

OFFICIAL STATEMENT

NEW ISSUE-Book-Entry Only

MOODY'S RATING: Aa2
(See "Ratings" herein)

In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code"), under existing law, interest on the Bonds (as defined herein) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; however, with respect to certain corporations (as defined for federal income tax purposes) subject to the federal alternative minimum tax, such interest is taken into account in computing the federal alternative minimum tax.

In the opinion of Bond Counsel, under existing statutes and regulations, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "Tax Matters" herein.

TOWN OF MONROE, CONNECTICUT

\$6,220,000

GENERAL OBLIGATION BONDS, ISSUE OF 2015

(BANK QUALIFIED)

Dated: Date of Delivery

Due: Serially April 15, as shown herein

The Town's General Obligation Bonds, Issue of 2015 (the "Bonds") will be general obligations of the Town of Monroe, Connecticut (the "Town"), and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. (See "Security and Remedies" herein.)

Interest on the Bonds will be payable semiannually on April 15 and October 15 in each year until maturity, commencing October 15, 2015.

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

The Bonds will be issued by means of a book-entry-only system and registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. The Beneficial Owners of the Bonds will not receive certificates representing their ownership interest in the Bonds. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Town or its agent to DTC or its nominee as registered owner of the Bonds. Ownership of the Bonds may be in principal amounts of \$5,000 or integral multiples thereof. DTC will act as security depository for the Bonds. So long as Cede & Co. is the Bondowner, respectively, as nominee for DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. (See "Book-Entry-Only Transfer System" herein.)

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

MATURITY SCHEDULE AND AMOUNTS

Maturity	Amount	Interest Rate	Yield	CUSIP ¹	Maturity	Amount	Interest Rate	Yield	CUSIP ¹
2017	\$455,000	3.000 %	0.750 %	610423XX8	2024	\$445,000	2.000 %	1.850 % *	610423YE9
2018	455,000	2.000	0.950	610423XY6	2025	440,000	2.125	2.000 *	610423YF6
2019	445,000	3.000	1.100	610423XZ3	2026	440,000	2.250	2.150 *	610423YG4
2020	445,000	3.000	1.300	610423YA7	2027	440,000	2.250	2.350	610423YH2
2021	445,000	2.000	1.500 *	610423YB5	2028	440,000	2.500	2.500	610423YJ8
2022	445,000	2.000	1.600 *	610423YC3	2029	440,000	2.600	2.600	610423YK5
2023	445,000	2.000	1.700 *	610423YD1	2030	440,000	2.700	2.700	610423YL3

* - Priced assuming redemption on April 15, 2020; however any such redemption is at the option of the Town. (See "Optional Redemption" herein.)

PiperJaffray

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Pullman & Comley LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in definitive book-entry form will be made to DTC in New York, New York on or about April 22, 2015.

Dated: April 8, 2015

¹ Copyright, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

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

This Official Statement is not to be construed as a contract or agreement between the Issuer and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. The presentation of information in this Official Statement is intended to show recent historic trends and is not intended to indicate future or continuing trends in financial or other positions of the Issuer. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the Issuer since the date of the Official Statement.

The information, estimates and expressions of opinion in this Official Statement are subject to change without notice.

All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Issuer contained herein do not purport to be complete, are subject to repeal or amendment, and are qualified in their entirety by reference to such laws and the original official documents. All references to the Bonds and the proceedings of the Issuer relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

The independent auditors for the Issuer are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in this Official Statement (other than matters expressly set forth in Appendix A, "Audited Financial Statements" herein), and makes no representation that it has independently verified the same. The auditors have not been engaged nor performed audit procedures regarding the post audit period.

Bond Counsel is not passing upon and does not assume responsibility for the sufficiency, accuracy or completeness of the statements made or financial information presented in this Official Statement (other than matters expressly set forth as its opinions in Appendix B "Form of Opinion of Bond Counsel" herein) and makes no representation that it has independently verified the same.

