CITY OF STAMFORD, CONNECTICUT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012

CITY OF STAMFORD, CONNECTICUT

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2012

Published by the Office
of the Director of Administration

Stamford Government Center
888 Washington Boulevard
P.O. Box 10152
Stamford, Connecticut 06904-2152

Michael E. Handler
Director of Administration

CITY OF STAMFORD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2012
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(Unaudited)

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Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

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INTRODUCTORY SECTION

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CITY OF STAMFORD, CONNECTICUT

List of Elected and Appointed Officials
June 30, 2012

MAYOR

Michael A. Pavia

MAYOR'S DIRECTORS

Michael E. Handler	Director of Administration
Laure C. Aubuchon	Director of Economic Development
Joseph J. Capalbo, II, Esq.	Director of Legal Affairs
Ernest A. Orgera	Director of Operations
Thaddeus K. Jankowski, Sr.	Director of Public Safety, Health & Welfare

BOARD OF FINANCE

Timothy M. Abbazia	Chairman
Mary Lou T. Rinaldi	Vice Chairman
Gerald R. Bosak, Jr.	Member
John J. Louizos	Member
David Martin	Member
Kathleen Murphy	Member

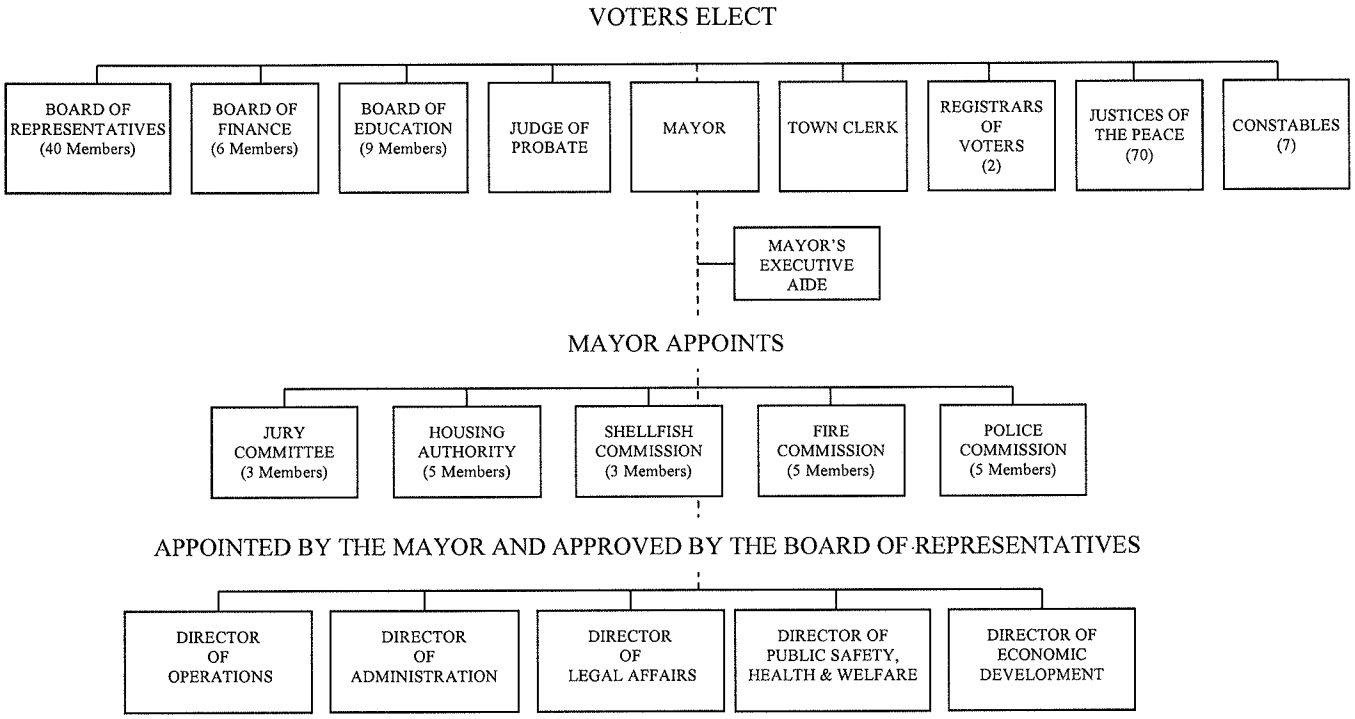
BOARD OF REPRESENTATIVES

Randall M. Skigen	President and Deputy Mayor
Jay Fountain	Chairman, Fiscal Committee

OFFICE OF ADMINISTRATION

David Yanik	Controller

City of Stamford, Connecticut
Organizational Chart
CITIZENS OF STAMFORD



Mayor
MICHAEL A. PAVIA

DIRECTOR OF ADMINISTRATION
MICHAEL E. HANDLER

Phone: (203) 977-4182
FAX: (203) 977-5657
Email: mhandler@ci.stamford.ct.us

CITY OF STAMFORD
OFFICE OF ADMINISTRATION
888 WASHINGTON BOULEVARD
P.O. BOX 10152
STAMFORD, CONNECTICUT 06904-2152

Letter of Transmittal

December 18, 2012

To: Mayor Michael A. Pavia
Board of Finance
Board of Representatives
Citizens of Stamford, Connecticut

Introduction

I am pleased to transmit the Comprehensive Annual Financial Report (CAFR) of the City of Stamford for the fiscal year ended June 30, 2012. Connecticut State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is being published to fulfill that requirement for the fiscal year 2012. The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Stamford as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

City management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

O'Connor Davies, LLP, a firm of licensed certified public accountants, has issued an unqualified opinion on the City of Stamford, Connecticut's financial statements for the year ended June 30, 2012. The independent auditors' report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City of Stamford, Connecticut was part of a broader state and federally mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing the federal and state "Single Audit" engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the City of Stamford, Connecticut's separately issued Federal and State Financial and Compliance Reports and on the City's website at www.cityofstamford.org.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A section complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Government

The City of Stamford is governed by the laws of the State of Connecticut and its own Charter. Elected officials include the Mayor, who serves as the City's chief executive officer, a six-member Board of Finance, and a 40-member Board of Representatives (two elected from each of 20 districts). The Superintendent of Schools and a nine-member elected Board of Education oversee the operation of the City's public school system with the Mayor participating as an ex-officio, non-voting member. All local elections are partisan.

The City provides a full range of municipal services, including education, public safety (police and fire), public works (engineering, road construction and maintenance, waste disposal, sewage treatment, building maintenance, etc.), health and social services, planning and development, and recreational and cultural services. Approximately 3,100 full-time municipal and public school system employees provide services to the community which geographically spans nearly 40 square miles and includes over 123,000 residents. A listing of City offices and additional information about the City is available on the City's website at www.cityofstamford.org.

General Information

Settled in 1641, Stamford is Connecticut's fourth largest city as measured by population. Stamford is located in Fairfield County, in the southwestern part of the state. Situated near Long Island Sound, the City is about 25 miles to the northeast of New York City, 40 miles southwest of New Haven, and 90 miles southwest of Connecticut's capital, Hartford. It borders Greenwich, New Canaan and Darien, Connecticut and Pound Ridge, New York.

Stamford is a recognized national financial center and is the largest international trade center between New York and Boston. It has a strong and diverse business base, including a high concentration of national and international corporate headquarters, and is the major retail trade center in Fairfield County. Stamford is also an important residential suburb in one of the highest per capita income areas in the United States. (Note: the 2011 median household income in the Stamford metropolitan area was approximately $75,800, which was higher than the median income of approximately $67,400 for households in Connecticut).

Through sound urban planning, the City has strengthened its downtown retail core, increased its housing stock, and enhanced its cultural facilities, while continuing to attract major commercial office development and new employers. The City has a strong and diverse commercial, industrial and retail business base, including a high concentration of corporate headquarters of Fortune 500 companies. At the same time, Stamford is a pre-eminent residential community within the New York metropolitan region. 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. In this regard, the City has been consistently ranked as one of the safest cities in the United States by the FBI; based on 2011 crime data, Stamford was ranked the 14th safest city with a population over 100,000, in the country.

Factors Affecting Financial Condition

Several factors should be taken into consideration in evaluating the City's financial condition and outlook, including the following:

Local Economy

In fiscal 2012, like other major cities, Stamford was adversely impacted by the continuing weak national economy. Unemployment and vacancy rates remained relatively high. However, Stamford's strong and diverse economic and tax base provided the City with financial resilience. The 6.8% unemployment rate in Stamford for June of 2012 compared favorably to a rate of 8.4% in Connecticut. Commercial office vacancy rates are currently approximately 21.8% versus 18.3% in Fairfield County. While commercial vacancy rates are still high, notwithstanding the difficult economic environment, the City is continuing to benefit from active, ongoing economic development due to its strategic location and other attractive attributes.

The City's strong and diverse economic base contributes to its resilient tax base. Despite the continuing difficult economic environment, the City achieved a tax collection rate of 98.6% during fiscal 2012, marking the eleventh consecutive year in which the tax collection rate exceeded 98.0%.

The City's Grand List, which is the second highest in the state, includes the value of all taxable property (both real and personal) in the City. The Grand List as of October 1, 2011 was approximately $24.3 billion, an increase of $265.7 million or just over 1%, versus the prior year's Grand List. The list was used to bill taxes for fiscal year 2012.

Graphs showing the City's unemployment rate, office vacancy rates, and tax collection rates for the past ten years are included in the statistical section of this document.

Financial Planning

The City's short-term financial planning process revolves around the preparation of the City's Operating and Special Revenue Fund budgets. Revenue and expenditure estimates are developed for the upcoming budget year, plus two subsequent years, under the direction of the Office of Policy and Management (OPM). The annual budgets, as approved by the Mayor, are subject to review and approval by the City's Board of Finance and Board of Representatives. These Boards have the authority to approve or reduce the total proposed annual budget amount but have no authority to increase the amount. OPM actively monitors ongoing actual revenue and expenditure results versus the approved budgets and, if warranted, leads the development of contingency planning.

Long-term financial planning is an integral component of the City's capital planning process. Project estimates are based on the capital project needs and priorities of the City for the ensuing year and six succeeding fiscal years. The City's multi-phased capital planning process, which is coordinated by OPM, includes all operational units and functional departments. Preliminary capital budget recommendations are submitted by the Planning Board, which is responsible for the overall Plan of Development for the City, to the Mayor. These recommendations take into consideration the City's anticipated debt limits as well as projects that fall within the City's overall Plan of Development. Guidelines for annual debt limits are established through a process which includes the Director of Administration and the respective governing Boards (Finance and Representatives). The City's current capital planning process includes public infrastructure projects as a top priority area.

Financial Policies

To help ensure that the City's resources are managed in a prudent manner, the City has adopted a number of financial policies, including a comprehensive set of accounting policies. These policies are periodically reviewed and updated as warranted.

Business & Industry

Commercial Development

Stamford boasts an extraordinarily diverse economic base, which includes a critical mass of firms in several important industry clusters. The City is the State's largest business center and is one of the pre-eminent locations for corporate headquarters, ranking within the top 10% nationally. Stamford has become a world financial center, with international banks, hedge fund companies, and other financial service providers adding jobs and occupying office space. Stamford is also the largest international trade center between New York and Boston. The City is the home for leading employers across multiple industry sectors, including: banking; insurance and reinsurance; office equipment; pharmaceuticals; consumer products; media and information technology; and retail. The high market costs of commercial real estate in Manhattan and nearby Greenwich, and the overall cost of doing business in metropolitan New York, are making relocation of businesses to Stamford more affordable and appealing. Despite that, however, the office space vacancy rate in Stamford is currently approximately 22%, with Class A rents typically ranging from $30 to $45 per square foot. The Stamford industrial and retail space vacancy rates are both below 5%.

Despite the continuing difficult economic environment, from an economic development standpoint, Stamford had another noteworthy year. During the past year, key economic development activity has included the opening of Chelsea Piers Sports Complex (with approximately 250 employees) and the $100 million fit out of NBC Sports, which relocated to Stamford and provided employment for more than 750 people. Both of these operations are located at the "Campus" (the former Clairol site). Additionally, the Hospital for Special Surgery announced that its first satellite MRI imaging center outside of New York City will be co-located with the Stamford Hospital Sports Medicine facility, at the Campus.

Several other headquarter relocations occurred during the year: Tronox, the world's largest integrated manufacturer of titanium oxide relocated from Oklahoma City, creating more than 100 new jobs; Intrepid Aviation from Memphis with approximately 70 jobs; Tweedy Browne, a more than 90 year old investment management firm from New York City, with more than 50 employees, and Charter Communication relocated from St. Louis to add approximately 200 jobs. In addition, Guardian Life from New York City will establish a satellite office with 25 senior level executives.

Key breaking news is the announced relocation of Bridgewater Associates, the world's largest hedge fund, to Stamford. The proposed relocation is scheduled to occur by 2016 with approximately 1,250 jobs and the potential growth of 1,000 more over ten years.

Retail Development

Despite a slow and uneven economic recovery in retail, Stamford still enjoys a very low vacancy rate (estimated at 2.5 to 3.0%) in retail space. Attracted by the City's high median income and spending patterns, retail projects, including new bank branches, pharmacies, and national retail outlets,

continued to open in the City's neighborhoods during the past year. Restaurants such as Harlan Social, Plan B Burger Bar, Dinosaur Bar-B-Que and Hudson Grille have all opened in the past six months.

Hospitality

While overall occupancy rates at Stamford's hotels remain in the 50% range, reflecting the weak national economy, several recent projects serve to strengthen Stamford's position as one of the largest hotel markets in Connecticut:

- The Holiday Inn, in the downtown area, underwent a major renovation of its 379 rooms and changed its brand to become a Sheraton Hotel in July 2012.
- The Stamford Plaza, also in the downtown area, completed a renovation to divide the existing facility into a Holiday Inn Crown Plaza and a Holiday Inn Express.
- Construction began in 2012 on a 125-unit "boutique hotel" in the Harbor Point Project.

Housing Development

Stamford continues to lead the national trend of drawing people back to live in city centers. Stamford has added thousands of new housing units during the last decade, including the downtown area.

