

FINAL OFFICIAL STATEMENT DATED JULY 30, 2015

New Issue: Book-Entry-Only

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

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



City of Stamford, Connecticut

\$65,000,000

General Obligation Bonds, Issue of 2015, Series B

Dated: Date of Delivery

**Due: August 1, 2016-2035
as detailed below:**

The Bonds will bear interest payable on February 1, 2016 and semiannually thereafter on August 1 and February 1 in each year until maturity. The Bonds are issuable only as fully registered bonds, without coupons, and when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as described herein) of the Bonds. (See "Book Entry Only Transfer System" herein).

Year	Principal	Coupon	Yield	CUSIP	Year	Principal	Coupon	Yield	CUSIP
2016	\$3,250,000	5.000%	0.320%	852634JV7	2026*	\$3,250,000	3.000%	2.570%	852634KF0
2017	3,250,000	5.000%	0.620%	852634JW5	2027*	3,250,000	3.000%	2.750%	852634KG8
2018	3,250,000	5.000%	0.870%	852634JX3	2028*	3,250,000	3.000%	2.900%	852634KH6
2019	3,250,000	5.000%	1.050%	852634JY1	2029	3,250,000	3.000%	3.000%	852634KJ2
2020	3,250,000	2.250%	1.330%	852634JZ8	2030	3,250,000	3.000%	3.100%	852634KK9
2021	3,250,000	5.000%	1.550%	852634KA1	2031	3,250,000	3.000%	3.150%	852634KL7
2022	3,250,000	5.000%	1.870%	852634KB9	2032	3,250,000	3.000%	3.250%	852634KM5
2023	3,250,000	5.000%	2.020%	852634KC7	2033	3,250,000	3.125%	3.300%	852634KN3
2024*	3,250,000	4.000%	2.200%	852634KD5	2034	3,250,000	3.250%	3.350%	852634KP8
2025*	3,250,000	4.000%	2.350%	852634KE3	2035	3,250,000	3.250%	3.400%	852634KQ6

* Priced assuming redemption on August 1, 2023; however, any such redemption is at the option of the City.

The Bonds will be general obligations of the City of Stamford, Connecticut (the "City") and the City will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. (See "Security and Remedies" herein.)

The Bonds are subject to redemption prior to maturity as more fully described herein. (See "Optional Redemption".)

The Registrar, Certifying, Transfer and Paying Agent will be U.S. Bank National Association of Hartford, Connecticut.

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Robinson & Cole LLP, Bond Counsel, Hartford, Connecticut, and certain other conditions. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC on or about August 12, 2015.

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No dealer, broker, salesperson, or other person has been authorized by the City to give any information or to make any representations not contained in this Official Statement or any supplement which may be issued hereto, and if given or made, such other information or representations must not be relied upon as having been authorized. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the City since the date of this Official Statement.

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

The Bonds have not been registered under the Securities Act of 1933, as amended, nor have the Bonds been registered under any state securities laws.

The City deems this Official Statement to be "final" for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but it is subject to revision or amendment.

The City currently files its official statements for primary offerings with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") system. In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the City will agree to provide or cause to be provided (i) annual financial information and operating data, (ii) a notice of the occurrence of certain events within 10 business days of the occurrence of such events, and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreement shall be executed in substantially the form attached as Appendix C to this Official Statement.

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Bond Issue Summary

The information in this Bond Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.

Date of Sale:	Thursday, July 30, 2015 at 11:30 A.M. (E.D.T.)
Location of Sale:	City of Stamford, Government Center, 888 Washington Boulevard, Stamford, Connecticut 06904-2152.
Issuer:	City of Stamford, Connecticut (the "City").
Issue:	\$65,000,000 General Obligation Bonds, Issue of 2015, Series B (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	February 1, 2016 and semiannually thereafter on August 1 and February 1, in each year until maturity.
Principal Due:	The Bonds are due serially, August 1, 2016 through August 1, 2035, as detailed in this Official Statement.
Purpose:	The proceeds of the Bonds will be used to fund various general purpose and school construction projects authorized by the City.
Redemption:	The Bonds are subject to redemption prior to maturity.
Security:	The Bonds will be general obligations of the City and the City will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Bonds have been rated "AAA" by Standard & Poor's and "Aa1" by Moody's Investors Service.
Bond Insurance:	The City does not expect to purchase a credit enhancement facility.
Basis of Award:	Lowest True Interest Cost (TIC), as of the dated date.
Tax Exemption:	See "Tax Matters" herein.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City will agree to provide, or cause to be provided, annual financial information and operating data, a failure by the City to provide the required annual financial information on or before the date specified in the continuing disclosure agreement, and notices of certain events with respect to the Bonds pursuant to a Continuing Disclosure Agreement to be executed by the City substantially in form attached as Appendix C to this Official Statement.
Bank Qualification:	The Bonds shall NOT be designated by the City as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
Registrar, Transfer Agent, Certifying Agent, and Paying Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, Connecticut 06103.
Legal Opinion:	Robinson & Cole LLP, of Hartford, Connecticut will act as Bond Counsel.
Financial Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut will act as Financial Advisor. Telephone (203) 283-1110.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made on or about August 12, 2015, against payment in Federal funds.
Issuer Official:	Questions concerning the Official Statement should be addressed to Michael E. Handler, Director of Administration, City of Stamford, Government Center, 888 Washington Boulevard, Stamford, Connecticut 06904-2152. Telephone (203) 977-4182.

I. Bond Information

Introduction

This Preliminary Official Statement, (the "Official Statement") including the cover page and appendices, is provided for the purpose of presenting certain information relating to the City of Stamford, Connecticut (the "City"), in connection with the original issuance and sale of \$65,000,000 General Obligation Bonds, Issue of 2015, Series B (the "Bonds") of the City.

This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or holders of any of the Bonds. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstance, create any implication that there has been no change in the affairs of the City since the date hereof. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representation of fact. No representation is made that any of such statements will be realized. All quotations from and summaries and explanations of provisions of laws contained in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof.

The Bonds are being offered for sale at public bidding. A Notice of Sale for the Bonds dated July 22, 2015 has been furnished to prospective bidders. Reference is made to the Notice of Sale for the terms and conditions of the bidding.

U.S. Bank National Association, 225 Asylum Street, Goodwin Square, Hartford, Connecticut 06103 will act as Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds.

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

The City deems this Official Statement to be "final" for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but is subject to revision or amendment.

Financial Advisor

Phoenix Advisors, LLC, of Milford, Connecticut has served as Financial Advisor to the City with respect to the issuance of the Bonds (the "Financial Advisor") and has assisted the City in preparing this Official Statement. The Financial Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the appendices hereto.

The Financial Advisor is an independent firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

Description of the Bonds

The Bonds will be dated as of the date of delivery, August 12, 2015, and will mature in annual installments on August 1 in each of the years and in the principal amounts set forth on the cover page of this Official Statement. Interest on the Bonds will be payable on February 1, 2016 and semiannually thereafter on August 1 and February 1, in each year until maturity. Interest will be calculated on the basis of twelve 30-day months and a 360-day year and will be payable to the registered owner of the Bonds as of the close of business on the fifteenth day of July and January in each year, or the preceding business day if such fifteenth day is not a business day, by check, mailed to the registered owner at the address as shown on the registration books of the City kept for such purpose, or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the City shall agree. The Bonds are subject to redemption prior to maturity as more fully described herein. The Bonds shall NOT be designated by the City as qualified tax-exempt obligations under the provisions of section 265(b) of the Internal Revenue Code of 1986, as amended.

Optional Redemption

The Bonds maturing on or before August 1, 2023 are not subject to redemption prior to maturity. The Bonds maturing on August 1, 2024 and thereafter, are subject to redemption prior to maturity, at the election of the City, on and after August 1, 2023 at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the City may determine, at the respective price (expressed as a percentage of the principal amount of Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
August 1, 2023 and thereafter	100%

Notice of redemption shall be given by the City or its agent by mailing a copy of the redemption notice by first-class mail at least thirty (30) days prior to the date fixed for redemption to the registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the City in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The City, so long as a book-entry system is used for the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant, or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of portions of the Bonds of any maturity by the City will reduce the outstanding principal amounts of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interest held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemption in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the City authorizing the issuance of the Bonds and will not be conducted by the City, the Registrar or Paying Agent.

Authorization and Purpose

The Bonds are issued pursuant to Title 7 of the Connecticut General Statutes, as amended, the Charter of the City of Stamford and resolutions adopted by the Board of Finance and the Board of Representatives of the City. As of July 15, 2015 the City had approximately \$178 million of authorized free balance capital projects for various public improvement and school projects. The City expects that approximately \$84.5 million will be financed by grants and other sources, and about \$28.5 million through the issuance of general obligation bonds.

<u>Project</u>	<u>Amount</u>			<u>Authorized But Unissued Debt</u>
	<u>Amount Authorized</u>	<u>The Bonds</u>	<u>Expected to be Financed with Grants or Other Sources</u>	
Public Improvement Projects.....	\$ 119,307,255	\$ 55,475,000	\$ 42,366,000	\$ 21,466,255
School Projects.....	58,712,460	9,525,000	42,149,000	7,038,460
Total	\$ 178,019,715	\$ 65,000,000	\$ 84,515,000	\$ 28,504,715

Book-Entry-Only Transfer System

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

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

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

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct

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

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

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

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

DTC Practices

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

Replacement Bonds

In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the City fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the City determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the City is authorized to issue fully registered Bond certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

Security and Remedies

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

Unless paid from other sources, the Bonds are payable from general property tax revenues. The City has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in the City without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts.

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

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

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

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

Qualification for Financial Institutions

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

Availability of Continuing Information

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

The City has previously undertaken in continuing disclosure agreements for the benefit of holders of certain of its bonds and notes to provide certain annual financial information and event notices pursuant to Rule 15c2-12(b)(5). In the last five years, the City has not failed to comply, in all material respects, with its previous undertakings in such agreements.

Ratings

The Bonds are rated "AAA" by Standard & Poor's and "Aa1" by Moody's Investors Service, respectively. The City furnished to the Rating Agencies certain information and materials, some of which may not have been included in this Official Statement. The ratings reflect only the views of the Rating Agencies. No application was made to any other rating agencies for the purpose of obtaining ratings on outstanding securities of the City.

Generally, the rating agencies base their rating upon such information and materials and upon investigations, studies and assumptions by the rating agencies. There can be no assurance that a rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by a rating agency if in their judgment circumstances so warrant. Any such downward change in or withdrawal of a rating may have an adverse effect on the marketability or market price of the City's outstanding bonds and notes, including this issue.

The City expects to furnish to the Rating Agencies information and materials that they may request. However, the City may issue short-term or other debt for which a rating is not requested. The City's Financial Advisor, Phoenix Advisors, LLC, recommends that all bonded debt be submitted for a credit rating.

Bond Insurance

The City does not expect to purchase a credit enhancement facility.

Tax Matters

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

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

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

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

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

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

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

Original Issue Discount

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

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner’s adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular

semiannual period is equal to the excess of the product of (i) one half of the yield to maturity of such bond, and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest paid during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

Original Issue Premium

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

Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any Bond during each day it is owned by a taxpayer is subtracted from the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Amortized original issue premium on the Bonds is not treated as a deduction from gross income for federal income tax purposes. Original issue premium on any bond is treated as amortizing on the basis of the taxpayer's yield to maturity using the taxpayer's cost basis and a constant semiannual compounding method. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

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

NBC Sports has completed its \$100 million relocation to Stamford from multiple locations across the U.S. and employs nearly 600 people. Chelsea Piers of New York City has opened its 240,000-square-foot facility following a \$40 million retrofit of the former Clairol site and created 240 jobs.

The University of Connecticut (UConn) Stamford Branch is planning an expansion which will include 400 units of residential housing. Stamford Hospital has begun construction of a \$450 million development that will include a new five-story hospital building and a central utility plant.

The City is an important residential suburb in one of the highest per capita income areas of the United States. The 2009–2013 American Community Survey reports Stamford's per capita income as \$43,647 and a population of 123,995.

Government Organization

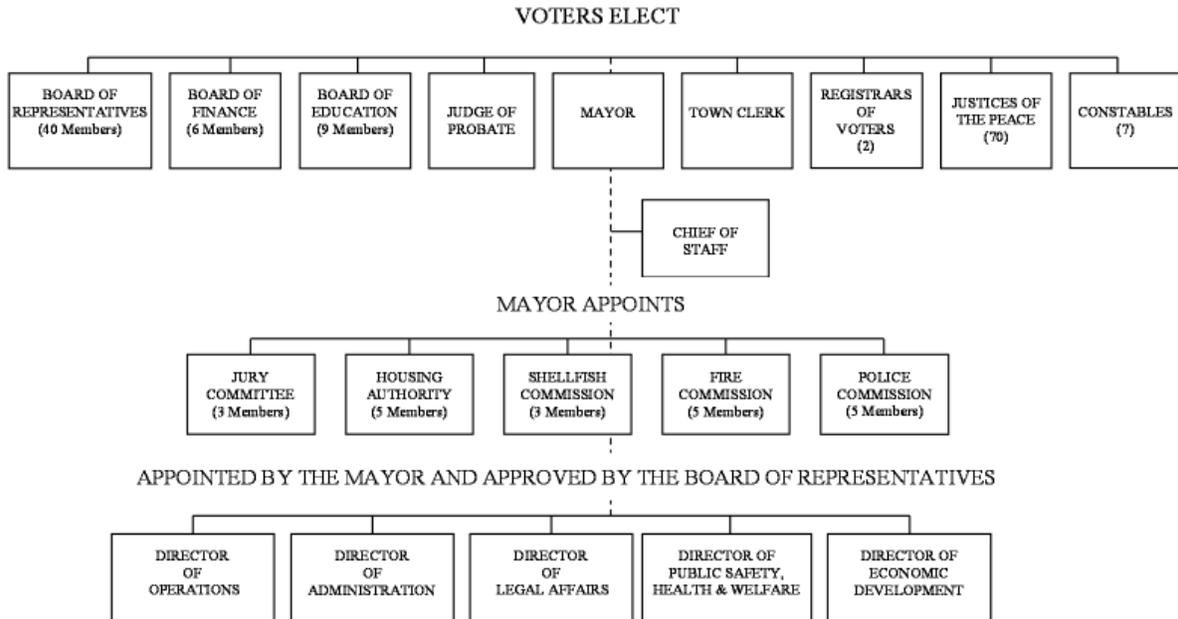
The City operates under a Charter adopted in 1949 and most recently revised in November 2013. The 18th Charter Revision was undertaken in 2013 to correct discrepancies created by the 2012 decennial charter review. The 2012 revisions mandated a Board of Ethics, created a Historic Preservation Advisory Commission, added a preamble concerning Citizens' Rights, created a single combined fire department consisting of the existing municipal department and the five volunteer companies, and made a number of technical changes to the Charter.

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

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

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

City of Stamford, Connecticut
Organizational Chart
CITIZENS OF STAMFORD



Administration

The Mayor, subject to the approval of the Board of Representatives, appoints four Directors: the Director of Operations, Director of Administration, Director of Legal Affairs, and Director of Public Safety, Health & Welfare. The Mayor also appoints the Director of Economic Development and a Chief of Staff. The Directors and the Chief of Staff serve at the Mayor's pleasure and their terms are coterminous with the Mayor's term of office.

Principal Municipal Officials

Office	Name	Manner of Selection	Term
Mayor	David R. Martin	Elected/4 years	1 year ¹
Chief of Staff	Michael E. Pollard	Appointed/4 years	1 year ¹
Director of Administration	Michael E. Handler	Appointed/4 years	3 years ^{1,2}
Director of Operations	Ernest A. Orgera	Appointed/4 years	5 years ^{1,2,3}
Director of Legal Affairs	Kathryn Emmett, Esq.	Appointed/4 years	1 year ¹
Director of Public Safety, Health and Welfare	Thaddeus K. Jankowski, Sr.	Appointed/4 years	3 years ^{1,2}
Director of Economic Development ...	Thomas Madden	Appointed/4 years	1 year
Controller	David A. Yanik	Unclassified/indefinite	3 years
Director of Policy & Management	James F. Hricay	Civil service/indefinite	2 years ⁴
Superintendent of Schools	Dr. Winifred Hamilton	Appointed/3-yr. contract	3 years ⁵

¹ David R. Martin was elected Mayor of the City of Stamford in November 2013, took office on December 1, 2013, and appointed his cabinet members shortly thereafter. Mayor Martin represented the 19th District on Stamford’s Board of Representatives for 26 years (from 1987 to 2009) and served as president for 8 years (2001 to 2009). Mayor Martin was elected to the Board of Finance in November of 2011 and served through November of 2013.

² Mr. Handler, Mr. Orgera, and Mr. Jankowski served as cabinet members for the previous administration and were appointed by Mayor Martin.

³ Mr. Orgera, Director of Operations, previously served 20 years as a Stamford police officer and over 19 years as a supervisor in the City of Stamford’s Operations Division.

⁴ Mr. Hricay has been employed by the City of Stamford for 12 years.

⁵ Dr. Hamilton was appointed Superintendent of Schools on July 1, 2012 and was previously appointed Interim Superintendent of Schools on September 28, 2011 and Acting Superintendent on July 1, 2011. Dr. Hamilton had previously been employed by Stamford for 42 years.

Source: City of Stamford

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

The City currently employs 3,353 full-time persons for General Government and the Board of Education. The table on page 28 shows the City’s employment rolls for the past six fiscal years.

Municipal Services

Fire Services: Background – The City of Stamford is served by six autonomous fire departments. The Stamford Fire & Rescue Department, historically under the control of the Chief, serves the City Fire Service District, except in case of emergency or special agreement. The fire districts outside of the Stamford Fire & Rescue fire district are served by five volunteer departments which have come to be called “The Big Five.” Although nominally characterized as volunteer companies, historically they have relied upon paid professional firefighters, such that more accurately they are “combination” departments.

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

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

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

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

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

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

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

The disruption to the lives of tenants is minimized by providing sufficient resources for relocation assistance, encouraging proactive efforts by property owners and working extensively with partners in the community to provide suitable, safe, affordable housing.

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

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

Police Department: The Stamford Police Department is the sole, full-time law enforcement agency responsible for public safety in the City. The Department consists of several different units all falling within six distinct Divisions. Due in large part to the efforts of the Police Department, the FBI ranked Stamford as the 15th safest large city in the nation and the safest in New England in 2013. The Department is firmly committed to a collaborative, cooperative, and interactive community policing philosophy. The Patrol Division is divided into four squads that patrol four policing districts. District Captains and patrol commanders regularly attend meetings of neighborhood associations and community groups and are an integral part of many community functions. The Department is committed to working with residents to identify and solve community issues before they become crime problems.

Several enhancements have been made to make the Stamford Police Department a true full-service Police Department capable of providing residents with comprehensive police services. These enhancements include the establishment of two specialty units, the Special Response Team (SWAT) and the Hostage Crisis Team. In addition, the Department has acquired advanced technology to enhance efforts such as a cloud computing system, Dashboard Digital that enables officers to analyze crime data in real time, and a satellite for the Command Vehicle. Also, the Department has purchased cutting-edge tactical equipment to be used in advanced tactical training and in the field in critical incidents.

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

In addition to the Special Response and Hostage Crisis Teams, the Department comprises several other specialty units in addition to Patrol, Investigative, and the Narcotics and Organized Crime Unit that form a comprehensive police response. Examples of specialty units include the Special Victims Unit (“SVU”), the Internet Crimes Against Children Task Force (“ICAC”), the Digital Forensic Unit (“DFU”) the Collision Analysis and Reconstruction Squad (“CARS”), the Traffic Enforcement Unit (“TEU”) the Canine Unit, the Motorcycle Unit and the Marine Division Harbor Unit.

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

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

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

The ICAC Task Force is the lead law enforcement unit in the state, and serves as the lead agency in the regional Task Force comprising surrounding jurisdictions and the State’s Attorney’s Office. Investigators utilize advanced forensic capabilities to locate, arrest, and prosecute child sexual predators. The Task Force has taken the lead in utilizing forensic tools to address the growing problem of child exploitation via the Internet. This effort has been so successful that our Department expanded efforts by creating our own Digital Forensic Unit (DFU) dedicated to conducting even more forensic investigations with the goal of identifying and apprehending Internet predators.

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

In response to concerns from our citizens, the Department recently established a Traffic Enforcement Unit. The TEU serves as a visible and aggressive deterrent to traffic violators throughout the city. The Unit also monitors chronic accident locations, provides increased DUI and distracted driving enforcement and awareness and educates the public regarding traffic enforcement laws. The main goal of the Unit is to reduce the number of traffic accidents that occur throughout the city.

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

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

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

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

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

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

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

Arts and Culture: The Stamford Center for the Arts, established in 1983, is dedicated to serving as the region's premier center for the performing arts. In 1989, the Center acquired the 1,600-seat Palace Theater. The Theater, a Thomas Lamb-designed vaudeville house, opened in 1927 and has attracted some of the world's finest artists for 85 years. In addition to a full season of cultural and entertainment events, the Palace Theater is also home to the Stamford Symphony, Ballet School of Stamford, Connecticut Ballet, Namaskaar, Lumina String Quartet and the Stamford Young Artists Philharmonic. From 2000-03 the Theater underwent extensive renovations to preserve the structure and to provide state-of-the-art technology for its performers and patrons. Throughout the process, the City worked closely with the Historic Neighborhood Preservation Program in an effort to preserve Atlantic Street's architecture, which has remained virtually unchanged since 1860. In addition to the restored 1,600-seat theater, the property now contains conference rooms and an art gallery. The Palace reopened in October 2003. In 2009, SCA entered into a lease of one of its facilities, Rich Forum, to NBC Universal for use as production space, employing 150-200 people.

Since 1998 the City has funded the arts and cultural activities through a community grant program supporting local arts organizations. Other municipal organizations that provide or promote cultural activities supported by the City include the Stamford Museum and Nature Center, a 118-acre natural woodland park and museum that blends history, nature and art; the Bartlett Arboretum, a facility in North Stamford with 63 acres of nature trails and landscaped gardens; and the Stamford Historical Society Museum, a museum of local history.

Library: The Ferguson Library is Stamford's public library system, consisting of the DiMattia Main Library downtown, the Harry Bennett Branch, the Weed Memorial & Hollander Branch, the South End Branch and a bookmobile. Total annual circulation system-wide is over 952,000 items. Attendance system-wide in fiscal year 2013-2014 was approximately 732,000, and 521,000 users visited the Library remotely via the Internet. The Library offered 1,900 programs for children, teens and adults, which were attended by more than 56,000 people. All library facilities are operated by The Ferguson Library, a 501(c)(3) non-profit corporation.

Stamford Partnership: In 1979, the City established a non-profit partnership of business and governmental leaders to improve its economic and physical health. The Stamford Partnership is charged with the following: (1) to work with public officials on strategies related to community-wide issues; (2) to act as a catalyst for civic action; and (3) to serve as a conduit for the application of private sector resources for civic purposes. The Partnership's current activities focus on shaping the livability agenda through research, convening, community training, public programming, and using technology in order to better connect with our city and have our city better connect with the people who live, work, and visit.

Office of Operations:

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

Facilities and Parks Management – The Maintenance Division oversees a City staff of 37 full time employees whose responsibilities are to maintain the more than 350 miles of roadway, 80 plus facilities, 92 lawns and medians, 58 parks, three major beaches, three marinas (one of which is currently under reconstruction due to storm damage), 30 baseball and softball fields, 15 soccer fields, three synthetic fields and one public pool, as well as 900 acres of general parkland and open space. The Maintenance Division's goal is to provide the highest quality, most cost-effective, preventative maintenance and upgrades to all City facilities, fields, landscapes, roadways and parks owned by the City of Stamford in order to ensure that they are all accessible, operational, and safe for employees, citizens and the visiting public. The Maintenance Division also provides additional coverage to other City Departments during storm events.

The Leisure Services Division – The Leisure Services Division enhances the quality of life in Stamford by providing diverse recreational programs and coordinating services with, and to, other leisure service providers. Leisure Services provides direct leadership and coordination of services to numerous youth and adult sports leagues such as tennis, baseball, basketball, soccer, football, and softball, as well as 250 annual programs in music, swimming, youth sports, camps, and special interest activities. Aquatics programming includes supervision and lifeguards at all four City beaches on Long Island Sound and Heroy Pool. In addition, a year-round learn to swim program and open swim is offered. The Terry Conners Ice Rink hosts various skating programs and events such as youth hockey, learn to skate, freestyle, lessons, leagues, camps, and high school hockey games.

Public Services Bureau: Under the direct supervision of the Director of Operations, the Public Services Bureau was established as part of the Office of Operations in 1996. It includes functional elements of what was the City's Public Works Department. Currently, the Solid Waste, Traffic and Road Maintenance, Fleet Management, Building Inspection, Citizens Services Center, and the Cashiering and Permitting Divisions are part of this Bureau. Shown below is a summary of the major activities of each of the divisions during fiscal year 2013-2014.

Solid Waste/Recycling Division – The Solid Waste Division comprises two major sections: the Transfer Station section (which includes the Transfer Station and Scale House, the Katrina Mygatt Recycling Center, the Scofield City Yard Recycling Center, and the Scofield Compost Yard) and the Collections section, which collects garbage and recycling for residents, up to six-family houses, condominiums, Board of Education facilities, municipal buildings, parks, City streets, and all special events. Staff also collects storm debris, Christmas trees, and assists in plowing snow on all City streets.

Prudent management of the Solid Waste Division has continually increased services despite reduced personnel and lowered budget requests in the past few years; the total budget allocated has been reduced to \$11.4 million from \$13.2 million. Continued development of a single-stream recycling program resulted in a 28% recycling diversion rate (11,931 recycling tons - up from 10,606) which saved the City \$805,340 in garbage hauling expenses (an increase from 2012-2013 savings of \$700,000). Additionally, the program received \$23,000 from the sale of recycling commodities; \$200,000 is anticipated this coming year due to a new contract worth over \$200,000 in revenue. In the

continued efforts to increase recycling and satisfy public needs, the Division distributed over 5,000 additional or replacement recycling and garbage totes throughout the City.

Responsibilities of the Transfer Station section include overseeing the six-days-a-week operation of the State-licensed, 800-ton per day, Transfer Station, Scale House, and Katrina Mygatt Recycling Center facilities in which all of the City's municipal solid waste ("MSW") is managed. Processed in fiscal year 2013-2014 were: 51,863 tons of MSW (an increase from 47,734 tons), 10,370 tons of leaves, 8,089 tons of brush and logs, 11,931 tons of household recycling, and 657 tons of mixed metal (\$103,028 revenue).

The Scale House collected over \$1.48 million processing the disposal of private commercial garbage and recycling, leaves and brush from contractors, payments for Freon removal, compost sales, and fees to residents for dumping over the allotted 200 free pounds per day.

The electronics recycling program, available at both recycling centers, has enabled Stamford to become the largest electronics recycler in the State by recycling 295 tons of electronics last year. The recycling center also collected and recycled 2.58 tons of fluorescent bulbs and 2.71 batteries, 3,075 gallons of motor oil (revenue of \$1,537), and 2,229 gallons of yellow cooking oil (revenue of \$159).

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

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

Other initiatives include:

- Coordinated with the Board of Education to increase recycling by continuing education programs resulting in a system-wide school recycling rate of 21% at all schools combined.
- Continuation of our Recycling Education program by providing presentations to 13 additional schools and organizing trips for over 900 participants to the Solid Waste/WPCA education tour.
- Providing on-going marketing updates to the Advocate, Stamford Times, and El Sol newspapers.
- Conducted the Annual Hazardous Waste Recycling collections event for over 500 residents. Implemented the Book Swap program at the Katrina Mygatt Recycling Center which is a new service to allow all residents to retrieve and donate used books.

Traffic and Road Maintenance Division – Traffic and Road Maintenance is split into two dedicated garages, one for Traffic and one for Road Maintenance. The Traffic division known as Signs & Lines is responsible for maintaining all of the City's official traffic signage as well as the traffic lines on the roads. They do this by constantly monitoring the City zone by zone to ensure that all regulated signs that are supposed to be there are in place and in good condition. They do have the capability of making basic notification signs as needed. They also have a designated "paint season" which runs during the warmer months where they repaint basic lines such as crosswalks, stop bars and parking lots. They start at 4:00 a.m. to avoid rush hour traffic so they can install the paint and have time for it to dry before cars drive over them. One other very important responsibility the Signs and Lines crew has is plowing the City owned sidewalks and parking lots during the winter storm months to ensure the public has safe passage after it snows. The Signs and Lines department has a large impact on the City's 300 plus miles of roads by ensuring traffic rules are in full display through signage and line markings.

The Road Maintenance division is responsible for the maintenance of the City's roads. Unlike the engineering department they do not pave new or rebuild but are strictly for maintenance. This includes street sweeping, pothole repair, sidewalk patching, large debris removal and curb repair. They are also responsible for the City's Leaf Pick-Up program during the month of November. It is a monumental task to collect, dispose of and clean up after the thousands of tons of leaves they pick up every year. This requires large equipment such as the sweepers, dump trucks and front end loaders and the skill to operate them in the tight busy neighborhoods. During the winter months the Road Maintenance division is on call to respond to any winter weather event that may cause safety issues on the streets. This may include not only snow fall events but icing as well which requires the plow trucks to be deployed so they can lay down salt to melt the ice. The 2013/2014 winter season had 21 weather events that

required plow trucks to be deployed. The plow trucks may stay on the road for a few hours or in the case of really severe storms it may be a few days. They have long hard hours but they get the job done and are one of the best plow fleets in the state of Connecticut.

Stormwater Management Division – The Stormwater Management Division has recently been created in response to a new Municipal Separate Storm Sewer System (“MS4”) stormwater permit issued by the Connecticut Department of Energy and Environmental Protection (DEEP); the issuance of this permit has greatly increased the City of Stamford’s responsibility to regulate stormwater discharge on both public and private property. The goal of the division is to ensure that the City is in compliance with all State and federal stormwater regulations.

The City is unusual because it has been constructed with separate stormwater and sanitary drainage systems. This means that all sanitary water is treated by the Water Pollution Control Authority (WPCA) and all stormwater is collected by the drainage system (including curbs, catch basins, ditches, storm drains, etc.) and is then discharged, untreated, into local watercourses which eventually drain into Long Island Sound.

Stormwater runoff is generated when precipitation from rain and snowmelt flows over land or impervious surfaces such as paved streets, parking lots, and building rooftops and does not percolate into the ground. As the runoff flows over the land it accumulates debris, chemicals, sediments, and other pollutants that adversely affect water quality. The purpose of the Stormwater Management Division is to ensure that the rivers, streams, ponds, and watercourses within the City are free from pollutants and toxins which are harmful to people and the environment. This will be accomplished through public outreach and education, extensive cleaning of 11,000 existing catch basins and other drainage structures, investigating and eliminating illicit discharges, and by establishing the legal authority to enforce stormwater regulations. The result will be cleaner, healthier waterways for the enjoyment of all City residents.

Fleet Management Division – The Fleet Management Division consists of three sections: vehicle and equipment maintenance, small equipment maintenance, and an auto body shop. The division provides maintenance for over 900 City vehicles and pieces of equipment. Fleet Maintenance is responsible for the operational safety and maintenance of vehicles and equipment used by Collections, Composting Site, Transfer Station, Recyclables, Parks, Facilities, Highway Department, Engineering, Traffic Signal and Maintenance, Health Department and Traffic Enforcement.

