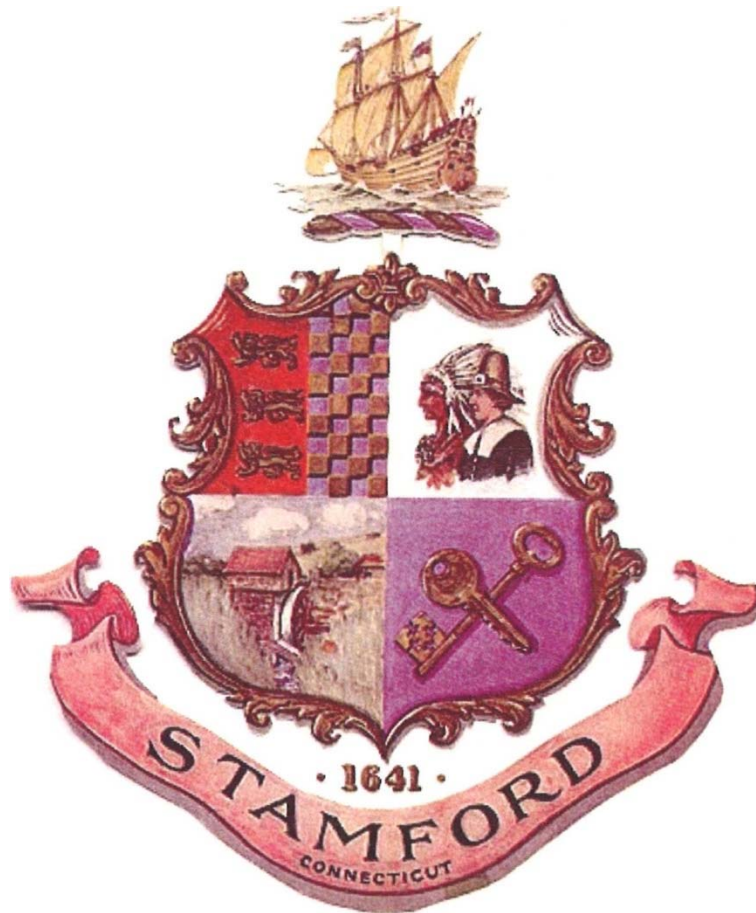


CITY OF STAMFORD, CONNECTICUT

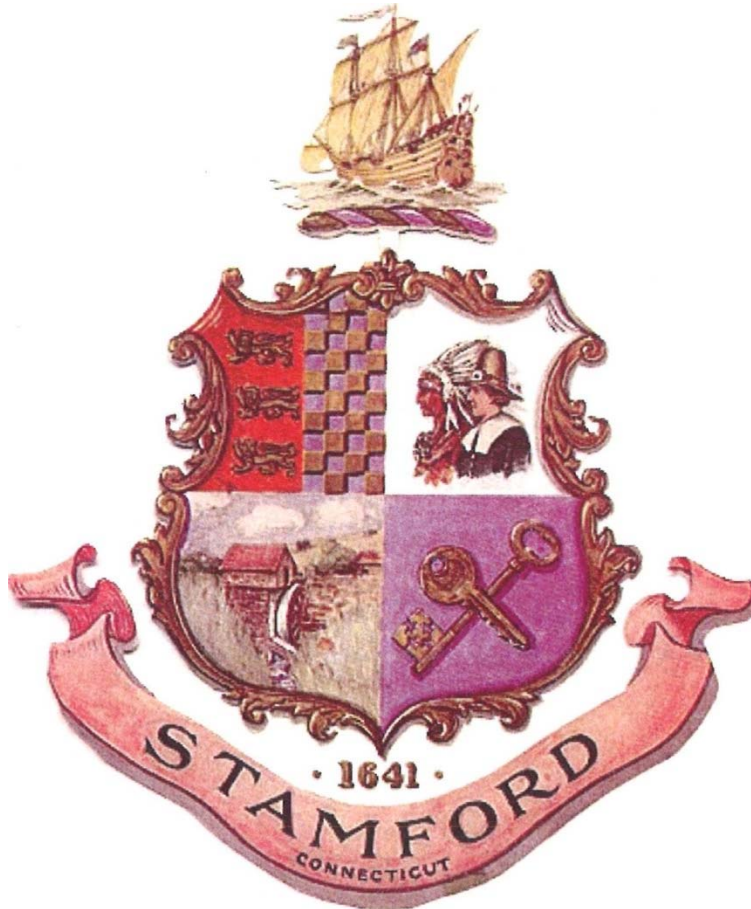
**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



FISCAL YEAR ENDED JUNE 30, 2018

CITY OF STAMFORD, CONNECTICUT

Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2018



Published by the Office
of the Director of Administration

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

Michael E. Handler
Director of Administration

CITY OF STAMFORD, CONNECTICUT
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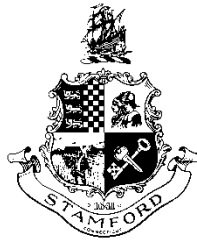
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INTRODUCTORY SECTION

Mayor
DAVID R. MARTIN



DIRECTOR OF ADMINISTRATION
MICHAEL E. HANDLER

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

December 28, 2018

To: Mayor David R. Martin
Board of Finance
Board of Representatives
Citizens of Stamford, Connecticut

I am pleased to transmit the Comprehensive Annual Financial Report (CAFR) of the City of Stamford ("Stamford" or "the City") for the fiscal year ended June 30, 2018. Connecticut State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is being published to fulfill that requirement for the fiscal year 2018. The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City, as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable.

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

Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants, has issued an unmodified opinion on the City of Stamford, Connecticut's financial statements for the year ended June 30, 2018. The independent auditors' report is located at the front of the financial section of this report.

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

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

PROFILE OF THE GOVERNMENT

Government

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

The City provides a full range of municipal services including education, public safety (police and fire), public works (engineering, road construction and maintenance, waste disposal, sewage treatment, building maintenance, etc.), health and social services, planning and development, and recreational and cultural services. Approximately 3,200 full-time municipal and public school system employees provide services to the community which geographically spans nearly 38 square miles and includes 130,824 residents. A listing of City offices and additional information about the City is also available on the City's website.

General Information

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

Stamford is a recognized national financial center and is the largest international trade center between New York and Boston. It has a strong and diverse business base, including a high concentration of national and international corporate headquarters, and is the major retail trade center in Fairfield County. Stamford is also an important residential suburb in one of the highest per capita income areas in the United States. (Note: the 2017 median household income in the Stamford metropolitan area was approximately \$87,316 which was higher than the median income of approximately \$71,755 for households in Connecticut.)

Through sound urban planning, the City has strengthened its downtown retail core, increased its housing stock, and enhanced its cultural facilities, while continuing to attract major commercial office development and new employers. The City has a strong and diverse commercial, industrial, and retail business base including a high concentration of corporate headquarters of Fortune 500 companies. At the same time, Stamford is a pre-eminent residential community within the New York metropolitan region. The City offers its residents a high quality of life including good schools, a broad array of public services, attractive parks and recreational activities, and a safe living environment. The City has been consistently ranked as one of the safest cities in the United States by the FBI; based on 2017 crime data, Stamford was ranked as one of the safest cities in New England (with a population over 100,000).

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy

In fiscal year 2018, while the national economy grew generally, Stamford continued to grow faster than other cities in Connecticut. Unemployment continued to drop due to a strong and diverse economic and tax base within the City while city-wide vacancy rates were mixed. In the past 12 months ending in September, Stamford unemployment has improved compared to last year with an unemployment rate of 3.4%. The State of Connecticut saw the unemployment rate drop to 4.5% and the U.S. saw a decrease of 0.4%, from 4.6 to 4.2%. Stamford's employment market continues to strengthen, as it has the lowest unemployment rate as compared to Bridgeport, Norwalk, Milford, and all of Connecticut. Connecticut now has recovered 80.4%, or 95,800, of the 119,100 seasonally-adjusted jobs lost in the last recession which lasted from March 2008 to February 2010. By comparison, the nation as a whole has added more than double the number of jobs it lost in the last recession. As of September 2018, Stamford's residential labor force was estimated to be 70,341, up 594 people since September 2017. This outpaces the growth seen in other major cities such as Hartford, New Haven, and Bridgeport which have experienced a decline in their respective labor forces over the same period of time.

The high market costs of commercial real estate in Manhattan and nearby Greenwich, and the overall cost of doing business in metropolitan New York, are making relocation of businesses to Stamford comparatively more affordable and appealing. Despite that, the office space vacancy rate in Stamford is currently approximately 28.4%, with Class A rents typically averaging \$30 to \$44 per square foot, which is comparable to last year's prices. The Stamford industrial vacancy rates are below 7%.

Despite a slow and uneven economic recovery in retail, Stamford still enjoys a very low vacancy rate (estimated at 5 to 7%) in retail space. Retail projects such as new bank branches, pharmacies, and national retail outlets continued to open in the City's neighborhoods, driven in part by the City's high median income and spending patterns.

The 2018 vacancy rate for the Stamford Central Business District is 28.7% and the vacancy rate for the Stamford Non-Central Business District is 26.8% according to Cushman and Wakefield. This is based on an inventory of over 16.6 million square feet for the City of Stamford as a whole. It is important to note that several large buildings came online for leasing in the last several years. In particular, the UBS North American Headquarters (720,000 square feet) and Silicon Harbor (former Pitney Bowes Headquarters – 500,000 square feet), 260 Long Ridge Road (200,000 square feet), and 201 High Ridge Road (200,000 square feet) which will skew the overall vacancy numbers.

Stamford's Grand List, which is the second highest in the State, is the taxable value of all property in the City, both real and personal. The Grand List of October 1, 2016, for fiscal year 2018, was approximately \$19.7 billion dollars, an increase of about .86% from the previous year, due to new construction of commercial real estate.

Mill rates for each City taxing district are determined by the Board of Finance and, when applied to the taxable Grand List values, produce the tax levy for property taxes to be billed for fiscal year 2018. Despite the challenging national economy, the City achieved a tax collection rate of 99.05%, marking the seventeenth consecutive year in which the collection rate exceeded 98%.

The City provides tax abatements to real property taxpayers through the Connecticut Enterprise Zone Program and tax exemptions for State-owned property as well as for general and chronic disease hospitals. In addition, other real property taxpayers may be eligible for tax abatements

in conjunction with programs established for elderly home owners, totally disabled residents, and veterans. For fiscal year 2018, these tax abatement programs are expected to reduce real property tax revenues by approximately \$22.0 million, in total.

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

Financial Planning

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

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

Financial Policies

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

BUSINESS & INDUSTRY

Commercial Development

Stamford boasts an extraordinarily diverse economic base which includes a critical mass of firms in several important industry clusters. The City is the State's largest business center and is one of the pre-eminent locations for corporate headquarters, ranking within the top 10% nationally. Stamford has become a world financial center, with international banks, hedge fund companies, and other financial service providers adding jobs and occupying office space. Stamford is also the largest international trade center between New York and Boston. The City is 'home' for leading employers across multiple industry sectors including: banking, insurance and reinsurance, office equipment, pharmaceuticals, consumer products, digital media and information technology, and retail.

Stamford continues to grow from an economic development standpoint. The 82-acre Harbor Point development in the South End continues under active construction. To date, more than 2,600 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.

New and Expanding Companies

Stamford has seen several large signings of new tenants in fiscal 2018:

New Commercial Leases: 2017 – 2018 (Q1)				
Tenant	Building	Submarket	Type	SQ.FT.
Odyssey Reinsurance	300 First Stamford Place	Non-CBD	Renewal	87,314
Greenwich Associates	6 High Ridge Park	Non-CBD	Renewal	41,679
Cowen Group	262 Harbor Drive	Non-CBD	New Lease	31,455
Tudor Investment Group	200 Elm Street	CBD	New Lease	23,939
Loxo Oncology	281 Tresser Boulevard	CBD	New Lease	22,987
ITV America	850 Canal Street	Non-CBD	New Lease	19,700
ISG (Information Services Group)	2187 Atlantic Street	Non-CBD	New Lease	18,073
This Old House	262 Harbor Drive	Non-CBD	Renewal	15,557
Bank of America	600 Washington Boulevard	CBD	New Lease	115,479
Merrill Lynch	301 Tresser Boulevard	CBD	Renewal	52,318
Daymon Worldwide	333 Ludlow Street	Non-CBD	New Lease	41,464
Indeed.com, Inc.	177 Broad Street	CBD	Expansion	38,132
Yankees Entertainment & Sports Network (YES)	250 Harbor Drive	Non-CBD	Renewal	19,909
The People's Court (Ralph Edward's/Stu Billett Productions)	470 West Avenue	Non-CBD	New Lease	18,739
Aberdeen Asset Management, Inc.	1266 East Main Street	Non-CBD	Renewal	18,485
Cushman & Wakefield	107 Elm Street	CBD	Renewal	15,238
Charter Communications	201 Tresser Boulevard	CBD	Sublease/Expansion	53,186
CA Technologies	200 Elm Street	CBD	New Lease	25,000

Webster Bank	200 Elm Street	CBD	New Lease	25,000
Stamford Health Medical Group	3 Riverbend Drive	Non-CBD	New Lease	20,770
Regus	1266 East Main Street	Non-CBD	Renewal	19,190
World Wrestling Entertainment	1266 East Main Street	Non-CBD	Renewal	18,325
Serendipity Labs	700 Canal Street	Non-CBD	Renewal	8,937

In addition, plans have been announced for Gateway Harbor Point, 406 Washington Boulevard, by BLT, for 500,000 square feet of commercial office space (Charter Communications headquarters).

Retail Development

Stamford retail sales data dates back to 2013 but can still offer insight into the economy of the City. In 2013, the City generated approximately \$3.3 billion worth of retail sales. Attracted by the City's high median income and spending patterns, retail projects, continued to open in the City's neighborhoods during the past year. Stamford continues to have a thriving dining scene with over 300 restaurants located in the City. Restaurants such as Pieology, Peter Chang, Blackstones Steakhouse, Roasted, Kano, Turning Point Coffee, Saltbar, I am Mac, Patisserie Salzburg, Mexicue, have all opened in the past twelve months.

In addition, Home Depot Stamford, located at 1937 W Main Street, recently opened a 140,000 SF store location and CVS Westside, located at 1983 W Main Street, opened a 20,000 square feet retail location.

Hospitality

While overall occupancy rates at Stamford's hotels remain at 72%, recent projects serve to strengthen Stamford's position as one of the largest hotel markets in Connecticut; for example:

- The **Marriott Residence Inn**, Stamford's first extended-stay hotel, with 125 rooms, is under construction and slated to finish in Q4 of 2018.

Housing Development

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

Recent project openings:

- **Element One**, 111 Morgan Street, 175 residential units, this building has received partial CO's and has started leasing apartments.
- **Bedford Hall**, 545 Bedford Street, 82 residential units, this building has received partial CO's and has started leasing apartments.
- **Rippowam Place**, 900 Washington Boulevard, project became the new 350 bed UCONN dormitory.

- **Park Square West Phase IV**, 1055 Washington Boulevard, Trinity Financial, 208 residential units, completed in 2017.
- **Atlantic Station**, 421 Atlantic Street, Cappelli Organization, phase 1 of the Twin 21-story towers housing 650 apartments and 40,000 square feet of retail and restaurants.
- **NV@Harbor Point**, 100 Commons Park, BLT, 391 residential units, recently completed.
- **Baypointe**, 112 Southfield Avenue, 109 multi-family residential apartments overlooking the west branch of the Harbor, recently completed.
- **West Gate Townhouses**, 220 West Ave, Empire Residential, 30 residential units, recently completed.

Projects currently under construction:

- **Midtown Estates**, 20 Third Street, 23 residential units of Luxury Townhouse space.
- **Summer Place Senior**, 992 Summer Place, Six-story senior citizen affordable housing development (48 residential units), completion scheduled for spring 2018.
- **Davenport Landing**, 28 Southfield, BLT, 115 residential units, is currently under construction and slated for completion in fall 2018.
- **Urban Ready Living**, 57 Greyrock Place, Ironstate & F.D. Rich, 671 residential units with 5,090 square feet of retail space.
- **Park 215**, 215 Stillwater, 78 residential units with 24,000 square feet of office space.
- **Midtown Estates**, 20 3rd Street - 23 residential units.
- **100 Prospect Street**, 31 new units, 125 total residential units.
- **89 Franklin Street**, 215 Stillwater Avenue, 13 residential units.
- **Parcel P4 & P5**, Pacific Street and Dyke Lane, 435 residential units.

Approved projects not yet under construction:

- **RBS Block A**, 1-12 Division Street, 161 residential units, no anticipated construction date available.
- **RBS Block B**, 2-102 Division Street, 291 residential units, no anticipated construction date available.
- **Residence at Stamford**, 1567 Summer Street, LCB Berkshire Senior Living, 104 residential units.
- **Roe Co LLC**, 245 Atlantic Street, 212 residential units with 8,000 square feet of retail space.
- **LMC**, 250 Atlantic Street, 435 residential units with 40,000 square feet of retail space.

Proposed projects:

- **Summer Street Property LLC**, 733-777 Summer Street, 376 residential units.
- **West Main Street Apartments**, Empire Residential, 87 residential units with 5,000 square feet of retail space.
- **523 Canal Street**, 184 residential units with 6,000 square feet of retail space.

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

Affordable Housing

The City recognizes the availability of affordable housing as crucial to its continuing development. This priority is reflected in the City's zoning regulations, which require that

developers of new multi-family projects permanently set aside 10% of their units for low-income families. This program, the first ever in Connecticut, has provided the City with nearly 550 below-market housing units and is expected to continue as the City grows.

Alternatively, developers can pay the City a fee-in-lieu of building affordable housing as required by the City's Inclusionary Zoning ("IZ") regulations. The City's Community Development Office administers the distribution of these fee-in-lieu funds as loans to developers of affordable housing.

The City has contributed significant capital project funds to affordable housing. Since 1982, more than \$20.5 million has been made available by the City to facilitate housing development which has been used to assist in the development of over 1,250 affordable apartments and condominiums.

The City's Linkage Ordinance dedicates a portion of building permit fees from new commercial projects to an affordable housing fund. These funds are administered by the Community Development Office to assist in construction of affordable housing. Awards are subject to the approval of the Mayor in consultation with the Housing, Community Development, and Social Services Committee of the Board of Representatives. In fiscal year 2018, approximately \$100,000 was allocated in the City's Capital Budget for housing development.

The Community Development Office also administers the various federal, State and local funds for housing and community development activities. The objective of the Community Development Block Grant (CDBG) Program is to improve the quality of life and create a suitable living environment for low-income residents in targeted neighborhoods with an emphasis on rehabilitation of existing housing stock and the creation of new housing at levels affordable to low-income individuals. CDBG supports economic development activities to assist businesses to create jobs and strengthen retail activity. 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.

In addition, the City's Community Development Office also administers the federal HOME Investment Partnership Program and the Neighborhood Stabilization Program that provide funding for the development of affordable housing.

Transportation

The development of the City is tied to significant public transportation investments including the Stamford Urban Transitway (SUT) a multi-modal route that connects the Stamford Transportation Center with I-95 and the City's East Side and improves access to the South End. Phase I of the project was financed with approximately \$54.4 million in federal funds, matched by approximately \$12.0 million in local funds, and was substantially completed in December 2010. The City received approximately \$40 million in federal funds, matched by approximately \$10 million in local funds, for the second phase of the SUT which commenced in 2013 and was substantially completed in late 2017.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the year ended June 30, 2017. This was the

thirtieth consecutive year that the City received this prestigious national award (which recognizes conformance with the highest standards for presentation of State and local government financial reports). In order to be awarded a Certificate of Achievement a government unit must publish an easily readable and efficiently organized CAFR whose contents must conform to the program's standards including satisfying generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report could not have been accomplished without the diligent work and important contributions of the Controller's Office staff and the members of other departments who assisted in its compilation. I also want to express my appreciation to the audit team from Blum, Shapiro & Company, P.C., the City's independent auditor, for their thorough, professional and timely work.

Respectfully submitted,



Michael E. Handler
Director of Administration

CITY OF STAMFORD, CONNECTICUT
List of Elected and Appointed Officials
As of June 30, 2018

Mayor

David R. Martin

Chief of Staff

Michael E. Pollard

Mayor's Directors

Michael E. Handler	Director of Administration
Ernest A. Orgera	Director of Operations
Kathryn Emmett, Esq.	Director of Legal Affairs
Thaddeus K. Jankowski, Sr.	Director of Public Safety, Health & Welfare
Thomas Madden	Director of Economic Development

Board of Finance

Richard Freeman	Chairman
Mary Lou T. Rinaldi	Vice-Chair
Salvatore Gabriele	Member
David Kooris	Member
Kieran M. Ryan	Member
Dudley N. Williams	Member

Board of Representatives

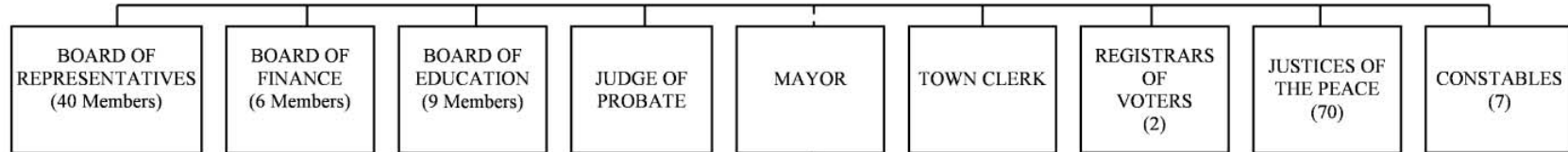
Matthew Quinones	President and Deputy Mayor
Monica Di Costanza	Chair, Fiscal Committee

Office of Administration

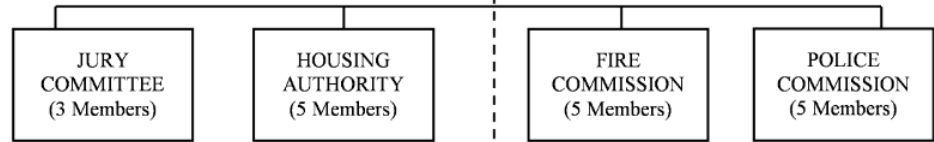
David A. Yanik	Controller
Jay Fountain	Director of Policy & Management

City of Stamford, Connecticut
Organizational Chart
CITIZENS OF STAMFORD

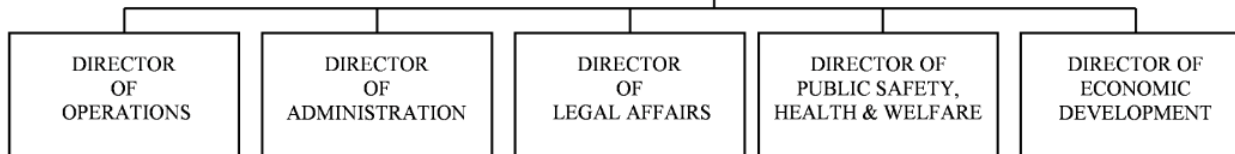
VOTERS ELECT



MAYOR APPOINTS



APPOINTED BY THE MAYOR AND APPROVED BY THE BOARD OF REPRESENTATIVES





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

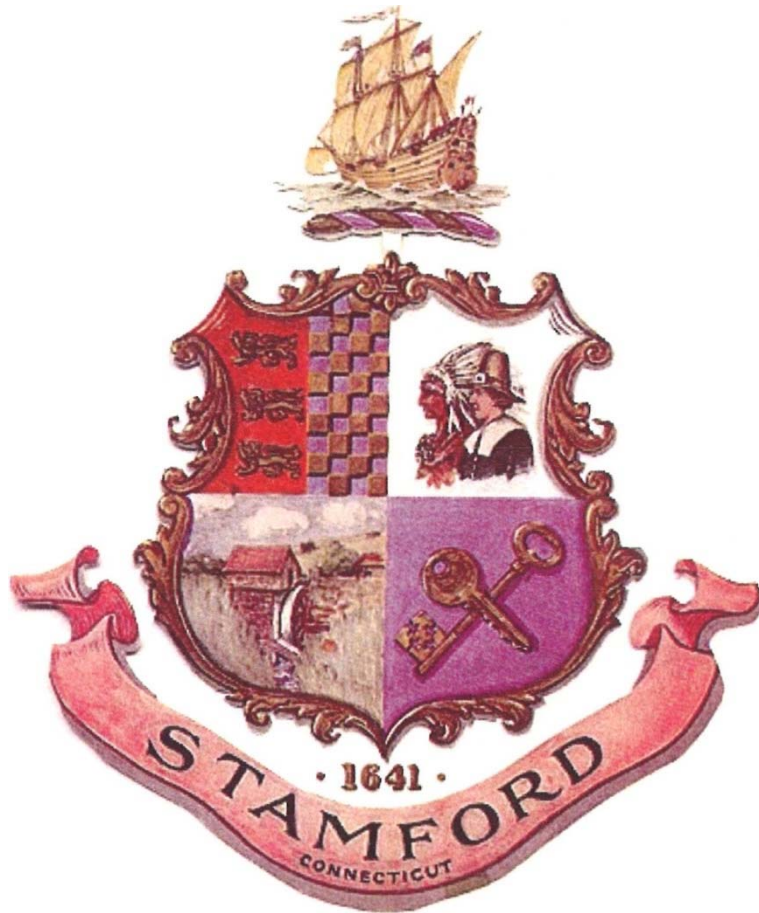
**City of Stamford
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



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



FINANCIAL SECTION

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, 2018, 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 from 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, 2018 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.

Change in Accounting Principle

As discussed in Note 13 to the financial statements, during the fiscal year ended June 30, 2018, the City of Stamford, Connecticut, adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The net position of the City of Stamford, Connecticut, has been restated to recognize the net other postemployment benefit liability in accordance with GASB No. 75. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the pension schedules and the OPEB schedules, as listed in the table of contents, 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 dated December 28, 2018 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Stamford, Connecticut's 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
December 28, 2018

**CITY OF STAMFORD, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018**

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, 2018. Please read it in conjunction with the letter of transmittal and the City's financial statements that follow this section (fiscal 2017 net position for the City was restated to reflect the implementation of GASB 74/75).

Financial Highlights

- In fiscal 2018, the City's net position on a government-wide basis (including all governmental activities and business-type activities but excluding a small component unit), increased by \$35.9 million or 26.8%, to \$169.8 million. Total assets and deferred outflows of resources (\$1,370.2 million) exceeded total liabilities and deferred inflows of resources (\$1,200.4 million), by \$169.8 million as of June 30, 2018. Within governmental activities, net position increased by \$31.1 million or 60.2%, to \$82.9 million while the net position in business-type activities increased by \$4.8 million or 5.8%, to \$87.0 million.
- 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 \$142.9 million, a decrease of \$6.8 million from the prior fiscal year-end period.
- As of June 30, 2018, the total fund balance for the General Fund was \$38.6 million. Of this amount, \$33.7 million was assigned or committed for various purposes. Included in the amount is the assigned fund balance for Rainy Day purposes of \$24.6 million (versus \$22.7 million in the prior year). At year end this represented approximately 4% of total General Fund expenditures (including, as required by ordinance, transfers out) of \$621.3 million reported on the modified accrual basis of accounting. The Rainy Day purposes assignment enhances the City's financial flexibility by providing resources outside of the City's General Fund. In addition, the City has \$3.6 million of other assigned fund balance at year-end, (versus \$3.3 million at the prior year-end), and this represented .7% of those same total General Fund expenditures.
- The City's total long-term debt (bonds and notes payable) increased by \$11.0 million to \$570.7 million in fiscal 2018.
- The City's debt level is considered "low" by Standard & Poor's and "manageable" by Fitch Ratings, who currently rate the City's outstanding debt AAA and AAA, respectively, with a "stable" outlook from both ratings agencies
- The City's four defined benefit pension plans (Classified Employees, Police, Firefighters, and Custodians and Mechanics), incurred a combined increase in net position of \$41.2 million, or 6.8%, in fiscal 2018. The increase consisted primarily of net investment gains of \$56.2 million and employer/employee contributions totaling \$29.7 million, offset by benefits and administration deductions totaling \$44.7 million. The respective pension trusts were approximately 78% funded overall from an actuarial standpoint. The pension trusts' boards and City officials closely monitor the trusts to ensure their ongoing stability, given the recent volatile financial market conditions, changes in interest rates, and the uncertain global economic environment.
- The City has fully implemented its five-year phase-in funding plan for Other Post Employment Benefit ("OPEB") costs. Commencing on July 1, 2016, the minimum percentage contribution to the OPEB Trust Fund in fiscal 2018 was 100% of the actuarially required contribution of \$28.4 million. Actual contributions from the City totaled \$28.4 million and the OPEB Trust Funded Ratio was approximately 31.9% as of June 30, 2018.
- Net position for all trust funds under management totaled \$763.5 million as of June 30, 2018.

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 19-20 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), 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 pages 89-90.

The basic governmental fund financial statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance) are presented on pages 21-22 and 23-24 of this report.

Proprietary Funds

The City maintains two different types of proprietary funds. Enterprise funds are used to report the same types of functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the SWPCA, OTHRA and the E.G. Brennan Golf Course. Internal service funds are an accounting device used to accumulate and allocate certain costs internally among the City's various functions. The City uses its internal service funds to account for risk management costs, 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 25-27 of this report.

Fiduciary Funds

The City is the trustee, or fiduciary, for its employees' pension plans and OPEB Trust. 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 28-29 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 30-88 of this report.

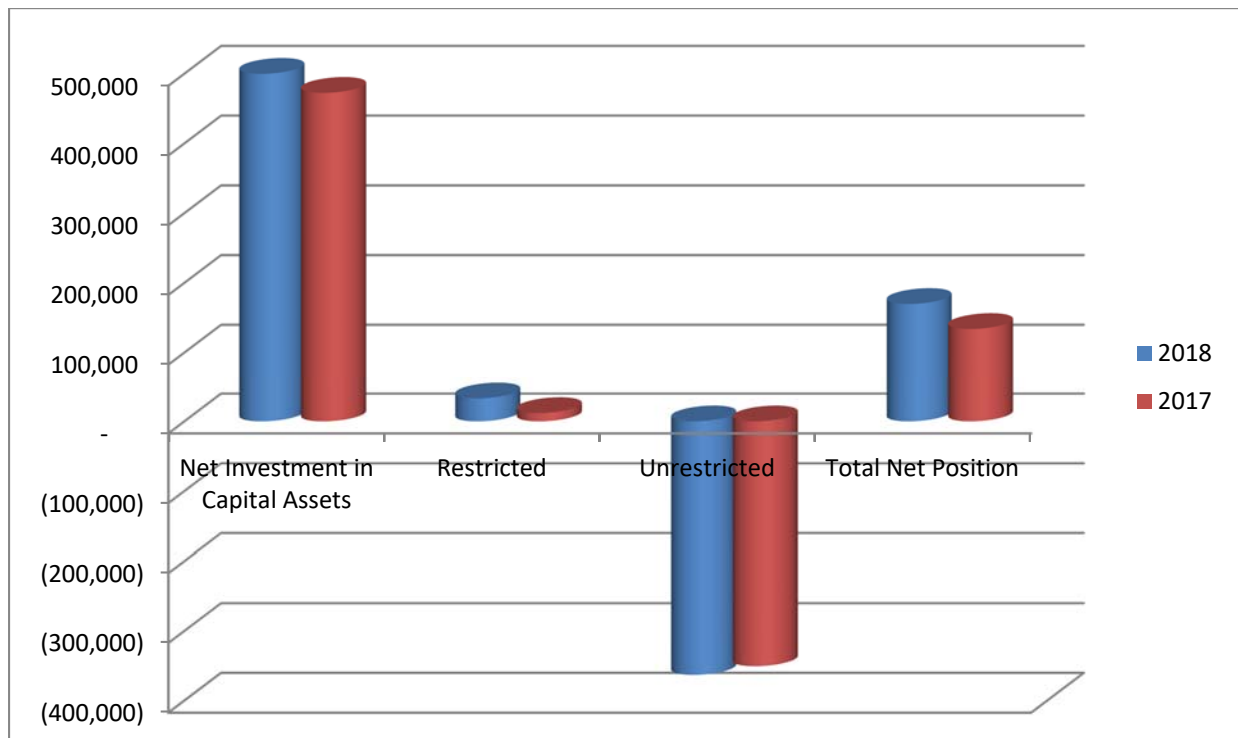
Government-Wide Financial Analysis

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 (\$1,164.3 million) exceeded its liabilities and deferred inflow of resources (\$1,081.5 million) by \$82.9 million at June 30, 2018.