- Residential openings included the 225-unit Lock Works and Affinity with 242 units in the South End; including units under construction, the new residential units in the South End total 1,800.
- Another 360 units are pending zoning approval at Yale and Towne, and will complete all residential construction within the Yale and Town site in the South End.
- In the downtown area, Parallel 41 opened in July with 124 units.
- Construction has commenced on the former Advocate site (336 units), which is very close to the Stamford Transportation Center.
- Long awaited approvals were received for the Park Square West project which, when completed in 2016, will add 417 high end units to the heart of downtown Stamford.
- Also approved for the downtown is the latest F.D. Rich Co project, Summer Place, a 226-unit apartment complex which will add a 24 story tower to the Stamford skyline.
- Metro Green Residences, a joint venture between Jonathan Rose Companies and Malkin Properties (and the second phase of a 238 unit mixed income development), located a block from the Stamford Transportation Center, is the first residential development in Stamford to achieve LEED Gold Certification.

The City of Stamford recognizes the availability of affordable housing as crucial to the City's continuing development. This priority is reflected in the City's zoning regulations, which require that developers of new multi-family projects permanently set aside 10% of their units for low-income families. Alternatively, developers can pay the City a fee-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. This program, the first ever in Connecticut, has provided the City with hundreds of below-market housing units and is expected to continue as Stamford grows. Metro Green Apartments, 50 units of affordable rental housing located in the Metro Green Residential complex, 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 City has contributed significant capital project funds to affordable housing. Since 1982, more than $17.0 million has been made available by the City to facilitate housing development. In fiscal 2012, $880,000 was allocated in the City's Housing Development Fund. In addition to that funding, the City's Linkage Ordinance dedicates a portion of building permit fees from new commercial projects to an affordable housing fund.

The Stamford Community Development Block Grant (CDBG) Program administers the various federal, state and local funds for housing and community development activity. 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. 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 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. Some of Charter Oak's 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. 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, which will consist of 45 mixed-income units. Future replacement phases will commence thereafter.

Transportation

The development of Stamford is tied to significant public transportation investments, including the Stamford Urban Transitway (SUT), a multi-modal route that connects the Stamford Transportation Center with I-95 and the City's East Side, and improves access to the South End. Phase I of the project was financed with approximately $54.4 million in federal funds, matched by approximately $12.0 million in local funds and was substantially completed in December 2010. The City received a $16.0 million FTA grant for the second phase of the SUT, which commenced in 2012. In 2011, the City of Stamford also received a $10.5 million TIGER Grant to fund capacity improvements at the Stamford Transportation Center.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Stamford for its Comprehensive Annual Financial Report for the year ended June 30, 2011. This was the twenty-fourth consecutive year that the City received this prestigious national award (which recognizes conformance with the highest standards for presentation of state and local government financial reports). In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents must conform to the program's

standards, including satisfying generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. City management believes that this CAFR conforms to the GFOA Certificate of Achievement Program's requirements, and we are submitting it to the GFOA for its review.

The preparation of this report could not have been accomplished without the diligent work and important contributions of the Controller's Department staff and the members of other departments who assisted in its compilation. I also want to express my appreciation to the audit team from O'Connor Davies, LLP, our independent auditor, for their thorough, professional and timely work.

Respectfully Submitted,

Michael E. Handler
Director of Administration

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Stamford Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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The seal of the City of Stamford, Connecticut contains a shield divided into four quarters beneath an ancient ship typical of those on which the settlers of Connecticut arrived. The top left quadrant of the shield represents the coat of arms of Stamford, in Lincolnshire, England. The top right quadrant represents, in peaceful profile, the Indian and the settler. The bottom right quadrant contains two crossed keys, one of the ancient design and the other of modern design. The bottom left quadrant shows an old gristmill and fields of grain. 1641 is the year in which the City of Stamford was settled.

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FINANCIAL 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

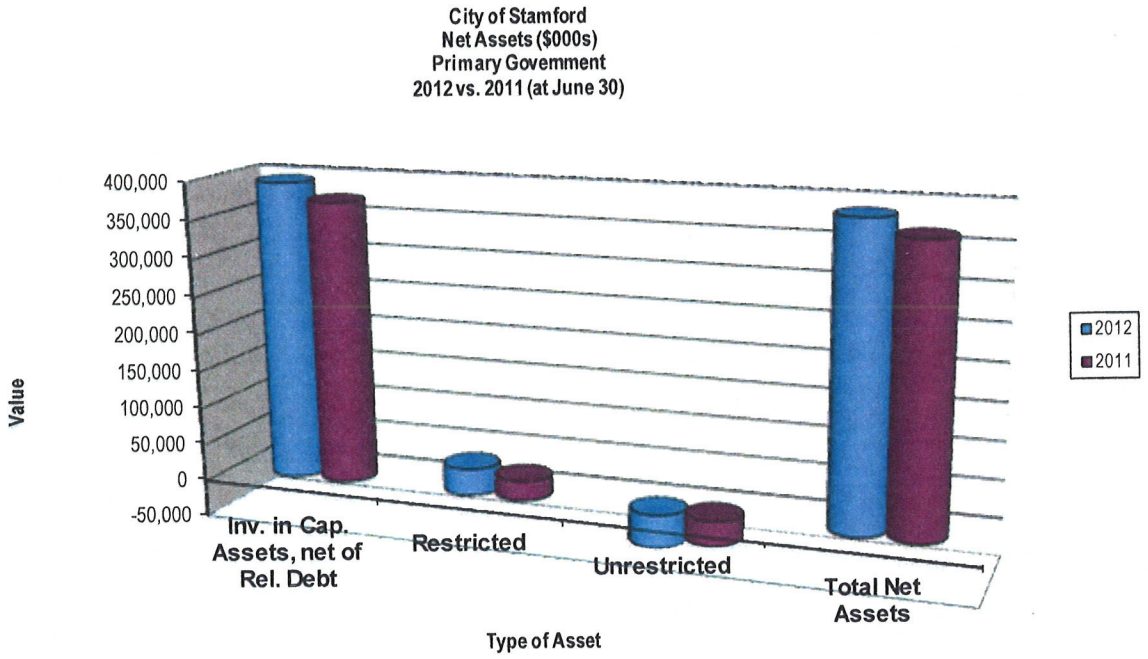
The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements are provided on pages 35-37 of this report.

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.

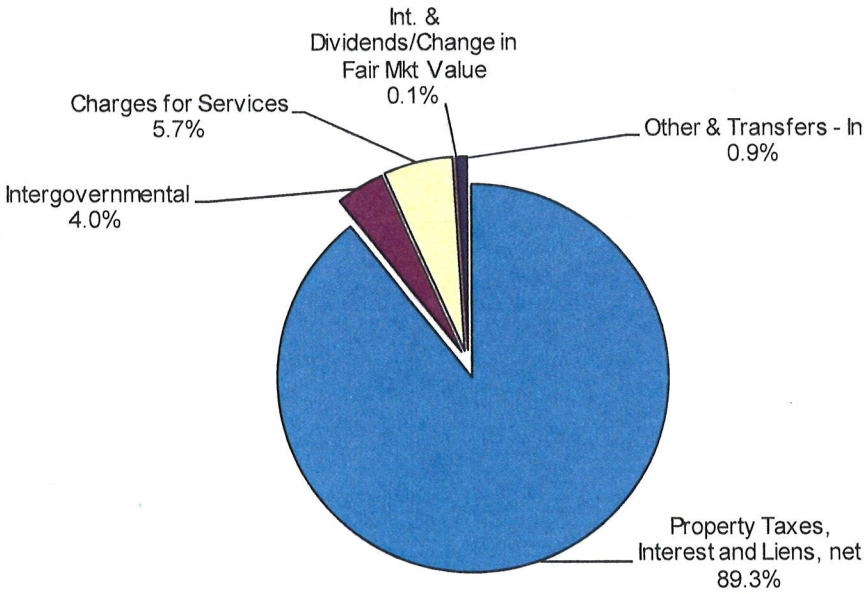
As of June 30, 2012, the Capital Projects Fund had a total fund balance of $45.1 million, significantly up from $17.4 million in the prior year. In fiscal 2012, $45.0 million in new general obligation bonds were issued as part of the City's plan to finance current capital projects.

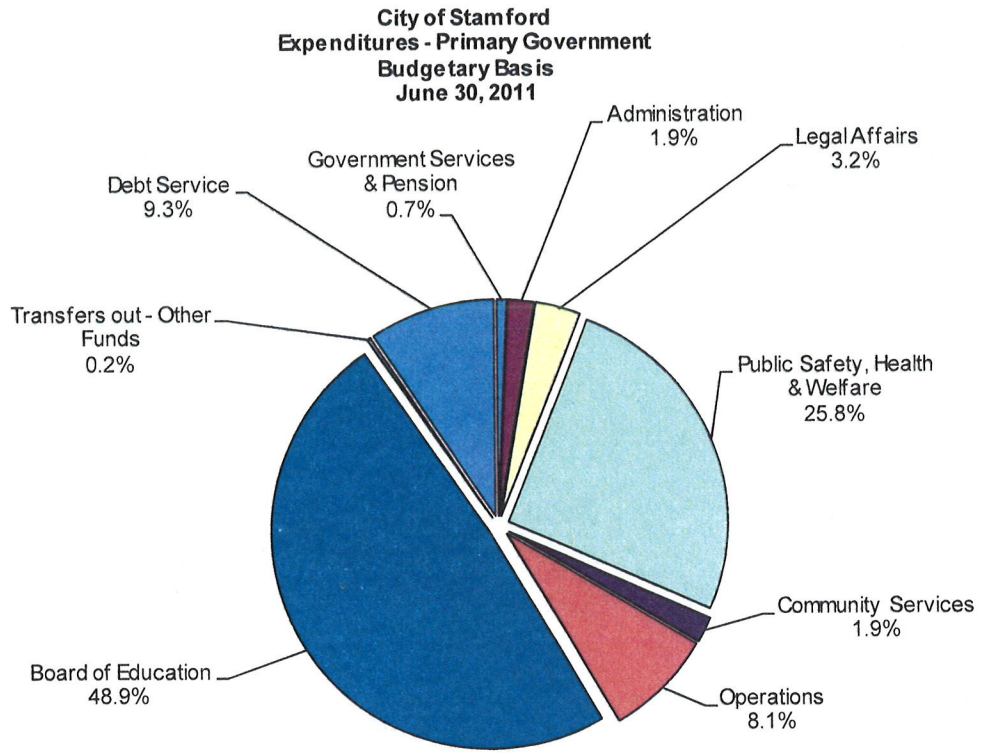
As of June 30, 2012, the Mill River Capital Projects Fund had a total fund balance of $9.9 million, up from $2.9 million in the prior year. In fiscal 2012, $16.3 million in Special Obligation Tax Increment Revenue Bonds were issued as part of the City's plan to finance the project areas within the Mill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

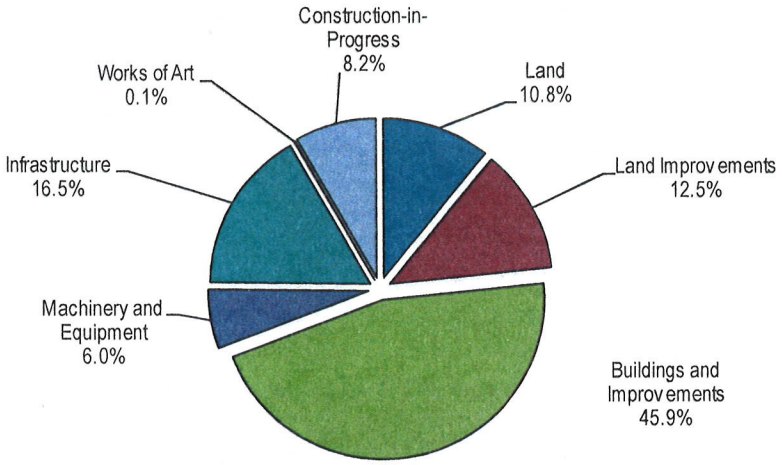
Capital Assets and Debt

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 Government
June 30, 2012



Capital projects during fiscal 2012 included the following:

City of Stamford
Capital Projects
(Millions)

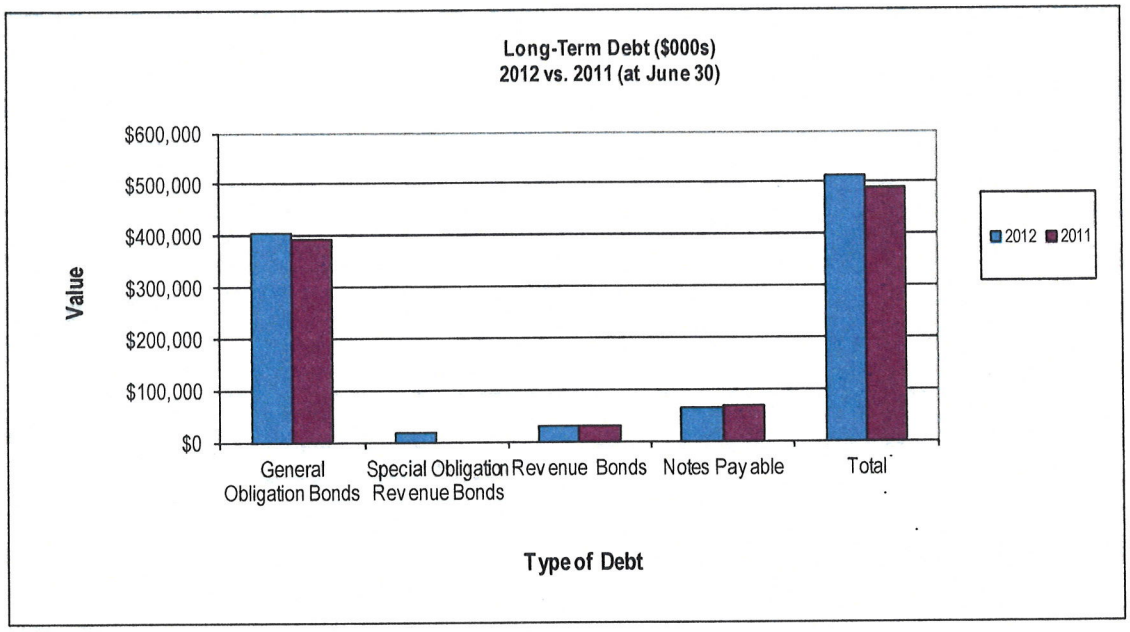
Project	Amount
Stamford Urban Transitway	$ 7.1
Mill River Park Improvements	5.5
Total	$ 12.6

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.

