

**STAMFORD WATER POLLUTION
CONTROL AUTHORITY**

(An Enterprise Fund of
the City of Stamford, Connecticut)

FINANCIAL STATEMENTS

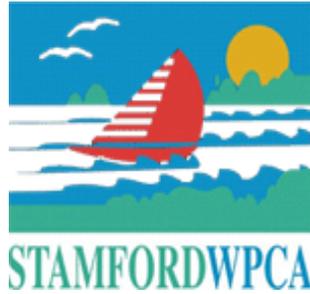
AND SUPPLEMENTARY INFORMATION

FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

STAMFORD WATER POLLUTION CONTROL AUTHORITY

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Jeanette A. Brown, P.E., DEE
Executive Director
Email: jbrown@ci.stamford.ct.us

Ernest A. Orgera
Director of Operations
Email: eorgera@ci.stamford.ct.us

December 22, 2010

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

The audited financial statements of the Stamford Water Pollution Control Authority (“SWPCA”) are being published for the fiscal year ended June 30, 2010 in compliance with Connecticut State law.

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

O’Connor Davies Munns & Dobbins, LLP, a firm of licensed certified public accountants, has issued an unqualified opinion on the SWPCA’s financial statements for the year ended June 30, 2010. The independent auditors’ report is located at the front of the financial section of this report.

Management’s Discussion and Analysis (“MD&A”) immediately follows the independent auditors’ report and provides a narrative overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The SWPCA adheres to a comprehensive set of accounting policies and procedures adopted by the City of Stamford’s Board of Finance. Such policies include procurement, accounts payable, accounts receivable, and cash receipts among others. During the past year the SWPCA Board of Directors adopted a number of additional policies which addressed revenues, capital planning, project financing, debt management, and reserves. These additional policies are intended to help strengthen overall financial management within the SWPCA and help ensure that it meets all requirements set by State and Federal regulations and is also in a financial position to meet the future operational needs of the City of Stamford.

The Stamford Water Pollution Control Authority

Ordinance No. 803, adopted November 6, 1996, established the Stamford Water Pollution Control Authority (“SWPCA”). Prior to that date, wastewater collection and treatment was performed as a function under the Office of Operations. The SWPCA was established pursuant to Chapter 103, Sections 7-245 through 7-273 A, inclusive of the Connecticut General Statutes Revision of 1958 as amended. The purpose for which the Authority was created is to operate the Water Pollution Control Facility (“treatment plant”), sanitary sewer system, sanitary pumping stations and Hurricane Barrier pumping stations (flood protection system) for the City of Stamford, to use, equip, re-equip, repair, maintain, supervise, manage, operate and perform any act pertinent to the collection, transportation, treatment and disposal of wastewater. Wastewater is treated through the processes installed during the upgrade and expansion project which was completed in 2006. The plant has a capacity of 24 million gallons per day (“MGD”). Currently, the average annual flow is about 18 MGD, so there is excess capacity for the growth that is currently occurring in Stamford.

Beginning in 2006, the SWPCA was also made responsible for the City-wide stormwater permit program. This program consists of monitoring, reporting, and other compliance requirements of the Municipal Separate Stormwater Sewer System (“MS4”) permit. A separate cost center has been established for this program in the SWPCA budget. Additionally, the SWPCA is managing water quality restoration projects for the Rippowam and Noroton Rivers.

Service Area

The SWPCA’s service area includes residential, commercial, government and non-profit customers in Stamford, CT and the adjacent Town of Darien, CT (“Darien”). The customer base served by the SWPCA consists of a diverse mix of residential and commercial customers. In Stamford, approximately 88% of customers are residential (including home owners, condominium owners and renters) and 12% of customers are commercial and industrial in nature. The service area boundaries for Stamford are the Merritt Parkway to the north, the Noroton River on the east, Old Greenwich on the west and Long Island Sound to the south.

Darien pumps wastewater to the east side of Stamford where the wastewater is then conveyed through the SWPCA collection system to the treatment plant. The service area boundaries for Darien are the City of Norwalk on the east, the Merritt Parkway on the north and Long Island Sound to the south.

An Interlocal Agreement between SWPCA and Darien provides a formula for compensation to the SWPCA for operation and maintenance and for capital improvements. Based on this formula, which reflects the proportionate share of Darien's flow to the total flow entering the treatment plant, in fiscal 2010 Darien was responsible for approximately 13 % of the SWPCA's operating and maintenance costs. Darien is solely responsible for the operation and maintenance of all of its pumping stations and collection system and all border crossings. All capital improvements to the SWPCA's treatment plant, pumping stations or sewers that treat or convey wastewater from Darien are similarly paid using the same 13 % cost sharing ratio. The town bills its ratepayers in Darien annually, typically in October. The SWPCA bills Darien annually in September. The bill is based on all of the SWPCA's operating and maintenance costs and capital investment amounts plus any adjustments to the previous bill.

Physical Assets

The physical assets of the SWPCA include 22 wastewater-pumping stations, about 300 miles of sanitary sewer, four storm water pumping stations and the wastewater treatment plant. The wastewater pumping stations range in capacity size from 100,000 gallons per day to 5 million gallons per day. There is a capital improvement program in place for both the sanitary sewer system and pumping stations.

Management and Organization

The SWPCA Board of Directors ("Board") is comprised of nine members, all of whom are voting members. This election year brought some new members to the Board as well as a new Chairman and Vice Chairman. The new members added various valuable financial and technical expertise to the organization. By ordinance, the Board includes the Director of Operations, Director of Administration, President of the Board of Representatives or designee, Chairman of the Board of Finance or designee, and five at-large members, one of which must be a financial professional and the other an engineer. The members of the Board are:

Joseph Tarzia, Chairman, Board of Finance
Louis J. Casale, Jr. Vice Chairman, At-Large
Ernest A. Orgera, Director of Operations
Frederick C. Flynn, Jr., Director of Administration
John J. Bocuzzi, Board of Representatives
Alan Barnett, At Large (Financial)
Donald A. Huppert, At-Large
Tim Curtin, Jr., At Large
Louis Basel, At-Large (Engineer)

The Mayor with approval of the Board of Representatives appoints the Directors of Operations and Administration. The Board of Finance and the Board of Representatives respective SWPCA Board members are elected in citywide elections. The five at-large members are recommended by either the Democratic or Republican City Committee and interviewed by the Mayor, who then recommends their appointment to the Board of Representatives for its approval. Each of the at-large members is appointed for three-year terms. There are no term limits so at-large members can serve multiple terms.

Jeanette Brown is the Executive Director of the SWPCA. She is a registered Professional Engineer in Connecticut, a Board-certified Environmental Engineer, and a Diplomat of Water Resources Engineering. She has served as the Executive Director of the SWPCA since its creation in 1996.

Rates and Charges

The SWPCA, through its Board of Directors, is responsible for setting and imposing sewer user rates and other fees and charges for all customers in its service area. The Board requires that rates be maintained at levels sufficient to pay for operating and maintenance costs of the collection and treatment system, to pay debt service on outstanding debt, and to provide for appropriate reserves.

Capital Improvement Plan

The SWPCA typically manages several capital projects. The projects are categorized as engineering studies, engineering design, building and equipment replacement or upgrades, and sewer repairs or extensions. The Intervale sewer extension was the major project underway during the past year. This important project will benefit approximately 70 properties that will connect to the City of Stamford sewer system.

A significant development recently occurred involving the previously planned waste-to-energy project. In brief, the objective of this project was to evaluate and design a process to convert dried and pellitized wastewater residuals to electricity. However, on July 7, 2010, the SWPCA Board voted to discontinue this project for technical and financial reasons. During the past three years approximately \$2.2 million was spent on this experimental project, including design feasibility studies and the construction of a system prototype. As a result of the discontinuation of this project, management did an assessment of asset impairment. Based on management's analysis and with the concurrence of the SWPCA's outside auditors, the assets related to this project were deemed impaired and were fully written off.

Conclusion

The SWPCA is a well established and sound organization both technically and financially. The Board is comprised of a number of well qualified elected and appointed officials. Furthermore, sufficient operating capacity is in place to meet the SWPCA's expected customer demand in its service area.

Respectfully Submitted,



Jeanette A. Brown, PE, DEE, D.WRE, F.ASCE
Executive Director



O'Connor Davies Munns & Dobbins, llp
ACCOUNTANTS AND CONSULTANTS

To the City of Stamford
Board of Finance
Stamford Water Pollution Control Authority
Stamford, Connecticut

We have audited the accompanying financial statements of the Stamford Water Pollution Control Authority ("SWPCA") (an Enterprise Fund of the City of Stamford, Connecticut) as of and for the year ended June 30, 2010 as listed in the table of contents. These financial statements are the responsibility of the SWPCA's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the SWPCA as of and for the year ended June 30, 2009, were audited by other auditors whose report dated November 23, 2009, expressed an unqualified opinion on those statements.

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

As discussed in Note 1, the financial statements present only the SWPCA Fund and do not purport to, and do not, present fairly the financial position of the City of Stamford, Connecticut as of June 30, 2010 and 2009, and the changes in its financial position and its cash flows, where applicable, for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the SWPCA as of June 30, 2010 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis is not a required part of the basic financial statements. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the SWPCA's basic financial statements. The introductory section, budgetary detail, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary detail has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

O'Connor Davies Munno & Dobbins, LLP

Stamford, Connecticut
December 22, 2010

Stamford Water Pollution Control Authority Management's Discussion and Analysis June 30, 2010

This discussion and analysis of the Stamford Water Pollution Control Authority ("SWPCA") is intended to provide an overview of the SWPCA's financial activities for the fiscal year ended June 30, 2010. Please read it in conjunction with the letter of transmittal and the financial statements that follow this section.