It also handles all municipal marker plates for the City of Stamford fleet. Fleet Maintenance is responsible for ordering gasoline and diesel fuel and maintains two fuel dispensing facilities. Fleet Maintenance is responsible for developing the specifications and warranties for vehicles and equipment purchased by the City. Fleet Maintenance is also responsible for ordering all new equipment, trucks and accessories for all departments including the Police and Fire Departments. Fleet Maintenance also oversees the sale of used, antiquated, surplus, and old equipment and vehicles. Fleet Maintenance has expanded its role to include liquidation of all City surplus equipment, vehicles, office equipment, and assets. Fleet Maintenance has also taken on the responsibility of overseeing the City’s “Abandoned Car Program.” This program has created new revenue.

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

Building Inspection – To ensure public safety, the Department is responsible for the enforcement of building code and the issuance of building permits and certificates of occupancy under: State Building Code; State Demolition Code; Fire Safety Code of the General Statutes, and City Code and Charter. The Building Official works with the Fire Marshall in reviewing plans for building as well as with other City Departments such as Zoning, the Environmental Protection Board, and Environmental Health. The major functions of the Building Inspection Department are as follows: enforce State of Connecticut Building Code; enforce State Demolition Code; enforce City Ordinances relative to swimming pools, and historical building; meet with contractors, engineers, architects and homeowners to assist them in complying with code; inspect unsafe structures; respond to emergencies such as fires, storm emergencies; assist and serve the public. Specific functions are to: issue permits, conduct inspections, conduct plan review, provide document research, maintain records on structures and code conformance, and deal with related emergencies.

In order to better serve the public, the City has implemented software by ViewPoint Government Solutions to bring the building permit process online. The online permit center allows homeowners and licensed contractors to request inspections and to apply for and receive building permits over the Internet.

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

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

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

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

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

There are 55 City-owned bridges. The Engineering Bureau is responsible for the oversight of bridge infrastructure in the City of Stamford. This includes the administration of design, construction, and inspection of bridges that require rehabilitation or replacement due to functional and/or structural deficiencies. On all projects, the Bureau strives to incorporate context-sensitive design in the development of bridge aesthetics. Most current bridge projects are eligible to receive some State or federal aid under the Connecticut Department of Transportation's Local Bridge Program or Federal Local Bridge Program. There are major bridge replacements and repairs scheduled to be completed during the next three years including the Cedar Heights, Riverbank Road, and West Main Street bridges.

The citywide storm drainage program includes on-going, yearly projects to improve existing drainage conditions throughout the City's rights-of-way and to upgrade existing drainage structures. The Engineering Bureau is responsible for improving many miles of storm culverts that include more than 12,000 catch basins and 7,000 manholes. In the previous and current fiscal year, the Bureau has completed multiple drainage improvement projects at Slice Drive, Downs Avenue and Ralph Street, Theresa Court, Janes Lane, and Taconic Road. Currently there are two ongoing drainage design projects underway at Holcomb Avenue and Oakdale Avenue. The Engineering Bureau also coordinates with the Highway Department to ensure that all City storm drainage structures and systems are being maintained based upon customer service requests, and are cleaned and kept in good flowing condition.

The Engineering Bureau oversees City sidewalks improvements and the resurfacing of deteriorated City streets. The Bureau is working on projects that are part of a priority list based on condition surveys performed and funding availabilities. Approximately nine miles of roadway were paved in fiscal year 2013-2014.

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

The Engineering Bureau is responsible for maintaining and upgrading over 10,000 roadway and streetscape lights, including 501 new streetscape lights for the Harbor Point development in the South End. A program to upgrade

roadway lights to higher efficiency LED fixtures started in 2009 with the awards of federal EECBG grant funding and a CL&P energy efficiency rebates. A total of 1,974 roadway lights were converted to LED lights from 2011-2013. The Phase III installation incorporates an additional 845 lights. The City will receive a rebate from CL&P of \$173,816 for Phase III which will be used to continue funding the project into 2014 and 2015. In addition to significant energy and cost savings, the new lights provide better visibility, higher reliability, and reduced maintenance costs.

The Engineering Bureau assists the Parks and Recreation Department and Facilities Management with the improvement and rehabilitation of the City's 58 parks, two golf courses, and three marinas. Recently completed projects include a major phase of the Mill River Waterfront Park, Scalzi Park, Barrett Park, and Rosa Hartman and Jackie Robinson Park renovations. The Bureau is currently working with the Connecticut Department of Energy and Environmental Protection to comply with a consent order that stipulated the requirements of Scofieldtown Park Landfill Closure, as well as implementing Scofieldtown Park & Yard end-use plan. Additionally, the Bureau received grant funds from the Federal Emergency Management Agency to stabilize seawalls at Kosciuszko Park and Cummings Park.

The Engineering Bureau is responsible for improving traffic flow, safety, and operations. The Bureau administers City roadway and street network planning, traffic analysis, design, construction of new roadways, and reconstruction of existing roadways. Stamford Urban Transitway ("SUT"), a federally funded project, is one of the largest ongoing new roadway construction projects in the State, and provides a direct link from the Transportation Center to East Main Street. The first phase of the project was completed in 2010 and Intelligent Transportation Systems ("ITS") work almost completed. A second phase of the SUT project, which commenced in the fall of 2013 and is expected to be completed in 2016, provides roadway improvements along Myrtle Avenue to East Main Street. The SUT project encourages multi-modal transportation by facilitating dedicated bike lanes and enhancing bus turn-outs. Several other ongoing roadway improvement/reconstruction projects are also under way including projects to reconstruct South End streets south of the SUT.

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

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

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

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

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

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

Harbor Commission: All State regulatory agencies approved the Harbor Commission's Harbor Master Plan, as did the Board of Representatives (in March 2009). The Commission has the ability to charge fees for open water public moorings and authority to review and regulate waterfront development as well as all applications for floats, docks and buoys. The Commission worked closely with the Engineering Department to restore the Cummings Beach fishing pier. Harbor Commission worked closely with city agencies on the upcoming reconstruction of Cummings Marina and the dredging of Cove Marina.

Water Pollution Control Authority ("WPCA"): The WPCA, which is a quasi-municipal agency, provides wastewater collection and treatment services as well as flood control barrier operation and maintenance for the City. The mission of the WPCA is to protect the environment and public health by using the most efficient and effective management and engineering methodologies. These methodologies include applying state-of-the-art process control, maintenance and management techniques. The WPCA completed a \$105 million upgrade of the treatment plant in 2006. The WPCA has become the largest seller of nitrogen credits in the State of Connecticut. Not only does this increase revenue, but it also enforces the mission of the WPCA which is to be a steward of the environment dedicated to protecting water quality and public health. The upgrade was financed primarily by grants and loans under the Clean Water Fund program of the State of Connecticut. See "DEBT SECTION – State of Connecticut Clean Water Fund" herein. A smaller portion of the project was financed by general obligation bonds of the City. The debt service associated with the Clean Water Fund loans is being paid entirely from revenues from user charges by the WPCA under the Indenture of Trust, dated as of December 21, 2001, by and among the City, the WPCA and U.S. Bank National Association (as successor to First Union National Bank) as Trustee (the "Trustee"), as amended and supplemented (the "Indenture"). The debt service associated with general obligation bonds is expected to be paid entirely from revenues of the sewerage system on a subordinated basis under the Indenture. In 2008, the WPCA completed construction of a solids drying process. This process enables the safe disposal and beneficial use of wastewater residuals.

The City has previously issued \$12,480,000 Water Pollution Control System and Facility Revenue Bonds, 2003 Series A, which were refinanced in July 2013, a \$73,561,481 Clean Water Fund Loan, \$19,765,000 Water Pollution Control System and Facility Revenue Bonds, 2006 Series, and \$22,095,000 Water Pollution Control System and Facility Revenue Bonds, 2013 Series, under the Indenture, to finance various sewer projects contained in capital budgets of the City for improvements to the City's sewerage system. The Clean Water Fund Loan, the 2006 Series Bonds and the 2013 Series Bonds are special limited obligations of the City payable solely from revenues and other receipts, funds and moneys pledged therefor pursuant to the Indenture. A total of \$10 million of the City's General Obligation Bonds (Taxable Build America Bonds – Direct Payment) dated August 1, 2009 were issued to finance additional sewerage system projects and are expected to be paid on a subordinated basis by revenues under the Indenture. See "DEBT SECTION – Debt of the WPCA" herein.

Stamford Community Development Program ("SCDP"): The Stamford Community Development Program administers various federal, State and local funds for housing and community development activity. The Community Development Block Grant ("CDBG") program's objective is to improve the quality of life, and create a suitable living environment, for low-income residents in targeted neighborhoods with an emphasis on rehabilitation of existing housing stock and the creation of new housing at levels affordable to low-income individuals and households. 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.

In addition, the City's Community Development Office also administers the federal HOME investment partnership Program and the Neighborhood Stabilization Program which provide funding for the development of affordable housing. Nearly 800 affordable apartments and condominiums have been acquired, rehabilitated, or constructed under the HOME Program. NSP funds are loaned to non-profit and for-profit developers as well as low-income households to purchase and rehabilitate bank-owned foreclosed homes. The program focuses investments in the East Side, West Side and Cove neighborhoods.

The Community Development Office administers local funds that are available annually for affordable housing development. The Capital Projects Budget provides loans to developers for the purchase and development of affordable housing sites. In 2006, the City of Stamford began receiving payments from developers in lieu of building affordable housing as required by the City's Inclusionary Zoning ("IZ") regulations. The Community Development Office administers the distribution of these funds as loans to developers of affordable housing. Also in 2006, the City, under its Linkage Ordinance, began dedicating a portion of its building permit fees on commercial construction to an

affordable housing fund. The Community Development Office administers the distribution of these funds to developers of affordable housing.

Colleges: The University of Connecticut at Stamford, located in the downtown area, serves close to 1,400 full-time and part-time undergraduate students and approximately 400 active MBA and FRM students. A CEIN certificate in Nursing is also offered at the Stamford Campus. The undergraduate program offers students a full four-year degree program, with baccalaureate majors offered in a variety of fields. It also offers a Bachelor in General Studies program for returning adults and a minor in Women's, Gender, and Sexuality Studies. The Connecticut Information Technology Institute "CITI" provides IT training and education. Additionally, the campus offers an Administrator Preparation Program in Education, which culminates in a graduate degree for teachers wishing to become school administrators. New undergraduate programs in Digital Media Design and Financial Management are underway. The University of Bridgeport and Sacred Heart University also have commuter campuses in the Springdale section of the City.

Central Business District: Downtown Stamford is the City's central business district. It now boasts over 10 million square feet of Class A office space in walking distance of an express rail connection to Manhattan and an extensive labor pool to the north and east. The district is home to major corporations and financial institutions, government facilities, retail establishments, restaurants, entertainment venues and a university campus; there are 6,000 market level residential units in the District. In recent years Downtown Stamford has transformed into a vibrant mixed-use neighborhood through significant development such as the ongoing expansion of the Mill River Park and the planned expansion of the UCONN campus. The Stamford City Center, the retail centerpiece for the City and region, has about 1,000,000 square feet of retail space on four levels, served by seven levels of enclosed parking that accommodates approximately 4,000 vehicles. Over \$175 million has been invested in this center which generates between \$200 to \$250 million in annual retail sales; a major upgrade of the mall was completed in 2007 recreating over 130,000 square feet of new retail and restaurant space.

Adjacent to the Central Business District is the Stamford Urban Transitway ("SUT"), which provides automobile, enhanced bus, bike, and pedestrian connections between the Stamford Transportation Center and the City's East Side. The second and final construction phase of the SUT commenced in the first quarter of 2013 and is expected to be completed in 2016. The Connecticut Department of Transportation is currently reviewing plans for a new Transit-Oriented Development ("TOD") project at the Stamford Transportation Center which includes a new parking garage, hotel, and office and retail space. Several rail underpass expansions adjacent to the Transitway are in the planning phase to facilitate movement between downtown Stamford, the Stamford Transportation Center, I-95, the Transitway, and Stamford's South End. The Atlantic Street underpass is the top priority and is scheduled for 2016. When completed, the Transitway will accommodate the traffic that will be generated by development in the downtown, the South End, and along the Transitway corridor.

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

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

Mill River itself loomed large as a development constraint with its deteriorated dam and Mill Pond and the increase in downtown flood risk it had caused. Historically, all buildings faced away from the river and it was essentially a sewer for the mills that used it for power. In 2002, Stamford created the Mill River Collaborative, a public/private partnership that is spearheading the restoration of the river and creation of a new 28-acre urban park along its banks and a greenway through downtown to Long Island Sound. Anticipation of the park is already spurring development of parcels around the park site. Over 1,000 units of new apartments have been developed around the park and the redevelopment district generating new municipal real estate taxes. The \$8 million river restoration project included \$5 million in federal funding from the Army Corps of Engineers *Mill River and Mill Pond Restoration Project*

under which the Mill Pond dam and a remnant dam at Pulaski Street were demolished in 2009. Reconstruction of the river channel has been completed and Mill River now runs freely for the first time since 1641. In 2014, the Federal Emergency Management Agency (FEMA) approved the City and Collaborative's application to revise the flood map because 100-year flood elevations were reduced by up to three feet as a result of the design of river restoration and new park construction. The removal of the Mill Pond and its dam also eliminated an estimated \$1.5 million in dredging and sediment disposal costs every five years. In May 2013, the \$11.7 million construction of Phase 1 of the park, around the river in the vicinity of the old Mill Pond, was completed. In 2015, the Mill River Collaborative will begin construction of a carousel, event pavilion, ice skating rink, fountain, and park building funded by the Collaborative's private capital campaign which had raised over \$17 million as of the end of 2014. In managing the design of Phase 2 of the park from Main Street to I-95, the Mill River Collaborative has developed a design that will remove the remaining private properties from the 100-year flood plain south of Main Street. The Collaborative has secured approximately two-thirds of the cost of Phase 2 and plans to break ground in 2016. The Collaborative has also completed design of a half mile greenway section that will connect Mill River Park to Scalzi Park to the north and will undertake a feasibility study for a greenway connection to the south that will connect to the Harbor Point waterfront public access area.

The City has entered into a 10-year contract with the Mill River Collaborative to develop, operate, and maintain Mill River Park and Greenway with the City and Collaborative each contributing a portion of the operating costs.

The ordinance that created the Mill River Corridor District also provided for the use of Tax Increment Financing ("TIF Bonds") to finance the project. TIF Bonds are secured by 50% of new real estate taxes pledged to the Mill River Corridor District. In October 2011, \$16,245,000 of TIF Bonds were sold to finance the first phase of the project and repay the City of Stamford for funds previously advanced by the City. On August 11, 2013 the ordinance was amended to allow for the issuance of general obligation bonds to finance the Mill River project. In October of 2014, general obligation bonds were issued to refinance the TIF Bonds at lower interest rates.

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

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

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

In connection with the project, the City has entered into an interlocal agreement with the Harbor Point Infrastructure Improvement District (the "District"), a tax assessment district formed for the purpose of financing the infrastructure needs of the Harbor Point project. The interlocal agreement provides for the District to construct certain public improvements and issue up to \$190 million of bonds of the District (not the City) to finance these public improvements. The interlocal agreement obligates the City to pay the lesser of 50% of the incremental property taxes collected in the District or the debt service on the bonds, and provide certain services to the District. The District issued \$145 million of its bonds for such public improvements in February 2010.

General Economic Development: Stamford boasts a diverse economic base which includes firms in several important industry clusters. The City's commercial property maintains a cost advantage over mid-City Manhattan and Greenwich which helps to sustain the City's commercial base at comparatively favorable rent levels during these challenging economic times. Stamford is the State's largest business center and is one of the pre-eminent locations for corporate headquarters, ranking within the top 10% nationally. It 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 Stamford Innovation Center (“I-Center”), located in the restored Old Town Hall, houses very early stage companies and provides educational classes. Sikorsky Aircraft set up a “skunk works” team at the I-Center with the goal of developing new technologies. This activity represents a continuing diversification of the City’s economic base and, along with the ongoing growth of existing Stamford-based businesses, helped to lower unemployment and compares favorably with the State and the nation.

Housing: 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 in the downtown area. Recent development includes: construction of Summer House at 184 Summer Street which comprises 222 residential units and 2,200 square feet of retail space and is slated for completion in the fall of 2015; construction is well underway at Trinity Financial’s Park Square West Phase II at 66 Summer Street (slated for completion for spring of 2015) and Phase IV at 1055 Washington Boulevard which are two buildings totaling 417 residential units. A 348 parking space addition is in the works for the Summer Place Garage. After many years, Parcel 38 will be developed as part of a partnership between F.D Rich and Ironstate Development Company. Site plans include 672 housing units and retail; construction is anticipated to begin in 2015. Another 360 units have been completed at Yale and Towne in the South End. Belpointe at 112 Southfield Avenue will include construction of 109 multi-family residential apartments.

Located just south of the Transportation Center, the mixed-use Metro Green project has completed 100 housing units. Once complete, the overall Metro Green development will include 255 mixed-income apartment units and a commercial tower.

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

Government Assisted Housing: The Stamford Housing Authority d/b/a Charter Oak Communities (“COC”) constructs, operates and maintains housing for low- and moderate-income families, market rate residents, and senior and disabled citizens. The Authority manages over 1,400 dwelling units in 20 housing complexes as well as a Housing Choice Voucher rental assistance program for 1,500 families in privately owned housing units throughout the City. Some of COC’s most recent accomplishments include the revitalization of two large, federal low-income public housing facilities, Southfield Village (now Southwood Square) and Fairfield Court (now Fairgate), into mixed-income communities.

Funding and land have been obtained and plans continue to move forward on the replacement of 216 affordable units currently located at the Vidal Court State-assisted housing complex. By leveraging a \$20 million commitment of State bond funds with \$110 million of private equity and debt, its redevelopment in a total of five mixed-income settings will result in a total of 350 units altering the type of housing that has been typically associated with low-income development. The first two offsite replacement phases, the 95-unit Westwood and the 76-unit Palmer Square, have been completed and are fully leased. The demolition of the existing Vidal Court complex has been completed. COC recently completed construction of and has commenced leasing the third replacement phase, Greenfield on Merrell Avenue, consisting of 45 mixed-income units. The fourth replacement phase, “Park 215”, a 78-unit mid-rise with ground floor professional office space, will commence construction in 2015. Charter Oak continues to strengthen its unique cooperative relationship with Stamford Hospital which supports their respective redevelopment goals. This relationship has created a health and wellness district along the Stillwater Avenue corridor called Vita which continues to garner national attention. Through a web of community service partnerships, Vita is providing consumer-based health care and wellness support services in an off-campus setting (relative to the Hospital), to typically underserved populations while functioning as a stimulus for economic development on the West Side. Vita initiatives launched to date include the Fairgate Community Health Center and Fairgate Farm, AmeriCares Free Clinic and nutritional education programs.

Charter Oak Communities is also committed to the preservation and revitalization of its other, critical housing facilities. It is nearing completion on major, top-to-bottom renovations of two elderly properties – Clinton Manor and Quintard Manor – investing \$15 million in capital generated from its sale of tax-exempt, private activity bonds and the sale of low-income housing tax credits. It has also received funding to support the replacement of the 50-unit Czescik Homes, another elderly property, which will be implemented in 2015 in partnership with Inspirica (formerly St. Luke’s Lifeworks). It is also preparing to commence the comprehensive revitalization of the 204-unit Lawnhill Terrace, an obsolete State-assisted moderate rental complex.

Employee Relations and Collective Bargaining

Municipal Employees¹

	2015	2014	2013	2012	2011	2010
General Government ²	1,158	1,175	1,124	1,113	1,158	1,228
Board of Education.....	2,195	2,127	2,079	2,060	2,062	2,060
Total	3,353	3,302	3,203	3,173	3,220	3,288

¹ As of July 1 each fiscal year

² General Government includes all employees involved in municipal operations plus employees of the Smith House Nursing Home (100); the Water Pollution Control Authority (37); the E. Gaynor Brennan Golf Course (6); the Risk Management Fund (3); the Marina Fund (2); and the Parking Fund (18).

Source: City of Stamford

Employees Bargaining Organizations

Employees	Board of Education Groups	Positions Covered	Current Contract Expiration Date
Local #2657 of the AFSCME, Council #4, AFL-CIO (Supervisors)		6	6/30/2014 ¹
Local #2377 of the International Union, United Automobile Workers, AFL-CIO.....		84	6/30/2017
Stamford Board of Education Employees Association (Custodian & Maintenance Workers)		154	6/30/2013 ³
Security Workers and Community Liaison Employees.....		33	6/30/2016
Stamford Education Association		1483	6/30/2016
Paraeducators of Stamford Association		375	6/30/2016
School Administrators Association of Stamford		60	6/30/2018
Total Unionized Board of Education Employees		2,195	
General Government			
Stamford Police Association		279	6/30/2011 ¹
Local #786 of the International Association of Firefighters AFL-CIO (downturn).....		256	6/30/2011 ²
Local #2657 of the AFSCME, Council #4, AFL-CIO (Supervisors).....		108	6/30/2014 ¹
Local #465 of the AFSCME, Council # 4, AFL-CIO (Registered Nurses)		48	6/30/2014 ¹
Local #1303-273 of the AFSCME, Council #4, AFL-CIO (Hygienists)		4	6/30/2014 ¹
Local #1303-191 of the AFSCME, Council # 4, AFL-CIO (Attorneys)		5	6/30/2014 ¹
International Union of Operating Engineers Local 30 AFL-CIO		24	6/30/2017
Local #2377 of the International Union, United Automobile Workers, AFL-CIO.....		232	6/30/2017
New England Health Care Employees Union, District 1199 (Smith House)		81	6/30/2012 ²
Local #222 of the United Electrical Radio & Machine Workers of America		121	6/30/2015
Total Unionized General Government Employees		1,158	
Total Unionized General Government and Board of Education Employees		3,353	

¹ In negotiations.

² In arbitration

³ This contract is pending and is set to expire on 6/30/2018.

Source: City of Stamford

General Statutes Sections 7-473c, 7-474 and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipal entity may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of teachers' contracts, in assessing the financial capability of a municipality, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In the light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

Education System

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

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

The City has three public high schools that serve students in grades 9-12; they include an interdistrict magnet school: the Academy of Information Technology & Engineering. There are five public middle schools, eleven public elementary schools (four of which are magnet schools), and one K-8 interdistrict magnet school. The Board of Education employs approximately 1,543 professional (certified) personnel and approximately 652 non-certified personnel including secretaries, clerks, custodians, maintenance personnel, paraeducators, and security workers.

Recently, the school system has experienced enrollment growth of approximately 1.3% per year for the last seven years growing from 14,995 students in October 2008 to 16,149 in October 2014. The enrollment projection for October 2015 is 16,344.

School Facilities

School	Grades	Date of Construction (Additions, Remodeling)	Type of Construction	Number of Classrooms	10/1/2014 Enrollment
Davenport Ridge	Pre-K-5	1972	Concrete	51	627
Murphy	K-5	1900 (2002)	Brick	49	553
Newfield	K-5	1954 (2002)	Brick	51	655
Northeast	K-5	2003	Brick/Stone	63	685
Rogers	K-8	2009	Wood/Brick	50	801
Toquam	K-5	1967 (1991)	Brick	56	709
Roxbury	Pre-K-5	1955 (2002)	Brick	59	614
Springdale	K-5	1908 (2003)	Brick	46	683
Hart	K-5	1915 (1998)	Brick	53	654
Stark	K-5	1927 (1997)	Brick	55	603
Stillmeadow	K-5	2003	Block	49	673
Westover	K-5	1999	Brick	65	721
Cloonan	6-8	2002	Brick	58	616
Dolan	6-8	1949	Brick	50	533
Turn of River	6-8	1963	Block/Brick	60	610
Rippowam Middle	5-8	2003	Steel Frame	150	753
Scotfield Middle	5-8	2001	Brick	54	670
AITE	9-12	2007	Steel/Frame	60	693
Stamford High	9-12	1928 (2006)	Brick/Stone	215	1,786
Westhill High	9-12	2003 (2007)	Steel	230	2,103
Boyle Stadium	n/a	1937 (1997)	Stone	n/a	n/a
Out-of-District	n/a	n/a	n/a	n/a	148
Home Instruction	n/a	n/a	n/a	n/a	97
Pre-K Special Ed./ Speech ..	n/a	n/a	n/a	n/a	162
Total				1,524	16,149

Source: City of Stamford, Board of Education

School Enrollment and Projections

School Year	Historical				Total
	Elementary Headstart/K-5	Middle 6-8	High 9-12	Pre-K, OOD Special Home	
2005-2006	6,891	3,280	4,465	668	15,304
2006-2007	6,663	3,178	4,414	851	15,106
2007-2008	6,649	3,158	4,346	808	14,961
2008-2009	6,693	3,109	4,453	740	14,995
2009-2010	7,148	3,124	4,695	209 ¹	15,176
2010-2011	7,267	3,176	4,817	230 ¹	15,490
2011-2012	7,412	3,183	4,742	340 ¹	15,677
2012-2013	7,641	3,258	4,674	368 ¹	15,941
2013-2014	7,644	3,318	4,672	435	16,069
2014-2015	7,713	3,447	4,582	407	16,149
School Year	Projected				Total
	Pre-K	K-5	K - 8	9 - 12	
2015-2016	7,867	3,446	4,598	433	16,344
2016-2017	7,957	3,450	4,579	483	16,469
2017-2018	8,057	3,400	4,574	503	16,534

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

Source: City of Stamford, Board of Education

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III. Economic and Demographic Information

Population and Density

Year	Actual		
	Population	% Increase	Density ²
2013 ¹	123,995	1.1%	3,107.6
2010	122,643	4.7%	3,073.8
2000	117,083	8.4%	2,934.4
1990	108,056	5.5%	2,708.2
1980	102,453	-5.8%	2,567.7
1970	108,798	17.3%	2,726.8
1960	92,713	--	2,323.6

¹ American Community Survey 2009-2013

² Per square mile: 39.9 square miles.

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

Age Distribution of the Population

Age	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years	9,253	7.5%	197,395	5.5%
5 to 9 years	6,482	5.2	220,139	6.1
10 to 14 years	7,414	6.0	236,742	6.6
15 to 19 years	6,692	5.4	255,816	7.1
20 to 24 years	7,585	6.1	229,708	6.4
25 to 34 years	21,816	17.6	428,258	12.0
35 to 44 years	19,025	15.3	469,746	13.1
45 to 54 years	17,361	14.0	568,510	15.9
55 to 59 years	6,887	5.6	246,210	6.9
60 to 64 years	5,654	4.6	210,753	5.9
65 to 74 years	7,715	6.2	269,422	7.5
75 to 84 years	5,440	4.4	164,260	4.6
85 years and over	2,671	2.2	86,602	2.4
Total.....	123,995	100%	3,583,561	100%
Median Age (Years) 2013.....	36.3		40.0	
Median Age (Years) 2010 ¹	37.1		40.0	

¹ U.S. Department of Commerce, Bureau of Census, 2010.

Source: American Community Survey 2009-2013

Income Distribution

Income	City of Stamford		State of Connecticut	
	Families	Percent	Families	Percent
\$ 0 - \$ 9,999.....	814	2.7%	29,895	3.3%
10,000 - 14,999.....	680	2.3	19,176	2.1
15,000 - 24,999.....	2,001	6.7	47,319	5.2
25,000 - 34,999.....	2,266	7.6	56,997	6.3
35,000 - 49,999.....	2,560	8.6	86,025	9.5
50,000 - 74,999.....	4,309	14.5	143,989	15.9
75,000 - 99,999.....	3,758	12.7	131,874	14.6
100,000 - 149,999.....	4,956	16.7	187,718	20.8
150,000 - 199,999.....	2,488	8.4	90,602	10.0
200,000 and over.....	5,835	19.7	109,982	12.2
Total.....	29,667	100.0%	903,577	100.0%

Source: American Community Survey 2009-2013

Income Levels

	City of Stamford	State of Connecticut
Per Capita Income, 2013.....	\$ 43,647	\$ 37,892
Per Capita Income, 2010.....	\$ 41,227	\$ 36,775
Median Family Income, 2013.....	\$ 87,865	\$ 87,245
Median Family Income, 2010	\$ 84,190	\$ 84,170

Source: American Community Survey 2009-2013

Educational Attainment (Years of School Completed Age 25 and Over)

	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Less than 9th grade.....	6,606	7.6%	109,133	4.5%
9th to 12th grade.....	5,209	6.0	155,272	6.4
High School graduate.....	19,365	22.4	678,370	27.8
Some college, no degree.....	13,030	15.1	431,469	17.7
Associate's degree	4,632	5.4	178,597	7.3
Bachelor's degree.....	21,440	24.8	498,124	20.4
Graduate or professional degree.....	16,287	18.8	392,796	16.1
Total.....	86,569	100.0%	2,443,761	100.0%
Total high school graduate or higher (%).....		86.4%		89.6%
Total bachelor's degree or higher (%).....		43.6%		36.9%

Source: American Community Survey 2009-2013

Employment Data

Period	City of Stamford		Percentage Unemployed		
	Employed	Unemployed	City of Stamford	Bridgeport/ Stamford Labor Market	State of Connecticut
June 2015.....	67,304	3,087	4.4	5.2	5.4
Annual Average					
2014.....	65,088	3,828	5.6	6.2	6.7
2013.....	63,290	4,329	6.4	7.3	7.9
2012.....	63,362	4,764	7.0	8.2	8.3
2011.....	63,868	7,974	7.2	8.2	8.8
2010.....	63,017	5,224	7.7	8.4	9.0
2009.....	62,721	4,972	7.3	7.8	8.2
2008.....	63,710	3143	4.7	5.3	5.7
2007.....	63,761	2459	3.7	4.1	4.6
2006.....	63,446	2367	3.6	3.9	4.4
2005.....	62,435	2751	4.2	4.5	4.9

Source: State of Connecticut, Department of Labor.