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

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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MAJOR GOVERNMENTAL FUND

GENERAL FUND

- The General Fund is the general operating fund of the City of Stamford and is used to account for and report all financial resources not accounted for and reported in another fund. All general tax revenues and miscellaneous receipts, not allocated by law or contractual agreement to some other fund, are accounted for in this fund. From this fund are paid the general operating expenditures including the Board of Education.

CITY OF STAMFORD, CONNECTICUT

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGETARY BASIS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
PROPERTY TAXES, INTEREST, LIENS AND CONTINGENCY				
Property Taxes	$ 410,936,777	$ 412,416,908	$ 417,974,311	$ 5,557,403
Interest, liens, etc.	2,500,000	2,500,000	3,254,633	754,633
Elderly Tax Relief	418,520	418,520	397,856	(20,664)
Tax Abatement - Housing	577,743	577,743	965,044	387,301
Contingency	650,000	650,000	501,269	(148,731)
Total Property Taxes, Interest, Liens and Contingency	415,083,040	416,563,171	423,093,113	6,529,942
INTERGOVERNMENTAL REVENUE				
Federal and State Board of Education Grants:				
Public School Transportation	77,609	77,609	75,457	(2,152)
Non-public School Transportation	41,796	41,796	43,441	1,645
	119,405	119,405	118,898	(507)
State Formula Aid:				
Education - Equalization	7,978,887	7,978,887	8,066,574	87,687
Vocational Agriculture - Education	111,000	111,000	110,464	(536)
Registrars - Miscellaneous	100	100	-	(100)
Education - Miscellaneous	4,096	4,096	2,908	(1,188)
Tuition - Regular	40,000	40,000	49,983	9,983
Tuition - Special Education	20,000	20,000	-	(20,000)
	8,154,083	8,154,083	8,229,929	75,846
Other Government Grants:				
Telephone Access Line Tax Share	500,000	500,000	636,516	136,516
City Share Pequot Funds	909,086	909,086	933,145	24,059
PILOT - Housing Authority	70,159	70,159	85,009	14,850
PILOT - Project 135	310,113	310,113	307,676	(2,437)
PILOT - State Property	1,303,224	1,303,224	1,303,760	536
Boating Registration	85,000	85,000	-	(85,000)
PILOT - Colleges and Hospitals	1,843,693	1,843,693	1,843,648	(45)
Enterprise Zone Reimbursement	1,932,327	1,932,327	1,607,494	(324,833)

Other Government Grants (Continued):				
Manufacturer Property Exemption	407,895	407,895	330,252	(77,643)
PILOT - Other	151,000	151,000	154,691	3,691
Motor Vehicle Fines - State	25,000	25,000	64,906	39,906
Indirect Cost Reimbursement - Grants	20,000	20,000	-	(20,000)
Health - Private and Parochial Schools	474,866	474,866	411,248	(63,618)
Reimbursement School Building Grant	1,068,930	1,068,930	1,068,787	(143)
Federal Emergency Management Agency	-	78,750	865,134	786,384
Property Tax Relief Grant	1,023,324	1,023,324	847,195	(176,129)
Municipal Video Competition Trust	500,000	500,000	319,423	(180,577)
	10,624,617	10,703,367	10,778,884	75,517
Total Intergovernmental Revenue	18,898,105	18,976,855	19,127,711	150,856
CHARGES FOR SERVICES				
Smith House and Welfare:				
Client Reimbursement - Welfare	15,000	15,000	34,624	19,624
Smith House	14,134,683	14,134,683	11,955,676	(2,179,007)
	14,149,683	14,149,683	11,990,300	(2,159,383)
Legal Services:				
Reimbursement - Legal Services	65,000	65,000	52,902	(12,098)
Town Clerk:				
Conveyance Tax	2,850,000	2,850,000	2,569,330	(280,670)
Filing Fees	6,000	6,000	5,795	(205)
Recording Fees	500,000	500,000	557,600	57,600
Vital Statistics	315,000	315,000	347,932	32,932
Miscellaneous	5,500	5,500	6,586	1,086
Clam Permits	500	500	532	32
MAP Copies	5,000	5,000	7,535	2,535
Photo Copies	50,000	50,000	62,457	12,457
Notary Public	6,000	6,000	4,950	(1,050)
	3,738,000	3,738,000	3,562,717	(175,283)
Licenses, Fees and Permits:				
Filing Fees - Planning	5,100	5,100	2,815	(2,285)
MAPS Regulations - Zoning	37,200	37,200	57,838	20,638
Application Fees - Appeals	23,000	23,000	17,696	(5,304)
Permits - Inland Wetlands	30,000	30,000	43,413	13,413
Sale of Maps - GIS	650	650	646	(4)
Exam Filing Fees	7,350	7,350	360	(6,990)
Street Use Permit - Traffic	26,000	26,000	19,200	(6,800)
Traffic - Miscellaneous	260	260	65	(195)
Street Opening Permits - PWD	77,000	77,000	82,625	5,625
Fees for Prints - Engineering	200	200	153	(47)
Permits - Building Department	3,800,000	3,800,000	5,357,843	1,557,843

(Continued)

CITY OF STAMFORD, CONNECTICUT

GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGETARY BASIS - BUDGET AND ACTUAL (Continued)
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Licenses, Fees and Permits (Continued):				
Permits - Zoning Enforcement	$ 315,000	$ 315,000	$ 324,647	$ 9,647
Incinerator Use Fees - PWD	15,000	15,000	6,405	(8,595)
Tipping Fees - PWD	410,000	410,000	279,444	(130,556)
Sanitation - Miscellaneous	2,000	2,000	2,464	464
Recycling - Miscellaneous	305,000	305,000	396,626	91,626
Taxation - Miscellaneous	10,000	10,000	13,052	3,052
Legal - Miscellaneous	-	-	138,115	138,115
Composting	55,000	55,000	65,565	10,565
Bingo Permits - Police	400	400	369	(31)
Raffle and Bazaar Permits	600	600	1,325	725
Fire - Miscellaneous	125	125	275	150
Health - Permits and Fees	16,000	16,000	18,702	2,702
Fire - Alarm Fees	210,000	210,000	372,537	162,537
Land Records Search Subscriptions	8,000	8,000	5,500	(2,500)
Health - Sewage Disposal	25,000	25,000	34,685	9,685
Health - Restaurant Licenses	155,000	155,000	169,671	14,671
Health - Immunization Clinic	36,000	36,000	32,060	(3,940)
Health - Lab Analysis	4,000	4,000	34,419	30,419
Health - Room House Fees	200,000	200,000	208,439	8,439
Health - Multi-Family Dwelling Fees	553,700	553,700	533,930	(19,770)
Health - C/O Apt Fees	40,000	40,000	33,350	(6,650)
Health - Dental Clinic	40,000	40,000	45,114	5,114
Weights and Measures Inspection Fees	43,000	43,000	30,000	(13,000)
Parks - Miscellaneous	15,000	15,000	9,340	(5,660)
Parks - Picnic Permits	22,000	22,000	26,825	4,825
Public Sessions	55,000	55,000	64,113	9,113
Lesson Registration	110,000	110,000	87,011	(22,989)
High School Hockey	25,000	25,000	23,142	(1,858)
Rink - Advertising	5,000	5,000	1,000	(4,000)
Skate Rental	15,000	15,000	13,491	(1,509)
Ice Rental	630,000	630,000	736,185	106,185
Patch and Free Style	14,000	14,000	16,965	2,965
Film/Video Productions	1,700	1,700	2,000	300
Bandwagon Use - Recreation	2,100	2,100	2,700	600
Adult Programs	26,495	26,495	20,074	(6,421)
Adult Leagues	209,510	209,510	201,299	(8,211)

Licenses, Fees and Permits (Continued):				
Aquatics	29,720	29,720	35,536	5,816
Youth Programs	244,200	244,200	153,172	(91,028)
Microwave Transmitter Fees	12,500	12,500	11,050	(1,450)
Bulky Waste Tipping Fees	725,000	725,000	909,160	184,160
Farmland Preservation - City	60,000	60,000	74,002	14,002
Farmland Preservation - Town	20,000	20,000	24,585	4,585
Playground Programs	543,097	543,097	512,423	(30,674)
Golf Authority	316,206	316,206	318,947	2,741
Total Licenses, Fees and Permits	9,532,113	9,532,113	11,572,368	2,040,255
Total 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				
Rental/Leased Property	256,154	256,154	273,745	17,591
Police	30,000	30,000	23,621	(6,379)
Other	250,000	250,000	220,030	(29,970)
WPCA	209,555	209,555	209,555	-
E.G. Brennan	54,582	54,582	54,582	-
Risk Management	281,421	281,421	281,421	-
Total 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
OTHER FINANCING SOURCES				
Transfers in:				
Town Aid Highway Fund	587,083	587,083	587,083	-
Police Extra Duty Fund	822,260	822,260	822,260	-
Marinas Fund	29,377	29,377	29,377	-
Parking Fund	1,775,921	1,775,921	1,775,921	-
TOTAL OTHER FINANCING SOURCES	3,214,641	3,214,641	3,214,641	-
TOTAL REVENUES AND OTHER FINANCING SOURCES	$ 466,312,294	$ 467,871,175	$ 473,851,617	$ 5,980,442

CITY OF STAMFORD, CONNECTICUT

GENERAL FUND
SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2012

	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget Positive (Negative)
GOVERNMENTAL SERVICES					
Registrar of Voters	$ 745,712	$ 896,746	$ 873,663	$ 1,931	$ 21,152
Board of Representatives	486,788	486,788	355,482	55,795	75,511
Board of Finance	339,072	344,079	145,543	26,693	171,843
Stamford Partnership	40,000	40,000	40,000	-	-
Patriotic Observation Commission	30,920	40,407	40,029	378	-
Board of Ethics	50,000	50,000	-	-	50,000
Administration	532,009	535,427	504,881	1,759	28,787
Town and City Clerk	1,081,477	1,100,431	1,043,319	11,019	46,093
Stamford Cultural Development	70,000	70,000	70,000	-	-
Probate Court	48,908	48,908	48,908	-	-
Professional Organizations	49,732	49,732	47,674	-	2,058
Harbor Commission	2,500	8,965	-	-	8,965
	3,477,118	3,671,483	3,169,499	97,575	404,409
ADMINISTRATION					
Director of Administration	353,467	354,495	317,066	980	36,449
Office of Policy and Management	1,130,466	1,174,237	947,905	48,029	178,303
Grants Administration	322,434	322,333	322,276	8	49
Controller	1,763,309	1,645,875	1,603,221	6,360	36,294
Board of Assessment Appeals	2,794	6,605	6,368	-	237
Assessor	1,035,295	1,062,651	895,575	33,481	133,595
Tax Collection	840,538	858,598	816,453	156	41,989
Taxation Services	531,683	543,561	489,466	2,286	51,809
Tax Administration	147,431	149,257	149,257	-	-
Department of Economic Development	514,430	509,505	464,259	26,238	19,008
Technology Management Services	1,256,920	1,251,618	1,193,637	12,084	45,897
Property Revaluation	423,264	1,467,951	1,112,783	306,373	48,795
	8,322,031	9,346,686	8,318,266	435,995	592,425

LEGAL AFFAIRS					
Director of Law	1,741,565	2,013,195	1,919,481	9,399	84,315
Personnel Department	1,674,899	1,706,123	1,647,856	12,320	45,947
Employee Benefits	11,319,350	11,316,496	11,554,771	210,560	(448,835)
	14,735,814	15,035,814	15,122,108	232,279	(318,573)
PUBLIC SAFETY					
Administration	2,137,369	2,338,816	2,212,722	124,263	1,831
Police Department	48,846,718	49,290,473	49,106,298	43,715	140,460
Support Services	1,214,164	1,431,500	1,236,733	82,180	112,587
Animal Control	363,657	354,650	350,199	3,297	1,154
Emergency Communications Center	3,332,793	3,203,892	3,179,508	18,227	6,157
Fire Department	41,137,199	40,566,843	40,016,667	232,487	317,689
Emergency Medical Services	1,199,956	1,298,317	1,298,317	-	-
Fire Training Center	6,112	6,112	5,112	-	1,000
	98,237,968	98,490,603	97,405,556	504,169	580,878
HEALTH AND WELFARE					
Administration	417,392	419,945	373,249	8,478	38,218
Welfare Division	80,000	63,423	50,963	2,645	9,815
Director of Health	474,855	536,509	531,343	240	4,926
Laboratory	403,759	471,757	460,691	5,959	5,107
Community Nursing	695,086	697,574	670,199	114	27,261
Inspection Services	1,297,383	1,310,223	1,228,207	521	81,495
Public School Health Program	2,362,950	2,370,666	2,368,177	1,654	835
Smith House	15,065,060	15,196,256	14,772,045	188,740	235,471
Private and Parochial Health Program	1,118,752	1,116,410	1,113,533	455	2,422
Liberation Programs	61,800	61,800	61,800	-	-
Mosquito Control	10,100	12,643	12,643	-	-
Shellfish Commission	50	50	-	-	50
Other Grant Programs	805,221	780,574	664,591	-	115,983
	22,792,408	23,037,830	22,307,441	208,806	521,583
COMMUNITY SERVICES					
Community Centers	182,730	182,730	182,730	-	-
Non City Social Services	233,308	233,347	200,897	32,450	-
Non City Cultural and Environmental Activity	8,966,157	8,966,118	8,565,187	1,750	399,181
	9,382,195	9,382,195	8,948,814	34,200	399,181

(Continued)

CITY OF STAMFORD, CONNECTICUT

GENERAL FUND
SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
BUDGETARY BASIS - BUDGET AND ACTUAL (Continued)
YEAR ENDED JUNE 30, 2012