Financial Highlights

- ◆ As of June 30, 2010 the assets (\$169.5 million) of the Stamford Water Pollution Control Authority exceeded its liabilities (\$116.2 million), resulting in total net assets at the end of the fiscal year of \$53.2 million. Net assets decreased slightly versus the prior year-end period primarily due to an asset impairment charge (\$2.2 million) resulting from the discontinuation of a prototype waste-to-energy project. Despite the impact of this non-cash charge, with total net assets of \$53.2 million and unrestricted net assets of \$1.0 million, the SWPCA's financial condition remains strong.
- ◆ Operating revenues in fiscal 2010 were \$18.3 million, down slightly compared to the prior year (\$18.6 million), primarily reflecting lower contract revenue from Darien. Operating expenses were \$17.6 million versus \$17.5 million the prior year, resulting in operating income of approximately \$0.7 million compared to \$1.1 million the prior year. The reduction in operating income primarily reflects the impact of the lower revenue level and higher utility costs in fiscal 2010.
- ◆ As of June 30, 2010 the SWPCA's long term debt – including bonds and notes payable -- increased by \$3.9 million to \$112.0 million. This modest increase reflected the net impact of issuance of \$10.4 million in General Obligation Bonds to fund capital projects less principal repayments of approximately \$6.2 million. The SWPCA's sound financial condition is reflected by its current credit ratings, including an Aa2 rating from Moody's Investor Service and an AA+ rating from Standard & Poor's.
- ◆ The SWPCA's capital assets decreased by about \$3.7 million to \$151.4 million versus the prior period. Depreciation expense of \$6.3 million exceeded capital asset additions (\$4.8 million) during the fiscal year. Also, as noted earlier, an asset impairment charge of \$2.2 million was incurred. The SWPCA's capital assets and available operating capacity are considered sufficient to meet the City of Stamford's currently foreseeable needs.

Overview of the Financial Statements

The SWPCA's financial statements are comprised of: 1) basic financial statements, including a Statement of Net Assets; a Statement of Revenues, Expenses and Changes in Net Assets; and a Statement of Cash Flows; 2) Notes to financial statements; and 3) Schedule of Revenues and Expenses on a Budgetary Basis. The accompanying statistical section provides trend comparisons of selected financial and non-financial information over a number of years.

SWPCA Financial Statements

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

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

Statement of Revenues, Expenses and Changes in Net Assets. The Statement of Revenues, Expenses and Changes in Net Assets presents information regarding how the SWPCA's net assets changed during the most recent fiscal year. All of the fiscal year's revenues and expenses are taken into account regardless of when cash was received or paid. Thus, certain revenues and expenses are reported in this statement for some items that may result in cash flow in a future fiscal period. Uncollected water usage charges and earned but unused vacation leave expenses are examples of these types of items.

Statement of Cash Flows. The Statement of Cash Flows presents information on where cash came from and how it was used. The Statement of Cash Flows is important because it helps to determine if the SWPCA met its cash needs during the year and how it met them. It is important to understand financial activity measured on the accrual basis of accounting (as reflected in the Statement of Revenues, Expenses and Changes in Net Assets) as well as on a cash basis of accounting.

The financial statements (Statement of Net Assets, Statement of Revenue, Expenses and Changes in Net Assets and the Statement of Cash Flows) are presented on pages 12-15 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements are presented on pages 16-28 of this report.

Budgetary Information. The Board of Directors of SWPCA and the City of Stamford adopt an annual revenue and expenditure budget for the SWPCA. From a reporting standpoint, the SWPCA is reported as an Enterprise Fund. Budgetary comparison statements are provided to demonstrate compliance with the authorized budget and are presented on pages 29-30 of this report.

Financial Analysis

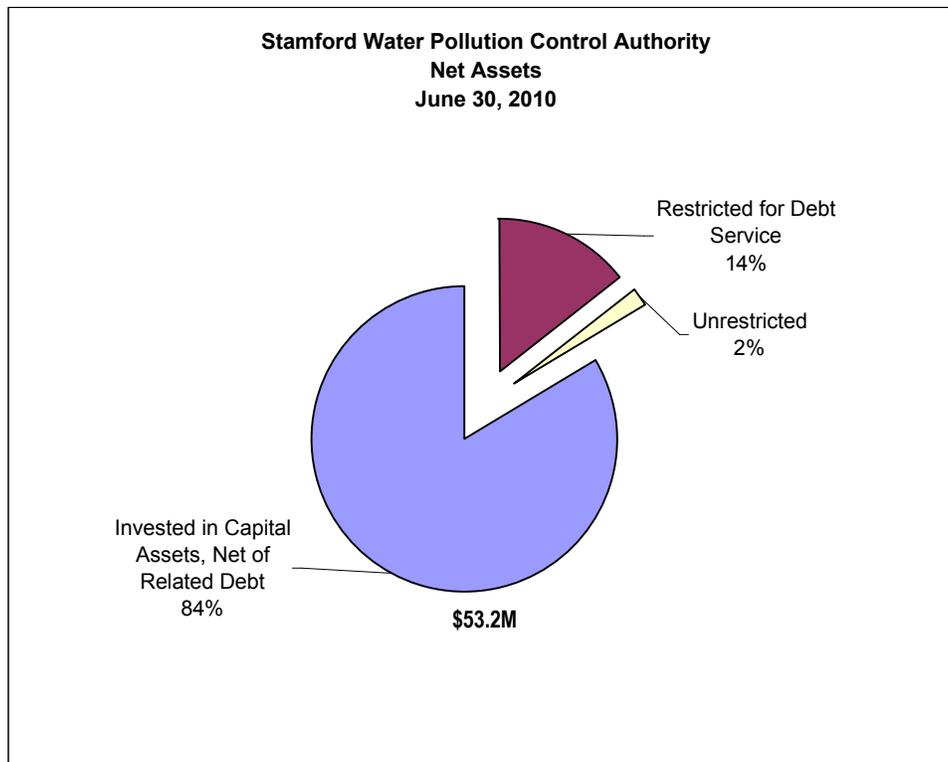
Net Assets

- ◆ As noted earlier, net assets may serve over time as a useful indicator of the SWPCA's financial condition and an important determinant of the SWPCA's ability to finance its future cash needs. The SWPCA's assets exceeded its liabilities by \$53.2 million at June 30, 2010. The SWPCA's net assets of \$53.2 million decreased by \$2.5 million or approximately 4% from the prior year-end period, primarily reflecting the impact of an asset impairment charge resulting from the discontinuation of a prototype waste-to-energy project. Unrestricted net assets decreased by \$0.1 million to

approximately \$1.0 million at June 30, 2010. Unrestricted net assets provide financial flexibility to meet the needs of the SWPCA's customers and creditors.

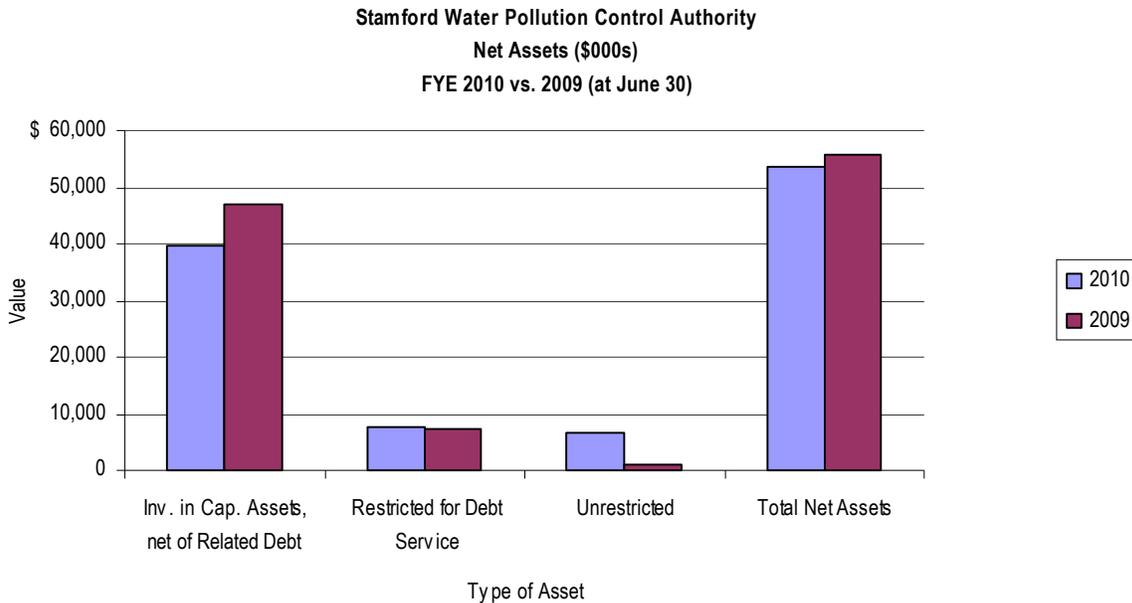
Stamford Water Pollution Control Authority
Net Assets (\$000s)

	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Assets:		
Current Assets (Cash & Accounts Receivable)	\$ 4,810	\$ 4,909
Restricted Cash	7,677	7,540
Non-Current Assets (special assessments and deferred)	5,600	4,419
Capital Assets (net of depreciation)	151,399	155,133
Total Assets	169,486	172,001
Current Liabilities	9,695	13,662
Long-term Liabilities	106,552	102,651
Total Liabilities	116,247	116,313
Net Assets:		
Invested In Capital Assets, Net of Related Debt	44,538	47,027
Restricted for Debt Service	7,677	7,540
Unrestricted	1,023	1,121
Total Net Assets	\$ 53,238	\$ 55,688



A common measure of liquidity is the current ratio (current assets ÷ current liabilities); it helps determine whether, over the next year, the SWPCA will have sufficient cash and readily liquid assets on hand to

finance its short term cash requirements. As of June 30, 2010 the SWPCA's current ratio was 0.5 to 1, on its face a low ratio. However, the SWPCA typically handles any interim short term cash needs until the next billing cycle and connection period (e.g. October 2010), by borrowing from the City of Stamford. Under a long standing pooled cash arrangement, the SWPCA pays the City interest to cover such short-term cash needs.



