintenance and replacement of critical components. No failure dates or time periods were specified and no penalties have been levied to date in conjunction with this NOV. The SWPCA is continuing to communicate with DEEP regarding the corrective actions required to address these issues. No adjustments have been made to these financial statements concerning this matter as of June 30, 2012.

C. Risk Management

The City is exposed to various risks of loss related to torts, theft or impairment to assets, errors and omissions, injury to employees, natural disasters, and tax appeals.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

The City is self-insured per claim for up to $1,000,000 for general and auto liability, $1,000,000 for public officials' liability and $100,000 for most property losses. The City also carries an umbrella policy with limits of $10 million per occurrence and an excess umbrella policy with limits of up to $15 million. The City purchases commercial insurance for claims in excess of these retentions. Costs associated with these risks are reported in the Risk Management Internal Service Fund.

It is the City's policy to self-insure for employee health insurance coverage up to $300,000 per individual for City and Board of Education employees. These amounts are recorded in the City and Board of Education Medical Internal Service funds. Heart and hypertension claims for police officers and firefighters are covered, as required by State Statute. Costs associated with these risks are reported in the Risk Management Internal Service Fund.

The City is self-insured for workers' compensation claims for up to $1,500,000 per claim. For certain of these cases, where it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated, a loss contingency has been accrued for in the Risk Management Internal Service Fund of $$8,037,066. Costs relating to the litigation of claims are charged to expenditures as incurred.

Liabilities for unpaid claims are based on recommendations by third-party administrators. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

D. Risks and Uncertainties

The City invests in various securities, including commercial paper, government-sponsored enterprises, and alternative investments. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. The ongoing credit and liquidity crisis in the United States and throughout the global financial systems has resulted in substantial volatility in financial markets and the banking system. This and other economic events have had a significant adverse impact on investment portfolios. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the statements of financial position and activities.

In the original financial plan for OTHRA, it was anticipated that the real property owned and developed by OTHRA would be leased to a minority owner of QALICB for $348,000 per annum, who would sublease the real property to unrelated third party tenants generating net rental income to support rental payments to OTHRA. During the year ended June 30, 2012, subtenants generated rental income of approximately $32,000. Accordingly, OTHRA has taken a reserve of approximately $316,000 on its receivable as of June 30, 2012. As long as OTHRA is not generating sufficient rental income to cover its operating costs and debt service requirements, the City, through Old Town Hall Manager, Inc., is responsible for covering these costs. As of June 30, 2012, the City advanced OTHRA $4,110,282 to support operations and capital improvements of the real property. No provision has been made in the accompanying financial statements for losses that might be incurred by the City, if any, in connection with OTHRA.

Note 4 - Summary Disclosure of Significant Contingencies (Continued)

OTHRA is currently in a dispute with the building contractor over construction costs. OTHRA is vigorously defending the claim. It is too early to evaluate the likelihood of success or potential exposure to the City. The range of any loss cannot be estimated and no provision for loss has been reflected in the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF STAMFORD, CONNECTICUT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS
TRUST FUNDS
LAST SIX FISCAL YEARS

