

**Town of Stratford
Connecticut**



**Comprehensive
Annual Financial Report**

Fiscal Year Ended June 30, 2010

Comprehensive Annual Financial Report

of the

Town of Stratford Connecticut

Fiscal Year Ended June 30, 2010

Finance Department
Susan Collier
Finance Director

Introductory Section

TOWN OF STRATFORD, CONNECTICUT
COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2010

TABLE OF CONTENTS

		<u>Page</u>
Introductory Section		
	List of Principal Officials	i
	Organizational Chart	ii
	GFOA Certificate of Achievement for Excellence in Financial Reporting	iii
	Letter of Transmittal	iv-x
Financial Section		
	Independent Auditors' Report	1-2
	Management's Discussion and Analysis	3-11
<u>Exhibit</u>		
	Basic Financial Statements:	
	Government-Wide Financial Statements:	
I	Statement of Net Assets	12
II	Statement of Activities	13
	Fund Financial Statements:	
	Governmental Funds:	
III	Balance Sheet	14-15
IV	Statement of Revenues, Expenditures and Changes in Fund Balances	16-17
	Proprietary Funds:	
V	Statement of Net Assets	18
VI	Statement of Revenues, Expenses and Changes in Fund Net Assets	19
VII	Statement of Cash Flows	20
	Fiduciary Funds:	
VIII	Statement of Fiduciary Net Assets	21
IX	Statement of Changes in Plan Net Assets - Pension Trust Fund	22
	Notes to Financial Statements	23-48
	Required Supplementary Information:	
	General Fund:	
RSI-1	Schedule of Revenues and Other Financing Sources - Budget and Actual	49-51
RSI-2	Schedule of Expenditures and Other Financing Uses - Budget and Actual	52-54

Exhibit**Page**

Combining and Individual Fund Statements and Schedules:

	General Fund:	
A-1	Balance Sheet	55
A-2	Report of Tax Collector	56
	Nonmajor Governmental Funds:	
B-1	Combining Balance Sheet	57-60
B-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances	61-64
	Capital Projects Fund:	
C-1	Project Combining Balance Sheet	65
C-2	Project Combining Statement of Revenues, Expenditures and Changes in Fund Balance	66
	Enterprise Funds:	
D-1	Combining Statement of Net Assets	67
D-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	68
D-3	Combining Statement of Cash Flows	69
	Fiduciary Fund:	
	Agency Fund:	
E	Combining Statement of Changes in Assets and Liabilities	70

Statistical Section**Table**

	Financial Trends:	
1	Net Assets by Component	71
2	Changes in Net Assets	72
3	Fund Balances, Governmental Funds	73
4	Changes in Fund Balances, Governmental Funds	74
	Revenue Capacity:	
5	Assessed Value and Estimated Actual Value of Taxable Property	75
6	Principal Property Taxpayers	76
	Debt Capacity:	
7	Ratios of Outstanding Debt by Type	77
8	Computation of Legal Debt Limitation	78
9	Legal Debt Margin Information	79
	Demographic and Economic Statistics:	
10	Demographic and Economic Statistics	80
11	Principal Employers	81
	Operating Information:	
12	Full-Time Equivalent Town Government Employees by Function/Program	82
13	Operating Indicators by Function/Program	83
14	Capital Asset Statistics by Function/Program	84

TOWN OF STRATFORD, CONNECTICUT

PRINCIPAL TOWN OFFICIALS

John A. Harkins, Mayor

TOWN COUNCIL

Thomas J. Malloy, Council Chair
Christian M. Barnaby
Stephanie D. Philips
Matthew P. Catalano
Jason W. Santo
John M. Dempsey
Scott R. Potter
Kimberly Meuse
James J. Connor
Paul Hoydick

BOARD OF EDUCATION

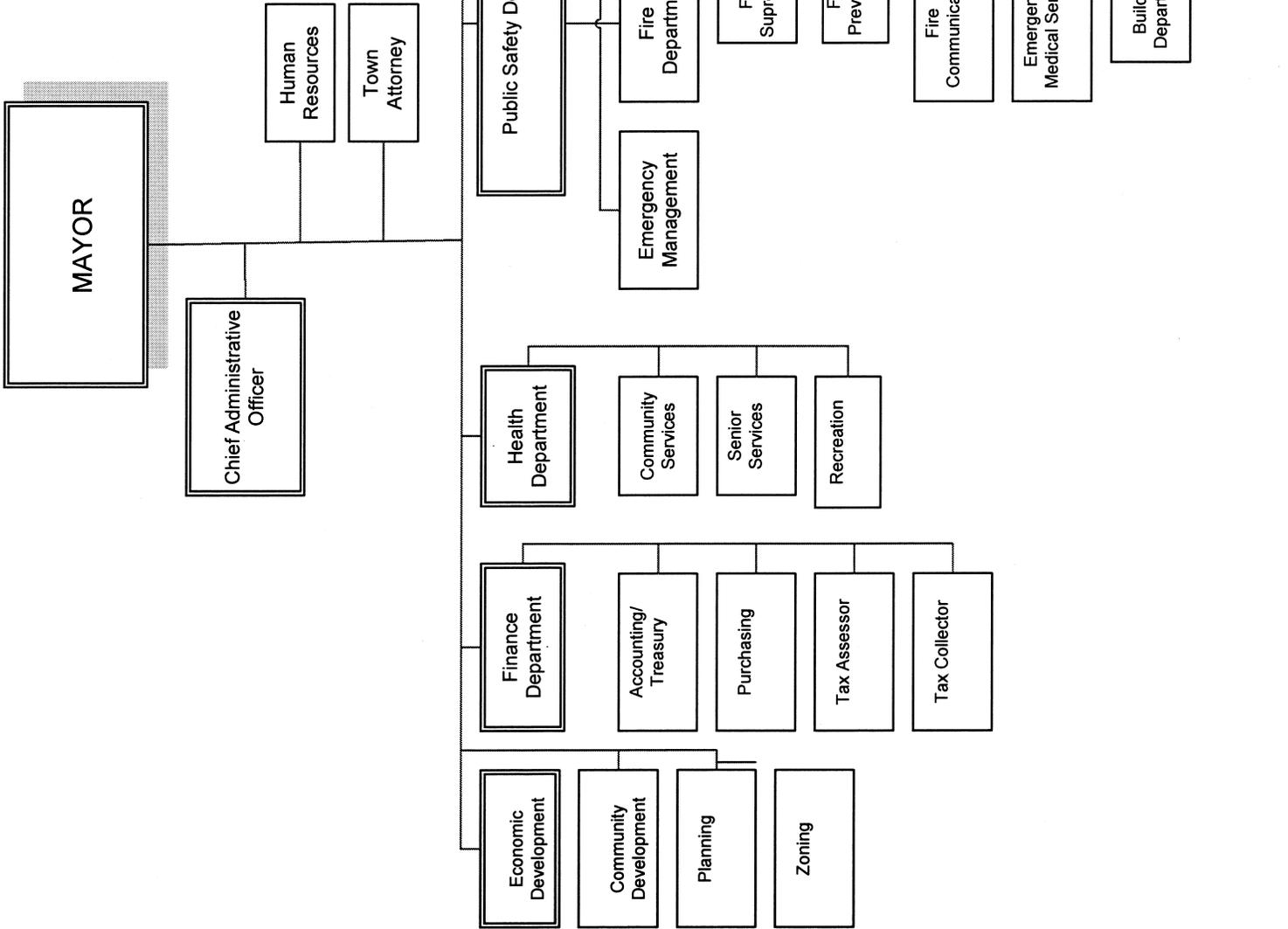
Chairman..... Gavin B. Forrester, III
Vice-Chairman Charles A. Lindberg
SecretaryDavid A. LoConte
Board MemberJoseph G. Crudo
Board MemberJean T. Collier
Board MemberDavid R. Kennedy
Board MemberJanice O. Daponte

Irene Cornish, Superintendent of Schools

ADMINISTRATION

Chief Administrative Officer Geen Thazhampallath
Finance Director Susan A. Collier
Town Clerk Susan Pawluk
Treasurer..... Ariane P. Swift
Assessor Melinda Fonda
Tax CollectorDeborah Heim
Town AttorneyTimothy A. Bishop

TOWN OF STRATFORD ORGANIZATIONAL CHART FY 2010



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Stratford Connecticut

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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



President

Executive Director

February 21, 2011

Honorable John A. Harkins, Mayor
Honorable Town Council Members
Town of Stratford, Connecticut

Connecticut law requires that all general-purpose local governments annually publish a complete set of audited financial statements. This report fulfills that requirement for the fiscal year ended June 30, 2010.

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 the 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., Certified Public Accountants, have issued an unqualified ("clean") opinion on the Town of Stratford, Connecticut'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 introduction, overview and analysis of the basic financial statements. The MD&A is intended to complement this letter of transmittal and should be read in conjunction with it.

Town Profile

English settlers founded the Town of Stratford in 1639, making it the eighth town in the State of Connecticut (the "State of Connecticut" or the "State"). Located thirteen miles west of New Haven and adjacent to Bridgeport to the west, Milford to the east, Long Island Sound to the south and Shelton to the north, the Town is located 65 miles east of New York City and 50 miles southwest of Hartford, Connecticut. The Town encompasses approximately 18.7 square miles within Fairfield County.

The Town is traversed by two major highways, the Merritt Parkway (Route 15) and the Connecticut Turnpike (Interstate 95). Metro-North and Amtrak provide rail service to Boston and New York. Sikorsky Memorial Airport is located within Stratford. It provides various services to both private industry and commuters to New York's major airports. The Town is a member of the Greater Bridgeport Transit District that operates more than fifty buses on sixteen routes that include Stratford, Fairfield, Trumbull and the City of Bridgeport.

Stratford is a balanced community of residential, waterfront and rural areas, retail and commercial development and major industrial plants. The large selection of affordable homes is one reason many companies have located here. The Town has more land zoned for industry than any other town in the State of Connecticut, almost all of which is within five minutes of either Interstate 95 or the Merritt Parkway. The Stratford Industrial Park, a 240 acre site, is located one half mile from Interstate 95 and Sikorsky Airport.

The Town's public school system provides a balanced curriculum for approximately 7,200 students. There are several vocational training facilities, colleges and universities in close proximity to Stratford which offer a variety of educational programs.

The Town's location on Long Island Sound provides residents with three public beaches, five marinas, a fishing pier and public launch ramp. In addition, Roosevelt Forest and Boothe Memorial Park are ideal for hiking, picnics and cross-country skiing during winter.

The Town currently operates under and is governed by the laws of the State of Connecticut and its own charter. The Town operated under a Council-Manager form of government from 1921 to 2005. As a result of charter revision, effective December 12, 2005, the Town became a Mayor-Council form of government with the election of Stratford's first Mayor and ten council members.

The Town provides a full range of services including public safety, street maintenance, sanitation, health and human services, public parks and recreation, library, education, culture, public improvement, planning, zoning, sewer and general administrative services.

Town Local Economy

Economic activity remains stable in the Town of Stratford in spite of state and national economic forces. The Town continues to attract owners of all types of businesses (from medical, personal and household services to office, retail, wholesale and dining establishments) that seek the Town for its geographic advantages, diverse zoning and reputation as an affordable location in Fairfield County.

In 2009, the residential market place had 332 single-family homes sold with an average sales price of \$252,158 and an average market time of 103 days. The residential market is holding the line in 2010: single-family homes sales totaled 324 units at an average selling price of \$252,474 and an average market time of 96 days.

Investors continue to find property affordable in Stratford compared to other lower Fairfield County communities. The Town's affordable tax levy helps businesses stretch their tax dollars and new businesses are attracted to Stratford because it is a financially stable community. Since January 2006, the Economic Development Office has seen the volume and variety of business in the Town of Stratford grow significantly. The driving force for economic development in 2010 has been the creation and maintenance of a community in which people want to invest.

From January 1, 2010 through October 31, 2010 there were 125 new business registrations recorded in the Town of Stratford. A total of 41 businesses opened store-fronts, and leased retail and office space. Leasing for the first two quarters of 2010 reached nearly 140,000 square feet of office, industrial retail and commercial space.

From January 1, 2010 through July 30, 2010, commercial sales of industrial, office and retail sites sold for a combined total of \$5,370,000. This accounted for a total of 82,967 square feet of space.

Building permits for commercial, industrial, retail and office surged during the period of January 2010 through October 31, 2010 to a total value of \$12,705,719, which ranks the 3rd highest activity since 1997. The ten-month period surpasses the year total of 2009 by \$2,688,563.

Major permits issued or projects under construction include 114,700 square foot facility to house a regional FedEx Distribution Center at the Stratford Land Development's West Campus. A new 15,000 square foot medical facility is also underway on Hawley Lane. One major tenant for the Hawley Lane office complex is New Haven Health, a venture with Yale University for electronic record keeping which will add 200 new jobs to the area.

The Town's dominant business force, Sikorsky Aircraft, is also showing its commitment to the Town. Sikorsky recently requested and was issued permits for two additional structures on its main Town campus. The first building will add 5,000 square feet and the second will add 12,000 square feet, which will further strengthen their current position within the community.

The Stratford Army Engine Plant, which is owned by the United States Army, represents a 78-acre landmark redevelopment opportunity for the Town. This large defense manufacturing facility, which closed approximately eleven years

ago, has been put out for an Invitation for Bid with a closing date of January 27, 2011. There are at least four major interested parties gathering updated information on the site. Dogstar Studios, a movie production and digital media company has leased over 125,000 square feet and is expected to commence business in January of 2011.

Sporting Goods, a division of Dupont, has presented a new conceptual plan for the 400 acre Lake Success development, 72 acres which lie within the footprint of the Town of Stratford. The plan includes 264,000 square feet of future development. The area is zoned for Light Industrial Use and the Town expects that the parcel will be developed as an industrial park.

On November 4, 2008, the Town's electorate approved the sale of Long Beach West to U.S. Fish and Wildlife Services as a permanent protection for public access for one of Connecticut's most valuable coastal resources. The first phase of the agreement, which was executed on November 18, 2008, provides for the timely removal of 45 cottages that are a significant liability for the Town. The demolition of the cottages was completed in December of 2010. As a condition of the property transfer, U.S. Fish and Wildlife will pay the Town \$10 million by the time the sale is completed on December 31, 2013.

The Town has also completed a formal RFP process and selected well-known consultants to examine the artistic and economic viability of reviving the Shakespeare Theater. The Town Council recently approved the hire of the Arts Consulting Group to conduct a yearlong feasibility study of the project.

In an effort to continue the Town's positive momentum, Mayor Harkins has proposed the re-instatement of the position of Economic Development Director to provide an enhanced level of support to the business community and spearhead a variety of Mayoral initiatives designed to sustain and increase the Town's attractiveness to investors and the business community.

Finally, other Town wide beautification projects continue to bring significant returns to the image and economic vibrancy of the Town. Streetscapes of Barnum Avenue and Main Street are drawing to a close. Also, the addition of a federally funded Greenway for pedestrians, bike riders and runners along the Town's water way and Long Island Sound has added to the image of the Town as a hometown for young professionals and families.

Recent Town Operations

The Town, through its elected and administrative officials, continues to review, redefine and in some cases, restructure various approaches in policy and practice in order to effectively manage critical issues. The following are some of the issues the Town has dealt with in the recent past.

In fiscal year 2002-03, the Town of Stratford began budgeting and paying principal and interest on its Pension Obligation Bonds directly from the General Fund. The Pension Obligation Bonds were originally issued in 1998 to offset the Town's unfunded pension liability. For the three fiscal years following the issuance of the Pension Obligation Bonds, per the Town Ordinance authorizing the issuance of the Pension Obligation Bonds, the Town paid the debt service from amounts on deposit in the Retiree Benefits Reserve Fund. The Town has since made these debt service payments from the General Fund for the last six fiscal years and expects to continue this practice going forward. In fiscal year 2006, the Town amended the ordinance authorizing the issuance of the Pension Obligation Bonds to eliminate the Town's ability to withdraw excess assets from the Retiree Benefits Reserve Fund to pay the debt service on the Pension Obligation Bonds. The Pension Bond Ordinance was again amended in FY 2007 to allow the proceeds of the Pension Bond Issue to be transferred to the pension trust and invested in the same manner and at the same asset allocations as the pension trust assets. As a result of these amendments, the proceeds of the Pension Bond Issue were transferred to the pension trust in FY 2007. These changes have two important positive results. First, lifting the 40% equity restriction should make it more likely that the future investment returns will meet the Pension Board's 8.25% actuarial assumption for return on investment. Second, the POB proceeds can be treated as pension assets for the purposes of GASB 25 and GASB 27, since they now reside within the irrevocable trust, whereas they were previously required to be excluded.

For the fiscal year ended June 30, 2010, on a budgetary basis, general fund revenues totaled \$173,140,212 while expenditures totaled \$174,974,604. The result was a year-end operating deficit of (\$1,834,392). The Town's General Fund Balance ended the year at \$8.5 million on a GAAP basis.

For more information regarding recent Town operations refer to the Management Discussion & Analysis section within.

Town Organization

From 1921 until 2005, the Town of Stratford operated under a Council-Manager form of government. In November 2003, the electors of the Town approved a referendum authorizing a revision to the Charter requiring a change to a Mayor-Council form of government. The new form of government took effect on December 12, 2005 when the Town's first Mayor was sworn into office. The Mayor is a full time, compensated, elected official with a term of four (4) years. The Mayor is recognized as the head of the Town and appoints all department heads including the Town Attorney, appoints citizens to commissions, prepares the budget, establishes criteria for evaluation of subordinates, and signs or vetoes legislation passed by the Town Council. This power includes the ability to veto a specific line item within proposed operating budgets. The Mayor's

attendance at all Council meetings is required, but the Mayor is not able to vote unless to break a tie vote of the Town Council. A Chief Administrative Officer (the "CAO") is appointed by the Mayor, and assists the Mayor with budget preparation, labor negotiations, and any other areas deemed appropriate by the Mayor. A bipartisan Town Council of ten members, who are elected for two-year terms, performs the legislative function. The Town Council approves the annual budget, supplemental appropriations and bond authorizations.

Policies and Practice

Debt

During fiscal year 2009-10, the Town continued to pay principal and interest payments on its Pension Obligation Bonds directly from the General Fund. The 1998 bonds were issued to offset the Town's unfunded pension liability.

The Town issued \$10,385,000 in general obligation bonds and \$3,800,000 in Bond Anticipation Notes during the 2009-10 fiscal year. In the Fall of 2010 the Town Council authorized the issuance of \$9,427,100 in general obligation bonds for town facilities and equipment including an emergency management system, public safety and public work vehicles, Fire apparatus, roads and sewers, parks and recreation and school improvement projects.

Taxes

During the fiscal year ended June 30, 2010, the Town collected 97.9% of its current tax levy. This represented the thirteen consecutive year that the Town has exceeded 96.5%. The balance of taxes receivable was increased \$794,009 or 17.7% from \$4,497,124 to \$5,291,133 during that period. Fiscal Year 2010 total tax revenues, including interest and liens fees, were \$140,690,072 or 100.0% of budget. The Town adopted a 98.25% current tax collection rate in the FY 2011 Operating Budget.

Certificate of Achievement

The Government Finance Officers Association of United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Stratford, Connecticut for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2009. This was the 19th consecutive year that Stratford has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

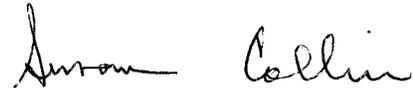
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

I would like to thank Blum, Shapiro & Company, P.C., our independent auditors, for their professional guidance, assistance, and many helpful comments and suggestions. I would also like to give special thanks to all of the finance department staff who worked many extra hours to assist with the preparation of this report.

In closing, without the leadership and support of the Town administration and the assistance of various Town departments, preparation of this report would not have been possible.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Susan Collier". The signature is written in a cursive style with a large initial "S" and "C".

Susan A. Collier
Finance Director

Financial Section



Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Honorable John A. Harkins, Mayor and Members of the Town Council
Town of Stratford, Connecticut

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Stratford, Connecticut, as of and for the year ended June 30, 2010, which collectively comprise the Town of Stratford, Connecticut's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. 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 basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Stratford, Connecticut, as of June 30, 2010 and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2011 on our consideration of the Town of Stratford, Connecticut's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over

financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 11 and the budgetary comparison information on pages 49 through 54 are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required 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 Town of Stratford, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables 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 have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables 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.