Employment by Industry

Sector	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	186	0.3%	6,945	0.4%
Construction.....	4,692	7.3	99,444	5.7
Manufacturing.....	3,797	5.9	193,945	11.0
Wholesale trade.....	1,385	2.2	43,550	2.5
Retail trade.....	6,053	9.4	191,841	10.9
Transportation warehousing, and utilities.....	2,112	3.3	65,630	3.7
Information.....	1,648	2.6	41,588	2.4
Finance, insurance, real estate, and leasing.....	8,734	13.6	160,976	9.1
Professional, scientific, management, administrative, and waste management.....	12,536	19.5	194,959	11.1
Education, health and social services.....	12,007	18.7	464,177	26.4
Arts, entertainment, recreation, accommodation and food services.....	6,108	9.5	148,097	8.4
Other services (except public admin.).....	3,482	5.4	81,443	4.6
Public Administration.....	1,410	2.2	66,817	3.8
Total Labor Force, Employed.....	64,150	100.0%	1,759,412	100.0%

Source: American Community Survey 2009-2013

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Major Employers

Employer	Type of Business
AC Nielsen	Computer and Data Services
Affinion Group	Marketing
Asbury Automotive Group Inc.	New and Used Car Dealers
Ascent Media	Programming
AT&T	Telephone and Communications
Bank of America	Finance/Banking
Bank of Ireland	Finance
Carolee	Jewelry Manufacturing
Charter Communications	Telecommunications
Chartwell Re Corp.	Reinsurance
Chelsea Piers	Leisure/Sports
Chirex Inc.	R&D for Pharmaceutical Company
Circum/ACMI	Medical Instruments (HQ and Mfg.)
Citizen Communications.....	Utility
City of Stamford	Government and Education
Conair	Beauty Products (HQ)
Crane	Industrial
Crompton & Knowles	Chemicals
CYTEC	Chemicals (Research Laboratories)
Daymon Worldwide	Financial
Deloitte	Public Accounting/Consulting
Design Within Reach	Retail furniture (HQ)
Digitas	Digital Media
Elizabeth Arden	Cosmetics
Ernst & Young	Public Accounting/Consulting
Fairway Market	Retail Food
Fuji Photo Film	Manufacturing
Gantos	Women's Apparel and Accessories
Gartner, Inc.	Information Technology Advisory Services
GE Commercial Finance	Finance (HQ)
GE Money	Finance
GE Money	Finance
General Re Corporation	Insurance (HQ)
General Signal	Transportation
Graph Network	Cable Television
Guardian Life	Insurance
Harmon International	Electronic Manufacturing (HQ)
Hexcel Corp.	Carbon Fiber Industrial Products Manufacturer
Indeed.Com	Internet Search (HQ)
Independence Holding Co.	Life and Health Insurer
International Telecomm Data	Billing Management Systems and Support Services
Intrepid Aviation	Aviation Services (HQ)
ITDS	Computer Software
Jefferies & Co.	Investment Advisors
KPMG	Accounting, Audit

**Major Employers
(Continued)**

Employer	Type of Business
Legg Mason	Finance
Lone Star Industry	Manufacturing and Distribution of Cement
Louis Dreyfus Highbridge	Energy Trading (HQ)
META Group	Consumer Services
Moore Corporation	Printed Forms
NacRe Insurance	Insurance
NBC Sports Group	Media (HQ)
NBC Universal	Media
Nestle Waters North America	Consumer Products (HQ)
Omega Engineering	Temperature Control Devices (HQ and Mfg.)
Oracle	Computer Software
Pitney Bowes, Inc.	Office Equipment (HQ)
Point 72 Asset Management, LP	Investment Banking (HQ)
Price Waterhouse Coopers	Public Accounting/Consulting
Purdue Pharma	Pharmaceuticals (HQ)
Rochdale Securities	Finance
Rockefeller & Co.	Wealth Management
Royal Bank of Scotland (RBS)	Investment Banking (N. American HQ)
Sempra Energy Trading	Trading
Shamrock Maintenance Inc.	Building Cleaning Services
Silgan Holdings	Metal Products
Stamford Health Systems	Medical Care
Stamford Town Center	Retail Stores
Star Gas Partners	Liquefied Petroleum Gas Dealers
Starwood Hotels and Resorts Worldwide, Inc.	Leisure (HQ)
Synapse	Marketing
Synchrony Financial	Financial Services
Tastey Bites	Food Manufacturing (HQ)
The Stamford Hospital	Medical Services
Thomson-Reuters	Publishing, Business Information
TIG Reinsurance	Insurance
Titan Sports WWE	Professional Wrestling
Tosco	Petroleum Refining
Tronox	Manufacturing (HQ)
Tweedy Browne	Financial Services (HQ)
U.S. Postal Service	Local and Regional Mail Service
UBS	Investment Banking (HQ)
Unilever Home & Personal Care	Home Care Products
United Distillers & Vintners	Beverages (HQ)
Versus	Communications/Programming
Vineyard Vines	Clothing Manufacturing (HQ)
Wachovia Bank, National Association	Banking
XL America	Financial, Info Tech, Insurance

**Commute to Work
(16 years of age and over)**

	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Drove alone	42,131	67.1%	1,359,050	78.7%
Car pools	6,777	10.8	144,497	8.4
Used public transportation	7,455	11.9	80,574	4.7
Walked	3,213	5.1	52,155	3.0
Used other means	689	1.1	19,955	1.2
Worked at home	2,527	4.0	71,055	4.1
Total	62,792	100.0%	1,727,286	100.0%

Mean travel to work (minutes) 24.8 – 24.8

Source: American Community Survey 2009-2013

Office Vacancy Rates

Calendar Year	Stamford Central Business District		Stamford Non-Central Business District		Fairfield County	
	Square Feet Existing	Vacancy Percent	Square Feet Existing	Vacancy Percent	Square Feet Existing	Vacancy Percent
2014	6,822,182	24.2%	9,201,361	23.6%	41,081,786	21.2%
2013	6,745,182	26.5	8,809,933	23.5	40,266,524	20.8
2012	6,776,181	21.2	8,873,350	22.4	41,881,271	18.3
2011	6,832,948	23.1	8,405,596	22.7	40,890,889	19.1
2010	6,832,948	23.4	8,027,525	25.1	40,412,871	18.9
2009	6,741,182	16.9	8,061,946	19.1	40,041,515	14.7
2008	6,308,281	14.2	8,243,247	15.8	39,581,321	12.5
2007	6,308,281	13.7	8,174,740	15.7	38,774,641	14.7
2006	6,308,281	15.7	8,174,740	19.0	38,774,641	16.9
2005	6,307,898	16.0	8,279,388	18.2	38,236,387	18.1
2004	6,307,898	18.0	8,265,861	16.1	38,345,381	17.4

Source: Cushman & Wakefield (Includes Class A & B office space)

**Building Permits
(Values in 000s)**

Fiscal Year Ended 6/30	Residential	Commercial/ Industrial	Apartments/ Condominiums	Total
2014.....	65,995,312	135,532,057	150156105	351,683,474
2013.....	59,554,447	380,202,667	N/A ¹	439,757,114
2012.....	60,861,801	203,491,861	N/A ¹	264,353,662
2011.....	52,586,486	261,632,862	N/A ¹	314,219,348
2010.....	48,768,097	143,898,869	N/A ¹	192,666,966
2009.....	53,124,017	329,541,802	N/A ¹	382,665,819
2008.....	76,143,181	357,865,859	N/A ¹	434,009,040
2007.....	50,778,452	412,070,047	N/A ¹	462,848,499
2006.....	129,419,254	260,684,635	15,113,989	390,103,889
2005.....	131,175,576	110,859,988	4,311,000	257,149,553

¹ Included in residential values

Source: City of Stamford.

Housing Unit Inventory

Housing Units	City of Stamford		State of Connecticut	
	Units	Percent	Units	Percent
1-unit, detached.....	18,838	38.2%	882,026	59.3%
1-unit, attached.....	3,098	6.3	80,070	5.4
2 units.....	4,721	9.6	119,386	8.0
3 or 4 units.....	5,374	10.9	132,699	8.9
5 to 9 units.....	2,774	5.6	80,615	5.4
10 to 19 units.....	2,285	4.6	54,993	3.7
20 or more units.....	12,226	24.8	124,355	8.4
Mobile home.....	23	0.0	12,427	0.8
Boat, RV, van, etc.....	-	-	424	0.0
Total Inventory.....	49,339	100.0%	1,486,995	100.0%

Source: American Community Survey 2009-2013

Vacancy Rates

Housing Units	City of Stamford		State of Connecticut	
	Units	Percent	Units	Percent
Occupied housing units	45,458	92.1%	1,355,849	91.2%
Vacant housing units	3,881	7.9%	131,146	8.8%
Total units	49,339	100.0%	1,486,995	100.0%
Homeowner vacancy rate	-	3.4	-	1.6
Rental vacancy rate	-	3.8	-	7.1

Source: American Community Survey 2009-2013

Owner Occupied Housing Units

Specified Owner-Occupied Units	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	204	0.8%	20,800	2.3%
\$50,000 to \$99,000.....	155	0.6	24,638	2.7
\$100,000 to \$149,999.....	334	1.3	66,934	7.3
\$150,000 to \$199,000.....	791	3.2	135,714	14.8
\$200,000 to \$299,999.....	2,848	11.4	264,832	28.8
\$300,000 to \$499,999.....	7,646	30.7	250,076	27.2
\$500,000 or more.....	11,012	44.2	114,622	12.5
\$1,000,000 or more.....	1,930	7.7	41,872	4.6
Total.....	24,920	100.0%	919,488	100.0%
Median Value.....	\$515,400		\$278,900	

Source: American Community Survey 2009-2013

Age Distribution of Housing

Year Built	City of Stamford		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	8,077	16.4%	336,587	22.6%
1940 to 1969.....	19,055	38.6	538,727	36.2
1970 to 1979.....	7,203	14.6	200,576	13.5
1980 to 1989.....	7,505	15.2	192,185	12.9
1990 to 1999.....	3,319	6.7	111,295	7.5
2000 or 2009.....	3,811	7.7	102,666	6.9
2010 or later.....	369	0.7	4,959	0.3
Total Housing Units	49,339	100.0%	1,486,995	100.0%

Source: American Community Survey 2009-2013

Number and Size of Households

Household Characteristics	City of Stamford		State of Connecticut	
	Number	Percent	Number	Percent
Persons in households	122,536	–	3,464,102	–
Persons per household (average)	2.70	–	2.55	–
Persons per family (average)	3.28	–	3.14	–
Family households	29,667	65.3%	903,577	66.6%
Non-family households	15,791	34.7%	452,272	33.4%
All households	45,458	100.0%	1,355,849	100.0%
Family households by type				
Married couple	21,700	73.1%	669,883	74.1%
Female householders, no spouse ...	5,915	19.9%	176,295	19.5%
Other	2,052	6.9%	57,399	6.4%
Total family households	29,667	100.0%	903,577	100.0%
Non-family households by type				
Householders living alone	12,628	80.0%	374,214	82.7%
Other	3,163	20.0%	78,058	17.3%
Total non-family households	15,791	100.0%	452,272	100.0%

Source: American Community Survey 2009-2013

Breakdown of Land Use

Land Use Category	Total Area	
	Acres	Percent
Zoned for single family	19,665	80.0%
Zoned for multi-family	1,947	7.9%
Zoned for mixed use.....	418	1.7%
Zoned for business	691	2.8%
Zoned for industry.....	1,005	4.1%
Zoned for open space.....	864	3.5%
Total	24,590	100.0%

Source: City of Stamford.

IV. Tax Base Data

Property Tax Assessment

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

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the building inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of revaluation (Grand List of 2007). The property depreciation and obsolescence factors are also considered when arriving at an equitable value. The City completed a revaluation on the October 1, 2012 grand list. In accordance with the Connecticut General Statutes, a municipality is required to implement a property revaluation once every (5) five years.

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

All personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually with all manufacturers and businesses required to complete and return (by November 1st) a Personal Property Declaration. The declaration is a determination of value of taxable personal property as of October 1st. The City utilizes an accelerated depreciation schedule for certain types of personal property. Upon receipt of declarations, the assessor's staff reviews and prices property for all accounts.

The City derived 87.7% of its annual revenues for fiscal year 2013-2014 through property taxes. For fiscal year 2014-2015 the City is projected to collect 87.1% of its annual revenues from property taxes. The City expects that a similar proportion of its total revenue will be generated from property taxes in the future.

Property Tax Levy and Collection

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

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

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

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter (within 60 days) to be used to pay liabilities of the current period. Property taxes receivable not expected to be collected during the available period are reflected as a deferred revenue.

Section 12-165 of the Connecticut General Statutes, as amended, requires each municipality to write off, on an annual basis, the property taxes, which are deemed to be uncollectable.

Property Tax Collections

Grand List of 10/1	Fiscal Year Ending 6/30	Net Taxable Grand List (000's)	Adjusted Annual Levy (000's)	Percent of Annual Levy Collected at End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/2015
2014	2016	\$19,303,915	n/a		<i>In Collection</i>	
2013	2015	18,989,740	\$459,371,203	98.6%	1.4%	1.40%
2012 ¹	2014	18,839,166	443,736,366	98.6	1.4	0.50
2011	2013	24,294,406	431,277,703	98.6	1.4	0.20
2010	2012	24,028,752	417,787,311	98.5	1.5	0.18
2009	2011	24,089,986	406,891,242	98.6	1.4	0.01
2008	2010	24,055,475	402,388,009	98.6	1.4	0.01
2007 ¹	2009	23,944,543	386,200,745	98.5	1.5	0.00
2006	2008	13,197,844	356,270,017	98.4	1.6	1.00

¹ Revaluation.

Source: City of Stamford, Tax Collector

Property Taxes Receivable

For the Fiscal Year Ending 6/30	Total Uncollected Taxes (000s)	Uncollected for Current Year of Levy (000s)
2015 ¹	\$11,112	\$6,327
2014	14,418	6,370
2013	12,168	6,788
2012	12,304	6,285
2011	12,804	7,260
2010	16,525	5,876
2009	14,839	5,681
2008	14,185	6,104
2007	12,216	5,764
2006	9,452	4,884

¹ Subject to Audit.

Source: Collector of Revenue, City of Stamford.

Principal Taxpayers

Name of Taxpayer	Nature of Business	Taxable Valuation	Percent of Net Taxable Grand List ¹
BLT Group	Development	\$ 709,735,886	3.68%
RFR Properties	Office Buildings	349,118,345	1.81%
Avalon	Apartments	165,130,281	0.86%
UBS AG Stamford	Banking/Finance	145,300,100	0.75%
George Comfort & Sons.....	Office Buildings	144,905,427	0.75%
ESRT First Stamford Place	Office Buildings	141,738,800	0.73%
Rich-Taubman	Office Buildings	110,023,440	0.57%
Four Hundred Atlantic Title	Office Buildings	104,399,360	0.54%
One Stamford Realty	Office Buildings	96,476,880	0.50%
RBS Americas Property Corp	Banking/Finance	94,090,480	0.49%
Total.....		\$ 2,060,918,999	10.68%

¹ Based on the Net Taxable Grand List of October 1, 2014 of \$19,303,915,000.

Source: City of Stamford, Assessor's Office.

Comparative Assessed Valuations of Taxable Property

Grand List As Of 10/1	Residential Real Property (%)	Commercial and Industrial Real Property (%)		Other (%)	Personal Property (%)	Motor Vehicle (%)	Gross Taxable Grand List (000's)	Exemptions, Veterans Relief and Disabled (000's)	Net Taxable Grand List (000's)	Percent Growth
2014	56.1%	34.0%	0.2%	5.7%	4.6%	\$19,530,294	\$ 226,379	\$19,303,915	1.7%	
2013	57.0	32.4	0.3	5.6	5.0	19,328,740	339,000	18,989,740	0.8%	
2012 ¹	56.8	32.8	0.3	5.6	4.5	19,115,110	275,944	18,839,166	-22.5%	
2011	59.6	32.5	0.2	4.3	3.5	24,598,527	304,121	24,294,406	1.1%	
2010	60.0	32.4	0.2	4.1	3.3	24,381,703	352,951	24,028,752	-0.3%	
2009	59.2	33.5	0.2	4.0	3.1	24,376,201	286,215	24,089,986	0.1%	
2008	59.1	33.5	0.3	4.1	3.2	24,263,665	208,190	24,055,475	0.5%	
2007	59.0	31.1	2.6	3.8	3.4	24,162,168	217,625	23,944,543	81.4%	
2006	58.8	26.9	1.8	6.0	6.6	13,318,632	120,788	13,197,844	-	

¹ Revaluation.

Source: City of Stamford, Assessor's Office.

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Tax Districts

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

- District A: Basic services (schools, police, etc.) plus sanitary sewers, garbage collection and paid fire protection.
- District B: Basic services plus paid fire protection.
- District C: Basic services plus paid and volunteer fire protection.
- District C/S: Basic services plus paid and volunteer fire protection, sanitary sewers and garbage collection.

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

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

The City, pursuant to State law and local ordinance, utilizes a uniform, State-recommended depreciation schedule for business and personal property. This depreciation schedule allows businesses to depreciate electronic data processing equipment much faster than had been previously permitted, Stamford businesses enjoyed a reduction in their assessments and corresponding taxes for electronic personal property, most notably computer equipment. In order to partially mitigate the impact of this reduction in personal property taxes, the City established a Personal Property Tax District. For fiscal year 2014-2015 the Personal Property Tax District mill rate is 24.79 mills.

Tax Rates by District (Mills)

<i>Fiscal Year</i>	<i>District A</i>	<i>District B</i>	<i>District C</i>	<i>District C/s</i>	<i>Uniform Auto Rate</i>	<i>Personal Property</i>
2016	25.43	24.89	24.14	24.61	27.25	25.43
2015	24.79	24.24	23.31	23.79	27.25	24.79
2014	24.04	23.55	22.67	23.10	27.25	24.04
2013	17.89	17.49	16.73	17.08	26.50	17.89
2012	17.49	17.10	16.31	16.64	26.50	17.49
2011	17.17	16.80	15.95	16.28	26.50	17.17
2010	16.82	16.45	15.68	16.01	26.50	16.82
2009	16.18	15.82	15.16	15.49	24.00	16.18
2008	27.03	26.28	25.20	25.88	34.00	27.03
2007	30.68	29.94	27.89	28.56	36.60	30.68

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V. Debt Summary

Legal Requirements for Approval of Borrowing

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

Debt Authorization

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

Safe Debt Limit

The City is also guided by a safe debt limit that is set each year by the Board of Finance. Section 8-20-3 of the Charter of the City provides that the Director of Administration report to the Board of Finance and the Mayor the amount and nature of expenditures that, in the Director's opinion, the City may incur safely for capital projects during each of the six succeeding fiscal years, and the estimated effect of such expenditures upon the current budgets for each of these years, together with the Director's recommendations in relation thereto. Pursuant to Section 8-20-4 of the Charter, the Board of Finance shall transmit to the Planning Board the report of the Director of Administration, together with its certificate of the amount and nature of expenditures that, in its opinion, the City may incur safely for capital projects in the next fiscal year, with the recommendations as to the method of financing such capital projects to be included in the budget for that year. The Director's report for fiscal year 2015-2016 recommended a safe debt limit of \$60.0 million, followed by \$45.0 million annually for the next year and \$25.0 million for the next four years for a total of \$205 million. Included in that amount is debt related to the purchase and construction of a new police station estimated at \$45 to \$65 million. The short-term debt allows the City to meet capital equipment needs while minimizing long-term interest costs. The Mayor's Capital Budget for fiscal year 2015-2016 proposes \$66.2 million to be financed by general obligation bonds. The amount was determined based on a comprehensive assessment of all proposed capital projects.

School Projects

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

Under the old program, the State of Connecticut will reimburse the City for principal and interest costs for eligible school construction projects over the life of outstanding school bonds and the subsequent bond issues necessary to completely fund the projects. The City anticipates reimbursements of approximately \$1.8 million for projects approved under the old program.

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

Sewer Projects

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

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

**Long-Term Debt
As of August 12, 2015
(Pro-Forma)**

Long-Term Debt:		Original	Amount	Fiscal
Date	Purpose	Issue	Outstanding¹	Year of Maturity
2003	General Purpose - Refunding.....	\$ 23,255,000	\$ 4,407,100	2018
2003	Schools - Refunding.....	23,500,000	4,641,200	2018
2003	Sewer - Refunding.....	4,730,000	476,700	2018
2006	Schools - QZAB.....	1,337,000	581,923	2022
2008	General Purpose.....	50,936,000	28,465,700	2028
2008	Schools.....	11,134,000	6,229,300	2028
2008	Schools - QZAB.....	3,750,000	2,000,000	2023
2009	General Purpose - Refunding.....	7,754,000	5,164,502	2020
2009	Schools - Refunding.....	2,726,000	1,815,498	2020
2009	General Purpose - Refunding.....	21,230,000	13,931,788	2020
2009	Schools - Refunding.....	21,622,000	14,188,792	2020
2009	Sewer - Refunding.....	1,073,000	704,420	2020
2009	General Purpose - CREB.....	2,000,000	1,200,000	2024
2009	General Purpose - Taxable.....	36,800,000	26,583,400	2030
2009	Schools - Taxable.....	3,200,000	2,311,600	2030
2009	Sewer - Taxable.....	10,000,000	7,855,000	2030
2010	General Purpose.....	2,608,000	2,548,900	2022
2010	Schools.....	917,000	896,100	2022
2010	General Purpose - Refunding.....	15,328,000	14,644,200	2023
2010	Schools - Refunding.....	7,319,000	7,167,800	2023
2010	Sewer - Refunding.....	408,000	408,000	2023
2010	General Purpose.....	8,975,000	1,800,000	2016
2010	General Purpose - BABs.....	20,304,000	20,304,000	2028
2010	Schools - BABs.....	1,296,000	1,296,000	2028
2010	General Purpose - RZEDBs.....	4,176,000	4,176,000	2031
2010	Schools - RZEDBs.....	249,000	249,000	2031
2011	General Purpose - Refunding.....	11,155,000	11,135,000	2026
2011	Schools - Refunding.....	11,180,000	11,140,000	2026
2011	Sewer - Refunding.....	300,000	290,000	2025
2011	General Purpose.....	34,380,000	27,648,000	2032
2011	Schools.....	10,620,000	8,352,000	2032
2013	General Purpose.....	25,000,000	22,245,000	2033
2013	Schools.....	25,000,000	21,955,000	2033
2013	General Purpose - Refunding.....	10,761,000	2,553,000	2019
2013	Schools - Refunding.....	10,759,000	2,552,000	2019
2013	Sewer - Refunding.....	700,000	300,000	2019
2014	General Purpose.....	45,975,000	45,975,000	2035
2014	Schools.....	4,025,000	4,025,000	2035
2014	General Purpose - TIF Refunding.....	16,550,000	16,550,000	2033
2015	General Purpose - Refunding.....	21,784,490	21,784,490	2024
2015	Schools - Refunding.....	11,885,510	11,885,510	2024
	Total Outstanding Bonded Debt.....	\$ 526,702,000	\$ 382,436,923	
This Issue				
2015	General Purpose.....	\$ 55,475,000	\$ 55,475,000	2036
2015	Schools.....	9,525,000	9,525,000	2036
	Total This Issue.....	\$ 65,000,000	\$ 65,000,000	
	Grand Total.....	\$591,702,000	\$ 447,436,923	

¹ Excludes bonds refunded or defeased.

**Short-Term Debt
As of August 12, 2015
(Pro-Forma)**

The City of Stamford has no short-term debt outstanding.

**Annual Bonded Debt Maturity Schedule
As of August 12, 2015
(Pro Forma)**

Fiscal Year Ended 6/30	Principal Payments	Interest Payments	Total Debt Service	This Issue	Total Principal	Cumulative Principal Retired %
2016 ¹	\$ 15,578,333	\$ 10,905,363	\$ 26,483,696	\$ -	\$ 15,578,333	3.48%
2017	35,865,583	14,250,351	50,115,934	3,250,000	39,115,583	12.22%
2018	34,832,428	12,777,531	47,609,959	3,250,000	38,082,428	20.74%
2019	33,814,310	11,192,368	45,006,678	3,250,000	37,064,310	29.02%
2020	30,101,230	9,816,586	39,917,815	3,250,000	33,351,230	36.47%
2021	29,433,188	8,498,578	37,931,765	3,250,000	32,683,188	43.78%
2022	26,515,185	7,227,106	33,742,290	3,250,000	29,765,185	50.43%
2023	24,533,333	6,151,219	30,684,552	3,250,000	27,783,333	56.64%
2024	24,298,333	5,287,819	29,586,152	3,250,000	27,548,333	62.80%
2025	21,425,000	4,444,619	25,869,619	3,250,000	24,675,000	68.31%
2026	19,795,000	3,674,319	23,469,319	3,250,000	23,045,000	73.46%
2027	16,810,000	2,972,669	19,782,669	3,250,000	20,060,000	77.94%
2028	16,930,000	2,313,769	19,243,769	3,250,000	20,180,000	82.45%
2029	12,135,000	1,663,000	13,798,000	3,250,000	15,385,000	85.89%
2030	12,225,000	1,196,275	13,421,275	3,250,000	15,475,000	89.35%
2031	9,720,000	794,463	10,514,463	3,250,000	12,970,000	92.25%
2032	8,340,000	498,906	8,838,906	3,250,000	11,590,000	94.84%
2033	5,085,000	271,719	5,356,719	3,250,000	8,335,000	96.70%
2034	2,500,000	118,750	2,618,750	3,250,000	5,750,000	97.99%
2035	2,500,000	40,625	2,540,625	3,250,000	5,750,000	99.27%
2036	-	-	-	3,250,000	3,250,000	100.00%
Total.....	\$382,436,923	\$104,096,032	\$486,532,955	\$65,000,000	\$ 447,436,923	

¹ Excludes principal payments of \$23,043,852 and interest payments of \$4,340,198 made between July 1, 2015 and August 11, 2015.

Overlapping/Underlying Debt

The City of Stamford has neither overlapping nor underlying debt.

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

Debt Statement ¹
As of August 12, 2015
(Pro Forma)

Long-Term Debt Outstanding:

General Purpose (Includes this issue).....	\$ 326,591,080
Schools (Includes this issue).....	110,811,723
Sewers.....	<u>10,034,120</u>
Total Long-Term Debt.....	447,436,923
Short-Term Debt.....	-
Direct Debt.....	447,436,923
Overlapping Debt.....	-
Underlying Debt.....	-
Total Overall Debt.....	447,436,923
Less: School Construction Grants Receivable (As of June 30, 2015)	1,510,000
Less: Self-Supporting Sewer Debt	<u>(10,034,120)</u>
Total Overall Net Debt.....	<u>\$ 438,912,803</u>

¹ Excludes four Clean Water Fund project loan obligations totaling \$41,760,105 for which the City has pledged its full faith and credit, but which are expected to be repaid entirely from revenues of the sewerage system. (See "Debt of the WPCA" herein)

Current Debt Ratios
As of August 12, 2015
(Pro Forma)

Population (2013) ¹	123,995
Net Taxable Grand List (10/1/14)	\$19,303,915,000
Estimated Full Value (70%).....	\$27,577,021,429
Equalized Grand List (10/1/12) ²	\$27,068,336,287
Money Income per Capita (2013) ¹	\$43,647

	Total Overall Debt	Total Overall Net Debt
Per Capita.....	\$3,608.51	\$3,539.76
Ratio to Net Taxable Grand List.....	2.32%	2.27%
Ratio to Estimated Full Value.....	1.62%	1.59%
Ratio to Equalized Grand List.....	1.65%	1.62%
Debt per Capita to Money Income per Capita (2013)....	8.27%	8.11%

¹ American Community Survey 2009-2013

² Office of Policy and Management, State of Connecticut.

Temporary Financing

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable and the legislative body schedules principal reductions starting at the end of the third and continuing in each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20th (1/30th for school and sewer projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years, or, for school and sewer projects, by the amount of time temporary financing has been outstanding.

Temporary notes must be permanently funded no later than ten years from the initial borrowing date except for school and sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to fifteen years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year (whichever is sooner), and in each year thereafter, the notes must be reduced by at least 1/15 of the total amount of the notes issued by funds derived from certain sources of payment. Temporary notes may be issued in one year maturities for up to fifteen years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

Debt of the WPCA

Clean Water Fund Program

The City of Stamford is a participant in the State of Connecticut Clean Water Fund Program (General Statutes Section 22a-475 et seq., as amended), which provides financial assistance for eligible sewer projects through a combination of grants and loans bearing interest at a rate of 2% per annum. All participating municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow correction projects which are financed with a 50% grant and a 50% loan and denitrification projects which are financed with a 30% grant and 70% loan). Amortization of each loan is required to begin one year from the earlier of the project completion date specified in the Loan Agreement, or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are payable 1) in equal monthly installments commencing one month after the scheduled completion date, or 2) in a single annual installment representing 1/20 of total principal not later than one year from the project completion date specified in the Loan Agreement, and thereafter in monthly installments. The City may prepay its loans at any time prior to maturity without penalty. The loans are authorized as revenue obligations to be secured by revenues of the sewerage system pursuant to an Indenture of Trust dated as of December 21, 2001, by and among the City, the Water Pollution Control Authority for the City and U.S. Bank National Association (as successor to First Union National Bank) as Trustee, as amended and supplemented by the First Supplemental Indenture, dated as of October 1, 2003, the Second Supplemental Indenture, dated as of February 28, 2006, the Third Supplemental Indenture dated as of September 1, 2006, the Fourth Supplemental Indenture, dated as of August 1, 2009, and the Fifth Supplemental Indenture, dated August 1, 2013 (the Indenture, as amended and supplemented by the First, Second, Third, Fourth and Fifth Supplemental Indentures, herein referred to as the "Indenture"). The City has three project loan obligations ("PLOs") outstanding totaling \$41,760,105 for repayment of which the City has pledged its full faith and credit but which are expected to be repaid entirely from revenues of the sewerage system on a parity basis with the 2006 Series Revenue Bonds issued in September 2006 and the 2013 Revenue Bonds issued in August 2013. (See "Sewer Revenue Bonds" herein.)¹

¹ On August 4, 2015 the City expects to issue \$31,070,000 of its City of Stamford Connecticut Water Pollution Control System and Facility Revenue Bonds, Issue of 2015, to finance capital projects, certain debt service reserve funds, and to refund the outstanding \$16,655,000 of the City's Water Pollution Control System and Facility Revenue Bonds, Issue of 2006

General Obligation Bonds

The City, prior to the establishment of the revenue bond program for sewerage system improvements, issued general obligation debt for purposes of sewerage system improvements. As of July 30, 2015 the City has \$12,827,670 of general obligation bonds outstanding and three Clean Water Fund project loan obligations outstanding in the amount of \$41,760,105 issued under the Clean Water Fund that are secured by the full faith and credit of the City. The City expects that debt service on such bonds and project loan obligations will be repaid entirely from revenues of the sewerage system. The debt service on the project loan obligations is treated as Parity Indebtedness and the general obligation bonds as Subordinated Indebtedness under the Indenture.