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Excess (Unfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Excess (Unfunded) Liability as a Percentage of Covered Payroll
Classified Employees'						
July 1, 2011	$ 185,099,000	$ 202,613,000	$ (17,514,000)	91.4 %	$ 48,396,000	(36.2) %
July 1, 2010	180,544,000	194,670,000	(14,126,000)	92.7	46,312,000	(30.5)
July 1, 2009	181,777,000	182,632,000	(855,000)	99.5	45,981,000	(1.9)
July 1, 2008	189,954,000	176,317,000	13,637,000	107.7	44,001,000	31.0
July 1, 2007	188,461,000	166,084,000	22,377,000	113.5	43,959,000	50.9
July 1, 2006	182,537,000	159,821,000	22,716,000	114.2	41,420,000	54.8
Police Pension						
July 1, 2011	$ 171,079,000	$ 192,260,000	$ (21,181,000)	89.0 %	$ 22,340,000	(94.8) %
July 1, 2010	166,770,000	183,963,000	(17,193,000)	90.7	21,378,000	(80.4)
July 1, 2009	166,328,000	178,919,000	(12,591,000)	93.0	20,861,000	(60.4)
July 1, 2008	175,945,000	171,655,000	4,290,000	102.5	19,963,000	21.5
July 1, 2007	171,826,000	160,970,000	10,856,000	106.7	18,682,000	58.1
July 1, 2006	162,374,000	153,436,000	8,938,000	105.8	18,064,000	49.5
Firefighters' Pension						
July 1, 2011	$ 135,656,000	$ 139,939,000	$ (4,283,000)	96.9 %	$ 22,638,000	(18.9) %
July 1, 2010	130,796,000	133,421,000	(2,625,000)	98.0	21,663,000	(12.1)
July 1, 2009	131,369,000	130,475,000	894,000	100.7	19,292,000	4.6
July 1, 2008	138,360,000	123,434,000	14,926,000	112.1	18,461,000	80.9
July 1, 2007	134,356,000	119,150,000	15,206,000	112.8	18,835,000	80.7
July 1, 2006	124,131,000	113,830,000	10,301,000	109.0	16,864,000	61.1
Custodians' and Mechanics'						
July 1, 2011	$ 45,767,000	$ 51,286,000	$ (5,519,000)	89.2 %	$ 19,247,000	(28.7) %
July 1, 2010	43,118,000	47,910,000	(4,792,000)	90.0	18,418,000	(26.0)
July 1, 2009	42,295,000	45,458,000	(3,163,000)	93.0	16,063,000	(19.7)
July 1, 2008	42,342,000	40,247,000	2,095,000	105.2	15,371,000	13.6
July 1, 2007	40,959,000	38,151,000	2,808,000	107.4	16,261,000	17.3
July 1, 2006	38,877,000	36,225,000	2,652,000	107.3	13,915,000	19.1
OPEB						
July 1, 2011	$ 10,988,000	$ 321,215,000	$ (310,227,000)	3.4 %	$ 225,626,000	(137.5) %
July 1, 2010	3,906,000	298,344,000	(294,438,000)	1.3	215,910,000	(136.4)
July 1, 2009	860,000	258,402,000	(257,542,000)	0.3	226,225,000	(113.8)
July 1, 2008	-	215,337,000	(215,337,000)	-	226,225,000	(95.2)
July 1, 2007	-	200,000,000	(200,000,000)	-	188,244,000	(106.2)

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APPENDIX B – FORMS OF LEGAL OPINION OF BOND COUNSEL

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ROBINSON & COLE LLP

280 Trumbull Street
Hartford, CT 06103-3597
Main (860) 275-8200
Fax (860) 275-8299

FORM OF OPINION OF BOND COUNSEL

April 16, 2013

City of Stamford,
Stamford, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the City of Stamford, Connecticut (the "City"), a Tax Regulatory Agreement of the City, dated April 16, 2013 (the "Tax Regulatory Agreement"), and other proofs submitted to us relative to the issuance and sale of $5,925,000 City of Stamford, Connecticut General Obligation Refunding Bonds, 2013 Series B, dated April 16, 2013 (the "Bonds"), maturing on July 1 in each of the years, in the principal amounts and bearing interest payable on July 1, 2013 and semiannually thereafter on January 1 and July 1 in each year until maturity, at the rates per annum as follows:

Year of Maturity	Principal Amount	Interest Rate Per Annum	Year of Maturity	Principal Amount	Interest Rate Per Annum
2013	$3,595,000	1.000%	2014	$2,330,000	2.000%

with principal payable at the principal office of U.S. Bank National Association, in Hartford, Connecticut, and with interest payable to the registered owner as of the close of business on the fifteenth day of June and December in each year, or the preceding business day if such fifteenth day is not a business day, by check mailed to such registered owner at his address as shown on the registration books of the City kept for such purpose. The Bonds are not subject to redemption prior to maturity.

The Bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), to effect a book-entry system for the ownership and transfer of the Bonds. So long as DTC or its nominee is the registered owner, principal and interest payments on the Bonds will be made to DTC.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement any official statement or other offering material relating to the Bonds, and we express no opinion relating thereto, excepting only the matters set forth as our opinion in the Official Statement.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds under authority of the Constitution and General Statutes of Connecticut and that the Bonds are a valid general obligation of the City the principal of and interest on which is payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the City without limitation as to rate or amount except as to classified property, such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the City.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be and remain excluded from gross income for federal income tax purposes. The City has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary

or appropriate under any valid provision of law to ensure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds is, however, includable in adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations. We express no opinion regarding any other federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the Bonds.