OPERATIONS	Original Budget	Final Budget	Actual	Encumbrances	Variance with Final Budget Positive (Negative)
Traffic and Road Maintenance	$ 4,685,806	$ 4,810,686	$ 4,774,742	$ 32,792	$ 3,152
Leaf Collection	267,111	266,094	257,272	-	8,822
Snow Removal	1,441,481	1,166,030	1,163,655	-	2,375
Vehicle Maintenance	1,167,469	1,173,003	1,106,964	57,887	8,152
Gasoline	668,362	789,414	741,892	-	47,522
Government Center	2,051,436	2,002,420	1,887,093	71,122	44,205
Building Maintenance	6,596,393	7,006,523	6,976,386	28,867	1,270
Terry Conners Rink	724,197	728,551	713,522	275	14,754
Building Inspection	1,202,098	1,253,050	1,250,267	68	2,715
Transfer Station	2,210,087	2,242,624	2,192,704	14,113	35,807
Recycling	1,472,052	1,548,286	1,538,994	1,432	7,860
Collection	3,737,768	3,816,272	3,810,435	24	5,813
Haulaway	3,919,052	4,199,928	3,933,299	258,111	8,518
Engineering	2,414,177	2,384,336	2,199,874	146,890	37,572
Land Use Administration	229,426	242,944	238,139	1,410	3,395
Planning	529,977	453,801	449,434	-	4,367
Zoning	382,968	367,474	364,474	464	2,536
Zoning Board of Appeals	107,682	107,682	106,787	-	895
Environmental Protection	243,738	251,502	249,410	167	1,925
Technology	20,684	20,684	20,684	-	-
Cashiering	56,975	61,867	57,352	7	4,508
Citizen's Service Center	169,186	172,811	168,634	100	4,077
Leisure Services Administration	736,269	629,365	621,205	1	8,159
Aquatics	261,230	283,810	278,568	2,790	2,452
Subsidized Programs	28,481	26,195	23,903	19	2,273
Traffic Engineering	1,006,644	1,008,966	976,028	31,228	1,710
Fee Supported Programs	646,417	644,002	612,818	28,383	2,801
Administration	-	579	579	-	-
Self-Sustaining Programs	203,769	195,886	179,489	10,744	5,653
Kweskin Theatres	68,000	68,000	67,873	90	37
Special Needs Recreation	133,271	62,617	62,616	-	1
Special Events	107,650	96,258	96,258	-	-
	37,489,856	38,081,660	37,121,350	686,984	273,326

BOARD OF EDUCATION					
Board of Education	228,581,089	228,581,089	227,166,834	1,390,700	23,555
TOTAL EXPENDITURES	423,018,479	425,627,360	419,559,868	3,590,708	2,476,784
OTHER FINANCING USES					
Transfers out:					
Rainy Day Fund	-	4,911,692	4,911,692	-	-
Mill River Capital Projects Fund	-	-	1,185,216	-	(1,185,216)
Debt Service Fund	43,293,815	43,293,815	43,296,710	-	(2,895)
TOTAL OTHER FINANCING USES	43,293,815	48,205,507	49,393,618	-	(1,188,111)
TOTAL EXPENDITURES AND OTHER FINANCING USES	$ 466,312,294	$ 473,832,867	$ 468,953,486	$ 3,590,708	$ 1,288,673

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NON-MAJOR GOVERNMENTAL FUNDS

- **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.

- **Board of Education ("BOE") Food Service Program Fund** – The BOE 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.

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NON-MAJOR GOVERNMENTAL FUNDS
(Continued)

- **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 on 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 expenses 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 the mass transportation system within the City.

- **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 Metro North train stations.

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NON-MAJOR GOVERNMENTAL FUNDS
(Continued)

- **Rainy Day Fund** - The Rainy Day Fund is used to accumulate reserves. 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 surplus. 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.

- **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 General Statutes of Connecticut, Section 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.

CITY OF STAMFORD, CONNECTICUT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012

	Special Revenue Funds			
ASSETS	Stamford Community Development Program	BOE Food Service Program	Town Aid Highway	Dog License
Cash and cash equivalents	$ 45,097	$ 717	$ 261,596	$ 134,755
Receivables:				
Accounts, net	-	20,884	-	-
Intergovernmental	807,171	600,302	-	-
	807,171	621,186	-	-
Prepaid Expenditures	-	470,385	-	1,200
Inventories	-	47,896	-	-
Total Assets	$ 852,268	$ 1,140,184	$ 261,596	$ 135,955
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts payable	$ 334,121	$ 817,258	$ -	$ 29,343
Accrued liabilities	19	-	-	-
Due to other funds	-	322,926	-	-
Due to component unit	-	-	-	-
Unearned revenues	-	-	233,272	-
Deferred revenues	-	-	-	-
Total Liabilities	334,140	1,140,184	233,272	29,343
Fund Balances (Deficits):				
Nonspendable	-	518,281	-	1,200
Restricted	-	-	-	-
Assigned	518,128	-	28,324	105,412
Unassigned	-	(518,281)	-	-
Total Fund Balances (Deficits)	518,128	-	28,324	106,612
Total Liabilities and Fund Balances (Deficits)	$ 852,268	$ 1,140,184	$ 261,596	$ 135,955

Drug Asset Forfeiture	Police Extra Duty	Educational Grants Programs	Other Grants Programs	School Building Use	Continuing Education	Marinas
$ 508,619	$ 724,227	$ 3,987,611	$ 9,884	$ 253,145	$ 389,849	$ 43,058
-	794,142	-	-	99,475	-	22,523
-	-	287,990	3,757,069	-	-	-
-	794,142	287,990	3,757,069	99,475	-	22,523
-	-	-	-	-	-	-
-	-	-	-	-	2,130	-
$ 508,619	$ 1,518,369	$ 4,275,601	$ 3,766,953	$ 352,620	$ 391,979	$ 65,581
$ 2,827	$ -	$ 710,839	$ 2,211,270	$ 174	$ 83,071	$ 6,672
-	327,081	-	16,977	7,772	-	2,351
-	-	-	-	-	-	-
-	-	-	-	-	-	-
505,792	-	3,564,762	1,538,706	-	-	-
-	198,817	-	-	-	-	-
508,619	525,898	4,275,601	3,766,953	7,946	83,071	9,023
-	-	-	-	-	2,130	-
-	-	-	-	-	-	-
-	992,471	-	-	344,674	306,778	56,558
-	-	-	-	-	-	-
-	992,471	-	-	344,674	308,908	56,558
$ 508,619	$ 1,518,369	$ 4,275,601	$ 3,766,953	$ 352,620	$ 391,979	$ 65,581

(Continued)

CITY OF STAMFORD, CONNECTICUT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2012

	Special Revenue Funds			
ASSETS	Greater Stamford Transit District	Parking	Rainy Day	BOE Energy Reserve
Cash and cash equivalents	$ 192,770	$ -	$ 13,914,058	$ 129,840
Receivables:				
Accounts, net	-	596,054	-	-
Intergovernmental	-	-	-	-
	-	596,054	-	-
Prepaid Expenditures	-	-	-	-
Inventories	-	-	-	-
Total Assets	$ 192,770	$ 596,054	$ 13,914,058	$ 129,840
LIABILITIES AND FUND BALANCES (DEFICITS)				
Liabilities:				
Accounts payable	$ -	$ 223,575	$ -	$ -
Accrued liabilities	-	74,432	-	-
Due to other funds	-	380,364	-	-
Due to component unit	-	76,855	-	-
Unearned revenues	-	-	-	-
Deferred revenues	-	532,990	-	-
Total Liabilities	-	1,288,216	-	-
Fund Balances (Deficits):				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Assigned	192,770	-	13,914,058	129,840
Unassigned	-	(692,162)	-	-
Total Fund Balances (Deficits)	192,770	(692,162)	13,914,058	129,840
Total Liabilities and Fund Balances (Deficits)	$ 192,770	$ 596,054	$ 13,914,058	$ 129,840

Capital Projects Funds			
Transportation Capital	Capital Nonrecurring	Debt Service Fund	Total
$ 309,818	$ 2,802,355	$ 6,315,287	$ 30,022,686
-	-	-	1,533,078
-	-	-	5,452,532
-	-	-	6,985,610
-	-	-	471,585
-	-	-	50,026
$ 309,818	$ 2,802,355	$ 6,315,287	$ 37,529,907
$ -	$ -	$ -	$ 4,419,150
-	-	-	428,632
-	-	-	703,290
-	-	-	76,855
-	-	-	5,842,532
-	-	-	731,807
-	-	-	12,202,266
-	-	-	521,611
309,818	2,802,355	6,315,287	9,427,460
-	-	-	16,589,013
-	-	-	(1,210,443)
309,818	2,802,355	6,315,287	25,327,641
$ 309,818	$ 2,802,355	$ 6,315,287	$ 37,529,907

CITY OF STAMFORD, CONNECTICUT

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

	Special Revenue Funds			
	Stamford Community Development Program	BOE Food Service Program	Town Aid Highway	Dog License
Revenues:				
Intergovernmental	$ 2,215,785	$ 3,322,504	$ 587,083	$ -
Charges for services	921,224	1,885,145	-	13,461
Other	3,197	27	-	-
Total Revenues	3,140,206	5,207,676	587,083	13,461
Expenditures:				
Current:				
Governmental and community services	3,056,657	-	-	-
Public safety	-	-	-	7,058
Health and welfare	-	-	-	-
Operations	-	-	-	-
Education	-	5,221,885	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	3,056,657	5,221,885	-	7,058
Excess (Deficiency) of Revenues Over Expenditures	83,549	(14,209)	587,083	6,403
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	(587,083)	-
Bonds issued	-	-	-	-
Issuance premium	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(587,083)	-
Net Change in Fund Balances	83,549	(14,209)	-	6,403
Fund Balances - Beginning of Year	434,579	14,209	28,324	100,209
Fund Balances (Deficits) - End of Year	$ 518,128	$ -	$ 28,324	$ 106,612

Drug Asset Forfeiture	Police Extra Duty	Educational Grants Programs	Other Grants Programs	School Building Use	Continuing Education
$ 123,805	$ -	$ 24,668,982	$ 13,309,504	$ -	$ -
-	7,265,944	-	-	682,146	245,652
363	-	-	-	-	228
124,168	7,265,944	24,668,982	13,309,504	682,146	245,880
-	-	-	13,625	-	-
124,168	6,677,731	-	1,079,887	-	-
-	-	-	8,554,136	-	-
-	-	-	-	-	-
-	-	24,668,982	3,661,856	718,686	276,219
-	-	-	-	-	-
-	-	-	-	-	-
124,168	6,677,731	24,668,982	13,309,504	718,686	276,219
-	588,213	-	-	(36,540)	(30,339)
-	-	-	-	-	-
-	(822,260)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(822,260)	-	-	-	-
-	(234,047)	-	-	(36,540)	(30,339)
-	1,226,518	-	-	381,214	339,247
$ -	$ 992,471	$ -	$ -	$ 344,674	$ 308,908

(Continued)

CITY OF STAMFORD, CONNECTICUT

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES (Continued)
YEAR ENDED JUNE 30, 2012

	Special Revenue Funds				
	Marinas	Greater Stamford Transit District	Parking	Rainy Day	BOE Energy Reserve
Revenues:					
Intergovernmental	$ -	$ -	$ -	$ -	$ -
Charges for services	314,776	73,338	5,563,305	-	-
Other	-	1,002	-	15,579	33,693
Total Revenues	314,776	74,340	5,563,305	15,579	33,693
Expenditures:					
Current:					
Governmental and community services	336,765	-	-	-	-
Public safety	-	-	-	-	-
Health and welfare	-	-	-	-	-
Operations	-	70,641	3,162,618	-	-
Education	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	336,765	70,641	3,162,618	-	-
Excess (Deficiency) of Revenues Over Expenditures	(21,989)	3,699	2,400,687	15,579	33,693
Other Financing Sources (Uses):					
Transfers in	-	-	-	4,911,692	-
Transfers out	(84,680)	-	(3,092,849)	-	-
Bonds issued	-	-	-	-	-
Issuance premium	-	-	-	-	-
Total Other Financing Sources (Uses)	(84,680)	-	(3,092,849)	4,911,692	-
Net Change in Fund Balances	(106,669)	3,699	(692,162)	4,927,271	33,693
Fund Balances - Beginning of Year	163,227	189,071	-	8,986,787	96,147
Fund Balances (Deficits) - End of Year	$ 56,558	$ 192,770	$ (692,162)	$ 13,914,058	$ 129,840

Capital Projects Funds			
Transportation Capital	Capital Nonrecurring	Debt Service Fund	Total
$ -	$ -	$ -	$ 44,227,663
-	-	-	16,964,991
19	4	144,617	198,729
19	4	144,617	61,391,383
-	-	197,878	3,604,925
-	-	-	7,888,844
-	-	-	8,554,136
-	-	-	3,233,259
-	-	-	34,547,628
-	-	32,766,246	32,766,246
-	-	15,529,949	15,529,949
-	-	48,494,073	106,124,987
19	4	(48,349,456)	(44,733,604)
-	-	45,164,865	50,076,557
-	-	-	(4,586,872)
-	-	-	-
-	-	3,695,270	3,695,270
-	-	48,860,135	49,184,955
19	4	510,679	4,451,351
309,799	2,802,351	5,804,608	20,876,290
$ 309,818	$ 2,802,355	$ 6,315,287	$ 25,327,641

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INTERNAL SERVICE FUNDS

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 internal service funds of the City are as follows:

City Medical Fund - This fund has been established to account for the health insurance program for City employees and retirees.

Board of Education Medical Fund - This fund has been established to account for the health insurance program for Board of Education employees and retirees.

Risk Management Fund - This fund is used to account for the City's and Board of Education's workers' compensation, legal claims and the City's general insurance.

Disputed Assessments Fund – This fund is used to account for the City's obligation for refunds of property tax payments.