Statement of Net Position (\$000s)
June 30, 2018 and 2017

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
		(as Restated)		(as Restated)		(as Restated)
Current and other assets	\$ 284,679	\$ 276,031	\$ 50,349	\$ 45,579	\$ 335,028	\$ 321,610
Capital assets, net of accumulated depreciation	820,687	774,139	153,469	154,400	974,156	928,539
Total assets	<u>1,105,366</u>	<u>1,050,170</u>	<u>203,818</u>	<u>199,979</u>	<u>1,309,184</u>	<u>1,250,149</u>
Deferred outflow of resources	58,983	51,174	2,026	1,826	61,009	53,000
Current liabilities	60,361	49,998	2,146	2,867	62,507	52,865
Long-term liabilities outstanding	957,723	964,407	116,194	116,295	1,073,917	1,080,702
Total liabilities	<u>1,018,084</u>	<u>1,014,405</u>	<u>118,340</u>	<u>119,162</u>	<u>1,136,424</u>	<u>1,133,567</u>
Deferred inflow of resources	63,413	35,228	528	435	63,941	35,663
Net Position:						
Net investments in capital assets	446,596	413,650	53,297	58,948	499,893	472,598
Restricted	21,718	757	11,247	11,170	32,965	11,927
Unrestricted	<u>(385,462)</u>	<u>(362,696)</u>	<u>22,432</u>	<u>12,090</u>	<u>(363,030)</u>	<u>(350,606)</u>
Total Net Position	\$ <u>82,852</u>	\$ <u>51,711</u>	\$ <u>86,976</u>	\$ <u>82,208</u>	\$ <u>169,828</u>	\$ <u>133,919</u>

Total Net Position - Primary Government
Fiscal Year 2018 vs. Fiscal Year 2017



Net Position

Reporting on a government-wide basis (i.e. including all governmental activities and business-type activities but excluding a small component unit) is referred to as the primary government. As of June 30, 2018 the primary government's assets and deferred outflow of resources (\$1,370.2 million) exceeded its liabilities and deferred inflow of resources (\$1,200.4 million), resulting in a net position of \$169.8 million, an increase of \$35.9 million from last fiscal year-end's net position of \$133.9 million, as restated. The net position for governmental activities only at June 30, 2018 was \$82.9 million, down \$31.1 million from the previous year's \$51.7 million, as restated, and the total net position for business-type activities was \$87.0 million, an increase of \$4.8 million from the prior year balance of \$82.2 million, as restated.

Unrestricted Net Position

In the government-wide financial statements for governmental activities, the assets and deferred outflow of resources (\$1,164.3 million) of the City exceeded its liabilities and deferred inflow of resources (\$1,081.5 million) at June 30, 2018 by \$82.9 million. Of this amount, the unrestricted portion was a deficit of \$385.5 million, which would need to be financed from future operations (this deficit includes the unfunded pension liabilities required to be recorded by GASB Statement No. 68 and the unfunded OPEB liabilities required to be recorded by GASB Statement No. 75). 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 for compensated absences (\$21.2 million), net pension liabilities (\$184.8 million), and net OPEB liabilities (\$244.1 million) that are greater than currently available resources. Payments for these liabilities will be budgeted in the year that actual payment will be made. The City has also reported assets restricted for debt service and special revenue funds, which also contributed to the unrestricted deficit mentioned above.

Net 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

The City's total net position of \$82.9 million as of June 30, 2018, has \$21.7 million has a restricted amount which is primarily for future debt service.

Financial Ratios

A common measure of liquidity is the current ratio (ratio of current assets to 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, 2018, the City's current ratio was 4.7 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 (unrestricted cash) are compared with current liabilities. As of June 30, 2018, the City's quick ratio was 1.0 to 1, down slightly from the prior fiscal year.

The City's debt service ratio (annual debt service divided by General Fund expenditures) was under 10% as of June 30, 2018, which is favorably considered to be "low" and "manageable" by the major rating agencies. In addition, the City's debt burden ratio of 1.4% (i.e., net debt outstanding for the City's governmental activities divided by Equalized Net Grand List or \$461.7 million / \$32,825.5 million = 1.4%) 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 50-57.

**Changes in Net Position (\$000's)
For the Years Ended June 30, 2018 and 2017**

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 43,432	\$ 44,020	\$ 30,328	\$ 30,423	\$ 73,760	\$ 74,443
Operating grants and contributions	116,085	112,875			116,085	112,875
Capital grants and contributions	21,191	8,597	191	66	21,382	8,663
General revenues:						
Property taxes	520,359	501,198			520,359	501,198
Grants not restricted to specific programs	5,696	10,783			5,696	10,783
Gain on sale of property	429	841		8	429	849
Unrestricted investment earnings	2,003	868	201	(27)	2,204	841
Miscellaneous	1,824	197			1,824	197
Total revenues	<u>711,019</u>	<u>679,379</u>	<u>30,720</u>	<u>30,470</u>	<u>741,739</u>	<u>709,849</u>
Expenses:						
Governmental services	8,314	8,880			8,314	8,880
Administration	10,350	11,460			10,350	11,460
Legal affairs	31,624	36,982			31,624	36,982
Public safety	134,441	138,687			134,441	138,687
Health and welfare	17,182	17,425			17,182	17,425
Community services	12,237	11,717			12,237	11,717
Operations	66,705	69,711			66,705	69,711
Education	383,982	379,282			383,982	379,282
Interest	15,552	14,918			15,552	14,918
Water Pollution Control Authority			22,549	21,615	22,549	21,615
Old Town Hall Redevelopment Agency			1,747	2,193	1,747	2,193
E.G. Brennan Golf Course			1,147	1,227	1,147	1,227
Total expenses	<u>680,387</u>	<u>689,062</u>	<u>25,443</u>	<u>25,035</u>	<u>705,830</u>	<u>714,097</u>
Change in net position before transfers	30,632	(9,683)	5,277	5,435	35,909	(4,248)
Transfers	509	451	(509)	(451)		
Change in net position	<u>31,141</u>	<u>(9,232)</u>	<u>4,768</u>	<u>4,984</u>	<u>35,909</u>	<u>(4,248)</u>
Net Position at Beginning of Year	51,711	252,276	82,208	80,248	133,919	332,524
Restatement		(191,333)		(3,024)		(194,357)
Net Position at End of Year	<u>\$ 82,852</u>	<u>\$ 51,711</u>	<u>\$ 86,976</u>	<u>\$ 82,208</u>	<u>\$ 169,828</u>	<u>\$ 133,919</u>

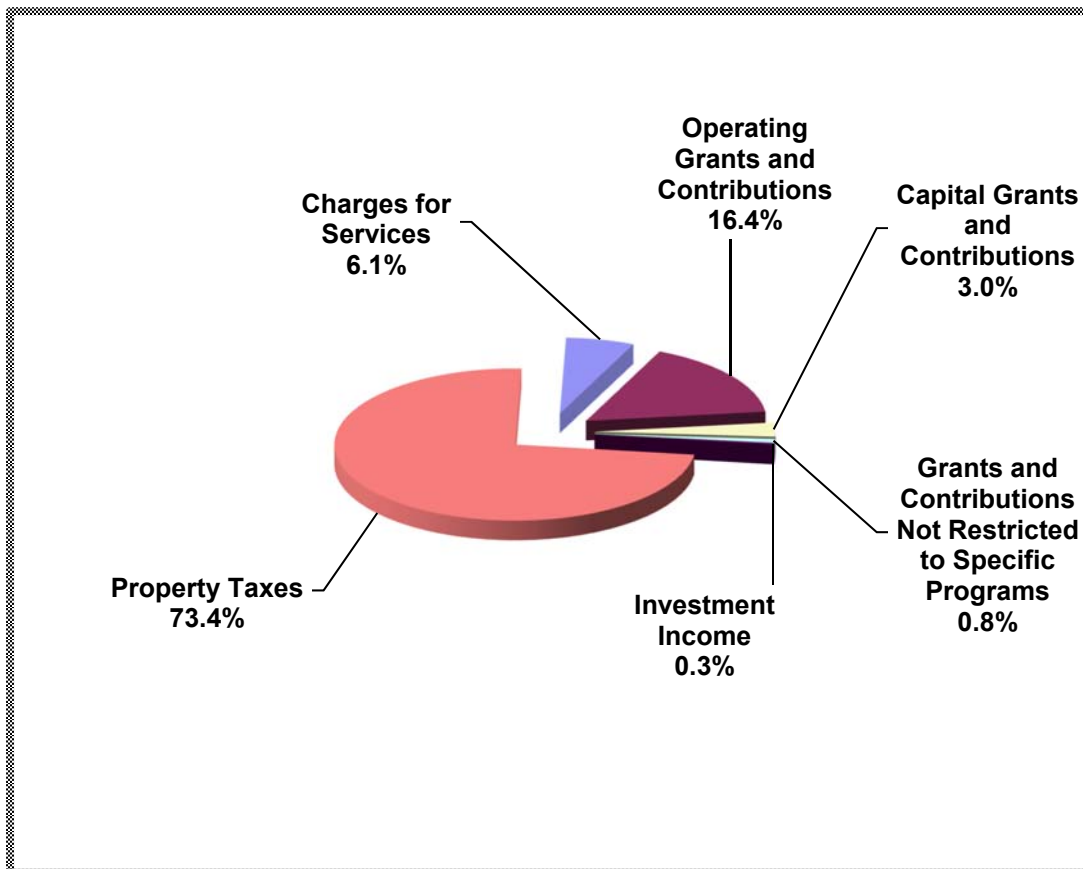
Change in Net Position

Governmental Activities

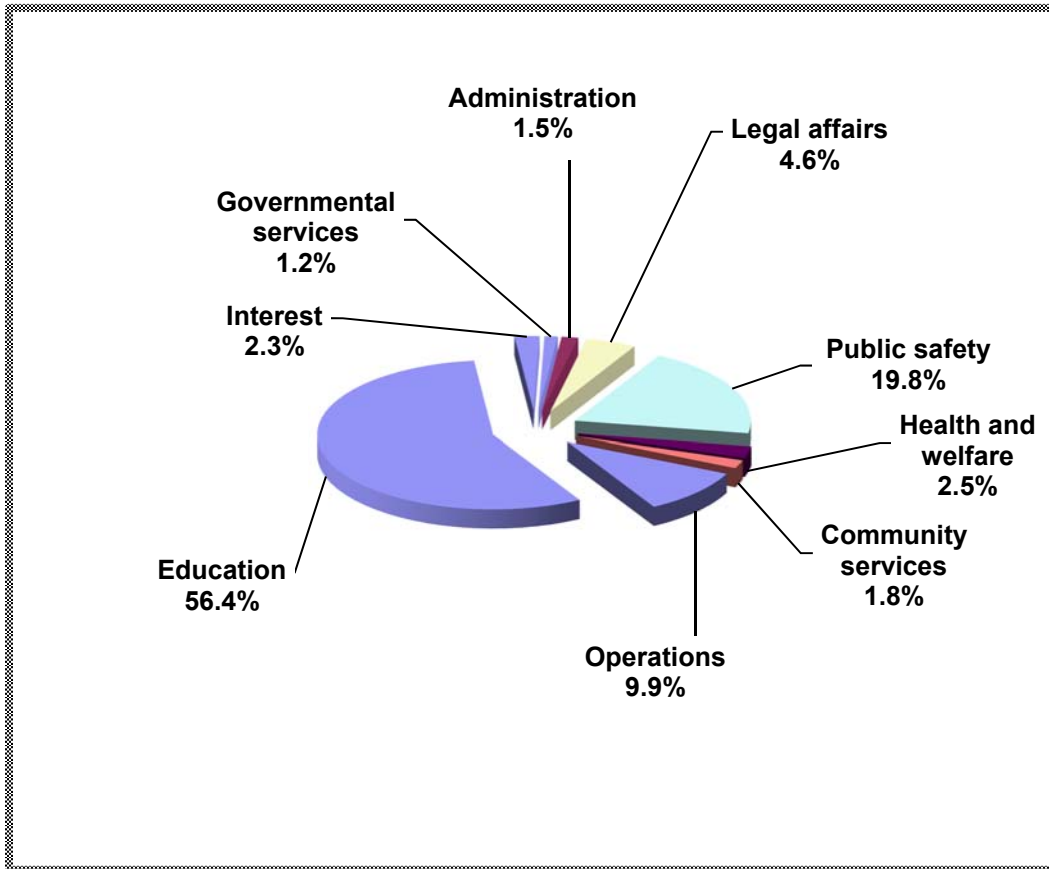
In fiscal 2018, governmental activities increased the City's net position by \$35.9 million. Governmental activities revenues were \$711.0 million, up \$31.6 million from the prior year while expenses were \$680.4 million, down \$8.7 million from the prior year. Revenue by source was within management's expectations. Approximately 73% of revenues in total governmental activities revenues were derived from property taxes, while about 19% of revenues were derived from operating and capital grants and contributions, and the remainder, about 8%, came from charges for services, investment earnings, and other sources.

Overall, the property tax revenues increased 3.7% from the prior year while operating and capital grants and contributions increased by 11.5% from the previous year. 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, 2018**



**City of Stamford
Expenses - Governmental Activities
June 30, 2018**



Business-Type Activities

In fiscal 2018, 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, 2018 of \$4.8 million, primarily based on strong operating results.

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, 2018, the City's Governmental Funds (General Fund, Capital Projects Fund, Mill River Capital Projects Fund, Non-Major Governmental funds) combined fund balance was \$142.9 million, a decrease of \$6.8 million from the prior year. Approximately \$112.0 million of the combined fund balance is reported as nonspendable, restricted, or committed since it has been obligated for the following purposes:

- \$102.3 million for ongoing City capital projects
- \$9.7 million for capital non-recurring, debt service for the City (including defeased Mill River debt), special revenue funds, and other

The General Fund is the chief operating fund of the City. As of June 30, 2018, the total fund balance was \$38.6 million, consisting of nonspendable fund balance of \$4.2 million, committed fund balance of \$5.4 million, \$28.2 million of assigned fund balance, with the remaining balance of \$0.6 million unassigned. The total fund balance represents 6.2% of total General Fund expenditures (including transfers out, as defined), as compared to 7.1% a year ago. In order to strengthen the City's financial flexibility, a portion of the prior year surplus balance has typically been committed to Rainy Day purposes as noted below.

The City Charter provides that a current year excess of revenues over expenditures (or "surplus" as defined), may be assigned for Rainy Day purposes. 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 Rainy Day purposes. The Rainy Day purposes balance may not exceed 5% of General Fund expenditures (as defined) for the prior fiscal year (\$31.1 million) and may only be used to support expenditures in subsequent fiscal years. During fiscal year 2018, \$2.0 million committed from the fiscal 2017 General Fund surplus was assigned for Rainy Day purposes, bringing that assigned balance to approximately \$24.6 million as of June 30, 2018. The City has recommended that \$.9 million from the fiscal 2018 surplus be committed for Rainy Day purposes for fiscal year 2018.

The budgetary basis amount available from current year operations for the City's General Fund was \$3.0 million as of June 30, 2018. The General Fund fund balance was impacted by the following:

- Current fiscal year excess of revenues and other sources over expenditures and other uses was \$3.3 million. This amount was reduced by \$.3 million, which was the net of \$.6 million of cancelled encumbrances and \$.9 of labor settlement agreement payouts related to prior fiscal years.
- Other planned uses of fund balance during the fiscal year totaled \$9.7 million and included the transfer of \$6.5 million for various capital projects, the transfer of \$.5 million to the Risk Management Fund, the assignment of \$2.0 million for Rainy Day Purposes, and other assignments of \$.6 million.

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 99.1%, marking the sixteenth 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, 2018, the Capital Projects Fund had a total fund balance of \$61.5 million, down \$26.6 million from the prior year reflecting fiscal 2018 proceeds from bond issuance of \$30.0 million less current fiscal year capital spending, and including repurposing of funding as approved by the governing boards.

As of June 30, 2018, the Mill River Capital Projects Fund had a total fund balance of \$.2 million, down \$.1 million from the prior year, reflecting the net of contributions from TIF revenue, repayments of prior years' advances, and spending on capital improvements.

Non-Major Governmental Funds had a total fund balance of \$42.6 million, up \$23.9 million from the prior year due primarily to a \$21.0 million increase in the City's Debt Service Fund related to its accounting for crossover refunding debt using an irrevocable trust.

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 112-115.

Proprietary Funds

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

As of June 30, 2018, the net position of the SWPCA was \$83.3 million, up \$5.5 million from the prior year amount of \$77.9 million, as restated. Income before transfers \$5.8 million, declined by \$.8 million from the prior year, due primarily to the net of sewer usage charges (up \$.4 million), miscellaneous revenues (up \$.1 million), special assessments, connections charges, and other (down \$.6 million), operating expenses (up \$.9 million) and net interest expense and other (down \$.2 million).

Unrestricted net position of the SWPCA was \$26.9 million, up \$7.4 million as compared to the prior year-end balance of \$19.5 million. The SWPCA recorded operating revenues of \$24.7 million and non-operating revenue of \$3.4 million in fiscal 2018. For more information regarding the SWPCA's finances, please refer to their stand-alone fiscal 2018 audit report.

OTHRA had a net position of \$2.3 million, as of June 30, 2018 of which the unrestricted amount was a deficit of \$4.8 million and their operating loss was \$.5 million.

The net position for the non-major Enterprise Fund - E.G. Brennan Golf Course was \$1.3 million as of June 30, 2018, same as the prior year.

General Fund Budgetary Highlights

In fiscal 2018, the difference between the General Fund's original budgeted revenues and other financing sources of \$559.0 million and the final amended revenue budget of \$568.6 million was \$9.7 million. Revenue budget adjustments were the result of the use of fund balance assigned in prior years in anticipation of the labor contract settlements.

The difference between the General Fund's original budgeted Expenditures, Encumbrances and Other Financing Uses of \$559.0 million and the final amended expenditure budget of \$568.6 million was \$9.7 million. These budget adjustments primarily included Operations (\$1.3 million higher), Public Safety (\$.8 million higher), Legal Affairs (\$.4 million higher), assignment of Fund Balance committed at the 2017 fiscal year-end (\$9.6 million), offset by contingency and other (\$2.6 million lower).

The difference between the General Fund's final budgeted revenues and Other Financing Sources of \$568.6 million and the actual revenue of \$556.4 million was approximately \$1.4 million (unfavorable). Revenue variances from the final amended budget included lower than budgeted current year State funding (\$2.3 million), higher than budgeted property taxes (\$.8 million), and other, net (\$.1 million). In addition, \$.9 million net of Fund Balance was used to address the labor contract settlement payouts related to prior fiscal years.

The difference between the General Fund's final budgeted Expenditures, Encumbrances and Other Financing Uses of \$568.6 million and the final actual expenditures of \$563.9 million was \$4.7 million. The expenditure variances primarily included overall lower expenditures for Public Safety (\$1.0 million), Operations (\$.8 million), unused contingency (\$1.9 million), Governmental Services, Administration, Legal Affairs and other, net (\$.9 million).

Capital Assets and Long-Term Debt

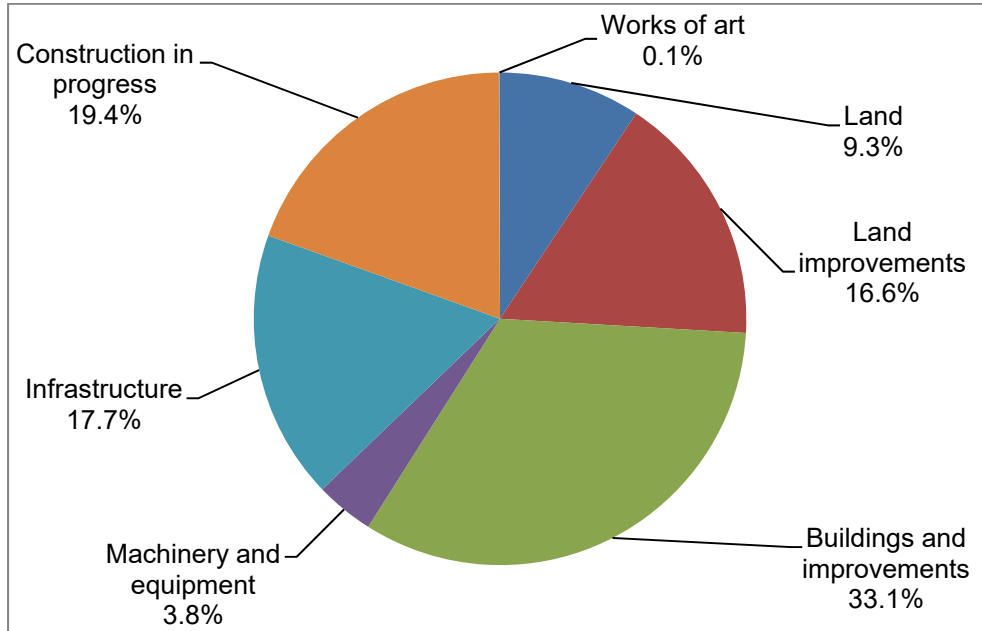
Capital Assets

As of June 30, 2018, the City's investment in capital assets for its governmental and business-type activities amounted to \$974.2 million (net of accumulated depreciation), an increase of \$45.6 million, or 4.9%, from the prior year. 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	
	2018	2017	2018	2017	2018	2017
Land	\$ 85,929	\$ 85,929	\$ 4,864	\$ 4,864	\$ 90,793	\$ 90,793
Land improvements	160,869	154,505	831	4,963	161,700	159,468
Buildings and improvements	229,710	240,388	92,536	88,967	322,246	329,355
Machinery and equipment	28,988	31,754	8,394	9,226	37,382	40,980
Infrastructure	125,620	114,471	46,352	45,905	171,972	160,376
Construction in progress	188,804	146,325	492	475	189,296	146,800
Works of art	767	767			767	767
Total	\$ 820,687	\$ 774,139	\$ 153,469	\$ 154,400	\$ 974,156	\$ 928,539

**City of Stamford
Capital Assets - Primary Government
June 30, 2018**



Major capital projects during fiscal 2018 included the following:

City of Stamford Capital Projects (Millions)	
Project	Amount
City Property Improvements	\$ 53.2
City-wide Street and Sidewalk Restoration	10.4
BOE School Improvements	11.2
All Other Projects	6.7
	\$ 81.5

Additional information on capital assets is provided in Note 5 on pages 47-49 of this report.

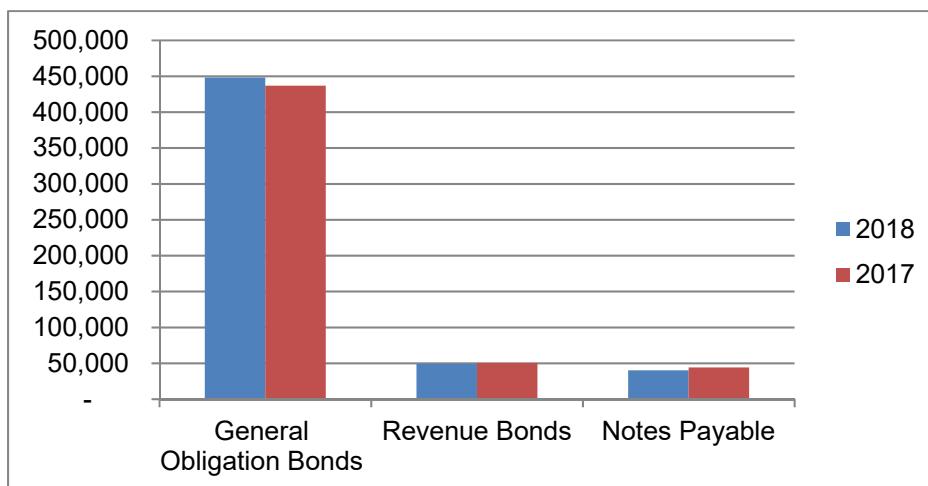
Long-Term Debt

As of June 30, 2018, the City had total long-term debt outstanding of \$537.6 million, up \$6.1 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	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 433,686	\$ 426,337	\$ 14,565	\$ 10,576	\$ 448,251	\$ 436,913
Revenue bonds			49,240	50,505	49,240	50,505
Notes payable			40,119	44,116	40,119	44,116
Total	\$ 433,686	\$ 426,337	\$ 103,924	\$ 105,197	\$ 537,610	\$ 531,534

Long-Term Debt (\$000s) 2018 vs. 2017 (at June 30)



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

The overall statutory debt limit for the City is equal to seven times the annual receipts from taxation or approximately \$3.5 billion. The City's outstanding debt of \$537.6 million as of June 30, 2018 was substantially below this statutory debt limit.

Additional information on long-term liabilities is provided in Note 7 on pages 50-57 of this report.

Economic Factors and Subsequent Events

Despite the adverse effects of the weak global economy and the continuing slow growth in the domestic economy, the City's economy, although impacted, held up comparatively well during fiscal 2017 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 3.4% is more favorable than the 4.5% rate for the State of Connecticut and the 4.2% rate nationally. The office vacancy rate for central business district properties in Stamford is unchanged at approximately 28% as of the end of the second calendar quarter (June 30, 2018) as compared to the prior year calendar quarter (June 30, 2017); although the City's office vacancy rate has remained high, Stamford continues to attract significant new corporate, commercial and retail businesses because of its strategic location and cost advantages, further strengthening the City's economic and tax base.

The 2017 (latest available) median household income in the Stamford metropolitan area was \$87,316 which compared favorably to the estimated median household income in the State of Connecticut of \$71,755, and nationally of \$61,372.

These economic factors, including the expectation of continuing cost pressures and the likelihood of reduced state support, as well as the uncertainty regarding economic growth in the new political environment, were considered in preparing the City's fiscal 2019 budget.

Post fiscal year-end, the City completed a General Obligation (GO) bond offering for \$25.0 million, the proceeds of which will be used to fund capital projects.

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, 2018**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Urban Redevelopment Commission
Assets:				
Cash and cash equivalents	\$ 55,227,283	\$ 11,361,140	\$ 66,588,423	\$ 1,059,986
Investments	117,417,088	6,582,312	123,999,400	
Restricted cash and cash equivalents	27,000,138	18,925,036	45,925,174	
Restricted investments	2,576,276		2,576,276	
Receivables, net:				
Property taxes	10,147,965		10,147,965	
Accounts	4,446,773	25,698	4,472,471	18,980
Usage		1,643,444	1,643,444	
Loans	35,800,782		35,800,782	2,726,767
Intergovernmental	30,100,892		30,100,892	
Special assessments		9,740,115	9,740,115	
Non-usage		785,181	785,181	
Due from fiduciary funds	2,845,370		2,845,370	
Due from component unit	252,411		252,411	
Due from primary government			-	119,567
Internal balances	(1,275,395)	1,275,395	-	
Prepaid expenses	3,355		3,355	
Inventory	136,215	9,902	146,117	
Land held for resale				1,069,296
Capital assets, nondepreciable	275,499,403	5,355,706	280,855,109	
Capital assets, net of accumulated depreciation	545,187,587	148,113,743	693,301,330	
Total assets	1,105,366,143	203,817,672	1,309,183,815	4,994,596
Deferred Outflows of Resources:				
Deferred charge on refunding	8,684,177	1,123,048	9,807,225	
Deferred outflows related to pensions	30,517,334	627,218	31,144,552	
Deferred outflows related to OPEB	19,781,205	275,396	20,056,601	
Total deferred outflows of resources	58,982,716	2,025,662	61,008,378	-
Liabilities:				
Accounts payable	35,240,571	1,328,679	36,569,250	3,055
Accrued liabilities	4,446,275	133,616	4,579,891	
Retainage payable	3,821,597		3,821,597	
Accrued interest payable	6,606,674	557,303	7,163,977	
Due to primary government			-	252,411
Due to component unit	119,567		119,567	
Unearned revenue	10,125,649	125,568	10,251,217	
Noncurrent liabilities:				
Due within one year	58,520,589	6,958,964	65,479,553	
Due in more than one year	899,202,633	109,235,533	1,008,438,166	
Total liabilities	1,018,083,555	118,339,663	1,136,423,218	255,466
Deferred Inflows of Resources:				
Advance property tax collections	19,711,683		19,711,683	
Deferred inflows related to pensions	12,903,890	168,467	13,072,357	
Deferred inflows related to OPEB	30,797,637	358,910	31,156,547	
Total deferred inflows of resources	63,413,210	527,377	63,940,587	-
Net Position:				
Net investment in capital assets	446,596,574	53,296,625	499,893,199	
Restricted:				
Debt service	21,717,722	11,247,486	32,965,208	
Unrestricted	(385,462,202)	22,432,183	(363,030,019)	4,739,130
Total Net Position	\$ 82,852,094	\$ 86,976,294	\$ 169,828,388	\$ 4,739,130

The accompanying notes are an integral part of the financial statements

**CITY OF STAMFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

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	\$ 8,313,628	\$ 8,308,435	\$ 3,284,001	\$	\$ 3,278,808	\$	\$ 3,278,808	\$
Administration	10,350,477	64,106			(10,286,371)		(10,286,371)	
Legal affairs	31,624,357	140,028			(31,484,329)		(31,484,329)	
Public safety	134,441,319	11,237,068	1,316,105		(121,888,146)		(121,888,146)	
Health and welfare	17,181,889	1,521,463	2,889,375		(12,771,051)		(12,771,051)	
Community services	12,237,458				(12,237,458)		(12,237,458)	
Operations	66,705,177	19,625,241		21,078,959	(26,000,977)		(26,000,977)	
Education	383,981,959	2,535,462	107,961,709	112,391	(273,372,397)		(273,372,397)	
Interest	15,552,448		633,914		(14,918,534)		(14,918,534)	
Total governmental activities	<u>680,388,712</u>	<u>43,431,803</u>	<u>116,085,104</u>	<u>21,191,350</u>	<u>(499,680,455)</u>	<u>-</u>	<u>(499,680,455)</u>	<u>-</u>
Business-type activities:								
Water Pollution Control Authority	22,548,448	28,106,425		191,031		5,749,008	5,749,008	
Old Town Hall Redevelopment Agency	1,746,670	1,048,369				(698,301)	(698,301)	
E.G. Brennan Golf Course	1,146,587	1,172,794				26,207	26,207	
Total business-type activities	<u>25,441,705</u>	<u>30,327,588</u>	<u>-</u>	<u>191,031</u>	<u>-</u>	<u>5,076,914</u>	<u>5,076,914</u>	<u>-</u>
Total Primary Government	<u>\$ 705,830,417</u>	<u>\$ 73,759,391</u>	<u>\$ 116,085,104</u>	<u>\$ 21,382,381</u>	<u>(499,680,455)</u>	<u>5,076,914</u>	<u>(494,603,541)</u>	<u>-</u>
Component Unit								
Urban Redevelopment Commission	<u>\$ 212,006</u>	<u>\$ 796</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(211,210)</u>
General revenues:								
Property taxes					520,359,137		520,359,137	
Grants and contributions not restricted to specific programs					5,695,521		5,695,521	
Unrestricted investment earnings					2,003,490	200,927	2,204,417	85,064
Gain (loss) on sale of capital assets					428,695		428,695	
Miscellaneous					1,824,424		1,824,424	
Transfers					509,364	(509,364)	-	
Total general revenues and transfers					<u>530,820,631</u>	<u>(308,437)</u>	<u>530,512,194</u>	<u>85,064</u>
Change in net position					31,140,176	4,768,477	35,908,653	(126,146)
Net Position at Beginning of Year, as restated					<u>51,711,918</u>	<u>82,207,817</u>	<u>133,919,735</u>	<u>4,865,276</u>
Net Position at End of Year					<u>\$ 82,852,094</u>	<u>\$ 86,976,294</u>	<u>\$ 169,828,388</u>	<u>\$ 4,739,130</u>

The accompanying notes are an integral part of the financial statements

**CITY OF STAMFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2018**

	<u>General</u>	<u>Capital Projects</u>	<u>Mill River Capital Projects</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	\$ 3,273,443	\$	\$ 3,786,998	\$ 899,187	\$ 16,479,259	\$ 24,438,887
Investments	65,437,556	46,166,339			5,813,193	117,417,088
Restricted cash				27,000,138		27,000,138
Restricted investments		2,576,276				2,576,276
Property taxes receivable, net	10,147,965					10,147,965
Other receivables:						
Accounts	969,464	233,378			2,771,403	3,974,245
Loans		7,937,124				7,937,124
Intergovernmental	1,100,047	24,429,692	50,000		4,521,153	30,100,892
Due from component unit	252,411					252,411
Advances to other funds	4,167,972	2,854,901				7,022,873
Due from other funds	3,374,009					3,374,009
Prepaid expenditures					3,355	3,355
Inventories	70,201				66,014	136,215
Total Assets	\$ 88,793,068	\$ 84,197,710	\$ 3,836,998	\$ 27,899,325	\$ 29,654,377	\$ 234,381,478
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable and accrued items	\$ 16,337,461	\$ 15,485,362	\$ 1,530,000		\$ 1,860,420	\$ 35,213,243
Accrued liabilities	2,663,449	25,014			1,174,789	3,863,252
Retainage payable		3,821,597				3,821,597
Due to other funds		204,324		6,181,603	324,315	6,710,242
Advances from other funds			2,116,665			2,116,665
Due to component unit	63,300				56,267	119,567
Unearned revenue	3,135,158	3,158,367			3,832,124	10,125,649
Total liabilities	<u>22,199,368</u>	<u>22,694,664</u>	<u>3,646,665</u>	<u>6,181,603</u>	<u>7,247,915</u>	<u>61,970,215</u>
Deferred inflows of resources:						
Unavailable revenue - property taxes	8,158,644					8,158,644
Unavailable revenue - miscellaneous receivables	130,452					130,452
Unavailable revenue - police extra duty					311,757	311,757
Unavailable revenue - parking					1,248,090	1,248,090
Advance property tax collections	19,711,683					19,711,683
Total deferred inflows of resources	<u>28,000,779</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,559,847</u>	<u>29,560,626</u>
Fund balances:						
Nonspendable	4,238,173				69,369	4,307,542
Restricted		61,503,046	190,333	21,717,722	18,857,783	102,268,884
Committed	5,444,630					5,444,630
Assigned	28,226,267				1,945,164	30,171,431
Unassigned	683,851				(25,701)	658,150
Total fund balances	<u>38,592,921</u>	<u>61,503,046</u>	<u>190,333</u>	<u>21,717,722</u>	<u>20,846,615</u>	<u>142,850,637</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 88,793,068	\$ 84,197,710	\$ 3,836,998	\$ 27,899,325	\$ 29,654,377	\$ 234,381,478