In rendering the foregoing opinions regarding the federal tax treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) the compliance by the City with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding any other State or local tax consequences caused by the ownership or disposition of the Bonds.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

These opinions are rendered as of the date hereof and are based on existing law, which is subject to change. We assume no obligation to update or supplement these opinions to reflect any facts or circumstances that may come to our attention, or to reflect any changes in law that may hereafter occur or become effective.

The rights of owners of the Bonds and the enforceability of the Bonds and the Tax Regulatory Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

Very truly yours,

ROBINSON & COLE LLP

ROBINSON & COLE LLP

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Main (860) 275-8200
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FORM OF OPINION OF BOND COUNSEL

May 21, 2013

City of Stamford,
Stamford, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the City of Stamford, Connecticut (the "City"), a Tax Regulatory Agreement of the City, dated May 21, 2013 (the "Tax Regulatory Agreement"), and other proofs submitted to us relative to the issuance and sale of $22,220,000 City of Stamford, Connecticut General Obligation Refunding Bonds, 2013 Series C, dated May 21, 2013 (the "Bonds"), maturing on July 1 in each of the years, in the principal amounts and bearing interest payable on July 1, 2013 and semiannually thereafter on January 1 and July 1 in each year until maturity, at the rates per annum as follows:

Year of Maturity	Principal Amount	Interest Rate Per Annum	Year of Maturity	Principal Amount	Interest Rate Per Annum
2013	$ 350,000	2.000%	2016	$1,880,000	4.000%
2014	8,100,000	3.000	2017	1,710,000	4.000
2015	8,365,000	3.000	2018	1,815,000	5.000

with principal payable at the principal office of U.S. Bank National Association, in Hartford, Connecticut, and with interest payable to the registered owner as of the close of business on the fifteenth day of June and December in each year, or the preceding business day if such fifteenth day is not a business day, by check mailed to such registered owner at his address as shown on the registration books of the City kept for such purpose. The Bonds are not subject to redemption prior to maturity.

The Bonds are originally registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), to effect a book-entry system for the ownership and transfer of the Bonds. So long as DTC or its nominee is the registered owner, principal and interest payments on the Bonds will be made to DTC.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement any official statement or other offering material relating to the Bonds, and we express no opinion relating thereto, excepting only the matters set forth as our opinion in the Official Statement.

We are of the opinion that such proceedings and proofs show lawful authority for the issuance and sale of the Bonds under authority of the Constitution and General Statutes of Connecticut and that the Bonds are a valid general obligation of the City the principal of and interest on which is payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the City without limitation as to rate or amount except as to classified property, such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts. We are further of the opinion that the Tax Regulatory Agreement is a valid and binding agreement of the City.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met at and subsequent to the issuance and delivery of the Bonds in order that interest on the

Bonds be and remain excluded from gross income for federal income tax purposes. The City has covenanted in the Tax Regulatory Agreement that it will at all times perform all acts and things necessary or appropriate under any valid provision of law to ensure that interest paid on the Bonds shall be excluded from gross income for federal income tax purposes under the Code.

In our opinion, under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax. Interest on the Bonds is, however, includable in adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations. We express no opinion regarding any other federal income tax consequences caused by ownership or disposition of, or receipt of interest on, the Bonds.

In rendering the foregoing opinions regarding the federal tax treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and expectations, and certifications of fact contained in the Tax Regulatory Agreement, and (ii) the compliance by the City with the covenants and procedures set forth in the Tax Regulatory Agreement as to such tax matters.

We are further of the opinion that, under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding any other State or local tax consequences caused by the ownership or disposition of the Bonds.

Legislation affecting the exclusion from gross income of interest on State or local bonds, such as the Bonds, is regularly under consideration by the United States Congress. There can be no assurance that legislation enacted or proposed after the date of issuance of the Bonds will not reduce or eliminate the benefit of the exclusion from gross income of interest on the Bonds or adversely affect the market price of the Bonds.

These opinions are rendered as of the date hereof and are based on existing law, which is subject to change. We assume no obligation to update or supplement these opinions to reflect any facts or circumstances that may come to our attention, or to reflect any changes in law that may hereafter occur or become effective.