CITY OF STAMFORD, CONNECTICUT

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2012

	City Medical	Board of Education Medical	Risk Management
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 8,889,771	$ 10,893,829	$ 9,522,759
Accounts receivable	2,308,556	99,204	-
Total Assets	11,198,327	10,993,033	9,522,759
LIABILITIES			
Current Liabilities:			
Accounts payable	-	10,253	48,972
Accrued liabilities	187,649	3,917,662	-
Unearned revenues	16,060	-	-
Current portion of claims payable	3,072,800	3,074,918	8,999,066
Total Current Liabilities	3,276,509	7,002,833	9,048,038
Noncurrent Liabilities - Claims payable, less current portion	-	-	2,945,500
Total Liabilities	3,276,509	7,002,833	11,993,538
NET ASSETS (DEFICITS)			
Unrestricted	$ 7,921,818	$ 3,990,200	$ (2,470,779)

Disputed Assessments	Total
$ 1,528,738	$ 30,835,097
-	2,407,760
1,528,738	33,242,857
-	59,225
-	4,105,311
-	16,060
1,327,478	16,474,262
1,327,478	20,654,858
232,000	3,177,500
1,559,478	23,832,358
$ (30,740)	$ 9,410,499

CITY OF STAMFORD, CONNECTICUT

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

	City Medical	Board of Education Medical	Risk Management
Operating Revenues:			
Charges for services - employer	$ 28,516,471	$ 31,860,113	$ 11,879,627
Charges for services - employees	3,354,673	5,826,506	-
	31,871,144	37,686,619	11,879,627
Miscellaneous	-	2,274,765	70,916
Total Operating Revenue	31,871,144	39,961,384	11,950,543
Operating Expenses:			
Salaries	-	-	251,211
Employee benefits	30,417,542	38,087,182	9,693,709
Operations and supplies	-	-	516,698
Insurance	-	1,036,672	2,049,793
Judgments and claims	-	-	3,081,189
Total Operating Expenses	30,417,542	39,123,854	15,592,600
Income (Loss) From Operations	1,453,602	837,530	(3,642,057)
Non-Operating Revenues -			
Interest income	11,840	-	15,470
Change in Net Assets	1,465,442	837,530	(3,626,587)
Net Assets (Deficits) - Beginning of Year	6,456,376	3,152,670	1,155,808
Net Assets (Deficits) - End of Year	$ 7,921,818	$ 3,990,200	$ (2,470,779)

Disputed Assessments	Total
$ -	$ 72,256,211
-	9,181,179
-	81,437,390
-	2,345,681
-	83,783,071
-	251,211
-	78,198,433
-	516,698
-	3,086,465
-	3,081,189
-	85,133,996
-	(1,350,925)
-	27,310
-	(1,323,615)
(30,740)	10,734,114
$ (30,740)	$ 9,410,499

CITY OF STAMFORD, CONNECTICUT

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2012

	City Medical	Board of Education Medical	Risk Management
Cash Flows From Operating Activities:			
Cash received from customers and users	$ 29,738,148	$ 40,204,133	$ 11,951,494
Cash payments to employees	-	-	(9,944,920)
Cash payments to suppliers	-	(1,036,672)	(2,632,028)
Cash payments for benefits and claims	(29,989,083)	(34,839,681)	(1,167,946)
Net Cash Provided by (Used in) Operating Activities	(250,935)	4,327,780	(1,793,400)
Cash Flows From Investing Activities - Interest income	11,840	-	15,470
Net Increase (Decrease) in Cash	(239,095)	4,327,780	(1,777,930)
Cash - Beginning of Year	9,128,866	6,566,049	11,300,689
Cash - End of Year	$ 8,889,771	$ 10,893,829	$ 9,522,759
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:			
Income (loss) from operations	$ 1,453,602	$ 837,530	$ (3,642,057)
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:			
Changes in assets and liabilities:			
Accounts receivable	(2,132,996)	314,715	951
Accounts payable	-	(366)	39,552
Accrued liabilities	(52,628)	3,559,543	(105,089)
Unearned revenues	-	(71,966)	-
Claims payable	481,087	(311,676)	1,913,243
Net Cash Provided by (Used in) Operating Activities	$ (250,935)	$ 4,327,780	$ (1,793,400)

Disputed Assessments	Total
$ -	$ 81,893,775
-	(9,944,920)
-	(3,668,700)
(2,664,512)	(68,661,222)
(2,664,512)	(381,067)
-	27,310
(2,664,512)	(353,757)
4,193,250	31,188,854
$ 1,528,738	$ 30,835,097
$ -	$ (1,350,925)
-	(1,817,330)
-	39,186
-	3,401,826
-	(71,966)
(2,664,512)	(581,858)
$ (2,664,512)	$ (381,067)

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FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the City in an agency capacity on behalf of others. The agency funds of the City are as follows:

Student Activities Fund - This fund is used to account for class events and various functions held by students at the City's high schools.

Scholarship Fund - This fund is used to account for monies for the purpose of providing scholarship funds to graduating students.

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CITY OF STAMFORD, CONNECTICUT

FIDUCIARY FUND - AGENCY FUND
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2012

	Agency Funds		
	Student Activities Fund	Scholarship Fund	Total Agency Funds
ASSETS			
Cash and cash equivalents	$ 716,396	$ 185,832	$ 902,228
LIABILITIES			
Due to student groups	716,396	185,832	902,228
NET ASSETS	$ -	$ -	$ -

CITY OF STAMFORD, CONNECTICUT

FIDUCIARY FUND - AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
ASSETS				
Cash and Equivalents	$ 959,797	$ 1,384,289	$ 1,441,858	$ 902,228
LIABILITIES				
Student Activities Fund	$ 763,477	$ 1,384,277	$ 1,431,358	$ 716,396
Scholarship Fund	196,320	12	10,500	185,832
Total Liabilities	$ 959,797	$ 1,384,289	$ 1,441,858	$ 902,228

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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CITY OF STAMFORD, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY SOURCE
JUNE 30, 2012

Governmental funds capital assets, net of related accumulated depreciation:	
Land	$ 88,833,265
Land improvements	106,326,057
Buildings and improvements	296,139,551
Machinery and equipment	40,159,794
Infrastructure	97,036,245
Works of art	767,000
Construction-in-progress	69,644,549
	$ 698,906,461
Investments in governmental fund capital assets - Assets put into service prior to July 1, 2012	$ 698,906,461

CITY OF STAMFORD, CONNECTICUT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS - SCHEDULE BY FUNCTION AND ACTIVITY - HISTORICAL COST
JUNE 30, 2012

	Land	Land Improvements	Buildings and Improvements
FUNCTIONS			
Administration	$ -	$ 343,649	$ 74,011
Operations	87,127,439	37,698,472	146,001,478
Public safety, health and welfare	184,550	4,341,035	17,640,626
Unaffiliated departments	1,521,276	20,620,802	2,695,000
Board of education	-	72,798,222	373,642,942
Total Governmental Fund Capital Assets	$ 88,833,265	$ 135,802,180	$ 540,054,057

Machinery and Equipment	Infrastructure	Works of Art	Construction-in-Progress	Total
$ 14,249,502	$ -	$ -	$ -	$ 14,667,162
42,779,043	230,444,970	-	54,885,315	598,936,717
28,926,766	10,254,913	-	314,543	61,662,433
2,094,033	485,000	767,000	10,827,066	39,010,177
15,455,703	716,812	-	3,617,625	466,231,304
$ 103,505,047	$ 241,901,695	$ 767,000	$ 69,644,549	$ 1,180,507,793

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OTHER SCHEDULES

CITY OF STAMFORD, CONNECTICUT

SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2012

Grand List Year	Taxes Receivable July 1, 2011	Current Levy	Lawful Corrections		Balance to be Collected
			Additions	Deletions	
2010	$ -	$ 416,421,792	$ 4,816,322	$ 3,450,803	$ 417,787,311
2009	7,260,059	-	653,230	2,195,444	5,717,845
2008	2,712,758	-	222,321	1,047,312	1,887,767
2007	783,251	-	197,808	739,443	241,616
2006	608,652	-	1,114	383,035	226,731
2005	177,501	-	-	6,229	171,272
2004	112,017	-	-	4,272	107,745
2003	55,268	-	-	858	54,410
2002	99,068	-	-	1,681	97,387
2001	117,629	-	-	1,245	116,384
2000	133,719	-	-	458	133,261
1999	97,902	-	-	1,290	96,612
1998	119,630	-	-	1,124	118,506
1997	152,584	-	34	668	151,950
1996	180,801	-	-	157	180,644
	$ 12,610,839	$ 416,421,792	$ 5,890,829	$ 7,834,019	$ 427,089,441

Collections and Adjustments				Taxes Receivable
Taxes	Interest	Fees	Total	June 30, 2012
$ 411,502,313	$ 1,174,165	$ -	$ 412,676,478	$ 6,284,998
2,620,204	715,178	11,963	3,347,345	3,097,641
940,664	404,639	3,926	1,349,229	947,103
(346,975)	170,043	1,920	(175,012)	588,591
35,977	(7,865)	408	28,520	190,754
30,928	22,214	96	53,238	140,344
2,170	1,120	96	3,386	105,575
1,079	1,613	72	2,764	53,331
1,335	4,444	24	5,803	96,052
(7)	2,120	-	2,113	116,391
947	1,104	-	2,051	132,314
(1,290)	5	-	(1,285)	97,902
(1,124)	7	-	(1,117)	119,630
(668)	8	-	(660)	152,618
(157)	-	-	(157)	180,801
$ 414,785,396	$ 2,488,795	$ 18,505	$ 417,292,696	$ 12,304,045

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STATISTICAL SECTION
(UNAUDITED)

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Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. These schedules include:

Net Assets by Component

Changes in Net Assets

Fund Balances of Governmental Funds

Changes in Fund Balances of Governmental Funds

CITY OF STAMFORD, CONNECTICUT

NET ASSETS BY COMPONENT (000's omitted)
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	$ 340,195	$ 322,221	$ 305,437	$ 258,322
Restricted	27,257	17,764	13,714	-
Unrestricted	(43,061)	(34,417)	(35,007)	10,329
Total Governmental Activities Net Assets	$ 324,391	$ 305,568	$ 284,144	$ 268,651
Business - Type Activities:				
Invested in Capital Assets, Net of Related Debt	$ 56,453	$ 52,235	$ 54,135	$ 48,156
Restricted	7,992	8,060	8,031	13,608
Unrestricted	397	2,088	(1,761)	1,363
Total Business - Type Activities Net Assets	$ 64,842	$ 62,383	$ 60,405	$ 63,127
Primary Government:				
Invested in Capital Assets, Net of Related Debt	$ 396,648	$ 374,456	$ 359,572	$ 306,478
Restricted	35,249	25,824	21,745	13,608
Unrestricted	(42,664)	(32,329)	(36,768)	11,692
Total Primary Government Net Assets	$ 389,233	$ 367,951	$ 344,549	$ 331,778

2008	2007	2006	2005	2004	2003
$ 230,370	$ 209,552	$ 148,683	$ 127,878	$ 145,289	$ 133,074
-	-	-	5,714	-	-
34,481	52,860	88,425	55,820	14,281	7,917
$ 264,851	$ 262,412	$ 237,108	$ 189,412	$ 159,570	$ 140,991
$ 50,131	$ 45,188	$ 42,353	$ 41,444	$ 36,702	$ 34,527
3,672	14,959	9,313	14,691	-	1,468
6,038	(12,351)	(2,954)	(7,509)	9,009	1,333
$ 59,841	$ 47,796	$ 48,712	$ 48,626	$ 45,711	$ 37,328
$ 280,501	$ 254,740	$ 191,036	$ 169,322	$ 181,991	$ 167,601
3,672	14,959	9,313	20,405	-	1,468
40,519	40,509	85,471	48,311	23,290	9,250
$ 324,692	$ 310,208	$ 285,820	$ 238,038	$ 205,281	$ 178,319

CITY OF STAMFORD, CONNECTICUT

CHANGES IN NET ASSETS (000's omitted)
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Expenses				
Governmental Activities:				
Government and community services	$ 16,300	$ 18,079	$ 19,204	$ 16,138
Administration and legal affairs	25,281	19,863	15,938	19,180
Public safety	104,502	102,938	99,121	97,940
Health and welfare	36,694	33,295	29,615	28,044
Operations	62,013	51,031	58,656	74,121
Education	296,729	291,280	293,313	282,990
Interest	14,600	13,698	14,568	11,972
Other	-	-	-	-
Total Governmental Activities Expenses	556,119	530,184	530,415	530,385
Business-type Activities:				
Water Pollution Control Authority	18,880	19,467	21,344	21,730
Smith House	-	-	-	-
E.G. Brennan Golf Course	1,175	1,129	1,063	1,152
Old Town Hall Redevelopment Agency	990	955	470	7
Total Business-type Activities Expenses	21,045	21,551	22,877	22,889
Total Primary Government Expenses	$ 577,164	$ 551,735	$ 553,292	$ 553,274
Program Revenues				
Governmental Activities:				
Charges for Services:				
Government and community services	$ 4,925	$ 4,223	$ 7,501	$ 14,249
Administration and legal affairs	53	67	68	132
Public safety	7,396	9,218	9,352	9,434
Health and welfare	13,101	13,800	14,162	4,639
Operations	14,983	15,034	13,981	19,365
Education	2,813	2,832	2,857	2,894
Other	-	-	-	-
Operating Grants and Contributions:				
Government and community services	3,813	4,951	7,746	1,326
Administration and legal affairs	501	682	355	-
Public safety	1,293	999	366	4,668
Health and welfare	11,115	8,543	5,881	5,413
Operations	1,991	1,650	1,034	3,938
Education	64,892	63,619	61,011	50,818
Interest	-	-	-	-
Capital Grants and Contributions:				
Government and community services	2,000	-	-	-
Public safety	17,762	11,500	11,581	-
Operations	-	-	-	589
Education	-	446	6,571	20,844
Total Governmental Activities Program Revenues	146,638	137,564	142,466	138,309

2008	2007	2006	2005	2004	2003
$ 21,819	$ 16,090	$ 16,639	$ 15,379	$ 15,505	$ 14,140
17,142	12,807	11,925	10,347	9,848	5,549
97,680	89,502	87,163	80,966	82,617	87,100
26,471	12,954	12,003	8,786	10,241	9,023
67,987	60,753	56,123	55,022	48,150	35,049
263,550	238,399	224,739	199,536	192,545	185,656
18,931	17,740	13,051	18,883	13,361	14,573
-	-	-	2,699	9,094	5,610
513,580	448,245	421,643	391,618	381,361	356,700
19,886	18,481	15,423	10,129	12,238	9,167
-	14,183	13,335	13,022	10,783	10,029
1,080	1,038	1,058	1,063	969	924
-	-	-	-	-	-
20,966	33,702	29,816	24,214	23,990	20,120
$ 534,546	$ 481,947	$ 451,459	$ 415,832	$ 405,351	$ 376,820
$ 23,462	$ 16,958	$ 19,122	$ 17,147	$ 9,804	$ 6,956
63	114	65	83	84	100
380	336	594	485	736	546
3,188	812	1,189	1,238	1,238	933
25,703	20,603	13,975	9,519	13,136	13,065
2,333	2,468	2,880	2,533	2,452	2,616
-	-	-	6,428	2,875	459
3,451	3,305	1,640	2,627	2,673	2,068
-	-	-	-	-	-
1,826	1,942	1,983	2,339	2,583	3,152
4,109	1,853	3,729	2,605	3,170	-
7,705	-	-	-	-	3,152
49,028	29,562	29,344	25,084	23,351	25,220
-	-	-	-	-	665
-	-	-	-	-	-
-	-	-	-	-	-
6,402	4,518	15,014	20,342	17,158	14,181
22,837	33,829	37,373	-	-	-
150,487	116,300	126,908	90,430	79,260	73,113