(Continued on next page)

CITY OF STAMFORD, CONNECTICUT
BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2018

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)	\$ 142,850,637
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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	\$ 1,498,764,187	
Less accumulated depreciation	<u>(678,077,197)</u>	
Net capital assets		820,686,990

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

Property tax receivables greater than 60 days	5,084,264
Interest receivable on property taxes	3,074,380
Departmental income	1,690,299
Loan receivable	27,863,658
Deferred outflows related to pensions	30,517,334
Deferred outflows related to OPEB	19,781,205

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.	(4,964,119)
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Long-term liabilities and deferred inflows of resources are not due and payable
in the current period, and, therefore, are not reported in the funds:

Bonds payable	(433,685,568)
Deferred amount on premium	(28,000,492)
Deferred charge on refunding	8,684,177
Accrued interest payable	(6,606,674)
Heart and hypertension claims payable	(6,763,177)
Early retirement incentives	(696,425)
Compensated absences	(21,205,483)
Pollution remediation obligation	(2,913,320)
Net OPEB liability	(244,050,792)
Net pension liability	(184,793,273)
Deferred inflows related to pensions	(12,903,890)
Deferred inflows related to OPEB	<u>(30,797,637)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 82,852,094</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, 2018**

	<u>General</u>	<u>Capital Projects</u>	<u>Mill River Capital Projects</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:						
Property taxes, interest and lien fees	\$ 516,787,138	\$	\$ 2,695,897	\$	\$	\$ 519,483,035
Intergovernmental revenues	76,303,973	20,645,736			44,652,126	141,601,835
Charges for services	19,162,595				21,856,116	41,018,711
Interest, dividends and investment income	576,294	973,218			98,069	1,647,581
Other	1,409,357	3,797,182		671,013	133,492	6,011,044
Total revenues	<u>614,239,357</u>	<u>25,416,136</u>	<u>2,695,897</u>	<u>671,013</u>	<u>66,739,803</u>	<u>709,762,206</u>
Expenditures:						
Current:						
Governmental services	4,681,524				1,600,676	6,282,200
Administration	10,359,634					10,359,634
Legal affairs	31,531,959					31,531,959
Public safety	118,064,806				11,597,550	129,662,356
Health and welfare	11,232,867				5,818,628	17,051,495
Community services	12,237,458					12,237,458
Operations	45,430,801		1,630,000		3,728,300	50,789,101
Board of Education	326,597,201				41,821,614	368,418,815
Debt service:						
Principal retirement				38,819,787		38,819,787
Interest and other charges				17,044,271		17,044,271
Capital outlay		87,490,568				87,490,568
Total expenditures	<u>560,136,250</u>	<u>87,490,568</u>	<u>1,630,000</u>	<u>55,864,058</u>	<u>64,566,768</u>	<u>769,687,644</u>
Excess (Deficiency) of Revenues over Expenditures	<u>54,103,107</u>	<u>(62,074,432)</u>	<u>1,065,897</u>	<u>(55,193,045)</u>	<u>2,173,035</u>	<u>(59,925,438)</u>
Other Financing Sources (Uses):						
Bond refunding issued				36,168,000		36,168,000
Bond issued		30,000,000				30,000,000
Sale of real property					448,220	448,220
Premium on issuance of debt				6,434,513	987,908	7,422,421
Payment to refunded bond escrow agent				(21,020,475)		(21,020,475)
Transfers in from other funds	3,098,622	5,516,120		54,572,005	6,995,291	70,182,038
Transfers out to other funds	(61,205,530)		(1,132,906)		(7,707,383)	(70,045,819)
Total other financing sources (uses)	<u>(58,106,908)</u>	<u>35,516,120</u>	<u>(1,132,906)</u>	<u>76,154,043</u>	<u>724,036</u>	<u>53,154,385</u>
Net Change in Fund Balances	(4,003,801)	(26,558,312)	(67,009)	20,960,998	2,897,071	(6,771,053)
Fund Balances at Beginning of Year	<u>42,596,722</u>	<u>88,061,358</u>	<u>257,342</u>	<u>756,724</u>	<u>17,949,544</u>	<u>149,621,690</u>
Fund Balances at End of Year	<u>\$ 38,592,921</u>	<u>\$ 61,503,046</u>	<u>\$ 190,333</u>	<u>\$ 21,717,722</u>	<u>\$ 20,846,615</u>	<u>\$ 142,850,637</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, 2018**

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)	\$ (6,771,053)
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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	82,968,630
Depreciation expense	(36,401,350)
Loss on disposition of capital assets	(19,525)

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	312,881
Interest income on property taxes	555,999
Intergovernmental revenue on school bonds	(480,452)
Departmental income	84,286
Mortgage loans	(36,191)
Change in deferred outflows related to pensions	(11,605,758)
Change in deferred outflows related to OPEB	19,781,205
Change in deferred inflows related to pensions	4,402,706
Change in deferred inflows related to OPEB	(30,797,637)

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.

Bond proceeds	(30,000,000)
Premium on bonds issued	(7,422,421)
Issuance of refunding bonds	(36,168,000)
Payment to bond escrow agent	21,020,475
Principal payments	37,799,312

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	(364,328)
Amortization of premium	3,346,223
Accrued interest	(469,595)
Change in early retirement incentive	48,325
Change in long-term compensated absences	284,270
Pollution remediation obligation	3,961,273
Change in net OPEB liability	14,533,744
Change in pension liability	(6,018,898)
Change in heart and hypertension claims payable	3,080,870

The net expense of the internal service funds is reported with governmental activities.	<u>5,515,185</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 31,140,176</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, 2018

	Business-Type Activities - Enterprise Funds				Governmental
	Water Pollution Control Authority	Old Town Hall Redevelopment Agency	Nonmajor E.G. Brennan Golf Course	Total	Internal Service Funds
Assets:					
Current assets:					
Cash and cash equivalents	\$ 10,661,738	\$ 249,531	\$ 449,871	\$ 11,361,140	\$ 30,788,396
Investments	6,582,312			6,582,312	
Receivables, net:					
Accounts		18,322	7,376	25,698	472,528
Usage	1,643,444			1,643,444	
Special assessments and connection charges	1,743,527			1,743,527	
Non-usage	785,181			785,181	
Due from other funds	6,181,603			6,181,603	
Inventory	9,902			9,902	
Total current assets	<u>27,607,707</u>	<u>267,853</u>	<u>457,247</u>	<u>28,332,807</u>	<u>31,260,924</u>
Noncurrent assets:					
Restricted cash	18,925,036			18,925,036	
Receivables - special assessments and connection charges, net	7,996,588			7,996,588	
Capital assets:					
Not being depreciated	3,325,455	1,414,391	615,860	5,355,706	
Being depreciated, net	131,753,605	15,905,117	455,021	148,113,743	
Total noncurrent assets	<u>162,000,684</u>	<u>17,319,508</u>	<u>1,070,881</u>	<u>180,391,073</u>	<u>-</u>
Total assets	<u>189,608,391</u>	<u>17,587,361</u>	<u>1,528,128</u>	<u>208,723,880</u>	<u>31,260,924</u>
Deferred outflows of resources:					
Deferred charge on refunding	1,123,048			1,123,048	
Deferred outflows related to pension	627,218			627,218	
Deferred outflows related to OPEB	275,396			275,396	
Total deferred outflows of resources	<u>2,025,662</u>	<u>-</u>	<u>-</u>	<u>2,025,662</u>	<u>-</u>
Liabilities:					
Current liabilities:					
Accounts payable	1,237,056	75,516	16,107	1,328,679	27,328
Accrued liabilities	99,807		33,809	133,616	583,023
Accrued interest payable	470,441	86,862		557,303	
Advances from other funds		4,906,208		4,906,208	
Unearned revenues	94,974	21,594	9,000	125,568	
Current portion of claims payable				-	13,635,583
Current maturities of bonds payable	2,627,797		23,304	2,651,101	
Current maturities of notes payable	4,077,555			4,077,555	
Current portion of compensated absences	230,308			230,308	
Total current liabilities	<u>8,837,938</u>	<u>5,090,180</u>	<u>82,220</u>	<u>14,010,338</u>	<u>14,245,934</u>
Noncurrent liabilities:					
Claims payable				-	21,979,109
Bonds payable	66,119,397		83,838	66,203,235	
Notes payable	25,859,155	10,182,376		36,041,531	
Compensated absences	126,306		46,865	173,171	
Net pension liability	3,028,099			3,028,099	
Net OPEB liability	3,789,497			3,789,497	
Total noncurrent liabilities	<u>98,922,454</u>	<u>10,182,376</u>	<u>130,703</u>	<u>109,235,533</u>	<u>21,979,109</u>
Total liabilities	<u>107,760,392</u>	<u>15,272,556</u>	<u>212,923</u>	<u>123,245,871</u>	<u>36,225,043</u>
Deferred inflows of resources:					
Deferred inflows related to pension	168,467			168,467	
Deferred inflows related to OPEB	358,910			358,910	
Total deferred inflows of resources	<u>527,377</u>	<u>-</u>	<u>-</u>	<u>527,377</u>	<u>-</u>
Net Position:					
Net investment in capital assets	45,195,754	7,137,132	963,739	53,296,625	
Restricted for debt services	11,247,486			11,247,486	
Unrestricted	26,903,044	(4,822,327)	351,466	22,432,183	(4,964,119)
Total Net Position	<u>\$ 83,346,284</u>	<u>\$ 2,314,805</u>	<u>\$ 1,315,205</u>	<u>\$ 86,976,294</u>	<u>\$ (4,964,119)</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, 2018**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Pollution Control Authority	Old Town Hall Redevelopment Agency	Nonmajor E.G. Brennan Golf Course	Total	Internal Service Funds
Operating Revenues:					
Charges for services	\$ 23,556,163	\$ 633,370	\$ 1,172,794	\$ 25,362,327	\$ 91,992,268
Miscellaneous	1,152,017	414,999		1,567,016	3,505,059
Total operating revenues	<u>24,708,180</u>	<u>1,048,369</u>	<u>1,172,794</u>	<u>26,929,343</u>	<u>95,497,327</u>
Operating Expenses:					
Salaries	4,219,088		613,180	4,832,268	290,037
Employee benefits	2,334,168		222,005	2,556,173	85,957,897
Operation and supplies	6,704,378	969,100	246,139	7,919,617	225,025
Insurance				-	3,011,076
Judgment and claims				-	1,227,161
Depreciation	5,971,043	597,893	60,058	6,628,994	
Total operating expenses	<u>19,228,677</u>	<u>1,566,993</u>	<u>1,141,382</u>	<u>21,937,052</u>	<u>90,711,196</u>
Operating Income (Loss)	<u>5,479,503</u>	<u>(518,624)</u>	<u>31,412</u>	<u>4,992,291</u>	<u>4,786,131</u>
Nonoperating Revenues (Expenses):					
Special assessments, connection charges, and other	3,398,245			3,398,245	
Interest income	193,801	959	6,167	200,927	355,909
Interest expense	(3,319,771)	(179,677)	(5,205)	(3,504,653)	
Total nonoperating revenues (expenses)	<u>272,275</u>	<u>(178,718)</u>	<u>962</u>	<u>94,519</u>	<u>355,909</u>
Income (Loss) Before Capital Contributions and Transfers	5,751,778	(697,342)	32,374	5,086,810	5,142,040
Capital contributions - grants	191,031			191,031	
Transfers in					500,000
Transfers out	(454,666)		(54,698)	(509,364)	(126,855)
Change in Net Position	5,488,143	(697,342)	(22,324)	4,768,477	5,515,185
Net Position at Beginning of Year, as Restated	<u>77,858,141</u>	<u>3,012,147</u>	<u>1,337,529</u>	<u>82,207,817</u>	<u>(10,479,304)</u>
Net Position at End of Year	<u>\$ 83,346,284</u>	<u>\$ 2,314,805</u>	<u>\$ 1,315,205</u>	<u>\$ 86,976,294</u>	<u>\$ (4,964,119)</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, 2018**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Pollution Control Authority	Old Town Hall Redevelopment Agency	Nonmajor E.G. Brennan Golf Course	Total	Internal Service Funds
Cash Flows from Operating Activities:					
Receipts from customers and users	\$ 24,432,984	\$ 1,056,313	\$ 1,177,888	\$ 26,667,185	\$ 95,335,917
Payments to suppliers	(7,437,160)	(922,262)	(235,656)	(8,595,078)	(3,233,006)
Payments to employees	(4,216,490)		(613,180)	(4,829,670)	(256,629)
Payments for benefits and claims	(2,091,503)		(222,005)	(2,313,508)	(88,892,815)
Payments for interfund services used	(6,181,603)	132,493		(6,049,110)	985,601
Net cash provided by (used in) operating activities	<u>4,506,228</u>	<u>266,544</u>	<u>107,047</u>	<u>4,879,819</u>	<u>3,939,068</u>
Cash Flows from Noncapital Financing Activities:					
Transfers from other funds				-	500,000
Transfers to other funds	(454,666)		(54,698)	(509,364)	(126,855)
Net cash provided by noncapital financing activities	<u>(454,666)</u>	<u>-</u>	<u>(54,698)</u>	<u>(509,364)</u>	<u>373,145</u>
Cash Flows from Capital and Related Financing Activities:					
Proceeds from capital grants	191,031			191,031	
Proceeds from debt	6,346,777			6,346,777	
Principal paid on debt	(6,556,740)		(27,782)	(6,584,522)	
Interest paid on debt and other sources and uses	(3,555,886)	(138,321)	(5,205)	(3,699,412)	
Special assessments, connection charges, and other	6,111,251			6,111,251	
Purchase of capital assets	(5,698,614)			(5,698,614)	
Net cash provided by (used in) noncapital financing activities	<u>(3,162,181)</u>	<u>(138,321)</u>	<u>(32,987)</u>	<u>(3,333,489)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Sale (purchase) of investments	(3,560,513)			(3,560,513)	
Interest on investments	193,801	959	6,167	200,927	355,909
Net cash provided by (used in) investing activities	<u>(3,366,712)</u>	<u>959</u>	<u>6,167</u>	<u>(3,359,586)</u>	<u>355,909</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,477,331)	129,182	25,529	(2,322,620)	4,668,122
Cash and Cash Equivalents at Beginning of Year	<u>32,064,105</u>	<u>120,349</u>	<u>424,342</u>	<u>32,608,796</u>	<u>26,120,274</u>
Cash and Cash Equivalents at End of Year	<u>\$ 29,586,774</u>	<u>\$ 249,531</u>	<u>\$ 449,871</u>	<u>\$ 30,286,176</u>	<u>\$ 30,788,396</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:					
Operating income (loss)	\$ 5,479,503	\$ (518,624)	\$ 31,412	\$ 4,992,291	\$ 4,786,131
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	5,971,043	597,893	60,058	6,628,994	
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(185,049)	(13,650)	4,094	(194,605)	(161,410)
(Increase) decrease in due from other funds	(6,181,603)			(6,181,603)	985,601
(Increase) decrease in prepaid expenses				-	354,600
(Increase) decrease in deferred outflows of resources	(199,459)			(199,459)	
Increase (decrease) in accounts payable	(347,708)	46,838	10,604	(290,266)	3,101
Increase (decrease) in accrued liabilities	(385,074)		(121)	(385,195)	189,174
Increase (decrease) in net pension liability	488,714			488,714	
Increase (decrease) in net OPEB liability	(138,479)			(138,479)	
Increase (decrease) in advances from other funds		132,493		132,493	
Increase (decrease) in unearned revenue	(90,147)	21,594	1,000	(67,553)	
Increase (decrease) in compensated absences payable	2,598			2,598	
Increase (decrease) in deferred inflows of resources	91,889			91,889	
Increase (decrease) in claims payable				-	(2,218,129)
Total adjustments	<u>(973,275)</u>	<u>785,168</u>	<u>75,635</u>	<u>(112,472)</u>	<u>(847,063)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ 4,506,228</u>	<u>\$ 266,544</u>	<u>\$ 107,047</u>	<u>\$ 4,879,819</u>	<u>\$ 3,939,068</u>

The accompanying notes are an integral part of the financial statements

CITY OF STAMFORD, CONNECTICUT
STATEMENT OF NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2018

	Pension and OPEB Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 6,492,825	\$ 1,202,461
Investments, at fair value:		
U.S. government securities	2,646,625	
Corporate bonds	2,940,729	
Common and preferred equities	67,464,729	
Mutual funds	521,707,603	
Alternative investments	166,355,771	
	<u>761,115,457</u>	<u>-</u>
Receivables:		
Accounts	176,762	
Contribution receivable, net	607,669	
	<u>784,431</u>	<u>-</u>
Due from other funds		
Accrued interest and dividends	<u>54,174</u>	
Total assets	<u>768,446,887</u>	<u>\$ 1,202,461</u>
Liabilities:		
Due to student groups		\$ 1,202,461
Accounts payable	650,037	
Due to other funds	2,845,370	
Claims payable	1,462,939	
Total liabilities	<u>4,958,346</u>	<u>\$ 1,202,461</u>
Net Position:		
Restricted for Pension and OPEB Benefits	<u>\$ 763,488,541</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, 2018**

	Pension and OPEB Trust Funds
Additions:	
Contributions:	
Employer	\$ 52,248,000
Plan members	6,129,294
Other revenues	108,939
Total contributions and other revenues	<u>58,486,233</u>
Investment earning:	
Net increase in fair value of investments	51,896,696
Interest and dividends	17,071,936
Total investment earnings	<u>68,968,632</u>
Less investment expenses:	
Investment management fees	3,449,075
Net investment income	<u>65,519,557</u>
Total additions	<u>124,005,790</u>
Deductions:	
Benefits	58,041,857
Administrative expense	572,651
Total deductions	<u>58,614,508</u>
Change in Net Position	65,391,282
Net Position at Beginning of Year	<u>698,097,259</u>
Net Position at End of Year	<u>\$ 763,488,541</u>

The accompanying notes are an integral part of the financial statements

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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. URC activities are reported in one single fund. 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 (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,

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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.

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.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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.

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for principal and interest, and for financial resources that are being accumulated for principal and interest maturing in future years. The City reports the following major proprietary funds.

Water Pollution Control Authority (SWPCA) Fund

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

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Old Town Hall Redevelopment Agency (OTHRA) Fund

OTHRA Fund 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.

Fiduciary Funds

The Trust Fund accounts for the activities of the City's four defined benefit pension plans and the Other Post Employment Benefit (OPEB) 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. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency Funds include Student Activity Fund and Scholarship Fund.

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.

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.

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.

**CITY OF STAMFORD, CONNECTICUT
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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, Cash Equivalents and Investments

Certain assets are classified as restricted because their use is limited. Restricted cash and cash equivalents in the Nonmajor Governmental Funds (Debt Service) along with the Enterprise funds and Capital Project funds are to be used for construction and debt service purposes. Restricted investments in capital projects are to be used for construction purposes.

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 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.

**CITY OF STAMFORD, CONNECTICUT
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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 general fund, which indicates that the funds are not “available” for appropriation and are not expendable available financial resources. For all other governmental funds the advances are included within restricted, committed or assigned fund balance as appropriate.

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, 2018, 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 inventoriable items are recorded as expenditures/expenses at the time of purchase and year-end balances are not material.

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 acquisition value at the date of donation.

**CITY OF STAMFORD, CONNECTICUT
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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.

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 and deferred outflows related to changes of assumptions for pensions and OPEB and difference between projected and actual earnings on pension and OPEB investments. 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. A deferred outflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees).

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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 and deferred inflows of resources related to differences between expected and actual experience for pensions and OPEB in the government-wide statement of net position. 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. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plans (active employees and inactive employees). 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, 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.

L. Net Pension Liability

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

M. Net OPEB Liability

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

N. 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.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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.

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.

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.

O. 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.

P. 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.

Q. Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is December 28, 2018.

R. Adoption of New Accounting Pronouncements

For the year ended June 30, 2018, the City implemented GASB Statement No. 75, *OPEB Accounting for Employers and Non-Employer Contributing Entities*, and GASB Statement No. 85, *Omnibus*.

GASB Statement No. 75 - *OPEB Accounting for Employers and Non-Employer Contributing Entities* addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

GASB Statement 85 - *Omnibus*. The objective of this Standard is to address practice issues that have been identified during implementation and application of certain GASB Statements. Specifically, this Statement addresses the following topics:

- Blending a component unit in circumstances in which the primary government is a business-type activity that reports in a single column for financial statement presentation
- Reporting amounts previously reported as goodwill and “negative” goodwill
- Measuring certain money market investments and participating interest-earning investment contracts at amortized cost
- Timing of the measurement of pension or OPEB liabilities and expenditures recognized in financial statements prepared using the current financial resources measurement focus
- Recognizing on-behalf payments for pensions or OPEB in employer financial statements
- Presenting payroll-related measures in required supplementary information for purposes of reporting by OPEB plans and employers that provide OPEB
- Classifying employer-paid member contributions for OPEB
- Simplifying certain aspects of the alternative measurement method for OPEB
- Accounting and financial reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.

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.

**CITY OF STAMFORD, CONNECTICUT
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The City's Charter establishes the following process for adopting the annual General Fund budget:

- By March 8th, the BOE's and the Mayor's operating budgets are submitted to the Board of Finance and the Board of Representatives.
- By April 8th, joint public hearings on the budgets are held before the Board of Finance and the Board of Representatives.
- 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.
- 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.
- 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, 2018, there was \$9,652,875 in additional appropriations.
- Additional appropriations during the fiscal year require approval of the Mayor, the Board of Finance and the Board of Representatives.
- 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.
- 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.
- 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.

B. Fund Deficits

At June 30, 2018, the City reported deficit fund balance/net position for the following funds:

Nonmajor Governmental Funds:	
Marinas	\$ 25,701
Internal Service Fund:	
Risk Management	\$ 18,917,453

The City plans to address these deficits in subsequent years.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

C. Expenditures Exceeding Appropriations

During the year ended June 30, 2018, the transfer out to Marina fund exceeded its authorized appropriations by \$85,841.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits and Investments

Cash and investments of the City, including the component unit and fiduciary funds consist of the following at June 30, 2018:

Cash, Restricted Cash and Equivalents:	
Deposits with financial institutions	\$ 95,005,822
Cash equivalents	<u>26,263,047</u>
Total Cash, Restricted Cash and Equivalents	<u>121,268,869</u>
Investments:	
General Fund:	
Certificate of Deposit	7,680,412
U.S. Government Agencies	<u>57,757,144</u>
Total General Fund Investments	<u>65,437,556</u>
Capital Project Fund:	
U.S. Government Agencies	41,156,996
U.S. Government Securities	5,009,343
U.S. Government Agencies - Restricted	<u>2,576,276</u>
Total Capital Project Fund Investments	<u>48,742,615</u>
Nonmajor Funds:	
U.S. Government Agencies	<u>5,813,193</u>
Enterprise Fund:	
U.S. Government Agencies	<u>6,582,312</u>
Pension and OPEB Trust Funds:	
U.S. Government Securities	2,646,625
Corporate bonds	2,940,729
Common and preferred equities	67,464,729
Mutual funds	521,707,603
Alternative investments	<u>166,355,771</u>
Total Pension and OPEB Investments	<u>761,115,457</u>
Total Investments	<u>887,691,133</u>
Total Cash and Equivalents and Investments	<u>\$ 1,008,960,002</u>

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

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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

Statement of Net Position:	
Cash and equivalents	\$ 67,648,409
Restricted cash and equivalents	45,925,174
Investments	123,999,400
Restricted investments	<u>2,576,276</u>
	<u>240,149,259</u>
Fiduciary Funds:	
Cash and equivalents	7,695,286
Investments	<u>761,115,457</u>
	<u>768,810,743</u>
Total Cash and Investments	<u>\$ 1,008,960,002</u>

Deposits

Deposit Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. 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.

As of June 30, 2018, \$67,688,793 of the City's bank balance of \$78,189,223 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 60,701,148
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>6,987,645</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 67,688,793</u>

At June 30, 2018, \$227,691 of the URC's bank balance of \$1,042,036 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 202,392
Uninsured and collateral held by the pledging bank's trust department, not in the City's name	<u>25,299</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 227,691</u>

**CITY OF STAMFORD, CONNECTICUT
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Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are both readily convertible to known amounts of cash and purchased within 90 days of maturity. As of June 30, 2018, the cash equivalent amounted to \$26,263,047. The following table provides summary of the City's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
US Bank *	
Wells Fargo*	
JP Morgan Chase*	
Morgan Stanley*	
Oppenheimer*	

* Not rated

Investments

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.

The City has a formal investment policy that limits its investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The maximum average weighted maturity of investments exceeding 2 years shall not be more than 5 years and no more than 25% of the dollar value of those investments may exceed 5 years in duration. Information about the City's interest-bearing investments at June 30, 2018 is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1 Year</u>	<u>1-10 Years</u>	<u>Over 10 Years</u>
Interest-bearing investments:				
Certificate of deposit *	\$ 7,680,412	\$ 4,503,282	\$ 3,177,130	\$
U.S. Government Securities	7,655,968	5,009,343	2,070,186	576,439
U.S. Government Agencies	113,885,921	56,062,247	57,823,674	
Corporate bonds	<u>2,940,729</u>	<u>688,844</u>	<u>1,801,031</u>	<u>450,854</u>
	<u>\$ 132,163,030</u>	<u>\$ 66,263,716</u>	<u>\$ 64,872,021</u>	<u>\$ 1,027,293</u>

*Subject to coverage by federal depository insurance and collateralization.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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 average rating of investments in debt securities.

Average Rating	Corporate Bonds	U.S. Government Securities	U.S. Government Agencies	Certificate of Deposit	Total
Aaa	\$ 131,149	\$ 7,655,968	\$ 113,885,921	\$	\$ 121,673,038
Aa1	72,277				72,277
Aa2	194,303				194,303
Aa3	151,227				151,227
A1	147,276				147,276
A2	607,845				607,845
A3	385,009				385,009
Baa1	616,464				616,464
Baa2	188,547				188,547
C	295,742				295,742
Unrated	150,890			7,680,412	7,831,302
	<u>\$ 2,940,729</u>	<u>\$ 7,655,968</u>	<u>\$ 113,885,921</u>	<u>\$ 7,680,412</u>	<u>\$ 132,163,030</u>

Concentration of Credit Risk

The City's and the City's OPEB and 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.

Fair Value

The City and its fiduciary funds categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements).

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

The City and its fiduciary funds have the following recurring fair value measurements as of June 30, 2018:

	June 30, 2018	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Government Securities	\$ 7,655,968	\$ 7,655,968	\$	\$
U.S. Government Agencies	113,885,921	113,885,921		
Corporate Bonds	2,940,729	2,940,729		
Common and Preferred Equities	67,464,729	64,820,088	2,644,641	
Mutual Funds	521,707,603	521,707,603		
Alternative Investments	95,725,202		7,769,535	87,955,667
Total Investments by fair value level	809,380,152	\$ 711,010,309	\$ 10,414,176	\$ 87,955,667
Investments Measured at Net Asset Value (NAV):				
Other Alternative Investments	70,630,569			
Total Investments Measured at Fair Value	880,010,721			
Certificate of Deposit	7,680,412			
Total Investments	\$ 887,691,133			

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The alternative investments classified in Level 2 and Level 3 are not actively traded and significant observable inputs are not available; therefore, a degree of judgment is necessary to estimate fair value. The valuation process for alternative investments takes into consideration factors such as interest rate changes, movement in credit spreads, default rate assumptions, prepayment assumptions, type and quality of collateral and market dislocation.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Alternative Investments	\$ 26,710,773	\$ 11,893,627	N/A	N/A
Alternative Investments	40,756,505		Quarterly	45-90 days
Alternative Investments	3,163,291		Monthly	185 days
Total Investments Measured at NAV	\$ 70,630,569			

The above include investments in 17 alternative investments which invest in various types of investments. The fair values of the investments in this type have been determined using the NAV per share of the investments.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

4. TAXES RECEIVABLE

Taxes receivable at June 30, 2018 consisted of the following:

Property taxes - current	\$ 5,530,097
Property taxes - delinquent	<u>4,543,488</u>
Total property tax - principal	10,073,585
Property taxes - interest	4,378,265
Property taxes - collection agency	<u>10,565,470</u>
	25,017,320
Allowance for uncollectible amounts	<u>(14,869,355)</u>
Net Taxes Receivable	<u>\$ 10,147,965</u>

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	\$ 85,928,626	\$	\$	\$ 85,928,626
Construction in progress	146,325,309	42,478,468		188,803,777
Works of art	<u>767,000</u>			<u>767,000</u>
Total capital assets not being depreciated	<u>233,020,935</u>	<u>42,478,468</u>	<u>-</u>	<u>275,499,403</u>
Capital assets being depreciated:				
Land improvements	222,531,425	16,506,681		239,038,106
Building and improvements	539,559,057			539,559,057
Machinery and equipment	134,689,106	6,023,348	496,277	140,216,177
Infrastructure	<u>286,491,311</u>	<u>17,960,133</u>		<u>304,451,444</u>
Total capital assets being depreciated	<u>1,183,270,899</u>	<u>40,490,162</u>	<u>496,277</u>	<u>1,223,264,784</u>
Less accumulated depreciation for:				
Land improvements	68,025,806	10,143,235		78,169,041
Building and improvements	299,171,180	10,677,535		309,848,715
Machinery and equipment	102,935,333	8,769,677	476,752	111,228,258
Infrastructure	<u>172,020,280</u>	<u>6,810,903</u>		<u>178,831,183</u>
Total accumulated depreciation	<u>642,152,599</u>	<u>36,401,350</u>	<u>476,752</u>	<u>678,077,197</u>
Total capital assets being depreciated, net	<u>541,118,300</u>	<u>4,088,812</u>	<u>19,525</u>	<u>545,187,587</u>
Governmental Activities Capital Assets, Net	<u>\$ 774,139,235</u>	<u>\$ 46,567,280</u>	<u>\$ 19,525</u>	<u>\$ 820,686,990</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

	<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	475,284	16,893		492,177
Total capital assets not being depreciated	<u>5,338,813</u>	<u>16,893</u>	<u>-</u>	<u>5,355,706</u>
Capital assets being depreciated:				
Land improvements	6,701,086			6,701,086
Building and improvements	140,773,720	5,202,031		145,975,751
Machinery and equipment	38,079,290	32,314		38,111,604
Infrastructure	72,081,143	447,375		72,528,518
Total capital assets being depreciated	<u>257,635,239</u>	<u>5,681,720</u>	<u>-</u>	<u>263,316,959</u>
Less accumulated depreciation for:				
Land improvements	1,738,222	4,132,084		5,870,306
Building and improvements	51,806,576	1,632,624		53,439,200
Machinery and equipment	28,853,447	864,286		29,717,733
Infrastructure	26,175,977			26,175,977
Total accumulated depreciation	<u>108,574,222</u>	<u>6,628,994</u>	<u>-</u>	<u>115,203,216</u>
Total capital assets being depreciated, net	<u>149,061,017</u>	<u>(947,274)</u>	<u>-</u>	<u>148,113,743</u>
Business-Type Activities Capital Assets, Net	<u>\$ 154,399,830</u>	<u>\$ (930,381)</u>	<u>\$ -</u>	<u>\$ 153,469,449</u>

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

Governmental activities:	
Governmental services	\$ 2,022,955
Administration	1,623,633
Public safety	3,479,696
Operations	15,357,317
Education	<u>13,917,749</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 36,401,350</u>
Business-type activities:	
Water Pollution Control Authority	\$ 5,971,043
Old Town Hall Redevelopment Agency	597,893
E.G. Brennan Golf Course	<u>60,058</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 6,628,994</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Construction Commitments

The City has active construction projects as of June 30, 2018 that includes building construction and renovations, infrastructure upgrades, road construction and a variety of projects. At June 30, 2018, the City had \$81,478,261 in construction commitments in the following funds.

<u>Fund</u>	<u>Amount</u>
Capital Projects	\$ 81,172,193
Mill River Capital Projects	306,068
	<u>\$ 81,478,261</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The balances reflected as due from/to other funds at June 30, 2018 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Capital Projects Fund	\$ 204,324
	Nonmajor Governmental Funds	324,315
	OPEB Fund	2,845,370
SWPCA	Debt Service Fund	<u>6,181,603</u>
Total		<u>\$ 9,555,612</u>

Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Old Town Hall Redevelopment Agency	\$ 4,167,972
Capital Projects Fund	Old Town Hall Redevelopment Agency	738,236
	Mill River Capital Projects	<u>2,116,665</u>
Total		<u>\$ 7,022,873</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**

Interfund Transfers

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

	Transfers In					Total Transfers Out
	General Fund	Capital Projects	Debt Service Fund	Non-Major Governmental Funds	Internal Service Fund	
Transfers Out:						
General Fund	\$	\$ 271,140	\$ 53,439,099	\$ 6,995,291	\$ 500,000	\$ 61,205,530
Mill River Capital projects			1,132,906			1,132,906
Non-Major Governmental Funds	2,462,403	5,244,980				7,707,383
Water Pollution Control Authority	454,666					454,666
E.G. Brennan Golf Course	54,698					54,698
Internal Service Funds	126,855					126,855
Total Transfers In	\$ <u>3,098,622</u>	\$ <u>5,516,120</u>	\$ <u>54,572,005</u>	\$ <u>6,995,291</u>	\$ <u>500,000</u>	\$ <u>70,682,038</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 other funds in accordance with budget authorizations.