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

Fiscal Year Ended 6/30	Senior Lien Debt (Parity Indebtedness)				Subordinated Debt		Total Principal	Cumulative Principal Retired %
	2006 Series & 2013 Series Sewer Revenue Bonds ¹		Existing Clean Water Fund Debt ²		General Obligation Sewer Bonds			
	Principal	Interest	Principal	Interest	Principal	Interest		
2016	\$ 945,000	\$ 1,890,720	\$ 3,883,503	\$ 799,731	\$ 1,223,189	\$ 597,809	\$ 6,051,692	6.50%
2017	1,000,000	1,840,051	3,943,011	721,412	1,198,677	548,648	6,141,688	13.09%
2018	1,050,000	1,787,138	3,996,881	642,166	1,311,034	490,690	6,357,915	19.91%
2019	1,105,000	1,733,686	4,077,554	561,492	1,323,631	428,169	6,506,185	26.90%
2020	1,160,000	1,677,103	4,159,858	479,189	1,003,672	373,501	6,323,530	33.69%
2021	1,220,000	1,617,125	4,026,883	397,206	939,600	327,983	6,186,483	40.33%
2022	1,285,000	1,552,881	4,108,163	315,926	671,000	289,140	6,064,163	46.84%
2023	1,355,000	1,484,313	4,191,084	233,005	686,000	256,088	6,232,084	53.53%
2024	1,425,000	1,413,931	4,275,678	148,411	655,000	223,310	6,355,678	60.35%
2025	1,500,000	1,343,806	4,361,980	62,109	720,000	189,940	6,581,980	67.41%
2026	1,570,000	1,272,231	735,509	1,839	600,000	157,045	2,905,509	70.53%
2027	1,645,000	1,197,256	-	-	620,000	125,320	2,265,000	72.96%
2028	1,725,000	1,116,719	-	-	645,000	91,791	2,370,000	75.51%
2029	1,810,000	1,030,306	-	-	665,000	56,416	2,475,000	78.17%
2030	1,900,000	939,619	-	-	690,000	19,148	2,590,000	80.95%
2031	1,995,000	844,406	-	-	-	-	1,995,000	83.09%
2032	2,095,000	744,419	-	-	-	-	2,095,000	85.34%
2033	2,205,000	639,294	-	-	-	-	2,205,000	87.70%
2034	1,505,000	549,038	-	-	-	-	1,505,000	89.32%
2035	1,580,000	473,250	-	-	-	-	1,580,000	91.02%
2036	1,660,000	392,363	-	-	-	-	1,660,000	92.80%
2037	1,745,000	307,331	-	-	-	-	1,745,000	94.67%
2038	600,000	247,250	-	-	-	-	600,000	95.31%
2039	635,000	213,288	-	-	-	-	635,000	96.00%
2040	670,000	178,238	-	-	-	-	670,000	96.72%
2041	705,000	142,144	-	-	-	-	705,000	97.47%
2042	745,000	104,081	-	-	-	-	745,000	98.27%
2043	785,000	63,919	-	-	-	-	785,000	99.11%
2044	825,000	21,656	-	-	-	-	825,000	100.00%
Total.....	\$ 38,445,000	\$ 26,817,562	\$ 41,760,104	\$ 4,362,486	\$12,951,803	\$ 4,174,998	\$ 93,156,907	

¹ The Stamford WPCA is in the process of refinancing the 2006 Revenue Bond Issue and issuing \$15.7 million of New Money Revenue Bonds

² Principal and interest payments reflect existing project loan obligations ("PLOs") between the City and the State of Connecticut, as follows: PLO 375-C (original amount of loan \$852,229 and current principal amount outstanding \$68,422); PLO 414-D (original amount of loan \$3,574,208 and current principal amount outstanding \$1,021,988); and PLO 414-C (original amount of loan \$73,561,481 and current principal amount outstanding \$40,669,695). Each PLO bears interest at the rate of 2% per annum, with payments of principal and interest made on a monthly basis.

**Statement of Statutory Debt Limitation
As of August 12, 2015
(Pro Forma)**

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2015 (subject to audit).....	\$ 463,423,826
Reimbursement For Revenue Loss (Tax relief for elderly).....	384,000
Base for Debt Limitation Computation.....	\$ 463,807,826

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers¹</u>	<u>Urban Renewal</u>	<u>Unfunded Pension</u>
Debt Limitation:					
2 1/4 times base.....	\$ 1,043,567,609	\$ -	\$ -	\$ -	\$ -
4 1/2 times base.....	-	2,087,135,217	-	-	-
3 3/4 times base.....	-	-	1,739,279,348	-	-
3 1/4 times base.....	-	-	-	1,507,375,435	-
3 times base.....	-	-	-	-	1,391,423,478
Total Debt Limitation.....	\$ 1,043,567,609	\$2,087,135,217	\$1,739,279,348	\$1,507,375,435	\$ 1,391,423,478

Indebtedness:					
Bonds Outstanding	\$ 271,116,080 ¹	\$ 101,286,723	\$ -	\$ -	\$ -
Bonds – This Issue.....	55,475,000	9,525,000	-	-	-
Debt Authorized But Unissued.....	21,466,255	7,038,460	-	-	-
Total Net Indebtedness.....	348,057,335	117,850,183	-	-	-

DEBT LIMITATION IN EXCESS OF OUTSTANDING INDEBTEDNESS.....	\$ 695,510,274	\$1,969,285,034	\$1,739,279,348	\$1,507,375,435	\$ 1,391,423,478
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¹ Excludes \$10,521,065 of bonded general obligation sewer debt and four Clean Water Fund project loan obligations totaling \$41,760,104 for which the City has pledged its full faith and credit, but which are expected to be repaid entirely from revenues of the sewerage system.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$3,246,654,782

**Authorized But Unissued Debt¹
As of August 12, 2015
(Pro Forma)**

Project	Amount			
	Amount Authorized	This Issue: The Bonds	Expected to be	Authorized
			Financed with Grants or Other Sources	But Unissued Debt
Public Improvement Projects.....	\$ 119,307,255	\$ 55,475,000	\$ 42,366,000	\$ 21,466,255
School Projects.....	58,712,460	9,525,000	42,149,000	7,038,460
Total.....	\$ 178,019,715	\$ 65,000,000	\$ 84,515,000	\$ 28,504,715

Ratio of Net Long-Term Debt to Valuation, Population, and Income

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Net Long-Term Debt¹	Ratio of Net Long-Term Debt to Assessed Value (%)	Ratio of Net Long-Term Debt to Estimated Full Value (%)	Population²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income³
2014	\$18,989,740	\$27,128,200	\$364,744	1.92%	1.34%	123,995	2.94	0.01%
2013	18,839,166	26,913,094	401,612	2.13%	1.49%	123,995	3.24	0.01%
2012	24,294,406	34,706,294	386,194	1.59%	1.11%	123,995	3.11	0.01%
2011	24,028,752	34,326,789	373,316	1.55%	1.09%	123,995	3.01	0.01%
2010	24,089,986	34,414,266	365,787	1.52%	1.06%	123,995	2.95	0.01%

¹ Long-Term debt does not include Water debt, compensated absences, capital lease obligations, or State of Connecticut Clean Water Fund Debt.

² Bureau of Census.

³ American Community Survey (2009-2013), Money Income Per Capita \$43,647.

Source: City of Stamford Audited Financial Reports 2010-2014.

**Ratio of Annual Debt Service to
Total General Fund Expenditures ¹**

Fiscal Year Ended 6/30	Total Debt Service	Total General Fund Expenditures¹	Ratio of Total Debt Service To General Fund Expenditures
2015 (Est.)	\$48,846,546	\$ 550,000,000	8.69%
2014	47,769,567	539,532,853	8.85%
2013	45,493,108	512,962,477	8.87%
2012	43,296,710	468,953,486	9.23%
2011	42,207,323	452,683,059	9.32%
2010	43,651,921	445,088,739	9.81%

¹ Includes transfers out.

Source: City of Stamford Finance Department.

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VI. Financial Information

The General Fund Revenues, Expenditures and Changes in Fund Balance for the fiscal years ended June 30, 2010 through June 30, 2014 have been derived from audited financial statements on a GAAP basis. The Adopted Budget for fiscal year 2014-2015 and 2015-2016 is provided by the City on a budgetary basis.

The financial information presented herein is the responsibility of the City of Stamford's management. (Appendix A -- "Financial Statements" was taken from the Comprehensive Annual Financial Report of the City of Stamford for the fiscal year ended June 30, 2014.)

General Fund Revenues, Expenditures and Changes in Fund Balance

Revenues:	Budget 2015-16 ¹	Projected 2014-15 ¹	Actual 2013-14 ^{2,7}	Actual 2012-13 ²	Actual 2011-12 ²	Actual 2010-11 ²	Actual 2009-10 ²
Property Taxes	\$ 470,813,059	\$ 458,723,209	\$ 448,384,626	\$ 432,104,549	\$ 423,093,113	\$ 407,018,129	\$ 397,485,307
Intergovernmental	17,037,680	17,963,275	54,069,259	48,397,667	45,996,081	40,296,862	36,958,336
Charges for Services	30,381,055	33,020,069	32,884,272	30,816,808	27,178,287	27,161,337	26,430,218
Interest and dividends	650,000	549,370	105,525	127,417	174,911	388,795	840,759
Other (including Charges for Services)	2,453,113	4,185,636	1,511,524	947,692	1,062,954	1,264,945	931,996
Total Revenues	521,334,907	514,441,559	536,955,206	512,394,133	497,505,346	476,130,068	462,646,616
Expenditures:							
General government	17,147,790	14,915,730	3,523,132	12,905,752	12,146,466	12,810,773	14,331,454
Administration	9,860,546	9,402,673	8,349,490	8,614,816	8,341,802	7,620,847	7,174,646
Legal affairs ^{3,6}	4,780,582	8,784,987	19,122,105	17,580,622	15,143,895	11,183,426	7,545,585
Public Health, Safety & Welfare	144,070,025	141,555,106	140,982,332	126,292,811	122,360,069	121,345,353	109,076,752
Operations	44,017,375	43,623,347	38,877,197	39,239,664	37,296,486	37,825,856	38,018,801
Board of Education ⁴	255,113,422	248,569,148	276,434,644	255,459,497	252,544,074	241,144,181	244,611,342
Debt Service ⁵	-	-	-	-	-	-	-
Total Expenditures	474,989,740	466,850,991	487,288,900	460,093,162	447,832,792	431,930,436	420,758,580
Revenues over (under) expenditures	46,345,167	47,590,568	49,666,306	52,300,971	49,672,554	44,199,632	41,888,036
Other Financing Sources Uses:							
Operating Transfers In	3,269,888	2,294,101	3,079,068	2,865,332	3,214,641	2,798,495	3,715,304
Operating Transfers (Out)	(49,615,055)	(48,846,546)	(52,243,953)	(52,869,315)	(49,393,618)	(44,510,323)	(47,825,938)
Total other Financing Sources (uses)	(46,345,167)	(46,552,445)	(49,164,885)	(50,003,983)	(46,178,977)	(41,711,828)	(44,110,634)
Revenues and other financing sources over (under) expenditures and other financing (uses)	\$ -	\$ 1,038,123	\$ 501,421	\$ 2,296,988	\$ 3,493,577	\$ 2,487,804	\$ (2,222,598)
Fund Balance, July 1	34,206,433	33,168,310	32,666,889	12,121,155	8,627,578	6,139,774	8,362,372
Fund Balance, June 30	\$34,206,433	\$34,206,433	\$33,168,310	\$14,418,143	\$12,121,155	\$8,627,578	\$6,139,774

¹ Budgetary basis of accounting; does not include payments made on behalf of the City by the State of Connecticut for Teachers Retirement System.

² GAAP basis of accounting.

³ Beginning in fiscal year 2014-2015, pension and OPEB expenses are no longer shown in Legal Affairs. Instead they have been allocated to individual departments based on workforce.

⁴ In fiscal year 2011-2012, \$24,307,000 entry in BOE to record State teachers' retirement.

⁵ Debt service included in operating transfers out.

⁶ Includes assumptions for unsettled labor contracts.

⁷ Beginning Fiscal Year 2013-2014 the City's Rainy Day fund balance was moved into the General Fund. As of June 30, 2014 the Rainy Day fund balance totaled \$21,137,630.

Historical General Fund Balance Sheet

Assets:	Actual 6/30/2014	Actual 6/30/2013	Actual 6/30/2012	Actual 6/30/2011	Actual 6/30/2010
Cash and cash equivalents.....	\$ 57,341,970	\$ 10,250,721	\$ 887,459	\$ 1,123,705	\$ 1,523,010
Property Taxes	9,604,841	9,320,602	9,304,045	9,804,432	10,524,508
Intergovernmental	1,892,290	4,732,499	5,218,663	5,541,717	5,711,643
Other receivables.....	5,971,986	3,363,641	2,948,861	3,435,915	2,826,135
Due from other funds.....	6,484,280	8,227,970	6,279,759	6,782,637	457,186
Investments.....	2,000,630	21,339,266	16,279,215	16,226,278	20,068,247
Other assets.....	48,043	40,072	35,065	43,455	296,598
Total Assets	\$ 83,344,040	\$ 57,274,771	\$ 40,953,067	\$ 42,958,139	\$ 41,407,327
Liabilities:					
Accounts and Other Payables.....	\$ 17,078,467	\$ 15,722,068	\$ 10,776,296	\$ 11,125,942	\$ 10,884,636
Deferred Revenues.....	3,839,349	27,071,260	17,992,316	23,141,319	24,319,617
Due to other funds.....	63,300	63,300	63,300	63,300	63,300
Total Liabilities	\$ 20,981,116	\$ 42,856,628	\$ 28,831,912	\$ 34,330,561	\$ 35,267,553
Deferred Inflows of Resources:					
Unavailable Revenue.....	\$ 11,522,683	\$ -	\$ -	\$ -	\$ -
Advance Property Tax Collections.....	17,671,931	-	-	-	-
Total Deferred Inflows of Resources.....	\$ 29,194,614	\$ -	\$ -	\$ -	\$ -
Fund Balances:					
Reserved:					
For encumbrances.....	\$ -	\$ -	\$ -	\$ -	\$ 2,866,245
For inventory.....	-	-	-	-	22,937
For long-term advances.....	-	-	-	-	-
Designated:					
General Fund	-	-	-	-	3,250,592
For future contracts	-	-	-	-	-
Nonspendable.....	2,502,277	159,247	154,240	43,455	-
Committed.....	-	10,912,936	8,376,207	5,961,692	-
Assigned.....	27,462,937	3,345,960	3,590,708	2,622,431	-
Unassigned.....	3,203,096	-	-	-	-
Total Fund Balances.....	\$ 33,168,310	\$ 14,418,143	\$ 12,121,155	\$ 8,627,578	\$ 6,139,774
Total Liabilities, Deferred Inflows of Resources and Fund Balances.....	\$ 83,344,040	\$ 57,274,771	\$ 40,953,067	\$ 42,958,139	\$ 41,407,327
Operating revenues	\$536,955,206	\$512,394,133	\$497,505,346	\$476,130,068	\$462,646,616
Fund balance as percent of operating revenues	6.18%	2.81%	2.44%	1.81%	1.33%

Accounting Policies and Basis of Accounting

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

Audit

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

Budget Adoption Procedure

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

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

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Capital Improvement Plan

Purpose	Fiscal 2014-15	Fiscal 2015-16	Fiscal 2016-17	Fiscal 2017-18	Fiscal 2018-19	Fiscal 2019-20	Total
Office of the Mayor	\$ 500,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 5,500,000
Office of Administration	-	-	-	-	-	-	-
Office of Operations	31,807,000	49,060,000	57,325,000	51,235,000	41,425,000	34,325,000	265,177,000
Office of Public Safety, Health and Welfare	20,960,000	7,180,000	5,400,662	4,290,783	4,290,783	2,890,783	45,013,011
Bartlett Arboretum.....	320,000	50,000	50,000	50,000	50,000	50,000	570,000
Childcare Learning Center.....	150,000	250,000	-	100,000	-	100,000	600,000
Ferguson Library.....	925,000	1,002,000	700,000	450,000	450,000	-	3,527,000
Scotfield Manor.....	180,000	100,000	150,000	100,000	150,000	100,000	780,000
Stamford Center for the Arts.....	398,000	1,251,355	-	-	-	-	1,649,355
Stamford Historical Society.....	50,000	50,000	50,000	-	50,000	-	200,000
Stamford Museum.....	850,000	1,125,000	150,000	100,000	150,000	100,000	2,475,000
Old Town Hall Restoration.....	-	-	-	-	-	-	-
Board of Education.....	15,615,000	20,360,000	19,860,000	21,460,000	20,660,000	20,360,000	118,315,000
Parking Fund.....	-	50,000	-	50,000	-	50,000	150,000
Water Pollution Control Authority.....	8,575,000	6,925,000	4,025,000	1,250,000	775,000	700,000	22,250,000
E.G. Brennan Golf Course.....	-	-	-	-	-	-	-
Short-term Capital.....	5,445,000	6,245,000	15,195,000	6,295,000	6,195,000	6,195,000	45,570,000
Total	\$ 85,775,000	\$ 94,648,355	\$ 103,905,662	\$ 86,380,783	\$ 75,195,783	\$ 65,870,783	\$ 511,776,366

Funding	Fiscal 2014-15	Fiscal 2015-16	Fiscal 2016-17	Fiscal 2017-18	Fiscal 2018-19	Fiscal 2018-19	Total
G.O. Bonds ^(1,2,3)	\$ 73,257,074	\$ 81,984,454	\$ 90,003,139	\$ 74,823,079	\$ 65,134,626	\$ 57,057,307	\$ 442,259,679
Grants.....	967,461	1,067,544	1,171,958	974,294	848,138	742,960	5,772,355
Other.....	6,726,887	7,422,778	8,148,780	6,774,395	5,897,214	5,165,902	40,135,956
WPCA Revenue Bonds.....	3,782,302	4,173,579	4,581,785	3,809,015	3,315,805	2,905	19,665,391
Total Funding Sources.....	\$ 84,733,724	\$ 94,648,355	\$ 103,905,662	\$ 86,380,783	\$ 75,195,783	\$ 62,969,074	\$ 507,833,381

¹ A "safe debt limit" of \$60.0 million for fiscal year 2015-2016; \$45.0 million for fiscal year 2016-17; and \$25.0 million for fiscal years 2017-2018 thru 2021-2022 was proposed by the Director of Administration.

² Funding sources for out-years are estimates based on same assumptions used for fiscal year 2015-2016.

³ Total Expenditures for years 2016-2017 thru 2021-2022 reflect the "wish list" of the respective departments. As the City enters each year, the Mayor's Office and the elected boards will narrow the projects to be funded down to fit within the proposed safe debt limit.

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Pension Programs

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

The City's funding policy is to appropriate and recognize as an expenditure the amounts recommended by an actuary that are adequate to accumulate sufficient assets in each of the City's Plans to pay benefits when due. These amounts include normal cost and amortization of prior service costs over a period of 15 years. The City uses the projected unit credit actuarial funding method utilizing the same actuarial assumptions as described in Appendix A, "Auditor's Section, Notes to Financial Statements" in this Official Statement.

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

Plans	Actuarial Valuation Date: July 1 ¹	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)		Funded AAL Ratio (a/b)
			Projected Unit Credit (b)	Over (Under) Funded AAL (a-b)	
<i>Town Plan</i>	2014	\$ 592,534,000	\$ 683,412,000	(\$90,878,000)	86.7%
	2013	564,784,000	651,320,000	(86,536,000)	86.7%
	2012	548,351,000	626,336,000	(77,985,000)	87.5%
	2011	537,601,000	586,098,000	(48,497,000)	91.7%
	2010	521,228,000	559,964,000	(38,736,000)	93.1%
	2009	521,769,000	537,484,000	(15,715,000)	97.1%
	2008	546,601,118	511,663,824	34,937,294	106.8%
	2007	535,601,000	484,354,000	51,247,000	110.6%
	2006	507,918,000	463,312,000	44,606,000	109.6%
	2005	491,929,000	438,830,000	53,099,000	112.1%

¹ Based on the valuations completed by Hooker & Holcombe, Inc.

The following is a schedule of the annual pension cost and the percentage of annual pension costs that the City contributed.

<i>Plans</i>	<i>Fiscal Year</i>	<i>Annual Pension Cost</i>	<i>Percentage of Annual Cost Contributed</i>
<i>Classified Employees Retirement Fund</i>			
	2015 ¹	\$ 6,799,000	100.0%
	2014	6,504,000	100.0
	2013	5,902,000	99.9
	2012	5,361,000	100.5
	2011	4,174,000	100.0
<i>Police Pension Trust Fund</i>			
	2015 ¹	\$ 6,645,000	100.0%
	2014	6,255,000	100.0
	2013	4,909,000	99.5
	2012	4,366,000	99.4
	2011	4,141,000	99.4
<i>Firefighters' Pension Trust Fund</i>			
	2015 ¹	\$ 3,515,000	100.0%
	2014	3,118,000	100.0
	2013	2,339,000	100.0
	2012	2,079,000	100.0
	2011	1,716,000	100.1
<i>Custodians' and Mechanics Retirement Fund</i>			
	2015 ¹	\$ 1,669,000	100.0%
	2014	1,606,514	98.6
	2013	1,520,000	98.5
	2012	1,388,000	137.8
	2011	1,229,000	99.3

¹ Budgeted

Other Post-Employment Benefits

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

During fiscal year 2012-2013, the net amount paid for retiree medical claims and medical and life insurance premiums was approximately \$16.7 million and covers approximately 1,000 individuals.

The Board of Representatives approved, by ordinance, the establishment of a trust to address Governmental Accounting Standards Board Statement No. 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions." The trust was established in fiscal year 2007-2008 and an investment advisor and custodian were selected.

The funding of the OPEB Trust fund was considered by all parties and it was initially agreed that funding of the Annual Recommended Contribution ("ARC") would be addressed through a five-year phase-in with subsequent minor modifications for the current economic environment. Contributions to the fund, investment of fund assets, as well as payment of benefits from the fund commenced during fiscal year 2009. In fiscal year 2014-2015 the City/Board of Education made an OPEB payment of approximately \$8.9 million, representing 80% of its projected ARC. Based upon the July 1, 2013 actuarial valuation, the 2014-2015 expected OPEB payments were approximately \$11.9 million representing 80% of the projected ARC.

Pursuant to the revised plan, the City/Board of Education funded 80% in fiscal year 2014-2015, 90% in fiscal year 2015-2016, and 100% in fiscal year 2016-2017. This laddering afforded the City some near-term financial flexibility while maintaining the City's commitment to progressively fully fund the ARC (revised to ADC Actuarially Determined Contribution per GASB 67 & 68) in a reasonable time frame.

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

	<i>Fiscal Year Ended</i>	<i>Annual OPEB Cost (AOC)</i>	<i>Percentage of AOC Contributed</i>	<i>Net OPEB Obligation</i>		
	2014	\$27,955,000	74.6%	\$53,476,631		
	2013	30,638,000	63.1%	46,366,000		
	2012	28,817,000	69.6%	35,063,000		
	2011	25,455,000	63.6%	26,299,000		
	2010	19,518,000	63.1%	19,641,000		
	2009	18,429,000	69.9%	12,439,000		

<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Assets</i>	<i>Actuarial Accrued Liability</i>	<i>Excess (Unfunded) Actuarial Accrued Liability</i>	<i>Funded Ratio</i>	<i>Covered Payroll</i>	<i>Excess (Unfunded) Liability as a Percentage of Covered Payroll</i>
7/1/2014	\$29,339,000	\$289,142,000	(\$259,804,000)	10.1%	\$246,389,000	(105.4%)
7/1/2012	19,041,000	285,530,000	(266,489,000)	6.7%	235,779,000	(113.0%)
7/1/2011	8,629,000	252,250,000	(243,621,000)	3.4%	N/A	N/A
7/1/2010	3,906,000	298,344,000	(294,438,000)	1.3%	215,910,000	(136.4%)
7/1/2008	-	215,337,000	(215,337,000)	-	226,225,000	(95.2%)
7/1/2006	894,000	200,894,000	(200,000,000)	-	188,244,000	(106.2%)

Self-Insurance Programs

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

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

It is also the City's policy to self-insure its employee health insurance programs with an individual stop loss currently set at \$350,000 per person, per year. Above this threshold, the City purchases commercial insurance. Costs associated with employee health insurance risks are reported in the City's self-insurance fund.

Investments Policies and Practices

The City Charter and Connecticut General Statutes Sections 7-400, as amended by Public Act 94-190, 7-401 and 7-402 govern the investments the City is permitted to acquire. Furthermore, the City has an Investment Policy adopted by the Board of Finance (revised September 2008). Accordingly, the City may invest and only invests in U.S. Treasury Bills, Federal Agency Securities, Federal Instrumentalities, Time Certificates of Deposits, Money Market Mutual Funds, Investment Pools, and the State Short-Term Investment Fund.

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VII. Legal and Other Information

Litigation

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

Legal Matters

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

Transcript and Closing Documents

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

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.
2. A certificate on behalf of the City, signed by the Mayor and the Director of Administration, which will be dated the date of delivery and attached to a signed copy (or a copy with conformed signatures) of the Official Statement, and which will certify, to the best of said officials' knowledge and belief, at the time bids were accepted on the Bonds and the Notes the description and statements in the Official Statement relating to the City and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the City from that set forth in or contemplated by the Official Statement.
3. A receipt for the purchase price of the Bonds.
4. The approving opinion of Robinson & Cole LLP, Bond Counsel.
5. An executed Continuing Disclosure Agreement substantially in the form attached hereto as Appendix C.

The City of Stamford has prepared an Official Statement for the Bonds which is dated July 30, 2015. The City deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12(b)(1), but it is subject to revision or amendment.

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

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Concluding Statement

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

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

CITY OF STAMFORD, CONNECTICUT

/s/ David R. Martin

David R. Martin, *Mayor*

/s/ Michael E. Handler

Michael E. Handler, *Director of Administration*

Dated: July 30, 2015

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Appendix A

2014 Financial Statements

The following includes the Basic Financial Statements of the City of Stamford, Connecticut for the fiscal year ended June 30, 2014. The supplemental data, which was a part of that report, has not been reproduced herein. A copy of the complete report is available upon request from Barry J. Bernabe, Managing Director, Phoenix Advisors LLC, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 283-1110.

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BlumShapiro

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Independent Auditors' Report

To the Board of Finance
City of Stamford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City of Stamford, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Stamford, Connecticut, as of June 30, 2014 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 17; the budgetary comparison information on page 76; the Pension Plans' schedules of changes in net pension liability and related ratios on pages 77 through 80, schedules of employer contributions on pages 81 through 84, schedule of investment returns on page 85; and the OPEB Trust Fund's schedule of funding progress and schedule of employer contributions on pages 86 and 87 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, which 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 have 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Stamford, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report January 20, 2015 on our consideration of the City of Stamford, Connecticut'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Stamford, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
January 20, 2015

City of Stamford, Connecticut
Management's Discussion and Analysis
For the Year Ended June 30, 2014

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, 2014. Please read it in conjunction with the letter of transmittal and the City's financial statements that follow this section (fiscal 2013 net position was restated to reflect the implementation of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, as explained in Note 12 to the financial statements).

Financial Highlights

- In fiscal 2014, the City's net position increased by \$21.6 million or 5.5%, to \$415.2 million. On a government-wide basis, including all governmental activities and business-type activities but excluding a small component unit, the City's total assets and deferred outflow of resources (\$1,125.3 million) exceeded its total liabilities and deferred inflow of resources (\$710.1 million), by \$415.2 million as of June 30, 2014. Within governmental activities, net position increased by \$17.7 million, while the net position in business-type activities increased by \$3.9 million or 5.9%. The increasing level of net position contributes to the City's overall financial strength.
- The City's governmental funds, which are reported using the current financial resources measurement focus and the modified accrual basis of accounting had a combined ending fund balance of \$95.8 million, a decrease of \$14.5 million from the prior fiscal year-end period.
- As of June 30, 2014, the total fund balance for the General Fund was \$33.2 million. Of this amount, \$27.5 million was assigned for various purposes. Included in that amount is the assigned fund balance for the Rainy Day Fund of \$21.1 million (versus \$18.1 million in the prior year). At year end this represented approximately 4% of total General Fund expenditures of \$539.5 million reported on the modified accrual basis of accounting. The Rainy Day Fund enhances the City's financial flexibility by providing resources outside of the City's General Fund. In addition, the City has \$6.4 million of other assigned fund balance at year-end, (versus \$3.4 million at the prior year-end), and this represented 1.1% of those same total General Fund expenditures.
- The City's total long-term debt (bonds and notes payable) decreased by \$31.1 million to \$508.8 million in fiscal 2014.
- 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 increase in net position of \$64.7 million, or 12.4%, in fiscal 2014. The increase consisted primarily of employer/employee contributions totaling \$22.8 million and net investment income of \$79.3 million which were offset by benefits and administration deductions of \$37.4 million. The pension funds were approximately 84% funded from an actuarial standpoint. The pension trusts' boards and City officials closely monitor the various plans to ensure their ongoing stability, given the volatile financial market conditions and the uncertain global economic environment.

- The City also continued to implement its five-year phase-in funding plan for Other Post Employment Benefit ("OPEB") costs. Commencing on July 1, 2013, the minimum percentage contribution to the OPEB Trust Fund in fiscal 2014 was 70% (\$19.6 million) of the actuarially required contribution ("ARC"). Actual contributions totaled \$20.8 million and consequently the OPEB Trust Funded Ratio was approximately 10.2% as of June 30, 2014.
- Net position for all trust funds under management totaled \$634.7 million as of June 30, 2014.

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 consist 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 of 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 Position presents information on all of the City's assets and liabilities, with the difference reported as the City's net position. Evaluating the amount and composition of the City's net position - 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 position 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 properly assess the overall financial health of the City.

The Statement of Activities presents information showing how the City's net position 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 result in cash flow only 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; public safety; health and welfare; public works; and administration. 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, tenants, 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 as it manages City owned real property.

The government-wide financial statements (Statement of Net Position and Statement of Activities) are provided on pages 18-19 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 basis of 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 Position and the Statement of Activities) and governmental funds is described in a reconciliation following the fund financial statements.

The City maintains 19 individual governmental funds, including the General Fund, Capital Projects funds (4), the Debt Service Fund (1), and Special Revenue funds (13). 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 Grants Programs, School Building Use, Continuing Education, Marinas, Greater Stamford Transit District, Parking, 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 76.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance) are presented on pages 20-21 and 22-23 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, tax appeals and employee health benefits costs for both 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 Proprietary Fund financial statements (Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows) are presented on pages 24-26 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 fund assets - if any - 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 Employees, 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 Fiduciary Fund financial statements are provided on pages 27-28 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 29-75 of this report.

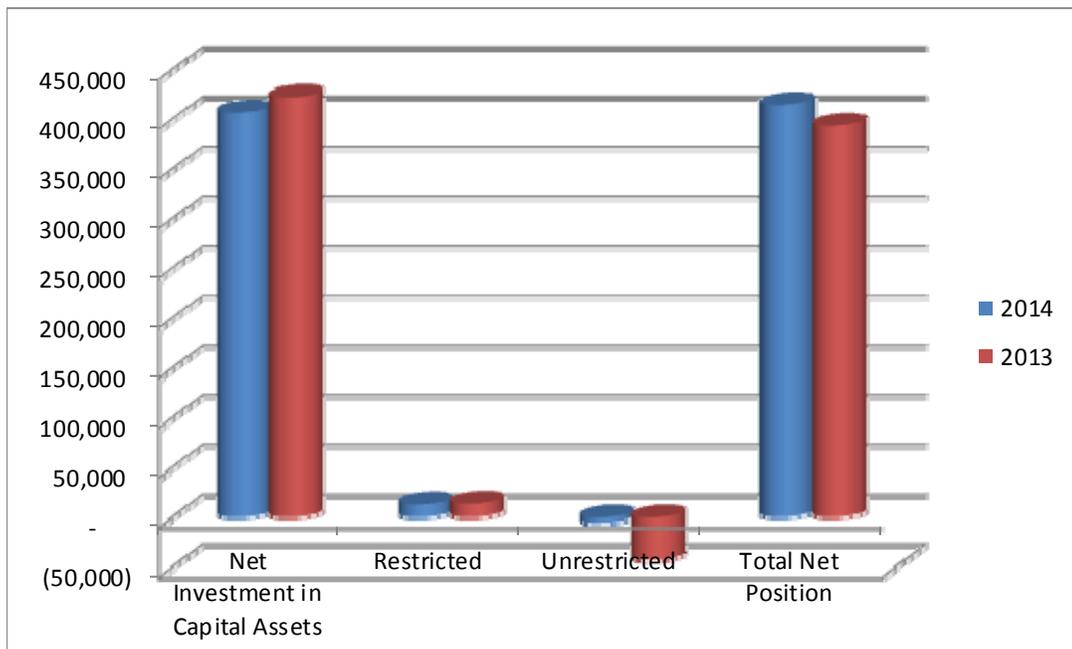
Government-Wide Financial Analysis

As noted earlier, net position 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 City's case, its governmental activities assets and deferred outflow of resources (\$939.0 million) exceeded its liabilities and deferred inflow of resources (\$593.8 million) by \$345.2 million at June 30, 2014.