Net Assets – Invested in Capital Assets (Net of Related Debt). As of June 30, 2010 the largest portion (84%) of the SWPCA's \$53.2 million in net assets involved its investment in capital assets (land, buildings, machinery, equipment, etc.), net of accumulated depreciation and any related outstanding debt used to acquire those assets. The SWPCA uses these capital assets to provide services to its customers; consequently, these assets can not be readily liquidated and are not available to fund future spending needs. Although the SWPCA's investment in 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 (user charges, fees and other income), since the capital assets themselves are not readily available as a source of funds to liquidate these liabilities.

Net Assets – Restricted. The SWPCA has net assets that are restricted for debt service. These assets are maintained in restricted trust accounts due to indenture requirements related to the 2003 and 2006 Revenue Bond issuances. Of the SWPCA's \$53.2 million in total net assets as of June 30, 2010, \$7.7 million or 14% was restricted and may not be used to fund the SWPCA's ongoing obligations (with the exception of debt service under certain restricted circumstances).

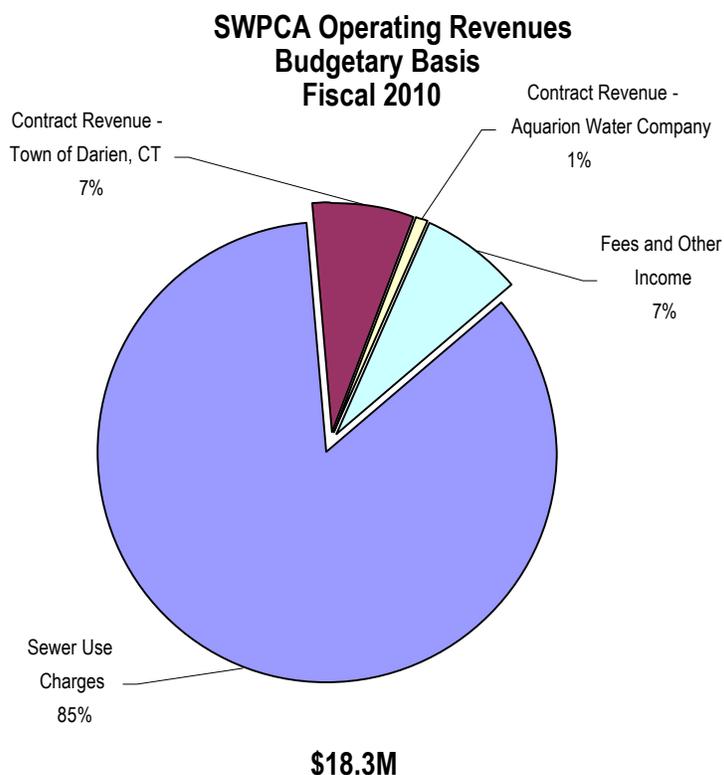
Net Assets – Unrestricted. Of the SWPCA's total net assets at June 30, 2010, approximately \$1.0 million was unrestricted and available to be used to meet the SWPCA's obligations to customers, creditors and for capital projects.

**Statement of Revenues
Expenses and Other Changes
in Net Assets (\$000s)**

	Fiscal 2010	Fiscal 2009
Operating Revenues	\$ 18,252	\$ 18,645
Operating Expenses	17,580	17,550
Net Operating Income	672	1,095
Non-Operating Revenue (Expenses)	(896)	(2,260)
Transfers and Special Items	(2,226)	(1,567)
Change in Net Assets	(2,450)	(2,732)
Net Assets, beginning (6/30/09)	55,688	58,420
Net Assets, ending (6/30/10)	\$ 53,238	\$ 55,688

Budgetary Information

Revenues. In fiscal 2010 the SWPCA's operating revenue sources consisted of sewer usage charges (92%) for Stamford and Darien customers and fees and other operating income (8%).

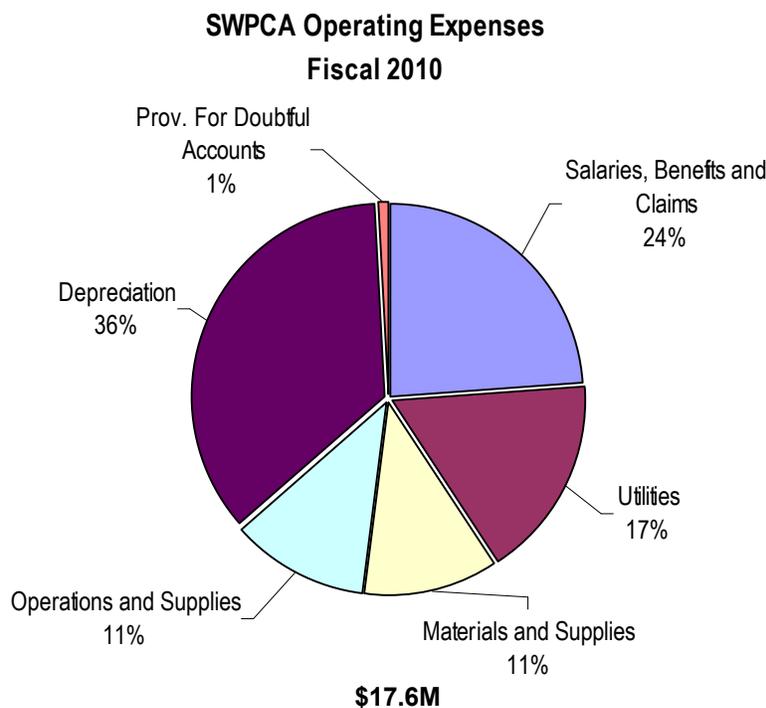


The original fiscal 2010 revenue estimate for user fees was set at approximately \$17.8 million prior to the actual consumption data being available. At the annual rate setting meeting, adjustments were made to account for estimates of other revenue, collection rate assumptions and indenture requirements for debt

service coverage. Based on these adjustments, the user charge rate was set at \$3.46 per CCF, resulting in an annual billing of \$15.8 million (based on assumed consumption of 4.6 million CCFs). After adjustments (e.g., off-cycle charges, cancel/rebill charges), the actual amount of revenue billed in fiscal 2010 was \$15.5 million. Fiscal 2010 revenues totaled \$18.3 million. Despite the challenging economic environment, the collection rate within twelve months on sewer use charges in fiscal 2010 was approximately 95% (slightly below the prior year).

In fiscal 2010 the SWPCA’s primary operating revenue sources included sewer use charges (\$15.5 million) and contract revenues (\$1.5 million, substantially from Darien). Fees and other income totaled \$1.3 million (primarily reflecting revenue from the State of Connecticut nitrogen credit trading program).

Expenses. In fiscal 2010 the SWPCA’s operating expenses, which totaled \$17.6 million (as compared to \$17.5 million the prior year), consisted of salaries, employee benefits and claims (\$4.2 million), utilities (\$3.0 million), materials and supplies (\$1.9 million), operations and supplies (\$2.0 million), depreciation (\$6.3 million), and a provision for doubtful accounts (\$0.1 million).



The SWPCA’s non-operating revenue of \$2.9 million included special assessments and connection charges (\$2.8 million) and interest income (\$0.1 million); non-operating expense consisted of interest expense (\$3.8 million).

There were no transfers in or out in fiscal 2010 (versus a \$1.6 million transfer out in fiscal 2009 related to a prior period adjustment).

A special item involving an asset impairment charge of \$2.2 million (as previously described) was recorded in fiscal 2010.

Additional information on revenue and expense budgetary information is contained in the supplemental information section.

Organization of SWPCA Operations

The SWPCA's organization includes three primary Divisions, as follows:

Administration Division: responsible for the overall management of the SWPCA, including technical decisions, operational supervision, financial management (including billing and collections), planning, procurement, management of capital projects and various other administrative duties.

Process Division: responsible to ensure that the SWPCA's facilities are operated effectively and meet all state and federal requirements. Activities within this Division include sludge processing, stormwater discharge and management, and laboratory services.

Maintenance Division: responsible for the maintenance of the SWPCA's facilities, including property and equipment, pumping stations and sanitary sewer maintenance.

As of June 30, 2010 the SWPCA had 42 employees.

SWPCA's Major Recent Capital Projects

The SWPCA's major recent projects included:

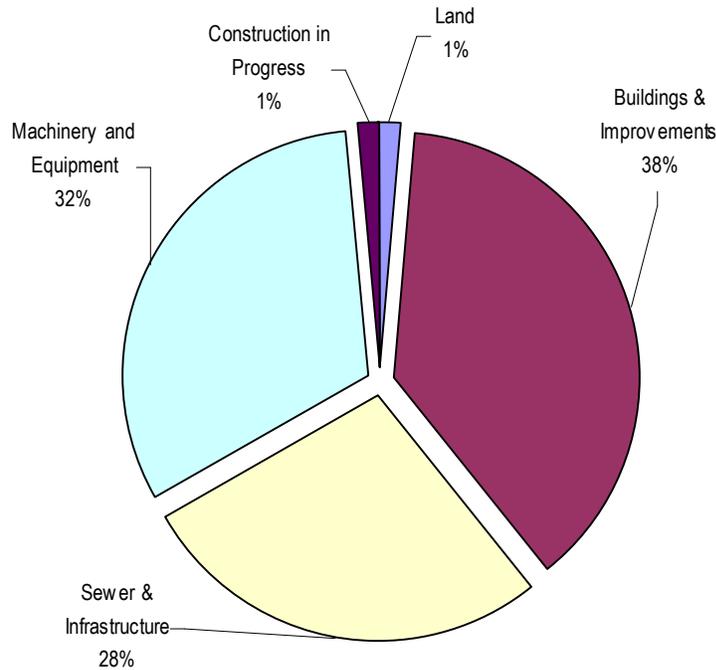
Intervale Area Project: to construct approximately 10,000 linear feet of sanitary sewer; as of June 30, 2010, project was substantially complete. The project was started in July 2009 and is expected to be completed in December 2010. The project included the design and installation of approximately 2 miles of sanitary sewers and 1 mile of storm sewers; approximately 70 properties will benefit from this project. The budget authorization for this project was approximately \$6.2 million; spending to date (as of June 30, 2010) was approximately \$4.7 million.