7. LONG-TERM LIABILITIES

The following table summarizes changes in the City's long-term liabilities for the year ended June 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable:					
General obligation bonds	\$ 426,337,355	\$ 66,168,000	\$ 58,819,787	\$ 433,685,568	\$ 39,388,209
Premium	23,924,294	7,422,421	3,346,223	28,000,492	
Total bonds payable	450,261,649	73,590,421	62,166,010	461,686,060	39,388,209
Early retirement incentive	744,750	1,129,091	1,177,416	696,425	412,316
Compensated absences	21,489,753	1,864,659	2,148,929	21,205,483	2,120,548
Pollution remediation obligations	6,874,593		3,961,273	2,913,320	
Net OPEB liability *	258,584,536	*	14,533,744	244,050,792	
Net pension liability	178,774,375	10,114,582	4,095,684	184,793,273	
Claims payable	47,676,868	87,451,955	92,750,954	42,377,869	16,599,516
Total Governmental Activities Long-Term Liabilities	\$ <u>964,406,524</u>	\$ <u>174,150,708</u>	\$ <u>180,834,010</u>	\$ <u>957,723,222</u>	\$ <u>58,520,589</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

	<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	\$ 10,575,652	\$ 5,312,000	\$ 1,322,641	\$ 14,565,011	\$ 1,321,101
Premium on general obligation bonds	116,175		13,414	102,761	
Revenue bonds	50,505,000		1,265,000	49,240,000	1,330,000
Premium on revenue bonds	<u>4,114,294</u>	<u>1,034,777</u>	<u>202,507</u>	<u>4,946,564</u>	
Total bonds payable	65,311,121	6,346,777	2,803,562	68,854,336	2,651,101
Notes payable	44,115,967		3,996,881	40,119,086	4,077,555
Compensated absences	400,881	216,721	214,123	403,479	230,308
Net OPEB liability *	3,927,976 *		138,479	3,789,497	
Net pension liability	<u>2,539,385</u>	<u>488,714</u>		<u>3,028,099</u>	
Total Business-Type Activities					
Long-Term Liabilities	<u>\$ 116,295,330</u>	<u>\$ 7,052,212</u>	<u>\$ 7,153,045</u>	<u>\$ 116,194,497</u>	<u>\$ 6,958,964</u>

* The beginning Net OPEB liability has been restated. See Note 13 for details.

Governmental activities liabilities for bonds and notes are liquidated by the Debt Service Fund, which is funded primarily by the General Fund. Early retirement incentives, compensated absences, pollution remediation obligations, net OPEB liability, net pension liability of the governmental activities are liquidated primarily from the General Fund. Claims are liquidated primarily by the Internal Service Funds, except for heart and hypertension claims which are primarily funded by the General Fund.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

General Obligation Bonds

General obligation bonds outstanding as of June 30, 2018 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, 2018</u>
Qualified zone academy bonds	2006	2022	2.00	1,337,000	\$ 395,578
Qualified zone academy bonds	2008	2023		3,750,000	1,250,000
Taxable bonds	2009	2020	3.25-5.00	54,405,000	34,940,000
Clean renewable energy	2009	2024		2,000,000	800,001
Public Improvements	2009	2030	2.80-5.45	50,000,000	19,800,000
Public Improvements	2010	2023	4.00-5.00	26,580,000	25,665,000
Public Improvements	2010	2028	2.70-5.00	21,600,000	18,000,000
Public Improvements	2010	2031	5.25-5.35	4,425,000	4,425,000
Public Improvements	2011	2026	2.00-4.00	23,960,000	22,485,000
Public Improvements	2011	2032	3.00-5.00	45,000,000	10,000,000
Public Improvements	2013	2033	2.00-4.00	50,000,000	35,500,000
Refunding bonds	2013	2019	2.00-5.00	22,220,000	1,815,000
Refunding bonds	2015	2024	2.00-5.00	33,670,000	23,850,000
Refunding bonds	2015	2033	2.00-4.00	16,550,000	14,735,000
Public Improvements	2015	2035	2.00-5.00	50,000,000	42,750,000
Public Improvements	2016	2035	3.00-5.00	65,000,000	58,500,000
Refunding bonds	2016	2027	2.25-5.00	21,170,000	21,170,000
Public Improvements	2017	2037	2.00-4.00	45,000,000	42,500,000
Public Improvements	2018	2038	2.00-5.00	25,000,000	25,000,000
Public Improvements	2018	2028	2.00-3.00	5,000,000	5,000,000
Refunding bonds	2018	2027	1.00-5.00	18,210,000	16,400,000
Refunding bonds	2018	2030	4.00-5.00	23,270,000	23,270,000
Total					448,250,579
Less amount representing business-type activities					<u>(14,565,011)</u>
Total outstanding governmental activities					\$ <u><u>433,685,568</u></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, 2018 was \$480,452. No additional reimbursements are expected subsequent to June 30, 2018.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Revenue Bonds

SWPCA revenue bonds outstanding as of June 30, 2018 consisted of the following:

Purpose	Year of Issue	Original Issue Amount	Final Maturity	Interest Rates	Amount Outstanding at June 30, 2018
Stamford Water Pollution Control System and Facility Revenue and Revenue Refunding Bonds	2014	\$ 22,095,000	August 2044	3.0-6.0 %	\$ 20,250,000
Stamford Water Pollution Control System and Facility Revenue and Revenue Refunding Bonds	2016	31,070,000	August 2044	3.0-5.0	<u>28,990,000</u>
					<u>\$ 49,240,000</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.

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 \$49,240,000 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 2045. The net revenues pledged for the year ended June 30, 2018 was \$15,547,226 of which \$1,265,000 in principal and \$2,331,719 in interest was paid.

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 \$17,913 to \$368,674, including interest through August 2025. As of June 30, 2018, the combined loan balance is \$29,936,710.

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, 2018, 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, 2018, the outstanding loan balance is \$7,927,996.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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, 2018, including interest payments, were as follows:

General Obligation Bonds:

Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 39,388,209	\$ 15,920,947	\$ 1,321,101	\$ 678,360	\$ 40,709,310	\$ 16,599,307
2020 *	56,063,193	13,626,446	6,948,036	627,228	63,011,229	14,253,674
2021	35,238,198	11,716,869	854,989	277,308	36,093,187	11,994,177
2022	32,606,301	10,198,146	608,884	241,122	33,215,185	10,439,268
2023	30,658,149	8,815,173	625,185	210,482	31,283,334	9,025,655
2024-2028	130,119,518	27,824,542	2,953,816	611,198	133,073,334	28,435,740
2029-2033	79,612,000	10,171,850	1,253,000	50,580	80,865,000	10,222,430
2034-2038	30,000,000	1,587,655			30,000,000	1,587,655
	<u>\$ 433,685,568</u>	<u>\$ 99,861,628</u>	<u>\$ 14,565,011</u>	<u>\$ 2,696,278</u>	<u>\$ 448,250,579</u>	<u>\$ 102,557,906</u>

* Includes payments on a crossover refunding in the amount of \$26,150,000 for Governmental Activities and \$5,312,000 for Business-Type Activities.

Special Obligation Revenue Bonds:

Notes Payable:

Year Ending June 30,	Business-Type Activities		Year Ending June 30,	Business-Type Activities	
	Principal	Interest		Principal	Interest
2019	\$ 1,330,000	\$ 2,264,819	2019	\$ 4,077,555	\$ 561,491
2020	1,400,000	2,190,594	2020	4,159,858	479,189
2021	1,480,000	2,112,269	2021	4,026,883	397,206
2022	1,565,000	2,029,444	2022	4,108,163	315,926
2023	1,655,000	1,941,819	2023	4,191,084	233,005
2024-2028	9,685,000	8,304,169	2024-2028	9,373,167	212,360
2029-2033	12,385,000	5,602,109	2029-2033		
2034-2038	9,810,000	3,165,469	2034-2038		
2039-2043	7,365,000	1,397,200	2039-2043		
2044-2045	2,565,000	87,469	2044-2045	10,182,376	
	<u>\$ 49,240,000</u>	<u>\$ 29,095,361</u>		<u>\$ 40,119,086</u>	<u>\$ 2,199,177</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.

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.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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	\$ 1,119,885,620	\$ 364,298,080	\$ 755,587,540
Schools	2,239,771,239	149,441,877	2,090,329,362
Sewers	1,866,476,033	68,646,430	1,797,829,603
Urban renewal	1,617,612,562		1,617,612,562
Unfunded pension benefit obligation	1,493,180,826		1,493,180,826

The total overall statutory debt limit for the City is equal to seven times annual receipts from taxation, or \$3.5 billion.

General Obligation Bonds Refunding

On August 1, 2017, the City issued \$18,210,000 (2017, Series C) of general obligation refunding bonds with interest rates ranging from 1.0%-5.0%. The bonds were issued to refund all of the outstanding principal amounts of the 2011 Series B general obligation bonds. The net proceeds of \$21,020,475 (after an original issue premium of \$2,936,297 and payment of \$125,822 in underwriter’s fees and other issuance costs) were deposited in an irrevocable trust fund under an escrow agreement dated August 1, 2017 between the Escrow Agent and the City. The Escrow Agent will use such proceeds to purchase a portfolio of the United States Treasury State and Local Government Securities. All investment income on and the maturing principal of the escrow securities held in the escrow deposit fund will be irrevocably deposited into escrow for payment of the refunded bonds. The City refunded the above bonds to reduce total debt service payments over the next 3 years by \$636,114 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$626,887. As of June 30, 2018, the amount of defeased debt outstanding from this refunding was \$16,000,000 and the escrow balance is \$18,274,283. This amount is removed from the governmental activities column of the statement of net position.

General Obligation Bonds - Crossover Refunding

On August 1, 2017, the City issued \$23,270,000 (2017 Series D) of general obligation refunding bonds with interest rates ranging from 4.0 to 5.0%. The Series D bonds were issued to crossover refinance previously issued Taxable Build America Bonds dated August 12, 2009. The net proceeds of \$27,637,125 (including a premium of \$4,532,993 and issuance costs of \$165,868) were deposited into an escrow account which remains in the City’s possession until the crossover date of August 1, 2019. At the crossover date, the 2009 Taxable Build America Bonds will be considered defeased and the liability for those bonds as well as the funds deposited into the escrow account will be removed from the statement of net position. The refunding will reduce total debt service payments by \$1,939,920 from fiscal year 2020 through 2030, and represents an economic gain (difference between present values of the debt service payments on the old and the new debt) of \$1,659,284.

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, 2018, \$16,245,000 of prior bonds outstanding is considered defeased and escrow balance is \$19,277,165.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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, 2018, the City paid \$1,171,416 in early retirement benefits and this amount was charged to the General Fund. At June 30, 2018, the balance due of \$696,426 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.

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, 2018.

The estimated liability as of June 30, 2018 is \$2,913,320. 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.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Claims Payable

The Internal Service funds reflect medical benefits for City and BOE employees, risk management, disputed assessments 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. Heart and hypertension claims liabilities are accounted for in the government wide financial statements. 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, 2018				
	Medical Benefits - City	Medical Benefits - BOE	Risk Management	Disputed Assessments	Heart and Hypertension
Balance - beginning of year	\$ 2,281,346	\$ 2,166,421	\$ 33,370,500	\$ 14,554	\$ 9,844,047
Provision for claims and claims adjustment expense	35,385,609	41,653,289	8,918,999		1,494,058
Claims and claims adjustment expenses paid	<u>(35,154,238)</u>	<u>(43,759,289)</u>	<u>(9,662,499)</u>	<u>400,000</u>	<u>(4,574,928)</u>
Balance - End of Year	<u>\$ 2,512,717</u>	<u>\$ 60,421</u>	<u>\$ 32,627,000</u>	<u>\$ 414,554</u>	<u>\$ 6,763,177</u>
Current Portion	<u>\$ 2,512,717</u>	<u>\$ 60,421</u>	<u>\$ 10,647,891</u>	<u>\$ 414,554</u>	<u>\$ 2,963,933</u>
	Year Ended June 30, 2017				
	Medical Benefits - City	Medical Benefits - BOE	Risk Management	Disputed Assessments	Heart and Hypertension
Balance - beginning of year	\$ 2,510,564	\$ 2,284,292	\$ 30,596,000	\$ 14,554	\$ 7,831,433
Provision for claims and claims adjustment expense	36,293,668	45,051,096	10,727,716		5,482,136
Claims and claims adjustment expenses paid	<u>(36,522,886)</u>	<u>(45,168,967)</u>	<u>(7,953,216)</u>		<u>(3,469,522)</u>
Balance - End of Year	<u>\$ 2,281,346</u>	<u>\$ 2,166,421</u>	<u>\$ 33,370,500</u>	<u>\$ 14,554</u>	<u>\$ 9,844,047</u>
Current Portion	<u>\$ 2,281,346</u>	<u>\$ 2,166,421</u>	<u>\$ 11,080,000</u>	<u>\$ 14,554</u>	<u>\$ 4,574,928</u>

8. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

A. Defined Benefit 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 stand-alone 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.

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.

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.

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 credited 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 except for UAW employees whose annual benefits have been reduced in some cases to 1.75% per year, and for new hires after January 1, 2015, 1.5% per year. Employees contribute between 3.0% and 6.0% 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% for each 25 days exchanged). Interest of 5% is credited to the employees' contribution.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Policemen's 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 credited 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. Employees hired July 2016 will receive 50% of final salary plus 2.25% for each year of service between 20 and 25 years. Beyond 25 years of service, employees receive 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 fund. The fund allows employees to exchange vacation leave for up to 7.5% additional pension credit (1.5% for each 20 days exchanged). Interest is not credited to the employees' contribution for this fund.

Firefighters' Pension Trust Fund

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 credited 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 fund. The fund allows employees to exchange vacation leave for up to 7.5% additional pension credit (1.5% for each 20 days exchanged). Interest is not credited to the employees' contribution for this fund.

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 credited 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 fund allows employees to exchange sick and vacation leave for up to 7.5% additional pension credit (1.5% for each 25 days exchanged). The education assistants, security workers and school liaisons are included in this fund. 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. Employees' contributions are credited with interest at the rate of 4% per year.

Current membership in these programs is comprised of the following at July 1, 2017, the date of the last full actuarial valuation:

	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Retirees and beneficiaries currently receiving benefits	706	329	234	174
Active members	594	274	257	523
Vested in employee contribution only	12			
Inactive plan members entitled to but not yet receiving benefits	141		2	67
Total	1,453	603	493	764

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Summary of Significant Accounting Policies

Basis of Accounting

Financial statements are prepared using the accrual basis of accounting for the four defined benefit pension funds. Fund 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 plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

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.

Concentrations: The following represents the investments in each respective Fund that represents more than 5% of the respective Fund's net position as of June 30, 2018:

Firefighters' Pension Trust Fund:		
Omega Overseas Partners	\$	11,314,721
Beach Point Total Return Offshore Fund II		10,116,382
Boyd Watterson GSA Fund LP		13,337,538
Policemen's Pension Trust Fund:		
UBS CDIS Core Fund, LLC	\$	22,335,751
UBS Trumbull Property Fund		17,156,460
UBS Trumbull Property Income Fund		12,564,991
Hildene Opportunities Offshore Fund, Ltd		15,129,151

Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

Classified Employees' Retirement Fund	9.77%
Policemen's Pension Fund	9.18%
Firefighters' Pension Fund	8.60%
Custodians' and Mechanics' Retirement Fund	8.89%

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

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Net Pension Liability of the City

The components of the net pension liability of the City at June 30, 2018, were as follows:

	Classified Employee's Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Total pension liability	\$ 280,600,216	\$ 266,877,604	\$ 203,733,235	\$ 83,782,071
Fund fiduciary net position	<u>223,064,471</u>	<u>216,109,348</u>	<u>138,705,654</u>	<u>69,292,281</u>
Net Pension Liability	<u>\$ 57,535,745</u>	<u>\$ 50,768,256</u>	<u>\$ 65,027,581</u>	<u>\$ 14,489,790</u>

Fund fiduciary net position as a percentage of the total pension liability	79.50%	80.98%	68.08%	82.71%
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For governmental activities the net pension liability of the City is recorded on the government-wide statement of net position. SWPCA's portion of net pension liability is recorded in the statement of net position of the business-type activities/enterprise funds.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation date July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

	Classified Employee's Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Inflation rate	2.75%	2.75%	2.75%	2.75%
Salary increase	Graded Scale	Graded Scale	Graded Scale	Graded Scale
Investment rate of return	7.20%	7.20%	7.20%	7.20%
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Mortality rates were based on the following:

Classified Employee's Retirement Fund	50/50 Blend of RP-2000 No Collar Combined Table and RP-2000 Blue Collar Combined Table, projected to date of decrement using Scale BB (generational).
Policemen's Pension Trust Fund	RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, separate tables for non-annuitants and annuitants, projected to the valuation date with Scale BB.
Firefighters' Pension Trust Fund	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 BB.
Custodians' and Mechanics' Retirement Fund	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 BB.

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. The target asset allocation and the best estimates of arithmetic real rates of return for each major asset class as of June 30, 2018 are summarized in the following tables:

Classified Employee's Retirement Fund			Policemen's Pension Trust Fund		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Core Fixed Income	22.30 %	1.65 %	U.S. Equity	25.00 %	7.00 %
Global Fixed Income	5.50	1.85	Non-U.S. Equity	14.00	7.25
Domestic Large Cap	31.00	5.55	U.S. Fixed Income	20.00	2.25
Domestic Small Cap	6.90	6.00	Alternative Investments	25.00	4.00
International			Real Estate/REIT's	14.00	7.00
Developed Equity	27.50	5.55	Cash	<u>2.00</u>	0.00
International Emerging Markets Equity	<u>6.80</u>	6.50	Total Allocation	<u>100.00 %</u>	
Total Allocation	<u>100.00 %</u>				

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Firefighters' Pension Trust Fund			Custodians' and Mechanics' Retirement Fund		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap Equities	35.00 %	4.65 %	Core Fixed Income	23.70 %	1.65 %
International Equities	20.00	5.50	Global Fixed Income	5.50	1.85
Small Cap Equities	15.00	5.50	Domestic Large Cap	29.90	5.55
High Quality Bonds	14.00	1.95	Domestic Small Cap	7.50	6.00
International Income	2.00	2.00	International		
High Yield	2.00	3.25	Developed Equity	26.70	5.55
Emerging Markets	2.00	3.75	International Emerging		
Alternative Investments	10.00	5.00	Markets Equity	6.70	6.50
Total Allocation	<u>100.00 %</u>		Total Allocation	<u>100.00 %</u>	

Discount Rate

The discount rate used to measure the total pension liability for each of the following pension funds is as follows:

	Classified Employee's Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund
Discount Rate	7.20%	7.20%	7.20%	7.20%

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.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Changes in Net Pension Liability

Classified Employees' Retirement Fund

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2017	\$ 260,932,076	\$ 210,354,348	\$ 50,577,728
Changes for the year:			
Service cost	4,568,292		4,568,292
Interest on total pension liability	19,322,395		19,322,395
Change in benefit terms	(95,484)		(95,484)
Differences between expected and actual experience	4,366,782		4,366,782
Changes in assumptions	7,532,767		7,532,767
Employer contributions		6,348,000	(6,348,000)
Member contributions		2,070,555	(2,070,555)
Net investment income (loss)		20,438,341	(20,438,341)
Benefit payments, including refund to employee contributions	(16,026,612)	(16,026,612)	-
Administrative expenses		(120,161)	120,161
Net Changes	<u>19,668,140</u>	<u>12,710,123</u>	<u>6,958,017</u>
Balances as of June 30, 2018	\$ <u>280,600,216</u>	\$ <u>223,064,471</u>	\$ <u>57,535,745</u>

Policemen's Pension Trust Fund

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2017	\$ 257,357,276	\$ 202,493,336	\$ 54,863,940
Changes for the year:			
Service cost	5,176,399		5,176,399
Interest on total pension liability	18,392,422		18,392,422
Differences between expected and actual experience	368,828		368,828
Employer contributions		8,275,000	(8,275,000)
Member contributions		1,369,773	(1,369,773)
Net investment income (loss)		18,688,574	(18,688,574)
Benefit payments, including refund to employee contributions	(14,417,321)	(14,417,321)	-
Administrative expenses		(300,014)	300,014
Net Changes	<u>9,520,328</u>	<u>13,616,012</u>	<u>(4,095,684)</u>
Balances as of June 30, 2018	\$ <u>266,877,604</u>	\$ <u>216,109,348</u>	\$ <u>50,768,256</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Firefighters' Pension Trust Fund

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2017	\$ 191,927,003	\$ 129,663,624	\$ 62,263,379
Changes for the year:			
Service cost	3,798,387		3,798,387
Interest on total pension liability	13,816,473		13,816,473
Differences between expected and actual experience	3,543,971		3,543,971
Changes in assumptions	1,137,658		1,137,658
Employer contributions		6,980,000	(6,980,000)
Member contributions		1,319,247	(1,319,247)
Net investment income (loss)		11,320,351	(11,320,351)
Benefit payments, including refund to employee contributions	(10,490,257)	(10,490,257)	-
Administrative expenses		(87,311)	87,311
Net Changes	<u>11,806,232</u>	<u>9,042,030</u>	<u>2,764,202</u>
Balances as of June 30, 2018	\$ <u>203,733,235</u>	\$ <u>138,705,654</u>	\$ <u>65,027,581</u>

Custodians' and Mechanics' Retirement Fund

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Balances as of July 1, 2017	\$ 77,027,652	\$ 63,418,939	\$ 13,608,713
Changes for the year:			
Service cost	2,607,411		2,607,411
Interest on total pension liability	5,855,180		5,855,180
Differences between expected and actual experience	(2,016,944)		(2,016,944)
Changes in assumptions	3,498,430		3,498,430
Employer contributions		2,206,000	(2,206,000)
Member contributions		1,174,054	(1,174,054)
Net investment income (loss)		5,730,009	(5,730,009)
Benefit payments, including refund to employee contributions	(3,189,658)	(3,189,658)	-
Administrative expenses		(47,063)	47,063
Net Changes	<u>6,754,419</u>	<u>5,873,342</u>	<u>881,077</u>
Balances as of June 30, 2018	\$ <u>83,782,071</u>	\$ <u>69,292,281</u>	\$ <u>14,489,790</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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 current discount rate, 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 or 1 percentage point higher than the current rate, as noted below:

	<u>1% Decrease to 6.20%</u>	<u>Current Discount Rate 7.20%</u>	<u>1% Increase to 8.20%</u>
Classified Employees' Retirement	\$ <u>84,056,059</u>	\$ <u>57,535,745</u>	\$ <u>34,811,602</u>
	<u>1% Decrease to 6.20%</u>	<u>Current Discount Rate 7.20%</u>	<u>1% Increase to 8.20%</u>
Policemen's Pension	\$ <u>80,320,744</u>	\$ <u>50,768,256</u>	\$ <u>25,913,686</u>
	<u>1% Decrease to 6.20%</u>	<u>Current Discount Rate 7.20%</u>	<u>1% Increase to 8.20%</u>
Firefighters' Pension	\$ <u>89,924,543</u>	\$ <u>65,027,581</u>	\$ <u>44,106,558</u>
	<u>1% Decrease to 6.20%</u>	<u>Current Discount Rate 7.20%</u>	<u>1% Increase to 8.20%</u>
Custodians' and Mechanics' Retirement	\$ <u>23,891,463</u>	\$ <u>14,489,790</u>	\$ <u>6,504,895</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	Total
Deferred Outflows of Resources					
Differences between expected and actual experience	\$ 3,043,515	\$ 605,501	\$ 6,548,509	\$	\$ 10,197,525
Changes of assumptions	6,193,541	1,424,706	4,957,022	5,637,221	18,212,490
Net difference between projected and actual earning on pension plan investments	<u>361,482</u>	<u>1,491,740</u>	<u>671,346</u>	<u>209,969</u>	<u>2,734,537</u>
Total	<u>\$ 9,598,538</u>	<u>\$ 3,521,947</u>	<u>\$ 12,176,877</u>	<u>\$ 5,847,190</u>	<u>\$ 31,144,552</u>

	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	Total
Deferred Inflows of Resources					
Differences between expected and actual experience	\$ 2,973,556	\$ 224,903	\$ 2,201,472	\$ 5,287,220	\$ 10,687,151
Changes of assumptions		2,385,206			2,385,206
Net difference between projected and actual earning on pension plan investments					-
Total	<u>\$ 2,973,556</u>	<u>\$ 2,610,109</u>	<u>\$ 2,201,472</u>	<u>\$ 5,287,220</u>	<u>\$ 13,072,357</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending June 30,	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	Total
2018	\$ 5,652,969	\$ 3,204,363	\$ 4,059,788	\$ 1,101,418	\$ 14,018,538
2019	4,571,882	1,182,981	2,045,761	307,888	8,108,512
2020	(2,610,603)	(2,679,278)	(586,873)	(951,485)	(6,828,239)
2021	(989,266)	(796,228)	1,082,206	(175,600)	(878,888)
2022			1,655,308	18,063	1,673,371
Thereafter			1,719,215	259,686	1,978,901

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

For the year ended June 30, 2018, the City recognized pension expense of \$37,285,740 (including \$612,773 reported for SWPCA) as follows:

	Pension Expense
Classified Employees' Retirement Fund	\$ 11,117,037
Policemen's Pension Fund	11,370,138
Firefighters' Pension Fund	11,123,245
Custodians' and Mechanics' Retirement Fund	<u>3,675,320</u>
Total	\$ <u>37,285,740</u>

The following schedule presents the net position held in trust for pension benefits at June 30, 2018 and the changes in net position for the year then ended.

	Pension Trust Funds				Total
	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	
Assets:					
Cash and cash equivalents	\$ 711,345	\$ 1,444,754	\$ 1,562,845	\$ 458,787	\$ 4,177,731
Investments, at fair value:					
U.S. government securities			2,646,625		2,646,625
Corporate bonds			2,940,729		2,940,729
Common and preferred equities	17,932,466		49,532,263		67,464,729
Mutual funds	204,326,205	116,985,706	13,337,285	68,823,141	403,472,337
Alternative investment/Hedge funds		97,665,417	68,690,354		166,355,771
Total investments	<u>222,258,671</u>	<u>214,651,123</u>	<u>137,147,256</u>	<u>68,823,141</u>	<u>642,880,191</u>
Receivables					
Accounts	84,629	53,366	29,314	9,453	176,762
Accrued interest and dividends	9,826		43,448	900	54,174
Total assets	<u>223,064,471</u>	<u>216,149,243</u>	<u>138,782,863</u>	<u>69,292,281</u>	<u>647,288,858</u>
Liabilities:					
Accounts payable		39,895	77,209		117,104
Net Position:					
Restricted for Pension Benefits	<u>\$ 223,064,471</u>	<u>\$ 216,109,348</u>	<u>\$ 138,705,654</u>	<u>\$ 69,292,281</u>	<u>\$ 647,171,754</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

	Pension Trust Funds				Total
	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	
Additions:					
Contributions:					
Employer	\$ 6,348,000	\$ 8,275,000	\$ 6,980,000	\$ 2,206,000	\$ 23,809,000
Plan members	2,070,555	1,369,773	1,319,247	1,174,054	5,933,629
Total contributions	<u>8,418,555</u>	<u>9,644,773</u>	<u>8,299,247</u>	<u>3,380,054</u>	<u>29,742,629</u>
Investment earnings:					
Net increase (decrease) in fair value of investments	16,337,807	12,948,296	11,435,393	4,398,577	45,120,073
Interest and dividends	4,248,518	7,319,077	1,555,924	1,357,762	14,481,281
Total investment earnings	<u>20,586,325</u>	<u>20,267,373</u>	<u>12,991,317</u>	<u>5,756,339</u>	<u>59,601,354</u>
Less investment expenses:					
Investment management fees	147,984	1,578,799	1,670,966	26,330	3,424,079
Net investment income (loss)	<u>20,438,341</u>	<u>18,688,574</u>	<u>11,320,351</u>	<u>5,730,009</u>	<u>56,177,275</u>
Total additions	<u>28,856,896</u>	<u>28,333,347</u>	<u>19,619,598</u>	<u>9,110,063</u>	<u>85,919,904</u>
Deductions:					
Benefits	16,026,612	14,417,321	10,490,257	3,189,658	44,123,848
Administration	120,161	300,014	87,311	47,063	554,549
Total deductions	<u>16,146,773</u>	<u>14,717,335</u>	<u>10,577,568</u>	<u>3,236,721</u>	<u>44,678,397</u>
Change in net position	12,710,123	13,616,012	9,042,030	5,873,342	41,241,507
Net Position at Beginning of Year	<u>210,354,348</u>	<u>202,493,336</u>	<u>129,663,624</u>	<u>63,418,939</u>	<u>605,930,247</u>
Net Position at End of Year	<u>\$ 223,064,471</u>	<u>\$ 216,109,348</u>	<u>\$ 138,705,654</u>	<u>\$ 69,292,281</u>	<u>\$ 647,171,754</u>

B. Defined Contribution Retirement Plans

Plan Description

The City has established defined contribution retirement plan for employees hired after certain specified dates in 2012 for all unions except Police, Fire, UAW and IUOE/Operations.

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 \$258,483 for fiscal year 2018.

C. Pension Plan - Connecticut State Teachers' Retirement System

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at www.ct.gov.

Benefit Provisions

The plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

Contributions

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the State of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2018, the City reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the City were as follows:

City's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the City		<u>449,166,264</u>
Total	\$	<u><u>449,166,264</u></u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. At June 30, 2018, the City has no proportionate share of the net pension liability.

For the year ended June 30, 2018, the City recognized pension expense and revenue of \$51,955,416 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007 and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis 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. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Large Cap U.S. equities	21.0 %	5.8 %
Developed Non-U.S. equities	18.0	6.6
Private equity	11.0	7.6
Emerging markets (non-U.S.)	9.0	8.3
Alternative investments	8.0	4.1
Real estate	7.0	5.1
Fixed income (Core)	7.0	1.3
Cash	6.0	0.4
High yield bonds	5.0	3.9
Emerging market bond	5.0	3.7
Inflation linked bonds	3.0	1.0
Total	<u>100.0 %</u>	

Discount Rate

The discount rate used by the State of Connecticut to measure the total pension liability was 8.00%. 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 State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's 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 City's proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan.

9. OTHER POST-EMPLOYMENT BENEFITS

A. OPEB Trust

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.

Actuarial valuations for the OPEB Trust 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 Trust reflect a long-term perspective.

City ordinances require the OPEB Trust be managed by a board of trustees (fifteen (15) in total) consisting of the Mayor, Director of Human Resources, Director of Administration, Controller, President of the Board of Education (or his/her designee), Superintendent of Schools, Chief Operating Officer of the Board of Education, representatives of the each of the City's four (4) pension plans, and two (2) designees each from the City's Board of Finance and Board of Representatives, respectively.

The number of participants as of June 30, 2018 was as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total Primary Government</u>
Retired Employees	994	13	1,007
Active Employees	<u>3,083</u>	<u>32</u>	<u>3,115</u>
	<u>4,077</u>	<u>45</u>	<u>4,122</u>

Investments

Investment Policy

The OPEB Trust has established an investment policy that it has made available to the outside investment advisor for the trust. The 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 the trust investment policy can be made by majority vote of the board.

**CITY OF STAMFORD, CONNECTICUT
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Employee Contributions

Effective July 1, 2016, all active police employees shall contribute one percent (1%) of the Top step patrol rate for each payroll period into the OPEB Trust to fund retiree health benefit costs. These contributions will be discontinued after reaching thirty (30) years of service.

Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 8.51%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability of the City

The City's net OPEB liability was measured as of June 30, 2018. The components of the net OPEB liability of the City at June 30, 2018 were as follows:

Total OPEB liability	\$ 364,157,076
Plan fiduciary net position	<u>116,316,787</u>
Net OPEB Liability	<u>\$ 247,840,289</u>
Plan fiduciary net position as a percentage of the total OPEB liability	31.94%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Salary increases	2.60%
Investment rate of return	7.2%
Healthcare cost trend rates	7.10% for 2017, decreasing .50% per year, to an ultimate rate of 4.60% for 2022 and later
Mortality	
Classified Employees':	RP-2000 Mortality Table with separate male and female rates, with 50% blue collar adjustment and 50% no collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale BB
Police, Fire and Custodians:	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 BB

Full actuarial experience studies have not been completed.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

The long-term expected rate of return on OPEB 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 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. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Large Cap	32.60 %	5.55 %
International Developed Equity	27.50	5.55
Core Fixed income	16.70	1.65
International Emerging Markets Equity	7.00	6.50
High Yield Fixed income	5.50	3.05
Global Fixed income	5.50	1.85
Domestic Small Cap	<u>5.20</u>	6.00
Total Allocation	<u><u>100.00 %</u></u>	

Discount Rate

The discount rate used to measure the total OPEB liability was 7.20%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's 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 OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of July 1, 2017	\$ 354,679,524	\$ 92,167,012	\$ 262,512,512
Changes for the year:			
Service cost	7,326,986		7,326,986
Interest on total OPEB liability	26,750,948		26,750,948
Differences between expected and actual experience	(33,018,133)		(33,018,133)
Changes in assumptions	22,335,760		22,335,760
Employer contributions		28,439,000	(28,439,000)
Member contributions		195,665	(195,665)
TRB Subsidy		108,939	(108,939)
Net investment income (loss)		9,342,282	(9,342,282)
Benefit payments	(13,918,009)	(13,918,009)	-
Administrative expenses		(18,102)	18,102
Net Changes	<u>9,477,552</u>	<u>24,149,775</u>	<u>(14,672,223)</u>
Balances as of June 30, 2018	<u>\$ 364,157,076</u>	<u>\$ 116,316,787</u>	<u>\$ 247,840,289</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current discount rate:

	1% Decrease to 6.20%	Current Discount Rate 7.20%	1% Increase to 8.20%
Net OPEB Liability	<u>\$ 294,169,297</u>	<u>\$ 247,840,289</u>	<u>\$ 209,376,022</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.10 percent decreasing to 3.60 percent) or 1-percentage-point higher (8.10 percent decreasing to 5.60 percent) than the current healthcare cost trend rates:

	1% Decrease (6.10% decreasing to 3.60%)	Healthcare Cost Trend Rates (7.10% decreasing to 4.60%)	1% Increase (8.10% decreasing to 5.60%)
Net OPEB Liability	\$ <u>199,653,598</u>	\$ <u>247,840,289</u>	\$ <u>307,013,441</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the City recognized OPEB expense of \$24,866,723 (including \$433,035 reported for WPCA). At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$ 29,648,936
Changes of assumptions	20,056,601	
Net difference between projected and actual earnings	<u> </u>	<u>1,507,611</u>
Total	<u>\$ 20,056,601</u>	<u>\$ 31,156,547</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,

2019	\$	(1,466,941)
2020		(1,466,941)
2021		(1,466,941)
2022		(1,466,940)
2023		(1,090,038)
Thereafter		(4,142,145)

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Payable to the OPEB Plan

At June 30, 2018, the City reported a payable of \$607,669 for the outstanding amount of contributions to the Plan required for the year ended June 30, 2018.

The following schedules present the net position held in trust for OPEB benefits at June 30, 2018 and the changes in net position for the year ended:

	<u>OPEB Trust Fund</u>
Assets:	
Cash and cash equivalents	\$ 2,315,094
Investments, at fair value:	
Mutual funds	118,235,266
Receivables:	
Contribution receivable	<u>607,669</u>
 Total assets	 <u>121,158,029</u>
Liabilities:	
Accounts payable	532,933
Due to other funds	2,845,370
Claims payable	<u>1,462,939</u>
Total Liabilities	<u>4,841,242</u>
Net Position:	
Restricted for OPEB Benefits	<u>\$ 116,316,787</u>
 OPEB Trust Fund	
Additions:	
Contributions:	
Employer	\$ 28,439,000
Plan members	195,665
Other revenue	<u>108,939</u>
Total contributions	<u>28,743,604</u>
 Investment earnings:	
Net increase (decrease) in fair value of investments	6,776,623
Interest and dividends	<u>2,590,655</u>
Total investment earnings	9,367,278
Less investment expenses:	
Investment management fees	<u>24,996</u>
Net investment income (loss)	<u>9,342,282</u>
 Total additions	 <u>38,085,886</u>
 Deductions:	
Benefits	13,918,009
Administration	<u>18,102</u>
Total deductions	<u>13,936,111</u>
 Change in net position	 24,149,775
 Net Position at Beginning of Year	 <u>92,167,012</u>
 Net Position at End of Year	 <u>\$ 116,316,787</u>

B. Other Post-Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

Teachers, principals, superintendents or supervisors engaged in service of public schools plus professional employees at State Schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other post employment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at www.ct.gov/trb.

Benefit Provisions

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). There are three choices for coverage under the CTRB Sponsored Medicare Supplemental Plans. The choices and 2017 calendar year premiums charged for each choice are shown in the table below:

- | | |
|--|-------|
| • Medicare Supplement with Prescriptions | \$ 92 |
| • Medicare Supplement with Prescriptions and Dental | 136 |
| • Medicare Supplement with Prescriptions, Dental, Vision & Hearing | 141 |

Those participants electing vision, hearing and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the plan for these benefits.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, State employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of credited service

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

Contributions

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the State of Connecticut are approved, amended and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The State contributions are not currently actuarially funded. The State appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the State. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the State will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

Employees

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the City reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the City as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the City was as follows:

City's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>115,610,306</u>
Total	<u>\$ 115,610,306</u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2016. At June 30, 2018, the City has no proportionate share of the net OPEB liability.

For the year ended June 30, 2018, the City recognized OPEB expense and revenue of \$5,537,966 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2018

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 74 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.04%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2018 and, as a result, the Municipal Bond Index Rate was used in the determination.

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate

The City's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the State of Connecticut.

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the City has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

10. FUND BALANCE

The components of fund balance for the governmental funds as of June 30, 2018 are as follows:

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Mill River Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:						
Prepaid expenditures	\$	\$	\$	\$	\$ 3,355	\$ 3,355
Inventories	70,201				66,014	136,215
Advances	<u>4,167,972</u>					<u>4,167,972</u>
Total nonspendable	<u>4,238,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,369</u>	<u>4,307,542</u>
Restricted for:						
Long-term loans and accounts receivable		7,937,124				7,937,124
Capital projects		50,711,021			15,598,501	66,309,522
Advances		2,854,901				2,854,901
Mill river capital projects			190,333			190,333
Debt service				21,717,722		21,717,722
Stamford Community Development Program					703,361	703,361
Town aid highway					268,133	268,133
Drug asset forfeiture					273,653	273,653
Educational grants program					1,170,198	1,170,198
BOE Food service program					398,027	398,027
Other grants program					445,910	445,910
Total restricted	<u>-</u>	<u>61,503,046</u>	<u>190,333</u>	<u>21,717,722</u>	<u>18,857,783</u>	<u>102,268,884</u>
Committed to:						
Rainy Day purposes	937,000					937,000
Compliance with Federal mandates	105,000					105,000
Environmental Remediation - City	3,874,156					3,874,156
Environmental Remediation - BOE	278,474					278,474
Risk management fund for H&H	<u>250,000</u>					<u>250,000</u>
Total committed	<u>5,444,630</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,444,630</u>
Assigned to:						
Governmental services encumbrances	21,725					21,725
Administration encumbrances	102,609					102,609
Legal affairs encumbrances	68,486					68,486
Public safety encumbrances	382,958					382,958
Health and welfare encumbrances	22,256					22,256
Operations encumbrances	552,642					552,642
Board of Education encumbrances	301,943					301,943
Future obligations of the City	1,970,967					1,970,967
Rainy Day purposes	24,600,841					24,600,841
BOE energy reserve	201,840					201,840
Dog license					396,239	396,239
Police extra duty					265,626	265,626
School building use					195,661	195,661
Continuing education					114,263	114,263
Parking					879,213	879,213
Greater Stamford transit district					94,162	94,162
Total assigned	<u>28,226,267</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,945,164</u>	<u>30,171,431</u>
Unassigned	<u>683,851</u>				<u>(25,701)</u>	<u>658,150</u>
Total Fund Balances	<u>\$ 38,592,921</u>	<u>\$ 61,503,046</u>	<u>\$ 190,333</u>	<u>\$ 21,717,722</u>	<u>\$ 20,846,615</u>	<u>\$ 142,850,637</u>

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

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 have 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.

Encumbrances 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 purposes). In fiscal 2018, revenues and transfers exceeded expenditures by \$3,860,878. In addition, \$568,752 of unexpended prior year encumbrances were also returned to the fund balance. These were offset by the increase in fund balance assigned for future obligations of the City of \$883,697. The anticipated use of the amount available from current year's operations of \$2,977,181 is as follows:

Rainy Day purposes	\$ 937,000
Environmental remediation - City	1,511,707
Environmental remediation - BOE	278,474
Risk management fund for H&H	<u>250,000</u>
	\$ <u><u>2,977,181</u></u>

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 \$414,554 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 \$1,995,000. Estimated pollution remediation costs of \$2,913,320 have been accounted for in the governmental wide financial statements 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 \$30,632,000. 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.

D. Risks and Uncertainties

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

In the original financial plan for OTHRA, it was anticipated that the real property owned and developed by OTHRA would be leased to a minority owner of QALICB for \$348,000 per annum, who would sublease the real property to unrelated third-party tenants generating net rental income to support rental payments to OTHRA. During the year ended June 30, 2018, subtenants generated rental income of approximately \$633,370. As long as OTHRA is not generating sufficient rental income to cover its operating costs and debt service requirements, the City, through Old Town Hall Manager, Inc., is responsible for covering these costs. As of June 30, 2018, the City advanced OTHRA \$4,906,208 to support operations and capital improvements of the real property. No provision has been made in the accompanying financial statements for losses that might be incurred by the City, if any, in connection with OTHRA.

12. TAX ABATEMENTS

As of June 30, 2018, the City provides tax abatements through Connecticut Enterprise Zone Program. The Connecticut Enterprise Zone (EZ) Program provides real property tax abatements to encourage economic development in designated areas within a Targeted Investment Community of which the City has been designated, under Connecticut General Statutes Section 32-70. Eligible businesses include manufacturers, warehouse distributors and certain designated service related business. An EZ business applicant must complete a preliminary application to determine if all eligibility criteria will be met. After the request of the preliminary application has been met, the business applicant is required to submit a formal application to the Department of Economic and Community Development. A five-year, 80% abatement of local property taxes on qualifying real and personal property, is subject to the property being new to the grand list of the municipality as a direct result of a business expansion or renovation project or, in the case of an existing building, having met the vacancy requirement. The property tax abatement is for a full five-year period and takes effect with the start of the first full assessment year following the issuance of a "Certificate of Eligibility." For the fiscal year ended June 30, 2018, taxes abated through this program total \$726,460. There are no provisions to recapture abated taxes under this program. No other commitments have been made by the City to the abatement recipients under this program.

**CITY OF STAMFORD, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS**

13. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The following restatements were recorded to the beginning net position of the governmental activities as a result of implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*:

Governmental Activities:

Net position at June 30, 2017, as previously reported	\$ 243,044,454
Adjustment:	
Eliminate net OPEB obligation as reported per GASB No. 45	67,252,000
Record starting total OPEB liability per GASB No. 75	<u>(258,584,536)</u>
Net Position at July 1, 2017, as Restated	<u>\$ 51,711,918</u>

Business Type Activities:

Net position at June 30, 2017, as previously reported	\$ 85,231,793
Adjustment:	
Eliminate net OPEB obligation as reported per GASB No. 45	904,000
Record starting total OPEB liability per GASB No. 75	<u>(3,927,976)</u>
Net Position at July 1, 2017, as Restated	<u>\$ 82,207,817</u>

Business Type Activities - Enterprise Funds

Water Pollution Control Authority:

Net position at June 30, 2017, as previously reported	\$ 80,882,117
Adjustment:	
Eliminate net OPEB obligation as reported per GASB No. 45	904,000
Record starting total OPEB liability per GASB No. 75	<u>(3,927,976)</u>
Net Position at July 1, 2017, as Restated	<u>\$ 77,858,141</u>

14. SUBSEQUENT EVENTS

On July 31, 2018, the City issued \$25,000,000 of General Obligation Bonds with a coupon rate between 3.0% and 5.0%. The proceeds of the bonds will be used to fund various general purpose projects, energy improvements and school construction projects authorized by the City.

Mold has been found in 11 of Stamford's 21 public schools. Mold problems were first discovered when custodial personnel returned from the summer break after unusually humid and rainy weather. The City formed a task force to assess the full extent of the problem, coordinate mold remediation activities, and find alternate facilities as may be needed during the remediation. Subsequent to June 30, 2018, the City has entered into a lease agreement, with an initial term of less than one year, for approximately 24,000 square feet of space, and incurred costs for leasehold improvements to that space as the timeline for remediating the problems found in one particular school building would not be able to be addressed until very late in the school year. The City will recognize remediation related costs as they are incurred and will record any remaining liabilities once they are reasonably estimable.



**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, 2018**

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes, interest, lien and contingencies	\$ 515,467,519	\$ 515,467,519	\$ 516,799,140	\$ 1,331,621
Intergovernmental	19,069,564	19,069,564	16,814,697	(2,254,867)
Charges for services	19,297,080	19,297,080	19,162,595	(134,485)
Interest and dividends	1,000,000	1,000,000	1,203,228	203,228
Change in fair market value			(571,372)	(571,372)
Other	1,050,961	1,050,961	1,058,236	7,275
Total revenues	<u>555,885,124</u>	<u>555,885,124</u>	<u>554,466,524</u>	<u>(1,418,600)</u>
Use of Fund Balance		9,652,875	9,652,875	-
Total revenues and use of fund balance	<u>555,885,124</u>	<u>565,537,999</u>	<u>564,119,399</u>	<u>(1,418,600)</u>
Expenditures:				
Current:				
Governmental services	4,869,805	4,901,805	4,695,829	205,976
Administration	9,991,075	10,102,108	10,005,926	96,182
Legal affairs	31,354,234	31,754,482	31,562,470	192,012
Public safety	118,441,512	119,226,451	118,244,060	982,391
Health and welfare	9,041,946	9,078,930	8,910,795	168,135
Community services	12,261,760	12,261,760	12,237,458	24,302
Operations	45,343,059	46,661,403	45,890,540	770,863
Board of Education	269,451,761	269,451,761	269,173,287	278,474
Contingency	4,330,000	1,946,689		1,946,689
Total expenditures	<u>505,085,152</u>	<u>505,385,389</u>	<u>500,720,365</u>	<u>4,665,024</u>
Excess of Revenues over Expenditures	<u>50,799,972</u>	<u>60,152,610</u>	<u>63,399,034</u>	<u>3,246,424</u>
Other Financing Sources (Uses):				
Transfers in	3,098,622	3,098,622	3,098,622	-
Transfer out:				
Debt Service Fund	(52,185,907)	(52,185,907)	(52,085,907)	100,000
Capital Projects Fund		(271,140)	(271,140)	-
Capital Nonrecurring Fund	(284,531)	(6,485,923)	(6,485,923)	-
Risk Management		(500,000)	(500,000)	-
Grant Fund	(1,397,890)	(1,777,996)	(1,746,453)	31,543
Marinas Fund	(30,266)	(30,266)	(116,107)	(85,841)
Assignment:				
Rainy Day Purposes		(2,000,000)	(2,000,000)	-
Net other financing uses	<u>(50,799,972)</u>	<u>(60,152,610)</u>	<u>(60,106,908)</u>	<u>45,702</u>
Excess of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	<u>3,292,126</u>	<u>\$ 3,292,126</u>
Cancellation of prior year encumbrances			568,752	
Fund balance assigned for changes in: Future obligations of the City			<u>(883,697)</u>	
Amount available from current year operations			<u>\$ 2,977,181</u>	

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

**Reconciliation of Budgetary Revenues, Expenditures and Fund Balance to the
GAAP Revenues, Expenditures and Fund Balance:**

	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>	<u>Fund Balance</u>
Balance, budgetary basis	\$ 567,786,773	\$ 563,925,895	\$ 12,337,621
Encumbrances June 30, 2017		1,608,861	
Encumbrances June 30, 2018		(1,452,619)	1,452,619
Encumbrances cancelled	(568,752)	(568,752)	
Non budgetary items related to:			
Rainy Day Purposes:			
Beginning fund balance			22,656,403
Current year activities	1,944,438		1,944,438
BOE Energy Reserve:			
Beginning fund balance			201,840
Transfers in/out elimination	(2,000,000)	(2,000,000)	
Use of Fund Balance	(9,652,875)		
On-behalf payments, paid by the State of Connecticut the Teachers' Retirement system			
Pension	51,955,416	51,955,416	
OPEB	5,537,966	5,537,966	
On-behalf payments, paid by the State of Connecticut to WIC and HIV recipients	<u>2,335,013</u>	<u>2,335,013</u>	
Balance, GAAP basis	<u>\$ 617,337,979</u>	<u>\$ 621,341,780</u>	<u>\$ 38,592,921</u>

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 4,568,292	\$ 5,144,203	\$ 5,018,705	\$ 4,566,053	\$ 4,433,061
Interest	19,322,395	19,364,883	18,876,464	18,755,559	18,090,605
Change in benefit terms	(95,484)	(215,835)			
Differences between expected and actual experience	4,366,782	(5,450,130)	(2,027,851)	(8,199,467)	
Changes of assumptions	7,532,767	1,343,336		4,836,505	
Benefit payments, including refunds of member contributions	(16,026,612)	(15,860,384)	(15,324,091)	(14,405,292)	(13,759,945)
Net change in total pension liability	19,668,140	4,326,073	6,543,227	5,553,358	8,763,721
Total pension liability - beginning	260,932,076	256,606,003	250,062,776	244,509,418	235,745,697
Total pension liability - ending	<u>280,600,216</u>	<u>260,932,076</u>	<u>256,606,003</u>	<u>250,062,776</u>	<u>244,509,418</u>
Plan fiduciary net position:					
Contributions - employer	6,348,000	5,923,000	6,388,000	6,799,000	6,504,000
Contributions - member	2,070,555	2,048,979	2,059,606	2,017,452	1,833,678
Net investment income (loss)	20,438,341	27,749,374	(9,084,985)	3,015,465	30,769,576
Benefit payments, including refunds of member contributions	(16,026,612)	(15,860,384)	(15,324,091)	(14,405,292)	(13,759,945)
Administrative expense	(120,161)	(100,944)	(105,611)	(117,430)	(397,213)
Other			39,054		
Net change in plan fiduciary net position	12,710,123	19,760,025	(16,028,027)	(2,690,805)	24,950,096
Plan fiduciary net position - beginning	210,354,348	190,594,323	206,622,350	209,313,155	184,363,059
Plan fiduciary net position - ending	<u>223,064,471</u>	<u>210,354,348</u>	<u>190,594,323</u>	<u>206,622,350</u>	<u>209,313,155</u>
Net Pension Liability - Ending	<u>\$ 57,535,745</u>	<u>\$ 50,577,728</u>	<u>\$ 66,011,680</u>	<u>\$ 43,440,426</u>	<u>\$ 35,196,263</u>
Plan fiduciary net position as a percentage of the total pension liability	79.50%	80.62%	74.28%	82.63%	85.61%
Covered payroll	\$ 42,603,785	\$ 40,776,678	\$ 39,506,337	\$ 44,213,643	\$ 44,997,000
Net pension liability as a percentage of covered payroll	135.05%	124.04%	167.09%	98.25%	78.22%
<u>Notes to Schedule:</u>					
Assumption Changes:					
Inflation	2.75%	2.75%	3.00%	3.00%	3.00%
Investment rate of return	7.20%	7.50%	7.63%	7.63%	7.75%
Salary increases - annually to project normal cost only	2.75%	2.75%	3.00%	3.00%	3.00%

2016:

Difference between expected and actual experience: In 2016, amounts reported as difference between expected and actual experience resulted primarily from census adjustment due to the closure of Smith House

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICEMEN'S PENSION TRUST
LAST FIVE FISCAL YEARS *

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 5,176,399	\$ 4,784,685	\$ 4,539,800	\$ 4,400,529	\$ 4,272,359
Interest	18,392,422	18,693,625	18,039,262	17,449,743	16,709,145
Change in benefit terms		(17,318)			
Differences between expected and actual experience	368,828	537,450		(1,349,423)	
Changes of assumptions		(4,088,924)	3,084,827	2,952,505	
Benefit payments, including refunds of member contributions	<u>(14,417,321)</u>	<u>(13,782,624)</u>	<u>(12,714,828)</u>	<u>(11,641,732)</u>	<u>(11,468,644)</u>
Net change in total pension liability	9,520,328	6,126,894	12,949,061	11,811,622	9,512,860
Total pension liability - beginning	<u>257,357,276</u>	<u>251,230,382</u>	<u>238,281,321</u>	<u>226,469,699</u>	<u>216,956,839</u>
Total pension liability - ending	<u>266,877,604</u>	<u>257,357,276</u>	<u>251,230,382</u>	<u>238,281,321</u>	<u>226,469,699</u>
Plan fiduciary net position:					
Contributions - employer	8,275,000	7,903,000	7,158,000	6,645,000	6,230,000
Contributions - member	1,369,773	1,302,140	1,479,977	1,210,332	1,250,143
Net investment income (loss)	18,688,574	20,375,655	(4,249,153)	8,404,116	25,799,439
Benefit payments, including refunds of member contributions	(14,417,321)	(13,782,624)	(12,714,828)	(11,641,732)	(11,468,644)
Administrative expense	<u>(300,014)</u>	<u>(249,825)</u>	<u>(303,738)</u>	<u>(228,492)</u>	<u>(82,936)</u>
Net change in plan fiduciary net position	13,616,012	15,548,346	(8,629,742)	4,389,224	21,728,002
Plan fiduciary net position - beginning	<u>202,493,336</u>	<u>186,944,990</u>	<u>195,574,732</u>	<u>191,185,508</u>	<u>169,457,506</u>
Plan fiduciary net position - ending	<u>216,109,348</u>	<u>202,493,336</u>	<u>186,944,990</u>	<u>195,574,732</u>	<u>191,185,508</u>
Net Pension Liability - Ending	<u>\$ 50,768,256</u>	<u>\$ 54,863,940</u>	<u>\$ 64,285,392</u>	<u>\$ 42,706,589</u>	<u>\$ 35,284,191</u>
Plan fiduciary net position as a percentage of the total pension liability	80.98%	78.68%	74.41%	82.08%	84.42%
Covered payroll	\$ 22,958,568	\$ 22,320,912	23,328,220	\$ 22,648,757	\$ 21,994,000
Net pension liability as a percentage of covered payroll	221.13%	245.80%	275.57%	188.56%	160.43%

Notes to Schedule:

Assumption Changes:

Inflation	2.75%	2.75%	3.00%	3.00%	3.00%
Investment rate of return	7.20%	7.20%	7.50%	7.63%	7.75%
Discount rate	7.20%	7.20%	7.50%	7.63%	6.75%
Salary increases - annually to project normal cost only	2.75%	2.75%	3.00%	3.00%	3.00%

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 BB.	**	**			
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.			**	**	
RP-2000 Blue collar combined - Generational Mortality Table					**

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

** Applicable for that particular year

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION TRUST
LAST FIVE FISCAL YEARS ***

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 3,798,387	\$ 3,555,727	\$ 3,468,981	\$ 3,053,426	\$ 2,964,491
Interest	13,816,473	12,778,225	12,339,942	12,773,960	12,287,263
Differences between expected and actual experience	3,543,971	4,684,643		(4,349,248)	
Changes of assumptions	1,137,658	3,441,972		2,792,894	
Benefit payments, including refunds of member contributions	<u>(10,490,257)</u>	<u>(10,278,617)</u>	<u>(9,436,881)</u>	<u>(9,168,689)</u>	<u>(8,956,725)</u>
Net change in total pension liability	11,806,232	14,181,950	6,372,042	5,102,343	6,295,029
Total pension liability - beginning	<u>191,927,003</u>	<u>177,745,053</u>	<u>171,373,011</u>	<u>166,270,668</u>	<u>159,975,639</u>
Total pension liability - ending	<u>203,733,235</u>	<u>191,927,003</u>	<u>177,745,053</u>	<u>171,373,011</u>	<u>166,270,668</u>
Plan fiduciary net position:					
Contributions - employer	6,980,000	5,140,000	4,342,000	3,515,000	3,119,000
Contributions - member	1,319,247	1,543,551	1,240,582	1,175,378	1,189,553
Net investment income (loss)	11,320,351	16,677,565	(4,185,113)	(191,595)	15,059,772
Benefit payments, including refunds of member contributions	<u>(10,490,257)</u>	<u>(10,278,617)</u>	<u>(9,436,881)</u>	<u>(9,168,689)</u>	<u>(8,956,725)</u>
Administrative expense	(87,311)	(218,673)	(117,287)	(106,441)	(247,774)
Other			18,030		
Net change in plan fiduciary net position	9,042,030	12,863,826	(8,138,669)	(4,776,347)	10,163,826
Plan fiduciary net position - beginning	<u>129,663,624</u>	<u>116,799,798</u>	<u>124,938,467</u>	<u>129,714,814</u>	<u>119,550,988</u>
Plan fiduciary net position - ending	<u>138,705,654</u>	<u>129,663,624</u>	<u>116,799,798</u>	<u>124,938,467</u>	<u>129,714,814</u>
Net Pension Liability - Ending	<u>\$ 65,027,581</u>	<u>\$ 62,263,379</u>	<u>\$ 60,945,255</u>	<u>\$ 46,434,544</u>	<u>\$ 36,555,854</u>
Plan fiduciary net position as a percentage of the total pension liability	68.08%	67.56%	65.71%	72.90%	78.01%
Covered payroll	\$ 22,756,531	\$ 23,382,336	21,610,577	\$ 20,981,143	\$ 21,475,500
Net pension liability as a percentage of covered payroll	285.75%	266.28%	282.02%	221.32%	170.22%

Notes to Schedule:

Assumption Changes:

Inflation	2.75%	2.75%	3.00%	3.00%	3.00%
Investment rate of return	7.20%	7.25%	7.25%	7.25%	7.75%
Salary increases - annually to project normal cost only	2.75%	2.75%	3.00%	3.00%	3.00%

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 BB.	**	**			
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.			**	**	**

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

** Applicable for that particular year

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 2,607,411	\$ 2,769,361	\$ 2,636,301	\$ 2,447,371	\$ 2,376,088
Interest	5,855,180	5,578,118	5,216,803	5,000,246	4,667,210
Differences between expected and actual experience	(2,016,944)	(2,951,357)		(2,221,286)	
Changes of assumptions	3,498,430	1,539,867	923,580	1,347,685	
Benefit payments, including refunds of member contributions	<u>(3,189,658)</u>	<u>(2,974,023)</u>	<u>(2,929,747)</u>	<u>(2,802,115)</u>	<u>(2,832,023)</u>
Net change in total pension liability	6,754,419	3,961,966	5,846,937	3,771,901	4,211,275
Total pension liability - beginning	<u>77,027,652</u>	<u>73,065,686</u>	<u>67,218,749</u>	<u>63,446,848</u>	<u>59,235,573</u>
Total pension liability - ending	<u>83,782,071</u>	<u>77,027,652</u>	<u>73,065,686</u>	<u>67,218,749</u>	<u>63,446,848</u>
Plan fiduciary net position:					
Contributions - employer	2,206,000	2,145,000	1,872,461	1,669,000	1,584,000
Contributions - member	1,174,054	1,149,755	1,200,202	1,146,675	1,097,591
Net investment income (loss)	5,730,009	8,023,789	(1,949,305)	415,987	8,053,016
Benefit payments, including refunds of member contributions	(3,189,658)	(2,974,023)	(2,929,747)	(2,802,115)	(2,832,023)
Administrative expense	(47,063)	(51,349)	(33,778)	(47,045)	(71,917)
Other			4,076		(108)
Net change in plan fiduciary net position	<u>5,873,342</u>	<u>8,293,172</u>	<u>(1,836,091)</u>	<u>382,502</u>	<u>7,830,559</u>
Plan fiduciary net position - beginning	<u>63,418,939</u>	<u>55,125,767</u>	<u>56,961,858</u>	<u>56,579,356</u>	<u>48,748,797</u>
Plan fiduciary net position - ending	<u>69,292,281</u>	<u>63,418,939</u>	<u>55,125,767</u>	<u>56,961,858</u>	<u>56,579,356</u>
Net Pension Liability - Ending	<u>\$ 14,489,790</u>	<u>\$ 13,608,713</u>	<u>\$ 17,939,919</u>	<u>\$ 10,256,891</u>	<u>\$ 6,867,492</u>
Plan fiduciary net position as a percentage of the total pension liability	82.71%	82.33%	75.45%	84.74%	89.18%
Covered payroll	\$ 20,546,261	20,466,257	20,527,753	\$ 19,929,857	\$ 19,177,570
Net pension liability as a percentage of covered payroll	70.52%	66.49%	87.39%	51.46%	35.81%

Notes to Schedule:

Assumption Changes:

Inflation	2.75%	2.75%	3.00%	3.00%	3.00%
Investment rate of return	7.20%	7.50%	7.50%	7.63%	7.75%
Discount rate	7.20%	6.50%	6.50%	7.63%	6.75%
Salary increases - annually to project normal cost only	2.75%	2.75%	3.00%	3.00%	3.00%

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 BB.	**	**			
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.			**	**	
RP-2000 Blue collar combined - Generational Mortality Table					**

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

** Applicable for that particular year

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 6,348,000	\$ 5,923,000	\$ 6,387,000	\$ 6,799,000	\$ 6,504,000	\$ 5,902,000	\$ 5,362,000	\$ 4,175,000	\$ 2,326,000	\$ 2,326,000
Contributions in relation to the actuarially determined contribution	<u>6,348,000</u>	<u>5,923,000</u>	<u>6,388,000</u>	<u>6,799,000</u>	<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>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(1,000)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>4,900</u>	\$ <u>(28,000)</u>	\$ <u>-</u>	\$ <u>(37,000)</u>	\$ <u>1,341,000</u>
Covered payroll	\$ 42,603,785	\$ 40,776,678	\$ 39,506,337	\$ 44,213,643	\$ 44,997,000	\$ 43,686,000	\$ 48,396,000	\$ 46,312,000	\$ 45,981,000	\$ 44,001,000
Contributions as a percentage of covered payroll	14.90%	14.53%	16.17%	15.38%	14.45%	13.50%	11.14%	9.01%	5.14%	2.24%

Notes to Schedule

Valuation date: July 1, 2017

Measurement date: June 30, 2018

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
Remaining amortization period	15 years, open
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	2.75%, only used to project normal cost to the next year
Investment rate of return	7.20%, net of investment-related and administrative expenses, Prior Valuation 7.50%
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 No Collar Combined Table and RP-2000 Blue Collar Combined Table, projected to date of decrement using Scale BB (generational)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICEMEN'S PENSION TRUST
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 8,275,000	\$ 7,903,000	\$ 7,158,000	\$ 6,645,000	\$ 6,230,000	\$ 4,885,000	\$ 4,885,000	\$ 4,341,000	\$ 4,007,000	\$ 2,305,000
Contributions in relation to the actuarially determined contribution	<u>8,275,000</u>	<u>7,903,000</u>	<u>7,158,000</u>	<u>6,645,000</u>	<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>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(110,000)</u>	\$ <u>-</u>
Covered payroll	\$ 22,958,568	\$ 22,320,912	\$ 23,328,220	\$ 22,648,757	\$ 21,994,000	\$ 21,353,000	\$ 22,340,000	\$ 21,378,000	\$ 20,861,000	\$ 19,963,000
Contributions as a percentage of covered payroll	36.04%	35.41%	30.68%	29.34%	28.33%	22.88%	21.87%	20.31%	19.74%	11.55%

Notes to Schedule

Valuation date: July 1, 2017

Measurement date: June 30, 2018

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
Remaining amortization period	15 years, open
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	2.75%, used to project normal cost only
Investment rate of return	7.20%, net of investment-related and administration expense, Prior Valuation: 7.50%, net of pension plan investment expense, including inflation
Retirement age	Age based table
Mortality	RP-2000 Mortality Table with separate male and female rates, with blue collar adjustment, separate tables for non-annuitants and annuitants, projected to the valuation date with Scale BB.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 6,980,000	\$ 5,140,000	\$ 4,342,000	\$ 3,575,000	\$ 3,119,000	\$ 2,340,000	\$ 2,080,000	\$ 1,717,000	\$ 406,000	\$ 406,000
Contributions in relation to the actuarially determined contribution	<u>6,980,000</u>	<u>5,140,000</u>	<u>4,342,000</u>	<u>3,515,000</u>	<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>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>60,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>341,000</u>
Covered payroll	\$ 22,756,531	\$ 23,382,336	\$ 21,610,577	\$ 20,981,143	\$ 21,475,500	\$ 20,850,000	\$ 22,638,000	\$ 21,663,000	\$ 19,292,000	\$ 18,461,000
Contributions as a percentage of covered payroll	30.67%	21.98%	20.09%	16.75%	14.52%	11.22%	9.19%	7.93%	2.10%	0.35%

Notes to Schedule

Valuation date: July 1, 2017
Measurement date: June 30, 2018
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
Remaining amortization period 15 years, closed
Asset valuation method 5-year smoothed market
Inflation 2.75%
Salary increases 2.75%, annually to project normal cost only
Investment rate of return 7.20%, Prior Valuation: 7.25%
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 BB.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 2,206,000	\$ 2,145,000	\$ 1,840,000	\$ 1,669,000	\$ 1,584,000	\$ 1,497,000	\$ 1,380,000	\$ 1,221,000	\$ 742,000	\$ 742,000
Contributions in relation to the actuarially determined contribution	<u>2,206,000</u>	<u>2,145,000</u>	<u>1,872,461</u>	<u>1,669,000</u>	<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>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(32,461)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(533,000)</u>	\$ <u>-</u>	\$ <u>31,000</u>	\$ <u>72,000</u>
Covered payroll	\$ 20,546,261	\$ 20,466,257	\$ 20,527,753	\$ 19,929,857	\$ 19,177,570	\$ 18,619,000	\$ 19,247,000	\$ 18,418,000	\$ 16,063,000	\$ 15,371,000
Contributions as a percentage of covered payroll	10.74%	10.48%	9.12%	8.37%	8.26%	8.04%	9.94%	6.63%	4.43%	4.36%

Notes to Schedule

Valuation date: July 1, 2017
Measurement date: June 30, 2018
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
Remaining amortization period 15 years, open
Asset valuation method 5-year smoothed market
Inflation 2.75%
Salary increases 2.75%, only used to project normal cost to the next year
Investment rate of return 7.20%, net of investment-related and administrative expenses, Prior Valuation: 7.50%
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 BB.