Blum, Shapiro & Company, P.C.

February 21, 2011

TOWN OF STRATFORD, CONNECTICUT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2010

This discussion and analysis of the Town of Stratford, Connecticut's (the Town) financial performance is provided by management to provide an overview of the Town's financial activities for the fiscal year ended June 30, 2010. Please read this MD&A in conjunction with the transmittal letter and the Town's financial statements, Exhibits I to IX.

Financial Highlights

- The Town's net assets decreased as a result of this year's operations. The net assets of our business-type activities decreased by (\$2.4) million, or 6.6% and the net assets of our governmental activities decreased by (\$4.9 million), or (28.9%).
- During the year, the Town had expenses that were \$8.9 million more than the \$193.5 million generated in tax and other revenues for governmental programs.
- In the Town's business-type activities, revenues from charges for services remained unchanged at \$8.3 million while operating expenses increased by \$1.3 million to \$11.4 million (or 13.3%) primarily due to the Water Treatment plant upgrade which increased their operating expenses by \$1.4 million to \$9.9 million (or 16.2%).
- Total cost of all of the Town's programs was \$213.8 million with no major new programs added this year.
- The General Fund reported a fund balance this year of \$8.5 million.
- Revenues in the General Fund totaled \$173,140 thousand while expenditures totaled \$174,975 thousand resulting in a deficit of (\$1,834) thousand on a budgetary basis.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The statement of net assets and the statement of activities (Exhibits I and II, respectively) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements are presented in Exhibits III to IX. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The analysis of the Town as a whole begins on Exhibits I and II. The statement of net assets and the statement of activities report information about the Town as a whole and about its activities for the current period. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector

companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net assets and changes in them. The Town's net assets, the difference between assets and liabilities, are one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net assets are one indicator of whether its financial health is improving or deteriorating. The reader needs to consider other non-financial factors, however, such as changes in the Town's property tax base and the condition of the Town's capital assets, to assess the overall health of the Town.

In the statement of net assets and the statement of activities, we divide the Town into two types of activities:

- *Governmental Activities* - Most of the Town's basic services are reported here, including education, public safety, highways and streets, sanitation, economic development and recreation. Property taxes, charges for services and state and federal grants finance most of these activities.
- *Business-Type Activities* - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Waste Operating Facility, Town golf facilities and EMS Fund are reported here.

Fund Financial Statements

The fund financial statements begin with Exhibit III and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by Charter. However, the Town Council establishes many other funds to help control and manage financial activities for particular purposes (like the Capital Projects Fund) or to show that it is meeting legal responsibilities for using grants and other money (like grants received for education from the State Department of Education). The Town's funds are divided into three categories: governmental, proprietary and fiduciary.

- *Governmental Funds (Exhibits III and IV)* - Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental activities (reported in the statement of net assets and the statement of activities) and governmental funds is described in a reconciliation at the bottom of the fund financial statements.

- *Proprietary Funds (Exhibits V to VII)* - When the Town charges customers for the services it provides, whether to outside customers or to other units of the Town, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net assets and the statement of activities. In fact the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.
- *Fiduciary Funds (Exhibits VIII and IX)* - The Town is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that, because of a trust arrangement, can be used only for the trust beneficiaries. All of the Town's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. These activities are excluded from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Government-Wide Financial Analysis

The Town's combined net assets decreased from a year ago from \$53.2 million to \$45.4 million. The analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Town's governmental and business-type activities.

Table 1
NET ASSETS
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 70,322	\$ 72,624	\$ 13,358	\$ 12,565	\$ 83,680	\$ 85,189
Capital assets, net of						
Depreciation	<u>129,611</u>	<u>127,308</u>	<u>70,300</u>	<u>71,959</u>	<u>199,911</u>	<u>199,267</u>
Total assets	<u>199,933</u>	<u>199,932</u>	<u>83,658</u>	<u>84,524</u>	<u>283,591</u>	<u>284,456</u>
Current liabilities	14,830	19,758	44,482	42,740	59,312	62,498
Long-term debt						
outstanding	<u>173,014</u>	<u>163,170</u>	<u>5,357</u>	<u>5,586</u>	<u>178,371</u>	<u>168,756</u>
Total liabilities	<u>187,844</u>	<u>182,928</u>	<u>49,839</u>	<u>48,326</u>	<u>237,683</u>	<u>231,254</u>
Net Assets:						
Invested in capital assets, net of debt	46,587	45,102	21,674	26,998	68,261	72,100
Restricted	2,279	2,187			2,279	2,187
Unrestricted	<u>(36,777)</u>	<u>(30,285)</u>	<u>12,145</u>	<u>9,200</u>	<u>(24,632)</u>	<u>(21,085)</u>
Total Net Assets	<u>\$ 12,089</u>	<u>\$ 17,004</u>	<u>\$ 33,819</u>	<u>\$ 36,198</u>	<u>\$ 45,908</u>	<u>\$ 53,202</u>

Net assets of the Town's governmental activities decreased by 28.9% (\$12.1 million compared to \$17.0 million). Unrestricted net assets - the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - changed from \$(30.3) million at June 30, 2009 to \$(36.8) million at the end of this year.

Table 2
CHANGES IN NET ASSETS
(In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	\$ 9,776	\$ 7,986	\$ 8,277	\$ 8,268	\$ 18,053	\$ 16,254
Operating grants and contributions	38,695	39,737			38,695	39,737
Capital grants and contributions	226	100	1,285	2,741	1,511	2,841
General revenues:						
Property taxes	143,292	139,087			143,292	139,087
Grants and contributions not restricted to specific purposes	4,208	4,203			4,208	4,203
Unrestricted investment earnings	619	830	85	225	704	1,055
Miscellaneous	28				28	
Total revenues	<u>196,844</u>	<u>191,943</u>	<u>9,647</u>	<u>11,234</u>	<u>206,491</u>	<u>203,177</u>
Program expenses:						
General government	35,722	27,808			35,722	27,808
Human development	7,227	7,347			7,227	7,347
Physical development	15,466	16,734			15,466	16,734
Public safety	23,314	23,053			23,314	23,053
Education	113,161	111,307			113,161	111,307
Interest expense	7,470	7,242			7,470	7,242
Waste operating			9,864	8,490	9,864	8,490
Short Beach Golf Course			1,062	1,126	1,062	1,126
Miniature Golf Course			486	453	486	453
Emergency Medical Services			11	11	11	11
Total program expenses	<u>202,360</u>	<u>193,491</u>	<u>11,423</u>	<u>10,080</u>	<u>213,783</u>	<u>203,571</u>
Excess before transfers	(5,516)	(1,548)	(1,776)	1,154	(7,292)	(394)
Transfers	602	562	(602)	(562)	-	-
Change in Net Assets	<u>\$ (4,914)</u>	<u>\$ (986)</u>	<u>\$ (2,378)</u>	<u>\$ 592</u>	<u>\$ (7,292)</u>	<u>\$ (394)</u>

The Town's total revenues were \$206.5 million. The total cost of all programs and services was \$213.8 million. Our analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

Approximately 72.8% of the revenues were derived from property taxes; the remaining 27.2% of revenue is made up of operating and capital grants and investment earnings.

Major revenue factors include:

- Property taxes increased by \$4.2 million over the prior year. Current tax collections totaled \$137.4 million or 97.9% of the levy. Arrears taxes and interest collected were \$3.0 million. Unrestricted investment earnings were \$0.2 million less than the prior year.
- Operating grants for governmental activities decreased by \$1.0 million over the prior year. The State of Connecticut Education Cost Sharing grant and debt service reimbursements totaled \$18.5 million of the Operating grants total.

Increases in expenses closely paralleled inflation and growth in the demand for services. In addition, the Town experienced major storm events including a March 2010 Nor'easter and a June 2010 tornado, which dramatically drove up costs for public safety and clean up. The March storm was partially reimbursed by FEMA, but the June event has been denied.

Table 3 presents the cost of each of the Town's five largest programs - education, public safety, physical development, administration and human development - as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**TABLE 3
GOVERNMENTAL ACTIVITIES
(In Thousands)**

	Total Cost of Services		Net Cost of Services	
	2010	2009	2010	2009
General government	\$ 35,722	\$ 27,808	\$ 34,483	\$ 26,798
Public safety	23,314	23,053	21,999	21,905
Physical development	15,466	16,734	13,086	14,290
Education	113,161	111,307	75,204	72,701
Human development	7,227	7,347	1,905	3,291
All others	7,470	7,242	7,548	6,682
Total	\$ 202,360	\$ 193,491	\$ 154,225	\$ 145,667

Business-Type Activities

Business-type activities decreased the Town's net assets by \$2.4 million. The key factors were a reduction of capital grants and contributions and an increase in operating expenses in the Waste Operating Fund.

Town Funds Financial Analysis

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$31.5 million, an increase of \$1.4 million in comparison with the prior year.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the General Fund total fund balance was \$8.5 million. Of this total fund balance, \$1.9 million is reserved for encumbrances, \$5.0 million is designated for the emergency fund and the balance is reserved for future tax relief and miscellaneous small items.

The fund balance of the Town's General Fund decreased by \$2.3 million during the current fiscal year. Key factors affecting the General Fund are as follows:

- Collections of the current tax levy were 97.9%.
- Favorable departmental revenues were offset by a sharp decline in investment earnings as interest rates continued to fall.

The Capital Projects Fund has a fund balance of \$18.4 million at the end of the year, an increase of \$3.7 million from the prior year. During fiscal 2010 the Town issued bonds of \$10.385 million to fund capital improvements and equipment.

Other non-major governmental funds have a total fund balance of \$4.7 million, the same balance as the prior year.

Proprietary Funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Overall proprietary funds net assets total \$33.8 million at the end of 2010, decreasing by \$2.4 million from the previous year.

Net assets of the Waste Operating Fund at the end of the year are \$30.8 million, 91.0% of total net assets of the proprietary funds. Other non-major activities have net assets of \$3.0 million or 9.0% of the total net assets. Other factors concerning the finances of these funds have already been addressed in the discussion of the Town's Business-Type Activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget for both revenues and expenditures were less than 1%. During the year, revenues were under budgetary estimates by \$3.7 million and expenditures were less than budgetary estimates by \$1.8 million, thus creating a decrease to fund balance.

Capital Asset and Debt Administration

Capital Assets

The Town's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of June 30, 2010 amounted to \$129.6 million and \$70.3 million, respectively. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways and bridges. The total increase in the Town's investment in capital assets for the current fiscal year was \$.6 million.

TABLE 4
CAPITAL ASSETS AT YEAR-END (Net of Depreciation)
(In Thousands)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Land	\$ 12,917	\$ 12,870	\$	\$	\$ 12,917	\$ 12,870
Land improvements	4,611	3,787	471	483	5,082	4,270
Buildings and improvements	83,135	85,263	57,519	60,218	140,654	145,481
Infrastructure	16,477	15,972	8,986	9,249	25,463	25,221
Machinery and equipment	8,510	7,952	1,747	1,902	10,257	9,854
Construction in progress	3,961	1,464	1,577	107	5,538	1,571
Total	<u>\$ 129,611</u>	<u>\$ 127,308</u>	<u>\$ 70,300</u>	<u>\$ 71,959</u>	<u>\$ 199,911</u>	<u>\$ 199,267</u>

This year's major additions included (in millions):

- Purchase of Capital Equipment for Public Works, Police & Fire - \$1.8
- EMS Facility Renovation - \$1.4
- Road resurfacing / reconstruction - \$0.7
- Shakespeare Theatre building repairs / maintenance - \$0.6
- Various school improvements / repairs - \$0.6
- Upgrade of the Water Pollution Control Facility - \$0.4
- Revaluation - \$0.4

- Boothe Park improvements - \$0.3
- Drainage improvements - \$0.3
- EMS capital equipment - \$0.3
- Municipal Buildings repairs / maintenance - \$0.2
- Playground renovations - \$0.2
- Field restorations - \$0.2

The Town's fiscal-year 2010-11 capital plans call for spending another \$12.6 million for capital projects, principally for the following (in millions):

- Police Building renovations - \$1.0
- W. Broad Street culvert & Tanners Brook improvements - \$1.0
- Road resurfacing / reconstruction - \$0.7
- Broadbridge culvert over Bruce Brook - \$0.7
- Municipal Buildings repairs / maintenance - \$0.7
- Various school improvements / repairs - \$0.6
- Broad St Bridge headwall - \$0.5
- Bruce Brook improvements at Sage - \$0.5
- Water Pollution Control Facility Upgrade / Sewer projects - \$0.3
- Various school improvements / repairs - \$0.6
- Sidewalk replacement - \$0.3

More detailed information about the Town's capital assets is presented in Note 1 and Note 6 to the financial statements.

Long-Term Debt

At June 30, 2010 the Town had \$139.3 million in bonds and notes outstanding versus \$142.2 million last year, a decrease of 2.0% as shown in Table 5.

**TABLE 5
OUTSTANDING DEBT, AT YEAR-END
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	\$ 134,394	\$ 136,814	\$ 2,182	\$ 2,276	\$ 136,576	\$ 139,090
Notes payable			2,756	3,095	2,756	3,095
Totals	<u>\$ 134,394</u>	<u>\$ 136,814</u>	<u>\$ 4,938</u>	<u>\$ 5,371</u>	<u>\$ 139,332</u>	<u>\$ 142,185</u>

The Town issued \$10,385,000 debt during FY2010.

The Town and its Water Pollution Control Authority both maintain an “AA-” rating from Standard & Poor’s and an “A-1” rating from Moody’s for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior years’ tax collections. The current debt limitation for the Town amounts to \$980.2 million, significantly more than the Town’s outstanding general obligation debt.

More detailed information about the Town’s long-term liabilities is presented in Note 7 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- Inflationary trends in the region are comparable to national indices.
- The Town’s annual average unemployment rate was 8.7% for calendar year 2009 up significantly from 6.1% in 2008. This also compares to the State’s annual average unemployment rate of 8.0% and the US rate of 9.3%.

All of these factors were considered in preparing the Town’s budget for the 2009-2010 fiscal year.

During the current fiscal year, unreserved fund balance in the General Fund decreased to \$6.6 million. In the FY2010-11 budget the Town has not appropriated any of this amount for spending.

CONTACTING THE TOWN’S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Town’s finances and to show the Town’s accountability for the tax and other funding it receives. The report is available on the Town website: www.townofstratford.com. If you have questions about this report or need additional financial information, contact the Finance Director, Town of Stratford, 2725 Main Street, Stratford, Connecticut 06615.

TOWN OF STRATFORD, CONNECTICUT

STATEMENT OF NET ASSETS

JUNE 30, 2010

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and cash equivalents	\$ 39,003,501	\$ 12,619,665	\$ 51,623,166
Investments	1,857,522		1,857,522
Receivables, net	14,490,858	1,134,587	15,625,445
Internal balances	396,784	(396,784)	-
Net pension asset	14,550,174		14,550,174
Inventory and deferred charges	23,887		23,887
Capital assets:			
Assets not being depreciated	16,877,526	1,576,780	18,454,306
Assets being depreciated, net	112,733,050	68,723,468	181,456,518
Total assets	<u>199,933,302</u>	<u>83,657,716</u>	<u>283,591,018</u>
Liabilities:			
Accounts and other payables	9,394,014	728,039	10,122,053
Accrued liabilities	1,278,301	63,492	1,341,793
Unearned revenue	358,282	2,184	360,466
Bond anticipation notes	3,800,000	43,688,158	47,488,158
Noncurrent liabilities:			
Due within one year	14,095,774	565,056	14,660,830
Due in more than one year	158,918,247	4,791,552	163,709,799
Total liabilities	<u>187,844,618</u>	<u>49,838,481</u>	<u>237,683,099</u>
Net Assets:			
Invested in capital assets, net of related debt	46,586,648	21,673,860	68,260,508
Restricted for:			
Nonexpendable trust	2,278,835		2,278,835
Unrestricted	<u>(36,776,799)</u>	<u>12,145,375</u>	<u>(24,631,424)</u>
Total Net Assets	<u>\$ 12,088,684</u>	<u>\$ 33,819,235</u>	<u>\$ 45,907,919</u>

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 35,722,406	\$ 1,238,931	\$	\$	\$ (34,483,475)	\$	\$ (34,483,475)
Human development	7,227,444	4,086,736	1,235,882		(1,904,826)		(1,904,826)
Physical development	15,466,400	936,243	1,218,129	226,255	(13,085,773)		(13,085,773)
Public safety	23,314,049	1,262,117	52,750		(21,999,182)		(21,999,182)
Education	113,160,703	2,251,638	35,704,252		(75,204,813)		(75,204,813)
Debt service	7,469,992		483,471		(6,986,521)		(6,986,521)
Total governmental activities	<u>202,360,994</u>	<u>9,775,665</u>	<u>38,694,484</u>	<u>226,255</u>	<u>(153,664,590)</u>	<u>-</u>	<u>(153,664,590)</u>
Business-type activities:							
Waste Operating	9,864,168	6,314,168		37,800		(3,512,200)	(3,512,200)
Emergency Medical Services	1,062,143	1,641,482		1,246,869		1,826,208	1,826,208
Short Beach Golf Course	485,899	321,617				(164,282)	(164,282)
Miniature Golf Course	11,068					(11,068)	(11,068)
Total business-type activities	<u>11,423,278</u>	<u>8,277,267</u>	<u>-</u>	<u>1,284,669</u>	<u>-</u>	<u>(1,861,342)</u>	<u>(1,861,342)</u>
Total	<u>\$ 18,893,270</u>	<u>\$ 18,052,932</u>	<u>\$ 38,694,484</u>	<u>\$ 1,510,924</u>	<u>\$ (153,664,590)</u>	<u>\$ (1,861,342)</u>	<u>\$ (155,525,932)</u>
General revenues:							
Property taxes					\$ 143,292,078	\$	\$ 143,292,078
Grants and contributions not restricted to specific programs					4,208,865		4,208,865
Unrestricted investment earnings					619,010	84,582	703,592
Miscellaneous					28,140		28,140
Total general revenues					<u>148,148,093</u>	<u>84,582</u>	<u>148,232,675</u>
Transfers					<u>601,632</u>	<u>(601,632)</u>	<u>-</u>
Total					<u>148,749,725</u>	<u>(517,050)</u>	<u>148,232,675</u>
Change in net assets					<u>(4,914,865)</u>	<u>(2,378,392)</u>	<u>(7,293,257)</u>
Net Assets at Beginning of Year					<u>17,003,549</u>	<u>36,197,627</u>	<u>53,201,176</u>
Net Assets at End of Year					<u>\$ 12,088,684</u>	<u>\$ 33,819,235</u>	<u>\$ 45,907,919</u>

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2010

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and cash equivalents	\$ 20,158,760	\$ 14,030,619	\$ 4,814,122	\$ 39,003,501
Investments			1,857,522	1,857,522
Receivables, net	8,870,481	530,682	713,269	10,114,432
Inventories			23,887	23,887
Due from other funds	<u>16,405,179</u>	<u>21,367,946</u>	<u>881,482</u>	<u>38,654,607</u>
Total Assets	<u>\$ 45,434,420</u>	<u>\$ 35,929,247</u>	<u>\$ 8,290,282</u>	<u>\$ 89,653,949</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and other payables	\$ 4,152,530	\$ 1,081,000	\$ 1,131,196	\$ 6,364,726
Accrued liabilities	1,250,078		28,223	1,278,301
Deferred revenue	7,440,356	530,680	1,427,177	9,398,213
Bond anticipation notes		3,800,000		3,800,000
Due to other funds	<u>24,093,051</u>	<u>12,119,531</u>	<u>1,051,895</u>	<u>37,264,477</u>
Total liabilities	<u>36,936,015</u>	<u>17,531,211</u>	<u>3,638,491</u>	<u>58,105,717</u>
Fund balances:				
Reserved	1,894,467		23,887	1,918,354
Unreserved, reported in:				
General Fund	6,603,938			6,603,938
Special Revenue Funds			2,349,069	2,349,069
Capital Project Funds		18,398,036		18,398,036
Permanent Funds			<u>2,278,835</u>	<u>2,278,835</u>
Total fund balances	<u>8,498,405</u>	<u>18,398,036</u>	<u>4,651,791</u>	<u>31,548,232</u>
Total Liabilities and Fund Balances	<u>\$ 45,434,420</u>	<u>\$ 35,929,247</u>	<u>\$ 8,290,282</u>	<u>\$ 89,653,949</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

BALANCE SHEET - GOVERNMENTAL FUNDS (CONTINUED)

June 30, 2010

Reconciliation of the Balance Sheet - Governmental Funds
to the Statement of Net Assets:Amounts reported for governmental activities in the statement of net
assets (Exhibit I) are different because of the following:

Fund balances - total governmental funds (Exhibit III)	\$ 31,548,232
--	---------------

Capital assets used in governmental activities are not financial
resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 278,050,800	
Less accumulated depreciation	<u>(148,440,224)</u>	
Net capital assets		129,610,576

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

Net pension asset	14,550,174
Property tax receivables greater than 60 days	4,800,610
Interest receivable on property taxes	4,089,431
Assessments receivable	524,878
Housing loans	307,358
Receivable from the state for school construction projects	3,407,085

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 assets.