Hurricane Barrier Recertification: during fiscal 2010 \$546K was spent on the recertification of the Hurricane Barrier and pumping stations; this was required by FEMA and had to be completed by July 1, 2010. The Hurricane Barrier is now fully accredited by FEMA. Completion of this project prevented some areas from being classified as flood areas, which would have required property owners in those areas to obtain flood insurance.

Capital Assets. As of June 30, 2010, the SWPCA had total capital assets (net of accumulated depreciation) of \$151.4 million, as follows:

Stamford Water Pollution Control Authority		
Capital Assets		
(\$000s)		
	<u>June 30, 2010</u>	<u>June 30, 2009</u>
Land	\$ 2,833	\$ 2,833
Sewer and Infrastructure	59,934	59,268
Buildings and Improvements	82,108	81,663
Machinery and Equipment	69,474	69,468
Construction in Progress	2,814	1,376
Less Accumulated Depreciation	(65,764)	(59,475)
Total	<u>\$ 151,399</u>	<u>\$ 155,133</u>

**SWPCA Capital Assets
June 30, 2010**



Additional information on capital assets is presented in Note 5 on page 21 of this report.

Long-Term Debt. As of June 30, 2010, the Stamford Water Pollution Control Authority had long term debt outstanding of approximately \$112.0 million, as follows:

SWPCA Long-Term Debt		
	<u>June 30, 2010</u>	<u>June 30, 2009</u>
General Obligation Bonds	\$ 21,641,342	\$ 13,241,084
Revenue Bonds	29,732,684	30,608,000
Notes Payable	60,670,682	64,256,828
Totals	<u><u>\$ 112,044,708</u></u>	<u><u>\$ 108,105,912</u></u>

The Stamford Water Pollution Control Authority's total long-term debt increased by approximately \$3.9 million in fiscal year 2010, reflecting the net impact of the issuance of \$10.4 million in general obligation debt and principal payments of \$6.2 million.

The Stamford Water Pollution Control Authority's strong financial condition is reflected by its Aa2 credit rating from Moody's Investors Service and an AA+ rating from Standard & Poor's.

Additional information on long-term debt is presented in Note 7 of this report on pages 22-26.

Economic Factors and Subsequent Events

The service area economy and customer base characteristics are key factors which impact the operating results and financial health of the SWPCA.

As of June 2010, Stamford's unemployment rate was 7.4%, which compared favorably to a rate of 8.8% for the State of Connecticut and 9.5% nationally. The estimated 2009 median household income in Stamford was approximately \$75,700, which compared favorably to the median of approximately \$67,000 for households in the State of Connecticut and \$49,780 nationally.

The central business district office vacancy rate in June 2010 in Stamford was approximately 23% compared to about 19% in Fairfield County, CT. Despite the challenging economic environment, Stamford is continuing to attract new businesses and has a significant amount of local commercial and retail development underway. The City of Stamford's strong financial condition is reflected by its AAA rating by Standard & Poor's and Aa1 rating by Moody's Investor Service.

Requests for Information

This financial report is designed to provide a general financial overview of the Stamford Water Pollution Control Authority for those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Administration (fflynn@ci.stamford.ct.us) at 888 Washington Boulevard, Stamford, CT 06901 or the Executive Director (jbrown@ci.stamford.ct.us) of the SWPCA at One Harbor View Ave, Stamford, CT 06902.

STAMFORD WATER POLLUTION CONTROL AUTHORITY

COMPARATIVE STATEMENTS OF NET ASSETS
 JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 457,031	\$ 457,031
Accounts receivable:		
Usage charges, net of allowance for doubtful accounts of \$825,000 and \$700,000	2,431,927	2,068,057
Special assessments and connection charges, net	579,348	550,947
Other	1,331,587	1,735,658
Other current assets	<u>9,902</u>	<u>97,424</u>
Total Current Assets	<u>4,809,795</u>	<u>4,909,117</u>
Non-current Assets		
Capital Assets		
Land	2,833,278	2,833,278
Sewer and infrastructure	59,934,349	59,268,091
Building and improvements	82,107,631	81,663,354
Equipment	69,473,554	69,468,194
Construction in progress	2,813,917	1,375,379
Less accumulated depreciation	<u>(65,763,541)</u>	<u>(59,475,364)</u>
Total Capital Assets	151,399,188	155,132,932
Restricted assets - cash	7,676,929	7,540,166
Special assessments and connection charges receivable, net	5,363,449	4,156,751
Deferred charges	<u>236,190</u>	<u>261,840</u>
Total Non-current Assets	<u>164,675,756</u>	<u>167,091,689</u>
Total Assets	<u>\$ 169,485,551</u>	<u>\$ 172,000,806</u>

See notes to financial statements

STAMFORD WATER POLLUTION CONTROL AUTHORITY

COMPARATIVE STATEMENTS OF NET ASSETS
 JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 1,212,473	\$ 621,919
Accrued liabilities	986,709	413,306
Unearned revenue	205,022	122,012
Due to the City of Stamford	1,490,099	6,756,525
Current portion of general obligation bonds	1,450,129	1,517,675
Current portion of revenue bonds payable	665,000	645,000
Current portion of notes payable	3,654,901	3,586,146
Current portion of compensated absences	<u>30,841</u>	<u>-</u>
Total Current Liabilities	9,695,174	13,662,583
General obligation bonds, net	20,191,213	11,723,409
Revenue bonds payable, net	29,067,684	29,963,000
Notes payable	57,015,781	60,670,682
Compensated absences	<u>277,573</u>	<u>292,866</u>
Total Liabilities	<u>116,247,425</u>	<u>116,312,540</u>
Net Assets		
Invested in capital assets, net	44,538,229	47,027,020
Restricted	7,676,929	7,540,166
Unrestricted	<u>1,022,968</u>	<u>1,121,080</u>
Total Net Assets	<u>53,238,126</u>	<u>55,688,266</u>
Total Liabilities and Net Assets	<u>\$ 169,485,551</u>	<u>\$ 172,000,806</u>

See notes to financial statements

STAMFORD WATER POLLUTION CONTROL AUTHORITY

COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
 JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
OPERATING REVENUES		
Sewer use charges	\$ 16,928,676	\$ 17,274,123
Fees and other income	<u>1,323,594</u>	<u>1,370,645</u>
Total Operating Revenues	<u>18,252,270</u>	<u>18,644,768</u>
OPERATING EXPENSES		
Salaries, benefits and claims	4,221,364	4,067,922
Utilities	2,976,052	2,582,878
Materials and supplies	1,943,117	1,557,856
Operations and supplies	2,026,335	2,235,346
Depreciation	6,288,177	7,105,524
Provision for doubtful accounts	<u>125,000</u>	<u>-</u>
Total Operating Expenses	<u>17,580,045</u>	<u>17,549,526</u>
Net Operating Income	<u>672,225</u>	<u>1,095,242</u>
NON-OPERATING REVENUES (EXPENSES)		
Special assessments and connection charges	2,763,438	1,738,321
Interest income	104,324	182,255
Interest expense	<u>(3,763,960)</u>	<u>(4,180,971)</u>
Total Non-Operating Expenses	<u>(896,198)</u>	<u>(2,260,395)</u>
Net Loss Before Transfers and Special Item	<u>(223,973)</u>	<u>(1,165,153)</u>
TRANSFERS AND SPECIAL ITEM		
Transfers out	-	(1,566,677)
Special item - impairment of assets	<u>(2,226,167)</u>	<u>-</u>
Total Transfers and Special Item	<u>(2,226,167)</u>	<u>(1,566,677)</u>
Change in Net Assets	(2,450,140)	(2,731,830)
NET ASSETS		
Beginning of year	<u>55,688,266</u>	<u>58,420,096</u>
End of year	<u>\$ 53,238,126</u>	<u>\$ 55,688,266</u>

See notes to financial statements

STAMFORD WATER POLLUTION CONTROL AUTHORITY

COMPARATIVE STATEMENTS OF CASH FLOWS
JUNE 30, 2010 AND 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 18,250,653	\$ 18,630,386
Payments to suppliers	(5,709,952)	(6,745,682)
Payments to employees for salaries and benefits	<u>(4,194,352)</u>	<u>(4,067,921)</u>
Net Cash from Operating Activities	<u>8,346,349</u>	<u>7,816,783</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Net change in pooled cash account with the City of Stamford	(5,266,426)	1,948,994
Principal payments on debt	(6,156,821)	(5,875,625)
Payments to refunding escrow	-	(1,133,708)
Interest paid on debt	(3,370,291)	(4,180,971)
Bond proceeds	10,408,000	1,073,431
Purchase of property and equipment	(5,456,539)	(724,175)
Special assessment and connection charges proceeds	<u>1,528,167</u>	<u>1,553,535</u>
Net Cash from Capital and Related Financing Activities	<u>(8,313,910)</u>	<u>(7,338,519)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received on investments	<u>104,324</u>	<u>182,255</u>
Net Change in Cash and Cash Equivalents	136,763	660,519
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>7,997,197</u>	<u>7,336,678</u>
End of year	<u>\$ 8,133,960</u>	<u>\$ 7,997,197</u>
Cash	457,031	457,031
Restricted cash	<u>7,676,929</u>	<u>7,540,166</u>
Total Cash and Cash Equivalent:	<u>\$ 8,133,960</u>	<u>\$ 7,997,197</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 672,225	\$ 1,095,242
Adjustments to reconcile operating income to net cash provided by operating activities		
Provision for doubtful accounts	125,000	-
Depreciation	6,288,177	7,105,524
Changes in operating assets and liabilities		
Increase in accounts receivable	(84,799)	(83,288)
Increase (decrease) in accounts payable and accrued liabilities	1,262,564	(369,601)
Increase in unearned revenue	83,182	68,906
(Decrease) increase in due to the City of Stamford	<u>(5,266,426)</u>	<u>1,948,994</u>
Net Cash from Operating Activities:	<u>\$ 3,079,923</u>	<u>\$ 9,765,777</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ 3,370,291</u>	<u>\$ 4,180,971</u>
SUPPLEMENTAL NON-CASH CAPITAL ACTIVITIES		
Capital acquisition financed with debt and accounts payable	\$ 370,831	\$ 1,046,770
Transfer of capital assets	\$ -	\$ 1,566,677