City of Stamford
Statement of Net Position (\$000s)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 217,360	\$ 242,791	\$ 22,414	\$ 10,711	\$ 239,774	\$ 253,502
Capital assets, net of accumulated depreciation	716,661	706,034	163,583	163,781	880,244	869,815
Total assets	934,021	948,825	185,997	174,492	1,120,018	1,123,317
Deferred outflow of resources	5,029	5,836	238		5,267	5,836
Current liabilities	47,627	58,739	3,042	3,339	50,669	62,078
Long-term liabilities outstanding	528,503	557,898	113,272	105,072	641,775	662,970
Total liabilities	576,130	616,637	116,314	108,411	692,444	725,048
Deferred inflow of resources	17,672	10,485	-	-	17,672	10,485
Net Position:						
Net investments in capital assets	349,464	362,979	57,735	59,696	407,199	422,675
Restricted	3,562	5,826	9,614	8,098	13,176	13,924
Unrestricted	(7,778)	(41,266)	2,572	(1,713)	(5,206)	(42,979)
Total Net Position	\$ 345,248	\$ 327,539	\$ 69,921	\$ 66,081	\$ 415,169	\$ 393,620

City of Stamford
Total Net Position - Primary Government
Fiscal Year 2014 vs. Fiscal Year 2013



Net Position

On a government-wide basis, excluding the component units, as of June 30, 2014 the primary government's assets and deferred outflow of resources (\$1,125.3 million) exceeded its liabilities and deferred inflow of resources (\$710.1 million), resulting in a net position of \$415.2 million, an increase of \$21.6 million from last fiscal year-end's net position of \$393.6 million. The net position for governmental activities only at June 30, 2014 was \$345.2 million, up \$17.7 million from \$327.5 million the previous year and the total net position for business-type activities was \$70.0 million, an increase of \$3.9 million from the prior year balance of \$66.1 million.

Unrestricted Net Position In the government-wide financial statements for governmental activities, the assets and deferred outflow of resources (\$939.0 million) of the City exceeded its liabilities and deferred inflow of resources (\$593.8 million) at June 30, 2014 by \$345.2 million. Of this amount, the unrestricted portion was a deficit of \$7.8 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 (\$21.8 million) and OPEB obligations (\$52.8 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 Investment in Capital Assets As expected, the largest portion of the City's net position reflects its investment in capital assets (e.g., land, construction-in-progress, 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 Position Of the City's total net position of \$345.2 million as of June 30, 2014, \$3.6 million, or approximately 1%, was restricted for debt service (reflecting funds set aside in debt service reserve accounts in accordance with indenture agreements).

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's governmental activities funds will have enough cash or readily liquid assets on hand to finance its short-term obligations within that period. As of June 30, 2014, the City's current ratio was 4.5 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, 2014, the City's quick ratio was 2.7 to 1, also a respectable ratio. Both of these liquidity ratios improved on those of the prior year.

The City's debt service ratio (annual debt service divided by General Fund expenditures) was under 10% as of June 30, 2014, which is favorably considered to be "moderate to average" by the major rating agencies. In addition, the City's debt burden ratio of 1.5% (i.e., net debt outstanding for the City's governmental activities divided by Equalized Net Grand List or \$396.4 million / \$27,068.3 million = 1.5%) 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 48-56.

City of Stamford
Changes in Net Position (\$000's)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Revenues:						
Program revenues:						
Charges for services	\$ 51,121	\$ 47,814	\$ 27,070	\$ 24,874	\$ 78,191	\$ 72,688
Operating grants and contributions	94,178	85,478	288		94,466	85,478
Capital grants and contributions	25,170	5,316			25,170	5,316
General revenues:						
Property taxes	446,993	434,728			446,993	434,728
Grants not restricted to specific programs	7,029	6,819			7,029	6,819
Gain on sale of property		2,335			-	2,335
Unrestricted investment earnings	182	182	35	96	217	278
Total revenues	<u>624,673</u>	<u>582,672</u>	<u>27,393</u>	<u>24,970</u>	<u>652,066</u>	<u>607,642</u>
Expenses:						
Governmental services	6,841	11,964			6,841	11,964
Administration	10,194	10,493			10,194	10,493
Legal affairs	19,658	18,280			19,658	18,280
Public safety	120,035	123,300			120,035	123,300
Health and welfare	33,579	32,413			33,579	32,413
Community services	10,021	9,913			10,021	9,913
Operations	65,546	67,060			65,546	67,060
Education	325,938	302,043			325,938	302,043
Interest	15,152	14,529			15,152	14,529
Water Pollution Control Authority			21,225	21,507	21,225	21,507
Old Town Hall Redevelopment Agency			1,084	1,039	1,084	1,039
E.G. Brennan Golf Course			1,244	1,185	1,244	1,185
Total expenses	<u>606,964</u>	<u>589,995</u>	<u>23,553</u>	<u>23,731</u>	<u>630,517</u>	<u>613,726</u>
Change in net position	17,709	(7,323)	3,840	1,239	21,549	(6,084)
Net Position at Beginning of Year, as Restated	<u>327,539</u>	<u>334,862</u>	<u>66,081</u>	<u>64,842</u>	<u>393,620</u>	<u>399,704</u>
Net Position at End of Year	<u>\$ 345,248</u>	<u>\$ 327,539</u>	<u>\$ 69,921</u>	<u>\$ 66,081</u>	<u>\$ 415,169</u>	<u>\$ 393,620</u>

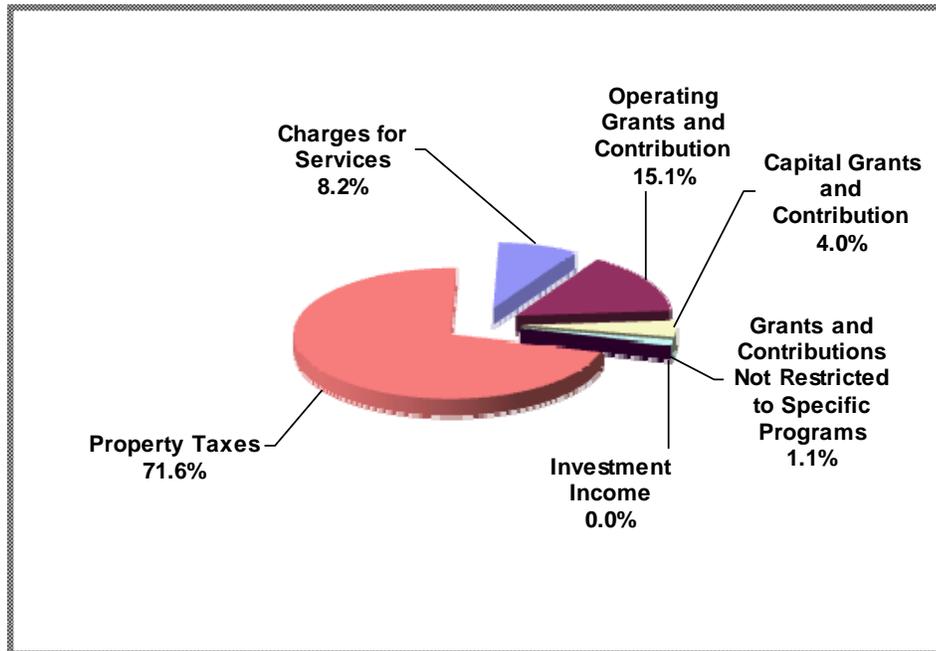
Change in Net Position

Governmental Activities

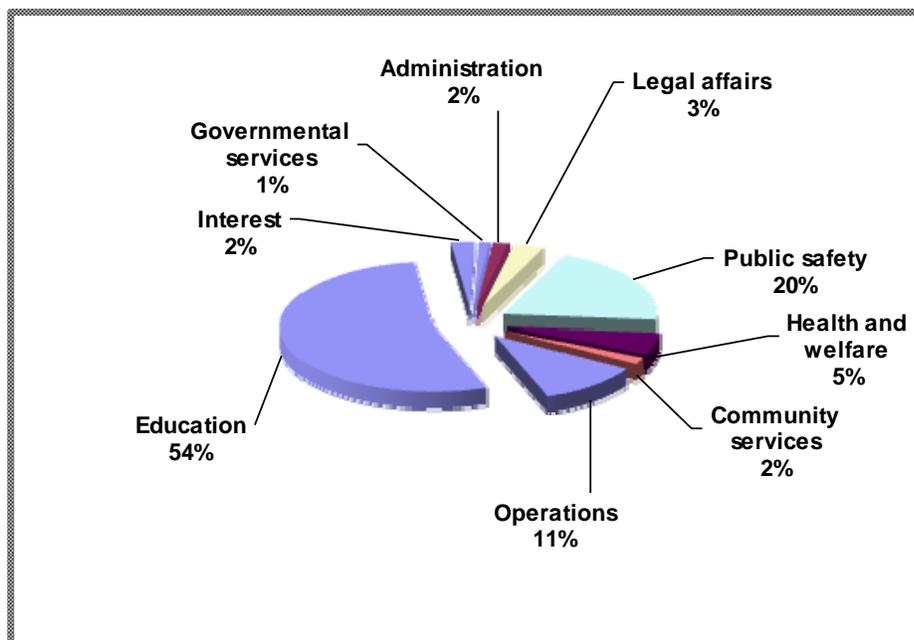
In fiscal 2014, governmental activities increased the City's net position by \$17.7 million. Governmental activities revenues were \$624.7 million, up \$42.0 million from the prior year while expenses were \$607.0 million, up \$17.0 million from the prior year. Revenue by source was within management's expectations. Approximately 71.6% of revenues in total governmental activities revenues were derived from property taxes, while about 19.1% of revenues were derived from operating and capital grants and contributions, and the remainder, about 9.3%, came from charges for services, investment earnings, and other sources. Overall, the property tax levy increased from the prior year while operating and capital grants and contributions increased by

approximately 31% from the previous year. The increase in operating and capital grants and contributions revenue over the prior year was due to an increase in “on behalf payments” of approximately \$5.5 million and FEMA reimbursement of \$2.2 million and the completion of certain work on the Urban Transitway of \$3.8 million. The City continues to focus on containing costs, although rising structural costs (e.g., pensions, OPEB, medical benefits) represent a continuing challenge.

**City of Stamford
Revenues – Governmental Activities
June 30, 2014**



**City of Stamford
Expenses – Governmental Activities
June 30, 2014**



Business-Type Activities

In fiscal 2014, changes in the net position of business-type activities resulted in an increase in the net position of business-type activities as of June 30, 2014 of \$3.8 million, primarily reflecting the increase in current assets.

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, 2014, the City's Governmental Funds (General Fund, Capital Projects Fund, Mill River Capital Projects Fund, Non-Major Governmental funds) combined fund balance was \$95.8 million, a decrease of \$14.5 million from the prior year. Approximately \$65.9 million of the combined fund balance is reported as nonspendable, restricted, or committed since it has been obligated for the following purposes:

- \$47.3 million for ongoing City capital projects
- \$14.4 million for debt service for the City and Mill River, capital non-recurring, special revenue funds, and other

The General Fund is the chief operating fund of the City. As of June 30, 2014, the total fund balance was \$33.2 million, consisting of nonspendable fund balance of \$2.5 million, committed fund balance of \$1.2 million, \$27.5 million of assigned fund balance, with the balance unassigned. The total fund balance represents 6.3% of total General Fund expenditures (including transfers as defined), as compared to 6.4% a year ago. In order to strengthen the City's financial flexibility, a portion of the prior year surplus balance in recent years has typically been committed 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 committed 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 committed to the Rainy Day Fund. The Rainy Day Fund may not exceed 5% of General Fund expenditures for the prior fiscal year (\$25.6 million) and may only be used to support expenditures in subsequent fiscal years. During fiscal year 2014, approximately \$3.0 million was committed from the fiscal 2013 General Fund surplus to the Rainy Day Fund, bringing the balance in the City's Rainy Day Fund to approximately \$21.1 million as of June 30, 2014. The City has recommended that \$1.1 million from the fiscal 2014 surplus be committed to the Rainy Day Fund in fiscal year 2015.

The budgetary basis fund balance of the City's General Fund decreased by \$1.8 million to \$9.3 million as of June 30, 2014, the primary factors affecting this change in fund balance were as follows:

- Planned uses of fund balance during the year were \$3.0 million, all of which was committed to the Rainy Day Fund.
- Current year (i.e., fiscal 2014) operating results (revenues less expenditures) produced an approximate \$1.2 million operating surplus. 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 98.8%, marking the thirteenth 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, 2014, the Capital Projects Fund had a total fund balance of \$47.3 million, down \$17.4 million from the prior year.

As of June 30, 2014, the Mill River Capital Projects Fund had a total fund balance of \$2.5 million, down \$.3 million from the prior year.

Non-Major Governmental Funds had a total fund balance of \$12.8 million, up \$2.7 million from the prior year (as restated for the inclusion of the Rainy Day Fund in the committed fund balance of the General Fund). The City's operating flexibility is greatly enhanced by the maintenance of independent restricted, committed, 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 96-99.

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

As of June 30, 2014, the net position of the SWPCA was \$65.7 million, up \$4.0 million from the prior year (due primarily to increased sewer usage charges of approximately \$1.2 million and lower operating expenses of approximately \$.5 million). Unrestricted net position of the SWPCA was \$7.8 million, up \$4.5 million as compared to the prior year-end balance of \$3.3 million. The SWPCA recorded operating revenues of \$22.4 million and non-operating revenue of approximately \$2.5 million in fiscal 2014. For more information on the SWPCA, please refer to their stand-alone audit report which contains more detailed information regarding the SWPCA's finances for fiscal year 2014.

OTHRA had a net position of \$2.7 million, of which the unrestricted amount was a deficit of \$5.6 million and the operating income was \$.1 million.

The net position for the non-major Enterprise Fund - E.G. Brennan Golf Course - was \$1.5 million as of June 30, 2014, down \$.1 million from the prior year.

General Fund Budgetary Highlights

In fiscal 2014, the difference between the General Fund's original budgeted revenues and other financing sources of \$493.1 million and the final amended revenue budget of \$499.3 million was approximately \$6.2 million. Additionally, \$7.9 million of prior year fund balance was appropriated for operations. Revenue budget adjustments primarily included higher property tax, interest, liens and contingency revenues (\$4.1 million) and charges for services (\$2.1 million).

The difference between the General Fund’s original budgeted Expenditures, Encumbrances and Other Financing Uses of \$493.1 million and the final amended expenditure budget of \$507.1 million was \$14.0 million. The expenditure budget adjustments, which were made taking certain prior year fund balance appropriations into consideration, primarily included Legal Affairs (\$2.5 million higher), Public Safety (\$3.3 million higher), and Operations (\$2.1 million higher).

During the year, total actual revenues and other financing sources were \$505.2 million which exceeded the final budget of \$499.3 million by \$5.9 million. This favorable variance was primarily due to higher property taxes, interest and liens (\$1.7 million), conveyance fees (\$.8 million) and Licenses, Fees and Permits (\$.7 million), and partially offset by lower Smith House Revenues (\$.5 million). During the year, actual expenditures, encumbrances and other were held to \$450.1 million, which compared favorably to the final budget of \$453.3 million.

The budgetary basis General Fund balance as of June 30, 2014 was \$9.3 million. Of this amount, \$1.1 million is expected to be recommended to be committed to the Rainy Day Fund.

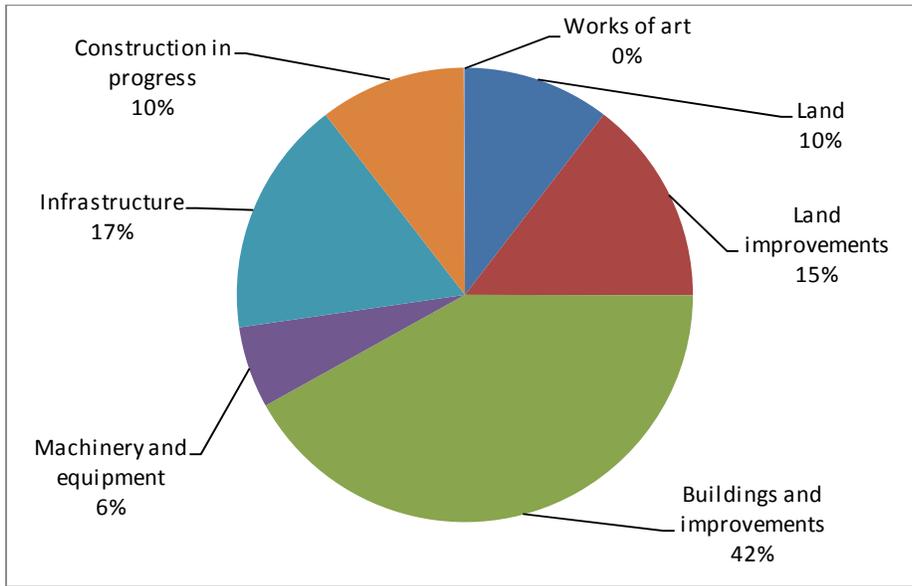
Capital Assets and Debt

Capital Assets As of June 30, 2014, the City's investment in capital assets for its governmental and business-type activities amounted to \$880.2 million (net of accumulated depreciation), an increase of \$10.4 million, or 1.2%, from the prior year period. This investment in capital assets includes land, construction-in-progress, building and improvements, machinery equipment, park facilities, roads, sewers, and bridges (infrastructure).

City of Stamford Capital Assets, Net of Accumulated Depreciation (\$000s)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 86,863	\$ 86,863	\$ 4,864	\$ 4,864	\$ 91,727	\$ 91,727
Land improvements	123,227	113,929	5,368	4,707	128,595	118,636
Buildings and improvements	273,002	283,991	95,556	98,058	368,558	382,049
Machinery and equipment	38,639	37,749	12,466	10,449	51,105	48,198
Infrastructure	104,253	100,406	43,999	44,444	148,252	144,850
Construction in progress	89,910	82,329	1,330	1,259	91,240	83,588
Works of art	767	767			767	767
Total	\$ 716,661	\$ 706,034	\$ 163,583	\$ 163,781	\$ 880,244	\$ 869,815

**City of Stamford
Capital Assets – Primary Government
June 30, 2014**



Major capital projects during fiscal 2014 included the following:

City of Stamford Capital Projects (Millions)

Project	Amount
City Property Improvements	\$ 24.1
City-wide Street Restoration	5.9
BOE School Improvements	11.7
All Other Projects	6.7
	\$ 48.4

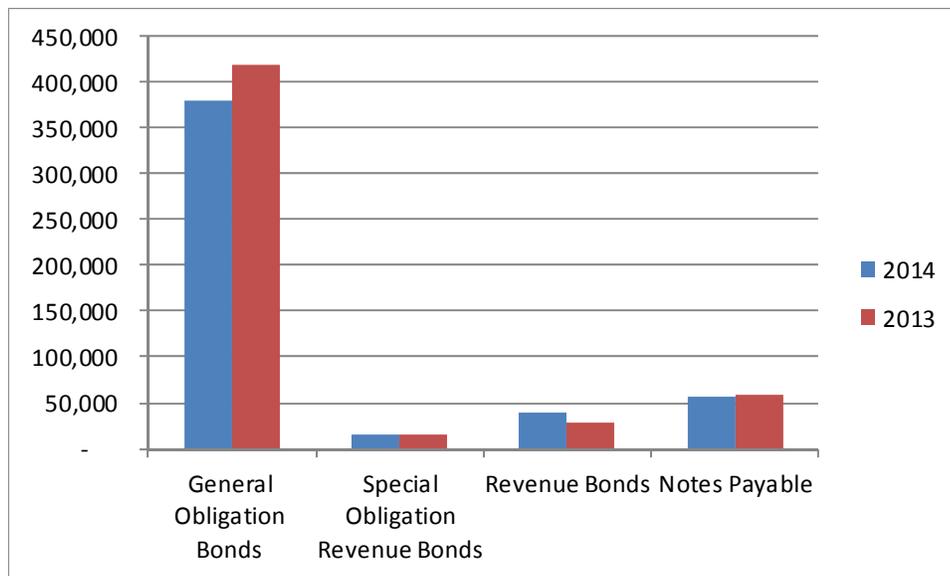
Additional information on capital assets is provided in Note 5 on pages 44-46 of this report.

Long-Term Debt As of June 30, 2014, the City had total long-term debt outstanding of \$490.8 million, down \$31.1 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**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General obligation bonds	\$ 364,744	\$ 401,612	\$ 14,965	\$ 16,807	\$ 379,709	\$ 418,419
Special obligation revenue bonds	16,245	16,245			16,245	16,245
Revenue bonds			39,080	27,570	39,080	27,570
Notes payable			55,807	59,677	55,807	59,677
Total	\$ 380,989	\$ 417,857	\$ 109,852	\$ 104,054	\$ 490,841	\$ 521,911

**Long-Term Debt (\$000s)
2014 vs. 2013 (at June 30)**



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 \$3.1 billion. The City's outstanding debt of \$490.8 million as of June 30, 2014 was substantially below this statutory debt limit.

Additional information on long-term liabilities is provided in Note 7 on pages 47-56 of this report.

Economic Factors and Subsequent Events

Despite the continuing adverse effects of the weak global economy, the City's economy, although impacted, held up comparatively well during fiscal 2014 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 5.2% is comparable to the 6.7% rate for the State of Connecticut and the 6.1% rate nationally. The office vacancy rate for central business district properties in Stamford was 21.4% in the fiscal 2014 fourth quarter (period ended June 30, 2014) as compared to 27.1% at the prior fiscal 2013 fourth quarter; 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 (latest available) median household income in the Stamford metropolitan area was approximately \$76,800 which compared favorably to the estimated median household income in the State of Connecticut of approximately \$69,500, and nationally of approximately \$52,250.

These economic factors, including the expectation of continuing cost pressures and the likelihood of an uneven economic recovery, were considered in preparing the City's fiscal 2015 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 and will be available on the City's website at www.stamfordct.gov. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Director of Administration at 888 Washington Boulevard, Stamford, CT 06901.

**BASIC
FINANCIAL
STATEMENTS**

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Urban Redevelopment Commission
ASSETS				
Cash and cash equivalents	\$ 128,258,882	\$ 3,386,331	\$ 131,645,213	\$ 508,526
Investments	2,000,630	6,202,155	8,202,785	
Restricted cash and cash equivalents	6,755,354	9,614,026	16,369,380	
Receivables, net:				
Property taxes, net	9,604,841		9,604,841	
Accounts, net	5,422,156	3,289	5,425,445	7,779
Usage, net		2,346,947	2,346,947	
Loans	24,034,824		24,034,824	1,864,600
Intergovernmental	29,164,277		29,164,277	
Special assessments, net		9,433,343	9,433,343	
Non-usage, net		1,127,058	1,127,058	
Due from component unit	273,661		273,661	
Due from primary government			-	119,567
Internal balances	9,726,296	(9,726,296)	-	
Prepaid expenses	470,775	17,358	488,133	
Inventory	81,631	9,902	91,533	
Pension assets	1,566,486		1,566,486	
Land held for resale			-	3,415,190
Capital assets, nondepreciable	177,540,020	6,193,038	183,733,058	
Capital assets, net of accumulated depreciation	539,121,185	157,389,636	696,510,821	
Total assets	934,021,018	185,996,787	1,120,017,805	5,915,662
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	5,029,302	237,984	5,267,286	
LIABILITIES				
Accounts payable	21,264,272	1,394,542	22,658,814	9,853
Accrued liabilities	8,554,469	340,448	8,894,917	6,340
Retainage payable	1,397,456		1,397,456	
Accrued interest payable	5,337,534	1,150,743	6,488,277	
Due to primary government			-	273,661
Due to component unit	119,567		119,567	
Unearned revenue	10,954,161	156,139	11,110,300	
Noncurrent liabilities:				
Due within one year	59,288,565	6,356,969	65,645,534	
Due in more than one year	469,214,278	106,914,619	576,128,897	
Total liabilities	576,130,302	116,313,460	692,443,762	289,854
DEFERRED INFLOWS OF RESOURCES				
Advance property tax collections	17,671,931		17,671,931	
NET POSITION				
Net investment in capital assets	349,463,398	57,735,282	407,198,680	
Restricted:				
Debt service	3,562,330	9,614,026	13,176,356	
Unrestricted	(7,777,641)	2,572,003	(5,205,638)	5,625,808
Total Net Position	\$ 345,248,087	\$ 69,921,311	\$ 415,169,398	\$ 5,625,808

The accompanying notes are an integral part of the financial statements

**CITY OF STAMFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Function/Program Activities	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Urban Redevelopment Commission
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental activities:								
Governmental services	\$ 6,841,392	\$ 7,616,129	\$ 1,620,547	\$ -	\$ 2,395,284	\$ -	\$ 2,395,284	\$ -
Administration	10,193,569	427,549	1,724,405	-	(8,041,615)	-	(8,041,615)	-
Legal affairs	19,657,416	70,641	-	-	(19,586,775)	-	(19,586,775)	-
Public safety	120,035,390	8,724,858	1,409,162	-	(109,901,370)	-	(109,901,370)	-
Health and welfare	33,579,123	14,574,748	8,203,449	-	(10,800,926)	-	(10,800,926)	-
Community services	10,020,728	-	164,938	-	(9,855,790)	-	(9,855,790)	-
Operations	65,546,321	17,180,670	3,411,681	25,170,368	(19,783,602)	-	(19,783,602)	-
Education	325,937,917	2,526,113	76,570,768	-	(246,841,036)	-	(246,841,036)	-
Interest	15,152,342	-	1,073,223	-	(14,079,119)	-	(14,079,119)	-
Total governmental activities	<u>606,964,198</u>	<u>51,120,708</u>	<u>94,178,173</u>	<u>25,170,368</u>	<u>(436,494,949)</u>	<u>-</u>	<u>(436,494,949)</u>	<u>-</u>
Business-type activities:								
Water Pollution Control Authority	21,225,181	24,870,174	288,238	-	-	3,933,231	3,933,231	-
Old Town Hall Redevelopment Agency	1,084,051	1,023,708	-	-	-	(60,343)	(60,343)	-
E.G. Brennan Golf Course	1,244,091	1,176,565	-	-	-	(67,526)	(67,526)	-
Total business-type activities	<u>23,553,323</u>	<u>27,070,447</u>	<u>288,238</u>	<u>-</u>	<u>-</u>	<u>3,805,362</u>	<u>3,805,362</u>	<u>-</u>
Total Primary Government	<u>\$ 630,517,521</u>	<u>\$ 78,191,155</u>	<u>\$ 94,466,411</u>	<u>\$ 25,170,368</u>	<u>(436,494,949)</u>	<u>3,805,362</u>	<u>(432,689,587)</u>	<u>-</u>
Component Unit								
Urban Redevelopment Commission	<u>\$ 325,204</u>	<u>\$ 70,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(254,251)</u>
General revenues:								
Property taxes	-	-	-	-	446,992,958	-	446,992,958	-
Grants and contributions not restricted to specific programs	-	-	-	-	7,029,198	-	7,029,198	-
Unrestricted investment earnings	-	-	-	-	181,675	35,347	217,022	65,144
Total general revenues and transfers	-	-	-	-	<u>454,203,831</u>	<u>35,347</u>	<u>454,239,178</u>	<u>65,144</u>
Change in net position	-	-	-	-	17,708,882	3,840,709	21,549,591	(189,107)
Net Position at Beginning of Year, as Restated	-	-	-	-	<u>327,539,205</u>	<u>66,080,602</u>	<u>393,619,807</u>	<u>5,814,915</u>
Net Position at End of Year	-	-	-	-	<u>\$ 345,248,087</u>	<u>\$ 69,921,311</u>	<u>\$ 415,169,398</u>	<u>\$ 5,625,808</u>

**CITY OF STAMFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2014**

	<u>General</u>	<u>Capital Projects</u>	<u>Mill River Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 57,341,970	\$ 12,046,075	\$ 1,571,172	\$ 20,714,220	\$ 91,673,437
Investments	2,000,630				2,000,630
Restricted cash		2,585,323	4,170,031		6,755,354
Property taxes receivable, net	9,604,841				9,604,841
Other receivables:					
Accounts	3,244,091			1,713,583	4,957,674
Loans		7,938,712			7,938,712
Intergovernmental	1,892,290	23,546,634	50,000	3,675,353	29,164,277
Due from component unit	273,661				273,661
Advances to other funds	2,454,234	5,890,485			8,344,719
Due from other funds	6,484,280	2,652,259			9,136,539
Prepaid expenditures				470,775	470,775
Inventories	48,043			33,588	81,631
Total Assets	<u>\$ 83,344,040</u>	<u>\$ 54,659,488</u>	<u>\$ 5,791,203</u>	<u>\$ 26,607,519</u>	<u>\$ 170,402,250</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued items	\$ 14,763,616	\$ 5,337,888		\$ 1,100,342	\$ 21,201,846
Accrued liabilities	2,314,851	52,669		915,040	3,282,560
Retainage payable		1,397,456			1,397,456
Due to other funds				4,454,962	4,454,962
Advances from other funds			3,300,000		3,300,000
Due to component unit	63,300			56,267	119,567
Unearned revenue	3,839,349	553,562		6,545,190	10,938,101
Total liabilities	<u>20,981,116</u>	<u>7,341,575</u>	<u>3,300,000</u>	<u>13,071,801</u>	<u>44,694,492</u>
Deferred inflows of resources:					
Unavailable revenue - property taxes	8,517,500				8,517,500
Unavailable revenue - school building receivable	1,713,434				1,713,434
Unavailable revenue - miscellaneous receivables	1,291,749				1,291,749
Unavailable revenue - police extra duty				225,850	225,850
Unavailable revenue - parking				503,121	503,121
Advance property tax collections	17,671,931				17,671,931
Total deferred inflows of resources	<u>29,194,614</u>	<u>-</u>	<u>-</u>	<u>728,971</u>	<u>29,923,585</u>
Fund balances:					
Nonspendable	2,502,277	13,829,197		504,363	16,835,837
Restricted		33,488,716	2,491,203	11,861,158	47,841,077
Committed	1,211,283				1,211,283
Assigned	27,462,937			915,049	28,377,986
Unassigned	1,991,813			(473,823)	1,517,990
Total fund balances	<u>33,168,310</u>	<u>47,317,913</u>	<u>2,491,203</u>	<u>12,806,747</u>	<u>95,784,173</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 83,344,040</u>	<u>\$ 54,659,488</u>	<u>\$ 5,791,203</u>	<u>\$ 26,607,519</u>	<u>\$ 170,402,250</u>

(Continued on next page)

CITY OF STAMFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2014

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Position:

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$	95,784,173
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 1,259,405,971	
Less accumulated depreciation	<u>(542,744,766)</u>	
Net capital assets		716,661,205

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:

Property tax receivables greater than 60 days	5,683,097
Interest receivable on property taxes	2,834,403
Receivable from the state for school construction projects	1,713,434
Departmental income	2,020,720
Loan receivable	16,096,112

Pension assets	1,566,486
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Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

(1,518,598)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds payable	(380,989,264)
Deferred amount on premium	(15,473,388)
Deferred charge on refunding	5,029,302
Accrued interest payable	(5,337,534)
Claims payable	(12,496,581)
Early retirement incentives	(2,317,977)
Compensated absences	(21,834,886)
Pollution remediation obligation	(9,314,786)
Net OPEB obligation	(52,814,931)
Net pension obligation	<u>(42,900)</u>

Net Position of Governmental Activities (Exhibit I)	\$	<u><u>345,248,087</u></u>
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The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	<u>General</u>	<u>Capital Projects</u>	<u>Mill River Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Property taxes, interest and lien fees	\$ 448,384,626	\$	\$ 846,057	\$	\$ 449,230,683
Intergovernmental revenues	54,069,259	25,136,752		46,938,149	126,144,160
Charges for services	32,884,272			17,745,000	50,629,272
Interest, dividends and investment income	105,525	52,097			157,622
Other	1,511,524	33,616		976,862	2,522,002
Total revenues	<u>536,955,206</u>	<u>25,222,465</u>	<u>846,057</u>	<u>65,660,011</u>	<u>628,683,739</u>
Expenditures:					
Current:					
Governmental services	3,523,132			1,962,249	5,485,381
Administration	8,349,490				8,349,490
Legal affairs	19,122,105				19,122,105
Public safety	103,745,523			13,082,503	116,828,026
Health and welfare	27,489,724			5,423,329	32,913,053
Community services	9,747,085				9,747,085
Operations	38,877,197			3,457,589	42,334,786
Board of Education	276,434,644			36,178,404	312,613,048
Debt service:					
Principal retirement				36,902,376	36,902,376
Interest and other charges				16,287,559	16,287,559
Capital outlay		42,609,723	18,715		42,628,438
Total expenditures	<u>487,288,900</u>	<u>42,609,723</u>	<u>18,715</u>	<u>113,294,009</u>	<u>643,211,347</u>
Excess (Deficiency) of Revenues over Expenditures	<u>49,666,306</u>	<u>(17,387,258)</u>	<u>827,342</u>	<u>(47,633,998)</u>	<u>(14,527,608)</u>
Other Financing Sources (Uses):					
Transfers in from other funds	3,079,068			53,381,103	56,460,171
Transfers out to other funds	(52,243,953)		(1,137,150)	(3,079,068)	(56,460,171)
Total other financing sources (uses)	<u>(49,164,885)</u>	<u>-</u>	<u>(1,137,150)</u>	<u>50,302,035</u>	<u>-</u>
Net Change in Fund Balances	501,421	(17,387,258)	(309,808)	2,668,037	(14,527,608)
Fund Balances at Beginning of Year, as Restated	<u>32,666,889</u>	<u>64,705,171</u>	<u>2,801,011</u>	<u>10,138,710</u>	<u>110,311,781</u>
Fund Balances at End of Year	<u>\$ 33,168,310</u>	<u>\$ 47,317,913</u>	<u>\$ 2,491,203</u>	<u>\$ 12,806,747</u>	<u>\$ 95,784,173</u>

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities:

Amounts reported for governmental activities in the statement of activities (Exhibit II) are different because of the following:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (14,527,608)
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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.