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
LAST FIVE FISCAL YEARS***

	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense					
Classified Employees' Retirement Fund	9.77%	14.62%	(4.38)%	1.44%	16.65%
Policemen's Pension Trust	9.18%	10.81%	(2.15)%	4.38%	15.13%
Firefighters' Pension Trust	8.60%	14.22%	(3.38)%	(.15)%	12.67%
Custodians' and Mechanics' Retirement Fund	8.89%	14.27%	(3.37)%	0.73%	16.34%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS RETIREMENT PLAN
LAST FOUR FISCAL YEARS***

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%
City's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the City	<u>449,166,264</u>	<u>473,873,849</u>	<u>361,914,546</u>	<u>334,517,386</u>
Total	<u>\$ 449,166,264</u>	<u>\$ 473,873,849</u>	<u>\$ 361,914,546</u>	<u>\$ 334,517,386</u>
City's covered payroll	\$ 137,861,060	\$ 135,713,528	\$ 132,304,905	\$ 128,765,406
City's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	55.93%	52.26%	59.50%	61.51%

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

Plan Information

Changes in benefit terms	None
Changes of assumptions	During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.
	During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended
Actuarial cost method	Entry age
Amortization method	Level percent of salary, closed
Remaining amortization period	20.4
Asset valuation method	4-year smoothed market
Investment rate of return	8.0%, net of investment related expense

CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUNDS
LAST TWO FISCAL YEARS *

	<u>2018</u>	<u>2017</u>
Total OPEB liability:		
Service cost	\$ 7,326,986	\$ 7,475,304
Interest	26,750,948	25,271,089
Differences between expected and actual experience	(33,018,133)	(2,079,421)
Changes of assumptions	22,335,760	
Benefit payments, including refunds of member contributions	(13,918,009)	(12,731,664)
Net change in total OPEB liability	<u>9,477,552</u>	<u>17,935,308</u>
Total OPEB liability - beginning	<u>354,679,524</u>	<u>336,744,216</u>
Total OPEB liability - ending	<u>364,157,076</u>	<u>354,679,524</u>
Plan fiduciary net position:		
Contributions - employer	28,439,000	26,617,000
Contributions - member	195,665	181,154
TRB subsidy	108,939	185,895
Net investment income (loss)	9,342,282	10,887,847
Benefit payments, including refunds of member contributions	(13,918,009)	(12,731,664)
Administrative expense	(18,102)	(12,621)
Net change in plan fiduciary net position	24,149,775	25,127,611
Plan fiduciary net position - beginning	<u>92,167,012</u>	<u>67,039,401</u>
Plan fiduciary net position - ending	<u>116,316,787</u>	<u>92,167,012</u>
Net OPEB Liability - Ending	<u>\$ 247,840,289</u>	<u>\$ 262,512,512</u>
Plan fiduciary net position as a percentage of the total OPEB liability	31.94%	25.99%
Covered payroll	\$ 246,682,206	\$ 246,682,206
Net OPEB liability as a percentage of covered payroll	100.47%	106.42%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

Notes to Schedule:

Difference between expected and actual experience: In 2017, amounts reported as difference between expected and actual experience resulted primarily from changes to better reflect expected experience.

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST EIGHT FISCAL YEARS ***

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Actuarially determined contribution (1)	\$ 28,439,000	\$ 26,617,000	\$ 27,078,000	\$ 28,238,000	\$ 27,723,000	\$ 30,272,000	\$ 28,543,000	\$ 25,420,000
Contributions in relation to the actuarially determined contribution	<u>28,439,000</u>	<u>26,617,000</u>	<u>21,633,000</u>	<u>19,026,000</u>	<u>20,844,000</u>	<u>19,335,000</u>	<u>20,053,000</u>	<u>18,797,000</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5,445,000</u>	\$ <u>9,212,000</u>	\$ <u>6,879,000</u>	\$ <u>10,937,000</u>	\$ <u>8,490,000</u>	\$ <u>6,623,000</u>
Covered payroll	\$ 246,682,206	\$ 245,488,525	\$ 234,472,000	\$ 233,590,000	\$ 242,852,000	\$ 235,779,000	\$ 225,626,000	\$ 215,910,000
Contributions as a percentage of covered payroll	11.53%	10.84%	9.23%	8.15%	8.58%	8.20%	8.89%	8.71%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

1) Actuarially Determined Contributions prior to fiscal year ending June 30, 2017 is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45

Notes to Schedule

Valuation date: July 1, 2017
Measurement date: June 30, 2018

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
Amortization method	Level percentage of payroll, open
Remaining amortization period	20 years, open
Asset valuation method	Market Value
Inflation	2.60%, Prior Valuation: 2.75%
Healthcare cost trend rates	7.10% for 2017, decreasing .50% per year, to an ultimate rate of 4.60% for 2023 and later
Healthcare cost trend rates, prior valuation	7.50% for 2016, decreasing .50% per year, to an ultimate rate of 4.50% for 2022 and later
Salary increases	2.60%, Prior Valuation: 2.50%
Investment rate of return	7.20%, Prior Valuation: 7.50%
Retirement age	Age Based Table
Mortality	
CERF & WPCA	RP-2000 Mortality Table with separate male and female rates, with 50% blue collar adjustment and 50% no collar adjustment, combined table for non-annuitants and annuitants, projected to the valuation date with Scale BB
Police, Fire and Custodians:	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 BB

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF INVESTMENT RETURNS
OTHER POST-EMPLOYMENT BENEFITS TRUST FUND
LAST TWO FISCAL YEARS ***

	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	8.51%	13.43%

* Schedule is intended to show information for 10 years - additional years will be displayed as they become available

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST FISCAL YEAR***

	<u>2018</u>
City's proportion of the net OPEB liability	0.00%
City's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the City	<u>115,610,306</u>
Total	<u>\$ 115,610,306</u>
City's covered payroll	\$ 137,861,060
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%

Notes to Schedule

Changes in benefit terms
Changes of assumptions

None

The discount rate was increased from 3.01% to 3.56% to reflect the change in the Municipal Bond Index Rate.

Changes were made to the assumed initial per capita health care costs, rates of health care inflation used to project the per capita costs, and the rates of Plan participation based upon recent experience and current expectations.

As a result of the experience study for the five-year period ended June 30, 2015, the payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase. Last, the salary growth assumption, the payroll growth rate, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board.

Actuarial cost method
Amortization method
Remaining amortization period
Asset valuation method
Investment rate of return

Entry age
Level percent of payroll
30 years, open
Market value of assets
4.25%, net of investment related expense including price inflation

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

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

**CITY OF STAMFORD, CONNECTICUT
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
 BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Property taxes, interest, liens and contingency:				
Property taxes	\$ 511,248,631	\$ 511,248,631	\$ 512,040,006	\$ 791,375
Interest, liens, etc.	2,600,000	2,600,000	2,728,537	128,537
Tax abatement - housing	903,888	903,888	972,376	68,488
PILOT - housing authority	80,000	80,000	81,022	1,022
PILOT - other	135,000	135,000	143,344	8,344
Contingency	500,000	500,000	833,855	333,855
Total property taxes, interest, liens and contingency	<u>515,467,519</u>	<u>515,467,519</u>	<u>516,799,140</u>	<u>1,331,621</u>
State formula aid:				
Education - equalization	8,009,440	8,009,440	7,783,854	(225,586)
Vocational agriculture - education	160,000	160,000	271,314	111,314
	<u>8,169,440</u>	<u>8,169,440</u>	<u>8,055,168</u>	<u>(114,272)</u>
Other government grants:				
Telephone access line tax share	630,000	630,000	584,957	(45,043)
City share Pequot funds	884,033	884,033	875,635	(8,398)
Town aid road	1,228,785	1,228,785	1,235,501	6,716
Elderly tax relief	340,500	340,500	32,058	(308,442)
PILOT - state property	1,065,042	1,065,042	931,423	(133,619)
PILOT - colleges and hospitals	1,837,777	1,837,777	1,619,805	(217,972)
Enterprise zone reimbursement	1,148,678	1,148,678		(1,148,678)
Motor vehicle fines - state	75,000	75,000	114,071	39,071
Health - private and parochial schools	400,000	400,000	447,544	47,544
Reimbursement school building grant	389,619	389,619	443,353	53,734
Municipal revenue sharing	2,372,358	2,372,358		(2,372,358)
Municipal revenue sharing - sales tax	528,332	528,332		(528,332)
Municipal grants-in-aid			416,142	416,142
Municipal stabilization grant			1,719,921	1,719,921
Controlling interest transfer tax			211,011	211,011
OTB revenue sharing			128,108	128,108
	<u>10,900,124</u>	<u>10,900,124</u>	<u>8,759,529</u>	<u>(2,140,595)</u>
Total intergovernmental revenue	<u>19,069,564</u>	<u>19,069,564</u>	<u>16,814,697</u>	<u>(2,254,867)</u>

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**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Legal services:				
Reimbursement - legal services	\$ 140,000	\$ 140,000	\$ 140,028	\$ 28
Town clerk:				
Conveyance tax	5,500,000	5,500,000	4,788,247	(711,753)
Filing fees	6,000	6,000	4,920	(1,080)
Recording fees	535,000	535,000	478,058	(56,942)
Vital statistics	350,000	350,000	350,726	726
Miscellaneous	15,000	15,000	15,650	650
Clam permits			112	112
MAP copies	5,000	5,000	1,375	(3,625)
Photo copies	60,000	60,000	62,029	2,029
Notary public	6,000	6,000	5,005	(995)
	<u>6,477,000</u>	<u>6,477,000</u>	<u>5,706,122</u>	<u>(770,878)</u>
Licenses, fees and permits:				
Filing fees - planning	3,500	3,500	6,985	3,485
MAPS regulations - zoning	53,600	53,600	142,575	88,975
Application fees - appeals	27,000	27,000	29,701	2,701
Permits - inland wetlands	33,000	33,000	40,152	7,152
Sale of maps - GIS	1,000	1,000	991	(9)
Exam filing fees	25,305	25,305		(25,305)
Street use permit - traffic	40,000	40,000	96,550	56,550
Street opening permits - PWD	156,000	156,000	161,450	5,450
Fees for prints - engineering	115	115	63	(52)
Permits - building department	5,800,000	5,800,000	6,502,618	702,618
Permits - zoning enforcement	390,000	390,000	687,255	297,255
Incinerator use fees - PWD	9,000	9,000	14,455	5,455
Tipping fees - PWD	180,000	180,000	54,278	(125,722)
Recycling - miscellaneous	210,000	210,000	93,026	(116,974)
Bingo permits - police	300	300	942	642
Raffle and bazaar permits	1,200	1,200	1,490	290
Fire - miscellaneous			1,338	1,338
Health - permits and fees	16,000	16,000	18,938	2,938
Fire - alarm fees	200,000	200,000	134,140	(65,860)
Land records search subscriptions	12,000	12,000	14,250	2,250
Health - sewage disposal	30,000	30,000	23,796	(6,204)
Health - restaurant licenses	292,000	292,000	257,292	(34,708)
Health - immunization clinic	34,500	34,500	20,069	(14,431)
Health - inspection fees	1,000	1,000	4,950	3,950
Health - lab analysis	57,800	57,800	16,805	(40,995)
Health - safety training	25,000	25,000	22,555	(2,445)
Health - room house fees	285,000	285,000	277,404	(7,596)
Health - multi-family dwelling fees	820,000	820,000	766,294	(53,706)
Health - c/o apt fees	50,000	50,000	64,375	14,375
Health - dental clinic	40,000	40,000	38,420	(1,580)
Weights and measures inspection fees	33,000	33,000	24,360	(8,640)

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**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Licenses, fees and permits (continued):				
Parks - picnic permits	\$ 30,000	\$ 30,000	\$ 30,905	\$ 905
Towing and storage fees	8,500	8,500	19,480	10,980
Public sessions	55,000	55,000	58,569	3,569
Lesson registration	115,000	115,000	204,304	89,304
High school hockey	15,000	15,000	12,540	(2,460)
Rink - advertising	4,000	4,000	2,250	(1,750)
Skate rental	11,000	11,000	11,558	558
Ice rental	650,000	650,000	588,598	(61,402)
Patch and free style	4,000	4,000	2,718	(1,282)
Film/video productions	1,000	1,000	500	(500)
Bandwagon use - recreation	1,000	1,000		(1,000)
Adult programs	17,046	17,046	4,347	(12,699)
Adult leagues	218,450	218,450	237,784	19,334
Aquatics	68,850	68,850	55,280	(13,570)
Youth programs	421,524	421,524	208,622	(212,902)
Microwave transmitter fees	12,500	12,500		(12,500)
Bulky waste tipping fees	1,400,000	1,400,000	1,597,430	197,430
Farmland preservation - city	45,000	45,000	35,821	(9,179)
Farmland preservation - town	25,000	25,000	27,749	2,749
Playground programs	750,890	750,890	700,473	(50,417)
Total licenses, fees and permits	12,680,080	12,680,080	13,316,445	636,365
Total charges for services	19,297,080	19,297,080	19,162,595	(134,485)
Interest and dividends	1,000,000	1,000,000	1,203,228	203,228
Change in fair market value			(571,372)	(571,372)
Other:				
Rental/leased property	271,261	271,261	271,453	192
Police	30,000	30,000	41,017	11,017
Tuition - special education	40,000	40,000	58,590	18,590
Other	709,700	709,700	687,176	(22,524)
Total other	1,050,961	1,050,961	1,058,236	7,275
Total revenues	555,885,124	555,885,124	554,466,524	(1,418,600)
Use of Fund Balance		9,652,875	9,652,875	-
Other financing sources:				
Transfers in:				
Police extra duty fund	822,254	822,254	822,254	-
Marinas fund	22,362	22,362	22,362	-
Parking fund	1,582,787	1,582,787	1,582,787	-
WPCA	454,666	454,666	454,666	-
E.G. Brennan	54,698	54,698	54,698	-
Dog Fund	35,000	35,000	35,000	-
Risk management	126,855	126,855	126,855	-
Total other financing sources	3,098,622	3,098,622	3,098,622	-
Total Revenues, Other Financing Sources and Use of Fund Balance	\$ 558,983,746	\$ 568,636,621	\$ 567,218,021	\$ (1,418,600)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Total Expenditures</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Expenditures:						
Governmental services:						
Registrar of voters	\$ 872,971	\$ 909,292	\$ 851,877	\$ 1,317	\$ 853,194	\$ 56,098
Board of representatives	467,117	467,117	440,642	7,263	447,905	19,212
Board of finance	441,512	441,512	427,708	4,169	431,877	9,635
Patriotic observation commission	32,500	32,500	21,990		21,990	10,510
Board of ethics	5,000	5,000				5,000
Administration	1,027,409	1,027,751	972,818	1,192	974,010	53,741
Town and city clerk	1,195,013	1,203,149	1,177,991	7,145	1,185,136	18,013
Probate court	49,749	49,749	49,749		49,749	-
Professional organization	144,998	145,199	143,562		143,562	1,637
Department of development	633,486	620,486	587,767	639	588,406	32,080
Shellfish commission	50	50				50
	<u>4,869,805</u>	<u>4,901,805</u>	<u>4,674,104</u>	<u>21,725</u>	<u>4,695,829</u>	<u>205,976</u>
Administration:						
Director of administration	406,811	406,810	372,145	17,862	390,007	16,803
Office of policy and management	1,352,018	1,355,784	1,264,449	43,780	1,308,229	47,555
Grants administration	425,790	425,790	424,134	1,004	425,138	652
Controller	2,629,619	2,804,641	2,794,717	1,658	2,796,375	8,266
Board of assessment appeals	15,434	15,434	12,908	613	13,521	1,913
Assessor	1,219,509	1,167,668	1,152,988	11,524	1,164,512	3,156
Tax collection	1,111,383	1,080,144	1,060,585	17,915	1,078,500	1,644
Taxation services	457,714	453,449	449,349	1,516	450,865	2,584
Tax administration	170,339	170,339	170,270		170,270	69
Technology management services	1,712,088	1,750,112	1,733,620	6,599	1,740,219	9,893
Property revaluation	490,370	471,937	468,152	138	468,290	3,647
	<u>9,991,075</u>	<u>10,102,108</u>	<u>9,903,317</u>	<u>102,609</u>	<u>10,005,926</u>	<u>96,182</u>
Legal affairs:						
Director of law	2,695,339	2,673,118	2,613,350	26,510	2,639,860	33,258
Personnel department	2,054,416	2,102,654	2,007,057	39,931	2,046,988	55,666
Employee benefits	26,604,479	26,978,710	26,873,577	2,045	26,875,622	103,088
	<u>31,354,234</u>	<u>31,754,482</u>	<u>31,493,984</u>	<u>68,486</u>	<u>31,562,470</u>	<u>192,012</u>
Public safety:						
Administration	454,948	442,948	373,143	445	373,588	69,360
Police department	58,924,956	59,396,827	58,805,288	93,663	58,898,951	497,876
Animal control	701,631	713,948	686,800	7,463	694,263	19,685
Emergency communications center	5,010,410	4,656,765	4,527,825	74,829	4,602,654	54,111
Fire department	48,130,196	48,801,348	48,380,240	154,321	48,534,561	266,787
Emergency medical services	1,665,150	1,665,150	1,665,149		1,665,149	1
Volunteer fire department	2,740,229	2,740,229	2,646,236	43,372	2,689,608	50,621
Fire training center	813,992	809,236	776,421	8,865	785,286	23,950
	<u>118,441,512</u>	<u>119,226,451</u>	<u>117,861,102</u>	<u>382,958</u>	<u>118,244,060</u>	<u>982,391</u>

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**CITY OF STAMFORD, CONNECTICUT
 SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
 BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Total Expenditures</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Health and welfare:						
Social Services	\$ 644,420	\$ 656,420	\$ 633,687	\$ 4,244	\$ 637,931	\$ 18,489
Director of health	554,542	570,938	535,374	1,744	537,118	33,820
Laboratory	636,527	558,843	527,985	10,530	538,515	20,328
Community nursing	882,126	845,199	822,536	3,065	825,601	19,598
Inspection services	1,863,955	1,810,798	1,788,804	521	1,789,325	21,473
Public school health program	2,871,936	2,992,404	2,953,426	2,102	2,955,528	36,876
Smith house	376,837	393,602	390,627		390,627	2,975
Private and parochial health program	1,211,603	1,250,726	1,236,100	50	1,236,150	14,576
	<u>9,041,946</u>	<u>9,078,930</u>	<u>8,888,539</u>	<u>22,256</u>	<u>8,910,795</u>	<u>168,135</u>
Community services:						
Community centers	90,000	90,000	90,000		90,000	-
Non-city social services	813,360	813,686	813,686		813,686	-
Non-city cultural and environmental activity	11,358,400	11,358,074	11,333,772		11,333,772	24,302
	<u>12,261,760</u>	<u>12,261,760</u>	<u>12,237,458</u>	<u>-</u>	<u>12,237,458</u>	<u>24,302</u>
Operations:						
Traffic and road maintenance	5,707,024	5,711,688	5,590,159	85,622	5,675,781	35,907
Leaf collection	246,405	307,621	307,098	516	307,614	7
Snow removal	1,566,642	2,023,584	2,019,639	3,128	2,022,767	817
Stormwater management	1,385,129	1,373,555	1,315,144	19,343	1,334,487	39,068
Fleet management	1,949,510	1,996,811	1,841,776	37,522	1,879,298	117,513
Government center	2,406,179	2,320,729	2,279,279	19,479	2,298,758	21,971
Facility and park maintenance	6,530,319	6,839,305	6,737,939	35,974	6,773,913	65,392
Terry Conners rink	895,050	921,622	906,224	11,132	917,356	4,266
Building inspection	1,614,827	1,588,632	1,510,749	411	1,511,160	77,472
Transfer station	2,038,905	2,171,353	2,142,823	9,849	2,152,672	18,681
Recycling	1,487,207	1,457,054	1,447,479		1,447,479	9,575
Collection	4,506,988	4,498,972	4,480,378		4,480,378	18,594
Haulaway	4,534,049	4,534,055	4,202,015	226,802	4,428,817	105,238
Engineering	2,836,349	2,836,349	2,791,981	28,767	2,820,748	15,601
Land use administration	375,638	321,328	297,007	574	297,581	23,747
Leased facilities	473,544	540,287	521,619	7,510	529,129	11,158
Planning	643,902	639,703	625,213	660	625,873	13,830
Zoning	530,485	533,485	528,669	1,000	529,669	3,816
Zoning board of appeals	125,706	125,706	123,811		123,811	1,895
Environmental protection	398,436	398,436	392,777	1,528	394,305	4,131
Cashiering	98,043	98,043	84,687	51	84,738	13,305
Citizen's service center	372,240	372,240	360,799	52	360,851	11,389
Leisure services administration	899,128	853,939	845,112	3,653	848,765	5,174
Aquatics	313,104	313,104	298,827	537	299,364	13,740
Subsidized programs	53,808	53,808	35,241		35,241	18,567
Traffic engineering	1,288,622	1,289,374	1,199,655	44,548	1,244,203	45,171
Fee supported programs	711,069	1,115,454	1,096,281	8,534	1,104,815	10,639
Administration	524,356	536,356	508,782	312	509,094	27,262
Self-sustaining programs	171,022	171,054	155,688	1,241	156,929	14,125
Beach enforcement	223,374	200,922	197,934	1,330	199,264	1,658
Special needs recreation	143,599	163,619	157,679	2,067	159,746	3,873
Special events	292,400	353,215	335,434	500	335,934	17,281
	<u>45,343,059</u>	<u>46,661,403</u>	<u>45,337,898</u>	<u>552,642</u>	<u>45,890,540</u>	<u>770,863</u>

(Continued on next page)

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF EXPENDITURES, ENCUMBRANCES AND OTHER FINANCING USES -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Total Expenditures</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Board of Education:						
Board of Education	\$ 269,451,761 *	\$ 269,451,761 *	\$ 268,871,344	\$ 301,943	\$ 269,173,287	\$ 278,474
Total expenditures	<u>500,755,152</u>	<u>503,438,700</u>	<u>499,267,746</u>	<u>1,452,619</u>	<u>500,720,365</u>	<u>2,718,335</u>
Other financing uses:						
Transfers out:						
Debt Service Fund	52,185,907	52,185,907	52,085,907		52,085,907	100,000
Capital Projects Fund		271,140	271,140		271,140	-
Capital Nonrecurring Fund		6,201,392	6,201,392		6,201,392	-
Capital Nonrecurring Fund (BOE)	284,531 *	284,531 *	284,531		284,531	-
Risk Management Fund		500,000	500,000		500,000	-
Grant Fund	1,397,890	1,777,996	1,746,453		1,746,453	31,543
Marina Fund	30,266	30,266	116,107		116,107	(85,841)
Assignment:						
Rainy Day Fund		2,000,000	2,000,000		2,000,000	-
Total other financing uses	<u>53,898,594</u>	<u>63,251,232</u>	<u>63,205,530</u>	<u>-</u>	<u>63,205,530</u>	<u>45,702</u>
Contingency	<u>4,330,000</u>	<u>1,946,689</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,946,689</u>
Total Expenditures and Other Financing Uses	<u>\$ 558,983,746</u>	<u>\$ 568,636,621</u>	<u>\$ 562,473,276</u>	<u>\$ 1,452,619</u>	<u>\$ 563,925,895</u>	<u>\$ 4,710,726</u>

* The sum of these two line items is equal to the total amount approved for the BOE Budget in FY18

**CITY OF STAMFORD, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2018**

Grand List Year	Taxes Receivable June 30, 2017	Current Levy	Lawful Corrections		Adjustments	Adjusted Tax Levy	Collections				Taxes Receivable June 30, 2018
			Additions	Deletions			Taxes	Interest	Liens	Total	
2016	\$	\$ 525,273,572	\$ 508,162	\$ 2,561,791	\$	\$ 523,219,943	\$ 517,689,846	\$ 1,298,805	\$ 7,238	\$ 518,995,889	\$ 5,530,097
2015	6,305,289		2,865,003	3,450,657		5,719,635	3,604,897	1,003,285	11,078	4,619,260	2,114,738
2014	1,318,385		411,568	278,185		1,451,768	959,652	259,228	3,024	1,221,904	492,116
2013	541,741		18,262	2,450		557,553	215,889	88,054	1,241	305,184	341,664
2012	309,283		35,985	376		344,892	54,251	8,033	192	62,476	290,641
2011	252,238		1,083			253,321	5,196	937	23	6,156	248,125
2010	141,883			531		141,352		551		551	141,352
2009	157,754		73,247	433		230,568	536	4,532		5,068	230,032
2008	157,735			278		157,457	573	1,842		2,415	156,884
2007	104,696			212		104,484	2,921	4,645	24	7,590	101,563
2006	101,109					101,109	2,578	4,657	24	7,259	98,531
2005	98,872					98,872		20		20	98,872
2004	86,073					86,073	30	70	96	196	86,043
2003	49,409					49,409	31	78	96	205	49,378
2002	94,037					94,037	488	848		1,336	93,549
	<u>\$ 9,718,504</u>	<u>\$ 525,273,572</u>	<u>\$ 3,913,310</u>	<u>\$ 6,294,913</u>	<u>\$ -</u>	<u>\$ 532,610,473</u>	<u>\$ 522,536,888</u>	<u>\$ 2,675,585</u>	<u>\$ 23,036</u>	<u>\$ 525,235,509</u>	<u>\$ 10,073,585</u>



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for proceeds of special revenue sources (except for major capital projects and trust funds) that are designated, committed or legally restricted to expenditure for specific purposes. The City's special revenue funds are:

- **Stamford Community Development Program Fund** - The Stamford Community Development Program Fund is used to account for federal community development block grant funds. Its focus is on improving the quality of life in specifically targeted central city neighborhoods consisting primarily of low and moderate income residents, with emphasis on rehabilitation of existing housing and creation of new housing.
- **Board of Education (BOE) Food Service Program Fund** - The BOE Food Service Program Fund is used to account for the operation of the Board of Education's cafeteria system. Revenues are received from Federal and State agencies and fees are charged for lunches.
- **Town Aid Highway Fund** - The Town Aid Highway Fund is used to account for Department of Transportation grants relating to improvement of local roads as set forth in the General Statutes of Connecticut.
- **Dog License Fund** - The Dog License Fund is used to account for revenue from dog license fees pursuant to the General Statutes of Connecticut.
- **Drug Asset Forfeiture Fund** - The Drug Asset Forfeiture Fund is used to account for the cash receipts and disbursements of Federal and State drug asset forfeiture funds.
- **Police Extra Duty Fund** - The Police Extra Duty Fund is used to account for revenue received and expenditures incurred from the use of City police officers by outside parties.
- **Educational Grants Programs Fund** - The Educational Grants Programs Fund is used to account for U.S. Department of Education and Connecticut Department of Education grants, as well as local grants relating to education.
- **Other Grants Programs Fund** - The Other Grants Programs Fund is used to account for funds related to grant programs not accounted for in another fund.
- **School Building Use Fund** - The School Building Use Fund was established July 1, 1968, and is used to account for the revenues and expenditures incurred in connection with the use of Board of Education facilities by residents and organizations within the City.
- **Continuing Education Fund** - The Continuing Education Fund was established on July 1, 1975 to provide adult education courses determined by the State Board of Education to be largely recreational (discretionary) in nature.

- **Marinas Fund** - The Marinas Fund is used to account for the revenues and expenses associated with the operation and maintenance of the City's three publicly owned marina facilities.
- **Greater Stamford Transit District Fund** - The Greater Stamford Transit District Fund is used to account for the revenues and disbursements of funds used in connection with the development, maintenance and improvement of the mass transportation system within the City.
- **Parking Fund** - The Parking Fund is used to account for revenues and expenditures related to the operation of three parking garages, debt service related to those facilities, parking enforcement and ticketing, and the operation of surface lots, including commuter lots at Metro North train stations.

CAPITAL PROJECTS FUNDS

- **Transportation Capital Fund** - The Transportation Capital Fund was established pursuant to State Public Act 84-497 to provide financing for the acquisition, development, expansion or capital repair of parking, traffic, transportation or public transit facilities or equipment. Revenues are derived from fees paid to the City in lieu of planning and zoning parking requirements and interest earned thereon.
- **Capital Nonrecurring Fund** - The Capital Nonrecurring Fund is authorized by General Statutes of Connecticut, Section 7-359 through 7-368, as revised. Revenues can be derived from 1) transfers from the General Fund, including proceeds from the sale of capital assets, or 2) amounts raised by the annual levy of a tax, not to exceed two mills. This fund can be used only for financing all or part of the planning, construction, reconstruction or acquisition of capital facilities, improvements or equipment.