See notes to financial statements

Note 1 – Organization

Ordinance Number 803, adopted November 6, 1996, created the Stamford Water Pollution Control Authority (“SWPCA”) to operate the Water Pollution Control Facility, sanitary sewage system, pumping stations and hurricane barrier pumping stations for the City of Stamford, Connecticut (the “City”). SWPCA is independent in terms of its relationship to other City functions and its operations are financed through direct charges to the users of its services. The SWPCA is exempt from Federal, State and local income taxes.

Note 2 – Summary of Significant Accounting Policies

Financial Reporting Entity

In accordance with criteria enumerated in Governmental Accounting Standards Board (“GASB”) Statement No. 14, the SWPCA has been identified as a blended component unit of the City and is discretely presented as a business-type activity in the City’s basic financial statements. The accompanying financial statements present only the SWPCA fund and do not purport to, and do not, present the financial position of the City or the changes in the City’s financial position and cash flows.

Basis of Accounting

The SWPCA utilizes the accrual basis of accounting, under which revenues are recognized when earned and expenses are recognized when a liability is incurred.

The SWPCA follows GASB Statement No. 20 “Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.” This Statement provides guidance on the applicability of accounting pronouncements from other standard setting organizations. Under the SWPCA’s election, it must apply all GASB pronouncements and the following pronouncements issued before November 30, 1989 unless they contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedures.

Accounting Estimates

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

Cash and Cash Equivalents

For purposes of reporting cash flows, the SWPCA considers all highly liquid investments with an original maturity term of three months or less when purchased to be cash equivalents.

Under a long standing arrangement with the City, the SWPCA shares in a pooled cash account controlled by, and in the name of, the City. The SWPCA’s share of this pooled cash account is a deficit at both June 30, 2010 and 2009 and is reflected as “Due to the City of Stamford” in the accompany financial statements. The SWPCA’s own unrestricted cash balance was \$457,031 at both June 30, 2010 and 2009.

Note 2 – Summary of Significant Accounting Policies (Continued)**Accounts Receivable**

Accounts receivable are stated net of an estimate made for doubtful accounts based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

Capital Assets

Property, plant and equipment are stated at cost. Normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Assets being constructed over a period of time are classified as construction in progress. No depreciation is computed on these assets until they are complete and placed into service. Depreciation is computed on a straight-line basis over the estimated useful lives of the respective assets as follows:

	<u>Years</u>
Sewer and infrastructure	50-100
Buildings and improvements	40-50
Equipment	5-20

The SWPCA capitalizes interest during the period of construction.

Compensated Absences

Under terms of the bargaining unit agreements, employees are awarded vacation on July 1 of each year based on years of service, and can accumulate up to 45-60 days of unused vacation, depending upon their specific union contract. Employees are also allowed sick leave, which is earned monthly, and can accumulate up to 150 days. Upon termination of employment without eligibility for retirement, each employee is paid for unused vacation.

Vested sick leave and accumulated vacation leave is recognized as an expense and liability as the benefits accrue to employees. Non-vested sick leave is recognized to the extent it is expected to be paid.

Operating Revenue

Operating revenues are based on the SWPCA's authorized rates applied to customer consumption of water. The SWPCA accrues amounts earned at the end of each accounting period.

The SWPCA has the authority to and does routinely file liens on past due accounts. The lien amounts are payable, subject to unpaid property taxes and any superior claims, i.e. first mortgages, upon transfer of the respective properties.

Note 2 – Summary of Significant Accounting Policies (Continued)**Special Assessments and Connection Charges**

Special assessments are fees assessed by the SWPCA for new sewer lines. Interest is charged on the special assessments outstanding receivable balances at an annual rate set by the SWPCA at the time the special assessments are assessed. Connection charges are fees assessed for new connections to existing sewer lines in residences and commercial businesses. No interest is charged on connection charges. Accordingly, connection charges are recognized net of an imputed interest charge and the imputed interest is recognized over the period the fees are due. Amounts receivable for connection charge fees are stated net of interest and interest is recognized when earned. The special assessment and the connection charge fees are payable over periods of 10 to 20 years.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by any outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the SWPCA or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The SWPCA has cash restricted for debt service requirements in accordance with the terms of the outstanding revenue bonds.

Reclassification

Certain reclassifications have been made to the prior years' financial statements to conform to the current year presentation. These reclassifications had no effect on previously reported net asset classifications.

Note 3 – Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at June 30:

	<u>Carrying and Fair Values</u>	
	<u>2010</u>	<u>2009</u>
Cash	\$ 457,031	\$ 457,031
Restricted cash	<u>7,676,929</u>	<u>7,540,166</u>
	<u>\$ 8,133,960</u>	<u>\$ 7,997,197</u>

Responsibility for custodial credit risk of deposits rests with the City; accordingly, separate disclosure is not possible. The notes of the City's Comprehensive Annual Financial Report should be read to determine the City's custodial credit risk of deposits. The restricted cash balance at June 30, 2010 and 2009 is restricted in accordance with the terms of various outstanding debt of the SWPCA (see Note 6).

Note 4 - Special Assessments and Connection Charges Receivable

The following is a summary of special assessments and connection charges receivable at June 30:

	2010		
	<u>New Sewer Line Charges</u>	<u>Connection Charges</u>	<u>Total</u>
Due in the year ending June 30:			
2011	\$ 306,155	\$ 506,725	\$ 812,880
2012	147,044	497,325	644,369
2013	144,122	482,237	626,359
2014	144,122	404,141	548,263
2015	144,122	380,176	524,298
Thereafter	<u>716,894</u>	<u>3,044,091</u>	<u>3,760,985</u>
	1,602,459	5,314,695	6,917,154
Less imputed interest	<u>-</u>	<u>(740,825)</u>	<u>(740,825)</u>
Receivable Before Interest and Lien Fees Receivables and Allowance for Doubtful Accounts	<u>\$ 1,602,459</u>	<u>\$ 4,573,870</u>	6,176,329
Plus related interest and lien fees receivable			166,468
Less allowance for doubtful accounts			<u>(400,000)</u>
Net Special Assessments and Connection Charges Receivable			<u>\$ 5,942,797</u>

STAMFORD WATER POLLUTION CONTROL AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 4 - Special Assessments and Connection Charges Receivable (continued)

	2009		
	New Sewer Line Charges	Connection Charges	Total
Due in the year ending June 30:			
2010	\$ 303,233	\$ 371,914	\$ 675,147
2011	147,044	352,850	499,894
2012	147,044	352,850	499,894
2013	144,122	337,762	481,884
2014	144,122	259,666	403,788
Thereafter	861,016	1,835,043	2,696,059
	1,746,581	3,510,085	5,256,666
Less imputed interest	-	(424,768)	(424,768)
Receivable Before Interest and Lien Fees Receivables and Allowance for Doubtful Accounts	\$ 1,746,581	\$ 3,085,317	4,831,898
Plus related interest and lien fees receivable			275,800
Less allowance for doubtful accounts			(400,000)
Net Special Assessments and Connection Charges Receivable			\$ 4,707,698

STAMFORD WATER POLLUTION CONTROL AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 5 – Capital Assets

A summary of capital assets is as follows as of June 30:

	2010			
	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Capital assets, not being depreciated				
Land	\$ 2,833,278	\$ -	\$ -	\$ 2,833,278
Construction in process	1,375,379	3,971,552	2,533,014	2,813,917
Total capital assets, not being depreciated	<u>4,208,657</u>	<u>3,971,552</u>	<u>2,533,014</u>	<u>5,647,195</u>
Capital assets being depreciated				
Sewer and infrastructure	59,268,091	666,258	-	59,934,349
Building and improvements	81,663,354	444,277	-	82,107,631
Equipment	69,468,194	5,360	-	69,473,554
Total capital assets being depreciated	<u>210,399,639</u>	<u>1,115,895</u>	<u>-</u>	<u>211,515,534</u>
Less accumulated depreciation	<u>59,475,364</u>	<u>6,288,177</u>	<u>-</u>	<u>65,763,541</u>
Total capital assets being depreciated, net	<u>150,924,275</u>	<u>(5,172,282)</u>	<u>-</u>	<u>145,751,993</u>
Capital assets, net	<u>\$ 155,132,932</u>	<u>\$ (1,200,730)</u>	<u>\$ 2,533,014</u>	<u>\$ 151,399,188</u>
	2009			
	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Capital assets, not being depreciated				
Land	\$ 2,833,278	\$ -	\$ -	\$ 2,833,278
Construction in process	750,321	1,309,174	684,116	1,375,379
Total capital assets, not being depreciated	<u>3,583,599</u>	<u>1,309,174</u>	<u>684,116</u>	<u>4,208,657</u>
Capital assets being depreciated				
Sewer and infrastructure	62,502,643	250,952	3,485,504	59,268,091
Building and improvements	80,820,087	843,267	-	81,663,354
Equipment	69,347,209	120,985	-	69,468,194
Total capital assets being depreciated	<u>212,669,939</u>	<u>1,215,204</u>	<u>3,485,504</u>	<u>210,399,639</u>
Less accumulated depreciation	<u>54,289,177</u>	<u>7,105,523</u>	<u>1,919,336</u>	<u>59,475,364</u>
Total capital assets being depreciated, net	<u>158,380,762</u>	<u>(5,890,319)</u>	<u>1,566,168</u>	<u>150,924,275</u>
Capital assets, net	<u>\$ 161,964,361</u>	<u>\$ (4,581,145)</u>	<u>\$ 2,250,284</u>	<u>\$ 155,132,932</u>