(1,035,713)

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

Bonds and notes payable	(134,393,928)
Interest payable on bonds and notes	(2,699,926)
Compensated absences	(5,866,293)
Landfill closure	(6,000,000)
OPEB obligation	(18,586,800)
IBNR	(6,742,000)
Deferred charges on refunding	(675,000)
Claims and judgments	<u>(750,000)</u>

Net Assets of Governmental Activities (Exhibit I)	<u>\$ 12,088,684</u>
---	----------------------

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010

	<u>General</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes and assessments	\$ 140,403,581	\$ 149,246	\$	\$ 140,552,827
State and Federal governments	32,138,236	323,863	11,174,176	43,636,275
Department revenue	2,045,695		3,108,244	5,153,939
Licenses and permits	331,461		321,820	653,281
Investment income	134,234	41,121	175,397	350,752
Other	4,236,703		28,140	4,264,843
Total revenues	<u>179,289,910</u>	<u>514,230</u>	<u>14,807,777</u>	<u>194,611,917</u>
Expenditures:				
Current:				
General government:				
Administration	4,534,017			4,534,017
Contingency	2,256,000			2,256,000
Employee benefits	21,169,167			21,169,167
Finance	1,889,639			1,889,639
Human development	5,406,741		1,625,627	7,032,368
Physical development	11,736,643		1,906,974	13,643,617
Public safety	21,398,921		274,182	21,673,103
Education	93,610,201		10,901,675	104,511,876
Debt service:				
Principal retirements	12,130,886			12,130,886
Interest and other charges	7,452,369			7,452,369
Capital outlay		7,618,695	437,311	8,056,006
Total expenditures	<u>181,584,584</u>	<u>7,618,695</u>	<u>15,145,769</u>	<u>204,349,048</u>
Deficiency of Revenues over Expenditures	<u>(2,294,674)</u>	<u>(7,104,465)</u>	<u>(337,992)</u>	<u>(9,737,131)</u>
Other Financing Sources (Uses):				
Issuance of bonds		10,385,000		10,385,000
Proceeds from bond refunding	21,825,000			21,825,000
Premium on bond refunding	1,262,275			1,262,275
Payment to bond escrow agent	(22,905,606)			(22,905,606)
Transfers in	1,198,382	932,700	455,997	2,587,079
Transfers out	(1,388,697)	(470,000)	(126,750)	(1,985,447)
Total other financing sources (uses)	<u>(8,646)</u>	<u>10,847,700</u>	<u>329,247</u>	<u>11,168,301</u>
Net Change in Fund Balances	(2,303,320)	3,743,235	(8,745)	1,431,170
Fund Balances at Beginning of Year	<u>10,801,725</u>	<u>14,654,801</u>	<u>4,660,536</u>	<u>30,117,062</u>
Fund Balances at End of Year	<u>\$ 8,498,405</u>	<u>\$ 18,398,036</u>	<u>\$ 4,651,791</u>	<u>\$ 31,548,232</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

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:

Net change in fund balances - total governmental funds (Exhibit IV)	\$ 1,431,170
---	--------------

Governmental funds report capital outlays as expenditures. In the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	8,367,540
Depreciation expense	(6,129,314)

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources.

Thus the change in net assets differs from the change in fund balance by the cost of the assets sold.	64,785
---	--------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and revenues recognized in the funds are not reported in the statement of activities:

School building grant receipts	(732,926)
Property tax receivable	1,322,445
Accrued interest receivable	1,561,641
Housing loans	54,139
Assessments	81,420
Net pension asset	143,200

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 has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized and deferred in the statement of activities. The details of these differences in the treatment of long-term debt and related items are as follows:

Bond principal payments	12,130,186
Proceeds from sale of bonds	(10,385,000)
Bond issuance costs	181,669
Payment to bond escrow agent	22,905,606
Proceeds from sale of refunding bonds	(21,825,000)
Premium from sale of refunding bonds	(1,262,275)
Capital lease payments	2,629

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 the governmental funds.

Compensated absences	(709,473)
Claims and judgments	(150,000)
Accrued interest	(198,594)
Self-insurance claims	(1,066,000)
OPEB obligation	(8,917,000)
Landfill post closure care	(750,000)

Internal service funds are used by management to charge costs to individual funds. The net revenue of certain activities of internal services funds is reported with governmental activities.

(1,035,713)

Change in Net Assets of Governmental Activities (Exhibit II)	<u>\$ (4,914,865)</u>
--	-----------------------

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

JUNE 30, 2010

	Business-Type Activities - Enterprise Funds			Governmental
	Major Fund			Activities
	Waste Operating Funds	Other Nonmajor Funds	Total	Internal Service Fund
Assets:				
Current assets:				
Cash and cash equivalents	\$ 9,250,553	\$ 3,369,112	\$ 12,619,665	\$
Receivables:				
Accounts and other	37,800	663,628	701,428	286,995
Special assessments	433,159		433,159	
Due from other funds	577,291	2,404,166	2,981,457	
Total current assets	<u>10,298,803</u>	<u>6,436,906</u>	<u>16,735,709</u>	<u>286,995</u>
Capital assets:				
Assets not being depreciated		1,576,780	1,576,780	
Assets being depreciated, net	68,067,990	655,478	68,723,468	
Total capital assets	<u>68,067,990</u>	<u>2,232,258</u>	<u>70,300,248</u>	<u>-</u>
Total assets	<u>78,366,793</u>	<u>8,669,164</u>	<u>87,035,957</u>	<u>286,995</u>
Liabilities:				
Current:				
Accounts payable	593,318	134,721	728,039	329,362
Accrued wages and benefits	48,310	15,182	63,492	
Unearned revenue		2,184	2,184	
Due to other funds		3,378,241	3,378,241	993,346
Bond anticipation notes	43,688,158		43,688,158	
Bonds payable		94,114	94,114	
Serial and notes payable	345,429		345,429	
Compensated absences	72,536	52,977	125,513	
Total current liabilities	<u>44,747,751</u>	<u>3,677,419</u>	<u>48,425,170</u>	<u>1,322,708</u>
Noncurrent liabilities:				
Bonds payable	270,000	1,817,658	2,087,658	
Serial notes payable	2,411,029		2,411,029	
Compensated absences	169,252	123,613	292,865	
Total noncurrent liabilities	<u>2,850,281</u>	<u>1,941,271</u>	<u>4,791,552</u>	<u>-</u>
Total liabilities	<u>47,598,032</u>	<u>5,618,690</u>	<u>53,216,722</u>	<u>1,322,708</u>
Net Assets:				
Invested in capital assets, net of related debt	21,353,374	2,232,258	23,585,632	
Unrestricted	<u>9,415,387</u>	<u>818,216</u>	<u>10,233,603</u>	<u>(1,035,713)</u>
Total Net Assets	<u>\$ 30,768,761</u>	<u>\$ 3,050,474</u>	<u>\$ 33,819,235</u>	<u>\$ (1,035,713)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Major Fund</u>			<u>Activities</u>
	<u>Waste</u> <u>Operating</u> <u>Funds</u>	<u>Other</u> <u>Nonmajor</u> <u>Funds</u>	<u>Total</u>	<u>Internal</u> <u>Service Fund</u>
Operating Revenues:				
Charges for services	\$ 6,314,168	\$ 1,963,099	\$ 8,277,267	\$ 10,248,780
Operating Expenses:				
Operating and maintenance	6,214,148	1,295,503	7,509,651	11,284,493
Depreciation	3,591,210	182,089	3,773,299	
Total operating expenses	<u>9,805,358</u>	<u>1,477,592</u>	<u>11,282,950</u>	<u>11,284,493</u>
Operating Income (Loss)	<u>(3,491,190)</u>	<u>485,507</u>	<u>(3,005,683)</u>	<u>(1,035,713)</u>
Nonoperating Revenues (Expenses):				
Interest income	68,960	15,622	84,582	
Interest expense	(58,810)	(81,518)	(140,328)	
Total nonoperating revenues (expenses)	<u>10,150</u>	<u>(65,896)</u>	<u>(55,746)</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	(3,481,040)	419,611	(3,061,429)	(1,035,713)
Capital Contributions	37,800	1,246,869	1,284,669	
Transfers Out	<u>(246,000)</u>	<u>(355,632)</u>	<u>(601,632)</u>	
Change in Net Assets	(3,689,240)	1,310,848	(2,378,392)	(1,035,713)
Net Assets at Beginning of Year	<u>34,458,001</u>	<u>1,739,626</u>	<u>36,197,627</u>	<u>-</u>
Net Assets at End of Year	<u>\$ 30,768,761</u>	<u>\$ 3,050,474</u>	<u>\$ 33,819,235</u>	<u>\$ (1,035,713)</u>

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2010

	Business-Type Activities - Enterprise Funds			Governmental
	Major Fund			Activities
	Waste Operating Funds	Other Nonmajor Funds	Total	Internal Service Fund
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 6,240,214	\$ 1,914,039	\$ 8,154,253	\$ 9,961,785
Cash payments to suppliers	(4,132,063)	(320,533)	(4,452,596)	(10,955,131)
Cash payments to employees	(2,367,501)	(836,620)	(3,204,121)	
Payments for interfund services	(630,984)	2,002,858	1,371,874	993,346
Net cash provided by (used in) operating activities	<u>(890,334)</u>	<u>2,759,744</u>	<u>1,869,410</u>	<u>-</u>
Cash Flows from Noncapital Financing Activities:				
Transfers to other funds	<u>(246,000)</u>	<u>(355,632)</u>	<u>(601,632)</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:				
Principal payments on debt	(338,594)	(94,114)	(432,708)	
Proceeds from bond anticipation notes	2,091,972		2,091,972	
Interest paid on debt	(58,810)	(81,518)	(140,328)	
Purchase of capital assets	<u>(553,638)</u>	<u>(313,693)</u>	<u>(867,331)</u>	
Net cash provided by (used in) capital and related financing activities	<u>1,140,930</u>	<u>(489,325)</u>	<u>651,605</u>	<u>-</u>
Cash Flows from Investing Activities:				
Interest revenues	<u>68,960</u>	<u>15,622</u>	<u>84,582</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	73,556	1,930,409	2,003,965	-
Cash and Cash Equivalents at Beginning of Year	<u>9,176,997</u>	<u>1,438,703</u>	<u>10,615,700</u>	<u>-</u>
Cash and Cash Equivalents at End of Year	<u>\$ 9,250,553</u>	<u>\$ 3,369,112</u>	<u>\$ 12,619,665</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ (3,491,190)	\$ 485,507	\$ (3,005,683)	\$ (1,035,713)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	3,591,210	182,089	3,773,299	
Change in assets and liabilities:				
Decrease (increase) in accounts receivable and deferred charges	(73,954)	(49,060)	(123,014)	(286,995)
Decrease (increase) in due from other funds	(403,571)	(1,270,464)	(1,674,035)	
Increase (decrease) in accounts payable and accrued expenses	(285,416)	138,350	(147,066)	329,362
Increase (decrease) in due to other funds	<u>(227,413)</u>	<u>3,273,322</u>	<u>3,045,909</u>	<u>993,346</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (890,334)</u>	<u>\$ 2,759,744</u>	<u>\$ 1,869,410</u>	<u>\$ -</u>
Noncash Capital Financing Activities:				
Capital Assets from Town	<u>\$ -</u>	<u>\$ 1,246,869</u>	<u>\$ 1,246,869</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2010

	<u>Pension Trust Fund</u>	<u>Student Activity Agency Fund</u>
Assets:		
Cash and cash equivalents	\$ 1,105,858	\$ 319,556
Investments:		
Common stocks	27,259,322	
Mutual funds - open end	55,202,429	
Other receivable	<u>255,741</u>	
Total assets	<u>83,823,350</u>	<u>\$ 319,556</u>
Liabilities:		
Due to students and others		\$ 319,556
Other liabilities		
Total liabilities	<u>-</u>	<u>\$ 319,556</u>
Net Assets:		
Held in Trust for Pension Benefits	<u>\$ 83,823,350</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

FIDUCIARY FUNDS

STATEMENT OF CHANGES IN PLAN NET ASSETS

PENSION TRUST FUND

FOR THE YEAR ENDED JUNE 30, 2010

Additions:

Contributions:

Plan members	\$ 1,916,722
Employer	<u>7,233,452</u>
Total contributions	<u>9,150,174</u>

Investment income:

Net appreciation in fair market value of investments	9,551,779
Interest and dividends	<u>784,643</u>
Total investment gain	10,336,422
Investment fee	<u>(394,538)</u>
Net investment gain	<u>9,941,884</u>

Total additions	<u>19,092,058</u>
-----------------	-------------------

Deductions:

Benefits	17,469,663
Other	<u>131,256</u>
Total deductions	<u>17,600,919</u>

Net Increase	1,491,139
--------------	-----------

Net Assets Held in Trust for Pension Benefits at Beginning of Year	<u>82,332,211</u>
--	-------------------

Net Assets Held in Trust for Pension Benefits at End of Year	<u>\$ 83,823,350</u>
--	----------------------

The accompanying notes are an integral part of the financial statements

TOWN OF STRATFORD, CONNECTICUT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Stratford, Connecticut (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the Town are described below.

A. Reporting Entity

The Town was founded in 1639. The Town covers an area of 18.7 square miles and is located on Long Island Sound 65 miles east of New York City and 50 miles southwest of Hartford, Connecticut. The Town has operated under a Council/Manager form of government since 1921. Effective December 12, 2005, the Town became a Mayor-Council form of government.

The Town provides a full range of services including public safety, roads, sanitation, health, social services, culture and recreation, education, planning, zoning and general administrative services to its residents. The accompanying financial statements conform to accounting principles generally accepted in the United States of America as applicable to governments.

Accounting principles generally accepted in the United States of America require that the reporting entity include 1) the primary government, 2) organizations for which the primary government is financially accountable and 3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by the Codification, Section 2100, have been considered, and, as a result, there are no agencies or entities that should be but are not included in the financial statements of the Town.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. 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 activities demonstrates the degree to which the 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, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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 funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. However, agency funds, unlike other fiduciary funds, report only assets and liabilities, do not have a measurement focus and follow 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. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures related to compensated absences and claims and judgments, as well as landfill closure and postclosure costs, are recorded only when payment is due.

Property taxes, charges for services, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund accounts for the proceeds of specific general obligation bonds for various projects to further develop the Town.

The Town reports the following major proprietary fund:

The Waste Operating Fund accounts for the operations at the Stratford Water Pollution Control Authority.

Additionally, the Town reports the following fund types:

The Internal Service Fund accounts for the Town's health benefit costs.

The Pension Trust Funds account for the activities of the Town's defined benefit and defined contribution pension plans, which accumulate resources for pension benefit payments to qualified employees.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between certain Town functions because the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include property taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for the funds include the cost of operations and maintenance, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and certain other investments as described in Note 3.

Investments for the Town are reported at fair value.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property taxes are assessed as of October 1 and are levied for and due on the following July 1. Taxes are due in two installments on July 1 and January 1. Supplemental motor vehicle taxes are due in full January 1. Liens are recorded during the month of April.

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

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 proprietary fund financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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 during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Distribution and collection systems	50-65
Public domain infrastructure	50
System infrastructure	30
Machinery and equipment	5-20

Capital assets are reported as expenditures and no depreciation expense is reported in the governmental fund financial statements.

H. Compensated Absences

Town 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 governmental funds only for amounts expected to be paid with available resources, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of

any significant applicable bond premium or discount. Significant bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Comparative Data/Reclassifications

Certain amounts presented in the prior year have been reclassified in order to be consistent with the current year presentation.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

General Fund

The Town's general budget policies are as follows:

Not later than March 12 the Mayor prepares and submits to the Town Council an annual budget for the next fiscal year based on detailed estimated revenues and expenditures for the Town.

The Town's charter requires the Town Council to hold public hearings prior to the adoption of the final budget, at which time taxpayers' comments are obtained.

Prior to May 13, the Town Council adopts the budget and sets the tax rate for the fiscal year through the passage of ordinances.

All interdepartmental appropriations and budget transfers must be approved by the Town Council. The Mayor approves all intradepartmental transfers.

Formal budgetary integration is employed as a management control device during the year for the General Fund.

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level.

Budgeted amounts reported are as originally adopted, or as amended by the Town Council during the course of the year. Supplemental appropriations approved for year ended June 30, 2010 totaled \$29,056.

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. If an appropriation is not encumbered, it lapses at year-end and may not be used by the department.

B. Deficit Fund Equity

The Town has the following fund deficits at June 30, 2010:

	<u>Amount</u>
School Lunch Program *	\$ 231,200
Community Development *	16,952
Miscellaneous Grants *	63,660
Internal Service **	1,035,713

* Deficit will be eliminated through future departmental revenues

** Deficit will be eliminated through future appropriations

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

The deposit of public funds is controlled by the Connecticut General Statutes (Section 7-402). Deposits may be made in a “qualified public depository” as defined by Statute, or, in amounts not exceeding the Federal Deposit Insurance Corporation insurance limit in an “out of state bank,” as defined by the Statutes, which is not a “qualified public depository.”

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 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. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

The Statutes (Sections 3-24f and 3-27f) also provide for investment in shares of the State Short-Term Investment Fund (STIF) and the State Tax Exempt Proceeds Fund (TEPF). These investment pools are under the control of the State Treasurer, with oversight provided by the Treasurer’s Cash Management Advisory Board, and are regulated under the State Statutes and subject to annual audit by the Auditors of Public Accounts. Investment yields are accounted for on an amortized-cost basis with an investment portfolio that is designed to attain a market-average rate of return throughout budgetary and economic cycles. Investors accrue interest daily based on actual earnings, less expenses and transfers to the designated surplus reserve, and the fair value of the position in the pool is the same as the value of the pool shares.

Deposits

Deposit Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Town’s deposits will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the State of Connecticut. Connecticut General Statutes require that each depository maintain

segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository's risk based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$51,093,039 of the Town's bank balance of \$52,149,737 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 45,883,735
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>5,209,304</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 51,093,039</u>

The Town carries additional insurance coverage for \$110,000,000 with Banknorth, which is excess coverage over the FDIC limit of deposit insurance. As of June 30, 2010, excess coverage amounted to \$42,255,741.

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. At June 30, 2010, the Town's cash equivalents amounted to \$2,075,444. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations.

	<u>Standard and Poor's</u>
Cutwater Asset Management	
- Connecticut Cooperative Liquid Assets Securities System (CLASS) Plus	AAAm
State Tax Exempt Proceeds Fund*	
State Short-Term Investment Fund (STIF)	AAAm

*Not rated

B. Investments

As of June 30, 2010, the Town had the following investments:

Other Investments:	
Common stock	\$ 28,291,011
Mutual funds	<u>56,028,262</u>
Total Investments	<u>\$ 84,319,273</u>

Interest Rate Risk - The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The Town has no investment policy that would further limit its investment choices.

Credit Risk - Investments - As indicated above, State Statutes limit the investment options of cities and towns. The Town has no investment policy that would further limit its investment choices.

Concentration of Credit Risk - The Town's investment policy does not allow for an investment in any one issuer that is in excess of 5% of the Town's total investments.