The rights of owners of the Bonds and the enforceability of the Bonds and the Tax Regulatory Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by application of equitable principles, whether considered at law or in equity.

Very truly yours,

ROBINSON & COLE LLP

APPENDIX C – FORMS OF CONTINUING DISCLOSURE AGREEMENTS

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FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

City of Stamford, Connecticut
$5,925,000 General Obligation Refunding Bonds, 2013 Series B
Dated April 16, 2013

April 16, 2013

WHEREAS, the City of Stamford, Connecticut (the "City") has heretofore authorized the issuance of $5,925,000 in aggregate principal amount of its General Obligation Refunding Bonds, 2013 Series B, dated April 16, 2013 (the "Bonds"), and to mature on the dates and in the amounts and set forth in the City's Official Statement dated March 27, 2013 describing the Bonds (the "Official Statement"); and

WHEREAS, the Bonds have been sold by a negotiated sale pursuant to a Bond Purchase Agreement, dated March 27, 2013 (the "Bond Purchase Agreement"); and

WHEREAS, in the Bond Purchase Agreement, the City has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the City has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the "Rule"), and the City desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the City is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement (this "Agreement") is to be made, executed and delivered by the City in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the City hereby represents, covenants and agrees as follows:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Annual Report" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 2 and 3 of this Agreement.

"Fiscal Year End" shall mean the last day of the City's fiscal year, currently June 30.

"Listed Events" shall mean any of the events listed in Section 4 of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 57577 for purposes of the Rule, the MSRB or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

"SEC" shall mean the Securities and Exchange Commission of the United States or any successor thereto.

Section 2. Annual Reports.

(a) The City shall provide or cause to be provided to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, the following annual financial information and operating data regarding the City:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End prepared in accordance with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

(A) the amounts of the gross and net taxable grand list;

(B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;

(C) the percentage and amount of the annual property tax levy collected and uncollected;

(D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;

(E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);

(F) the total direct debt, total net direct debt and total overall net debt of the City per capita;

(G) the ratios of total direct debt and total overall net debt of the City to the City's net taxable grand list;

(H) a statement of statutory debt limitations and debt margins; and

(I) the funding status of the City's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the City's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents previously provided to the Repository, including official statements of the City which will be available from the MSRB.

(c) Subject to the requirements of Section 8 hereof, the City reserves the right to modify from time to time the type of financial information and operating data provided or the format of the presentation of such financial information and operating data, to the extent necessary or appropriate; provided that the City agrees that any such modification will be done in a manner consistent with the Rule. The City also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The City shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the City shall provide such financial

information and operating data no later than eight months after the close of such preceding Fiscal Year End. The City agrees that if audited financial statements are not available eight months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

Section 4. Event Notices. The City agrees to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, of the occurrence of any of the following events:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(vii) modifications to rights of Bondholders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;

(xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material.

Section 5. Notice of Failure. The City agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the City to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The City's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The City may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the City may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the City, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the City chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The City agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the City under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The City agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the City shall fail to perform its duties hereunder, the City shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the City does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the City's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the City with respect to the Bonds.

IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

CITY OF STAMFORD, CONNECTICUT

By: _____
Michael A. Pavia
Mayor

By: _____
Michael E. Handler
Director of Administration

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

City of Stamford, Connecticut
$22,220,000 General Obligation Refunding Bonds, 2013 Series C
Dated May 21, 2013

May 21, 2013

WHEREAS, the City of Stamford, Connecticut (the "City") has heretofore authorized the issuance of $22,220,000 in aggregate principal amount of its General Obligation Refunding Bonds, 2013 Series C, dated May 21, 2013 (the "Bonds"), and to mature on the dates and in the amounts and set forth in the City's Official Statement dated March 21, 2013 describing the Bonds (the "Official Statement"); and

WHEREAS, the Bonds have been sold by a negotiated sale pursuant to a Bond Purchase Agreement, dated March 21, 2013 (the "Bond Purchase Agreement"); and

WHEREAS, in the Bond Purchase Agreement, the City has heretofore acknowledged that an underwriter may not purchase or sell the Bonds unless it has reasonably determined that the City has undertaken in a written agreement for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure information as required by Securities and Exchange Commission Rule 15c2-12(b)(5), as amended from time to time (the "Rule"), and the City desires to assist the underwriter of the Bonds in complying with the Rule; and