CITY OF STAMFORD, CONNECTICUT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2018

	Special Revenue Funds								
	Stamford Community Development Program	BOE Food Service Program	Town Aid Highway	Dog License	Drug Asset Forfeiture	Police Extra Duty	Educational Grants Programs	Other Grant Programs	School Building Use
ASSETS									
Cash and cash equivalents	\$ 388,047	\$ 3,334	\$ 268,133	\$ 411,075	\$ 312,297	\$ 151,423	\$ 3,261,116	\$ 647,041	\$
Restricted cash and cash equivalents									
Investments									
Intergovernmental receivable	372,950	920,982					1,913,126	1,314,095	
Other receivables, net		35,381				935,443			262,257
Prepaid expenditures		1,385		1,970					
Inventory		65,602							
Total Assets	\$ 760,997	\$ 1,026,684	\$ 268,133	\$ 413,045	\$ 312,297	\$ 1,086,866	\$ 5,174,242	\$ 1,961,136	\$ 262,257
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Bank overdraft									
Accounts payable	\$ 57,636	\$ 18,529	\$	\$ 14,836	\$ 38,644	\$ 16,154	\$ 1,409,660	\$ 261,205	\$ 272
Accrued liabilities		411,786				493,329	53,109	18,873	11,658
Due to other funds		131,355							54,666
Due to component unit									
Unearned revenue							2,541,275	1,235,148	
Total liabilities	57,636	561,670	-	14,836	38,644	509,483	4,004,044	1,515,226	66,596
Deferred inflows of resources:									
Unavailable revenue - police extra duty						311,757			
Unavailable revenue - parking									
Total deferred inflows of resources	-	-	-	-	-	311,757	-	-	-
Fund Balances:									
Nonspendable		66,987		1,970					
Restricted	703,361	398,027	268,133		273,653		1,170,198	445,910	
Assigned				396,239		265,626			195,661
Unassigned									
Total fund balances	703,361	465,014	268,133	398,209	273,653	265,626	1,170,198	445,910	195,661
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 760,997	\$ 1,026,684	\$ 268,133	\$ 413,045	\$ 312,297	\$ 1,086,866	\$ 5,174,242	\$ 1,961,136	\$ 262,257

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CITY OF STAMFORD, CONNECTICUT
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2018

	Special Revenue Funds				Capital Project Funds			Total
	Continuing Education	Marinas	Greater Stamford Transit District	Parking	Transportation Capital	Capital Nonrecurring	Eliminations	
ASSETS								
Cash and cash equivalents	\$ 174,043	\$ 116,107	\$ 94,162	\$ 867,173	\$ 310,180	\$ 9,475,128	\$ -	\$ 16,479,259
Restricted cash and cash equivalents								-
Investments						5,813,193		5,813,193
Intergovernmental receivable								4,521,153
Other receivables, net				1,538,322				2,771,403
Prepaid expenditures								3,355
Inventory	412							66,014
Total Assets	\$ 174,455	\$ 116,107	\$ 94,162	\$ 2,405,495	\$ 310,180	\$ 15,288,321	\$ -	\$ 29,654,377
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Bank overdraft								
Accounts payable	\$ 2,459	\$ 1,257	\$ -	\$ 39,768	\$ -	\$ -	\$ -	\$ 1,860,420
Accrued liabilities	1,620	2,257		182,157				1,174,789
Due to other funds		138,294						324,315
Due to component unit				56,267				56,267
Unearned revenue	55,701							3,832,124
Total liabilities	59,780	141,808	-	278,192	-	-	-	7,247,915
Deferred inflows of resources:								
Unavailable revenue - police extra duty								311,757
Unavailable revenue - parking				1,248,090				1,248,090
Total deferred inflows of resources	-	-	-	1,248,090	-	-	-	1,559,847
Fund Balances:								
Nonspendable	412							69,369
Restricted					310,180	15,288,321		18,857,783
Assigned	114,263		94,162	879,213				1,945,164
Unassigned		(25,701)						(25,701)
Total fund balances	114,675	(25,701)	94,162	879,213	310,180	15,288,321	-	20,846,615
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 174,455	\$ 116,107	\$ 94,162	\$ 2,405,495	\$ 310,180	\$ 15,288,321	\$ -	\$ 29,654,377

**CITY OF STAMFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018**

	Special Revenue Funds								
	Stamford Community Development Program	BOE Food Service Program	Town Aid Highway	Dog License	Drug Asset Forfeiture	Police Extra Duty	Educational Grants Programs	Other Grants Programs	School Building Use
Revenues:									
Intergovernmental	\$ 751,597	\$ 5,153,378	\$	\$	\$ 118,253	\$	\$ 30,409,021	\$ 8,219,877	\$
Charges for services	507,994	1,569,739		11,878		10,812,509		297,396	771,349
Interest and dividends	16,231	386		613	8,752	4,817	1		
Other revenue		128,632		4,860					
Total revenues	<u>1,275,822</u>	<u>6,852,135</u>	<u>-</u>	<u>17,351</u>	<u>127,005</u>	<u>10,817,326</u>	<u>30,409,022</u>	<u>8,517,273</u>	<u>771,349</u>
Expenditures:									
Current:									
Governmental services	1,164,274							93,948	
Public safety				1,783	203,851	9,735,647		1,656,269	
Health and welfare	23,698							5,794,930	
Operations									
Education		7,027,165					30,487,405	3,098,067	954,248
Total expenditures	<u>1,187,972</u>	<u>7,027,165</u>	<u>-</u>	<u>1,783</u>	<u>203,851</u>	<u>9,735,647</u>	<u>30,487,405</u>	<u>10,643,214</u>	<u>954,248</u>
Excess (Deficiency) of Revenues over Expenditures	<u>87,850</u>	<u>(175,030)</u>	<u>-</u>	<u>15,568</u>	<u>(76,846)</u>	<u>1,081,679</u>	<u>(78,383)</u>	<u>(2,125,941)</u>	<u>(182,899)</u>
Other Financing Sources (Uses):									
Transfers in								1,746,453	
Transfers out				(35,000)		(822,254)			
Sale of real property									
Premium on issuance of debt									
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(35,000)</u>	<u>-</u>	<u>(822,254)</u>	<u>-</u>	<u>1,746,453</u>	<u>-</u>
Net Change in Fund Balances	87,850	(175,030)	-	(19,432)	(76,846)	259,425	(78,383)	(379,488)	(182,899)
Fund Balances at Beginning of Year	615,511	640,044	268,133	417,641	350,499	6,201	1,248,581	825,398	378,560
Fund Balances at End of Year	<u>\$ 703,361</u>	<u>\$ 465,014</u>	<u>\$ 268,133</u>	<u>\$ 398,209</u>	<u>\$ 273,653</u>	<u>\$ 265,626</u>	<u>\$ 1,170,198</u>	<u>\$ 445,910</u>	<u>\$ 195,661</u>

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CITY OF STAMFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds				Capital Project Funds			Total
	Continuing Education	Marinas	Greater Stamford Transit District	Parking	Transportation Capital	Capital Nonrecurring	Eliminations	
Revenues:								
Intergovernmental	\$	\$	\$	\$	\$	\$	\$	\$ 44,652,126
Charges for services	135,784	284,206	20,729	7,444,532				21,856,116
Interest and dividends	132		198		130	66,809		98,069
Other revenue								133,492
Total revenues	<u>135,916</u>	<u>284,206</u>	<u>20,927</u>	<u>7,444,532</u>	<u>130</u>	<u>66,809</u>	<u>-</u>	<u>66,739,803</u>
Expenditures:								
Current:								
Governmental services		342,454						1,600,676
Public safety								11,597,550
Health and welfare								5,818,628
Operations			1,388	3,726,912				3,728,300
Education	254,729							41,821,614
Total expenditures	<u>254,729</u>	<u>342,454</u>	<u>1,388</u>	<u>3,726,912</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>64,566,768</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(118,813)</u>	<u>(58,248)</u>	<u>19,539</u>	<u>3,717,620</u>	<u>130</u>	<u>66,809</u>	<u>-</u>	<u>2,173,035</u>
Other Financing Sources (Uses):								
Transfers in		116,107				7,403,273	(2,270,542)	6,995,291
Transfers out		(57,861)		(3,817,830)		(5,244,980)	2,270,542	(7,707,383)
Sale of real property						448,220		448,220
Premium on issuance of debt						987,908		987,908
Total other financing sources (uses)	<u>-</u>	<u>58,246</u>	<u>-</u>	<u>(3,817,830)</u>	<u>-</u>	<u>3,594,421</u>	<u>-</u>	<u>724,036</u>
Net Change in Fund Balances	(118,813)	(2)	19,539	(100,210)	130	3,661,230	-	2,897,071
Fund Balances at Beginning of Year	<u>233,488</u>	<u>(25,699)</u>	<u>74,623</u>	<u>979,423</u>	<u>310,050</u>	<u>11,627,091</u>	<u>-</u>	<u>17,949,544</u>
Fund Balances at End of Year	<u>\$ 114,675</u>	<u>\$ (25,701)</u>	<u>\$ 94,162</u>	<u>\$ 879,213</u>	<u>\$ 310,180</u>	<u>\$ 15,288,321</u>	<u>\$ -</u>	<u>\$ 20,846,615</u>



INTERNAL SERVICE FUNDS

Internal service funds account for operations that provide services to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The internal service funds of the City are as follows:

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

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

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

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

**CITY OF STAMFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	<u>City Medical</u>	<u>Board of Education Medical</u>	<u>Risk Management</u>	<u>Disputed Assessments</u>	<u>Total</u>
Assets:					
Current assets:					
Cash and cash equivalents	\$ 13,984,900	\$ 2,636,874	\$ 13,752,068	\$ 414,554	\$ 30,788,396
Accounts receivable, net	411,510	61,018			472,528
Total assets	<u>14,396,410</u>	<u>2,697,892</u>	<u>13,752,068</u>	<u>414,554</u>	<u>31,260,924</u>
Liabilities:					
Current liabilities:					
Accounts payable	684	17,531	9,113		27,328
Accrued liabilities	420,320	129,295	33,408		583,023
Current portion of claims payable	<u>2,512,717</u>	<u>60,421</u>	<u>10,647,891</u>	<u>414,554</u>	<u>13,635,583</u>
Total current liabilities	<u>2,933,721</u>	<u>207,247</u>	<u>10,690,412</u>	<u>414,554</u>	<u>14,245,934</u>
Noncurrent liabilities - claims payable less current portion			<u>21,979,109</u>		<u>21,979,109</u>
Total liabilities	<u>2,933,721</u>	<u>207,247</u>	<u>32,669,521</u>	<u>414,554</u>	<u>36,225,043</u>
Net Position:					
Unrestricted	<u>\$ 11,462,689</u>	<u>\$ 2,490,645</u>	<u>\$ (18,917,453)</u>	<u>\$ -</u>	<u>\$ (4,964,119)</u>

**CITY OF STAMFORD, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>City Medical</u>	<u>Board of Education Medical</u>	<u>Risk Management</u>	<u>Disputed Assessments</u>	<u>Total</u>
Operating Revenues:					
Charges for services - employer	\$ 32,249,684	\$ 33,838,777	\$ 14,223,331	\$	\$ 80,311,792
Charges for services - employees	5,262,322	6,418,154			11,680,476
	<u>37,512,006</u>	<u>40,256,931</u>	<u>14,223,331</u>	<u>-</u>	<u>91,992,268</u>
Miscellaneous	<u>275,467</u>	<u>2,704,714</u>	<u>524,878</u>		<u>3,505,059</u>
Total operating revenues	<u>37,787,473</u>	<u>42,961,645</u>	<u>14,748,209</u>	<u>-</u>	<u>95,497,327</u>
Operating Expenses:					
Salaries			290,037		290,037
Employee benefits	35,385,609	41,653,289	8,918,999		85,957,897
Operations and supplies			225,025		225,025
Insurance		680,551	2,330,525		3,011,076
Judgments and claims			1,227,161		1,227,161
Total operating expenses	<u>35,385,609</u>	<u>42,333,840</u>	<u>12,991,747</u>	<u>-</u>	<u>90,711,196</u>
Income (Loss) from Operations	2,401,864	627,805	1,756,462	-	4,786,131
Nonoperating Revenues:					
Interest income	<u>188,919</u>		<u>166,990</u>		<u>355,909</u>
Income (Loss) Before Transfers	2,590,783	627,805	1,923,452	-	5,142,040
Transfers:					
Transfers in			500,000		500,000
Transfer out			(126,855)		(126,855)
Total transfers	<u>-</u>	<u>-</u>	<u>373,145</u>	<u>-</u>	<u>373,145</u>
Change in Net Position	2,590,783	627,805	2,296,597	-	5,515,185
Net Position at Beginning of Year	<u>8,871,906</u>	<u>1,862,840</u>	<u>(21,214,050)</u>		<u>(10,479,304)</u>
Net Position at End of Year	<u>\$ 11,462,689</u>	<u>\$ 2,490,645</u>	<u>\$ (18,917,453)</u>	<u>\$ -</u>	<u>\$ (4,964,119)</u>

**CITY OF STAMFORD, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>City Medical</u>	<u>Board of Education Medical</u>	<u>Risk Management</u>	<u>Disputed Assessments</u>	<u>Total</u>
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 37,585,258	\$ 43,002,450	\$ 14,748,209	\$	\$ 95,335,917
Cash payments to employees			(256,629)		(256,629)
Cash payments to suppliers		(680,551)	(2,552,455)		(3,233,006)
Cash payments for benefits and claims	(34,587,750)	(43,815,405)	(10,889,660)	400,000	(88,892,815)
Payments for interfund services used		985,601			985,601
Net cash provided by (used in) operating activities	<u>2,997,508</u>	<u>(507,905)</u>	<u>1,049,465</u>	<u>400,000</u>	<u>3,939,068</u>
Cash Flows from Noncapital Financing Activities:					
Transfers in			500,000		500,000
Transfers out			(126,855)		(126,855)
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>373,145</u>	<u>-</u>	<u>373,145</u>
Cash Flows from Investing Activities:					
Interest income (loss)	188,919		166,990		355,909
Net change in cash	3,186,427	(507,905)	1,589,600	400,000	4,668,122
Cash and Cash Equivalents at Beginning of Year	<u>10,798,473</u>	<u>3,144,779</u>	<u>12,162,468</u>	<u>14,554</u>	<u>26,120,274</u>
Cash and Cash Equivalents at End of Year	<u>\$ 13,984,900</u>	<u>\$ 2,636,874</u>	<u>\$ 13,752,068</u>	<u>\$ 414,554</u>	<u>\$ 30,788,396</u>
Reconciliation of Income (Loss) from Operations to Net Cash Provided by (Used in) Operating Activities:					
Income (loss) from operations	\$ 2,401,864	\$ 627,805	\$ 1,756,462	\$	\$ 4,786,131
Adjustments to reconcile income (loss) from operations to net cash provided by (used in) operating activities:					
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(202,215)	40,805			(161,410)
(Increase) decrease in due from other funds		985,601			985,601
(Increase) decrease in prepaid expenses	354,600				354,600
Increase (decrease) in accounts payable	(2,609)	2,615	3,095		3,101
Increase (decrease) in accrued liabilities	214,497	(58,731)	33,408		189,174
Increase (decrease) in claims payable	231,371	(2,106,000)	(743,500)	400,000	(2,218,129)
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,997,508</u>	<u>\$ (507,905)</u>	<u>\$ 1,049,465</u>	<u>\$ 400,000</u>	<u>\$ 3,939,068</u>



FIDUCIARY FUND TYPES

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

TRUST FUNDS:

Classified Employees' Retirement Fund - This fund is used for the accumulation of resources and to be used for retirement payments to members of the Classified Service as defined in the Charter of the City upon their retirement.

Policemen's Pension Trust Fund - This fund is used for the accumulation of resources and to be used for retirement payments to full-time custodians and employees of the maintenance department of the public schools of the City and paraeducators who are members of the Educational Assistants of Stamford Association upon retirement.

Firefighters' Pension Trust Fund - This fund is used for the accumulation of resources and to be used for retirement payments to all full-time firefighters employed by the City upon retirement.

Custodians' and Mechanics' Retirement Fund - This fund is used for the accumulation of resources and to be used for retirement payments to policemen upon retirement.

Other Postemployment (OPEB) Trust Fund - This fund is used for the accumulation of resources and to be used for payments of healthcare benefits for retired employees.

AGENCY FUNDS:

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

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

**CITY OF STAMFORD, CONNECTICUT
COMBINING STATEMENT OF NET POSITION
TRUST FUNDS
JUNE 30, 2018**

	Pension Trust Funds					Total
	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	OPEB Trust Fund	
Assets:						
Cash and cash equivalents	\$ 711,345	\$ 1,444,754	\$ 1,562,845	\$ 458,787	\$ 2,315,094	\$ 6,492,825
Investments, at fair value:						
U.S. government securities			2,646,625			2,646,625
Corporate bonds			2,940,729			2,940,729
Common and preferred equities	17,932,466		49,532,263			67,464,729
Mutual funds	204,326,205	116,985,706	13,337,285	68,823,141	118,235,266	521,707,603
Alternative investment/hedge funds		97,665,417	68,690,354			166,355,771
Total investments	<u>222,258,671</u>	<u>214,651,123</u>	<u>137,147,256</u>	<u>68,823,141</u>	<u>118,235,266</u>	<u>761,115,457</u>
Receivables:						
Accounts	84,629	53,366	29,314	9,453		176,762
Contribution receivable, net					607,669	607,669
Total receivables	<u>84,629</u>	<u>53,366</u>	<u>29,314</u>	<u>9,453</u>	<u>607,669</u>	<u>784,431</u>
Accrued interest and dividends	<u>9,826</u>		<u>43,448</u>	<u>900</u>		<u>54,174</u>
Total assets	<u>223,064,471</u>	<u>216,149,243</u>	<u>138,782,863</u>	<u>69,292,281</u>	<u>121,158,029</u>	<u>768,446,887</u>
Liabilities:						
Accounts payable		39,895	77,209		532,933	650,037
Due to other funds					2,845,370	2,845,370
Claims payable					1,462,939	1,462,939
Total liabilities	<u>-</u>	<u>39,895</u>	<u>77,209</u>	<u>-</u>	<u>4,841,242</u>	<u>4,958,346</u>
Net Position:						
Restricted for Pension and OPEB Benefits	<u>\$ 223,064,471</u>	<u>\$ 216,109,348</u>	<u>\$ 138,705,654</u>	<u>\$ 69,292,281</u>	<u>\$ 116,316,787</u>	<u>\$ 763,488,541</u>

**CITY OF STAMFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Pension Trust Funds					Total
	Classified Employees' Retirement Fund	Policemen's Pension Trust Fund	Firefighters' Pension Trust Fund	Custodians' and Mechanics' Retirement Fund	OPEB Trust Fund	
Additions:						
Contributions:						
Employer	\$ 6,348,000	\$ 8,275,000	\$ 6,980,000	\$ 2,206,000	\$ 28,439,000	\$ 52,248,000
Plan members	2,070,555	1,369,773	1,319,247	1,174,054	195,665	6,129,294
Other revenue					108,939	108,939
Total contributions and other revenue	<u>8,418,555</u>	<u>9,644,773</u>	<u>8,299,247</u>	<u>3,380,054</u>	<u>28,743,604</u>	<u>58,486,233</u>
Investment earnings:						
Net increase (decrease) in fair value of investments	16,337,807	12,948,296	11,435,393	4,398,577	6,776,623	51,896,696
Interest and dividends	4,248,518	7,319,077	1,555,924	1,357,762	2,590,655	17,071,936
Total investment earnings	<u>20,586,325</u>	<u>20,267,373</u>	<u>12,991,317</u>	<u>5,756,339</u>	<u>9,367,278</u>	<u>68,968,632</u>
Less investment expenses:						
Investment management fees	147,984	1,578,799	1,670,966	26,330	24,996	3,449,075
Net investment income (loss)	<u>20,438,341</u>	<u>18,688,574</u>	<u>11,320,351</u>	<u>5,730,009</u>	<u>9,342,282</u>	<u>65,519,557</u>
Total additions	<u>28,856,896</u>	<u>28,333,347</u>	<u>19,619,598</u>	<u>9,110,063</u>	<u>38,085,886</u>	<u>124,005,790</u>
Deductions:						
Benefits	16,026,612	14,417,321	10,490,257	3,189,658	13,918,009	58,041,857
Administration	120,161	300,014	87,311	47,063	18,102	572,651
Total deductions	<u>16,146,773</u>	<u>14,717,335</u>	<u>10,577,568</u>	<u>3,236,721</u>	<u>13,936,111</u>	<u>58,614,508</u>
Change in net position	12,710,123	13,616,012	9,042,030	5,873,342	24,149,775	65,391,282
Net Position at Beginning of Year	<u>210,354,348</u>	<u>202,493,336</u>	<u>129,663,624</u>	<u>63,418,939</u>	<u>92,167,012</u>	<u>698,097,259</u>
Net Position at End of Year	<u>\$ 223,064,471</u>	<u>\$ 216,109,348</u>	<u>\$ 138,705,654</u>	<u>\$ 69,292,281</u>	<u>\$ 116,316,787</u>	<u>\$ 763,488,541</u>

**CITY OF STAMFORD, CONNECTICUT
 AGENCY FUNDS
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2018</u>
Student Activities Fund				
Assets:				
Cash and cash equivalents	\$ 990,019	\$ 1,465,171	\$ 1,330,472	\$ 1,124,718
Liabilities:				
Fiduciary deposits	\$ 990,019	\$ 1,465,171	\$ 1,330,472	\$ 1,124,718
Scholarship Fund				
Assets:				
Cash and cash equivalents	\$ 99,555	\$ 34	\$ 21,846	\$ 77,743
Liabilities:				
Fiduciary deposits	\$ 99,555	\$ 34	\$ 21,846	\$ 77,743
Total Agency Funds				
Assets:				
Cash and cash equivalents	\$ 1,089,574	\$ 1,465,205	\$ 1,352,318	\$ 1,202,461
Liabilities:				
Fiduciary deposits	\$ 1,089,574	\$ 1,465,205	\$ 1,352,318	\$ 1,202,461



**STATISTICAL SECTION
INFORMATION**

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess economic condition.

Statistical section information is presented in the following categories:

- *Financial trends information* is intended to assist users in understanding and assessing how financial position has changed over time.
- *Revenue capacity information* is intended to assist users in understanding and assessing the factors affecting the ability to generate *own-source revenues* (property taxes, charges for services, etc.).
- *Debt capacity information* is intended to assist users in understanding and assessing debt burden and the ability to issue additional debt.
- *Demographic and economic information* is intended 1) to assist users in understanding the socioeconomic environment and 2) to provide information that facilitates comparisons of financial statement information over time and among governments.
- *Operating information* is intended to provide contextual information about operations and resources to assist readers in using financial statement information to understand and assess economic condition.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

Sources: Unless otherwise noted, the information in the tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF STAMFORD, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(in Thousands)

	FISCAL YEAR									
	2018	2017**	2016	2015	2014*	2013	2012	2011	2010	2009
Governmental Activities:										
Net investment in capital assets	\$ 446,596	\$ 413,650	\$ 392,005	\$ 360,883	\$ 349,464	\$ 355,082	\$ 340,195	\$ 322,221	\$ 305,437	\$ 258,322
Restricted	21,718	757		195	3,562	25,739	27,257	17,764	13,714	
Unrestricted	(385,462)	(362,696)	(139,728)	(120,107)	(121,192)	(63,753)	(43,061)	(34,417)	(35,007)	10,329
Total Governmental Activities Net Position	\$ 82,852	\$ 51,711	\$ 252,277	\$ 240,971	\$ 231,834	\$ 317,068	\$ 324,391	\$ 305,568	\$ 284,144	\$ 268,651
Business-Type Activities:										
Net investment in capital assets	\$ 53,297	\$ 58,948	\$ 58,562	\$ 60,758	\$ 57,735	\$ 59,696	\$ 56,453	\$ 52,235	\$ 54,135	\$ 48,156
Restricted	11,247	11,170	10,906	9,659	9,614	8,098	7,992	8,060	8,031	13,608
Unrestricted	22,432	12,090	10,780	5,185	726	(1,714)	397	2,088	(1,761)	1,363
Total Business-Type Activities Net Position	\$ 86,976	\$ 82,208	\$ 80,248	\$ 75,602	\$ 68,075	\$ 66,080	\$ 64,842	\$ 62,383	\$ 60,405	\$ 63,127
Primary Government:										
Net investment in capital assets	\$ 499,893	\$ 472,598	\$ 450,567	\$ 421,641	\$ 407,199	\$ 414,778	\$ 396,648	\$ 374,456	\$ 359,572	\$ 306,478
Restricted	32,965	11,927	10,906	9,854	13,176	33,837	35,249	25,824	21,745	13,608
Unrestricted	(363,030)	(350,606)	(128,948)	(114,922)	(120,466)	(65,467)	(42,664)	(32,329)	(36,768)	11,692
Total Primary Government Net Position	\$ 169,828	\$ 133,919	\$ 332,525	\$ 316,573	\$ 299,909	\$ 383,148	\$ 389,233	\$ 367,951	\$ 344,549	\$ 331,778

* 2014 amounts have been restated for GASB No. 68 implementation

** 2017 amounts have been restated for GASB No. 75 implementation

CITY OF STAMFORD, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(in Thousands)

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses:										
Governmental activities:										
Government and community services	\$ 8,314	\$ 8,880	\$ 8,988	\$ 9,465	\$ 6,841	\$ 21,877	\$ 16,300	\$ 18,079	\$ 19,204	\$ 16,138
Administration and legal affairs	41,975	48,442	21,300	17,397	29,852	28,774	25,281	19,863	15,938	19,180
Public safety	134,441	138,687	141,770	138,966	120,035	123,300	104,502	102,938	99,121	97,940
Health and welfare	17,182	17,425	32,294	38,248	33,579	32,413	36,694	33,295	29,615	28,044
Operations	78,943	81,428	80,683	73,160	75,567	67,060	62,013	51,031	58,656	74,121
Education	383,982	379,282	345,767	327,002	325,938	302,043	296,729	291,280	293,313	282,990
Interest	15,552	14,918	15,276	15,000	15,152	14,528	14,600	13,698	14,568	11,972
Total governmental activities expenses	<u>680,389</u>	<u>689,062</u>	<u>646,078</u>	<u>619,238</u>	<u>606,964</u>	<u>589,995</u>	<u>556,119</u>	<u>530,184</u>	<u>530,415</u>	<u>530,385</u>
Business-type activities:										
Water Pollution Control Authority	22,548	21,616	22,136	21,837	21,225	21,507	18,880	19,467	21,344	21,730
Smith House										
E.G. Brennan Golf Course	1,747	2,193	1,534	1,582	1,084	1,185	1,175	1,129	1,063	1,152
Old Town Hall Redevelopment Agency	1,147	1,227	1,130	1,254	1,244	1,039	990	955	470	7
Total business-type activities expenses	<u>25,442</u>	<u>25,036</u>	<u>24,800</u>	<u>24,673</u>	<u>23,553</u>	<u>23,731</u>	<u>21,045</u>	<u>21,551</u>	<u>22,877</u>	<u>22,889</u>
Total Primary Government Expenses	<u>\$ 705,831</u>	<u>\$ 714,098</u>	<u>\$ 670,878</u>	<u>\$ 643,911</u>	<u>\$ 630,517</u>	<u>\$ 613,726</u>	<u>\$ 577,164</u>	<u>\$ 551,735</u>	<u>\$ 553,292</u>	<u>\$ 553,274</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
Government and community services	\$ 8,308	\$ 10,671	\$ 14,663	\$ 10,607	\$ 7,616	\$ 5,342	\$ 4,925	\$ 4,223	\$ 7,501	\$ 14,249
Administration and legal affairs	204	310	385	498	498	47	53	67	68	132
Public safety	11,237	9,414	8,823	9,663	8,725	7,767	7,396	9,218	9,352	9,434
Health and Welfare	1,521	1,655	6,541	13,528	14,575	13,523	13,101	13,800	14,162	4,639
Operations	19,625	19,151	20,017	18,899	17,181	18,607	14,983	15,034	13,981	19,365
Education	2,535	2,819	2,796	2,551	2,526	2,528	2,813	2,832	2,857	2,894
Operating grants and contributions:										
Government and community services	3,284	1,823	2,386	2,375	1,621	4,509	3,814	4,951	7,746	1,326
Administration and legal affairs		755	1,898	705	1,724	356	501	682	355	
Public safety	1,316	1,396	687	1,153	1,409	1,236	1,293	999	366	4,668
Health and Welfare	2,889	4,476	6,478	6,951	8,203	9,548	11,115	8,543	5,881	5,413
Operations			240		3,577	1,923	1,991	1,650	1,034	3,938
Education	107,962	103,444	79,328	74,031	76,571	67,906	64,892	63,619	61,011	50,818
Other	634	981	588	898	1,073					
Capital grants and contributions:										
Government and community services						1,305	2,000			
Public safety						4,011	17,762	11,500	11,581	
Operations	21,079	6,427	21,715	14,689	25,170					589
Education	112	2,170	448					446	6,571	20,844
Total governmental activities program revenues	<u>180,706</u>	<u>165,492</u>	<u>166,993</u>	<u>156,548</u>	<u>170,469</u>	<u>138,608</u>	<u>146,639</u>	<u>137,564</u>	<u>142,466</u>	<u>138,309</u>

(Continued on next page)

CITY OF STAMFORD, CONNECTICUT
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(in Thousands)

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Business-type activities:										
Charges for Services:										
Water Pollution Control Authority	\$ 28,106	\$ 28,149	\$ 27,289	\$ 27,330	\$ 24,870	\$ 23,642	\$ 22,113	\$ 22,279	\$ 21,016	\$ 19,657
Smith House	1,048	1,079	798	3,746	1,024					
E.G. Brennan Golf Course	1,173	1,195	1,319	1,242	1,177	1,186	1,259	1,102	1,227	1,096
Old Town Hall Redevelopment Agency						45	32	27		
Operating grants and contributions:										
Water Pollution Control Authority		191	66		288					726
Smith House										
Capital grants and contributions:										
Water Pollution Control Authority	191	66	390							
Total business-type activities program revenues	30,518	30,680	29,862	32,318	27,359	24,873	23,404	23,408	22,243	21,479
Total Primary Government Program Revenues	211,224	196,172	196,855	188,866	197,828	163,481	170,043	160,972	164,709	159,788
Net revenues (expenses):										
Governmental activities	(499,683)	(523,570)	(479,085)	(462,690)	(436,495)	(451,387)	(407,121)	(390,763)	(388,583)	(393,486)
Business-type activities	5,076	5,644	5,062	7,645	3,806	1,142				
Total Primary Government Net Expense	\$ (494,607)	\$ (517,926)	\$ (474,023)	\$ (455,045)	\$ (432,689)	\$ (450,245)	\$ (407,121)	\$ (390,763)	\$ (388,583)	\$ (393,486)
General Revenues and Other										
Changes in Net Position:										
Governmental activities:										
Property taxes	\$ 520,359	\$ 501,198	\$ 479,483	\$ 460,223	\$ 446,993	\$ 434,728	\$ 420,983	\$ 407,065	\$ 393,495	\$ 386,007
Grants and contributions not restricted to specific programs	5,696	10,783	7,915	9,560	7,029	6,819	7,116	6,510	6,332	9,042
Gain on sale of capital assets	429	841	110	74		2,335				
Unrestricted investment earnings	2,003	868	2,125	1,656	182	182	205	469	1,063	3,028
Miscellaneous	1,827	197	279	177						2,254
Transfers	509	451	477	138						(4,455)
Total governmental activities	530,823	514,338	490,389	471,828	454,204	444,064	428,304	414,044	400,890	395,876
Business-type activities:										
Unrestricted investment earnings	201	(27)	85	19	35	96	99	120	139	241
Grants and contributions not restricted to specific programs										
Gain on sale of capital assets		8	43							
Transfers	(509)	(451)	(477)	(138)						4,455
Special Item									(2,226)	
Total business-type activities	(308)	(470)	(349)	(119)	35	96	99	120	(2,087)	4,696
Total Primary Government General Revenues	\$ 530,515	\$ 513,868	\$ 490,040	\$ 471,709	\$ 454,239	\$ 444,160	\$ 428,403	\$ 414,164	\$ 398,803	\$ 400,572
Change in Net Position:										
Governmental activities	\$ 31,140	\$ (9,232)	\$ 11,304	\$ 9,138	\$ 17,709	\$ (7,323)	\$ 21,183	\$ 23,281	\$ 12,307	\$ 2,390
Business-type activities	4,768	4,983	4,647	7,526	3,841	1,238	99	120	(2,087)	4,696
Total Primary Government	\$ 35,908	\$ (4,249)	\$ 15,951	\$ 16,664	\$ 21,550	\$ (6,085)	\$ 21,282	\$ 23,401	\$ 10,220	\$ 7,086

**CITY OF STAMFORD, CONNECTICUT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(in Thousands)**

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011*	2010	2009
General fund:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved									2,889	3,861
Nonspendable	4,238	3,867	3,501	3,010	2,502	159	154	43	3,251	4,502
Restricted										
Committed	5,445	11,740	3,810	3,389	1,211	10,913	8,376	5,962		
Assigned	28,226	25,935	32,903	34,157	27,463	3,346	3,591	2,622		
Unassigned	685	1,055	1,421	1,422	1,992					
Total General Fund	\$ 38,594	\$ 42,597	\$ 41,635	\$ 41,978	\$ 33,168	\$ 14,418	\$ 12,121	\$ 8,627	\$ 6,140	\$ 8,363
All other governmental funds:										
Reserved	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Unreserved, reported in:									17,263	7,921
Special revenue funds									9,037	7,175
Debt service fund										3,165
Capital projects fund									3,763	7,409
Nonspendable	69	65	8,000	7,995	14,334	15,914	15,751	12,097		
Restricted	102,269	104,896	94,561	64,419	47,841	60,574	49,211	17,631		
Committed			5,445							
Assigned	1,945	2,089	1,215	1,045	915	19,905	16,589	11,942		
Unassigned	(25)	(26)	(1,265)	(560)	(474)	(500)	(1,210)	(495)		
Total All Other Governmental Funds	\$ 104,258	\$ 107,024	\$ 107,956	\$ 72,899	\$ 62,616	\$ 95,893	\$ 80,341	\$ 41,175	\$ 30,063	\$ 25,670
Total Governmental Funds	\$ 142,852	\$ 149,621	\$ 149,591	\$ 114,877	\$ 95,784	\$ 110,311	\$ 92,462	\$ 49,802	\$ 36,203	\$ 34,033

* The City began to report new fund categories when it implemented GASB Statement No. 54 in fiscal year 2011

CITY OF STAMFORD, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN YEARS
(in Thousands)

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues:										
Property taxes, interest and liens, net	\$ 519,483	\$ 501,052	\$ 479,181	\$ 461,876	\$ 449,231	\$ 432,963	\$ 423,514	\$ 408,006	\$ 399,059	\$ 386,679
Intergovernmental	141,602	131,155	112,250	107,906	126,144	96,577	108,186	97,481	101,440	115,917
Charges for services	41,019	42,625	45,463	52,570	50,629	46,656	44,143	44,872	47,184	47,158
Interest and dividends	1,648	733	2,058	1,640	158	165	178	445	961	3,027
Other	6,011	2,536	9,631	3,404	2,522	1,946	3,196	2,058	2,956	3,600
Total revenues	<u>709,763</u>	<u>678,101</u>	<u>648,583</u>	<u>627,396</u>	<u>628,684</u>	<u>578,307</u>	<u>579,217</u>	<u>552,862</u>	<u>551,600</u>	<u>556,381</u>
Expenditures:										
Current:										
Government and community services	18,520	17,913	17,264	17,108	15,232	16,673	15,751	16,223	17,953	16,015
Administration	10,360	9,476	9,416	9,706	8,350	8,615	8,342	7,621	7,175	6,854
Legal affairs/benefits	31,532	122,189	9,013	5,068	19,122	17,581	15,144	11,183	7,545	12,896
Public safety	129,662	17,030	128,380	123,552	116,828	110,883	105,359	103,804	99,933	96,769
Health and welfare	17,051	48,291	31,377	36,607	32,913	28,647	33,444	30,851	27,041	27,995
Operations	50,789	362,196	48,611	46,625	42,335	42,633	40,530	40,755	40,994	60,716
Education	368,419	35,217	328,386	312,438	312,613	291,242	287,092	279,916	277,851	271,076
Debit service:										
Principal retirement	38,820	37,905	37,211	35,942	36,905	35,065	32,766	28,244	28,955	29,361
Interest	17,044	16,544	15,775	16,514	16,288	16,469	15,530	15,220	14,640	14,413
Capital outlay	87,491	57,787	63,517	54,080	42,629	45,360	47,540	41,353	70,233	65,436
Total expenditures	<u>769,688</u>	<u>724,548</u>	<u>688,950</u>	<u>657,640</u>	<u>643,215</u>	<u>613,168</u>	<u>601,498</u>	<u>575,170</u>	<u>592,320</u>	<u>601,531</u>
Deficiency of Revenues over Expenditures	<u>(59,925)</u>	<u>(46,447)</u>	<u>(40,367)</u>	<u>(30,244)</u>	<u>(14,531)</u>	<u>(34,861)</u>	<u>(22,281)</u>	<u>(22,308)</u>	<u>(40,720)</u>	<u>(45,150)</u>
Other Financing Sources (Uses):										
Transfers in from other funds	70,182	68,741	54,694	51,646	56,460	55,739	60,377	49,113	53,678	48,862
Transfers out to other funds	(70,046)	(67,007)	(53,916)	(51,171)	(56,460)	(58,240)	(60,377)	(49,416)	(55,678)	(54,883)
Bonds issued	30,000	45,000	65,000	50,000	50,000	50,000	61,245	35,000	42,000	53,332
Proceeds from refunding bonds	36,168		21,170	50,220		26,366		23,960	26,580	3,750
Payment to refunded bond escrow agent	(21,020)		(23,727)	(58,709)		(27,443)		(25,441)	(30,468)	(60,058)
Premium (discount) on long-term debt	7,422	2,741	6,305	7,277		3,953	3,695	1,702	4,153	7,103
Proceeds from sale of property	448	2,447	110	74		2,335		990	73	2,254
Total other financing sources (uses)	<u>53,154</u>	<u>51,922</u>	<u>69,636</u>	<u>49,337</u>	<u>-</u>	<u>52,710</u>	<u>64,940</u>	<u>35,908</u>	<u>40,338</u>	<u>360</u>
Net Change in Fund Balances	<u>\$ (6,771)</u>	<u>\$ 5,475</u>	<u>\$ 29,269</u>	<u>\$ 19,093</u>	<u>\$ (14,531)</u>	<u>\$ 17,849</u>	<u>\$ 42,659</u>	<u>\$ 13,600</u>	<u>\$ (382)</u>	<u>\$ (44,790)</u>
Debt Service as a Percentage to Noncapital Expenditures	8.13%	8.09%	8.39%	8.67%	8.86%	9.10%	8.70%	8.10%	8.40%	8.20%

**CITY OF STAMFORD, CONNECTICUT
TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS (000's omitted)
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes			Total
	Real Estate	Personal Property	Motor Vehicle	
2018	\$ 458,707	\$ 30,696	\$ 24,051	\$ 513,454
2017	441,574	30,782	22,340	494,696
2016	424,801	27,594	22,238	474,633
2015	407,290	25,789	25,446	458,525
2014	393,076	25,030	23,466	441,572
2013	384,411	16,292	20,080	420,783
2012	378,235	17,319	20,867	416,421
2011	363,651	16,508	20,556	400,715
2010	358,705	16,386	20,638	395,729
2009	345,946	13,849	19,829	379,624
% Change 2018-2009 (1)	<u>32.6%</u>	<u>121.6%</u>	<u>21.3%</u>	<u>35.3%</u>

Source: City records - Tax Collectors Report

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

(1) % Change 2018-2009 was calculated by taking the net of the 2018 and 2009 amounts in each column and dividing the net by the 2009 amount.