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

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

BOND COUNSEL

PULLMAN & COMLEY, LLC
Hartford, Connecticut
(860) 424-4300

INDEPENDENT FINANCIAL ADVISOR

**INDEPENDENT BOND AND INVESTMENT
CONSULTANTS LLC (IBIC)**
Madison, Connecticut
(203) 245-8715

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BOND SALE SUMMARY

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

Date of Sale:	Wednesday, April 8, 2015, at 11:00 A.M. (E.D.T).
Location of Sale:	The office of the First Selectman, Town of Monroe, Town Hall, 7 Fan Hill Road, Monroe, Connecticut 06468.
Issuer:	Town of Monroe, Connecticut (the "Town").
Issue:	\$6,220,000 General Obligation Bonds, Issue of 2015.
Dated Date:	April 22, 2015.
Interest Due:	April 15 and October 15 in each year of maturity, commencing October 15, 2015.
Principal Due:	Serially, April 15, 2017 - 2030.
Purpose and Authority:	The Bonds are being issued to finance capital projects as authorized by the Town Council and at Special Town Meetings. (See "Purpose and Authorization" herein.)
Redemption:	The Bonds are subject to redemption prior to maturity, as more fully described herein.
Security:	The Bonds will be general obligations of the Town of Monroe, Connecticut, and the Town will pledge its full faith and credit to the payment of the principal of and interest on the Bonds when due. See "Security and Remedies" herein.
Credit rating:	The Bonds have been rated "Aa2" by Moody's Investors Service, Inc. ("Moody's"). The underlying rating on the Town's outstanding bonds has recently been affirmed as "Aa2" by Moody's. (See "Ratings" herein.)
Basis for Award:	Lowest True Interest Cost (TIC) as of the Dated Date.
Tax Exemption:	See Appendix B "Form of Opinion of Bond Counsel" and "Tax Matters" herein.
Continuing Disclosure:	See Appendix C "Form of Continuing Disclosure Agreement."
Bank Qualification:	The Bonds SHALL be designated by the Town as qualified tax exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.
Certifying Bank Registrar, Transfer and Paying Agent:	U.S. Bank National Association of Hartford, Connecticut.
Legal Opinion:	Pullman & Comley, LLC, of Hartford, Connecticut is Bond Counsel.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry only form will be made to the Depository Trust Company on or about April 22, 2015. Delivery of the Bonds will be made against payment in federal funds.
Issuer Official:	Questions regarding this Official Statement should be directed to Ronald J. Bunovsky, Jr., Acting Director of Finance and Comptroller, Town of Monroe, 7 Fan Hill Road, Monroe, Connecticut 06468, telephone (203) 452-5454.

SECTION I - SECURITIES OFFERED

Introduction

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Monroe, Connecticut (the "Town") in connection with the issuance and sale of \$6,220,000 General Obligation Bonds, Issue of 2015 (the "Bonds") of the Town.

Description of the Bonds

The Bonds will be dated the date of delivery, April 22, 2015, and will mature on the dates and in the principal amounts set forth on the cover page hereof. Interest on the Bonds will be payable on October 15, 2015 and semiannually thereafter on April 15 and October 15 in each year until the date of maturity. Interest will be calculated on the basis of a 360-day year consisting of twelve 30-day months and will be payable to the registered owners of the Bonds as of the close of the last business day of March and September in each year. A book-entry-only system will be employed evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of The Depository Trust Company, New York, New York ("DTC"), and its participants pursuant to rules and procedures established by DTC and its participants. (See "Book-Entry Transfer System" herein.) The Certifying, Registrar, Transfer and Paying Agent will be U.S. Bank National Association of Hartford, Connecticut. **The Bonds are subject to optional redemption prior to maturity.** (See "Optional Redemption" herein.) The legal opinion on the Bonds will be rendered by Pullman & Comley LLC of Hartford, Connecticut, as set forth in Appendix B. The Bonds **SHALL** be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended and described herein.

Optional Redemption

The Bonds maturing on or before April 15, 2020 are not subject to redemption prior to maturity. The Bonds maturing on April 15, 2021, and thereafter are subject to redemption prior to maturity, at the election of the Town, on or after April 15, 2020, at any time, in whole or in part, and by lot within a maturity, in such amounts and in such order of maturity as the Town may determine at the redemption price or prices (expressed as a percentage of the principal amount of Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
April 15, 2020 and thereafter	100%

Notice of Redemption

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

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

The Town, so long as a book-entry-only system is used for the Bonds, will send any notice of redemption only to DTC (or a successor securities depository) or its nominee. Any failure of DTC to advise any DTC Participant or of any DTC Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of such Bonds called for redemption.

Redemption of a portion of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry-only system, among the interest held by DTC Participants in the Bonds to be redeemed, the interest to be reduced by such redemptions in accordance with its own rules or other agreements with DTC Participants. The DTC Participants and Indirect Participants may allocate reductions of the interests in the Bonds to be redeemed held by the Beneficial Owners. Any such

allocation of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by or the responsibility of the Town, the Registrar or Paying Agent.

Authorization and Purpose

Authorizations:

Road Paving Project, Phase 3 & Phase 4: A \$2,400,000 appropriation and bond authorization for the planning, design, reconstruction and paving of various roads in Town was adopted by resolution at a Town Council Meeting held on December 8, 2014 and a Special Town Meeting held on February 4, 2015.

Underground Storage Tanks: A \$620,000 appropriation and bond authorization for the removal and replacement of underground storage tanks was adopted by resolution at a Town Council Meeting held on December 8, 2014 and a Special Town Meeting held on February 4, 2015.

Parks & Recreation Field Improvements: A \$250,000 appropriation and bond authorization for the construction of a new athletic field at Wolfe Park in Town was adopted by resolution at a Town Council Meeting held on January 15, 2015 and a Special Town Meeting held on February 4, 2015.

Masuk High School Roof Replacement Project: A \$2,950,000 appropriation and bond authorization for the planning, design, renovation of the roof at Masuk High School was adopted by resolution at a Town Council Meeting held on March 11, 2014 and at a Special Town Meeting held on March 24, 2014.