(Continued)

CITY OF STAMFORD, CONNECTICUT

CHANGES IN NET ASSETS ($000s)
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Business-type Activities:				
Charges for Services:				
Water Pollution Control Authority	$ 22,113	$ 22,279	$ 21,016	$ 19,657
Smith House	-	-	-	-
E.G. Brennan Golf Course	1,259	1,102	1,227	1,096
Old Town Hall Redevelopment Agency	32	27	-	-
Operating Grants and Contributions:				
Water Pollution Control Authority	-	-	-	726
Smith House	-	-	-	-
Capital Grants and Contributions - Water Pollution Control Authority	-	-	-	-
Total Business-type Activities Revenues	23,404	23,408	22,243	21,479
Total Primary Government Program Revenues	$ 170,042	$ 160,972	$ 164,709	$ 159,788
Net Expense/Revenue:				
Governmental Activities	$ (409,481)	$ (392,620)	$ (387,949)	$ (392,076)
Business-type Activities	2,359	1,857	(634)	(1,410)
Total Primary Government Net Expense	$ (407,122)	$ (390,763)	$ (388,583)	$ (393,486)
General Revenues				
Governmental Activities:				
Property taxes	$ 420,983	$ 407,065	$ 393,495	$ 386,007
Grants and contributions not restricted to specific programs	7,116	6,510	6,332	9,042
Unrestricted Investment earnings	205	469	1,063	3,028
Miscellaneous	-	-	-	2,254
Transfers	-	-	-	(4,455)
Total Governmental Activities	428,304	414,044	400,890	395,876
Business-type Activities:				
Unrestricted Investment earnings	99	120	139	241
Transfers	-	-	-	4,455
Special item	-	-	(2,226)	-
Total Business-type Activities	99	120	(2,087)	4,696
Total Primary Government General Revenues	$ 428,403	$ 414,164	$ 398,803	$ 400,572
Change in Net Assets:				
Governmental Activities	$ 18,823	$ 21,424	$ 12,941	$ 3,800
Business-type Activities	2,458	1,977	(2,721)	3,286
Total Primary Government	$ 21,281	$ 23,401	$ 10,220	$ 7,086

2008	2007	2006	2005	2004	2003
$ 18,395	$ 16,660	$ 14,604	$ 12,471	$ 14,172	$ 13,537
-	11,387	11,359	10,291	9,734	9,996
1,167	1,071	1,025	997	949	952
-	-	-	-	-	-
821	744	2,286	-	-	-
-	-	1,289	-	-	-
5,643	-	-	3,361	7,514	9,102
26,026	29,862	30,563	27,120	32,369	33,587
$ 176,513	$ 146,162	$ 157,471	$ 117,550	$ 111,629	$ 106,700
$ (363,093)	$ (331,945)	$ (294,735)	$ (301,188)	$ (302,101)	$ (283,587)
5,060	(3,840)	747	2,906	8,379	13,467
$ (358,033)	$ (335,785)	$ (293,988)	$ (298,282)	$ (293,722)	$ (270,120)
$ 360,271	$ 342,943	$ 326,428	$ 316,728	$ 315,140	$ 284,131
9,866	10,371	11,205	11,496	11,091	12,001
5,595	6,049	4,798	2,806	1,112	1,931
(6,199)	-	-	-	(6,664)	-
-	(2,114)	-	-	-	48
369,533	357,249	342,431	331,030	320,679	298,111
787	810	378	9	5	9
6,198	2,114	-	-	-	-
-	-	-	-	-	-
6,985	2,924	378	9	5	9
$ 376,518	$ 360,173	$ 342,809	$ 331,039	$ 320,684	$ 298,120
$ 6,440	$ 25,304	$ 47,696	$ 29,842	$ 18,578	$ 14,524
12,045	(916)	1,125	2,915	8,384	13,476
$ 18,485	$ 24,388	$ 48,821	$ 32,757	$ 26,962	$ 28,000

CITY OF STAMFORD, CONNECTICUT

FUND BALANCES OF GOVERNMENTAL FUNDS (000's omitted)
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
General Fund:				
Reserved	$ -	$ -	$ 2,889	$ 3,861
Unreserved	-	-	3,251	4,502
Nonspendable	154	43	-	-
Committed	8,376	5,962	-	-
Assigned	3,591	2,622	-	-
Total General Fund	$ 12,121	$ 8,627	$ 6,140	$ 8,363
All Other Governmental Funds:				
Reserved	$ -	$ -	$ 17,263	$ 7,921
Unreserved, Reported In:				
Special Revenue Funds	-	-	9,037	7,175
Debt Service Fund	-	-	-	3,165
Capital Projects Funds	-	-	3,763	7,409
Nonspendable	15,751	12,097	-	-
Restricted	49,211	17,631	-	-
Assigned	16,589	11,943	-	-
Unassigned	(1,210)	(495)	-	-
Total All Other Governmental Funds	$ 80,341	$ 41,176	$ 30,063	$ 25,670
Total Governmental Funds	$ 92,462	$ 49,803	$ 36,203	$ 34,033

2008	2007	2006	2005	2004	2003
$ 4,093	$ 10,792	$ 11,056	$ 11,840	$ 8,234	$ 4,544
11,414	8,190	8,189	9,702	9,026	2,694
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 15,507	$ 18,982	$ 19,245	$ 21,542	$ 17,260	$ 7,238
$ 11	$ 18,885	$ 53,760	$ 48,539	$ 12,812	$ 18,860
7,276	5,309	4,621	2,317	1,185	25
911	1,467	3,211	3,118	5,562	-
1,042	(10,056)	11,757	(16,360)	15,407	(10,598)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 9,240	$ 15,605	$ 73,349	$ 37,614	$ 34,966	$ 8,287
$ 24,747	$ 34,587	$ 92,594	$ 59,156	$ 52,226	$ 15,525

CITY OF STAMFORD, CONNECTICUT

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (000's omitted)
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Revenues:				
Property taxes, interest and liens, net	$ 423,514	$ 408,006	$ 399,059	$ 386,679
Intergovernmental	108,186	97,481	101,440	115,917
Charges for services	44,143	44,872	47,184	47,158
Interest and dividends	178	445	961	3,027
Other	3,196	2,058	2,956	3,600
Total Revenues	579,217	552,862	551,600	556,381
Expenditures:				
Government and community services	15,751	16,223	17,953	16,015
Administration	8,342	7,621	7,175	6,854
Public safety	105,359	103,804	99,933	96,769
Health and welfare	33,444	30,851	27,041	27,995
Operations	40,530	40,755	40,994	60,716
Education	287,092	279,916	277,851	271,076
Legal affairs/Benefits	15,144	11,183	7,545	12,896
Capital outlay	47,540	41,353	70,233	65,436
Debt Service:				
Principal	32,766	28,244	28,955	29,361
Interest and other charges	15,530	15,220	14,640	14,413
Total Expenditures	601,498	575,170	592,320	601,531
Excess (Deficiency) of Revenues Over Expenditures	(22,281)	(22,308)	(40,720)	(45,150)
Other Financing Sources (Uses):				
Transfers in	60,377	49,113	53,678	48,862
Transfers out	(60,377)	(49,416)	(55,678)	(54,883)
Bonds issued	61,245	35,000	42,000	53,332
Proceeds from refunding bonds	-	23,960	26,580	3,750
Payment to refunded bond escrow agent	-	(25,441)	(30,468)	(60,058)
Premium (discount) on long-term debt	3,695	1,702	4,153	7,103
Proceeds from sale of property	-	990	73	2,254
Special item	-	-	-	-
Total Other Financing Sources (Uses)	64,940	35,908	40,338	360
Net Change in Fund Balances	$ 42,659	$ 13,600	$ (382)	$ (44,790)
Debt Service as a Percentage of Non-Capital Expenditures	8.7%	8.2%	8.4%	8.2%

2008	2007	2006	2005	2004	2003
$ 360,288	$ 342,984	$ 326,985	$ 316,503	$ 312,462	$ 284,241
108,692	81,059	118,221	75,330	70,460	56,426
46,844	34,766	29,843	28,927	28,155	23,962
5,595	5,157	4,648	2,777	1,108	1,934
7,377	8,238	6,943	7,608	1,206	8,127
528,796	472,204	486,640	431,145	413,391	374,690
16,618	15,760	15,249	15,571	15,599	14,545
7,949	7,292	7,327	6,468	6,305	6,171
94,946	88,364	85,784	83,106	80,732	75,375
31,512	16,164	14,338	13,282	12,905	9,507
52,569	49,563	44,667	39,701	38,322	37,252
248,789	240,906	229,844	208,492	195,014	183,852
6,987	4,070	3,875	3,392	4,511	3,425
61,782	64,548	71,126	65,670	30,104	47,664
27,849	24,640	24,370	25,020	16,841	17,048
17,553	16,080	14,412	15,635	11,880	13,241
566,554	527,387	510,992	476,337	412,213	408,080
(37,758)	(55,183)	(24,352)	(45,192)	1,178	(33,390)
43,291	40,160	39,991	34,777	35,048	29,300
(43,291)	(44,714)	(41,281)	(34,777)	(35,048)	(30,011)
106,144	1,337	58,402	50,962	35,000	6,036
-	-	17,530	25,847	25,057	46,941
-	-	(17,539)	(27,719)	(26,175)	(51,495)
(17,333)	392	687	3,032	1,641	5,229
-	-	-	-	-	-
(6,817)	-	-	-	-	-
81,994	(2,825)	57,790	52,122	35,523	6,000
$ 44,236	$ (58,008)	$ 33,438	$ 6,930	$ 36,701	$ (27,390)
8.9%	8.8%	8.8%	9.8%	7.2%	8.3%

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Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. These schedules include:

Tax Revenues by Source

Assessed Value and Estimated Actual Value of Taxable Property

Principal Taxpayers

Property Tax Levies and Collections

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CITY OF STAMFORD, CONNECTICUT

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (000's omitted)
LAST TEN FISCAL YEARS

Fiscal Year		Taxes: Real Estate	Taxes: Personal Property	Taxes: Motor Vehicle	Total
2012		$ 378,235	$ 17,319	$ 20,867	$ 416,421
2011		363,651	16,508	20,556	400,715
2010		358,705	16,386	20,638	395,729
2009		345,946	13,849	19,829	379,624
2008		299,742	22,359	28,066	350,167
2007		279,535	23,242	30,249	333,026
2006		268,864	21,181	28,641	318,686
2005		262,445	19,860	26,603	308,908
2004		259,967	20,135	26,810	306,912
2003		235,334	18,897	23,968	278,199
% change 2012-2003	(1)	60.72 %	(8.35) %	(12.94) %	49.68 %

Source: City records - Tax Collectors Report by Tax Type

Note: Personal property assets have decreased due to increased Enterprise Zone exemptions available to new qualifying businesses. Motor vehicle tax revenue has declined the past few years primarily due to recession's adverse impact on automobile market values and new car sales.

(1) % Change 2012-2003 was calculated by taking the net of the 2012 and 2003 amounts in each column and dividing the net by the 2003 amount.

CITY OF STAMFORD, CONNECTICUT

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (000's omitted)
LAST TEN FISCAL YEARS

Year	Residential Property	Commercial Property	Industrial Property	Miscellaneous Land	Personal Property
2012	$ 14,333,406	$ 7,039,736	$ 877,244	$ 689	$ 990,217
2011	14,276,658	7,186,559	892,499	670	973,248
2010	14,207,858	7,157,262	933,908	670	987,551
2009	14,017,475	7,185,220	999,077	670	906,305
2008	7,833,012	3,376,419	438,245	318	860,990
2007	6,344,567	2,951,010	416,244	374	806,600
2006	6,258,680	2,928,538	411,027	396	791,186
2005	6,182,148	2,944,776	454,126	423	765,682
2004	6,125,059	3,199,975	207,762	2,734	727,707
2003	6,097,669	3,160,587	212,644	2,774	715,225

Source: City records

Note: The above information presents the information for each period for which it is levied.
A tax levy provides taxes remitted in the following year. There are no overlapping governments that collect property taxes from City residents.

(1) The City has a complex rate structure consisting of four tax districts, personal property and automobile taxes that would make such a calculation extremely difficult, since its revenues base cannot be sufficiently disaggregated for each applicable rate. The City substitued an effective rate instead.

Motor Vehicle	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Effective Tax Rate (1)
$ 787,460	$ 24,028,752	$ 34,656,076	17.37
760,353	24,089,987	34,414,267	17.04
768,227	24,055,476	34,364,966	16.73
819,988	23,928,735	34,183,907	16.10
798,494	13,307,478	19,010,683	17.14
808,899	11,327,694	16,182,420	27.57
797,773	11,187,600	16,038,354	30.73
745,277	11,092,432	15,846,331	29.89
761,078	11,024,315	15,749,021	29.16
752,457	10,941,356	15,630,509	28.95

CITY OF STAMFORD, CONNECTICUT

PRINCIPAL TAXPAYERS (000's omitted)
CURRENT YEAR AND NINE YEARS AGO

2012

Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	RFR Properties	Office Buildings	$ 570,499	2.37 %
2	BLT Group	Development	406,320	1.69
3	UBS AG Stamford	Banking/Finance	246,967	1.03
4	First Stamford Place	Office Buildings	202,776	0.84
5	HPHV Direct LLC	Office Buildings/Retail	192,727	0.80
6	Avalon	Apartments	178,545	0.74
7	Four Hundred Atlantic Title	Office Buildings	164,869	0.69
8	One Stamford Realty	Office Buildings	150,864	0.63
9	Landmark	Office Buildings	144,297	0.60
10	Rich-Taubman	Office Buildings/Retail	136,500	0.57
	Total		$ 2,394,364	9.96 %

2003

Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	Swiss Bank Corp/UBS AG Stamford	Banking/Finance	$ 168,480	1.54 %
2	EOP - Stamford Atlantic Forum LLP	Office Buildings	88,203	0.81
3	Pitney Bowes	Office Equipment	84,869	0.78
4	Connecticut Light and Power	Utility	78,864	0.72
5	General Electric Capital Corp.	Consumer Finance	74,105	0.68
6	Rich-Taubman Assoc.	Office Buildings/Retail	72,365	0.66
7	Reckson Operating Partnership LLP	Office Buildings	62,447	0.57
8	Avalon Bay Communities	Rental Properties	61,611	0.56
9	SLT Realty Ltd. Partnership	Office Buildings	59,504	0.55
10	First Stamford Place	Office Buildings	58,499	0.54
	Total		$ 808,947	7.42 %

Source: 2010 and 2003 grand lists, respectively. Real estate values only.