**CITY OF STAMFORD, CONNECTICUT
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (000's omitted)
 LAST TEN FISCAL YEARS**

Year	Residential Property	Commercial Property	Industrial Property	Miscellaneous Land	Personal Property	Motor Vehicle	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate
2018	\$ 11,685,735	\$ 6,888,113	\$ 609,537	\$ 773	\$ 1,276,477	\$ 950,796	\$ 21,411,431	\$ 30,587,759	26.49
2017	10,873,345	6,173,749	566,347	743	1,163,448	948,320	19,725,952	28,179,931	25.77
2016	10,836,067	6,046,101	568,835	743	1,189,858	916,212	19,557,816	27,939,737	25.11
2015	10,809,097	5,931,864	575,494	779	1,099,130	893,551	19,309,915	27,585,593	24.41
2014	10,779,875	5,887,480	578,221	779	1,059,654	871,704	19,177,713	27,396,733	23.73
2013	10,735,217	5,786,730	582,229	693	1,058,466	843,770	19,007,105	27,153,007	17.79
2012	14,333,406	7,039,736	877,244	689	990,217	787,460	24,028,752	34,656,076	17.37
2011	14,276,658	7,186,559	892,499	670	973,248	760,353	24,089,987	34,414,267	17.04
2010	14,207,858	7,157,262	933,908	670	987,551	768,227	24,055,476	34,364,966	16.73
2009	14,017,475	7,185,220	999,077	670	906,305	819,988	23,928,735	34,183,907	16.10

Source: City records

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

**CITY OF STAMFORD, CONNECTICUT
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

2018				
Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	BLT Group	Development	\$ 698,466,750	3.26 %
2	RFR Properties	Office Buildings	412,839,330	1.93
3	GAIA Acquisitions LLC	Apartments	274,480,240	1.28
4	UB Stamford LP	Office Buildings/Retail	186,947,750	0.87
5	ESRT First Stamford Place	Office Buildings	162,785,520	0.76
6	George Comfort and Sons	Office Buildings	143,725,800	0.67
7	Reckson	Office Buildings	139,373,620	0.65
8	Four Hundred Atlantic Title	Office Buildings	114,924,210	0.54
9	Avalon	Apartments	111,945,680	0.52
10	RBS Americas Property Corp	Banking/Financials	<u>110,555,780</u>	<u>0.52</u>
	Total		<u>\$ 2,356,044,680</u>	<u>11.00 %</u>
2009				
Rank	Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Taxable Assessed Valuation
1	Equity Office Properties	Office Buildings	596,537,740	1.75 %
2	Reckson Operating Partnership	Office Buildings	397,450,040	1.16
3	Antares	Real Estate	375,765,530	1.10
4	UBS AG Stamford	Banking/Finance	246,396,520	0.72
5	First Stamford Place	Office Buildings	264,980,810	0.78
6	HPHV Direct LLC	Office Buildings/Retail	222,086,670	0.65
7	Rich-Taubman Assoc.	Office Buildings/Retail	148,972,530	0.44
8	Avalon	Apartments	193,261,700	0.57
9	Purdue Realty LP	Office Buildings	175,565,270	0.51
10	General Electric Capital Corp.	Consumer Finance	<u>33,283,560</u>	<u>0.10</u>
	Total		<u>\$ 2,654,300,370</u>	<u>7.76 %</u>

Source: City records - 2017 and 2007 Tax Assessor's Office Grand Lists, respectively, real estate values only.

**CITY OF STAMFORD, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS (000's omitted)
LAST TEN FISCAL YEARS**

Year	City Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2018	\$ 518,381	\$ 513,454	99.05 %	\$ 1,472	\$ 514,926	99.33 %
2017	500,394	494,696	98.86	4,349	499,045	99.73
2016	480,318	474,735	98.84	5,182	479,917	99.92
2015	459,371	454,470	98.93	4,705	459,175	99.96
2014	443,763	438,459	98.80	5,183	443,642	99.97
2013	429,052	422,783	98.54	6,125	428,908	99.97
2012	416,421	409,051	98.23	7,322	416,373	99.99
2011	406,891	398,285	97.88	8,558	406,843	99.99
2010	402,388	395,729	98.35	6,611	402,340	99.99
2009	386,200	379,624	98.30	6,529	386,153	99.99

Source: City tax records. Amounts in Collections in Subsequent Years column are updated each year in determining the Totals Collections to Date column Amount and Percentage of Levy

N/A - Information not available

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

Fiscal Year	Governmental Activities General Obligation (GO) Bonds Outstanding	Business-type Activities General Obligation (GO) Bonds Outstanding	Governmental and Business-type Activities General Obligation (GO) Bonds Outstanding	Net Primary Government GO Bonds Outstanding Per Capita (1)	Net Primary Government GO Bonds Outstanding as a % of Est. Actual Taxable Value (1)	Special Obligation Revenue Bonds	Revenue Bonds	Capital Leases	Governmental and Business-type Activities Notes Payable	Total Primary Government Debt Outst.	Total Primary Government Debt Outst. Per Capita (1)	Total Primary Government Debt Outst. As a % of Personal Income (1)
2018	\$ 461,686	\$ 14,668	\$ 476,354	\$ 3,641	1.51%	\$ -	\$ 54,187	\$ -	\$ 40,119	\$ 570,660	\$ 4,362	5.00%
2017	450,261	10,692	460,953	3,523	1.60%	-	54,619	-	44,116	559,688	4,278	4.90%
2016	443,306	11,916	455,222	3,338	1.59%	-	51,715	-	48,059	554,996	4,299	5.27%
2015	392,289	13,018	405,307	3,145	1.42%	-	38,445	-	51,942	495,695	3,846	4.85%
2014	364,744	14,965	379,709	2,960	1.33%	16,245	39,080	-	55,807	490,841	3,827	4.96%
2013	401,612	16,807	418,420	3,305	1.48%	16,245	27,570	-	59,677	521,911	4,122	5.37%
2012	386,194	18,744	404,938	3,237	1.11%	16,245	28,285	133	64,429	514,030	4,109	5.35%
2011	373,316	20,469	393,785	3,172	1.08%	-	28,975	392	68,798	491,950	3,963	5.07%
2010	365,787	21,953	387,740	3,156	1.06%	-	29,640	641	73,072	491,093	3,998	5.29%
2009	354,642	13,509	368,152	3,067	1.04%	-	30,608	1,228	77,825	477,813	3,981	5.26%

Source: City's outstanding debt can be found in the notes to financial statements

(1) - Population and Personal Income data can be found in the schedule of Demographic and Economic Statistics, Table 14

**CITY OF STAMFORD, CONNECTICUT
DIRECT GOVERNMENTAL ACTIVITIES DEBT (000's omitted)
JUNE 30, 2018**

<u>Government Unit</u>	<u>Net Long-Term Debt Outstanding (1)</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to City of Stamford</u>
City of Stamford - Net Direct General Obligation Debt	\$ 461,686	100.00%	\$ 461,686
Less - School construction grants receivable (principal portion) (2)			<u> </u>
Total Direct Debt			<u>\$ 461,686</u>

Source: City records

(1) Excludes business-type activities debt

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

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the City.

This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

The City is not subject to the debt of overlapping governments.

**CITY OF STAMFORD, CONNECTICUT
LEGAL DEBT MARGIN (000's omitted)
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Legal Debt Limit	\$ 3,484,089	\$ 3,484,089	\$ 3,336,670	\$ 3,219,746	\$ 3,102,741	\$ 2,992,160	\$ 2,967,177	\$ 2,858,977	\$ 2,796,069	\$ 2,701,443
Total Indebtedness (as defined) Applicable to Limit	<u>582,386</u>	<u>567,628</u>	<u>552,618</u>	<u>539,837</u>	<u>571,363</u>	<u>493,020</u>	<u>844,066</u>	<u>849,286</u>	<u>875,977</u>	<u>829,505</u>
Legal Debt Margin	<u>\$ 2,901,702</u>	<u>\$ 2,916,461</u>	<u>\$ 2,784,052</u>	<u>\$ 2,679,909</u>	<u>\$ 2,531,378</u>	<u>\$ 2,499,140</u>	<u>\$ 2,123,111</u>	<u>\$ 2,009,691</u>	<u>\$ 1,920,092</u>	<u>\$ 1,871,938</u>
Total Indebtedness (as defined) Applicable to the Limit as a % of Legal Debt Limit	16.7%	16.3%	16.6%	16.8%	18.4%	16.5%	28.4%	29.7%	31.3%	30.7%

**CITY OF STAMFORD, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMIT (000's omitted)
JUNE 30, 2018**

Total tax collections (including interest and lien fees) for the year ended June 30, 2017	\$ 497,341,166
Reimbursement for revenue loss - Tax relief for elderly	<u>385,776</u>
Base	<u>\$ 497,726,942</u>
Legal Debt Limit - Seven times Base	<u>\$ 3,484,088,594</u>

Statutory Debt Limitation Multiples by Classification

<u>Debt Limitation Multiples</u>	<u>General Purpose</u>	<u>Schools</u>	<u>Sewer</u>	<u>Urban Renewal</u>	<u>Unfunded Pension Benefit Obligation</u>	<u>Totals</u>
2-1/4 times base	\$ 1,119,885,620	\$	\$	\$	\$	\$ 1,119,885,620
4-1/2 times base		2,239,771,239				2,239,771,239
3-3/4 times base			1,866,476,033			1,866,476,033
3-1/4 times base				1,617,612,562		1,617,612,562
3 times base					<u>1,493,180,826</u>	<u>1,493,180,826</u>
Total Debt Limitation	<u>1,119,885,620</u>	<u>2,239,771,239</u>	<u>1,866,476,033</u>	<u>1,617,612,562</u>	<u>1,493,180,826</u>	<u>8,336,926,279</u>
Debt as defined by statute:						
Bonds and notes payable	340,088,727	99,015,983	49,264,955			488,369,665
Bonds authorized but not issued, issue dates not yet established	<u>24,209,353</u>	<u>50,425,894</u>	<u>19,381,475</u>			<u>94,016,722</u>
Total Indebtedness (as defined)	<u>364,298,080</u>	<u>149,441,877</u>	<u>68,646,430</u>	<u>-</u>	<u>-</u>	<u>582,386,387</u>
Debt Limitation in Excess of Indebtedness	<u>\$ 755,587,540</u>	<u>\$ 2,090,329,362</u>	<u>\$ 1,797,829,603</u>	<u>\$ 1,617,612,562</u>	<u>\$ 1,493,180,826</u>	<u>\$ 7,754,539,892</u>

**CITY OF STAMFORD, CONNECTICUT
 PLEDGED REVENUE COVERAGE (000's omitted)
 LAST TEN FISCAL YEARS**

Water Pollution Control Authority Revenue Bonds									
Fiscal Year	Utility Service Charges	Less - Operating Expenses	Net Available Revenues	Senior Lien			Coverage		
				Debt Service		Total			
				Principal	Interest				
2018	\$ 24,708	\$ 13,058	\$ 11,650	\$ 1,265	\$ 2,332	\$ 3,597	3.24		
2017	24,143	13,051	11,092	1,210	2,388	3,598	3.08		
2016	24,859	13,201	11,658	1,145	1,947	3,092	3.77		
2015	23,769	13,040	10,729	635	1,926	2,561	4.19		
2014	22,643	12,443	10,200	545	1,347	1,892	5.39		
2013	21,155	13,327	7,828	715	1,274	1,989	3.94		
2012	20,305	11,587	8,717	690	1,300	1,990	4.38		
2011	18,504	11,573	6,931	665	1,326	1,991	3.48		
2010	18,252	11,292	6,960	645	1,350	1,995	3.49		
2009	18,645	10,444	8,201	620	1,372	1,992	4.12		

Source: City records

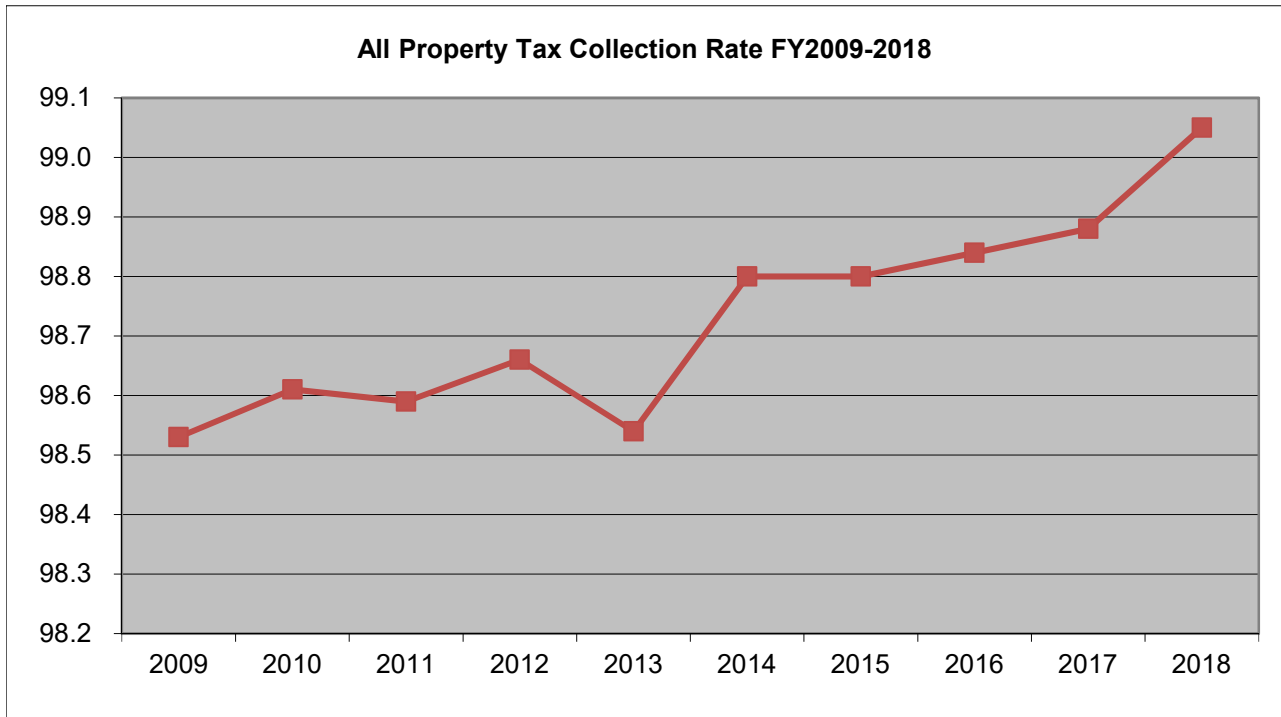
**CITY OF STAMFORD, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Population (see Note)	Median Age	Personal Income (see Note)	Median Household Income (see Note)	School Enrollment	City Unemployment Rate
2018	\$ 130,824	38	\$ 11,423,028,384	\$ 87,316	15,974	4.0%
2017	130,824	38	11,423,028,384	87,316	16,172	4.5%
2016	129,113	38	10,540,010,642	81,634	16,046	4.8%
2015	128,874	36	10,227,311,766	79,359	16,149	4.4%
2014	128,261	36	9,904,442,681	77,221	16,069	5.2%
2013	126,620	36	9,721,756,980	76,779	15,941	6.5%
2012	125,106	36	9,607,765,482	76,797	15,677	6.8%
2011	124,149	36	9,708,575,949	78,201	15,490	7.3%
2010	122,842	36	9,284,275,518	75,579	15,176	7.7%
2009	120,038	39	9,089,637,474	75,723	14,995	6.0%

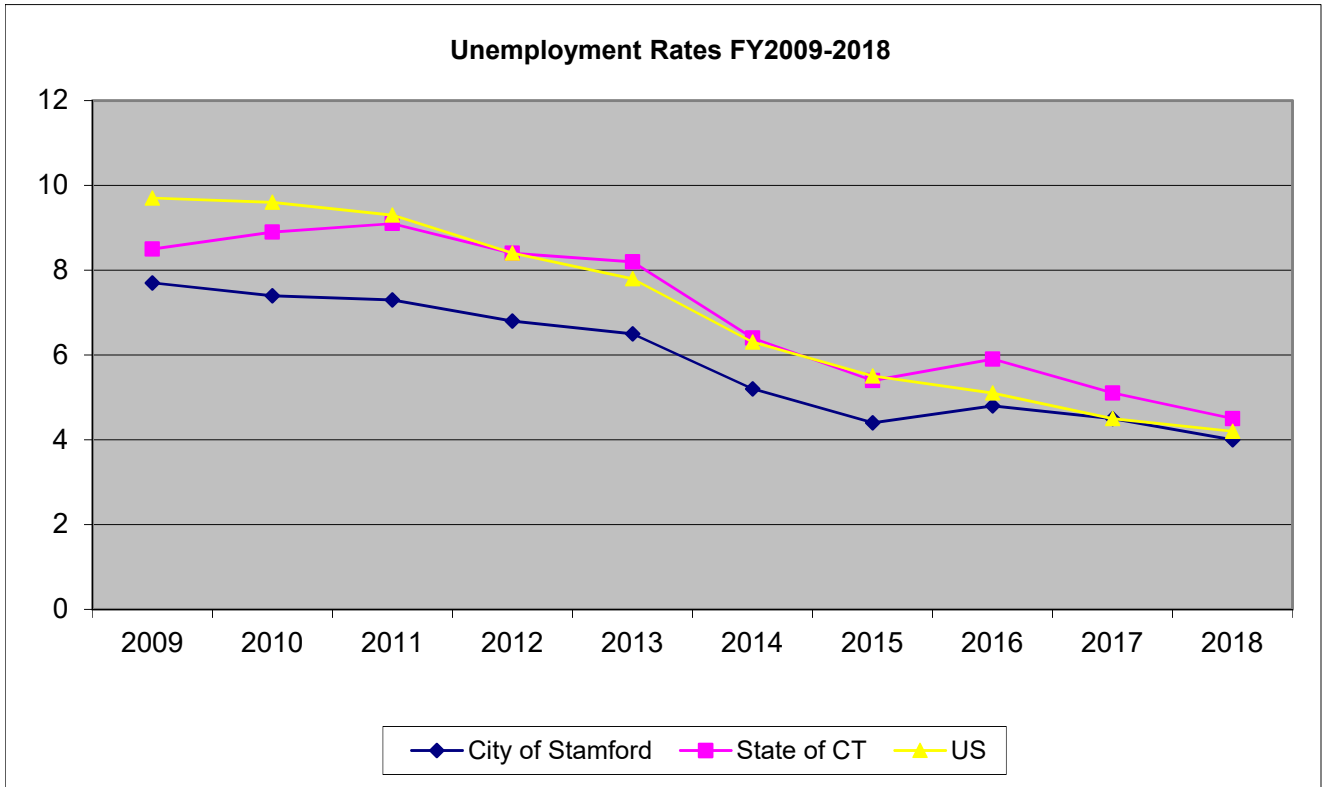
Sources: City records, CERC.com (2007-2009), Census Bureau (2010-2017)

Note: Where certain 2018 data was not yet available, prior year data was presented as an approximation (e.g. Median Age and Median Household Income).

**CITY OF STAMFORD, CONNECTICUT
ALL PROPERTY TAX COLLECTION RATES
LAST TEN FISCAL YEARS**



**CITY OF STAMFORD, CONNECTICUT
UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS**



**CITY OF STAMFORD, CONNECTICUT
OFFICE VACANCY RATES
LAST TEN FISCAL YEARS**

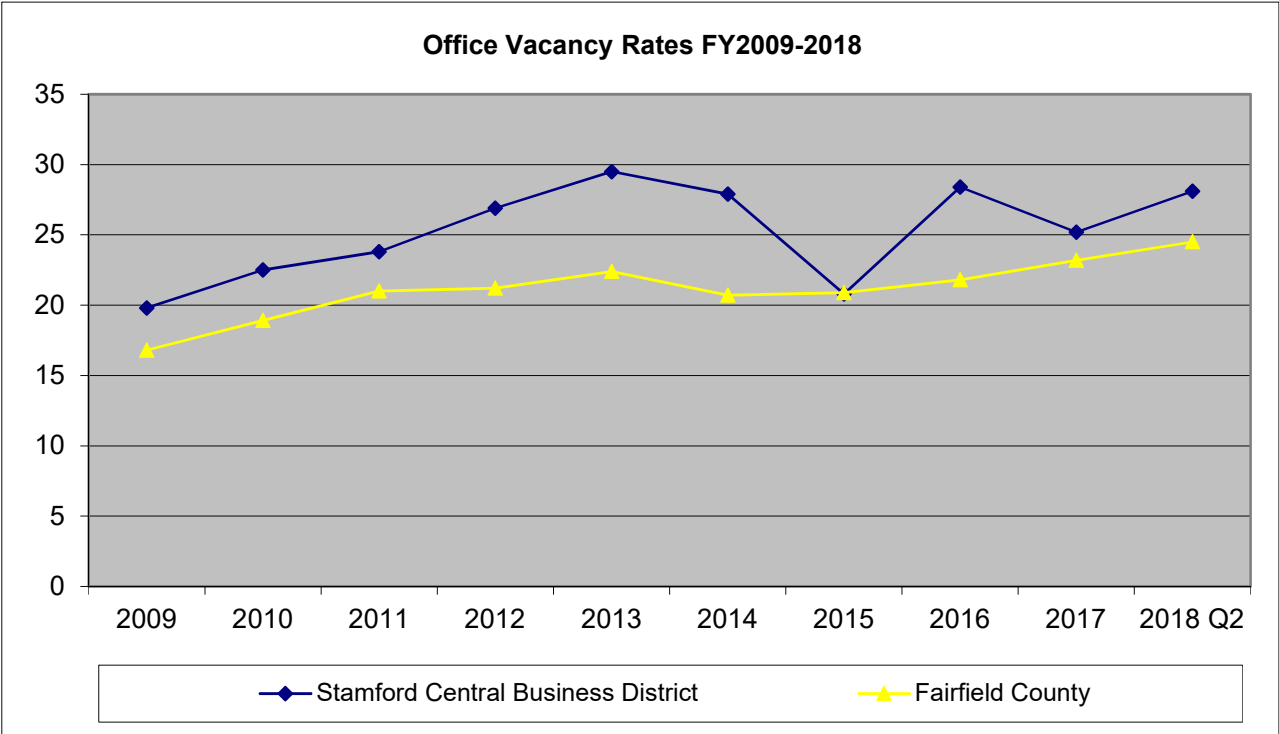


TABLE 18

**CITY OF STAMFORD, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

<u>EMPLOYER</u>	<u>2018</u>		<u>EMPLOYER</u>	<u>2009</u>	
	<u>EMPLOYEES</u>	<u>RANK</u>		<u>EMPLOYEES</u>	<u>RANK</u>
City of Stamford & BOE (Full Time Only)	3,292	1	UBS	4,000	1
Stamford Health	3,200	2	City of Stamford, including Bd of Ed	2,996	2
Stamford Town Center	1,850	3	Stamford Town Center	2,500	3
Gartner	1,250	4	RBS	2,400	4
Charter Communications	1,000	5	Stamford Hospital	1,920	5
Deloitte	971	6	General Electric Cap. Corp.	1,043	6
Indeed.com	850	7	Pitney Bowes	1,000	7
UBS AG	800	8	U.S. Post Office	900	8
NBC Sports Group	775	9	Gartner Group	875	9
World Wrestling Entertainment	<u>700</u>	10	General Re	<u>800</u>	10
	<u>14,688</u>			<u>18,434</u>	

Source: City records from Director of Economic Development and cerc.com

**CITY OF STAMFORD, CONNECTICUT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>1 Yr Var</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Office of Administration	78	76	2	77	77	77	76	74	71	83	81
Administration Total	<u>78</u>	<u>76</u>	<u>2</u>	<u>77</u>	<u>77</u>	<u>77</u>	<u>76</u>	<u>74</u>	<u>71</u>	<u>83</u>	<u>81</u>
Public Services	144	143	1	145	145	139	138	137	83	92	132
Engineering	18	18	-	17	17	16	16	15	68	81	42
Land Use	15	14	1	13	14	12	12	12	11	15	15
Administration	55	55	-	56	54	53	53	53	53	61	61
Operations Total	<u>232</u>	<u>230</u>	<u>2</u>	<u>231</u>	<u>230</u>	<u>220</u>	<u>219</u>	<u>217</u>	<u>215</u>	<u>249</u>	<u>250</u>
Office of Public Safety Health & Welfare	3	3	-	3	3	2	2	2	1	2	2
Police Department-wide	307	308	(1)	318	318	318	318	317	302	337	337
Emergency Comm. Center	29	29	-	30	30	30	30	30	30	32	32
Volunteer Fire Departments	1	1	-	1	-	-	-	-	-	-	-
Fire Department	268	274	(6)	268	269	269	269	269	273	290	290
Smith House ***	-	-	-	1	109	109	109	105	105	109	109
Health Department	67	67	-	67	67	67	64	60	60	65	65
Social Services	5	4	1	3	3	1	1	1	1	3	3
Public Safety Health & Welfare Total	<u>680</u>	<u>686</u>	<u>(6)</u>	<u>691</u>	<u>799</u>	<u>796</u>	<u>793</u>	<u>784</u>	<u>772</u>	<u>838</u>	<u>838</u>
Director of Law	11	11	-	11	10	10	10	10	10	11	11
Human Resources Department	12	12	-	12	12	11	11	10	9	13	13
Legal Affairs Total	<u>23</u>	<u>23</u>	<u>-</u>	<u>23</u>	<u>22</u>	<u>21</u>	<u>21</u>	<u>20</u>	<u>19</u>	<u>24</u>	<u>24</u>
Mayor's Office	4	4	-	4	4	4	5	4	3	3	3
Economic Development	2	1	1	3	3	3	3	3	2	2	2
Housing Safety & Zoning Code Enforcement	-	-	-	-	-	-	-	-	-	-	-
Board of Representatives	3	3	-	3	2	2	2	2	2	2	2
Board of Finance	-	-	-	1	1	1	1	1	1	1	1
Town and City Clerk	9	10	(1)	10	10	10	10	10	10	11	11
Registrar of Voters	2	2	-	2	2	2	2	2	2	2	2
Government Services Total	<u>20</u>	<u>20</u>	<u>-</u>	<u>23</u>	<u>22</u>	<u>22</u>	<u>23</u>	<u>22</u>	<u>20</u>	<u>21</u>	<u>21</u>
Education	2,265	2,234	31	2,218	2,214	2,150	2,099	2,082	2,120	2,093	2,114
TOTAL	<u><u>3,298</u></u>	<u><u>3,269</u></u>	<u><u>29</u></u>	<u><u>3,263</u></u>	<u><u>3,364</u></u>	<u><u>3,286</u></u>	<u><u>3,231</u></u>	<u><u>3,199</u></u>	<u><u>3,217</u></u>	<u><u>3,308</u></u>	<u><u>3,328</u></u>

Source: Human Resource Departments for City and BOE, respectively

*** Smith House was sold effective December 31, 2015. Also, Smith House was not part of General Fund in Fiscal Year 2007/08

**CITY OF STAMFORD, CONNECTICUT
OPERATING METRICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police:										
Calls for service	133,627	113,229	88,819	121,806	137,740	122,930	105,533	64,096	63,801	62,239
Adult arrest	2,549	2,524	2,679	2,607	2,960	3,092	3,338	3,440	2,799	3,523
Juvenile arrest	263	392	331	393	398	376	280	322	508	277
Speeding citations only	389	647	831	1,010	1,607	657	641	469	284	852
Traffic citations	6,307	5,142	3,902	6,175	8,723	6,341	4,612	3,481	1,607	2,602
Fire:										
Total fire runs	5,427	4,973	4,534	4,766	5,896	5,291	5,445	5,025	5,236	4,887
Total rescue runs	5,889	5,401	5,766	5,549	5,579	6,107	5,746	5,922	5,443	5,371
Property loss	\$ 3,008,690	\$ 3,432,250	\$ 4,164,538	\$ 3,344,362	\$ 4,142,178	\$ 2,508,857	\$ 3,709,901	\$ 1,533,700	\$ 1,825,600	\$ 3,682,200
Building safety:										
Total building permits	5,287	4,152	5,497	6,020	5,632	5,755	5,874	5,444	5,275	4,966
Total value all permits	\$ 419,014,154	\$ 375,224,541	\$ 411,242,147	\$ 373,136,430	\$ 417,383,897	\$ 437,048,331	\$ 269,634,110	\$ 314,229,373	\$ 192,726,727	\$ 376,353,913
Public service:										
Garbage collection (ton)	52,998	53,458	54,530	54,169	51,863	47,734	48,285	50,136	50,119	58,914
Recycle collected (ton)	12,027	11,694	12,234	12,078	11,931	11,472	9,994	9,983	8,170	5,659
Parks and recreation:										
Recreation program attendance	26,400	26,010	25,978	25,955	25,946	18,237	18,730	18,313	17,209	18,862
Aquatics program attendance	560	575	533	228	425	460	448	385	346	343
Golf rounds played	32,300	33,924	38,198	36,053	35,007	36,753	39,780	36,239	41,250	38,209
Street trees maintained - miles	380	380	380	380	380	380	380	380	320	320

Source: City Records

N/A - Data not available

TABLE 21

**CITY OF STAMFORD, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Police - Stations	1	1	1	1	1	1	1	1	1	1
Fire - Stations	7	7	7	8	8	8	8	8	8	8
Operations:										
Refuse collection trucks	42	44	42	34	35	35	36	38	38	36
Other public works	423	425	421	412	411	409	403	397	407	420
Streets (miles)	380	380	380	380	380	380	380	380	320	320
Traffic signals - City owned	211	207	207	205	205	200	200	200	200	197
Parks and Recreation:										
Acreage	637	637	637	637	637	637	637	637	637	635
Parks	58	58	58	58	58	58	58	58	58	59
Golf course	1	1	1	1	1	1	1	1	1	1
Baseball/Softball diamonds	22	22	22	22	22	22	22	22	22	23
In-line hockey rinks	1	1	1	1	1	1	1	1	1	1
Soccer/Football fields	10	10	10	10	10	10	10	10	10	8
Basketball courts	12	12	12	12	12	12	12	12	12	10
Tennis courts	24	24	24	24	24	24	24	24	24	24
Swimming pools	2	2	2	2	2	2	2	2	2	2
Parks with playground equipment	16	16	16	16	16	16	16	16	16	16
Picnic shelters	7	7	7	7	7	7	7	7	7	7
Community centers	3	3	3	3	3	3	3	3	3	3
Library:										
Facilities - including bookmobile	5	5	5	5	5	5	5	5	5	5
Volumes	372,106	352,741	336,333	283,301	482,251	556,862	548,323	541,664	559,616	548,648
Wastewater:										
Sanitary sewers (miles-per GIS data)	242	242	242	238	224	303	303	303	303	300
Storm sewers and SWPCA (miles)	602	602	601	600	600	600	600	600	600	600

Source: City Records