STAMFORD WATER POLLUTION CONTROL AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 6 – Restricted Assets

Pursuant to the Revenue Bond Indenture, certain funds are required to be maintained for purposes specified in the applicable agreement. SWPCA's restricted assets were being maintained for the following purposes as of June 30:

	<u>2010</u>	<u>2009</u>
Clean Water Fund - Debt Service Reserve	\$ 4,557,073	\$ 4,457,746
2003 Debt Service Reserve Fund	814,169	789,250
2006 Debt Service Reserve Fund	1,207,299	1,206,582
2003 and 2006 Debt Service Funding Accrual	<u>1,098,388</u>	<u>1,086,588</u>
	<u>\$ 7,676,929</u>	<u>\$ 7,540,166</u>

Note 7 – Long-Term Obligations

Long-term liability activity was as follows for the years ended June 30:

	<u>2010</u>				
	<u>July 1, 2009</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2010</u>	<u>Due Within One Year</u>
Bonds payable					
General obligation bonds	\$ 13,098,192	\$ 10,408,000	\$ 1,925,675	\$ 21,580,517	\$ 1,450,129
Unamortized premium	<u>142,892</u>	<u>-</u>	<u>82,067</u>	<u>60,825</u>	<u>-</u>
	<u>13,241,084</u>	<u>10,408,000</u>	<u>2,007,742</u>	<u>21,641,342</u>	<u>1,450,129</u>
Revenue bonds	30,285,000	-	645,000	29,640,000	665,000
Unamortized premium	<u>323,000</u>	<u>-</u>	<u>230,316</u>	<u>92,684</u>	<u>-</u>
	<u>30,608,000</u>	<u>-</u>	<u>875,316</u>	<u>29,732,684</u>	<u>665,000</u>
Notes payable	<u>64,256,828</u>	<u>-</u>	<u>3,586,146</u>	<u>60,670,682</u>	<u>3,654,901</u>
Total bonds and notes payable	<u>108,105,912</u>	<u>10,408,000</u>	<u>6,469,204</u>	<u>112,044,708</u>	<u>5,770,030</u>
Compensated absences	<u>292,866</u>	<u>15,548</u>	<u>-</u>	<u>308,414</u>	<u>30,841</u>
Total	<u>\$ 108,398,778</u>	<u>\$ 10,423,548</u>	<u>\$ 6,469,204</u>	<u>\$ 112,353,122</u>	<u>\$ 5,800,871</u>

STAMFORD WATER POLLUTION CONTROL AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 7 – Long-Term Obligations (Continued)

	2009				
	July 1, 2008	Increases	Decreases	June 30, 2009	Due Within One Year
Bonds payable					
General obligation bonds	\$ 14,919,540	\$ 1,073,431	\$ 2,894,779	\$ 13,098,192	\$ 1,517,675
Unamortized premium	-	142,892	-	142,892	-
	<u>14,919,540</u>	<u>1,216,323</u>	<u>2,894,779</u>	<u>13,241,084</u>	<u>1,517,675</u>
Revenue bonds	30,905,000	-	620,000	30,285,000	645,000
Unamortized premium	<u>372,000</u>	<u>-</u>	<u>49,000</u>	<u>323,000</u>	<u>-</u>
	<u>31,277,000</u>	<u>-</u>	<u>669,000</u>	<u>30,608,000</u>	<u>645,000</u>
Notes payable	<u>67,775,446</u>	<u>-</u>	<u>3,518,618</u>	<u>64,256,828</u>	<u>3,586,146</u>
Total bonds and notes payable	<u>113,971,986</u>	<u>1,216,323</u>	<u>7,082,397</u>	<u>108,105,912</u>	<u>5,748,821</u>
Compensated absences	<u>278,009</u>	<u>14,857</u>	<u>-</u>	<u>292,866</u>	<u>-</u>
Total	<u>\$ 114,249,995</u>	<u>\$ 1,231,180</u>	<u>\$ 7,082,397</u>	<u>\$ 108,398,778</u>	<u>\$ 5,748,821</u>

General Obligation Bonds

The SWPCA does not have the authority to issue general obligation bonds. General obligation bonds issued on behalf of the SWPCA are considered general obligation debt of the City. The SWPCA pays the principal and interest due on its allocable portion of the City's debt.

STAMFORD WATER POLLUTION CONTROL AUTHORITY

NOTES TO FINANCIAL STATEMENTS (Continued)

Note 7 – Long-Term Obligations (Continued)

General Obligation Bonds (Continued)

The SWPCA's allocable portion of the City's general obligation bonds outstanding as of June 30, 2010 consisted of the following:

<u>Purpose</u>	<u>Year of Issue</u>	<u>Original Issue Amounts</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Balance June 30, 2010</u>
Public Improvements	2001	\$ 3,640,000	2012	4.250 - 4.625 %	\$ 226,268
Refunding Bonds	2002	3,982,952	2015	4.250 - 5.500	1,274,121
Refunding Bonds	2003	2,660,000	2016	5.000 - 5.250	2,906,855
Refunding Bonds	2003	2,027,600	2019	3.000 - 5.250	1,243,155
Public Improvements	2005	3,136,000	2025	3.000 - 4.250	799,200
Refunding Bonds	2006	2,247,600	2021	3.250 - 5.000	2,224,000
Refunding Bonds	2008	1,817,639	2015	3.000 - 5.000	1,425,487
Refunding Bonds	2009	1,073,431	2020	4.000 - 5.000	1,073,431
Public Improvements	2010	10,000,000	2030	1.500 - 5.550	10,000,000
Refunding Bonds	2010	408,000	2023	5.000	408,000
					<u>\$ 21,580,517</u>

Aggregate debt service requirements subsequent to June 30, 2010 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 1,450,129	\$ 953,559	\$ 2,403,688
2012	1,703,234	899,001	2,602,235
2013	1,754,440	831,570	2,586,010
2014	1,766,784	755,292	2,522,076
2015	1,785,158	675,131	2,460,289
2016 to 2020	6,217,172	2,450,704	8,667,876
2021 to 2025	3,683,600	1,293,500	4,977,100
2026 to 2030	<u>3,220,000</u>	<u>449,720</u>	<u>3,669,720</u>
	<u>\$ 21,580,517</u>	<u>\$ 8,308,477</u>	<u>\$ 29,888,994</u>

Note 7 – Long-Term Obligations (Continued)**Revenue Bonds**

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

	<u>2010</u>	<u>2009</u>
Stamford Water Pollution Control System and Facility Revenue Bonds - 2003. Issued in the aggregate amount of \$12,480,000 revenue bonds in October 2003 at interest rates ranging from 2.0% to 5.0%, due annually, on November 1. Interest is payable monthly, with principal maturity paid from July 2002 through July 2032. The aggregate new amount includes unamortized premiums of \$52,501 and \$202,000 at June 30, 2010 and 2009.	\$10,977,501	\$11,407,000
Stamford Water Pollution Control System and Facility Revenue Bonds - 2006. Issued in the aggregate amount of \$19,765,000 revenue bonds in September 2006 at interest rates ranging from 3.4% to 4.75%, due annually, on March 15 and September 15. Interest is payable monthly, with principal maturity paid from September 2007 through September 2036. The aggregate new amount includes unamortized premiums of \$40,183 and \$121,000 at June 30, 2010 and 2009.	<u>18,755,183</u>	<u>19,201,000</u>
Total revenue bonds payable	29,732,684	30,608,000
Less: current portion	<u>665,000</u>	<u>645,000</u>
Total revenue bonds payable - non-current	<u>\$29,067,684</u>	<u>\$29,963,000</u>

Note 7 – Long-Term Obligations (Continued)**Revenue Bonds (Continued)**

Aggregate debt service requirements subsequent to June 30, 2010 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 665,000	\$ 1,325,575	\$ 1,990,575
2012	690,000	1,300,056	1,990,056
2013	715,000	1,273,825	1,988,825
2014	745,000	1,246,175	1,991,175
2015	775,000	1,217,181	1,992,181
2016-2020	4,380,000	5,575,173	9,955,173
2021-2025	5,450,000	4,510,181	9,960,181
2026-2030	6,855,000	3,108,756	9,963,756
2031-2035	7,070,000	1,314,431	8,384,431
2036-2037	<u>2,295,000</u>	<u>110,319</u>	<u>2,405,319</u>
Debt Service requirement	29,640,000	20,981,672	50,621,672
Plus bond premium	<u>92,684</u>	-	<u>92,684</u>
Net Debt Service requirement	<u>\$ 29,732,684</u>	<u>\$ 20,981,672</u>	<u>\$ 50,714,356</u>

Notes Payable

The SWPCA has loans from the State of Connecticut for various sewer projects. The SWPCA completed a \$105 million upgrade of the waste water treatment facility in 2006. The project was also funded through grants and a local share. The loans bear interest at 2%. The loans are payable in monthly installments ranging from approximately \$3,601 to \$368,000 through August 2025, plus accrued interest. As of June 30, 2010 and 2009 the combined loan balances were \$60,670,682 and \$64,256,828.