CITY OF STAMFORD, CONNECTICUT

PROPERTY TAX LEVIES AND COLLECTIONS (000's omitted)
LAST TEN FISCAL YEARS

Year	City Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	$ 416,421	$ 409,051	98.23	N/A	$ 409,051	98.23
2011	406,891	398,285	97.88	6,163	404,448	99.40
2010	402,388	395,729	98.35	6,017	401,746	99.84
2009	386,200	379,624	98.30	6,214	385,838	99.91
2008	356,270	350,166	98.29	5,916	356,082	99.95
2007	338,790	333,026	98.30	5,624	338,650	99.96
2006	323,570	318,686	98.49	4,779	323,465	99.97
2005	313,394	308,908	98.57	4,403	313,311	99.97
2004	311,549	306,911	98.51	4,531	311,442	99.97
2003	280,684	278,199	99.11	2,364	280,563	99.96

Source: City tax records

N/A - Information not available

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Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. These schedules include:

Ratios of Outstanding Debt by Type

Direct Governmental Activities Debt

Legal Debt Margin Information

Computation of Legal Debt Limitation

Pledged Revenue Coverage

CITY OF STAMFORD, CONNECTICUT

RATIOS OF OUTSTANDING DEBT BY TYPE (000's omitted, except for Per Capita columns)
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities	GO Bonds Outstanding As a % of Est. Actual Taxable Value (1)	GO Bonds Outstanding Per Capita (1)	Other Governmental Activities Debt	
	General Obligation (GO) Bonds Outstanding			Notes Payable	Capital Leases
2012	$ 386,194	1.11%	$ 3,092	$ 956	$ 133
2011	373,316	1.08%	2,989	1,600	392
2010	365,787	1.06%	3,046	2,219	641
2009	354,642	1.04%	2,954	3,386	1,228
2008	383,248	2.02%	3,133	3,386	1,115
2007	318,309	1.97%	2,604	3,936	-
2006	339,390	2.12%	2,786	4,468	-
2005	301,087	1.90%	2,485	4,975	-
2004	272,296	1.73%	2,265	5,751	68
2003	253,363	1.62%	2,119	6,036	132

(1) - Estimated Actual Taxable Value data can be found in the schedule of Assessed Value and Economic statistics

Note: Details regarding the City's outstanding debt can be found in the notes to financial statements

Business-type Activities					
General Obligation Bonds	Revenue Bonds	Notes Payable	Total Primary Government Debt Outst.	Total Primary Government Debt Outstanding Per Capita (1)	Total Primary Government Debt Outstanding As a % of Personal Income (1)
$ 18,744	$ 28,285	$ 63,473	$ 497,785	$ 3,985	5.12%
20,469	28,975	67,198	491,950	3,938	5.06%
21,953	29,640	70,853	491,093	4,090	5.60%
13,512	30,608	74,439	477,815	3,981	5.26%
15,375	31,277	67,775	502,176	4,105	5.51%
19,678	31,993	71,172	445,088	3,640	4.98%
21,899	12,177	77,734	455,668	3,740	5.44%
24,422	12,449	71,578	414,511	3,422	5.15%
22,408	12,689	61,962	375,174	3,121	4.82%
24,192	-	38,112	321,835	2,691	N/A

Population and Personal Income data can be found in the schedule of Demographic and

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CITY OF STAMFORD, CONNECTICUT

DIRECT GOVERNMENTAL ACTIVITIES DEBT (000's omitted)
JUNE 30, 2012

Government Unit	Net Long-Term Debt Outstanding (1)	Percentage Applicable to City	Amount Applicable to City of Stamford
City of Stamford - Net Direct General Obligation Debt	$ 386,194	100.00%	$ 386,194
Less - School construction grants receivable (principal portion) (2)			3,447
Total Direct Debt			$ 382,747

(1) Excludes business-type activities debt

(2) School construction grants are receivable in substantially equal installments over the life of outstanding school bonds. Obtained from Office of Policy and Management, State of Connecticut.

Source: City records

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City.
This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.
The City is not subject to the debt of overlapping governments.

CITY OF STAMFORD, CONNECTICUT

LEGAL DEBT MARGIN (000's omitted)
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Legal Debt Limit	$ 2,891,483	$ 2,858,977	$ 2,796,069	$ 2,701,443
Total Indebtedness (as defined) Applicable to Limit	844,066	849,286	875,977	829,505
Legal Debt Margin	$ 2,047,417	$ 2,009,691	$ 1,920,092	$ 1,871,938
Total Indebtedness (as defined) Applicable to the Limit as a % of Legal Debt Limit	29.19%	29.71%	31.33%	30.71%

2008	2007	2006	2005	2004	2003
$ 2,501,696	$ 2,379,491	$ 2,269,234	$ 2,194,348	$ 2,194,348	$ 1,996,787
890,739	736,797	812,508	794,198	706,974	388,114
$ 1,610,957	$ 1,642,694	$ 1,456,726	$ 1,400,150	$ 1,487,374	$ 1,608,673
35.61%	30.96%	35.81%	36.19%	32.22%	19.44%

CITY OF STAMFORD, CONNECTICUT

COMPUTATION OF LEGAL DEBT LIMIT (000's omitted)
JUNE 30, 2012

Total tax collections (including interest and lien fees) for the year ended June 30, 2012	$ 412,676
Reimbursement for revenue loss - Tax relief for elderly	393
Base	$ 413,069
Legal Debt Limit - Seven times Base	$ 2,891,483

	Statutory Debt Limitation Multiples by Classification				
Debt Limitation Multiples	General Purpose	Schools	Sewer	Urban Renewal	Unfunded Pension Benefit Obligation
2-1/4 times base	$ 929,405	$ -	$ -	$ -	$ -
4-1/2 times base	-	1,858,810	-	-	-
3-3/4 times base	-	-	1,549,009	-	-
3-1/4 times base	-	-	-	1,342,474	-
3 times base	-	-	-	-	1,239,207
Total Debt Limitation	929,405	1,858,810	1,549,009	1,342,474	1,239,207
Debt as defined by statute:					
Bonds and notes payable	262,575	123,914	71,740	-	-
Bonds authorized but not issued, issue dates not yet established	192,063	182,460	11,314	-	-
Total Indebtedness (as defined)	454,638	306,375	83,054	-	-
Debt Limitation in Excess of Indebtedness	$ 474,767	$ 1,552,436	$ 1,465,955	$ 1,342,474	$ 1,239,207

CITY OF STAMFORD, CONNECTICUT

PLEDGED REVENUE COVERAGE (000's omitted)
LAST TEN FISCAL YEARS

	Water Pollution Control Authority Revenue Bonds						
				Senior Lien			
				Debt Service			
Fiscal Year	Utility Service Charges	Less - Operating Expenses	Net Available Revenues	Principal	Interest	Total	Coverage
2012	$ 18,178	$ 10,692	$ 7,486	$ 690	$ 1,300	$ 1,990	3.76
2011	18,129	11,198	6,931	665	1,326	1,991	3.48
2010	18,252	11,292	6,960	645	1,350	1,995	3.49
2009	18,645	10,444	8,201	620	1,372	1,992	4.12
2008	15,996	8,816	7,180	600	1,392	1,992	3.60
2007	15,455	6,837	8,618	255	939	1,194	7.22
2006	13,565	7,460	6,105	245	542	787	7.76
2005	12,015	4,211	7,804	240	547	787	9.92
2004	11,645	7,253	4,392	-	342	342	12.86

Source: City records

Note: Revenue was not pledged until fiscal year 2004

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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. These schedules include:

Demographic and Economic Statistics

All Property Tax Collection Rates

Unemployment Rates

Office Vacancy Rates

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CITY OF STAMFORD, CONNECTICUT

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population (See Note)	Median Age	Personal Income (See Note)	Median Household Income (See Note)	School Enrollment	Unemployment Rate
2012	124,908	42	$ 9,721,214,916	$ 77,827	15,983	6.8%
2011	124,908	42	9,721,214,916	77,827	15,677	7.3%
2010	120,068	39	8,775,049,712	73,084	15,490	7.7%
2009	120,038	39	9,089,637,474	75,723	14,995	6.0%
2008	122,342	39	9,116,803,498	74,519	14,946	4.0%
2007	122,261	39	8,941,069,191	73,131	15,043	3.6%
2006	121,821	38	8,368,980,879	68,699	15,443	3.9%
2005	121,142	38	8,051,218,462	66,461	15,304	4.2%
2004	120,202	39	7,786,925,964	64,782	15,268	4.4%
2003	119,580	N/A	N/A	65,631	15,566	4.4%

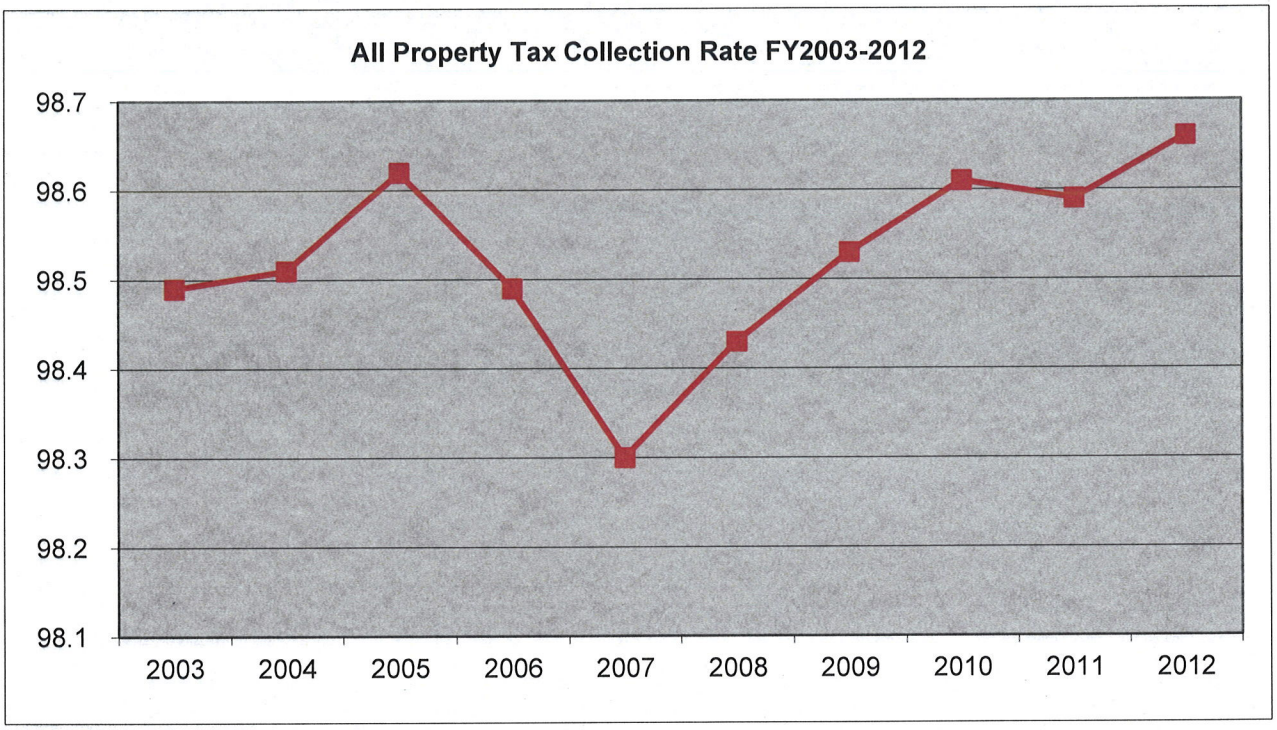
Sources: City records, cerc.com

N/A - Data prior to 2004 not available

Note: Where certain 2012 data was not yet available, prior year data was presented as an approximation (e.g. Population, Median Age, Personal Income, and Median Household Income).