WHEREAS, the City is authorized pursuant to Section 3-20e of the General Statutes of Connecticut to make such representations and agreements for the benefit of the beneficial owners of the Bonds to meet the requirements of the Rule; and

WHEREAS, in order to assist the underwriter of the Bonds in complying with the Rule, this Continuing Disclosure Agreement (this "Agreement") is to be made, executed and delivered by the City in connection with the issuance of the Bonds and to be described in the Official Statement, all for the benefit of the beneficial owners of the Bonds, as they may be from time to time;

NOW, THEREFORE, the City hereby represents, covenants and agrees as follows:

Section 1. Definitions. In addition to the terms defined above, the following capitalized terms shall have the meanings ascribed thereto:

"Annual Report" shall mean any Annual Report provided by the City pursuant to, and as described in, Sections 2 and 3 of this Agreement.

"Fiscal Year End" shall mean the last day of the City's fiscal year, currently June 30.

"Listed Events" shall mean any of the events listed in Section 4 of this Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 57577 for purposes of the Rule, the MSRB or any other nationally recognized municipal securities information repository or organization recognized by the SEC from time to time for purposes of the Rule.

"SEC" shall mean the Securities and Exchange Commission of the United States or any successor thereto.

Section 2. Annual Reports.

(a) The City shall provide or cause to be provided to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, the following annual financial information and operating data regarding the City:

(i) Audited financial statements as of and for the year ending on its Fiscal Year End prepared in accordance with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time; and

(ii) Financial information and operating data as of and for the year ending on its Fiscal Year End of the following type to the extent not included in the audited financial statements described in (i) above:

(A) the amounts of the gross and net taxable grand list;

(B) a listing of the ten largest taxpayers on the grand list, together with each such taxpayer's taxable valuation thereon;

(C) the percentage and amount of the annual property tax levy collected and uncollected;

(D) a schedule of the annual debt service on outstanding long-term bonded indebtedness;

(E) a calculation of the net direct debt, total direct debt, and total overall net debt (reflecting overlapping and underlying debt);

(F) the total direct debt, total net direct debt and total overall net debt of the City per capita;

(G) the ratios of total direct debt and total overall net debt of the City to the City's net taxable grand list;

(H) a statement of statutory debt limitations and debt margins; and

(I) the funding status of the City's pension benefit obligations.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the City's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents previously provided to the Repository, including official statements of the City which will be available from the MSRB.

(c) Subject to the requirements of Section 8 hereof, the City reserves the right to modify from time to time the type of financial information and operating data provided or the format of the presentation of such financial information and operating data, to the extent necessary or appropriate; provided that the City agrees that any such modification will be done in a manner consistent with the Rule. The City also reserves the right to modify the preparation and presentation of financial statements described herein as may be required to conform with changes in Connecticut law applicable to municipalities or any changes in generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time.

Section 3. Timing. The City shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the City shall provide such financial

information and operating data no later than eight months after the close of such preceding Fiscal Year End. The City agrees that if audited financial statements are not available eight months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

Section 4. Event Notices. The City agrees to provide, or cause to be provided, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, of the occurrence of any of the following events:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;

(v) substitution of credit or liquidity providers, or their failure to perform;

(vi) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(vii) modifications to rights of Bondholders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) defeasances;

(x) release, substitution, or sale of property securing repayment of the Bonds, if material;

(xi) rating changes;

(xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;

(xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material.

Section 5. Notice of Failure. The City agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the City to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The City's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The City may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the City may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the City, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the City chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The City agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the City under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The City agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the City shall fail to perform its duties hereunder, the City shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the City does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the City's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the City with respect to the Bonds.

IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

CITY OF STAMFORD, CONNECTICUT

By: _____
Michael A. Pavia
Mayor

By: _____
Michael E. Handler
Director of Administration

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CITY OF STAMFORD, CONNECTICUT
GENERAL OBLIGATION REFUNDING BONDS
BOOK-ENTRY-ONLY

$5,925,000
General Obligation Refunding Bonds
2013 Series B

$22,220,000
General Obligation Refunding Bonds
2013 Series C

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