Aggregate debt service requirements subsequent to June 30, 2010 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 3,654,901	\$ 1,180,025	\$ 4,834,926
2012	3,725,044	1,106,287	4,831,331
2013	3,796,603	1,031,132	4,827,735
2014	3,869,606	954,533	4,824,139
2015	3,864,423	876,859	4,741,282
2016-2020	20,060,808	3,203,989	23,264,797
2021-2025	20,963,788	1,156,658	22,120,446
2026	<u>735,509</u>	<u>1,839</u>	<u>737,348</u>
Net Debt Service requirement	<u>\$ 60,670,682</u>	<u>\$ 9,511,322</u>	<u>\$ 70,182,004</u>

Note 8 – Commitments and Contingencies**General Contingencies**

The City is a defendant in several claims and lawsuits, one of which the SWPCA is named as a defendant. In the opinion of the City's General Counsel and management, the resolution of these matters is not expected to have a material adverse effect on the future financial statements of the SWPCA.

Waste-to-Energy Project

The objective of the waste-to-energy project ("Project") was to evaluate and design an interface between the sludge drying system (pelletization) and the proposed electrical generating system, including schematic design and waste-to-energy options. However, on July 7, 2010, the SWPCA Board voted to discontinue this project. The Project was supported by grant funding from the U.S. Department of Energy ("DOE") on a 50% basis. Of the approximately \$2.2 million in costs incurred since the Project's inception, approximately \$1.1 million was provided by the DOE. Discussions are currently underway with the DOE regarding the recent discontinuation of the Project. In the event any type of financial reimbursement was to be required by the DOE, management does not believe such an amount would have a material impact on the SWPCA's financial condition.

Note 9 – 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, employee health insurance, and natural disasters.

The City is self-insured per claim for up to \$250,000 with an aggregate limit of \$1,000,000 for general and auto liability, \$1,500,000 for worker's compensation, \$100,000 for public officials' liability and \$250,000 for property losses. The City purchases commercial insurance for claims in excess of these retentions. Costs associated with these risks are reported in the City's insurance internal service fund in addition to claims incurred but not reported. The SWPCA is charged by the City for its share of premium cost and claims. Settled claims have not exceeded commercial coverage in any of the past three years.

Changes in the balances of claims liabilities, primarily workers' compensation during the past year, are as follows:

<u>Fiscal Year Ended</u>	<u>Claims Payable July 1</u>	<u>Claims and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Claims Payable June 30</u>
2010	\$ 349,000	\$ 675,390	\$ 746,014	\$ 278,376
2009	\$ 349,000	\$ 650,000	\$ 650,000	\$ 349,000

Note 10 – Employee Retirement Plan

Nearly all full-time City employees are covered by a pension plan. The employees of the SWPCA are covered under the Classified Employees' Retirement Fund. Employees become eligible at date of hire and can contribute from 0% to 5% until they have reached 33 years of service. Full benefits are payable to an employee who retires at age 60 with a minimum of 10 years of service or a vested employee who is age 58 and has reached at least 15 years of service.

The City does not calculate contributions, net pension obligation of assets at the fund level. The City's basic financial statements contain Classified Employee's Retirement Fund activity and funding information as of June 30, 2010 and 2009.

Note 11 – Other Post-Employment Benefits (OPEB)

The City provides post-employment benefits for certain employees for current and future health and life insurance benefit expenses through a single-employer defined benefit plan. Prior to fiscal year 2008, these benefits were provided on a pay-as-you-go basis. An annual actuarial valuation is made to determine whether the contributions are sufficient to meet the plan obligations. The latest actuarial valuation was made July 1, 2009. The post-retirement plan does not issue stand-alone financial reports.

The contribution requirements of plan members and the City are established and may be amended by the City. The City determines the required contribution using the projected unit credit method. The SWPCA's share of the contribution was \$60,723 and \$25,000 for the years ended June 30, 2010 and 2009.

Information with respect to the OPEB valuation is contained in the City's basic financial statements.

Note 12 – Pronouncements Issued, Net Yet Effective

The GASB has issued a pronouncement prior to June 30, 2010 that has an effective date that may impact future financial presentations.

GASB Statement Number 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements of Auditing Standards* will be implemented by the SWPCA as required by the GASB during the fiscal year ending June 30, 2011. This Statement establishes accounting and financial reporting standards for related party transactions, subsequent events, and going concern considerations for all state and local governments. The implementation of this statement is not expected to result in any material change to the SWPCA's financial statements.

SUPPLEMENTAL INFORMATION

STAMFORD WATER POLLUTION CONTROL AUTHORITY

SCHEDULE OF REVENUES - BUDGETARY BASIS - BUDGET AND ACTUAL

For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Sewer use charges	\$ 17,771,192	\$ 17,771,192	\$ 15,469,847	\$ (2,301,345)
Contract revenue - Town of Darien, Connecticut	1,545,120	1,545,120	1,291,809	(253,311)
Contract revenue - Aquarion Water Company	120,000	120,000	167,020	47,020
Nitrogen Trading Credit	500,000	500,000	961,118	461,118
Fees and other income	415,000	415,000	362,476	(52,524)
Total Operating Revenue	<u>20,351,312</u>	<u>20,351,312</u>	<u>18,252,270</u>	<u>(2,099,042)</u>
NON-OPERATING REVENUE				
Sewer assessments	1,923,139	1,923,139	2,763,438	840,299
Interest income	<u>75,000</u>	<u>75,000</u>	<u>104,324</u>	<u>29,324</u>
Total Non-Operating Revenue	<u>1,998,139</u>	<u>1,998,139</u>	<u>2,867,762</u>	<u>869,623</u>
Total Revenues	<u>\$ 22,349,451</u>	<u>\$ 22,349,451</u>	<u>\$ 21,120,032</u>	<u>\$ (1,229,419)</u>

STAMFORD WATER POLLUTION CONTROL AUTHORITY

SCHEDULE OF OPERATING EXPENSES - BUDGETARY BASIS - BUDGET AND ACTUAL
For the Year Ended June 30, 2010

	Budgeted Amounts		Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
OPERATING EXPENSES				
Administration	\$ 10,405,192	\$ 10,116,280	\$ 9,458,014	\$ 658,266
Process control	3,183,829	3,383,269	3,332,774	50,495
Laboratory	457,411	457,411	454,103	3,308
Sludge processing - operating	995,923	932,397	851,679	80,718
Sludge processing - contractual	1,507,062	1,507,062	1,758,000	(250,938)
Storm water management	117,446	99,026	46,663	52,363
Building maintenance	221,500	221,500	238,075	(16,575)
Equipment maintenance	583,710	639,625	562,619	77,006
Pump station maintenance	617,630	570,996	525,989	45,007
Sanitary sewer maintenance	222,315	207,644	168,643	39,001
Barrier maintenance	123,600	156,900	132,827	24,073
Billing services	360,794	370,299	338,315	31,984
Total Operating Expenses	18,796,412	18,662,409	17,867,701	794,708
Other Non-Operating Expenses				
Debt service	3,553,039	3,687,042	3,763,960	(76,918)
Total Expenses	\$ 22,349,451	\$ 22,349,451	21,631,661	\$ 717,790
Net encumbrances included in budgetary basis and not GAAP basis and other adjustments for GAAP basis			(412,656)	
Provision for bad debt			125,000	
Interest expense			(3,763,960)	
Expenditures on a GAAP basis			\$ 17,580,045	

Statistical Section

This part of the SWPCA's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the SWPCA's overall financial health.

Contents

Financial Trend

These schedules contain trend information to help the reader understand how the SWPCA's financial performance and well-being have changed over time. 31 - 32

Revenue Capacity

These schedules contain information to help the reader assess the SWPCA's most significant local revenue source, the sewer use charge. 33 - 34

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. 35 - 36

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the SWPCA's financial activities take place. 37

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the SWPCA's financial report relates to the services the SWPCA provides and the activities it performs. 38 - 39

Stamford Water Pollution Control Authority

Statement of Revenues, Expenses and Changes In Net Assets

Fiscal Year Ended June 30,

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Operating Revenues							
Charges for Services	\$ 11,645,375	\$ 12,015,120	\$ 13,564,628	\$ 15,454,711	\$ 15,996,214	\$ 18,644,768	\$ 18,252,270
Operating Expenses							
Salaries, benefits and claims	2,965,748	2,274,428	2,865,737	3,557,855	4,060,424	4,067,922	4,221,364
Operations and supplies	4,287,731	1,936,966	4,593,903	3,278,956	4,755,814	6,376,080	7,070,504
Depreciation and amortization	2,947,040	3,830,295	6,820,795	6,758,207	6,668,489	7,105,524	6,288,177
Total Operating Expenses	<u>10,200,519</u>	<u>8,041,689</u>	<u>14,280,435</u>	<u>13,595,018</u>	<u>15,484,727</u>	<u>17,549,526</u>	<u>17,580,045</u>
Net Operating Income (Loss)	<u>1,444,856</u>	<u>3,973,431</u>	<u>(715,807)</u>	<u>1,859,693</u>	<u>511,487</u>	<u>1,095,242</u>	<u>672,225</u>
Nonoperating Revenues (Expenses)							
Special assessments and connection charges	2,527,122	456,327	1,039,061	1,204,777	3,220,475	1,738,321	2,763,438
Interest income	-	-	361,720	791,625	772,533	182,255	104,324
Interest expense	<u>(2,037,167)</u>	<u>(2,086,979)</u>	<u>(1,142,393)</u>	<u>(4,885,754)</u>	<u>(4,401,176)</u>	<u>(4,180,971)</u>	<u>(3,763,960)</u>
Total Non-Operating Revenue (Expenses)	<u>489,955</u>	<u>(1,630,652)</u>	<u>258,388</u>	<u>(2,889,352)</u>	<u>(408,168)</u>	<u>(2,260,395)</u>	<u>(896,198)</u>
Capital Grants, Transfers and Special Items							
Capital grants	7,514,214	3,360,806	1,247,212	743,567	5,643,094	-	-
Transfers out	-	-	-	-	-	(1,566,677)	-
Special item - impairment of assets	-	-	-	-	-	-	(2,226,167)
Total Capital Grants, Transfers and Special Items	<u>7,514,214</u>	<u>3,360,806</u>	<u>1,247,212</u>	<u>743,567</u>	<u>5,643,094</u>	<u>(1,566,677)</u>	<u>(2,226,167)</u>
Change in Net Assets	9,449,025	5,703,585	789,793	(286,092)	5,746,413	(2,731,830)	(2,450,140)
Net assets, beginning	<u>37,017,372</u>	<u>46,466,397</u>	<u>52,169,982</u>	<u>52,959,775</u>	<u>52,673,683</u>	<u>58,420,096</u>	<u>55,688,266</u>
Net assets, ending	<u>\$ 46,466,397</u>	<u>\$ 52,169,982</u>	<u>\$ 52,959,775</u>	<u>\$ 52,673,683</u>	<u>\$ 58,420,096</u>	<u>\$ 55,688,266</u>	<u>\$ 53,238,126</u>