Capital outlay	42,624,978
Depreciation expense	(31,893,575)
Loss on disposition of capital assets	(103,901)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes collected after 60 days	(2,039,180)
Interest income on property taxes	(205,243)
Intergovernmental revenue on school bonds	(823,732)
Departmental income	(990,712)
Loans	25,101

Change in pension assets	(47,514)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal payments	36,868,173
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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.

Amortization of deferred charges in refunding	(806,204)
Amortization of premium	2,250,175
Accrued interest	(274,551)
Change in early retirement incentive	(201,769)
Change in long-term compensated absences	282,184
Pollution remediation obligation	(2,322,786)
Change in net OPEB obligation	(6,873,931)
Change in pension obligation	1,000
Change in claims and judgments	2,703,419

The net expense of the internal service funds is reported with governmental activities.	<u>(5,935,442)</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 17,708,882</u>
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The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2014

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities</u>
	<u>Water Pollution Control Authority</u>	<u>Old Town Hall Redevelopment Agency</u>	<u>Nonmajor E.G. Brennan Golf Course</u>	<u>Total</u>	<u>Internal Service Funds</u>
Assets:					
Current assets:					
Cash and cash equivalents	\$ 2,746,129	\$ 78,579	\$ 561,623	\$ 3,386,331	\$ 36,585,445
Receivables, net:					
Accounts		1,409	1,880	3,289	464,482
Usage	2,346,947			2,346,947	
Special assessments and connection charges	1,565,728			1,565,728	
Non-usage	1,127,058			1,127,058	
Prepaid expenses		17,358		17,358	
Inventory	9,902			9,902	
Total current assets	<u>7,795,764</u>	<u>97,346</u>	<u>563,503</u>	<u>8,456,613</u>	<u>37,049,927</u>
Noncurrent assets:					
Restricted cash	9,531,631	82,395		9,614,026	
Investments	6,202,155			6,202,155	
Receivables - special assessments and connection charges, net	7,867,615			7,867,615	
Capital assets:					
Not being depreciated	4,162,787	1,414,391	615,860	6,193,038	
Being depreciated, net	139,672,598	17,004,167	712,871	157,389,636	
Total noncurrent assets	<u>167,436,786</u>	<u>18,500,953</u>	<u>1,328,731</u>	<u>187,266,470</u>	<u>-</u>
Total assets	<u>175,232,550</u>	<u>18,598,299</u>	<u>1,892,234</u>	<u>195,723,083</u>	<u>37,049,927</u>
Deferred outflows of resources:					
Deferred charge on refunding	237,984			237,984	
Liabilities:					
Current liabilities:					
Accounts payable	1,326,102	8,765	59,675	1,394,542	62,426
Accrued liabilities	304,304		36,144	340,448	5,271,909
Accrued interest payable	487,514	663,229		1,150,743	
Due to other funds	4,681,577			4,681,577	
Advances from other funds		5,044,719		5,044,719	
Unearned revenues	152,139		4,000	156,139	16,060
Current portion of claims payable				-	14,732,345
Current maturities of bonds payable	2,423,391		34,495	2,457,886	
Current maturities of notes payable	3,864,423			3,864,423	
Current portion of compensated absences	30,960		3,700	34,660	
Total current liabilities	<u>13,270,410</u>	<u>5,716,713</u>	<u>138,014</u>	<u>19,125,137</u>	<u>20,082,740</u>
Noncurrent liabilities:					
Claims payable				-	18,485,785
Bonds payable	53,832,327		190,414	54,022,741	
Notes payable	41,760,105	10,182,376		51,942,481	
Compensated absences	254,634		33,063	287,697	
Other post employment benefit obligations payable	661,700			661,700	
Total noncurrent liabilities	<u>96,508,766</u>	<u>10,182,376</u>	<u>223,477</u>	<u>106,914,619</u>	<u>18,485,785</u>
Total liabilities	<u>109,779,176</u>	<u>15,899,089</u>	<u>361,491</u>	<u>126,039,756</u>	<u>38,568,525</u>
Net Position:					
Net investment in capital assets	48,395,278	8,236,182	1,103,822	57,735,282	
Restricted for debt services	9,531,631	82,395		9,614,026	
Unrestricted	7,764,449	(5,619,367)	426,921	2,572,003	(1,518,598)
Total Net Position	<u>\$ 65,691,358</u>	<u>\$ 2,699,210</u>	<u>\$ 1,530,743</u>	<u>\$ 69,921,311</u>	<u>\$ (1,518,598)</u>

The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities</u>
	<u>Water Pollution Control Authority</u>	<u>Old Town Hall Redevelopment Agency</u>	<u>Nonmajor E.G. Brennan Golf Course</u>	<u>Total</u>	<u>Internal Service Funds</u>
Operating Revenues:					
Charges for services	\$ 20,941,371	\$ 106,968	\$ 1,176,565	\$ 22,224,904	\$ 87,641,075
Intergovernmental	8,368			8,368	
Miscellaneous	1,404,783	916,740		2,321,523	2,457,605
Total operating revenues	<u>22,354,522</u>	<u>1,023,708</u>	<u>1,176,565</u>	<u>24,554,795</u>	<u>90,098,680</u>
Operating Expenses:					
Salaries	3,502,742		594,302	4,097,044	267,930
Employee benefits	1,973,720		107,294	2,081,014	89,891,693
Operation and supplies	7,227,505	368,226	465,825	8,061,556	616,429
Insurance		13,886		13,886	3,355,135
Judgment and claims					1,926,041
Depreciation	5,372,558	564,910	66,015	6,003,483	
Total operating expenses	<u>18,076,525</u>	<u>947,022</u>	<u>1,233,436</u>	<u>20,256,983</u>	<u>96,057,228</u>
Operating Income (Loss)	<u>4,277,997</u>	<u>76,686</u>	<u>(56,871)</u>	<u>4,297,812</u>	<u>(5,958,548)</u>
Nonoperating Revenues (Expenses):					
Interest income	34,167	303	877	35,347	23,106
Interest expense	(3,148,656)	(137,029)	(10,655)	(3,296,340)	
Special assessments and connection charges	2,515,652			2,515,652	
Total nonoperating revenues (expenses)	<u>(598,837)</u>	<u>(136,726)</u>	<u>(9,778)</u>	<u>(745,341)</u>	<u>23,106</u>
Income (Loss) Before Contributions	3,679,160	(60,040)	(66,649)	3,552,471	(5,935,442)
Capital Contributions	<u>288,238</u>			<u>288,238</u>	
Change in Net Position	3,967,398	(60,040)	(66,649)	3,840,709	(5,935,442)
Net Position at Beginning of Year	<u>61,723,960</u>	<u>2,759,250</u>	<u>1,597,392</u>	<u>66,080,602</u>	<u>4,416,844</u>
Net Position at End of Year	<u>\$ 65,691,358</u>	<u>\$ 2,699,210</u>	<u>\$ 1,530,743</u>	<u>\$ 69,921,311</u>	<u>\$ (1,518,598)</u>

The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental</u>
	<u>Water Pollution Control Authority</u>	<u>Old Town Hall Redevelopment Agency</u>	<u>Nonmajor E.G. Brennan Golf Course</u>	<u>Total</u>	<u>Internal Service Funds</u>
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ 22,404,904	\$ 1,142,339	1,169,685	\$ 24,716,928	\$ 89,747,812
Payments to suppliers	(6,916,033)	(1,098,551)	(416,423)	(8,431,007)	(4,683,168)
Payments to employees	(3,502,742)		(586,316)	(4,089,058)	(267,349)
Payments for benefits and claims	(1,737,020)		(107,294)	(1,844,314)	(84,228,226)
Payments for interfund services used	(3,288,325)	758,310		(2,530,015)	
Net cash provided by operating activities	<u>6,960,784</u>	<u>802,098</u>	<u>59,652</u>	<u>7,822,534</u>	<u>569,069</u>
Cash Flows from Capital and Related Financing Activities:					
Principal paid on debt	(16,393,139)		(34,398)	(16,427,537)	
Proceeds from debt	24,402,941			24,402,941	
Acquisition and construction of capital assets	(5,105,120)	(700,000)		(5,805,120)	
Purchase of investments	(6,202,155)			(6,202,155)	
Interest paid on debt	(3,180,198)	(137,029)	(10,655)	(3,327,882)	
Special assessments and connection charges	2,515,652			2,515,652	
Net cash used in noncapital financing activities	<u>(3,962,019)</u>	<u>(837,029)</u>	<u>(45,053)</u>	<u>(4,844,101)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Interest on investments	34,167	300	877	35,344	23,106
Net cash provided by investing activities	<u>34,167</u>	<u>300</u>	<u>877</u>	<u>35,344</u>	<u>23,106</u>
Gain (Loss) before Transfers	3,032,932	(34,631)	15,476	3,013,777	592,175
Transfers in	288,238			288,238	
Net Increase (Decrease) in Cash and Cash Equivalents	3,321,170	(34,631)	15,476	3,302,015	592,175
Cash and Cash Equivalents at Beginning of Year	8,956,590	195,605	546,147	9,698,342	35,993,270
Cash and Cash Equivalents at End of Year	<u>\$ 12,277,760</u>	<u>\$ 160,974</u>	<u>561,623</u>	<u>\$ 13,000,357</u>	<u>\$ 36,585,445</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating income (loss)	\$ 4,277,997	\$ 76,686	(56,871)	\$ 4,297,812	\$ (5,958,548)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	5,372,558	564,910	66,015	6,003,483	
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(235,648)	104,745	(1,880)	(132,783)	(350,868)
(Increase) decrease in other receivables	222,234			222,234	
(Increase) decrease in prepaid items		13,886		13,886	
Increase (decrease) in accounts payable	311,472	(823,370)	46,129	(465,769)	(5,399)
Increase (decrease) in accrued liabilities		106,931	3,273	110,204	3,570,981
Increase (decrease) in advances from other funds	(3,288,325)	758,310		(2,530,015)	
Increase (decrease) in unearned revenue	63,796		(5,000)	58,796	
Increase (decrease) in compensated absences payable			7,986	7,986	
Increase (decrease) in other postemployment benefits obligations payable	236,700			236,700	
Increase (decrease) in claims payable				-	3,312,903
Total adjustments	<u>2,682,787</u>	<u>725,412</u>	<u>116,523</u>	<u>3,524,722</u>	<u>6,527,617</u>
Net Cash Provided by Operating Activities	<u>\$ 6,960,784</u>	<u>\$ 802,098</u>	<u>59,652</u>	<u>\$ 7,822,534</u>	<u>\$ 569,069</u>

The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2014

	<u>Pension Trust Funds</u>	<u>OPEB Trust Fund</u>	<u>Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 13,880,536	\$ 142,686	\$ 892,343
Investments, at fair value:			
Money market funds			
U.S. government obligations	9,339,986		
Corporate bonds	7,223,382		
Common and preferred equities	77,719,119		
Common/collective trusts	2,851,159		
Mutual funds	404,828,012	44,549,424	
Alternative investment/Hedge funds	70,727,617		
	<u>572,689,275</u>	<u>44,549,424</u>	<u>-</u>
Receivables:			
Accounts	83,992		
Contribution receivable, net		4,782,384	
	<u>83,992</u>	<u>4,782,384</u>	<u>-</u>
Accrued interest and dividends	<u>144,111</u>	<u>96</u>	
Total assets	<u>586,797,914</u>	<u>49,474,590</u>	<u>\$ 892,343</u>
LIABILITIES			
Due to student groups			\$ 892,343
Accounts payable	5,081	657,529	
Claims payable		946,229	
	<u>5,081</u>	<u>1,603,758</u>	<u>\$ 892,343</u>
NET POSITION			
Held in Trust for Pension and OPEB Benefits	<u>\$ 586,792,833</u>	<u>\$ 47,870,832</u>	

The accompanying notes are an integral part of the financial statements

**CITY OF STAMFORD, CONNECTICUT
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2014**

	Pension Trust Funds	OPEB Trust Fund
Additions:		
Contributions:		
Employer	\$ 17,437,000	\$ 20,844,369
Plan members	5,370,965	4,269,452
Other revenues		950,233
Total contributions	22,807,965	26,064,054
Investment earnings:		
Net increase in fair value of investments	70,573,609	4,498,473
Interest and dividends	9,905,362	1,073,528
Total investment earnings	80,478,971	5,572,001
Less investment expenses:		
Investment management fees	1,093,769	875,702
Net investment income	79,385,202	4,696,299
Total additions	102,193,167	30,760,353
Deductions:		
Benefits	37,017,337	12,145,157
Administrative expense	503,347	82,531
Total deductions	37,520,684	12,227,688
Change in Net Position	64,672,483	18,532,665
Net Position at Beginning of Year	522,120,350	29,338,167
Net Position at End of Year	\$ 586,792,833	\$ 47,870,832

The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Stamford, Connecticut (the 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 (BOE) 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.

Discretely Presented Component Unit

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.

Blended Component Unit

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

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

(QALICB) and Old Town Hall Manager, Inc., which were established as financial 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. As of the report date, 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 position and the statement of activities) report information on all nonfiduciary activities of the primary government as a whole and its component units. 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 position 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.

C. 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 statements.

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 but 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.

CITY OF STAMFORD, CONNECTICUT

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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 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.

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, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances/net position, revenues and expenditures/expenses. Fund accounting segregates funds according to their intended purpose and is used to aid management in 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 nonmajor 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 reports the following 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.

CITY OF STAMFORD, CONNECTICUT

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The City reports the following major proprietary funds:

Water Pollution Control Authority (SWPCA) is used to account for the operations of the Stamford Water Pollution Control Authority.

Old Town Hall Redevelopment Agency (OTHRA) is used to account for the operations of the Old Town Hall QALICB, LLC and the Old Town Hall Manager, Inc.

Additionally, the City reports the following fund types:

Internal Service Funds - The Internal Service Funds are used to account for the risk management activities related to City Medical, Board of Education Medical, Risk Management and Disputed Assessments funds.

Trust Fund - The Trust Fund accounts 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 Funds are primarily utilized to account for monies held as custodian for outside student groups.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating revenues and expenses.

D. Deposits, Investments and Risk Disclosure

Cash and Cash Equivalents - Cash and cash 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 operate 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.

CITY OF STAMFORD, CONNECTICUT

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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, 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 a money market fund managed by the Cash Management Division of the State Treasurer’s Office, created by Section 3-27 of the General Statutes of Connecticut. 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 Cash Equivalents - Certain assets are classified as restricted because their use is limited. Restricted cash and cash equivalents in the Rainy Day Fund, Capital Projects, Mill River Capital Project and Enterprise funds are to be used for construction purposes and debt service.

E. Receivables and Payables

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 and are used to finance the operations for the City’s fiscal year from the first billing on July 1st to June 30th of the following year. 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. Under State statute, the City has the right to impose a lien on a taxpayer if any personal

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property tax, other than a motor vehicle tax, due the City is not paid within the timeframe limited by any local charter or ordinance. The lien shall be effective for a period of fifteen years from the date of filing unless discharged. A notice of tax lien shall not be effective if filed more than two years from the date of assessment for the taxes claimed to be due.

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 in the URC are due from a developer pursuant to the sale of land by the URC. Loans receivable are recorded and revenues recognized as earned. The loans have various interest rates and maturities.

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, 2014, 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.

F. Prepaid Items and Inventories

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 BOE 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 inventorial items are recorded as expenditures/expenses at the time of purchase and year-end balances are not material.

CITY OF STAMFORD, CONNECTICUT

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JUNE 30, 2014

G. 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 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.

<u>Assets</u>	<u>Years</u>
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.

H. 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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a deferred charge on refunding in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The City reports advance property tax collections in the government-wide statement of net position and in the governmental funds balance sheet. Advance property tax collections represent taxes inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Also, for governmental funds, the City reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, school building receivable, police extra duty, parking and other departmental revenues. These amounts are deferred and recognized as an inflow of resources (revenue) in the period that the amounts become available.

J. 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.

K. Long-Term Obligations

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 position. Bond premiums and discounts 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 whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

L. Fund Equity

Equity in the government-wide financial statements is defined as “net position”. Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on its 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. The components of net position are detailed below:

Net Investment in Capital Assets - the component of net position 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 position that reflects funds set aside in accordance with indenture agreements with bondholders.

Restricted for Special Revenue Funds - the component of net position 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 amounts that do not meet the definition of “restricted” or “net investment in capital assets.”

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

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 capital projects and 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 amounts established and approved by the Board of Finance and Board of Representatives.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

Assigned fund balance, in the General Fund, will represent amounts constrained by the Board of Finance and Board of Representatives for amounts assigned for balancing the subsequent year's budget or the Director of Administration for amounts assigned for encumbrances. An assignment cannot result in a deficit in the unassigned fund balance in the General Fund. 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 and deferred inflows of resources, together with amounts already classified as nonspendable, restricted and committed would exceed the fund's assets and deferred outflows of resources.

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.

M. 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. Encumbrances in total by each major fund and for nonmajor funds in the aggregate are presented in Note 10 - Fund Balance.

N. 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, deferred outflows of resources, liabilities and deferred inflows of resources 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.

O. 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 January 20, 2015.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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.

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

- a. By March 8th, the BOE'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 BOE.
- 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, 2014, there was approximately \$14,000,000 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 nonlapsing 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 nonsalary 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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

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, expenditures and fund balance of the General Fund, as presented in accordance with GAAP and budgetary requirement, is as follows:

	Revenues and Other Financing Sources	Expenditures and Other Financing Uses	Fund Balance
Balance, budgetary basis	\$ 505,242,512	\$ 507,031,229	\$ 9,283,466
Encumbrances June 30, 2013		3,345,960	
Encumbrances June 30, 2014		(2,447,374)	2,447,374
Non budgetary items related to:			
Rainy Day Fund:			
Beginning fund balance			18,118,906
Current year activities	3,018,724		3,018,724
BOE Energy Reserve:			
Beginning fund balance			129,840
Current year activities	170,000		170,000
Transfers in/out elimination	(3,170,000)	(3,170,000)	
On-behalf payments, paid by the State of Connecticut the Teachers' Retirement system	31,098,438	31,098,438	
On-behalf payments, paid by the State of Connecticut to WIC and HIV recipients	<u>3,674,600</u>	<u>3,674,600</u>	
Balance, GAAP basis	<u>\$ 540,034,274</u>	<u>\$ 539,532,853</u>	<u>\$ 33,168,310</u>

B. Fund Deficits

The Risk Management internal service fund reflects a deficit of \$15,956,452 at June 30, 2014. The City plans to address this deficit in subsequent years.

C. Expenditures in Excess of Budget

The following expenditure categories within the General Fund exceeded their budgetary provision by the amounts indicated:

Transfer to Marina Fund	\$ 29,969
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CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

D. Application of Accounting Standards

For the year ended June 30, 2014, the City implemented GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities" and GASB Statement No. 67, "Financial Reporting for Pension Plans." GASB Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB Statement No. 67 replaces the requirements of Statements No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans," and No. 50, "Pension Disclosures," as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits and Investments

Cash and investments of the City, including the component unit, consist of the following at June 30, 2014:

Cash, Restricted Cash and Equivalents:	
Deposits with financial institutions	\$ 162,911,383
State of Connecticut Short-Term Investment Fund	<u>527,301</u>
Total cash, restricted cash and equivalents	<u>163,438,684</u>
Investments:	
General Fund:	
U.S. Government obligations	<u>2,000,630</u> *
Enterprise Fund:	
Mutual funds	<u>6,202,155</u>
Pension and OPEB Trust Funds:	
U.S. Government obligations	9,339,986 *
Corporate bonds	7,223,382 *
Common and preferred stock	77,719,119 *
Common/collective trusts	2,851,159 *
Alternative investments/hedge funds	70,727,617 *
Mutual funds	<u>449,377,436</u>
Total pension and OPEB investments	<u>617,238,699</u>
Total investments	<u>625,441,484</u>
Total Cash and Equivalents and Investments	<u>\$ 788,880,168</u>

* 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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

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

Statement of Net Position:	
Cash and equivalents	\$ 132,153,739
Restricted cash and equivalents	16,369,380
Investments	<u>8,202,785</u>
	<u>156,725,904</u>
Fiduciary Funds:	
Cash and equivalents	14,915,565
Investments	<u>617,238,699</u>
	<u>632,154,264</u>
Total Cash and Investments	\$ <u><u>788,880,168</u></u>

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, 2014, \$122,081,894 of the City's bank balance of \$123,985,681 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 109,723,705
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>12,358,189</u>
Total Amount Subject to Custodial Credit Risk	\$ <u><u>122,081,894</u></u>

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 Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1 Year	1-5 Years	6-10 Years	Over 10 Years
Interest-bearing investments:					
U.S. Government obligations	\$ 11,340,616	\$ 3,161,799	\$ 6,789,929	\$ 1,388,888	\$
Corporate bonds	<u>7,223,382</u>	<u>280,160</u>	<u>3,522,458</u>	<u>1,824,117</u>	<u>1,596,647</u>
	\$ <u><u>18,563,998</u></u>	\$ <u><u>3,441,959</u></u>	\$ <u><u>10,312,387</u></u>	<u><u>3,213,005</u></u>	\$ <u><u>1,596,647</u></u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

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.

<u>Average Rating</u>	<u>U.S. Government Obligations</u>	<u>Corporate Bonds</u>
AAA	\$ 11,340,616	\$
A1		1,370,826
A2		683,630
A3		1,209,515
Aa1		86,127
Aa2		321,340
Aa3		393,175
Baa1		1,170,320
Baa2		1,619,158
Baa3		369,291
	<u>\$ 11,340,616</u>	<u>\$ 7,223,382</u>

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. Information regarding concentration of the investments that represent more than 5% of the investments in each of the respective Plans is detailed in Note 8.

4. TAXES RECEIVABLE

Taxes receivable at June 30, 2014 consisted of the following:

Property taxes - current	\$ 5,818,610
Property taxes - delinquent	3,951,828
Total property tax - principal	<u>9,770,438</u>
Property taxes - interest	4,087,099
Property taxes - collection agency	10,451,506
	<u>24,309,043</u>
Allowance for uncollectible amounts	<u>(14,704,202)</u>
Net Taxes Receivable	<u>\$ 9,604,841</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 86,863,126	\$	\$	\$ 86,863,126
Construction in progress	82,328,719	7,581,175		89,909,894
Works of art	767,000			767,000
Total capital assets not being depreciated	<u>169,958,845</u>	<u>7,581,175</u>	<u>-</u>	<u>177,540,020</u>
Capital assets being depreciated:				
Land improvements	149,415,366	16,059,725		165,475,091
Building and improvements	539,559,057			539,559,057
Machinery and equipment	110,252,897	9,522,198	590,223	119,184,872
Infrastructure	248,185,051	9,461,880		257,646,931
Total capital assets being depreciated	<u>1,047,412,371</u>	<u>35,043,803</u>	<u>590,223</u>	<u>1,081,865,951</u>
Less accumulated depreciation for:				
Land improvements	35,487,167	6,760,719		42,247,886
Building and improvements	255,567,927	10,989,164		266,557,091
Machinery and equipment	72,503,829	8,528,420	486,322	80,545,927
Infrastructure	147,778,590	5,615,272		153,393,862
Total accumulated depreciation	<u>511,337,513</u>	<u>31,893,575</u>	<u>486,322</u>	<u>542,744,766</u>
Total capital assets being depreciated, net	<u>536,074,858</u>	<u>3,150,228</u>	<u>103,901</u>	<u>539,121,185</u>
Governmental Activities Capital Assets, Net	\$ <u>706,033,703</u>	\$ <u>10,731,403</u>	\$ <u>103,901</u>	\$ <u>716,661,205</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 4,863,529	\$	\$	\$ 4,863,529
Construction in progress	1,259,120	70,389		1,329,509
Total capital assets not being depreciated	<u>6,122,649</u>	<u>70,389</u>	<u>-</u>	<u>6,193,038</u>
Capital assets being depreciated:				
Land improvements	5,715,981	985,105		6,701,086
Building and improvements	132,315,103	700,000		133,015,103
Machinery and equipment	37,007,829	3,443,556		40,451,385
Infrastructure	66,535,487	606,069		67,141,556
Total capital assets being depreciated	<u>241,574,400</u>	<u>5,734,730</u>	<u>-</u>	<u>247,309,130</u>
Less accumulated depreciation for:				
Land improvements	1,008,601	323,755		1,332,356
Building and improvements	34,257,357	3,201,656		37,459,013
Machinery and equipment	26,558,482	1,426,697		27,985,179
Infrastructure	22,091,571	1,051,375		23,142,946
Total accumulated depreciation	<u>83,916,011</u>	<u>6,003,483</u>	<u>-</u>	<u>89,919,494</u>
Total capital assets being depreciated, net	<u>157,658,389</u>	<u>(268,753)</u>	<u>-</u>	<u>157,389,636</u>
Business-Type Activities Capital Assets, Net	\$ <u>163,781,038</u>	\$ <u>(198,364)</u>	\$ <u>-</u>	\$ <u>163,582,674</u>

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

Governmental activities:	
Governmental services	\$ 1,435,910
Administration	1,611,177
Public safety	2,985,213
Operations	12,906,061
Education	<u>12,955,214</u>
Total Depreciation Expense - Governmental Activities	\$ <u>31,893,575</u>
Business-type activities:	
Water Pollution Control Authority	\$ 5,372,558
Old Town Hall Redevelopment Agency	564,910
E.G. Brennan Golf Course	<u>66,015</u>
Total Depreciation Expense - Business-Type Activities	\$ <u>6,003,483</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Construction Commitments

The City has active construction projects as of June 30, 2014 that includes building construction and renovations, infrastructure upgrades, road construction and a variety of projects. At June 30, 2014, the City had \$37,992,050 in construction encumbrances in the following funds.

<u>Fund</u>	<u>Amount</u>
Capital Projects	\$ 37,573,046
Mill River Capital Projects	<u>419,004</u>
	<u>\$ 37,992,050</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The balances reflected as due from/to other funds at June 30, 2014 were as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Water Pollution Control Authority	\$ 4,681,577
	Nonmajor Governmental Funds	1,802,703
Capital Projects Fund	Nonmajor Governmental Funds	<u>2,652,259</u>
Total		<u>\$ 9,136,539</u>

Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Old Town Hall Redevelopment Agency	\$ 2,454,234
Capital Projects Fund	Old Town Hall Redevelopment Agency	2,590,485
	Mill River Capital Projects	<u>3,300,000</u>
Total		<u>\$ 8,344,719</u>

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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

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.

	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Transfers Out</u>
Transfers Out:			
General Fund	\$	\$ 52,243,953	\$ 52,243,953
Mill River Capital Project Fund		1,137,150	1,137,150
Non-Major Governmental Funds	<u>3,079,068</u>		<u>3,079,068</u>
 Total Transfers In	 <u>\$ 3,079,068</u>	 <u>\$ 53,381,103</u>	 <u>\$ 56,460,171</u>

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.