Custodial Credit Risk - Custodial credit risk for an investment is the risk that, in the event of the failure of the counterparty (the institution that pledges collateral or repurchase agreement securities to the Town or that sells investments to or buys them for the Town), the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk. At June 30, 2010, the Town did not have any uninsured and unregistered securities held by the counterparty or by its trust department or agent that were not in the Town's name.

4. RECEIVABLES

Receivables as of year end for the Town's individual major funds and nonmajor and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Projects</u>	<u>Waste Operating</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 5,291,133	\$	\$	\$	\$ 5,291,133
Accounts and other	470,084		37,800	1,473,273	1,981,157
Special assessments		530,682	433,159		963,841
Intergovernmental	<u>3,759,264</u>			<u>515,683</u>	<u>4,274,947</u>
Gross receivables	9,520,481	<u>530,682</u>	<u>470,959</u>	<u>1,988,956</u>	<u>12,511,078</u>
Less allowance for uncollectibles	<u>650,000</u>			<u>69,323</u>	<u>719,323</u>
Net Total Receivables	<u>\$ 8,870,481</u>	<u>\$ 530,682</u>	<u>\$ 470,959</u>	<u>\$ 1,919,633</u>	<u>\$ 11,791,755</u>

Note: Does not include accrued interest on property taxes of \$4,089,431.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable	\$ 4,800,610	\$
Special assessments not yet due	524,878	
School building grants	3,407,085	
Housing loans	307,358	
Grant drawdowns and other revenues received prior to meeting all eligibility requirements	<u> </u>	<u>358,282</u>
 Total Deferred/Unearned Revenue for Governmental Funds	 <u>\$ 9,039,931</u>	 <u>\$ 358,282</u>

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 12,870,506	\$ 45,969	\$	\$ 12,916,475
Construction in progress	1,463,874	2,510,750	13,573	3,961,051
Total capital assets not being depreciated	<u>14,334,380</u>	<u>2,556,719</u>	<u>13,573</u>	<u>16,877,526</u>
Capital assets being depreciated:				
Land improvements	7,323,808	1,132,598		8,456,406
Buildings and improvements	131,630,037	784,804		132,414,841
Machinery and equipment	30,815,291	2,137,366	81,625	32,871,032
Infrastructure	85,661,369	1,769,626		87,430,995
Total capital assets being depreciated	<u>255,430,505</u>	<u>5,824,394</u>	<u>81,625</u>	<u>261,173,274</u>
Less accumulated depreciation for:				
Land improvements	3,536,981	308,242		3,845,223
Buildings and improvements	46,367,614	2,911,729		49,279,343
Machinery and equipment	22,863,007	1,644,090	146,410	24,360,687
Infrastructure	69,689,718	1,265,253		70,954,971
Total accumulated depreciation	<u>142,457,320</u>	<u>6,129,314</u>	<u>146,410</u>	<u>148,440,224</u>
Total capital assets being depreciated, net	<u>112,973,185</u>	<u>(304,920)</u>	<u>(64,785)</u>	<u>112,733,050</u>
Governmental Activities Capital Assets, Net	<u>\$ 127,307,565</u>	<u>\$ 2,251,799</u>	<u>\$ (51,212)</u>	<u>\$ 129,610,576</u>
Business-type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 106,841	\$ 1,471,399	\$ 1,460	\$ 1,576,780
Capital assets being depreciated:				
Land improvements	2,273,634			2,273,634
Buildings and improvements	68,179,605	406,074		68,585,679
Machinery and equipment	12,839,086	258,906	77,755	13,020,237
Infrastructure	21,151,786	57,037		21,208,823
Total capital assets being depreciated	<u>104,444,111</u>	<u>722,017</u>	<u>77,755</u>	<u>105,088,373</u>
Less accumulated depreciation for:				
Land improvements	1,790,215	12,621		1,802,836
Buildings and improvements	7,961,870	3,105,339		11,067,209
Machinery and equipment	10,936,943	335,660		11,272,603
Infrastructure	11,902,578	319,679		12,222,257
Total accumulated depreciation	<u>32,591,606</u>	<u>3,773,299</u>	<u>-</u>	<u>36,364,905</u>
Total capital assets being depreciated, net	<u>71,852,505</u>	<u>(3,051,282)</u>	<u>77,755</u>	<u>68,723,468</u>
Business-Type Activities Capital Assets, Net	<u>\$ 71,959,346</u>	<u>\$ (1,579,883)</u>	<u>\$ 79,215</u>	<u>\$ 70,300,248</u>

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

Governmental activities:	
General Government	\$ 248,219
Human Development	314,236
Physical Development	1,985,336
Public Safety	843,106
Education	<u>2,738,417</u>
 Total Depreciation Expense - Governmental Activities	 \$ <u>6,129,314</u>
 Business-type activities:	
Waste Operating	\$ 3,591,210
Short Beach Golf Course	106,888
Miniature Golf Course	11,068
Emergency Medical Services	<u>64,133</u>
 Total Depreciation Expense - Business-Type Activities	 \$ <u>3,773,299</u>

6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2010, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 16,405,179	\$ 24,093,051
Nonmajor Governmental Funds:		
Community Development		55,047
Education Federal and State Program	38,059	29,143
Shellfish and Oysters	3,943	
Railroad Property		121,912
Miscellaneous Grants	162,578	30,145
Recreation	13,575	730,789
Department of Child and Family Services	52,813	4,995
Counseling Center	16,369	
Harbor Management		68
Dog Fund	40,189	
Town Aid Road		156,154
Senior Citizens	27	
Reserve Fund	630,287	
Capital Projects Funds:		
Capital Improvements	21,088,571	33,356
Capital Special Projects	38,422	9,023,673
Sidewalk and Road	344	15,749
Sewer Revolving	382,919	168,770
Water Hookup		203,607
Capital Equipment		2,816,686

Enterprise Funds:		
Waste Operating	577,291	
Emergency Medical Services	2,401,732	2,927,336
Short Beach Golf Course	2,434	432,066
Miniature Golf		18,839
Internal Service Fund		993,346
Interfund eliminations	<u>(218,667)</u>	<u>(218,667)</u>
Total	<u>\$ 41,636,065</u>	<u>\$ 41,636,065</u>

All balances resulted from the time lag between the dates payments occur between funds for various activities.

Interfund transfers:

	Transfers In			Total
	General	Capital Projects	Nonmajor Governmental	
Transfers out:				
General Fund	\$	\$ 932,700	\$ 455,997	\$ 1,388,697
Capital Projects	470,000			470,000
Waste Operating Fund	246,000			246,000
Nonmajor governmental funds	126,750			126,750
Nonmajor enterprise funds	<u>355,632</u>			<u>355,632</u>
Total	<u>\$ 1,198,382</u>	<u>\$ 932,700</u>	<u>\$ 455,997</u>	<u>\$ 2,587,079</u>

All transfers are for regularly recurring operational transfers.

7. LONG-TERM DEBT

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2010, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds payable:					
General obligation bonds and notes	\$ 136,814,114	\$ 32,210,000	\$ 34,630,186	\$ 134,393,928	\$ 12,335,886
Deferred amount on refunding		675,000		675,000	
Capital leases	2,629		2,629	-	
Claims and judgments	600,000	150,000		750,000	
Compensated absences	5,156,820	768,062	58,589	5,866,293	1,759,888
Landfill monitoring closure and postclosure costs	5,250,000	750,000		6,000,000	
OPEB liability	9,669,800	8,917,000		18,586,800	
Risk management	5,676,000	1,066,000		6,742,000	
	<u>163,169,363</u>	<u>44,536,062</u>	<u>34,691,404</u>	<u>173,014,021</u>	<u>14,095,774</u>
Governmental Activities Long-Term Liabilities					
	<u>\$ 163,169,363</u>	<u>\$ 44,536,062</u>	<u>\$ 34,691,404</u>	<u>\$ 173,014,021</u>	<u>\$ 14,095,774</u>
Business-type activities:					
General obligation bonds payable	\$ 2,275,886		\$ 94,114	\$ 2,181,772	\$ 94,114
Notes payable	3,095,052		338,594	2,756,458	345,429
Compensated absences	215,208	203,170		418,378	125,513
	<u>5,586,146</u>	<u>203,170</u>	<u>432,708</u>	<u>5,356,608</u>	<u>565,056</u>
Business-Type Activities Long-Term Liabilities					
	<u>\$ 5,586,146</u>	<u>\$ 203,170</u>	<u>\$ 432,708</u>	<u>\$ 5,356,608</u>	<u>\$ 565,056</u>

As of June 30, 2010, the outstanding general obligation bonded indebtedness of the Town recorded in the governmental activities was as follows:

School bonds with interest rates ranging from 3.0% to 6.6% and varying expiration dates ranging from March 2011 to December 2028	\$ 36,788,672
General obligation pension bonds with interest rates ranging from 6.3% to 6.7% and varying expiration dates to February 2018	55,170,000
General obligation bonds with interest rates ranging from 3.0% - 4.125% and expiration dates from April 2011 to April 2030	<u>42,435,256</u>
Total	<u>\$ 134,393,928</u>

The annual debt service requirements of the Town's bonded indebtedness recorded in governmental activities described above are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 12,335,886	\$ 6,539,297	\$ 18,875,183
2012	12,335,886	6,114,416	18,450,302
2013	12,925,886	5,474,130	18,400,016
2014	13,305,886	4,803,720	18,109,606
2015	12,880,886	4,114,304	16,995,190
2016-2020	50,933,008	10,156,775	61,089,783
2021-2025	15,146,651	2,416,190	17,562,841
2026-2030	<u>4,529,839</u>	<u>416,014</u>	<u>4,945,853</u>
Total	<u>\$ 134,393,928</u>	<u>\$ 40,034,846</u>	<u>\$ 174,428,774</u>

The State of Connecticut reimburses the Town for eligible principal and interest costs of the portion of the capital improvement bond issues used for school construction. The amount of such reimbursement for the year ended June 30, 2010 was approximately \$907,840. Additional payments for bond principal aggregating approximately \$3.4 million are expected to be received through the bonds' maturity dates.

Defeasance of Debt

On June 29, 2010, the Town issued \$21,825,000 in General Obligation Refunding Bonds for governmental activities debt with an average interest rate of 3.2% to advance refund \$22,500,000 bonds with an average interest rate of 4.14%. The net proceeds of \$22,905,606 (after payment of \$181,669 in underwriting fees, insurance and other issuance costs) were used to purchase a portfolio of noncallable direct obligations of, or obligations guaranteed by, the United States of America. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. As a result, the refunded bonds are considered defeased and have been removed from the Town's financial statements.

The Town advance funded the bonds to reduce its total debt service payments over the next 16 years by \$1,092,674 and to obtain an economic gain (difference between the present values of the debt service payments on the old and the new debt) of \$901,548.

Compensated Absences

Included in the long-term liabilities is the estimated obligation for employee compensated absences which has not become due, aggregating \$5,866,293 as of June 30, 2010.

The liability for compensated absences will be funded from the General Fund and the Enterprise Funds.

Bond Authorizations

Bonds authorized but unissued at June 30, 2010 are as follows:

General purpose	\$ 7,378,821
Schools	14,793,229
Sewers	<u>49,189,199</u>
 Total	 <u>\$ 71,361,249</u>

Business-Type Activities Obligations

At June 30, 2010, long-term debt in the Enterprise Funds consists of the following:

General obligation sewer bonds with interest rates ranging from 3.2% to 12.75% and varying expiration dates ranging from 2011 to 2020	\$ 269,930
Emergency Management Facility bonds with interest rates ranging from 3.5% to 5.5% and varying expiration dates ranging from 2011 to 2028	1,911,772
Clean Water Fund notes, due in varying installments, plus interest at 2%, through 2027	<u>2,756,458</u>
 Total	 <u>\$ 4,938,160</u>

The annual debt service requirements of the business-type activities are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 439,543	\$ 128,318	\$ 567,861
2012	446,515	116,346	562,861
2013	453,627	104,469	558,096
2014	432,117	93,298	525,415
2015	313,764	84,060	397,824
2016-2020	977,534	335,801	1,313,335
2021-2025	1,097,285	175,685	1,272,970
2026-2028	<u>777,775</u>	<u>23,481</u>	<u>801,326</u>
 Total	 <u>\$ 4,938,160</u>	 <u>\$ 1,061,458</u>	 <u>\$ 5,999,688</u>

Bond Anticipation Notes

Bond anticipation notes, which serve as temporary financing for certain capital projects, were outstanding as follows at June 30, 2010.

	<u>Amount</u>
Notes payable, July 1, 2009	\$ 5,700,000
Notes issued	3,800,000
Notes retired	<u>(5,700,000)</u>
 Notes payable, June 30, 2010	 <u>\$ 3,800,000</u>

The Town issued notes to serve as temporary financing for various public improvements, school and sewer projects. The notes are dated April 15, 2010 and mature on December 15, 2010 and carry an interest rate of 1%.

The Town is currently participating in capital projects under the State of Connecticut Clean Water Fund established in accordance with Section 22a-477 of the General Statutes of Connecticut. The Clean Water Fund is administered by the State Department of Environmental Protection and provides grant and loan funds to municipalities for “eligible water quality project costs.” At the beginning of the year, the Town had \$41.6 million Clean Water Fund notes outstanding relating to the Waste Operating Fund. During the year, the Town received \$2.1 million additional funding. At June 30, 2010, the amount outstanding was \$43.7 million at an interest rate of 2%.

Debt Limitation

The Town’s indebtedness does not exceed the legal debt limitations as required by the Connecticut General Statutes as reflected in the following schedule (in thousands):

Category	Debt Limit	Net Indebtedness	Balance
General purpose	\$ 315,065	\$ 51,726	\$ 263,339
Schools	630,131	48,175	581,956
Sewers	525,109	48,733	476,376
Urban renewal	455,094		455,094
Pension deficit	420,087	55,170	364,917

The total overall statutory debt limit for the Town does not exceed the legal debt limitation that is equal to seven times annual receipts from taxation (\$980.1 million).

8. NET ASSETS/FUND BALANCES

Reservations and Designations

Descriptions of the various reservations and designations of the Town’s fund equity accounts are as follows:

- Reserved for Encumbrances - to segregate a portion of fund balance for expenditure upon vendor performance.
- Reserved for Inventory - to segregate an amount equal to the inventory in the asset section of the balance sheet.

9. RISK MANAGEMENT

The Town is self-insured for workers’ compensation and heart and hypertension benefits. The Town recognizes a liability for workers’ compensation claims payable and for claims incurred but not reported based on actuarial analysis of claim history and for other self-insured claims which are probable of loss based on a case-by-case review.

Changes in the liabilities for self-insured risks are as follows:

Fiscal Year	Claims Payable, July 1	Current Year Claims and Changes in Estimates	Payment Of Claims	Claims Payable, June 30
2010	\$ 5,676,000	\$ 27,329,844	\$ 26,263,844	\$ 6,742,000
2009	6,564,000	23,171,738	24,059,738	5,676,000

At June 30, 2010, \$478 thousand is expected to be paid from current resources recorded as an accrued liability on the fund financial statements, and approximately \$6.7 million is recorded as a noncurrent liability on the statement of net assets.

10. COMMITMENTS AND CONTINGENCIES

Lawsuits

There are several personal injury, negligence and personnel related lawsuits pending against the Town. The outcome and eventual liability of the Town, if any, in these cases is not known at this time. Based upon consultation with legal counsel, the Town's management estimates that potential claims against the Town not covered by insurance resulting from such litigation would not materially affect the financial position of the Town. The Town has recorded in the government-wide financial statements \$750,000 to cover claims not covered by insurance.

Municipal Solid Waste Service Agreement

The Town has entered into a municipal solid waste agreement, as amended (the Service Agreement) with the Connecticut Resources Recovery Authority (the Authority) pursuant to which it participates with 11 other Connecticut municipalities (the 12 constituting the Contracting Municipalities), in the Greater Bridgeport Resources Recovery System (the System). This agreement took effect on January 1, 2009 and expires on June 30, 2014.

The key terms of this Service Agreement include: The Town of Stratford is required to deliver, or cause to be delivered, to the System solid waste generated within its boundaries up to its minimum commitment of 27,144 tons per year. The aggregate minimum commitment of all of the Contracting Municipalities is 265,000 tons per year.

The 2010 tipping fee is \$62.04 per ton and is adjusted annually based on 75% of the increase in the consumer price index (CPI). Tipping fees adjustments will be applied as changes occur to the cost of diesel fuel, as environmental costs increase and as additional taxes are imposed. The 2010 CRRRA (Authority) fee is \$2.05 per ton and will be adjusted annually based on the CPI.

Towns not delivering their guaranteed minimum tonnage shall share, as agreed to among the municipalities or proportionately, any lost tip fees resulting from the failure to deliver 90% of the aggregate guaranteed tonnage in any contract year. Towns delivering in excess of their guaranteed minimum shall share the cost of any excess waste disposal charges imposed upon delivery of more than 110% of the aggregate guaranteed tonnage in any one year. Adjustments to aggregate guaranteed tonnage may occur if reductions are realized through new recycling ventures.

11. OTHER POSTEMPLOYMENT BENEFITS

Post Employment Benefits

A. Plan Description and Membership

The Town, in accordance with various collective bargaining agreements, provides retiree medical benefits for the lifetime of the retired member and covered dependents. The single-employer plan covers Town, Board of Education, Police and Fire employees as further defined in collective bargaining agreements and other written materials. Eligibility and premium sharing information is detailed in the various collective bargaining agreements. The Town does not issue separate stand alone financial statements for the plan. At July 1, 2008, plan membership consisted of the following:

Active members	1,086
Retired members	765
Spouses of retired members	<u>351</u>
Total Participants	<u><u>2,202</u></u>

B. Funding Policy

The 8.25% discount rate for Town Groups (Town, Police and Firefighters) reflects that an OPEB trust is to be established and the appropriate level of contributions will be made in 2011. The 4.0% discount rate for the Board of Education reflects that no prefunding has yet been done, so the discount rate for this group reflects the expected earnings of the Town's general fund. The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Hall

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after July 1, 1977, age 50, or 5 years of service and age 55.

Medical Benefits:

Retire prior to July 1, 1986 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1986 and prior to signing of 1987-1990 collective bargaining agreement - Town pays 75% of the cost for the retiree and 50% of the cost for the dependents.

Retire after signing of 1987-1990 collective bargaining agreement - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

Retire before September 1, 1999 - \$5,000 until age 65.

Retire after September 1, 1999 - \$25,000 until age 70, \$5,000 thereafter.

Police

Generally retirees and their dependents are covered after 25 years of service.

Medical Benefits:

Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$5,000 until age 65.

Firefighters

Generally retirees and their dependents are covered after 25 years of service.

Medical Benefits:

Retire prior to July 1, 1987 - Benevolent Society pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1987 and prior to July 1, 1989 - Town pays 50% of the cost for the retiree and 50% of the cost for the dependents.

Retire on or after July 1, 1989 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Public Works

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after July 1, 1985, age 50, or 5 years of service and age 55.

Medical Benefits:

Retire prior to July 1, 1985 - Town pays 50% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1985 and prior to July 1, 1986 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 1, 1986 and prior to July 1, 1987 - Town pays 75% of the cost for the retiree and 50% of the cost for the dependents.

Retire on or after July 1, 1987 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$5,000 until age 65.

Supervisors

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical Benefits:

Retire prior to July 2, 1985 - Town pays 50% of the cost for the retiree and 50% of the cost for the dependents.

Retire after July 2, 1985 and prior to March 31, 1986 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Retire after April 1, 1986 and prior to September 4, 1987 - Town pays 75% of the cost for the retiree and 50% of the cost for the dependents.

Retire on or after September 4, 1987 - Town pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

Retire after August 2, 1985, \$5,000 until age 65.

BOE Custodians

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$15,000.

BOE Nurses

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after July 1, 1977, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 50% of the cost for the retiree only.

BOE Administrators

Generally an administrator retiring under the Connecticut State Teachers Retirement System shall be eligible to receive health benefits for self and spouse.

Normal retirement for administrators is the earliest of age 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Medical and Dental Benefits:

Board pays 50% of the cost for the retiree only.

BOE Paraprofessional/Cafeteria Workers

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$7,000.

BOE Secretaries

Generally retirees and their dependents are covered after 23 years of continuous service by retiree and, if hired after April 1, 1985, age 50, or 5 years of service and age 55.