Note:

Prior to 2004, data not categorized as shown above.

Stamford Water Pollution Control Authority

Net Assets

Fiscal Year Ended June 30,

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Net Assets							
Invested in capital assets, net	\$ 34,419,261	\$ 39,605,077	\$ 40,465,291	\$ 43,245,983	\$ 48,992,332	\$ 47,027,020	\$ 44,538,229
Restricted	-	7,612,182	9,313,030	14,958,556	3,672,144	7,540,166	7,676,929
Unrestricted	<u>12,047,136</u>	<u>4,952,723</u>	<u>3,181,454</u>	<u>(5,530,856)</u>	<u>5,755,620</u>	<u>1,121,080</u>	<u>1,022,968</u>
Total Net Assets	<u>\$ 46,466,397</u>	<u>\$ 52,169,982</u>	<u>\$ 52,959,775</u>	<u>\$ 52,673,683</u>	<u>\$ 58,420,096</u>	<u>\$ 55,688,266</u>	<u>\$ 53,238,126</u>

Stamford Water Pollution Control Authority

Customer, Consumption & Rate Statistics

Fiscal Year (ended June 30)	Customers	Consumption (CCF)	Annual Consumption Change	Rate per CCF	Annual Rate Change	Average Residential Bill
2001	N/A	5,385,118	1.82%	\$1.65	0.00%	\$227.70
2002	N/A	5,408,000	0.42%	\$1.76	6.67%	\$238.00
2003	N/A	5,146,220	-4.84%	\$1.91	8.52%	\$252.12
2004	N/A	5,194,867	0.95%	\$2.06	7.85%	\$267.80
2005	N/A	5,432,112	4.57%	\$2.20	6.80%	\$259.60
2006	18,428	5,010,172	-7.77%	\$2.30	4.55%	\$285.20
2007	18,510	4,755,682	-5.08%	\$2.96	28.70%	\$330.00
2008	18,572	4,336,336	-8.82%	\$3.03	2.36%	\$339.36
2009	19,084	4,553,000	5.00%	\$3.38	11.55%	\$378.56
2010	19,066	4,575,000	0.48%	\$3.46	2.37%	\$366.76

Notes:

N/A - Number of Customers prior to 2006 not available.

Consumption data reflects hundred cubic feet (CCF) of water consumed.

Customers as presented reflects residential, commercial and industrial customers.

CCF = 100 cubic feet of water, which is equivalent to 748 gallons.

Stamford Water Pollution Control Authority

Principal Water Users
Current and Previous Year (as of June 30)

2010			2009		
Property Owner	Annual Billed Consumption (CCF)	% of Total Consumption	Property Owner	Annual Billed Consumption (CCF)	% of Total Consumption
1 Procter & Gamble Co	53,880	1.14%	Procter & Gamble Co.	57,641	1.27%
2 Hilton Stamford Hotel	48,274	1.02%	Spartech Polycast Inc.	46,742	1.03%
3 Stamford Hospital	44,360	0.94%	Stamford Hospital	42,521	0.93%
4 Saint John's Towers	36,000	0.76%	Westin Hotel Stamford	42,499	0.93%
5 Spartech Polycast Inc	29,990	0.63%	Saint John's Towers	38,711	0.85%
6 Hoyt Bedford Apartments	24,762	0.52%	Stamford Town Center	30,402	0.67%
7 UBS	23,600	0.50%	Hoyt Bedford Apartments	24,356	0.53%
8 Stamford Marriott Hotel	23,136	0.49%	UBS	24,222	0.53%
9 Fairfield Bedford Llc	23,080	0.49%	Stamford Marriott Hotel	23,949	0.53%
10 Stamford Town Center	21,228	0.45%	Fairfield Bedford LLC	20,871	0.46%
	<u>328,310</u>	<u>6.93%</u>		<u>351,914</u>	<u>7.73%</u>

Note:

CCF = 100 cubic feet of water, which is equivalent to 748 gallons.

Stamford Water Pollution Control Authority

Debt Outstanding by Type
(000s)

Fiscal Year (ended June 30)	Notes Payable	General Obligation Bonds	Revenue Bonds	Total Debt	Number of Customers	Debt Per Customer
2001	\$ 6,166	\$ 0	\$ 0	\$ 6,166	N/A	\$ N/A
2002	10,812	27,127	0	37,939	N/A	N/A
2003	38,112	24,192	0	62,304	N/A	N/A
2004	61,962	22,408	12,689	97,059	N/A	N/A
2005	71,578	24,422	12,449	108,449	N/A	N/A
2006	77,734	21,899	12,177	111,810	18,428	6,067
2007	71,172	19,678	31,993	122,843	18,510	6,637
2008	67,775	14,920	31,277	113,972	18,572	6,137
2009	64,257	13,241	30,608	108,106	19,084	5,665
2010	60,671	21,641	29,733	112,045	19,066	5,877

Notes:

Details of the SWPCA's outstanding debt are provided in the notes to the financial statements.

N/A - not available.

Customers reflects number of rate payors.

Stamford Water Pollution Control Authority

Pledged Revenue Coverage

Fiscal Year (ended June 30)	Charges for Services	Less - Operating Expenses	Net Available Revenues	Revenue Bonds			Coverage
				Debt Service			
				Principal	Interest	Total	
2004	\$ 11,645,375	\$ 7,253,479	\$ 4,391,896	\$ 334,229	\$ 443,379	\$ 777,608	5.65X
2005	12,015,120	4,211,394	7,803,726	577,347	641,668	1,219,015	6.40
2006	13,564,628	7,459,640	6,104,988	585,527	630,042	1,215,569	5.02
2007	15,454,711	6,836,811	8,617,900	600,000	1,392,163	1,992,163	4.33
2008	15,996,214	8,816,238	7,179,976	620,000	1,371,775	1,991,775	3.60
2009	18,644,768	10,444,002	8,200,766	645,000	1,349,900	1,994,900	4.11
2010	18,252,270	11,291,868	6,960,402	665,000	1,325,575	1,990,575	3.50

Notes:

Source: City records

Revenue was not pledged until fiscal year 2004.

Stamford Water Pollution Control Authority

Demographic and Economic Statistics

<u>Fiscal Year (ended June 30)</u>	<u>Population</u>	<u>Median Age</u>	<u>Median Household Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2001	117,083	N/A	\$ N/A	15,209	2.2 %
2002	117,334	N/A	N/A	15,370	3.4
2003	119,580	N/A	N/A	15,566	4.4
2004	120,202	39.0	64,782	15,268	4.4
2005	121,142	38.0	66,461	15,304	4.2
2006	121,821	38.0	68,699	15,443	3.9
2007	122,261	39.0	73,131	15,043	3.6
2008	122,342	39.0	74,519	14,946	4.0
2009	120,038	39.0	75,723	14,995	6.0
2010	120,038	39.0	75,723	15,490	7.7

Notes:

Sources: City records, cerc.com

N/A - Data prior to 2004 not available.

Certain 2010 data not yet available; in such cases 2009 data was used (e.g., Population, Median Age, Median Household Income).

School enrollment represents Oct. 1, 2010 data.

Stamford Water Pollution Control Authority

Full-Time Equivalent Employees
As of June 30,

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>33</u>	<u>38</u>	<u>37</u>	<u>40</u>	<u>40</u>	<u>40</u>	<u>42</u>

Notes:

Source: City records

Data prior to 2004 not available.

Stamford Water Pollution Control Authority

Capital Asset Statistics by Function/Program

As of June 30,

<u>Function/Program</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Treatment Plant										
Pumps and Motors	29	29	29	29	29	46	46	46	46	46
Bioreactor Volume (million gallons per day)	5	5	5	5	5	15	15	15	15	15
Clarifiers	5	5	5	5	5	6	6	6	6	6
Dryer and Pelletizer Equipment	0	0	0	0	0	1	1	1	1	1
Pumping Station										
Wastewater Stations	22	22	22	22	22	22	22	22	22	22
Stormwater Stations	4	4	4	4	4	4	4	4	4	4
Portable Generators	4	4	4	4	4	4	4	4	4	4
Wastewater										
Sanitary sewers (miles)	300	300	300	300	300	300	300	300	300	303
Storm sewers (miles)	155	155	157	157	600	600	600	600	600	600
Treatment capacity (million gallons per day)	20	20	20	20	20	24	24	24	24	24