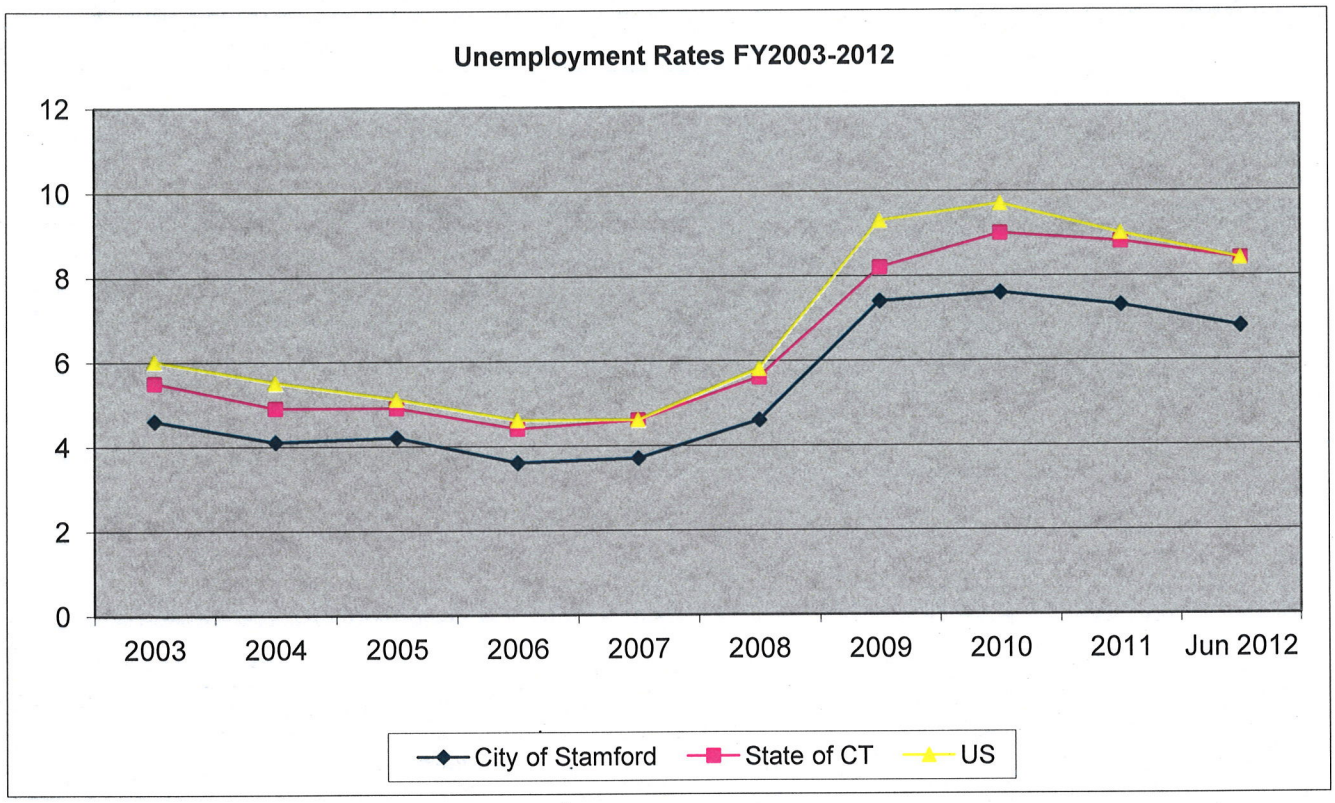
CITY OF STAMFORD, CONNECTICUT

ALL PROPERTY TAX COLLECTION RATES
LAST TEN FISCAL YEARS

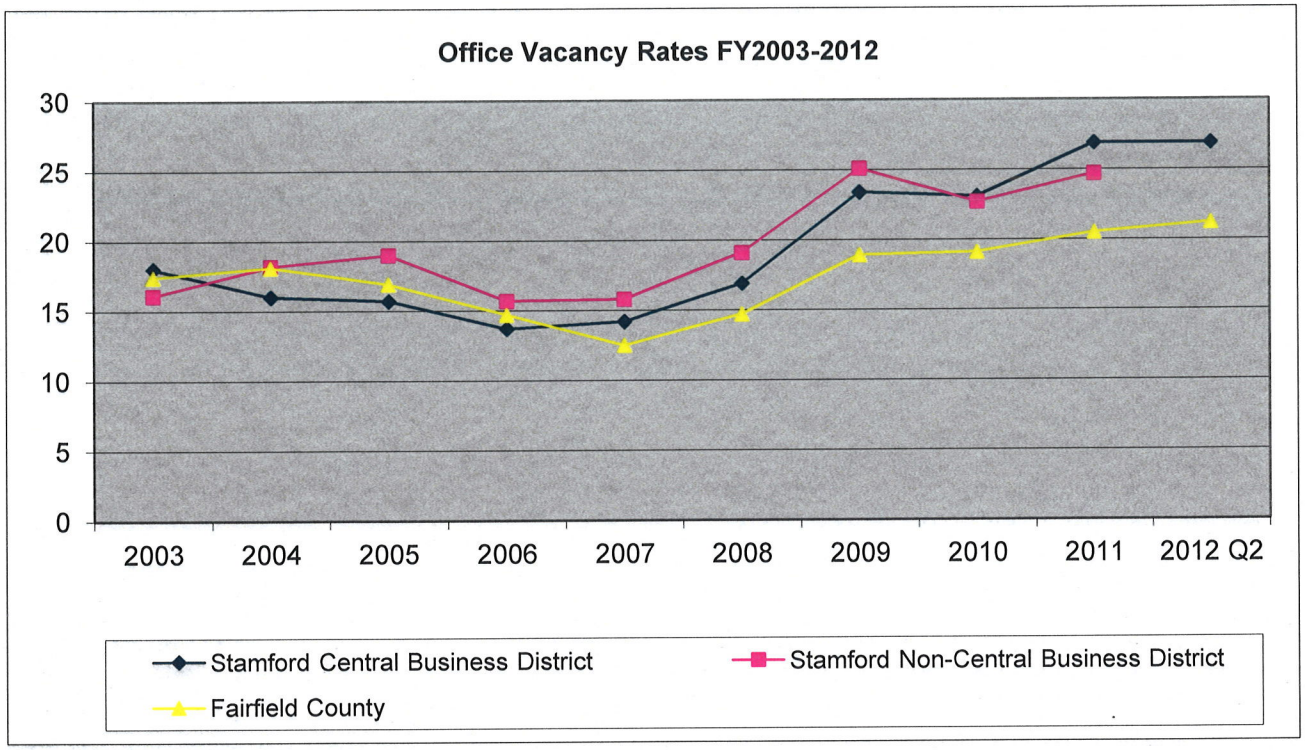


CITY OF STAMFORD, CONNECTICUT

UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS



OFFICE VACANCY RATES
LAST TEN FISCAL YEARS



CITY OF STAMFORD, CONNECTICUT

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2012		
EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
City of Stamford (including Board of Education)	3,034	1	4.75 %
UBS	3,000	2	4.70
Stamford Town center	2,500	3	3.91
Royal Bank Scotland	2,400	4	3.76
Stamford Hospital	2,350	5	3.68
General Electric Capital Corporation	1,043	6	1.63
Pitney Bowes, Inc.	1,000	7	1.57
Starwood Hotels and Resorts	1,000	8	1.57
Gartner Group	875	9	1.37
SAC	685	10	1.07
	17,887		28.01 %

	2007 (1)		
EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
UBS	4,400	1	6.92 %
Pitney Bowes	3,710	2	5.83
City of Stamford (including Board of Education)	3,433	3	5.40
Stamford Hospital	1,750	4	2.75
General Electric Cap. Corp.	1,275	5	2.00
Gartner Group	950	6	1.49
U.S. Post Office	900	7	1.42
Legg Mason	750	8	1.18
Purdue Pharma	725	9	1.14
SAC	685	10	1.08
	18,578		29.21 %

Source: City records from Economic Development.
(1) Data for 2003 is not available.

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Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. These schedules include:

Full-Time Equivalent City Government Employees by Function

Operating Indicators by Function/Program

Capital Asset Statistics by Function/Program

CITY OF STAMFORD, CONNECTICUT

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-Time Equivalent Employees as of June 30,			
Fiscal Year	2012	2011	1 Yr Var	2010
Office of Administration	74	71	3	83
Economic Development	-	-	-	-
Administration Total	**74**	**71**	**3**	**83**
Public Services	137	83	54	92
Engineering	15	68	(53)	81
Land Use	12	11	1	15
Customer Relations	-	-	-	-
Administration	53	53	-	61
Operations Total	**217**	**215**	**2**	**249**
Office of Public Safety Health & Welfare	2	1	1	2
Police Department-wide	317	302	15	337
Emergency Comm. Center	30	30	-	32
Volunteer Fire Departments	-	-	-	-
Fire Department	269	273	(4)	290
Smith House ***	105	105	-	109
Health Department	60	60	-	65
Social Services	1	1	-	3
Public Safety Health & Welfare Total	**784**	**772**	**12**	**838**
Director of Law	10	10	-	11
Human Resources Department	10	9	1	13
Employee Benefits	-	-	-	-
Legal Affairs Total	**20**	**19**	**1**	**24**
Mayor's Office	4	3	1	3
Economic Development	3	2	1	2
Housing Safety & Zoning Code Enforcement	-	-	-	-
Bd of Representatives	2	2	-	2
Board of Finance	1	1	-	1
Town and City Clerk	10	10	-	11
Registrar of Voters	2	2	-	2
Youth Services Bureau	-	-	-	-
Government Services Total	**22**	**20**	**2**	**21**
Education	**1,917**	**1,903**	14	**1,901**
TOTAL	**3,034**	**3,000**	**34**	**3,116**

***** Smith House not part of General Fund FY 07/08**
FY 2012 (City): Added to the roster of positions are 20 funded positions. The Office of Administration includes 2 new positions: 1 Internal Auditor and 1 Management Analyst in the Controller's Office. The Office of Operations includes 2 positions: 1 Land Use Inspector and 1 Transfer Station Field Operator. The Office of Public Safety Health & Welfare includes the net addition of 12 positions: 1 Director, 15 Police Officers, 1 Assistant Fire Marshall and the elimination of 6 vacant Firefighter positions. The Office of Legal Affairs includes the addition of 1 Labor Relations Specialist. The Mayor's Office includes the addition of 1 Special Assistant and Economic Development includes the addition of 1 Project Manager.

2009	2008	2007	2006	2005	2004	2003
81	79	84	75	73	79	82
-	-	-	-	-	-	-
81	**79**	**84**	**75**	**73**	**79**	**82**
132	132	137	143	159	183	186
42	42	45	36	35	35	35
15	15	16	14	14	14	15
-	-	-	-	-	-	-
61	61	66	63	63	35	34
250	**250**	**264**	**256**	**271**	**267**	**270**
2	2	2	2	2	2	2
337	336	329	328	329	322	321
32	32	32	31	31	31	31
-	39	35	35	35	35	35
290	251	247	238	230	229	229
109	*111*	*108*	*100*	*110*	*108*	*111*
65	62	62	56	56	55	57
3	3	3	3	3	3	4
838	**836**	**818**	**793**	**804**	**785**	**790**
11	11	12	12	12	12	12
13	13	13	13	13	12	13
-	-	-	-	-	-	-
24	**24**	**25**	**25**	**25**	**24**	**25**
3	3	3	3	3	4	5
2	2	2	2	2	2	2
-	-	-	5	-	-	-
2	2	2	2	2	2	2
1	1	1	1	1	-	-
11	11	11	11	9	9	11
2	2	2	2	2	2	2
-	-	-	-	-	-	-
21	**21**	**21**	**26**	**19**	**19**	**22**
1,952	**1,956**	**1,920**	**1,909**	**1,895**	**1,967**	**2,169**
3,166	**3,166**	**3,132**	**3,084**	**3,087**	**3,141**	**3,358**

CITY OF STAMFORD, CONNECTICUT

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Police:				
Calls for service	105,533	64,096	63,801	62,239
Adult arrest	3,338	3,440	2,799	3,523
Juvenile arrest	280	322	508	277
Speeding citations only	641	469	284	852
Traffic citations	4,612	3,481	1,607	2,602
Fire:				
Total fire runs	5,445	5,025	5,236	4,887
Total rescue runs	5,746	5,922	5,443	5,371
Property loss	$ 3,709,901	$ 1,533,700	$ 1,825,600	$ 3,682,200
Building safety:				
Total building permits	5,874	5,444	5,275	4,966
Total value all permits	$ 269,634,110	$ 314,229,373	$ 192,726,727	$ 376,353,913
Public service:				
Garbage collection (ton)	48,285	50,136	50,119	58,914
Recycle collected (ton)	9,994	9,983	8,170	5,659
Parks and recreation:				
Recreation program attendance	18,730	18,313	17,209	18,862
Aquatics program attendance	448	385	346	343
Golf rounds played	39,780	36,239	41,250	38,209
Street trees maintained - miles	380	380	320	320

Source: City Records

N/A - Data not available

2008	2007	2006	2005	2004	2003
68,233	72,826	72,785	79,348	81,547	85,492
3,815	3,508	2,409	3,135	3,179	3,571
508	548	260	549	537	467
758	258	1,624	N/A	N/A	N/A
3,472	2,203	6,612	N/A	N/A	N/A
4,137	4,086	3,481	N/A	N/A	N/A
4,870	4,514	4,121	N/A	N/A	N/A
$ 2,337,600	$ 3,000,000	$ 2,953,550	N/A	N/A	N/A
5,790	1,257	1,375	N/A	N/A	N/A
$ 536,651,267	$ 528,758,036	$ 370,171,864	N/A	N/A	N/A
54,036	66,590	46,883	42,518	42,842	41,055
5,917	5,896	6,586	7,833	7,690	7,991
17,280	N/A	N/A	N/A	N/A	N/A
482	N/A	N/A	N/A	N/A	N/A
41,628	40,352	40,941	43,422	41,831	41,468
315	315	315	315	315	315

CITY OF STAMFORD, CONNECTICUT

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2012	2011	2010	2009
Police - Stations	1	1	1	1
Fire - Stations	8	8	8	8
Operations:				
Refuse collection trucks	36	38	38	36
Other public works	403	397	407	420
Streets (Miles)	380	380	320	320
Traffic signals - City owned	200	200	200	197
Parks and Recreation:				
Acreage	637	637	637	635
Parks	58	58	58	59
Golf course	1	1	1	1
Baseball/Softball diamonds	22	22	22	23
In-line hockey rinks	1	1	1	1
Soccer/Football fields	10	10	10	8
Basketball courts	12	12	12	10
Tennis courts	24	24	24	24
Swimming pools	2	2	2	2
Parks with playground equipment	16	16	16	16
Picnic shelters	7	7	7	7
Community centers	3	3	3	3
Library:				
Facilities - including bookmobile	5	5	5	5
Volumes	548,323	541,664	559,616	548,648
Wastewater:				
Sanitary sewers (miles)	303	303	303	300
Storm sewers (miles)	600	600	600	600

Source: City Records

N/A - Data not available

2008	2007	2006	2005	2004	2003
1	1	1	1	1	1
8	8	8	8	8	8
23	19	19	19	N/A	N/A
248	207	205	204	207	208
315	315	315	315	315	315
190	181	180	180	180	178
635	635	635	635	N/A	N/A
59	59	59	59	N/A	N/A
1	1	1	1	1	1
23	21	21	21	N/A	N/A
1	1	1	1	N/A	N/A
5	3	3	3	N/A	N/A
9	9	9	9	N/A	N/A
24	22	22	22	N/A	N/A
2	2	2	2	N/A	N/A
16	14	14	14	N/A	N/A
7	6	6	6	N/A	N/A
3	3	3	3	N/A	N/A
5	5	5	5	5	5
559,012	557,487	551,967	547,937	536,282	468,845
300	300	300	300	300	300
600	600	600	600	157	157