Medical and Dental Benefits:

Board pays 100% of the cost for the retiree and 50% of the cost for the dependents.

Life Insurance:

\$15,000.

BOE Teachers

Generally a teacher retiring under the Connecticut State Teachers Retirement System shall be eligible to receive benefits for self and spouse at the earliest age of 60 with 20 years of service, or completion of 35 years of service regardless of age. Early retirement is the earliest of age 60 with 10 years of service, any age with 25 years of service, or age 55 with 20 years of service.

Medical and Dental Benefits:

Board pays 50% of the cost for the retirees only.

C. Description of Actuarial Assumptions and Methods

The following is a summary of certain significant actuarial assumptions and other PERS information:

	<u>Town</u>	<u>Board of Education</u>
Actuarial valuation date	July 1, 2008	July 1, 2008
Actuarial cost method	Projected Unit Credit Cost	Projected Unit Credit Cost
Amortization method	Level dollar	Level dollar
Remaining amortization period	29 years - closed	29 years - closed
Actuarial assumptions:		
Investment rate of return	8.25%/annum	4.0%/annum
Medical inflation rate	4.0%/annum	4.0%/annum

D. Annual OPEB Cost and Net OPEB Obligations

The Town of Stratford's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Town's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Town's net OPEB obligation (asset):

	<u>Town</u>	<u>Board of Education</u>
Annual required contribution (ARC)	\$ 8,617,400	\$ 5,404,400
Interest on OPEB obligation	178,000	208,800
Adjustment to annual required contribution	<u>(165,200)</u>	<u>(193,900)</u>
Annual OPEB cost	8,630,200	5,419,300
Contributions made	<u>3,113,100</u>	<u>2,019,400</u>
Increase in net OPEB obligation	5,517,100	3,399,900
Net OPEB obligation, beginning of year	<u>4,449,000</u>	<u>5,220,800</u>
Net OPEB obligation, end of year	<u>\$ 9,966,100</u>	<u>\$ 8,620,700</u>

The Town's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2010 is presented below.

Town

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2010	\$ 8,630,200	\$ 3,113,100	36.1%	\$ 9,966,100
6/30/2009	5,207,700	2,875,200	55.2	4,449,000
6/30/2008	4,811,100	2,694,600	56.0	2,116,500

Board of Education

Fiscal Year Ended	Annual OPEB Cost (AOC)	Actual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2010	\$ 5,419,300	\$ 2,019,400	49.4%	\$ 8,620,700
6/30/2009	5,091,900	1,882,800	36.9	5,220,800
6/30/2008	3,971,900	1,960,200	49.4	2,011,700

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about the future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as accrual results are compared with past expectations and new estimates are made about the future. The following schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Schedule of Funding Progress

Town

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (OAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	\$ -0-	\$ 55,487,000	\$ 55,487,000	0.0 %	N/A	N/A
7/1/2008	-0-	58,760,000	58,760,000	0.0	N/A	N/A

Board of Education

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (OAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	\$ -0-	\$ 42,562,000	\$ 42,562,000	0.0 %	N/A	N/A
7/1/2008	-0-	63,155,000	63,155,000	0.0	N/A	N/A

Projections for benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit cost between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

12. LANDFILL CLOSURE AND POSTCLOSURE MONITORING

State and federal laws and regulations require that the Town place a final cover on its closed landfill and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. The estimated total current cost of the landfill closure and postclosure care, aggregating approximately \$6.0 million, is based on the amount estimated to be paid for all equipment, facilities and services required to close, monitor and maintain the landfills as of June 30, 2010. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations. Costs will be funded through the issuance of general obligation bonds and state and federal grants. The FY11-15 Adopted Capital Improvement Program includes a FY11 bond appropriation of \$100k toward the landfill closure.

13. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Employee Defined Benefit Pension Plan

A. Plan Description

The Town is the administrator of a single-employer defined benefit public employee retirement system (PERS) established and administered by the Town to provide pension benefits for its employees. The PERS is considered to be a part of the Town's financial reporting entity and is included in the Town's financial reports as the Defined Benefit Pension Trust Fund. Stand-alone plan reports are not available.

As of July 1, 2009, the date of the most recent actuarial valuation, membership consisted of the following:

Retirees and beneficiaries:	
Currently receiving benefits	588
Vested, benefits deferred	36
Current employees:	
Vested	260
Nonvested	105
	<hr/>
Total	<u>989</u>

The Town covers all full-time salaried Town employees, noncertified employees of the Board of Education and all full-time uniformed and investigative employees classified as Police Officers and Firefighters. The Town provides all retirement, death and disability benefits through a single employer, contributory, defined benefit plan. Under the plan, all employees are eligible to join after their probationary period.

B. Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: Plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are funded with investment earnings of the plan.

Method Used to Value Investments: Investments are reported at fair value. Investment income is recognized when earned and gains and losses on sales or exchanges of investments are recognized on the transaction date. Unrealized gains and losses due to appreciation and depreciation of Plan assets are also recognized at fiscal year end.

C. Funding Policy

The PERS is a contributory defined benefit plan. Participants in the State Teachers' Retirement System and officials elected by popular vote are excluded. Employees hired after age 45 are also excluded, but included in a separate defined contribution plan. Also, police and firefighters are included in a separate defined contribution annuity plan as well as the defined benefit plan.

Under the Town's defined benefit plan, all employees hired and working 20 hours or more per week are eligible. Employees are 100% vested after 10 years of service. The retirement benefit is calculated at 2.4% of average compensation during the 24 months immediately prior to retirement multiplied by up to 25 years of service. The calculation for service over 25 years varies by union contract. Employees are required to contribute 8% of their salaries to the defined benefit plan except for Police hired after October 17, 1996 who contribute 7%. If an employee leaves covered employment or dies before 10 years of service, accumulated employee contributions and related investment earnings are refunded. The Town is required to contribute the remaining amounts necessary to finance the coverage for its employees. Benefits and contributions are established by the Town and may be amended only by the Town Council and Union negotiations.

D. Annual Pension Cost and Net Pension Obligation

The Town's annual pension cost and net pension obligation to the plan for the year ended June 30, 2010 were as follows:

Annual required contribution	\$ 7,233,412
Interest on net pension obligation	(1,188,575)
Adjustment to annual required contribution	<u>1,045,415</u>
Annual pension cost	7,090,252
Contributions made	<u>7,233,452</u>
Increase in net pension asset	(143,200)
Net Pension Asset, July 1, 2009	<u>(14,406,974)</u>
Net Pension Asset, June 30, 2010	<u>\$ (14,550,174)</u>

The following is a summary of certain significant actuarial assumptions and other Plan information:

Actuarial cost method	Entry Age Normal
Amortization method	Level Percent of Payroll, Closed
Remaining amortization period	21 years
Asset valuation method	Fair value-smoothed
Investment rate of return	8.25% per annum
Retirement:	
Police	25 years of continuous service
Fire	25 years of continuous service
Board of Education and Supervisors	23 years of continuous service and, if hired after 4/1/85, age 50, or 5 years of service and age 55.
Para-Professionals	23 years of continuous service and, if hired after 4/1/85, age 50, or 5 years of service and age 55.
Public Works	23 years of continuous service and, if hired after 7/1/85, age 50, or 5 years of service and age 55.
Town Hall and Nurses	23 years of continuous service and, if hired after 7/1/77, age 50, or 5 years of service and age 55.
Mortality table	1994 Group Annuity Mortality Table
Salary increases	1.5% per annum
Inflation rate	2.5% per annum
Post-retirement benefit increases	0.0% per annum

E. Trend Information

<u>Fiscal Year Ended</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation (Asset)</u>
6/30/10	\$ 7,090,252	102.0%	\$ (14,550,174)
6/30/09	5,448,823	96.2	(14,406,974)
6/30/08	5,449,594	104.0	(14,615,610)

Schedule of Employer Contributions

<u>Fiscal Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
6/30/10	\$ 7,233,412	100.0%
6/30/09	5,622,712	93.2
6/30/08	5,646,579	100.4
6/30/07	12,435,843	897.8
6/30/06	11,651,536	41.5
6/30/05	10,535,184	40.0

F. Pension Plan Required Supplementary Information

**Schedule of Funding Progress
(In Thousands)**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability(AAL) (b)	Funded (Unfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
7/1/08	\$ 132,753	\$ 225,549	\$ 92,796	58.9%	\$ 24,002	386.6%
7/1/07	136,090	208,935	72,845	65.1	24,495	297.4
7/1/06	11,053	204,337	193,284	5.4	24,882	537.0
7/1/05	15,502	195,581	180,079	8.0	26,482	680.0
7/1/04	20,649	191,851	171,202	10.8	24,130	709.5
7/1/03	23,498	181,840	158,342	13.0	24,931	635.0

Defined Contribution Pension Plan

The Town administers a defined contribution pension plan which was opened to new members and contributions beginning in 1999. In a defined contribution plan, benefits depend solely on the amounts contributed to the plan plus investment earnings. Employees are vested after five years of service with the Town. Plan investments are reported at fair value. Benefits and contributions are established by the Town and may be amended by the Town Council and union negotiations.

Connecticut State Teachers' Retirement System

The faculty and professional personnel of the Board of Education participate in a contributory defined benefit plan, established under Chapter 167a of the Connecticut General Statutes, which is administered by the Connecticut State Teachers' Retirement Board. A teacher is eligible to receive normal retirement benefits if he or she has attained age 60 and has accumulated 20 years of credited service in the public schools of Connecticut or has attained any age and has accumulated 35 years of credited service, at least 25 of which are service in the public schools of Connecticut. The financial statements of the Plan are available from the Connecticut State Teachers' Retirement Board, 21 Grand Street, Hartford, Connecticut 06105.

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

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

In addition, the Town has recognized revenues and expenditures for on-behalf payments for pension contributions paid directly to the Connecticut State Teachers' Retirement System by the State of Connecticut. Such on-behalf payments were \$7,348,080 for the year ended June 30, 2010. The contribution by the State has decreased significantly as a result of state issued pension obligation bonds to partially fund the plan in prior year.

**Required Supplementary
Information**

TOWN OF STRATFORD, CONNECTICUT

GENERAL FUND

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Property taxes:				
Current levy	\$ 137,622,050	\$ 137,622,050	\$ 137,396,397	\$ (225,653)
Arrears	2,237,460	2,186,039	1,681,762	(504,277)
Interest and lien fees	1,062,000	1,118,282	1,118,282	-
Payments in lieu of taxes	212,001	207,140	207,140	-
Total property taxes	<u>141,133,511</u>	<u>141,133,511</u>	<u>140,403,581</u>	<u>(729,930)</u>
Intergovernmental revenues:				
State:				
Education equalization grant	20,495,602	20,495,602	17,580,895	(2,914,707)
School bond principal	729,694	748,232	748,232	-
School bond interest	160,040	159,608	159,608	-
Special education	1,437,185	1,761,349	1,761,349	-
Veterans' additional relief	174,159	115,060	115,060	-
Aid for the blind	59,600			-
In lieu of State property tax	269,585	270,041	270,041	-
Health and welfare	79,857	86,909	86,909	-
State disability exemption	9,368	9,161	9,161	-
Elderly exemption and circuit breaker	591,384	568,750	568,750	-
Elderly freeze	17,000	14,834	14,834	-
State transportation	470,600	381,077	263,970	(117,107)
State nonpublic transportation	61,531	58,540	58,540	-
State telephone 86-178	226,639	136,262	136,262	-
In lieu of boat tax	49,700	25,449	25,449	-
Manufacturing pilot grant	3,147,261	3,147,261	2,795,668	(351,593)
Airplane registration	47,560	51,340	51,340	-
Mashantucket grant	138,101	135,391	135,391	-
Total state	<u>28,164,866</u>	<u>28,164,866</u>	<u>24,781,459</u>	<u>(3,383,407)</u>
Federal:				
Civil preparedness	15,500	15,500	8,697	(6,803)
Federal grants	125,000	125,000		(125,000)
Total federal	<u>140,500</u>	<u>140,500</u>	<u>8,697</u>	<u>(131,803)</u>
Total intergovernmental revenues	<u>28,305,366</u>	<u>28,305,366</u>	<u>24,790,156</u>	<u>(3,515,210)</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Departmental revenues:				
Town Clerk	\$ 711,750	\$ 754,128	\$ 754,128	\$ -
Police Department	68,000	91,468	91,467	(1)
Planning and Zoning	50,150	75,435	75,435	-
Health Department	219,625	246,960	246,960	-
Education	101,000	125,033	125,033	-
Public Works	14,000	14,579	14,579	-
Finance	60,000	107,377	107,377	-
Recreation	216,700	275,233	275,232	(1)
Sanitation	225,000	322,303	322,303	-
Inland Wetlands	11,476	21,650	21,650	-
Baldwin Center	7,400	11,532	11,532	-
Total departmental revenues	<u>1,685,101</u>	<u>2,045,698</u>	<u>2,045,696</u>	<u>(2)</u>
Licenses and permits:				
Building permits	310,000	304,571	304,571	-
Boothe Memorial Park income	36,000			-
Building education training fee	1,400	375	375	-
Public Works licenses	1,300	1,075	1,075	-
Street and sewer permits	15,000	25,440	25,440	-
Total licenses and permits	<u>363,700</u>	<u>331,461</u>	<u>331,461</u>	<u>-</u>
Investment income	<u>681,000</u>	<u>681,000</u>	<u>134,229</u>	<u>(546,771)</u>
Other:				
Miscellaneous rental:				
Cell tower rentals	76,405	78,402	78,402	-
Other Baldwin rental	5,500	3,000	3,000	-
Medicare reimbursement	86,000	92,717	92,717	-
Health reimbursements	1,723,616	1,963,606	1,948,606	(15,000)
Social Security reimbursements	331,854	327,002	327,002	-
Fire and liability reimbursements	227,073	208,946	208,946	-
Fire administration miscellaneous revenue	11,000	11,885	11,885	-
Medical examination reimbursements	26,000	18,670	18,670	-
Workers' compensation reimbursement	275,000	170,925	170,925	-
Workers' compensation recovery	50,000	14,586	14,586	-
Library refunds and reimbursements			8,791	8,791

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)**

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other (continued):				
Insurance recovery	\$ 8,000	\$ 17,230	\$ 17,230	\$ -
Historic Commission fees	350	210	211	1
Capital Improvement Earnings	489,270	96,753	268,151	171,398
Plan forfeits	1,900	10,805	10,805	-
Police special duty - administration	68,750	68,633	68,633	-
Police special duty - reimbursement		29,056	947,949	918,893
Miscellaneous	16,100	15,351	4,759	(10,592)
Boothe Estates	65,700	35,439	35,439	-
Total other	<u>3,462,518</u>	<u>3,163,216</u>	<u>4,236,707</u>	<u>1,073,491</u>
Total revenues	175,631,196	175,660,252	171,941,830	(3,718,422)
Other financing sources:				
Transfers in	<u>1,198,382</u>	<u>1,198,382</u>	<u>1,198,382</u>	<u>-</u>
Total	<u>\$ 176,829,578</u>	<u>\$ 176,858,634</u>	173,140,212	<u>\$ (3,718,422)</u>

Budgetary revenues are different than GAAP revenues because:

State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted	7,348,080
Issuance of refunding bonds not budgeted	21,825,000
Premium on bond refunding not budgeted	<u>1,262,275</u>

Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds - Exhibit IV

\$ 203,575,567

TOWN OF STRATFORD, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Administration:				
Council Clerk	\$ 163,524	\$ 85,262	\$ 85,264	\$ (2)
Office of the Mayor	202,096	199,039	199,040	(1)
Human resources	385,407	499,463	499,464	(1)
Town Attorney	977,808	1,115,041	1,842,054	(727,013)
Chief Administrative Officer	230,588	237,826	237,826	-
Department of Planning	310,632	328,183	328,183	-
Registrar of Voters	210,259	209,951	209,951	-
Town Clerk	388,743	337,604	337,604	-
Town buildings	627,302	635,842	635,842	-
Agencies	164,871	149,725	149,655	70
Total	<u>3,661,230</u>	<u>3,797,936</u>	<u>4,524,883</u>	<u>(726,947)</u>
Contingency	<u>2,588,328</u>	<u>2,255,999</u>	<u>2,255,999</u>	<u>-</u>
Employee benefits	<u>30,252,885</u>	<u>30,155,585</u>	<u>30,155,585</u>	<u>-</u>
Finance:				
Administration	154,666	111,319	111,319	-
Accounting	345,481	373,146	373,146	-
Data processing	393,179	375,190	375,190	-
Purchasing	136,298	142,836	142,835	1
Tax Assessor	429,575	424,582	424,582	-
Tax Collector	477,068	462,568	462,568	-
Total	<u>1,936,267</u>	<u>1,889,641</u>	<u>1,889,640</u>	<u>1</u>
Human development:				
Community services	191,529	196,808	196,808	-
Economic Community Development	108,976	105,008	105,007	1
Health Department	577,407	599,139	640,269	(41,130)
Recreation Department	685,349	752,758	752,758	-
Senior Services	579,848	567,156	567,155	1
Sterling House	122,885	122,885	122,885	-
Stratford Library Association	2,800,455	2,800,454	2,793,891	6,563
Visiting Nurses Association	53,500	53,500	53,500	-
Short Beach	139,713	137,225	137,246	(21)
Total	<u>5,259,662</u>	<u>5,334,933</u>	<u>5,369,519</u>	<u>(34,586)</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Physical development:				
Public works:				
Administration	\$ 966,274	\$ 1,139,651	\$ 1,139,652	\$ (1)
Building inspection	204,255	217,210	217,211	(1)
Building maintenance	1,160,956	1,202,659	1,155,593	47,066
Engineering	563,915	514,099	514,097	2
Parks	1,955,711	2,190,027	2,042,560	147,467
Highways	2,322,036	2,244,087	2,244,086	1
Town garage	662,362	691,565	691,661	(96)
Sanitation/refuse	3,798,278	3,765,236	3,765,237	(1)
Total	<u>11,633,787</u>	<u>11,964,534</u>	<u>11,770,097</u>	<u>194,437</u>
Public safety:				
Fire Department:				
Administration	854,898	699,651	699,619	32
Firefighting	9,239,026	9,583,757	9,681,570	(97,813)
Fire prevention	280,334	224,482	224,482	-
Police Department:				
Administration	950,804	1,073,926	1,069,591	4,335
Investigation	1,566,132	1,443,946	1,443,943	3
Patrol	5,487,770	4,978,377	5,864,922	(886,545)
Records	282,900	272,354	272,353	1
Traffic	917,925	936,416	930,562	5,854
Professional Standards	572,144	464,186	463,592	594
Communications center	768,975	748,288	748,286	2
Total	<u>20,920,908</u>	<u>20,425,383</u>	<u>21,398,920</u>	<u>(973,537)</u>
Board of Education	<u>88,772,647</u>	<u>88,772,647</u>	<u>85,806,097</u>	<u>2,966,550</u>
Debt service:				
Bonds payable:				
Principal retirement	6,990,886	7,390,886	6,990,886	400,000
Interest	3,424,281	3,424,281	3,424,281	-
Total	<u>10,415,167</u>	<u>10,815,167</u>	<u>10,415,167</u>	<u>400,000</u>
Total expenditures	<u>175,440,881</u>	<u>175,411,825</u>	<u>173,585,907</u>	<u>1,825,918</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

GENERAL FUND

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing uses:				
Transfers out	\$ 1,388,697	\$ 1,388,697	\$ 1,388,697	\$ -
Total	\$ <u>176,829,578</u>	\$ <u>176,800,522</u>	174,974,604	\$ <u>1,825,918</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers'

Retirement System for Town teachers are not budgeted

7,348,080

Encumbrances for purchases and commitments ordered but not received are reported
in the year the order is placed for budgetary purposes, but in the year received for
financial reporting purposes

468,928

Payment to escrow agent not budgeted

22,905,606

Refunding bond issuance cost not budgeted

181,669Total Expenditures and Other Financing Uses as Reported on the Statement of
Revenues, Expenditures and Changes in Fund Balances - Governmental Funds -
Exhibit IV\$ 205,878,887