7. LONG-TERM DEBT

The following table summarizes changes in the City's long-term indebtedness for the year ending June 30, 2014:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 401,612,437	\$	\$ 36,868,173	\$ 364,744,264	\$ 36,069,115
Special obligation revenue bonds	16,245,000			16,245,000	
Premium	<u>17,723,563</u>		<u>2,250,175</u>	<u>15,473,388</u>	
Total bonds payable	435,581,000	-	39,118,348	396,462,652	36,069,115
Early retirement incentive	2,116,208	2,029,210	1,827,441	2,317,977	1,925,350
Compensated absences	22,117,070	2,211,707	2,493,891	21,834,886	2,183,489
Pollution remediation obligations	6,992,000	2,820,000	497,214	9,314,786	
Net OPEB obligation	45,941,000	6,873,931		52,814,931	
Net pension obligation	43,900		1,000	42,900	
Claims payable	<u>45,105,227</u>	<u>90,371,115</u>	<u>89,761,631</u>	<u>45,714,711</u>	<u>19,110,611</u>
 Total Governmental Activities					
Long-Term Liabilities	<u>\$ 557,896,405</u>	<u>\$ 104,305,963</u>	<u>\$ 133,699,525</u>	<u>\$ 528,502,843</u>	<u>\$ 59,288,565</u>

CITY OF STAMFORD, CONNECTICUT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-Type Activities					
Bonds payable:					
General obligation bonds	\$ 16,807,190	\$	\$ 1,842,089	\$ 14,965,101	\$ 1,822,886
Premium on general obligation bonds	214,540		35,768	178,772	
Revenue bonds	27,570,000	22,095,000	10,585,000	39,080,000	635,000
Premium on revenue bonds	43,887	2,307,941	95,074	2,256,754	
Total bonds payable	<u>44,635,617</u>	<u>24,402,941</u>	<u>12,557,931</u>	<u>56,480,627</u>	<u>2,457,886</u>
Notes payable	59,676,510		3,869,606	55,806,904	3,864,423
Compensated absences	335,169		12,812	322,357	34,660
Net OPEB obligation	<u>425,000</u>	<u>236,700</u>		<u>661,700</u>	
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 105,072,296</u>	<u>\$ 24,639,641</u>	<u>\$ 16,440,349</u>	<u>\$ 113,271,588</u>	<u>\$ 6,356,969</u>

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 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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2014 consisted of the following:

<u>Description</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate (%)</u>	<u>Amount of Original Issue</u>	<u>Balance Outstanding June 30, 2014</u>
Refunding bonds	2003	2018	3.600-5.250	\$ 25,345,000	\$ 9,525,000
Refunding bonds	2005	2021	4.000-5.000	28,095,000	26,810,000
Refunding bonds	2005	2024	3.750-5.000	17,530,000	16,995,000
Qualified zone academy bonds	2006	2022	2.000	1,337,000	761,032
Public Improvements	2008	2028	3.100-5.000	88,000,000	39,035,000
Refunding bonds	2008	2015	3.250-4.000	19,050,000	2,375,000
Qualified zone academy bonds	2008	2023	-	3,750,000	2,250,000
Refunding bonds	2009	2020	3.250-5.000	54,405,000	49,840,000
Clean renewable energy	2009	2024	-	2,000,000	1,333,333
Public Improvements	2009	2030	2.800-5.450	50,000,000	42,050,000
Public Improvements	2010	2023	4.000-5.000	26,580,000	26,175,000
Public Improvements	2010	2028	2.700-5.000	21,600,000	21,600,000
Public Improvements	2010	2031	5.250-5.350	4,425,000	4,425,000
Refunding bonds	2010	2016	2.000	8,975,000	3,600,000
Public Improvements	2011	2026	2.000-4.000	23,960,000	22,635,000
Public Improvements	2011	2032	3.000-5.000	45,000,000	39,000,000
Public Improvements	2013	2033	2.000-4.000	50,000,000	47,100,000
Refunding bonds	2013	2015	1.000-2.000	5,925,000	2,330,000
Refunding bonds	2013	2019	2.000-5.000	22,220,000	21,870,000
Total					379,709,365
Less amount representing business-type activities					(14,965,101)
Total Outstanding					<u>\$ 364,744,264</u>

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, 2014 was approximately \$822,734. Additional reimbursements of \$1,713,434 are expected to be received through the bonds' maturity dates.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Special Obligation Revenue Bonds (Tax Increment Financing)

Special obligation tax increment revenue bonds outstanding as of June 30, 2014 consisted of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount Outstanding at June 30, 2014</u>
Public Improvements - Mill River Corridor	2012	\$ <u>16,245,000</u>	2041	7.000%	\$ <u>16,245,000</u>

In fiscal year 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, was 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 increment revenues. It is not considered a default if there is insufficient tax increment revenues to pay the full amount of principal and interest on the bonds. If the tax increment 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, 2014 was \$2,545,531. 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 \$41,095,350 payable through 2041. For the current year, interest paid was \$1,137,150, while total incremental property tax revenues generated were \$846,057.

Revenue Bonds

SWPCA revenue bonds outstanding as of June 30, 2014 consisted of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original issue Amount</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Amount Outstanding at June 30, 2014</u>
Stamford Water Pollution Control System and Facility Revenue Bonds	2006	\$ 19,765,000	September 2036	3.40- 4.75 %	\$ 17,100,000
Stamford Water Pollution Control System and Facility Revenue and Revenue Refunding Bonds	2014	22,095,000	August 2044	3.0-6.0	<u>21,980,000</u>
					<u>\$ 39,080,000</u>

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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014

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 \$39,080,000 in outstanding SWPCA 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 2044.

Notes Payable

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, 2014, the combined loan balance is \$45,624,528.

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. At that time, monthly interest only payments ranging from approximately \$22,000 to \$24,000 through February 2029 would be made, based on available cash flow as defined in the operating agreement. At June 30, 2014, the outstanding loan balance is \$2,254,380.

OTHRA has a mortgage payable that bears interest at 0.5%, with monthly interest only payments of approximately \$3,000 through February 2029. At that time, monthly interest only payments ranging from approximately \$24,000 to \$26,000 through June 2043 would be made, based on available cash flow as defined in the operating agreement. As of June 30, 2014, the outstanding loan balance is \$7,927,996.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Payments to Maturity

The annual requirements to amortize all general obligation bonds, special obligation revenue bonds, revenues bonds and notes outstanding as of June 30, 2014, including interest payments, were as follows:

General Obligation Bonds:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 36,069,115	\$ 14,182,327	\$ 1,822,886	\$ 658,056	\$ 37,892,001	\$ 14,840,383
2016	34,102,848	12,952,158	1,250,927	605,464	35,353,775	13,557,622
2017	31,914,153	11,705,864	1,226,430	555,092	33,140,583	12,260,956
2018	30,823,613	10,367,667	1,338,815	495,895	32,162,428	10,863,562
2019	29,842,375	8,920,885	1,346,935	432,246	31,189,310	9,353,131
2020-2024	116,419,750	28,142,609	4,026,518	1,479,566	120,446,268	29,622,175
2025-2029	65,712,410	9,908,833	3,262,590	621,161	68,975,000	10,529,994
2030-2034	19,860,000	1,194,578	690,000	19,148	20,550,000	1,213,726
	<u>\$ 364,744,264</u>	<u>\$ 97,374,921</u>	<u>\$ 14,965,101</u>	<u>\$ 4,866,628</u>	<u>\$ 379,709,365</u>	<u>\$ 102,241,549</u>

Special Obligation Revenue Bonds:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	\$	\$ 1,137,150	\$ 635,000	\$ 1,926,170	\$ 635,000	\$ 3,063,320
2016		1,137,150	945,000	1,890,720	945,000	3,027,870
2017		1,137,150	1,000,000	1,840,051	1,000,000	2,977,201
2018		1,137,150	1,050,000	1,787,138	1,050,000	2,924,288
2019		1,137,150	1,105,000	1,733,686	1,105,000	2,870,836
2020-2014	195,000	5,680,150	6,445,000	7,745,353	6,640,000	13,425,503
2025-2029	1,510,000	5,456,150	8,250,000	5,960,319	9,760,000	11,416,469
2030-2034	3,665,000	4,651,150	9,700,000	3,716,775	13,365,000	8,367,925
2035-2039	6,895,000	2,952,250	6,220,000	1,633,481	13,115,000	4,585,731
2040-2044	3,980,000	424,900	3,730,000	510,037	7,710,000	934,937
	<u>\$ 16,245,000</u>	<u>\$ 24,850,350</u>	<u>\$ 39,080,000</u>	<u>\$ 28,743,730</u>	<u>\$ 55,325,000</u>	<u>\$ 53,594,080</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Notes Payable:

<u>Year Ending June 30,</u>	<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2015	\$ 3,864,423	\$ 1,015,241
2016	3,883,503	938,492
2017	3,943,011	859,794
2018	3,996,881	780,549
2019	4,077,555	699,875
2020-2024	20,761,666	2,266,423
2025-2029	5,097,489	756,268
2030-2034		692,332
2035-2039		692,345
2040-2044	<u>10,182,376</u>	<u>604,446</u>
	<u>\$ 55,806,904</u>	<u>\$ 9,305,765</u>

The above general obligation bonds, revenue bonds and notes 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:

	<u>Debt Limit</u>	<u>Indebtedness</u>	<u>Balance</u>
General purpose	\$ 997,310,068	\$ 310,600,179	\$ 686,709,889
Schools	1,994,620,136	184,062,321	1,810,557,815
Sewers	1,662,183,446	76,700,909	1,585,482,537
Urban renewal	1,440,558,987		1,440,558,987
Unfunded pension benefit obligation	1,329,746,757		1,329,746,757

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$3,102,742,433.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

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, 2014, \$18,365,000 of prior bonds outstanding are considered defeased.

Early Retirement Incentive

In prior years, 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 were eligible and elected early retirement received \$16,550 over the first two or three years after retirement. During the fiscal year ended June 30, 2014, the City paid approximately \$2,029,210 in early retirement benefits and this amount was charged to the General Fund. At June 30, 2014, the balance due of \$2,317,977 has been reflected in the government-wide financial statements for governmental activities.

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 vendor 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 cleanup 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.

CITY OF STAMFORD, CONNECTICUT

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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, 2014.

The estimated liability as of June 30, 2014 is \$9,314,786. 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.

Claims Payable

The Internal Service funds reflect medical benefits for City and BOE employees, risk management, disputed assessments, and heart and hypertension claims that are based upon estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported. 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, 2014				
	Medical Benefits - City	Medical Benefits - BOE	Risk Management	Disputed Assessments	Heart and Hypertension
Balance - beginning of year	\$ 2,380,100	\$ 2,846,117	\$ 23,109,105	\$ 1,569,905	\$ 12,700,000
Provision for claims and claims adjustment expense	34,314,998	42,279,824	13,296,871		479,422
Claims and claims adjustment expenses paid	<u>(34,226,198)</u>	<u>(42,477,522)</u>	<u>(9,174,257)</u>	<u>(700,813)</u>	<u>(3,182,841)</u>
Balance - End of Year	<u>\$ 2,468,900</u>	<u>\$ 2,648,419</u>	<u>\$ 27,231,719</u>	<u>\$ 869,092</u>	<u>\$ 9,996,581</u>
Current Portion	<u>\$ 2,468,900</u>	<u>\$ 2,648,419</u>	<u>\$ 8,745,934</u>	<u>\$ 869,092</u>	<u>\$ 4,378,266</u>

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	Year Ended June 30, 2013				
	Medical Benefits - City	Medical Benefits - BOE	Risk Management	Disputed Assessments	Heart and Hypertension
Balance - beginning of year	\$ 3,072,800	\$ 3,074,918	\$ 11,944,566	\$ 1,559,478	\$ 4,966,518
Provision for claims and claims adjustment expense	29,633,635	35,047,582	19,166,031	446,081	9,809,376
Claims and claims adjustment expenses paid	<u>(30,326,335)</u>	<u>(35,276,383)</u>	<u>(8,001,492)</u>	<u>(435,654)</u>	<u>(2,075,894)</u>
Balance - End of Year	<u>\$ 2,380,100</u>	<u>\$ 2,846,117</u>	<u>\$ 23,109,105</u>	<u>\$ 1,569,905</u>	<u>\$ 12,700,000</u>
Current Portion	<u>\$ 2,380,100</u>	<u>\$ 2,846,117</u>	<u>\$ 9,476,494</u>	<u>\$ 1,275,437</u>	<u>\$ 2,400,000</u>

Claims payable also consists of a liability of \$2.5 million for a legal settlement with a communications corporation, which was not due and payable at year-end. The funds will be paid out of the Capital Nonrecurring Fund subject to the approval of the Board of Finance. This amount has been recorded as an expense in the government-wide financial statements.

8. EMPLOYEE RETIREMENT SYSTEMS AND 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 either the City or the Pension Plan depending on the type of the fees. Each of the four defined benefit pension plans operated by the City submits standalone financial reports which can be obtained from the City's website (www.stamfordct.gov).

Management of the City's Pension Funds

The City's Charter mandates that the Classified Employees' Retirement Fund be managed by a Board of Trustees (six (6) in total), consisting of the Mayor (as chairperson), the chairperson of the Board of Finance, the president of the Board of Representatives, and three (3) representatives of the Classified employees (elected to noncurrent three (3) year terms). The trustee positions assigned to the Mayor, the Board of Finance and the Board of Representatives can be other board members as designated by the Mayor, chairperson and president, respectively.

A Board of Trustees manages the Police Pension Trust Fund. The board consists of five (5), two appointed by the Mayor's Office, two agreed to by the union, and one independent member as agreed to by the Mayor's Office appointees and the union.

CITY OF STAMFORD, CONNECTICUT

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The City's Charter mandates that the Custodians' and Mechanics' Retirement Fund be managed by a Board of Trustees (seven (7) in total), consisting of the Mayor, the Director of Administration, the Superintendent of Schools, three (3) representatives elected by the Custodian and Mechanics employees, and one (1) representatives of the Board of Education employees. The trustee positions assigned to the Mayor and the Director of Administration can be other cabinet or city employees as designated by the Mayor and the Director of Administration, respectively.

A Board of Trustees manages the Firefighters' Pension Trust Fund. The board consists of five (5), two appointed by the Mayor's Office, two agreed to by the union, and one independent member as agreed to by the Mayor's Office appointees and the union.

Benefits Provided

Classified Employees' Retirement Fund

Eligibility begins at date of hire and vesting occurs in full after five 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 between 3.0% and 5.0% of their annual salary, based on their bargaining units, until they have attained 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.

CITY OF STAMFORD, CONNECTICUT

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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 5.0% (custodians contribute 7.0%) 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.

Current membership in these programs is comprised of the following at June 30, 2014:

	Classified Employees' Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Retirees and beneficiaries currently receiving benefits	667	287	214	141
Active plan members	734	273	250	501
Terminated plan members entitled to a refund of employee contributions but have elected to defer receipt	27			
Terminated plan members entitled to but not yet receiving benefits	<u>80</u>	<u>1</u>	<u>2</u>	<u>10</u>
Total	<u><u>1,508</u></u>	<u><u>561</u></u>	<u><u>466</u></u>	<u><u>652</u></u>

Summary of Significant Accounting Policies

Basis of Accounting: Financial statements are prepared using the accrual basis of accounting for the four defined benefit pension plans. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments: Investments are reported at market value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

CITY OF STAMFORD, CONNECTICUT

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Investments

Investment Policy: Each of the City’s Pension Fund Board of Trustees has established an Investment Policy for their respective funds that it has made available to the outside investment advisors for that fund. Each policy includes asset allocation targets, performance measures and other criteria for manager or fund selection, rebalancing provisions, overall expected return targets, and maintaining sufficient liquidity to meet benefit payout requirements. Amendments to each fund’s investment policy can be made by majority vote of the relevant board. The following was the Boards’ adopted asset allocation policy as of June 30, 2014:

<u>Asset Class</u>	<u>Classified Employee’s Retirement Fund</u>	<u>Custodians’ and Mechanics’ Retirement Fund</u>
Fixed Income	15 %	15 %
Domestic Equity	30	30
International Equity	20	20
Asset Allocation	<u>35</u>	<u>35</u>
Total Allocation	<u><u>100 %</u></u>	<u><u>100 %</u></u>

<u>Asset Class</u>	<u>Police Pension Trust Fund</u>	<u>Asset Class</u>	<u>Firefighters’ Pension Trust Fund</u>
U.S. Domestic Equities	29 %	Large Cap Equities	35 %
Non-US Equities	18	International Equities	20
U.S. Domestic Income	10	Small Cap Equities	15
Non-U.S. Income	5	High Quality Bonds	14
High Yield	4	International Income	2
Real Estate	10	High Yield	2
Alternative Investments	17	Emerging Markets	2
Hedge funds	5	Alternative Investments	10
Cash	<u>2</u>		
Total Allocation	<u><u>100 %</u></u>	Total Allocation	<u><u>100 %</u></u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

Concentrations: The following represents the investments in each respective Plan that represents more than 5% of the respective Plan's net position as of June 30, 2014:

Police Pension Trust Fund:	
Hildene Opportunities	\$ 9,500,087
Firefighters' Pension Trust Fund:	
Omega Overseas Partners LTD	15,989,745
Belingo & Smith	11,779,897
Beach Point Total Return Offshore Fund II	7,393,566

Rate of Return: For the year ended June 30, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

Classified Employees' Retirement Fund	16.65%
Police Pension Fund	15.13%
Firefighters' Pension Fund	12.67%
Custodians' and Mechanics' Retirement Fund	16.34%

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the City

In accordance with Government Accounting Standards Board Statement No. 67, the components of the net pension liability of the City at June 30, 2014, were as follows:

	Classified Employee's Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Total pension liability	\$ 244,509,418	\$ 226,469,699	\$ 166,270,668	\$ 63,446,848
Plan fiduciary net position	<u>209,313,155</u>	<u>191,185,508</u>	<u>129,714,814</u>	<u>56,579,356</u>
Net Pension Liability	\$ <u><u>35,196,263</u></u>	\$ <u><u>35,284,191</u></u>	\$ <u><u>36,555,854</u></u>	\$ <u><u>6,867,492</u></u>
Plan fiduciary net position as a percentage of the total pension liability	85.61%	84.42%	78.01%	89.18%

The Town's net pension liability will be required to be recorded on the government-wide statement of net position at June 30, 2015.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of July 1, 2012, using the following actuarial assumptions, applied to all periods included in the measurement:

	Classified Employee's Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Inflation rate	None	None	None	None
Salary increase	Graded scale by age	6.50%	Graded scale by age	Graded scale by age
Investment rate of return	7.75%	7.75%	7.75%	7.75%

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Classified Employee's Retirement Fund	Custodians' and Mechanics' Retirement Fund
Fixed Income	2.00 %	2.00 %
Domestic Equity	5.25	5.25
International Equity	5.50	5.50
Asset Allocation	3.84	3.84

Asset Class	Police Pension Trust Fund	Asset Class	Firefighters' Pension Trust Fund
U.S. Domestic Equities	5.00 %	Large Cap Equities	4.75 %
Non-US Equities	5.50	International Equities	5.25
U.S. Domestic Income	2.00	Small Cap Equities	5.50
Non-U.S. Income	2.00	High Quality Bonds	2.00
High Yield	3.25	International Income	2.00
Real Estate	5.00	High Yield	3.25
Alternative Investments	5.25	Emerging Markets	3.50
Hedge funds	5.25	Alternative Investments	5.25
Cash	0.50		

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
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Discount Rate: The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the net pension liability of the City, calculated using the discount rate of 7.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate:

	<u>1% Decrease to 6.75%</u>	<u>Current Discount Rate 7.75%</u>	<u>1% Increase to 8.75%</u>
Classified Employees' Retirement	\$ 58,846,509	\$ 35,196,263	\$ 14,955,236
Police Pension	59,871,243	35,284,191	14,584,731
Firefighters' Pension	55,755,182	36,555,854	20,383,391
Custodians' and Mechanics' Retirement	<u>13,938,063</u>	<u>6,867,492</u>	<u>869,971</u>
Total	<u>\$ 188,410,997</u>	<u>\$ 113,903,800</u>	<u>\$ 50,793,329</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
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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	Total
Annual required contribution (ARC)	\$ 6,504,000	\$ 6,230,000	\$ 3,119,000	\$ 1,584,000	\$ 17,437,000
Interest on net pension obligation	1,000	(65,000)	3,000	(59,598)	(120,598)
Adjustment to annual required contribution	<u>(1,000)</u>	<u>90,000</u>	<u>(4,000)</u>	<u>82,112</u>	<u>167,112</u>
Annual pension cost	6,504,000	6,255,000	3,118,000	1,606,514	17,483,514
Contributions made	<u>6,504,000</u>	<u>6,230,000</u>	<u>3,119,000</u>	<u>1,584,000</u>	<u>17,437,000</u>
Change in net pension obligation (asset)	-	25,000	(1,000)	22,514	46,514
Net pension obligation (asset) at beginning of year	<u>8,900</u>	<u>(845,000)</u>	<u>35,000</u>	<u>(769,000)</u>	<u>(1,570,100)</u>
Net Pension Obligation (Asset) at End of the Year	<u>\$ 8,900</u>	<u>\$ (820,000)</u>	<u>\$ 34,000</u>	<u>\$ (746,486)</u>	<u>\$ (1,523,586)</u>

Net Pension Obligation

The net pension obligation represents a \$42,900 pension fund liability due to the Classified Employees' Retirement Fund and the Firefighters' Pension Trust Fund. Financial 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."

The annual required contribution for the current year was determined as part of the July 1, 2013 actuarial valuation using the projected unit credit method. The actuarial assumptions include a 7.75% investment rate of return, projected salary increases determined by graded scale by age, except for the Police Pension Trust Fund, which provides for salary increases of 6.50% per year, and the utilization of RP-2000 mortality tables. The actuarial value of assets was determined using a smoothing method.

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	Municipal Supervisory	7.00	6.25	Custodians - 7.00%
	Employees - 5.00%			Others- 5.00%
	Nurses - 5.00%			
	Teamsters - 5.00%			
	Dental Hygienists - 5.00%			
	United Electrical - 6.00%			
	Other - 3.00%			

** Determined by valuation

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

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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			
2014	\$ 6,504,000	100.0%	\$ 8,900
2013	5,902,000	99.9	8,900
2012	5,361,000	100.5	4,000
Police Pension Trust Fund			
2014	6,255,000	99.6%	(820,000)
2013	4,909,000	99.5	(845,000)
2012	4,366,000	99.4	(869,000)
Firefighters' Pension Trust Fund			
2014	3,118,000	100.0%	34,000
2013	2,339,000	100.0	35,000
2012	2,079,000	100.0	36,000
Custodians' and Mechanics' Retirement Fund			
2014	1,606,514	98.6%	(746,486)
2013	1,520,000	98.5	(769,000)
2012	1,388,000	137.8	(792,000)

CITY OF STAMFORD, CONNECTICUT

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The schedule of funding progress for the plans is as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Excess (Unfunded) AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
Classified Employees'						
July 1, 2013	\$ 194,422,000	\$ 227,311,000	\$ (32,889,000)	85.5 %	\$ 44,997,000	(73.1) %
July 1, 2012	188,447,000	219,465,000	(31,018,000)	85.9	43,686,000	(71.0)
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
Police Pension						
July 1, 2013	\$ 180,800,000	\$ 213,642,000	\$ (32,842,000)	84.6 %	\$ 21,994,000	(149.3) %
July 1, 2012	174,748,000	204,563,000	(29,815,000)	85.4	21,353,000	(139.6)
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
Firefighters' Pension						
July 1, 2013	\$ 138,439,000	\$ 152,247,000	\$ (13,808,000)	90.9 %	\$ 21,475,500	(64.3) %
July 1, 2012	137,082,000	147,783,000	(10,701,000)	92.8	20,850,000	(51.3)
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
Custodians' and Mechanics'						
July 1, 2013	\$ 51,123,000	\$ 58,120,000	\$ (6,997,000)	88.0 %	\$ 19,177,570	(36.5) %
July 1, 2012	48,074,000	54,525,000	(6,451,000)	88.2	18,619,000	(34.6)
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

CITY OF STAMFORD, CONNECTICUT

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The following schedule presents the net position held in trust for pension benefits at June 30, 2014 and the changes in net position for the year then ended.

	Pension Trust Funds				
	Classified Employee's Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	Total
ASSETS					
Cash and cash equivalents	\$ 4,186,020	\$ 5,754,510	\$ 2,961,078	\$ 978,928	13,880,536
Investments, at fair value:					
U.S. government obligations			9,339,986		9,339,986
Corporate bonds			7,223,382		7,223,382
Common and preferred equities	24,579,478		53,139,641		77,719,119
Common/collective trusts	2,851,159				2,851,159
Mutual funds	177,629,405	160,970,499	10,637,025	55,591,083	404,828,012
Alternative investment/Hedge funds		24,460,485	46,267,132		70,727,617
	<u>205,060,042</u>	<u>185,430,984</u>	<u>126,607,166</u>	<u>55,591,083</u>	<u>572,689,275</u>
Receivables					
Accounts	51,055		22,528	10,409	83,992
Accrued interest and dividends	20,055	14	124,042	-	144,111
Total assets	<u>209,317,172</u>	<u>191,185,508</u>	<u>129,714,814</u>	<u>56,580,420</u>	<u>586,797,914</u>
LIABILITIES					
Accounts payable	4,017			1,064	5,081
NET POSITION					
Held in Trust for Pension Benefits	<u>\$ 209,313,155</u>	<u>\$ 191,185,508</u>	<u>\$ 129,714,814</u>	<u>\$ 56,579,356</u>	<u>\$ 586,792,833</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

	Pension Trust Funds				Total
	Classified Employee's Retirement Fund	Police Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	
Additions:					
Contributions:					
Employer	\$ 6,504,000	\$ 6,230,000	\$ 3,119,000	\$ 1,584,000	\$ 17,437,000
Plan members	1,833,678	1,250,143	1,189,553	1,097,591	5,370,965
Total contributions	<u>8,337,678</u>	<u>7,480,143</u>	<u>4,308,553</u>	<u>2,681,591</u>	<u>22,807,965</u>
Investment earnings:					
Net increase in fair value of investments	26,805,019	22,870,756	13,850,144	7,047,690	70,573,609
Interest and dividends	3,883,310	3,155,888	1,860,838	1,005,326	9,905,362
Total investment earnings	30,688,329	26,026,644	15,710,982	8,053,016	80,478,971
Less investment expenses:					
Investment management fees	194,721	227,205	651,210	20,633	1,093,769
Net investment income	<u>30,493,608</u>	<u>25,799,439</u>	<u>15,059,772</u>	<u>8,032,383</u>	<u>79,385,202</u>
Total additions	<u>38,831,286</u>	<u>33,279,582</u>	<u>19,368,325</u>	<u>10,713,974</u>	<u>102,193,167</u>
Deductions:					
Benefits	13,759,945	11,468,644	8,956,725	2,832,023	37,017,337
Administration	121,245	82,936	247,774	51,392	503,347
Total deductions	<u>13,881,190</u>	<u>11,551,580</u>	<u>9,204,499</u>	<u>2,883,415</u>	<u>37,520,684</u>
Change in net position	24,950,096	21,728,002	10,163,826	7,830,559	64,672,483
Net Position at Beginning of Year	<u>184,363,059</u>	<u>169,457,506</u>	<u>119,550,988</u>	<u>48,748,797</u>	<u>522,120,350</u>
Net Position at End of Year	<u>\$ 209,313,155</u>	<u>\$ 191,185,508</u>	<u>\$ 129,714,814</u>	<u>\$ 56,579,356</u>	<u>\$ 586,792,833</u>

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, who include the Mayor and his Cabinet members, shall be eligible for pension compensation in the form of a City match to the Pay Plan employees' Internal Revenue Service Section 457 plan account, pursuant to the terms of the Pay Plan. The cost of this program was approximately \$206,002 for fiscal year 2014.

Pension Plan - Connecticut State Teachers' Retirement System

The faculty and professional personnel of the BOE 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 60 and has accumulated 20 years of credited service in the public schools of Connecticut or has attained any age and has accumulated 35 years of credited service, at least 25 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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

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 \$31,098,438 for the year ended June 30, 2014.

9. OTHER POSTEMPLOYMENT BENEFITS

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 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 which 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 30 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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

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:

<u>Year Ended June 30,</u>	<u>Assumed Increase</u>
2014	7.50 %
2015	7.00
2016	6.50
2017	6.00
2018	5.50
2019	5.00
2020	4.50

The amortization basis is the level percentage of payroll method with an open amortization approach with 20 years in the amortization period. The actuarial assumptions included a 7.5% investment rate of return, 3.5% payroll growth assumption and an inflation rate assumption of 3%. The actuarial cost method utilized was the projected unit credit method. Separate financial statements have not been prepared for the postemployment benefit plan.

The number of participants as of June 30, 2014 was as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Active Employees	3,181	34	3,215
Retired Employees	1,160	8	1,168
	<u>4,341</u>	<u>42</u>	<u>4,383</u>

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Amortization component:			
Actuarial accrued liability as of July 1, 2013	\$ 286,113,000	\$ 3,029,000	\$ 289,142,000
Assets at market value	<u>29,031,000</u>	<u>307,000</u>	<u>29,338,000</u>
Unfunded Actuarial Liability (UAAL)	\$ <u>257,082,000</u>	\$ <u>2,722,000</u>	\$ <u>259,804,000</u>
Funded Ratio	<u>10.15%</u>	<u>10.14%</u>	<u>10.15%</u>
Covered Payroll	\$ <u>243,934,000</u>	\$ <u>2,455,000</u>	\$ <u>246,389,000</u>
UAAL as a Percentage of Covered Payroll	<u>105.39%</u>	<u>110.88%</u>	<u>105.44%</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Annual required contribution (ARC)	\$ 27,561,000	\$ 162,000	\$ 27,723,000
Interest on net OPEB obligation	3,475,000	2,000	3,477,000
Adjustment to annual required contribution	<u>(3,443,000)</u>	<u>198,000</u>	<u>(3,245,000)</u>
Annual OPEB cost	27,593,000	362,000	27,955,000
Contributions made	<u>20,719,069</u>	<u>125,300</u>	<u>20,844,369</u>
Change in net OPEB obligation	6,873,931	236,700	7,110,631
Net OPEB obligation at beginning of year	<u>45,941,000</u>	<u>425,000</u>	<u>46,366,000</u>
Net OPEB Obligation at End of Year	<u>\$ 52,814,931</u>	<u>\$ 661,700</u>	<u>\$ 53,476,631</u>

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:

<u>Fiscal Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
Government Activities			
2014	\$ 27,593,000	75.09 %	\$ 52,814,931
2013	29,870,000	63.58	45,941,000
2012	28,817,000	69.59	26,299,000
Business-Type Activities			
2014	\$ 362,000	34.61 %	\$ 661,700
2013	768,000	44.66	425,000
2012	-		-

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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

10. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2014 are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Mill River Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:					
Prepaid expenditures	\$			\$ 470,775	\$ 470,775
Inventories	48,043			33,588	81,631
Advances	2,454,234	5,890,485			8,344,719
Long-term loans and accounts receivable		7,938,712			7,938,712
Total nonspendable	<u>2,502,277</u>	<u>13,829,197</u>	<u>-</u>	<u>504,363</u>	<u>16,835,837</u>
Restricted for:					
Capital projects		33,488,716		9,847,181	43,335,897
Debt service			2,491,203	1,071,127	3,562,330
Stamford Community Development Program				385,362	385,362
Town aid highway				28,324	28,324
Drug asset forfeiture				529,164	529,164
Total restricted	<u>-</u>	<u>33,488,716</u>	<u>2,491,203</u>	<u>11,861,158</u>	<u>47,841,077</u>
Committed to:					
Rainy Day Fund	1,100,000				1,100,000
Unreimbursed storm clean-up costs	111,283				111,283
Total committed	<u>1,211,283</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,211,283</u>
Assigned to:					
Governmental services encumbrances	27,172				27,172
Administration encumbrances	59,942				59,942
Legal affairs encumbrances	59,712				59,712
Public safety encumbrances	421,243				421,243
Health and welfare encumbrances	103,329				103,329
Community services encumbrances	1,823				1,823
Operations encumbrances	252,639				252,639
Board of Education encumbrances	1,521,514				1,521,514
Future obligations of the City	3,578,093				3,578,093
Rainy Day Fund purposes	21,137,630				21,137,630
BOE energy reserve	299,840				299,840
Dog license				140,967	140,967
School building use				318,040	318,040
Continuing education				350,248	350,248
Greater Stamford transit district				105,794	105,794
Total assigned	<u>27,462,937</u>	<u>-</u>	<u>-</u>	<u>915,049</u>	<u>28,377,986</u>
Unassigned	<u>1,991,813</u>			<u>(473,823)</u>	<u>1,517,990</u>
Total Fund Balances	\$ <u>33,168,310</u>	\$ <u>47,317,913</u>	\$ <u>2,491,203</u>	\$ <u>12,806,747</u>	\$ <u>95,784,173</u>

CITY OF STAMFORD, CONNECTICUT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

Certain elements of fund balance are described above. Those additional elements which are not reflected in the statement of net position 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 nonspendable, 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 2014, revenues and transfers exceeded expenditures by \$1,211,283. These were offset by transfers out from the prior year's commitment of fund balance of \$3,000,000 resulting in a total budgetary fund balance of \$9,283,466. Included in the budgetary fund balance is an unassigned budgetary fund balance of \$1,991,813. The anticipated use of the current year operating budgetary surplus of \$1,211,283 is as follows:

Rainy Day Fund purposes	\$ 1,100,000
Unreimbursed storm clean-up costs	<u>111,283</u>
	<u>\$ 1,211,283</u>

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014

11. 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 \$869,092 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 \$4,596,543. Estimated pollution remediation costs of \$9,314,786 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.