Combining and Individual Fund Statements and Schedules

General Fund

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

TOWN OF STRATFORD, CONNECTICUT

GENERAL FUND

BALANCE SHEET

JUNE 30, 2010 AND 2009

	<u>2010</u>	<u>2009</u>
ASSETS		
Cash and cash equivalents	\$ 21,604,618	\$ 25,402,464
Investments		
Receivables, net	8,870,481	8,860,888
Due from other funds	<u>14,959,321</u>	<u>5,203,939</u>
Total Assets	<u>\$ 45,434,420</u>	<u>\$ 39,467,291</u>
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	\$ 4,152,530	\$ 6,984,671
Accrued liabilities	1,250,078	1,114,146
Deferred revenue	7,440,356	7,558,609
Due to other funds	<u>24,093,051</u>	<u>13,008,140</u>
Total liabilities	<u>36,936,015</u>	<u>28,665,566</u>
Fund balance:		
Reserved	1,894,467	2,363,395
Unreserved	<u>6,603,938</u>	<u>8,438,330</u>
Total fund balance	<u>8,498,405</u>	<u>10,801,725</u>
Total Liabilities and Fund Balance	<u>\$ 45,434,420</u>	<u>\$ 39,467,291</u>

TOWN OF STRATFORD, CONNECTICUT

GENERAL FUND

REPORT OF TAX COLLECTOR

FOR THE YEAR ENDED JUNE 30, 2010

Grand List	Uncollected Taxes July 1, 2009	Current Levy	Lawful Corrections	Transfers To Suspense	Adjusted Taxes Collectible	Collections				Total Collected	Uncollected Taxes June 30, 2010
						Taxes Paid	Interest	Lien	Other		
2008	\$	\$ 139,773,417	\$ 167,685	\$ (32,510)	\$ 139,908,592	\$ 136,920,401	\$ 487,455	\$ 4,032	\$ 22,307	\$ 137,434,195	\$ 2,988,191
2007	2,466,479		182,499		2,648,978	1,834,039	372,676	7,335	18,180	2,232,230	814,939
2006	523,434		112,917		636,351	154,421	75,520	835	27,832	258,608	481,930
2005	430,113		(11,982)	(366,561)	51,570	48,001	22,360	302	7,857	78,520	3,569
2004	20,753		(458)		20,295	(316)	(91)	96		(311)	20,611
2003	28,742		(333)		28,409	(205)	89	48	25	(43)	28,614
2002	4,497				4,497	108	97	24	13	242	4,389
2001	120,205				120,205	3,803	4,857		1,208	9,868	116,402
2000	287,814				287,814	426	579	24	154	1,183	287,388
1999	77,047				77,047	(6,654)	90	24	22	(6,518)	83,701
1998	95,222		(115)		95,107	951	1,794		411	3,156	94,156
1997	120,094		(12)		120,082	920	1,605		378	2,903	119,162
1996	84,085				84,085	2				2	84,083
1995	47,106		292		47,398					0	47,398
1994	58,019				58,019					0	58,019
1993	58,581				58,581					0	58,581
	<u>\$ 4,422,191</u>	<u>\$ 139,773,417</u>	<u>\$ 450,493</u>	<u>\$ (399,071)</u>	<u>\$ 144,247,030</u>	<u>\$ 138,955,897</u>	<u>\$ 967,031</u>	<u>\$ 12,720</u>	<u>\$ 78,387</u>	<u>\$ 140,014,035</u>	<u>\$ 5,291,133</u>

**Nonmajor
Governmental Funds**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Fund	Funding Source	Function
School Lunch Program	Sale of food and grants	School lunch program
Community Development	Federal grant - DHUD and program income	Community development programs
Education Federal and State Programs	State and Federal grant	Education programs
Shellfish and Oysters	Grants and local contributions	Activities of Shellfish Commission
Counseling Center	State grants and contributions	Drug addiction counseling
Continuing Education	State and Federal grants	Continuing education
Redevelopment Agency	Grants and local contributions	Stratford Redevelopment Agency
Railroad Property	Collection of fees	Railroad station parking
Miscellaneous Grants	Federal and state grants	Health and social services program
Department of Children and Family Services	Grants and local contributions	Department of Children and Families
Recreation		Recreation programs
Dog	Licenses and fees	Dog Warden/animal control
Town Aid Road	State grants	Improvements of local roads
Senior Citizens		Baldwin Senior Citizen Center
Police Special Services	Grants and local contributions	State Drug Enforcement Grant
Harbor Management		Harbor management program
Recycling		Recycling program
Gas Pipeline	Donation from Duke Energy	Various projects
Sewer Maintenance		Miscellaneous maintenance of sewer functions
Reserve		Miscellaneous reserve funds

Permanent Funds

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Fund	Funding Source	Function
Stratford High School		Student activities
Bunnell High School		Student activities
Stephen Boothe	Donations	Boothe Memorial Park
David Boothe	Donations	Boothe Memorial Park

TOWN OF STRATFORD, CONNECTICUT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

	Special Revenue Funds						
	School Lunch Program	Community Development	Education Federal and State Programs	Shellfish and Oysters	Counseling Center	Continuing Education	Redevelopment Agency
Assets							
Cash and cash equivalents	\$ 262,334	\$ 1,051	\$ 54,414	\$ 64,496	\$ 52,469	\$ 146,564	\$ 415,329
Investments							
Accounts receivable		188,436					
Intergovernmental	224,494	55,289	85,677				
Due from other funds			38,059	3,943	16,369		
Inventory	23,887						
Total Assets	\$ 510,715	\$ 244,776	\$ 178,150	\$ 68,439	\$ 68,838	\$ 146,564	\$ 415,329
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ 741,915	\$ 16,872	\$ 8,916	\$ -	\$ 5,096	\$ 13,927	\$ -
Accrued liabilities		1,373					
Deferred revenue		188,436	140,091				
Due to other funds		55,047	29,143				
Total liabilities	741,915	261,728	178,150	-	5,096	13,927	-
Fund balances:							
Reserved for inventory	23,887						
Unreserved and undesignated	(255,087)	(16,952)		68,439	63,742	132,637	415,329
Total fund balance	(231,200)	(16,952)	-	68,439	63,742	132,637	415,329
Total Liabilities and Fund Balances	\$ 510,715	\$ 244,776	\$ 178,150	\$ 68,439	\$ 68,838	\$ 146,564	\$ 415,329

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

	Special Revenue Funds						
	Railroad Property	Miscellaneous Grants	Department of Children and Family Services	Recreation	Dog	Town Aid Road	Senior Citizens
Assets							
Cash and cash equivalents	\$ 1,048,099	\$ 123,295	\$ 152,607	\$ 800,133	\$ 98,760	\$ 321,506	\$ 49,548
Investments							
Accounts receivable				1,500			
Intergovernmental		146,159	4,064				
Due from other funds		162,578	52,813	13,575	40,189		27
Inventory							
Total Assets	\$ 1,048,099	\$ 432,032	\$ 209,484	\$ 815,208	\$ 138,949	\$ 321,506	\$ 49,575
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ 9,045	\$ 87,887	\$ 22,857	\$ 33,801	\$ 3,125	\$ 156,164	\$ 2,775
Accrued liabilities	485	6,465	9,676	3,754	4,691		361
Deferred revenue		371,195	97,168				
Due to other funds	121,912	30,145	4,995	730,789		156,154	
Total liabilities	131,442	495,692	134,696	768,344	7,816	312,318	3,136
Fund balances:							
Reserved for inventory							
Unreserved and undesignated	916,657	(63,660)	74,788	46,864	131,133	9,188	46,439
Total fund balance	916,657	(63,660)	74,788	46,864	131,133	9,188	46,439
Total Liabilities and Fund Balances	\$ 1,048,099	\$ 432,032	\$ 209,484	\$ 815,208	\$ 138,949	\$ 321,506	\$ 49,575

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

Special Revenue Funds

	Police Special Services	Harbor Management	Recycling	Gas Pipeline	Sewer Maintenance	Reserve	Total
Assets							
Cash and cash equivalents	\$ 189,698	\$ 89,279	\$ 9,881	\$ 477,814	\$ 35,532	\$	\$ 4,392,809
Investments							-
Accounts receivable		7,650					197,586
Intergovernmental							515,683
Due from other funds						630,287	957,840
Inventory							23,887
Total Assets	\$ 189,698	\$ 96,929	\$ 9,881	\$ 477,814	\$ 35,532	\$ 630,287	\$ 6,087,805
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$	\$ 4,768	\$	\$	\$ 24,048	\$	\$ 1,131,196
Accrued liabilities		1,418					28,223
Deferred revenue						630,287	1,427,177
Due to other funds		68					1,128,253
Total liabilities	-	6,254	-	-	24,048	630,287	3,714,849
Fund balances:							
Reserved for inventory							23,887
Unreserved and undesignated	189,698	90,675	9,881	477,814	11,484		2,349,069
Total fund balance	189,698	90,675	9,881	477,814	11,484	-	2,372,956
Total Liabilities and Fund Balances	\$ 189,698	\$ 96,929	\$ 9,881	\$ 477,814	\$ 35,532	\$ 630,287	\$ 6,087,805

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2010

Permanent Funds

	<u>Stratford High School</u>	<u>Bunnell High School</u>	<u>Stephen Boothe</u>	<u>David Boothe</u>	<u>Total</u>	<u>Interfund Eliminations</u>	<u>Total Nonmajor Governmental Funds</u>
Assets							
Cash and cash equivalents	\$ 266,711	\$ 74,657	\$ 30,428	\$ 49,517	\$ 421,313	\$ -	\$ 4,814,122
Investments			581,270	1,276,252	1,857,522		1,857,522
Accounts receivable					-		197,586
Intergovernmental					-		515,683
Due from other funds					-	(76,358)	881,482
Inventory					-		23,887
Total Assets	<u>\$ 266,711</u>	<u>\$ 74,657</u>	<u>\$ 611,698</u>	<u>\$ 1,325,769</u>	<u>\$ 2,278,835</u>	<u>\$ (76,358)</u>	<u>\$ 8,290,282</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,131,196
Accrued liabilities					-		28,223
Deferred revenue					-		1,427,177
Due to other funds					-	(76,358)	1,051,895
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,358)</u>	<u>3,638,491</u>
Fund balances:							
Reserved for inventory					-		23,887
Unreserved and undesignated	266,711	74,657	611,698	1,325,769	2,278,835		4,627,904
Total fund balance	<u>266,711</u>	<u>74,657</u>	<u>611,698</u>	<u>1,325,769</u>	<u>2,278,835</u>	<u>-</u>	<u>4,651,791</u>
Total Liabilities and Fund Balances	<u>\$ 266,711</u>	<u>\$ 74,657</u>	<u>\$ 611,698</u>	<u>\$ 1,325,769</u>	<u>\$ 2,278,835</u>	<u>\$ (76,358)</u>	<u>\$ 8,290,282</u>

TOWN OF STRATFORD, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue Funds						
	School Lunch Program	Community Development	Education Federal and State Programs	Shellfish and Oysters	Counseling Center	Continuing Education	Redevelopment Agency
Revenues:							
Intergovernmental	\$ 1,333,913	\$ 927,155	\$ 7,342,199	\$	\$ 5,675	\$	\$
Departmental revenue	1,660,386			10,776		466,219	
Licenses and permits				50	41		2,897
Investment income					22,818		
Other		8					
Total revenues	<u>2,994,299</u>	<u>927,163</u>	<u>7,342,199</u>	<u>10,826</u>	<u>28,534</u>	<u>466,219</u>	<u>2,897</u>
Expenditures:							
Current:							
Education	3,027,481		7,342,199			462,657	
Human development					27,459		
Physical development		862,485					
Public safety							
Capital outlay							
Total expenditures	<u>3,027,481</u>	<u>862,485</u>	<u>7,342,199</u>	<u>-</u>	<u>27,459</u>	<u>462,657</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(33,182)</u>	<u>64,678</u>	<u>-</u>	<u>10,826</u>	<u>1,075</u>	<u>3,562</u>	<u>2,897</u>
Other Financing Sources (Uses):							
Transfers in							
Transfers out							
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(33,182)	64,678	-	10,826	1,075	3,562	2,897
Fund Balances at Beginning of Year	<u>(198,018)</u>	<u>(81,630)</u>	<u>-</u>	<u>57,613</u>	<u>62,667</u>	<u>129,075</u>	<u>412,432</u>
Fund Balances at End of Year	<u>\$ (231,200)</u>	<u>\$ (16,952)</u>	<u>\$ -</u>	<u>\$ 68,439</u>	<u>\$ 63,742</u>	<u>\$ 132,637</u>	<u>\$ 415,329</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue Funds						
	Railroad Property	Miscellaneous Grants	Department of Children and Family Services	Recreation	Dog	Town Aid Road	Senior Citizens
Revenues:							
Intergovernmental	\$	\$ 820,254	\$ 409,953	\$	\$	\$ 290,974	\$
Departmental revenue				370,333			74,897
Licenses and permits	296,385				25,435		
Investment income	7,807	90	114	415	70		175
Other						251	
Total revenues	<u>304,192</u>	<u>820,344</u>	<u>410,067</u>	<u>370,748</u>	<u>25,505</u>	<u>291,225</u>	<u>75,072</u>
Expenditures:							
Current:							
Education							
Human development	275,078	798,454					82,387
Physical development			621,854	362,706			
Public safety					210,210		
Capital outlay						435,072	
Total expenditures	<u>275,078</u>	<u>798,454</u>	<u>621,854</u>	<u>362,706</u>	<u>210,210</u>	<u>435,072</u>	<u>82,387</u>
Excess (Deficiency) of Revenues over Expenditures	<u>29,114</u>	<u>21,890</u>	<u>(211,787)</u>	<u>8,042</u>	<u>(184,705)</u>	<u>(143,847)</u>	<u>(7,315)</u>
Other Financing Sources (Uses):							
Transfers in			254,000		201,997		
Transfers out	(78,000)			(48,750)			
Total other financing sources (uses)	<u>(78,000)</u>	<u>-</u>	<u>254,000</u>	<u>(48,750)</u>	<u>201,997</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(48,886)	21,890	42,213	(40,708)	17,292	(143,847)	(7,315)
Fund Balances at Beginning of Year	<u>965,543</u>	<u>(85,550)</u>	<u>32,575</u>	<u>87,572</u>	<u>113,841</u>	<u>153,035</u>	<u>53,754</u>
Fund Balances at End of Year	<u>\$ 916,657</u>	<u>\$ (63,660)</u>	<u>\$ 74,788</u>	<u>\$ 46,864</u>	<u>\$ 131,133</u>	<u>\$ 9,188</u>	<u>\$ 46,439</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2010

Special Revenue Funds

	<u>Police Special Services</u>	<u>Harbor Management</u>	<u>Recycling</u>	<u>Gas Pipeline</u>	<u>Sewer Maintenance</u>	<u>Reserve</u>	<u>Total</u>
Revenues:							
Intergovernmental	\$ 44,053	\$	\$	\$	\$	\$	\$ 11,174,176
Departmental revenue		83,384				442,249	3,108,244
Licenses and permits							321,820
Investment income	1,468	58		3,466	28		16,679
Other			2,185				25,262
Total revenues	<u>45,521</u>	<u>83,442</u>	<u>2,185</u>	<u>3,466</u>	<u>28</u>	<u>442,249</u>	<u>14,646,181</u>
Expenditures:							
Current:							
Education							10,832,337
Human development						442,249	1,625,627
Physical development		59,929					1,906,974
Public safety	63,972						274,182
Capital outlay		2,239					437,311
Total expenditures	<u>63,972</u>	<u>62,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>442,249</u>	<u>15,076,431</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(18,451)</u>	<u>21,274</u>	<u>2,185</u>	<u>3,466</u>	<u>28</u>	<u>-</u>	<u>(430,250)</u>
Other Financing Sources (Uses):							
Transfers in							455,997
Transfers out							(126,750)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>329,247</u>
Net Change in Fund Balances	(18,451)	21,274	2,185	3,466	28	-	(101,003)
Fund Balances at Beginning of Year	<u>208,149</u>	<u>69,401</u>	<u>7,696</u>	<u>474,348</u>	<u>11,456</u>	<u>-</u>	<u>2,473,959</u>
Fund Balances at End of Year	<u>\$ 189,698</u>	<u>\$ 90,675</u>	<u>\$ 9,881</u>	<u>\$ 477,814</u>	<u>\$ 11,484</u>	<u>\$ -</u>	<u>\$ 2,372,956</u>

(Continued on next page)

TOWN OF STRATFORD, CONNECTICUT

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED JUNE 30, 2010

Permanent Funds

	<u>Stratford High School</u>	<u>Bunnell High School</u>	<u>Stephen Boothe</u>	<u>David Boothe</u>	<u>Total</u>	<u>Interfund Eliminations</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:							
Intergovernmental	\$	\$	\$	\$	\$ -	\$	\$ 11,174,176
Departmental revenue					-		3,108,244
Licenses and permits					-		321,820
Investment income	5,458	1,880	48,698	102,682	158,718		175,397
Other	2,878				2,878		28,140
Total revenues	<u>8,336</u>	<u>1,880</u>	<u>48,698</u>	<u>102,682</u>	<u>161,596</u>	<u>-</u>	<u>14,807,777</u>
Expenditures:							
Current:							
Education	19,348	3,705	17,267	29,018	69,338		10,901,675
Human development					-		1,625,627
Physical development					-		1,906,974
Public safety					-		274,182
Capital outlay					-		437,311
Total expenditures	<u>19,348</u>	<u>3,705</u>	<u>17,267</u>	<u>29,018</u>	<u>69,338</u>	<u>-</u>	<u>15,145,769</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(11,012)</u>	<u>(1,825)</u>	<u>31,431</u>	<u>73,664</u>	<u>92,258</u>	<u>-</u>	<u>(337,992)</u>
Other Financing Sources (Uses):							
Transfers in					-		455,997
Transfers out					-		(126,750)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>329,247</u>
Net Change in Fund Balances	(11,012)	(1,825)	31,431	73,664	92,258	-	(8,745)
Fund Balances at Beginning of Year	<u>277,723</u>	<u>76,482</u>	<u>580,267</u>	<u>1,252,105</u>	<u>2,186,577</u>	<u>-</u>	<u>4,660,536</u>
Fund Balances at End of Year	<u>\$ 266,711</u>	<u>\$ 74,657</u>	<u>\$ 611,698</u>	<u>\$ 1,325,769</u>	<u>\$ 2,278,835</u>	<u>\$ -</u>	<u>\$ 4,651,791</u>

**Capital Projects
Fund**

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. The town reports one capital project funds with the following subfunds:

Fund	Funding Source	Function
Capital Improvements		Construction and renovation projects
Capital Special Projects	Bonds	Construction and renovation projects
Sidewalk and Roads	Special assessments	Construction and improvements to sidewalks and streets
Sewer Revolving	Special assessments	Construction and improvements to storm sewer system
Water Hookup		Water main construction for Whipporwill Lane
Capital Equipment	General Fund	Equipment purchases

TOWN OF STRATFORD, CONNECTICUT

CAPITAL PROJECTS FUND

PROJECT COMBINING BALANCE SHEET

JUNE 30, 2010

65

	<u>Capital Improvements</u>	<u>Capital Special Projects</u>	<u>Sidewalk and Roads</u>	<u>Sewer Revolving</u>	<u>Water Hookup</u>	<u>Capital Equipment</u>	<u>Interfund Eliminations</u>	<u>Total</u>
Assets								
Cash and cash equivalents	\$	\$ 12,081,358	\$ 529	\$ 814,779	\$ 1,155	\$ 1,132,798	\$	\$ 14,030,619
Special assessments			5,804	489,254	35,624			530,682
Due from other funds		21,088,571	38,422	382,919			(142,310)	21,367,946
Total Assets	\$	<u>21,088,571</u>	<u>6,677</u>	<u>1,686,952</u>	<u>36,779</u>	<u>1,132,798</u>	<u>(142,310)</u>	<u>35,929,247</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$	\$ 388,997	\$ 553,910	\$	\$	\$ 138,093	\$	\$ 1,081,000
Deferred revenue			5,804	489,253	35,623			530,680
Bond anticipation notes		3,800,000						3,800,000
Due to other funds		33,356	9,023,673	15,749	168,770	203,607	2,816,686	(142,310)
Total liabilities		<u>4,222,353</u>	<u>9,577,583</u>	<u>21,553</u>	<u>658,023</u>	<u>239,230</u>	<u>2,954,779</u>	<u>(142,310)</u>
Fund balances:								
Unreserved and undesignated		16,866,218	2,542,197	(14,876)	1,028,929	(202,451)	(1,821,981)	-
Total Liabilities and Fund Balances	\$	<u>21,088,571</u>	<u>12,119,780</u>	<u>6,677</u>	<u>1,686,952</u>	<u>36,779</u>	<u>1,132,798</u>	<u>(142,310)</u>

TOWN OF STRATFORD, CONNECTICUT

CAPITAL PROJECTS FUND

PROJECT COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Capital Improvements</u>	<u>Capital Special Projects</u>	<u>Sidewalk and Roads</u>	<u>Sewer Revolving</u>	<u>Water Hookup</u>	<u>Capital Equipment</u>	<u>Interfund Eliminations</u>	<u>Total</u>
Revenues:								
Property taxes and assessments	\$	\$	\$ 4,411	\$ 137,986	\$ 6,849	\$	\$	\$ 149,246
Intergovernmental		318,963				4,900		323,863
Investment income	18,000	17,068		6,053				41,121
Total revenues	<u>18,000</u>	<u>336,031</u>	<u>4,411</u>	<u>144,039</u>	<u>6,849</u>	<u>4,900</u>	<u>-</u>	<u>514,230</u>
Expenditures:								
Capital outlay	<u>268,199</u>	<u>5,116,030</u>				<u>2,234,466</u>		<u>7,618,695</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(250,199)</u>	<u>(4,779,999)</u>	<u>4,411</u>	<u>144,039</u>	<u>6,849</u>	<u>(2,229,566)</u>	<u>-</u>	<u>(7,104,465)</u>
Other Financing Sources:								
Bond proceeds	10,385,000							10,385,000
Transfers in		170,000				762,700		932,700
Transfers out	(470,000)							(470,000)
Total other financing sources	<u>9,915,000</u>	<u>170,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>762,700</u>	<u>-</u>	<u>10,847,700</u>
Net Change in Fund Balances	9,664,801	(4,609,999)	4,411	144,039	6,849	(1,466,866)	-	3,743,235
Fund Balances at Beginning of Year	<u>7,201,417</u>	<u>7,152,196</u>	<u>(19,287)</u>	<u>884,890</u>	<u>(209,300)</u>	<u>(355,115)</u>	<u>-</u>	<u>14,654,801</u>
Fund Balances at End of Year	<u>\$ 16,866,218</u>	<u>\$ 2,542,197</u>	<u>\$ (14,876)</u>	<u>\$ 1,028,929</u>	<u>\$ (202,451)</u>	<u>\$ (1,821,981)</u>	<u>\$ -</u>	<u>\$ 18,398,036</u>

Enterprise Funds

ENTERPRISE FUNDS

Enterprise funds are used to account for ongoing organizations and activities which are similar to those found in the private sector.

Emergency Medical Services is used to account for all funds derived from ambulance billing from EMS services and to support the operation of EMS.

Short Beach Golf Course is used to account for the operations of the Town's public golf course.

Miniature Golf Course is used to account for the operations of the Gull's Landing Miniature Golf Course.

TOWN OF STRATFORD, CONNECTICUT

ENTERPRISE FUNDS

COMBINING STATEMENT OF NET ASSETS

JUNE 30, 2010

	<u>Emergency Medical Services</u>	<u>Short Beach Golf Course</u>	<u>Miniature Golf Course</u>	<u>Total</u>
Assets:				
Current assets:				
Cash and cash equivalents	\$ 2,885,204	\$ 483,607	\$ 301	\$ 3,369,112
Receivables:				
Accounts receivable, net	663,628			663,628
Due from other funds	<u>2,401,732</u>	<u>2,434</u>		<u>2,404,166</u>
Total current assets	<u>5,950,564</u>	<u>486,041</u>	<u>301</u>	<u>6,436,906</u>
Capital assets:				
Assets not being depreciated	1,576,780			1,576,780
Assets being depreciated, net	<u>330,927</u>	<u>263,678</u>	<u>60,873</u>	<u>655,478</u>
Total capital assets	<u>1,907,707</u>	<u>263,678</u>	<u>60,873</u>	<u>2,232,258</u>
 Total assets	 <u>7,858,271</u>	 <u>749,719</u>	 <u>61,174</u>	 <u>8,669,164</u>
Liabilities:				
Current:				
Accounts payable	96,590	38,131		134,721
Accrued wages	7,893	7,289		15,182
Unearned revenue		2,184		2,184
Due to other funds	2,927,336	432,066	18,839	3,378,241
Bonds payable	94,114			94,114
Compensated absences	<u>38,051</u>	<u>14,926</u>		<u>52,977</u>
Total current liabilities	<u>3,163,984</u>	<u>494,596</u>	<u>18,839</u>	<u>3,677,419</u>
Noncurrent liabilities:				
Bonds payable	1,817,658			1,817,658
Compensated absences	<u>88,786</u>	<u>34,827</u>		<u>123,613</u>
Total noncurrent liabilities	<u>1,906,444</u>	<u>34,827</u>	<u>-</u>	<u>1,941,271</u>
 Total liabilities	 <u>5,070,428</u>	 <u>529,423</u>	 <u>18,839</u>	 <u>5,618,690</u>
Net Assets:				
Invested in capital assets, net of related debt	1,907,707	263,678	60,873	2,232,258
Unrestricted	<u>880,136</u>	<u>(43,382)</u>	<u>(18,538)</u>	<u>818,216</u>
 Total Net Assets	 <u>\$ 2,787,843</u>	 <u>\$ 220,296</u>	 <u>\$ 42,335</u>	 <u>\$ 3,050,474</u>

TOWN OF STRATFORD, CONNECTICUT

ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2010

	<u>Emergency Medical Services</u>	<u>Short Beach Golf Course</u>	<u>Miniature Golf Course</u>	<u>Total</u>
Operating Revenues:				
Charges for services	\$ 1,641,482	\$ 321,617	\$ _____	\$ 1,963,099
Operating Expenses:				
Operating and maintenance	916,492	379,011		1,295,503
Depreciation	<u>64,133</u>	<u>106,888</u>	<u>11,068</u>	<u>182,089</u>
Total operating expenses	<u>980,625</u>	<u>485,899</u>	<u>11,068</u>	<u>1,477,592</u>
Operating Income (Loss)	<u>660,857</u>	<u>(164,282)</u>	<u>(11,068)</u>	<u>485,507</u>
Nonoperating Revenues (Expenses):				
Interest income	15,184	438		15,622
Interest expense	<u>(81,518)</u>			<u>(81,518)</u>
Total nonoperating revenues (expenses)	<u>(66,334)</u>	<u>438</u>		<u>(65,896)</u>
Income (Loss) Before Contributions and Transfers	594,523	(163,844)	(11,068)	419,611
Capital contributions	1,246,869			1,246,869
Transfers out	<u>(355,632)</u>			<u>(355,632)</u>
Change in Net Assets	1,485,760	(163,844)	(11,068)	1,310,848
Net Assets at Beginning of Year	<u>1,302,083</u>	<u>384,140</u>	<u>53,403</u>	<u>1,739,626</u>
Net Assets at End of Year	<u>\$ 2,787,843</u>	<u>\$ 220,296</u>	<u>\$ 42,335</u>	<u>\$ 3,050,474</u>

TOWN OF STRATFORD, CONNECTICUT
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Emergency Medical Services</u>	<u>Short Beach Golf Course</u>	<u>Miniature Golf Course</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 1,592,422	\$ 321,617	\$	\$ 1,914,039
Cash payments to suppliers	(185,915)	(134,618)		(320,533)
Cash payments to employees	(621,904)	(214,716)		(836,620)
Payments for interfund services used	1,659,306	343,552		2,002,858
Net cash provided by operating activities	<u>2,443,909</u>	<u>315,835</u>	<u>-</u>	<u>2,759,744</u>
Cash Flows from Noncapital Financing Activities:				
Transfers to other funds	<u>(355,632)</u>			<u>(355,632)</u>
Cash Flows from Capital and Related Financing Activities:				
Principal payment on debt	(94,114)			(94,114)
Interest paid on debt	(81,518)			(81,518)
Purchase of capital assets	<u>(313,693)</u>			<u>(313,693)</u>
Net cash used in capital and related financing activities	<u>(489,325)</u>	<u>-</u>	<u>-</u>	<u>(489,325)</u>
Cash Flows from Investing Activities:				
Interest revenues	<u>15,184</u>	<u>438</u>		<u>15,622</u>
Net Increase in Cash and Cash Equivalents	1,614,136	316,273	-	1,930,409
Cash and Cash Equivalents at Beginning of Year	<u>1,271,068</u>	<u>167,334</u>	<u>301</u>	<u>1,438,703</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,885,204</u>	<u>\$ 483,607</u>	<u>\$ 301</u>	<u>\$ 3,369,112</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating income (loss)	\$ 660,857	\$ (164,282)	\$ (11,068)	\$ 485,507
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	64,133	106,888	11,068	182,089
Change in assets and liabilities:				
Decrease (increase) in due from other funds	(1,268,030)	(2,434)		(1,270,464)
Decrease (increase) in accounts receivable	(49,060)			(49,060)
Increase (decrease) in accrued expenses	108,673	29,677		138,350
Increase (decrease) in due to other funds	<u>2,927,336</u>	<u>345,986</u>		<u>3,273,322</u>
Net Cash Provided by Operating Activities	<u>\$ 2,443,909</u>	<u>\$ 315,835</u>	<u>\$ -</u>	<u>\$ 2,759,744</u>
Noncash Capital Financing Activities:				
Capital Assets from Town	<u>\$ 1,246,869</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,246,869</u>

Fiduciary Fund

FIDUCIARY FUND

Agency Fund

Student Activity Fund - established to account for various student activities.

TOWN OF STRATFORD, CONNECTICUT

AGENCY FUND

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Balance</u> <u>July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2010</u>
School Activity Fund				
Assets:				
Cash and cash equivalents	\$ <u>317,446</u>	\$ <u>1,584,171</u>	\$ <u>1,582,061</u>	\$ <u>319,556</u>
Liabilities:				
Due to student groups	\$ <u>317,446</u>	\$ <u>1,584,171</u>	\$ <u>1,582,061</u>	\$ <u>319,556</u>

Statistical Section

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.

TOWN OF STRATFORD, CONNECTICUT

NET ASSETS BY COMPONENT

LAST NINE FISCAL YEARS
(In Thousands)

	FISCAL YEAR								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities:									
Invested in capital assets, net of related debt	\$ 46,587	\$ 45,101	\$ 51,011	\$ 51,351	\$ 43,229	\$ 38,060	\$ 41,507	\$ 41,507	\$ 36,685
Restricted	2,279	2,187	2,611	3,018	2,771				
Unrestricted	(36,777)	(30,284)	(35,633)	(42,043)	(34,058)	(22,914)	(28,260)	(28,260)	(15,118)
Total governmental activities net assets	<u>12,089</u>	<u>17,004</u>	<u>17,989</u>	<u>12,326</u>	<u>11,942</u>	<u>15,146</u>	<u>13,247</u>	<u>13,247</u>	<u>21,567</u>
Business-type activities:									
Invested in capital assets, net of related debt	21,674	26,998	29,187	37,156	16,638	14,657	13,426	13,426	13,670
Unrestricted	12,145	9,200	6,419	(9,414)	6,936	8,730	6,837	6,837	6,501
Total business-type activities net assets	<u>33,819</u>	<u>36,198</u>	<u>35,606</u>	<u>27,742</u>	<u>23,574</u>	<u>23,387</u>	<u>20,263</u>	<u>20,263</u>	<u>20,171</u>
Total:									
Invested in capital assets, net of related debt	68,261	72,099	80,198	88,507	59,867	52,717	54,933	54,934	50,355
Restricted	2,279	2,187	2,611	3,018	2,771				
Unrestricted	(24,632)	(21,084)	(29,214)	(51,457)	(27,122)	(14,184)	(21,423)	(21,423)	(8,617)
Total Net Assets	<u>\$ 45,908</u>	<u>\$ 53,202</u>	<u>\$ 53,595</u>	<u>\$ 40,068</u>	<u>\$ 35,516</u>	<u>\$ 38,533</u>	<u>\$ 33,510</u>	<u>\$ 33,511</u>	<u>\$ 41,738</u>

Notes:

(1) Schedule prepared on the accrual basis of accounting.

(2) The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.

TOWN OF STRATFORD, CONNECTICUT

CHANGES IN NET ASSETS

LAST NINE FISCAL YEARS
(In Thousands)

	FISCAL YEAR								
	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses:									
Governmental activities:									
General government	\$ (35,722)	\$ (27,808)	\$ (32,424)	\$ (33,510)	\$ (33,698)	\$ (11,164)	\$ (11,569)	\$ (7,862)	\$ (7,639)
Human development	(7,227)	(7,347)	(6,426)	(6,628)	(7,671)	(7,993)	(7,771)	(6,758)	(6,666)
Physical development	(15,466)	(16,734)	(15,742)	(15,483)	(17,331)	(16,078)	(16,501)	(16,262)	(15,504)
Public safety	(23,314)	(23,053)	(22,943)	(21,777)	(20,302)	(23,735)	(21,713)	(19,387)	(19,162)
Education	(113,161)	(111,307)	(123,854)	(91,018)	(89,072)	(100,201)	(92,120)	(86,380)	(84,369)
Debt service	(7,470)	(7,242)	(7,588)	(7,605)	(7,049)	(7,859)	(9,792)	(11,053)	(10,184)
Total governmental activities expenses	<u>(202,360)</u>	<u>(193,491)</u>	<u>(208,977)</u>	<u>(176,021)</u>	<u>(175,123)</u>	<u>(167,030)</u>	<u>(159,466)</u>	<u>(147,702)</u>	<u>(143,524)</u>
Business-type activities:									
Waste Operating	(9,864)	(8,490)	(5,624)	(3,842)	(4,473)	(4,512)	(4,582)	(4,349)	(4,002)
Other	(1,559)	(1,590)	(1,449)	(2,755)	(1,504)	(1,290)	(622)	(417)	(371)
Total business-type activities	<u>(11,423)</u>	<u>(10,080)</u>	<u>(7,073)</u>	<u>(6,597)</u>	<u>(5,977)</u>	<u>(5,802)</u>	<u>(5,204)</u>	<u>(4,766)</u>	<u>(4,373)</u>
Total Expenses	<u>(213,783)</u>	<u>(203,571)</u>	<u>(216,050)</u>	<u>(182,618)</u>	<u>(181,100)</u>	<u>(172,832)</u>	<u>(164,670)</u>	<u>(152,468)</u>	<u>(147,897)</u>
Program revenues:									
Governmental activities:									
Charges for services:									
General government	1,239	1,010	1,646	8,994	7,329	4,742	4,825	3,693	4,061
Human Development	4,087	2,783	4,376						
Physical Development	936	1,148	448						
Public Safety	1,262	1,117	2,072						
Education	2,251	1,929	2,208						
Operating grants and contributions	38,694	39,737	61,968	28,496	30,325	28,380	22,528	24,526	25,676
Capital grants and contributions	226	100	109	1,027	966	6,361	5,997	6,099	3,642
Total governmental activities program revenues	<u>48,695</u>	<u>47,824</u>	<u>72,827</u>	<u>38,517</u>	<u>38,620</u>	<u>39,483</u>	<u>33,350</u>	<u>34,318</u>	<u>3,359</u>
Business-type activities:									
Charges for services	8,277	8,268	8,182	7,836	6,850	7,232	5,298	4,781	4,759
Capital grants and contributions	1,285	2,741	7,031	2,755	1,365	1,328	73	184	
Total business-type activities program revenues	<u>9,562</u>	<u>11,009</u>	<u>15,213</u>	<u>10,591</u>	<u>8,215</u>	<u>8,560</u>	<u>5,371</u>	<u>4,965</u>	<u>4,759</u>
Total Primary Government Program Revenues	<u>58,257</u>	<u>58,833</u>	<u>88,040</u>	<u>49,108</u>	<u>46,835</u>	<u>48,043</u>	<u>38,721</u>	<u>39,283</u>	<u>38,338</u>
Net revenues (expenses):									
Governmental activities	(153,665)	(145,667)	(136,150)	(137,504)	(136,503)	(127,547)	(126,116)	(113,384)	(109,945)
Business-type activities	(1,861)	929	8,140	3,994	2,238	2,758	167	199	386
Total Net Expense	<u>(155,526)</u>	<u>(144,738)</u>	<u>(128,010)</u>	<u>(133,510)</u>	<u>(134,265)</u>	<u>(124,789)</u>	<u>(125,949)</u>	<u>(113,185)</u>	<u>(109,559)</u>
General Revenues and Other Changes in Net Assets:									
Governmental activities:									
Property taxes	143,292	139,086	135,680	128,772	120,955	118,321	112,580	106,081	100,780
Grants and contributions not restricted to specific purposes	4,209	4,203	4,269	6,170	3,099	3,948	3,912	1,086	3,355
Unrestricted investment earnings	619	830	1,311	2,719	5,939	8,989	7,839	2,940	(3,669)
Miscellaneous	29								
Transfers	602	562	553	229	223				
Total governmental activities	<u>148,751</u>	<u>144,681</u>	<u>141,813</u>	<u>137,890</u>	<u>130,216</u>	<u>131,258</u>	<u>124,331</u>	<u>110,107</u>	<u>100,468</u>
Business-type activities:									
Property transfer					281		27		
Unrestricted investment earnings	85	225	277	402				(107)	(92)
Grants and contributions not restricted					(1,066)	172			
Funding reimbursement									
Transfers	(602)	(562)	(553)	(229)	(223)				
Total business-type activities	<u>(517)</u>	<u>(337)</u>	<u>(276)</u>	<u>173</u>	<u>(1,008)</u>	<u>172</u>	<u>27</u>	<u>(107)</u>	<u>(92)</u>
Total Primary Government General Revenues	<u>148,234</u>	<u>144,344</u>	<u>141,537</u>	<u>138,063</u>	<u>129,208</u>	<u>131,430</u>	<u>124,358</u>	<u>110,000</u>	<u>100,374</u>
Changes in Net Assets:									
Governmental activities	(4,914)	(986)	5,663	386	(6,287)	3,711	(1,785)	(3,277)	(9,479)
Business-type activities	(2,378)	592	7,864	4,167	1,230	2,930	194	92	294
Total Primary Government Changes in Net Assets	<u>\$ (7,292)</u>	<u>\$ (394)</u>	<u>\$ 13,527</u>	<u>\$ 4,553</u>	<u>\$ (5,057)</u>	<u>\$ 6,641</u>	<u>\$ (1,591)</u>	<u>\$ (3,185)</u>	<u>\$ (9,185)</u>

Notes: (1) Schedule prepared on the accrual basis of accounting.
(2) The Town began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2002.