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.

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 \$15 million per occurrence. The City purchases commercial insurance for claims in excess of these retentions. The City records expenditures for heart and hypertension claims in the government-wide financial statements.

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.

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 \$18,605,545. Costs relating to the litigation of claims are charged to expenditures as incurred.

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.

CITY OF STAMFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

Component Unit:

Urban Redevelopment Commission

Net position balance at June 30, 2013, as previously reported \$ 4,271,484

Adjustments:

Unearned revenues 351,546

Noncurrent liabilities 1,191,885

Net Position Balance at July 1, 2013, as Restated \$ 5,814,915

During the year, the City reviewed their special revenue funds and determined that the Rainy Day Fund and Board of Education Reserve Fund should be reported as part of the General Fund and not as special revenue funds. The following restatements were recorded to the beginning fund balance of the governmental funds:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>
Fund balance at June 30, 2013, as previously reported	\$ 14,418,143	\$ 28,387,456
Reclassified to General Fund:		
Rainy Day Fund	18,118,906	(18,118,906)
BOE Reserve Fund	<u>129,840</u>	<u>(129,840)</u>
Fund Balance at July 1, 2013, as Restated	\$ <u><u>32,666,889</u></u>	\$ <u><u>10,138,710</u></u>

13. SUBSEQUENT EVENTS

On August 13, 2014 the City issued \$50,000,000 General Obligation Bonds. The bonds mature annually through August 2034 with interest rates ranging from 2.00% to 5.00% depending on maturity. The bonds were issued for various public improvements and other projects.

On September 23, 2014, the City issued \$16,550,000 General Obligation Refunding Bonds, Series 2014. The bonds mature annually through April 2033 with interest rates ranging from 2.000% to 3.125% depending on maturity. The bonds were issued to refund all or any portion of the aggregate principal amount outstanding of the City's Special Obligation Revenue Bonds, Series 2011A.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes, interest, lien and contingencies	\$ 442,268,590	\$ 446,377,959	\$ 448,384,626	\$ 2,006,667
Intergovernmental	15,526,702	15,526,702	19,296,221	3,769,519
Charges for services	29,698,518	31,795,046	32,884,272	1,089,226
Interest and dividends	125,000	125,000	101,826	(23,174)
Change in fair market value			(15,025)	(15,025)
Other	1,318,821	1,318,821	1,511,524	192,703
Total revenues	<u>488,937,631</u>	<u>495,143,528</u>	<u>502,163,444</u>	<u>7,019,916</u>
Expenditures:				
Current:				
Governmental services	3,648,187	3,844,413	3,531,325	313,088
Administration	8,497,619	8,670,495	8,355,267	315,228
Legal affairs	16,778,127	17,599,599	17,441,040	158,559
Public safety	101,181,923	104,518,680	103,855,780	662,900
Health and welfare	23,303,833	24,441,077	23,826,916	614,161
Community services	9,509,145	9,765,145	9,748,258	16,887
Operations	37,309,023	39,433,004	38,729,921	703,083
Board of Education	245,072,959	245,072,959	244,613,769	459,190
Total expenditures	<u>445,300,816</u>	<u>453,345,372</u>	<u>450,102,276</u>	<u>3,243,096</u>
Excess of Revenues over Expenditures	<u>43,636,815</u>	<u>41,798,156</u>	<u>52,061,168</u>	<u>10,263,012</u>
Other Financing Sources (Uses):				
Use of fund balance appropriated for operations		7,912,936		(7,912,936)
Transfers in	4,187,892	4,187,892	3,079,068	(1,108,824)
Transfer out:				
Debt Service Fund	(47,769,567)	(47,769,567)	(47,769,567)	-
Marina Fund	(55,140)	(55,140)	(85,109)	(29,969)
OPEB Trust Fund		(1,685,000)	(1,685,000)	-
Capital Nonrecurring Fund		(4,389,277)	(4,389,277)	-
Net other financing uses	<u>(43,636,815)</u>	<u>(41,798,156)</u>	<u>(50,849,885)</u>	<u>(9,051,729)</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	1,211,283	<u>\$ 1,211,283</u>
Budgetary Fund Balance at Beginning of Year			11,072,183	
Use of Fund Balance, Committed to the Rainy Day Fund			<u>(3,000,000)</u>	
Budgetary Fund Balance at End of Year			<u>\$ 9,283,466</u>	

CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CLASSIFIED EMPLOYEES' RETIREMENT
LAST FISCAL YEAR

	2014
Total pension liability:	
Service cost	\$ 4,433,061
Interest	18,090,605
Benefit payments, including refunds of member contributions	(13,759,945)
Net change in total pension liability	8,763,721
Total pension liability - beginning	235,745,697
Total pension liability - ending	244,509,418
 Plan fiduciary net position:	
Contributions - employer	6,504,000
Contributions - member	1,833,678
Net investment income	30,769,576
Benefit payments, including refunds of member contributions	(13,759,945)
Administrative expense	(397,213)
Net change in plan fiduciary net position	24,950,096
Plan fiduciary net position - beginning	184,363,059
Plan fiduciary net position - ending	209,313,155
 Net Pension Liability - Ending	\$ 35,196,263
 Plan fiduciary net position as a percentage of the total pension liability	85.61%
 Covered-employee payroll	\$ 44,997,000
 Net pension liability as a percentage of covered-employee payroll	78.22%

CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION
LAST FISCAL YEAR

	2014
Total pension liability:	
Service cost	\$ 4,272,359
Interest	16,709,145
Benefit payments, including refunds of member contributions	(11,468,644)
Net change in total pension liability	9,512,860
Total pension liability - beginning	216,956,839
Total pension liability - ending	226,469,699
 Plan fiduciary net position:	
Contributions - employer	6,230,000
Contributions - member	1,250,143
Net investment income	25,799,439
Benefit payments, including refunds of member contributions	(11,468,644)
Administrative expense	(82,936)
Net change in plan fiduciary net position	21,728,002
Plan fiduciary net position - beginning	169,457,506
Plan fiduciary net position - ending	191,185,508
 Net Pension Liability - Ending	\$ 35,284,191
 Plan fiduciary net position as a percentage of the total pension liability	84.42%
 Covered-employee payroll	\$ 21,994,000
 Net pension liability as a percentage of covered-employee payroll	160.43%

CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION
LAST FISCAL YEAR

	2014
Total pension liability:	
Service cost	\$ 2,964,491
Interest	12,287,263
Benefit payments, including refunds of member contributions	(8,956,725)
Net change in total pension liability	6,295,029
Total pension liability - beginning	159,975,639
Total pension liability - ending	166,270,668
 Plan fiduciary net position:	
Contributions - employer	3,119,000
Contributions - member	1,189,553
Net investment income	15,059,772
Benefit payments, including refunds of member contributions	(8,956,725)
Administrative expense	(247,774)
Net change in plan fiduciary net position	10,163,826
Plan fiduciary net position - beginning	119,550,988
Plan fiduciary net position - ending	129,714,814
 Net Pension Liability - Ending	\$ 36,555,854
 Plan fiduciary net position as a percentage of the total pension liability	78.01%
 Covered-employee payroll	\$ 21,475,500
 Net pension liability as a percentage of covered-employee payroll	170.22%

CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CUSTODIANS' AND MECHANICS' RETIREMENT
LAST FISCAL YEAR

	2014
Total pension liability:	
Service cost	\$ 2,376,088
Interest	4,667,210
Benefit payments, including refunds of member contributions	(2,832,023)
Net change in total pension liability	4,211,275
Total pension liability - beginning	59,235,573
Total pension liability - ending	63,446,848
 Plan fiduciary net position:	
Contributions - employer	1,584,000
Contributions - member	1,097,591
Net investment income	8,053,016
Benefit payments, including refunds of member contributions	(2,832,023)
Administrative expense	(71,917)
Other	(108)
Net change in plan fiduciary net position	7,830,559
Plan fiduciary net position - beginning	48,748,797
Plan fiduciary net position - ending	56,579,356
 Net Pension Liability - Ending	\$ 6,867,492
 Plan fiduciary net position as a percentage of the total pension liability	89.18%
 Covered-employee payroll	\$ 19,177,570
 Net pension liability as a percentage of covered-employee payroll	35.81%

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CLASSIFIED EMPLOYEES' RETIREMENT
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially determined contribution	\$ 6,504,000	\$ 5,902,000	\$ 5,362,000	\$ 4,175,000	\$ 2,326,000	\$ 2,326,000	\$ 1,031,000	\$ 687,000	\$ 239,000	\$ 217,000
Contributions in relation to the actuarially determined contribution	<u>6,504,000</u>	<u>5,897,100</u>	<u>5,390,000</u>	<u>4,175,000</u>	<u>2,363,000</u>	<u>985,000</u>	<u>850,000</u>	<u>603,000</u>	<u>327,000</u>	
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>4,900</u>	\$ <u>(28,000)</u>	\$ <u>-</u>	\$ <u>(37,000)</u>	\$ <u>1,341,000</u>	\$ <u>181,000</u>	\$ <u>84,000</u>	\$ <u>(88,000)</u>	\$ <u>217,000</u>
Covered-employee payroll	\$ 44,997,000	\$ 43,686,000	\$ 48,396,000	\$ 46,312,000	\$ 45,981,000	\$ 44,001,000	\$ 43,959,000	\$ 41,420,000	\$ 39,627,000	\$ 37,064,000
Contributions as a percentage of covered-employee payroll	14.45%	13.50%	11.14%	9.01%	5.14%	2.24%	1.93%	1.46%	0.83%	0.00%

Notes to Schedule

Valuation date: July 1, 2012
Measurement date: June 30, 2014

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Projected Unit Credit Cost Method
Remaining amortization period 15 years, open
Asset valuation method 5-year smoothed market
Inflation 3.00%
Salary increases 3%, only used to project normal cost to the next year
Investment rate of return 7.75%, net of pension plan investment expense, including inflation
Retirement age Assumed annual rates of retirement after the earliest of (1) 50 with 25 years of service, 2) 55 with 15 years of service, or 3) 60 with 10 years of service
Mortality 50/50 Blend of RP-2000 Combined Table and RP-2000 Blue Collar Combined Table

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially determined contribution	\$ 6,230,000	\$ 4,885,000	\$ 4,885,000	\$ 4,341,000	\$ 4,007,000	\$ 2,305,000	\$ 2,305,000	\$ 1,617,000	\$ 1,584,000	\$ 1,449,000
Contributions in relation to the actuarially determined contribution	<u>6,230,000</u>	<u>4,885,000</u>	<u>4,885,000</u>	<u>4,341,000</u>	<u>4,117,000</u>	<u>2,305,000</u>	<u>1,390,000</u>	<u>1,700,000</u>	<u>1,719,000</u>	<u>1,465,141</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (110,000)</u>	<u>\$ -</u>	<u>\$ 915,000</u>	<u>\$ (83,000)</u>	<u>\$ (135,000)</u>	<u>\$ (16,141)</u>
Covered-employee payroll	\$ 21,994,000	\$ 21,353,000	\$ 22,340,000	\$ 21,378,000	\$ 20,861,000	\$ 19,963,000	\$ 18,682,000	\$ 18,064,000	\$ 17,996,000	\$ 18,016,000
Contributions as a percentage of covered-employee payroll	28.33%	22.88%	21.87%	20.31%	19.74%	11.55%	7.44%	9.41%	9.55%	8.13%

Notes to Schedule

Valuation date: July 1, 2012

Measurement date: June 30, 2014

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit Cost Method
Remaining amortization period	15 years, open
Asset valuation method	5-year smoothed market
Inflation	3.00%
Salary increases	3%, used to project normal cost only
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Retirement age: Age based table

Mortality: RP-2000 Blue Collar Combined - Generational Mortality Table

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially determined contribution	\$ 3,119,000	\$ 2,340,000	\$ 2,080,000	\$ 1,717,000	\$ 406,000	\$ 406,000	\$ 409,000	\$ 741,000	\$ 784,000	\$ 491,000
Contributions in relation to the actuarially determined contribution	<u>3,119,000</u>	<u>2,340,000</u>	<u>2,080,000</u>	<u>1,717,000</u>	<u>406,000</u>	<u>65,000</u>	<u>630,000</u>	<u>1,073,000</u>	<u>530,000</u>	<u>175,000</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 341,000</u>	<u>\$ (221,000)</u>	<u>\$ (332,000)</u>	<u>\$ 254,000</u>	<u>\$ 316,000</u>
Covered-employee payroll	\$ 21,475,500	\$ 20,850,000	\$ 22,638,000	\$ 21,663,000	\$ 19,292,000	\$ 18,461,000	\$ 18,835,000	\$ 16,864,000	\$ 17,503,000	\$ 16,986,000
Contributions as a percentage of covered-employee payroll	14.52%	11.22%	9.19%	7.93%	2.10%	0.35%	3.34%	6.36%	3.03%	1.03%

Notes to Schedule

Valuation date: July 1, 2012

Measurement date: June 30, 2014

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit Cost Method
Remaining amortization period	15 years, open
Asset valuation method	5-year smoothed market
Inflation	3.00%
Salary increases	3%, annually to project normal cost only, Prior valuation: 0%
Investment rate of return	7.75%, net of pension plan investment expense, including inflation, Prior Valuation: 8% per year

Retirement age: Age based table

Mortality: RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale AA. Prior Valuations: 1983 Group Annuity table

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
CUSTODIANS' AND MECHANICS' RETIREMENT
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially determined contribution	\$ 1,584,000	\$ 1,497,000	\$ 1,380,000	\$ 1,221,000	\$ 742,000	\$ 742,000	\$ 646,000	\$ 525,000	\$ 363,000	\$ 217,000
Contributions in relation to the actuarially determined contribution	<u>1,584,000</u>	<u>1,497,000</u>	<u>1,913,000</u>	<u>1,221,000</u>	<u>711,000</u>	<u>670,000</u>	<u>560,000</u>	<u>468,000</u>	<u>312,000</u>	<u>138,000</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(533,000)</u>	\$ <u>-</u>	\$ <u>31,000</u>	\$ <u>72,000</u>	\$ <u>86,000</u>	\$ <u>57,000</u>	\$ <u>51,000</u>	\$ <u>79,000</u>
Covered-employee payroll	\$ 19,177,570	\$ 18,619,000	\$ 19,247,000	\$ 18,418,000	\$ 16,063,000	\$ 15,371,000	\$ 16,261,000	\$ 13,915,000	\$ 13,477,000	\$ 12,433,000
Contributions as a percentage of covered-employee payroll	8.26%	8.04%	9.94%	6.63%	4.43%	4.36%	3.44%	3.36%	2.32%	1.11%

Notes to Schedule

Valuation date: July 1, 2012
Measurement date: June 30, 2014

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit Actuarial Cost Method
Remaining amortization period	15 years, open
Asset valuation method	5-year smoothed market
Inflation	3.00%
Salary increases	3%, only used to project normal cost to the next year
Investment rate of return	7.75%, net of pension plan investment expense, including inflation
Retirement age	Age based table
Mortality	RP-2000 Blue Collar Combined - Generational Mortality Table

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
LAST FISCAL YEAR**

2014

Annual money-weighted rate of return, net of investment expense

Classified Employees' Retirement	16.65%
Police Pension	15.13%
Firefighters' Pension	12.67%
Custodians' and Mechanics' Retirement	16.34%

CITY OF STAMFORD, CONNECTICUT
REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULE OF FUNDING PROGRESS
OTHER POST EMPLOYMENT BENEFITS TRUST FUNDS
LAST SIX FISCAL YEARS

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Excess (Unfunded) AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2013	\$ 29,338,000	\$ 289,142,000	\$ (259,804,000)	10.0 %	\$ 246,389,000	(105.0) %
July 1, 2012	19,042,000	285,530,000	(266,488,000)	6.7	235,779,000	(113.0)
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, 2008	0	215,337,000	(215,337,000)	0.0	226,225,000	(95.2)
July 1, 2006	894,000	200,894,000	(200,000,000)	0.0	188,244,000	(106)

**CITY OF STAMFORD, CONNECTICUT
 REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 OTHER POST EMPLOYMENT BENEFITS TRUST FUNDS**

LAST SIX FISCAL YEARS

Year Ended June 30,	Annual Required Contribution	Actual Contribution	Percentage Contributed
2014	\$ 27,723,000	\$ 20,844,369	75.19%
2013	30,272,000	19,335,000	63.87%
2012	28,543,000	20,053,000	70.26%
2011	25,420,000	18,797,000	73.95%
2010	19,278,000	12,484,000	64.76%
2009	18,298,000	12,796,000	69.93%

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Appendix B

Form of Opinion of Bond Counsel

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ROBINSON & COLE LLP

280 Trumbull Street
Hartford, CT 06103-3597
Main (860) 275-8200
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FORM OF OPINION OF BOND COUNSEL

August 12, 2015

City of Stamford,
Stamford, Connecticut

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the City of Stamford, Connecticut (the "City"), a Tax Regulatory Agreement of the City, dated August 12, 2015 (the "Tax Regulatory Agreement"), and other proofs submitted to us relative to the issuance and sale of \$65,000,000 City of Stamford, Connecticut General Obligation Bonds, Issue of 2015, Series B, dated August 12, 2015 (the "Bonds"), maturing on August 1 in each of the years, in the principal amounts and bearing interest payable on February 1, 2016 and semiannually thereafter on August 1 and February 1 in each year until maturity or earlier redemption, at the rates per annum as follows:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate Per Annum</u>
2016	\$3,250,000	5.000%	2026	\$3,250,000	3.000%
2017	3,250,000	5.000	2027	3,250,000	3.000
2018	3,250,000	5.000	2028	3,250,000	3.000
2019	3,250,000	5.000	2029	3,250,000	3.000
2020	3,250,000	2.250	2030	3,250,000	3.000
2021	3,250,000	5.000	2031	3,250,000	3.000
2022	3,250,000	5.000	2032	3,250,000	3.000
2023	3,250,000	5.000	2033	3,250,000	3.125
2024	3,250,000	4.000	2034	3,250,000	3.250
2025	3,250,000	4.000	2035	3,250,000	3.250

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

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

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

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

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

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

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

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

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

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

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

Very truly yours,

ROBINSON & COLE LLP

Appendix C

Form of Continuing Disclosure Agreement

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FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

City of Stamford, Connecticut
\$65,000,000 General Obligation Bonds, Issue of 2015, Series B
Dated August 12, 2015

August 12, 2015

WHEREAS, the City of Stamford, Connecticut (the "City") has heretofore authorized the issuance of \$65,000,000 in aggregate principal amount of its General Obligation Bonds, Issue of 2015, Series B, dated August 12, 2015 (the "Bonds"), and to mature on the dates and in the amounts as set forth in the City's Official Statement dated July 30, 2015 describing the Bonds (the "Official Statement"); and

WHEREAS, the Bonds have been sold by a competitive bid pursuant to a Notice of Sale, dated July 22, 2015 (the "Notice of Sale"); and

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

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

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

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

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

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

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

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

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

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

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

Section 2. Annual Reports.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Section 3. Timing. The City shall provide the financial information and operating data referenced in Section 2(a) not later than eight months after each Fiscal Year End subsequent to the date of issuance of the Bonds, provided, however, that if such financial information and operating data for the Fiscal Year End preceding the date of issuance of the Bonds is not contained in the Official Statement for the Bonds or has not otherwise been previously provided, the City shall provide such financial information and operating data no later than eight months

after the close of such preceding Fiscal Year End. The City agrees that if audited financial statements are not available eight months after the close of any Fiscal Year End, it shall submit unaudited financial statements by such time and will submit audited financial statements information when and if available.

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

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of any obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving any obligated person or the sale of all or substantially all of the assets of any obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake any such an action or the termination of a definitive agreement relating to such actions, other than pursuant to its terms, if material; and
- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if any, if material.

Section 5. Notice of Failure. The City agrees to provide, or cause to be provided, in a timely manner to the Repository in electronic format, accompanied by identifying information, as prescribed by the MSRB, notice of any failure by the City to provide the annual financial information described in Section 2(a) of this Agreement on or before the date described in Section 3 of this Agreement.

Section 6. Termination of Reporting Obligation. The City's obligations under this Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Agent. The City may, from time to time, appoint or engage an agent to assist it in carrying out its obligations under this Agreement, and may discharge any such agent, with or without appointing a successor agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Agreement, the City may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the City, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds and (ii) this Agreement, as so amended, would have complied with the requirements of the Rule as of the date of this Agreement, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances. A copy of any such amendment will be filed in a timely manner with the Repository in electronic format. The Annual Report provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of financial information or operating data provided.

Section 9. Additional Information. Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Report or providing notice of the occurrence of any other event, in addition to that which is required by this Agreement. If the City chooses to include any other information in any Annual Report or provide notice of the occurrence of any other event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include or provide such information or notice of the occurrence of such event in the future.

Section 10. Indemnification. The City agrees, pursuant to applicable law, to indemnify and save its officials, officers and employees harmless against any loss, expense or liability which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability hereunder, but excluding any loss, expense or liability due to any such person's malicious, wanton, or willful act. The obligations of the City under this Section shall survive termination of this Agreement.

Section 11. Enforceability. The City agrees that its undertaking pursuant to the Rule set forth in this Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the City shall fail to perform its duties hereunder, the City shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. In the event the City does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the City's obligations hereunder. No monetary damages shall arise or be payable hereunder, nor shall any failure to comply with this Agreement constitute a default of the City with respect to the Bonds.

IN WITNESS WHEREOF, the City has caused this Continuing Disclosure Agreement to be executed in its name by its undersigned officers, duly authorized, all as of the date first above written.

CITY OF STAMFORD, CONNECTICUT

By: _____
David R. Martin
Mayor

By: _____
Michael E. Handler
Director of Administration

Appendix D

Notice of Sale

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NOTICE OF SALE
\$65,000,000
CITY OF STAMFORD, CONNECTICUT
GENERAL OBLIGATION BONDS, ISSUE OF 2015, SERIES B

Electronic bids (as described herein) will be received by the **CITY OF STAMFORD, CONNECTICUT** (the "City"), until 11:30 A.M. (E.D.T.) Thursday,

JULY 30, 2015

for the purchase of all, but not less than all, of the \$65,000,000 City of Stamford, Connecticut General Obligation Bonds, Issue of 2015, Series B (the "Bonds"). Electronic bids must be submitted via **PARITY®**. (See "Electronic Bidding Procedures").

The City reserves the right to make changes to the provisions of this Notice of Sale, including the date and time of the sale, prior to the date and time of sale set forth above. Any such changes will be posted through **PARITY®**. Prospective bidders are advised to check for such **PARITY®** postings prior to the above stated sale time.

The Bonds

The Bonds will be dated August 12, 2015, mature in the principal amounts of \$3,250,000 on August 1 in each of the years 2016-2035, both inclusive, bear interest payable on February 1, 2016 and semiannually thereafter on August 1 and February 1 in each year until maturity, or earlier redemption, as further described in the Preliminary Official Statement for the Bonds dated July 22, 2015 (the "Preliminary Official Statement").

The Bonds maturing on or before August 1, 2023 are not subject to redemption prior to maturity. The Bonds maturing on August 1, 2024 and thereafter, are subject to redemption prior to maturity, at the election of the City, on and after August 1, 2023, at any time, in whole or in part and by lot within a maturity, in such amounts and in such order of maturity as the City may determine, at the respective price (expressed as percentages of the principal amounts of Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
August 1, 2023 and thereafter	100%

Nature of Obligation

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

Bank Qualification

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

Registration

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York ("DTC"), registered in the name of its nominee, Cede & Co., and immobilized in their custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, or its custodian, registered in the name of Cede & Co. Principal of and interest on the Bonds will be payable by the City or its agent in Federal funds to DTC or its nominee as registered owner of the Bonds. Principal and interest payments to participants of DTC will be the responsibility of DTC. Principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The City will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

Electronic Bidding Procedures

Any prospective bidder intending to submit an electronic bid must submit its electronic bid through the facilities of **PARITY®**. Subscription to i-Deal LLC's BiDCOMP Competitive Bidding System is required in order to submit an electronic bid and the City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of **PARITY®** shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale, and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the City. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, **PARITY®**, the use of such facilities being the sole risk of the prospective bidder.

If any provisions of this Notice of Sale shall conflict with information provided by **PARITY®** as the approved provider of electronic bidding services, this Notice of Sale shall control. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Service Department, (telephone: (212) 849-5021; email notice - parity@i-deal.com).

For purposes of the electronic bidding process, the time as maintained by **PARITY®** shall constitute the official time. For information purposes only, bidders are requested to state in their electronic bids the true interest cost to the City, computed and rounded to six decimal places, as described under "Bid Specifications/Basis of Award" below. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale.

Bid Specifications/Basis of Award

Each bid must be for the entire \$65,000,000 of Bonds and must specify the rate or rates of interest therefor in a multiple of 1/20 or 1/8 of 1% per annum. Bids shall not state more than one interest rate for any Bonds having the same maturity date. The highest interest rate bid for a maturity and the lowest rate bid for any other maturity may not differ by more than three (3%) percentage points. Interest shall be computed on the basis of twelve 30 day months and a 360 day year. No bid for less than all of the Bonds or for less than par and accrued interest, if any, will be considered.

For the purpose of determining the successful bidder, the true interest cost to the City will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to August 12, 2015, the date of the Bonds, results in an amount equal to the purchase price for the Bonds. It is requested that each bid be accompanied by a statement of the percentage of true interest cost computed and rounded to six decimal places. Such statement shall not be considered as a part of the proposal. The Bonds will be awarded or all bids will be rejected promptly after the bid opening, but not later than 4:00 P.M. (E.D.T.) on July 30, 2015. The purchase price must be paid in Federal funds.

The City reserves the right to reject any and all bids and to waive any irregularity or informality with respect to any proposal. The City further reserves the right to postpone the sale to another time and date in its sole and absolute discretion for any reason, including, without limitation, internet difficulties. The City will use its best efforts to notify prospective bidders in a timely manner of any need for a postponement. Unless all bids are rejected or the bid is postponed, the Bonds will be awarded to the bidder offering to purchase them at the lowest true interest cost.

Closing Documents and Legal Opinion

The Bonds will be certified by U.S. Bank National Association, Hartford, Connecticut. The legality of the Bonds will be passed upon by Robinson & Cole LLP, Bond Counsel, Hartford, Connecticut, and the winning bidder will be furnished with their opinion without charge. The winning bidder will also be furnished with a signature and no litigation certificate, a receipt of payment satisfactory in form to Bond Counsel, a signed copy of the final Official Statement prepared for the Bonds, a certificate signed by the appropriate officials of the City relating to the accuracy and completeness of information contained in the final Official Statement, and an executed continuing disclosure agreement.

The legal opinion will further state that, (i) under existing statutes and court decisions, interest on the Bonds is excluded from gross income for federal income tax purposes, (ii) such interest is not treated as an item of tax preference for purposes of computing the federal alternative minimum tax, but is, however, includable in adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations, (iii) under existing statutes, interest on the Bonds is excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates, and (iv) such interest is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay federal alternative minimum tax. In rendering the legal opinion, Robinson & Cole LLP will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Tax Regulatory Agreement entered into by the City for the benefit of the owners of the Bonds, and further, will assume compliance by the City with the covenants and procedures set forth in such Tax Regulatory Agreement. A copy of the opinion will be printed upon each of the Bonds, and a signed opinion and transcript of proceedings will be filed with U.S. Bank National Association, Hartford, Connecticut, and will be available for examination upon request.

Settlement of the Bonds

It shall be the responsibility of the winning bidder to certify to the City before delivery of the Bonds the prices at which a substantial amount of the Bonds of each maturity were initially offered and sold to the public.

The Bonds will be available for delivery on or about August 12, 2015. The deposit of the Bonds with DTC or its custodian under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning bidder to obtain CUSIP numbers for the Bonds prior to delivery, and the City will not be responsible for any delay occasioned by the failure of the winning bidder to obtain such numbers and to supply them to the City in a timely manner. The City assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the winning bidder.

The Preliminary Official Statement is in a form "deemed final" by the City for purposes of SEC Rule 15c2-12(b)(1). The winning bidder will be furnished 100 copies of the final Official Statement prepared for the Bonds at the City's expense. Additional copies may be obtained by the winning bidder at its own expense by arrangement with the printer. The copies of the final Official Statement will be made available to the winning bidder no later than seven business days after the bid opening at the office of the City's financial advisor. If the City's financial advisor is provided with the necessary information from the winning bidder by 12:00 p.m. (noon) on the day after the bid opening, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriter, and the name of the insurer, if any, of the Bonds

Continuing Disclosure

The City will undertake in a Continuing Disclosure Agreement entered into in accordance with the requirements of Rule 15c2-12(b)(5), promulgated by the Securities and Exchange Commission, to provide (i) certain annual financial information and operating data, including audited financial statements; (ii) notice of the occurrence of certain events within 10 business days of the occurrence of such events with respect to the Bonds; and (iii) timely notice of its failure to provide such annual financial information. The winning bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds.

Related Information

For more information regarding the Bonds and the City, reference is made to the Preliminary Official Statement. Copies of the Preliminary Official Statement may be obtained from the undersigned, or from Barry J. Bernabe, Managing Director, Phoenix Advisors, LLC, 53 River Street, Milford, CT 06460, Connecticut, telephone (203) 283-1110.

DAVID R. MARTIN
Mayor

MICHAEL E. HANDLER
Director of Administration

July 22, 2015