TOWN OF STRATFORD, CONNECTICUT
FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Fund:										
Reserved	\$ 1,894	\$ 2,363	\$ 3,469	\$ 1,696	\$ 1,017	\$ 665	\$ 1,056	\$ 901	\$ 455	\$ 604
Unreserved	<u>6,604</u>	<u>8,438</u>	<u>8,220</u>	<u>8,148</u>	<u>7,232</u>	<u>8,347</u>	<u>8,822</u>	<u>7,972</u>	<u>11,313</u>	<u>10,872</u>
Total General Fund	<u>\$ 8,498</u>	<u>\$ 10,801</u>	<u>\$ 11,689</u>	<u>\$ 9,844</u>	<u>\$ 8,249</u>	<u>\$ 9,012</u>	<u>\$ 9,878</u>	<u>\$ 8,873</u>	<u>\$ 11,768</u>	<u>\$ 11,476</u>
All other governmental funds:										
Reserved	\$ 24	\$ 24	\$ 24	\$ 24	\$ 106,715	\$ 104,901	\$ 98,936	\$ 90,761	\$ 88,823	\$ 143,389
Unreserved, reported in:										
Special revenue funds	2,349	2,450	2,880	2,790	2,586	2,323	2,441		1,078	2,354
Capital projects funds	18,398	14,655	12,159	5,755	9,194	10,925	7,110	7,890	11,721	7,132
Permanent funds	<u>2,279</u>	<u>2,187</u>	<u>2,611</u>	<u>3,018</u>	<u>2,771</u>	<u>2,762</u>	<u>2,771</u>		<u>2,791</u>	
Total All Other Governmental Funds	<u>\$ 23,050</u>	<u>\$ 19,316</u>	<u>\$ 17,674</u>	<u>\$ 11,587</u>	<u>\$ 121,266</u>	<u>\$ 120,911</u>	<u>\$ 111,258</u>	<u>\$ 98,651</u>	<u>\$ 104,413</u>	<u>\$ 152,875</u>

TOWN OF STRATFORD, CONNECTICUT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Property taxes and assessments	\$ 140,553	\$ 139,446	\$ 135,778	\$ 131,776	\$ 121,853	\$ 119,024	\$ 113,157	\$ 106,913	\$ 101,665	\$ 94,650
Intergovernmental	43,636	42,929	69,422	36,908	36,955	35,685	33,250	30,369	29,511	29,846
Department revenue	5,154	4,564	5,445	5,452	5,362	5,186	4,484	3,584	3,558	3,484
Licenses and permits	653	685	755	895	794	883	683	676	658	464
Investment income	351	830	1,310	2,838	5,939	7,528	7,987	2,952	(3,666)	801
Other	4,265	4,694	4,452	3,990	3,125	4,683	4,394	1,819	3,050	629
Total revenues	<u>194,612</u>	<u>193,148</u>	<u>217,162</u>	<u>181,859</u>	<u>174,028</u>	<u>172,989</u>	<u>163,955</u>	<u>146,313</u>	<u>134,776</u>	<u>129,874</u>
Expenditures:										
Administration	4,534	4,369	4,207	3,566	3,403	3,057	3,512	3,068	3,500	3,132
Contingency	2,256	2,137	2,545	3,212	3,499	3,883	3,315	2,848	2,899	2,299
Employee benefits	21,169	19,096	18,522	122,928	17,109	14,577	12,292	7,780	11,133	9,111
Finance	1,890	1,969	1,825	1,729	1,731	1,828	1,523	1,456	1,353	1,271
Human development	7,032	7,082	6,184	6,310	7,008	9,181	6,729	5,964	5,789	5,382
Physical development	13,644	15,337	14,557	13,361	11,417	12,015	10,828	11,720	11,330	11,184
Public safety	21,673	22,025	22,001	21,148	19,668	18,721	18,153	16,777	16,427	15,920
Education	104,512	102,140	122,241	90,911	86,860	78,751	76,367	74,102	72,495	68,670
Capital outlay	8,056	8,800	6,421	5,825	10,953	11,993	7,760	6,372	9,346	11,254
Debt service:										
Principal retirement	12,131	11,276	14,506	12,536	12,190	12,520	13,463	19,190	10,693	9,719
Interest and other charges	7,452	7,455	7,569	8,646	7,563	8,390	8,607	9,059	9,889	10,807
Total expenditures	<u>204,349</u>	<u>201,686</u>	<u>220,578</u>	<u>290,172</u>	<u>181,401</u>	<u>174,916</u>	<u>162,549</u>	<u>158,336</u>	<u>154,854</u>	<u>148,749</u>
Excess of revenue over (under) expenditures	<u>(9,737)</u>	<u>(8,538)</u>	<u>(3,416)</u>	<u>(108,313)</u>	<u>(7,373)</u>	<u>(1,927)</u>	<u>1,406</u>	<u>(12,023)</u>	<u>(20,078)</u>	<u>(18,875)</u>
Other financing sources (uses):										
Appropriation of fund balance										
Transfers in	2,587	2,790	1,958	1,747	902			603	564	2,471
Transfers out	(1,985)	(2,229)	(1,405)	(1,518)	(678)			(603)	(564)	(2,397)
Proceeds from capital leases					42			52	23	87
Payments to escrow agents	(22,906)							(44,013)	(9,636)	
Proceeds from refunding bonds	21,825							43,130	9,445	
Premiums on refunding	1,262							1,264		
Bonds issued	10,385	8,730	10,795		7,365	11,105	5,100	8,980	8,935	8,320
Total other financing sources	<u>11,168</u>	<u>9,291</u>	<u>11,348</u>	<u>229</u>	<u>7,631</u>	<u>11,105</u>	<u>5,100</u>	<u>9,413</u>	<u>8,767</u>	<u>8,481</u>
Net Change in Fund Balances	\$ <u>1,431</u>	\$ <u>753</u>	\$ <u>7,932</u>	\$ <u>(108,084)</u>	\$ <u>258</u>	\$ <u>9,178</u>	\$ <u>6,506</u>	\$ <u>(2,610)</u>	\$ <u>(11,311)</u>	\$ <u>(10,394)</u>
Debt service as a percentage of noncapital expenditures	<u>11.1%</u>	<u>10.8%</u>	<u>11.5%</u>	<u>8.0%</u>	<u>13.1%</u>	<u>14.7%</u>	<u>16.6%</u>	<u>22.8%</u>	<u>16.5%</u>	<u>17.5%</u>

Note: Schedule prepared on the modified accrual basis of accounting.

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

FISCAL YEAR	GRAND LIST YEAR	REAL PROPERTY					FYI [EXEMPTIONS*]	TOTAL TAXABLE ASSESSED VALUE	TAXABLE ASSESSED VALUE AS A PERCENTAGE OF ACTUAL TAXABLE VALUE
		RESIDENTIAL	COMMERCIAL	PERSONAL PROPERTY	MOTOR VEHICLE	VACANT LAND			
2010	2008	\$ 3,366,230,619	\$ 687,694,615	\$ 387,758,558	\$ 292,972,012	\$ 54,592,980	\$ 163,403,228	\$ 4,625,845,556	70%
2009	2007	3,345,740,702	669,773,890	324,677,874	304,304,344	56,705,480	132,151,889	4,569,050,401	70%
2008	2006	3,323,193,180	650,204,740	296,714,314	294,560,508	67,585,710	104,668,686	4,527,589,766	70%
2007	2005	3,307,865,590	653,674,920	304,253,994	293,947,103	63,421,950	70,848,094	4,552,315,463	70%
2006	2004	3,291,364,190	647,876,030	312,927,968	278,500,870	64,346,170	112,273,550	4,595,015,228	70%
2005	2003	2,119,464,040	546,675,090	284,056,665	259,928,790	35,716,600	79,465,680	3,245,841,185	70%
2004	2002	2,111,433,600	547,581,080	284,772,466	269,342,755	36,138,900	161,340,480	3,249,268,801	70%
2003	2001	2,104,057,340	563,438,890	285,014,372	260,897,675	36,337,490	250,205,500	3,249,745,767	70%
2002	2000	2,098,617,165	557,415,790	280,349,201	253,957,285	30,788,790	99,688,440	3,221,128,231	70%
2001	1999	1,712,013,310	499,232,450	281,034,617	240,767,720	39,462,090	101,113,030	2,772,510,187	70%
2000	1998	1,702,693,190	493,816,020	272,723,315	219,677,657	40,305,460	99,437,348	2,729,215,642	70%
1999	1997	1,695,947,910	487,137,200	275,290,660	208,971,488	43,547,530	103,791,735	2,710,894,788	70%
1998	1996	1,690,926,308	488,873,570	277,256,146	204,233,588	39,643,310	109,723,772	2,700,932,922	70%

75

Source: Town of Stratford, Office of Tax Assessor

* Beginning in FY2007: Exemptions are excluded from each property type and must be added separately to "Total Taxable Assessed Value"

Prior to FY2007: Exemptions are included in each property type and do not need to be added separately to "Total Taxable Assessed Value"

TOWN OF STRATFORD, CONNECTICUT

TABLE 6

PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
FY2010

GRAND LIST YEAR / AMOUNT	(thousands)		
	OCTOBER 1, 2008		
			PERCENTAGE
			OF TOTAL TOWN
	TAXABLE		TAXABLE
	ASSESSSED		ASSESSSED
	VALUE *		VALUE
<u>TAXPAYER</u>	(\$000's)	RANK	VALUE
Sikorsky Aircraft	197,025	1	4.26%
United Illuminating	58,801	2	1.27%
UB Dockside LLC (Urstadt Biddle Prop)	25,075	3	0.54%
Stonybrook Gardens Cooperative	19,110	4	0.41%
Southern Connecticut Gas	17,112	5	0.37%
Kramont Operating Partnership	16,520	6	0.36%
Second Avenue Development LLC	15,314	7	0.33%
76 Home Depot	15,109	8	0.33%
Merritt 8 Acquisitions, LLC	13,189	9	0.29%
Wal-Mart	12,530	10	0.27%
UB Railside LLC (Urstadt Biddle Prop)	11,970	11	0.26%
William B. Meyer	10,879	12	0.24%
Ashcroft Inc. / FKA Dresser Industries	9,677	13	0.21%
Lord Chamberlain	9,450	14	0.20%
Stratford Land Development	9,178	15	0.20%
CSB Stratford LLC	9,100	16	0.20%
Exxon/Mobil			
Stratford Connecticut Business Trust			
YCP Merritt LP			
Kranzco Realty Trust			
TOTAL	\$ 450,039		13.13%

TOWN OF STRATFORD, CONNECTICUT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Governmental		Business-Type		Total Primary Government	Ratio of Debt to Taxable Assessed Value	Debt Per Capita
	General Obligation Bonds	Leases	Operating	Notes			
2010	\$ 134,394	\$	\$ 2,182	\$ 2,756	\$ 139,332	3.01 %	\$ 3
2009	136,814	3	2,276	3,095	142,188	3.11	3
2008	139,360	13	2,370	3,427	145,170	3.19	3
2007	143,071	26	599	1,963	145,659	3.17	3
2006	155,782	39	893	2,208	158,922	3.46	3
2005	161,078	21	1,187	2,449	164,735	5.07	3
2004	162,618	28	1,352	*	163,998	5.18	3
2003	170,790	58	1,515	*	172,363	5.30	3
2002	179,035	82	1,760	*	180,877	5.62	4
2001	176,574	149	2,136	*	178,859	6.45	4

TOWN OF STRATFORD, CONNECTICUT
COMPUTATION OF LEGAL DEBT LIMITATION

JUNE 30, 2010
(In Thousands)

Total tax collections (including interest and lien fees) for the year ended June 30, 2010					\$ 140,014
Reimbursement for revenue loss on:					
Tax relief for elderly					<u>15</u>
BASE					<u>\$ 140,029</u>
	<u>General</u>			<u>Urban</u>	<u>Pension</u>
	<u>Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Renewal</u>	<u>Deficit</u>
Debt limitation:					
2-1/4 times base	\$ 315,065	\$	\$	\$	\$
4-1/2 times base		630,131			
3-3/4 times base			525,109		
3-1/4 times base				455,094	
3 times base					420,087
	<u>315,065</u>	<u>630,131</u>	<u>525,109</u>	<u>455,094</u>	<u>420,087</u>
Total debt limitation					
Indebtedness:					
Bonds payable	44,347	36,789	270		55,170
Bonds authorized, unissued	7,379	14,793	49,189		
Clean Water Fund notes			2,756		
Grant commitments		<u>(3,407)</u>	<u>(3,482)</u>		
	<u>51,726</u>	<u>48,175</u>	<u>48,733</u>	<u>-</u>	<u>55,170</u>
Total indebtedness					
Debt Limitation in Excess of Outstanding and Authorized Indebtedness	<u>\$ 263,339</u>	<u>\$ 581,956</u>	<u>\$ 476,376</u>	<u>\$ 455,094</u>	<u>\$ 364,917</u>

Note 1: In no case shall total indebtedness exceed seven times annual receipts from taxation (\$980.2 million).

Note 2: Bonds authorized-unissued represents bond authorizations for projects which have bond anticipation notes outstanding or for which bonds have been authorized and partially issued.

TOWN OF STRATFORD, CONNECTICUT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(In Thousands)

	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limitation	\$ 980,203	\$ 970,067	\$ 939,939	\$ 919,149	\$ 849,478	\$ 818,526	\$ 790,418	\$ 741,509	\$ 706,884	\$ 659,709
Total net debt applicable to limit	<u>203,804</u>	<u>189,096</u>	<u>142,126</u>	<u>189,828</u>	<u>200,093</u>	<u>218,272</u>	<u>171,384</u>	<u>178,510</u>	<u>202,907</u>	<u>197,133</u>
Legal Debt Margin	<u>\$ 776,399</u>	<u>\$ 780,971</u>	<u>\$ 797,813</u>	<u>\$ 729,321</u>	<u>\$ 649,385</u>	<u>\$ 600,254</u>	<u>\$ 619,034</u>	<u>\$ 562,999</u>	<u>\$ 503,977</u>	<u>\$ 462,576</u>
Total net debt applicable to the limit as a percentage of debt limit	20.79%	19.49%	15.12%	20.65%	26.67%	21.68%	24.07%	28.70%	29.88%	31.60%

Source: Comprehensive annual financial report - Computation of Legal Debt Margin

Note: See Table 8 for calculation of current year debt limitation.

TOWN OF STRATFORD, CONNECTICUT

TABLE 10

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

CALENDAR YEAR	POPULATION(1)	PER CAPITA INCOME(2)	MEDIAN AGE(3)	SCHOOL ENROLLMENT(4)	UNEMPLOYMENT RATE(5)
2010	48,952	\$ 27,000	40.3	7,435	9.4%
2009	49,976	\$ 27,000	40.3	7,496	7.9%
2008	49,976	\$ 27,000	40.3	7,534	5.5%
2007	49,976	\$ 27,000	40.3	7,505	4.5%
2006	49,976	\$ 27,000	40.3	7,483	4.5%
2005	49,976	\$ 27,000	40.3	7,571	5.3%
2004	49,976	\$ 27,000	40.3	7,673	5.4%
2003	49,976	\$ 27,000	40.3	7,606	6.4%
2002	49,976	\$ 27,000	40.3	7,453	4.9%
2001	49,976	\$ 27,000	40.3	7,382	3.9%

88

(1) Source: U.S. Census Bureau - July 1, 2009 Population Estimate

(2) Source: U.S. Census Bureau - 2000 Census

(3) Source: U.S. Census Bureau - 2000 Census

(4) Source: Town of Stratford, BOE

(5) Source: State of Connecticut Dept. of Labor - Office of Research - Labor Market Info. [LMI]

Principal Employers 2010

EMPLOYER	NATURE OF BUSINESS	EMPLOYEES
Sikorsky Aircraft	Manufacturer of Helicopters	9,300
Town of Stratford	Government (500) / Education (837)	1,337
United Parcel Service	Package Delivery	730
Stratford Retailer Condo Assoc.	Retail Chains	575
Cablevision	Telecommunications	448
Ashcroft Holdings	Manufacturer of Gauges	432
Lord Chamberlain	Skilled Nursing Facility	375
CTT Global [formerly Applied Tech Products (ATP)]	Health & Beauty Care	280
Walmart	Consumer Goods	253
∞ Emsar	Manufacturer of Pump Atomizers	247
Connecticut Distributors	Liquor Distributors	243
AT&T	Telecommunications	202
Stop & Shop	Grocery Products	190
Bridgeport Fittings	Manufacturer of Electrical Fittings	187
ShopRite	Grocery Products	178
William B. Meryer	Moving, Storage, & Rigging	175
Aurora Products	Dried Fruit Packaging	144
Home Depot	Home / Garden / Repair Goods	144
New York Life	Life Insurance	125
TOTAL		<u>15,565</u>

Source: Town of Stratford, Office of Economic Development

TOWN OF STRATFORD, CONNECTICUT

TABLE 12

FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM		FULL-TIME-EQUIVALENT EMPLOYEES AS OF JUNE 30,									
		2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government	*	90	86	75	71	96	82	94	86	83	85
Police		116	108	111	112	119	117	113	113	112	116
Fire	*	100	104	111	117	96	99	97	99	98	99
Refuse collection		32	31	33	33	30	28	30	30	28	31
Other public works		64	65	76	77	64	69	66	60	64	63
Parks		26	23	25	27	19	20	21	20	22	23
Recreation		7	7	7	7	7	6	6	5	5	5
Library		27	28	26	29	26	28	28	29	30	30
TOTAL NON-EDUCATION		<u>462</u>	<u>452</u>	<u>464</u>	<u>473</u>	<u>457</u>	<u>449</u>	<u>455</u>	<u>442</u>	<u>442</u>	<u>452</u>
Education		837	843	864	838	832	833	835	813	833	779
TOTAL INCLUDING EDUCATION		<u>1,299</u>	<u>1,295</u>	<u>1,328</u>	<u>1,311</u>	<u>1,289</u>	<u>1,282</u>	<u>1,290</u>	<u>1,255</u>	<u>1,275</u>	<u>1,231</u>

83

* FY07 Reclass 6 EMS public safety employees from General Government to Fire Dept.

Source: Town of Stratford, Human Resource Department
Town of Stratford, Board of Education

TOWN OF STRATFORD, CONNECTICUT

TABLE 13

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government:										
Building permits issued	649	634	690	760	898	869	835	729	683	558
Building inspections conducted	3,136	3,186	3,475	2,947	2,964	2,868	2,845	2,406	2,254	1,845
Police:										
Physical arrests	1,597	1,233	1,363	1,483	1,142	1,338	1,433	1,382	1,321	1,350
Parking violations	369	519	994	665	n/a	505	1,086	999	838	853
Traffic violations	4,009	4,259	3,611	3,033	2,891	3,043	3,712	3,557	3,474	2,898
Fire:										
Emergency responses	4,577	5,307	5,196	5,146	5,098	4,569	4,693	4,410	4,325	1,605
Fires extinguished	435	530	367	325	148	205	237	204		
Inspections	665	1,200	1,111	1,112	595	625	751	685		
Refuse collection:										
Refuse collected (tons per year)	26,747	25,657	27,073	27,615	27,054	27,445	26,529	25,828	24,522	24,599
Recyclables collected (tons per year)	3,487	3,718	4,047	4,079	4,192	4,228	4,412	4,441	4,493	4,934
Parks and recreation:										
Athletic field permits issued	8,851	8,781	9,437	8,939	10,003	9,406	6,657	6,375	6,225	6,225
Community center admissions	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Library:										
Volumes in collection (Books & Serials)	162,990	151,977	168,707	168,627	149,961	148,475	149,257	150,529	150,747	152,498
Volumes in collection (All Other Items)	15,641	17,322	18,100	16,837	15,375	14,821	13,163	12,782	11,551	10,329
Total volumes borrowed (Books & Serials)	288,835	263,750	278,624	236,528	246,455	253,909	262,834	254,896	235,648	215,682
Total volumes borrowed (All Other Items)	189,627	187,203	138,373	173,237	171,788	168,124	186,973	187,432	150,795	107,606
Wastewater:										
Average daily sewage treatment (thousands of gallons)	8,413	8,182	9,290	7,690	8,250	7,360	7,500	6,720	6,710	7,300

Source: Town of Stratford, Building / Engineering
Town of Stratford, Police Department
Town of Stratford, Fire Department
Town of Stratford, Public Works Department
Town of Stratford, Recreation Department
Town of Stratford, Library

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	FISCAL YEAR									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	-	-	-	-	-	-	-	-	-	-
Patrol units (Number of Vehicles)	30	29	28	25	19	19	18	18	18	18
Fire stations	4	4	4	4	4	4	4	4	4	4
Refuse collection:										
Refuse collection trucks	4	4	4	4	4	4	4	4	4	4
Recycling collection trucks	3	3	3	3	3	3	3	3	3	3
Parks and recreation:										
Acreage	795	795	774	774	774	774	774	746	746	746
Playgrounds	27	27	23	23	28	28	28	28	28	26
Baseball/softball diamonds	45	45	45	45	48	48	48	48	48	48
Soccer/football fields	13	13	13	13	9	9	9	9	9	8
Community centers	2	2	2	2	2	2	2	2	2	1
Wastewater:										
Sanitary sewers (miles)	200	200	200	200	200	200	200	200	200	200
Storm sewers (miles)	125	125	125	125	125	125	125	125	125	125
Treatment capacity (thousands of gallons)	14,500	14,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500	11,500
Transit - mini-buses:										

84

Source: Town of Stratford, Police Department
 Town of Stratford, Fire Department
 Town of Stratford, Public Works Department
 Town of Stratford, Recreation Department
 Town of Stratford, Engineering Department