Purpose: Proceeds of the Bonds will be used to finance the following capital projects undertaken by the Town:

<u>Projects</u>	<u>Total Bond Authorization</u>	<u>BANs Maturing 6/17/2015</u>	<u>The Bonds</u>
Road Paving Project, Phase 3 & 4	\$ 2,400,000	\$ -	\$ 2,400,000
Underground Storage Tanks	620,000	-	620,000
Parks & Recreation Field Improvements	250,000	-	250,000
Masuk High School Roof Replacement	2,950,000	2,950,000	2,950,000
Total	<u>\$ 6,220,000</u>	<u>\$ 2,950,000</u>	<u>\$ 6,220,000</u>

The proceeds in the amount of \$2,950,000 will be placed in escrow to pay off the BANs maturing on June 17, 2015.

Ratings

The Bonds have been rated "Aa2" by Moody's Investors Service, Inc. ("Moody's"). The underlying rating on the Town's outstanding bonds has recently been affirmed as "Aa2" by Moody's. Such rating reflects only the views of such organization and any explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The Town furnished certain information and materials to the rating agency, some of which may not have been included in this Official Statement. There is no assurance that such rating will continue for any given period of time or that the rating will not be revised or withdrawn entirely by the agency if, in the judgment of such rating agency, circumstances so warrant. A revision or withdrawal of such rating may have an effect on the market price of the Town's bonds.

Tax Matters

Federal Taxes. In the opinion of Pullman & Comley, LLC, Bond Counsel, under existing law, interest on the Bonds (a) is excludable from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to certain corporations (as defined for federal income tax purposes) subject to the federal alternative minimum tax, such interest may be taken into account in computing the federal alternative minimum tax.

Bond Counsel's opinion with respect to the Bonds will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal

Revenue Code of 1986, as amended (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds, as the case may be, irrespective of the date on which such noncompliance occurs. In the Tax Compliance Agreement, which will be delivered concurrently with the issuance of the Bonds, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Bond proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds is conditioned upon compliance by the Town with such requirements.

No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds.

Original Issue Discount. The initial public offering price of the Bonds may be less than the stated principal amount. Under existing law, the difference between the stated principal amount and the initial offering price of the Bonds will constitute original issue discount. The offering price relating to the yield set forth on the cover page of this Official Statement for the Bonds is expected to be the initial offering price to the public (excluding bond houses and brokers) at which a substantial amount of the Bonds are sold. Under existing law, original issue discount on the Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the Bonds is excludable from gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner's adjusted basis in a Bond purchased at an original issue discount, original issue discount is treated as having accrued while the owner holds such Bond and will be added to the owner's basis. Original issue discount will accrue on a constant-yield-to-maturity method based on regular compounding. The owner's adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of such a Bond. For certain corporations (as defined for federal income tax purposes), a portion of the original issue discount that accrues in each year to such Bond will be included in the calculation of the corporation's federal alternative minimum tax liability. As a result, ownership of such a Bond by such a corporation may result in an alternative minimum tax liability even though such owner has not received a corresponding cash payment.

Prospective purchasers of Bonds at an original issue discount should consult their own tax advisors as to the calculation of accrued original issue discount, the accrual of original issue discount in the case of owners purchasing such Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such Bonds.

Original Issue Premium. The initial public offering price of the Bonds may be more than their stated principal amount. An owner who purchases a Bond at a premium to its principal amount must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner's basis in the Bond for federal income tax purposes. Prospective purchasers of the Bonds should consult their tax advisors regarding the amortization of premium and the effect upon basis.

Other Federal Tax Matters. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, certain S corporations, foreign corporations subject to the branch profits tax, taxpayers eligible for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors regarding collateral federal income tax consequences.

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

Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Accrued original issue discount on a Bond is also excluded from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of the Bonds should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds.

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof.

Proposed Legislation and Other Matters. Tax legislation and administrative actions taken by tax authorities (whether currently proposed, proposed in the future, or enacted) and court decisions, whether at the federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under federal or state law or otherwise prevent beneficial owners of the Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation, actions or decisions could affect the market price for, or the marketability of, the Bonds. Prospective purchasers of the Bonds should consult their own tax advisers regarding the foregoing matters.

General. The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement their opinion to reflect any facts or circumstances that may come to their attention or any changes in law that may occur after the date of their opinion. Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinions.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds.

Security and Remedies

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

Unless paid from other sources, the Bonds are payable from the general property tax revenue of the Town. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all property subject to taxation by the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. There was, however, no such certified forest land on the last completed grand list of the Town, and under existing statutes, the State of Connecticut is obligated to pay the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses. Payment of the Bonds is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Bonds.

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

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

Enforcement of a claim for payment of principal or interest on such bonds or notes of the Town would also be subject to the applicable provisions of federal bankruptcy laws, as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, heretofore or hereafter enacted by the Congress or the Connecticut General Assembly

extending the time for payment or imposing other constraints upon enforcement insofar as the same may be constitutionally applied and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor.

THE TOWN OF MONROE, CONNECTICUT HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.

Qualification for Financial Institutions

The Bonds SHALL be designated by the Town as qualified tax exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Book-Entry Transfer System

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

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

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

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

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

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

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

Principal and interest payments on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest, and redemption premium, if any, to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

Replacement Bonds

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

DTC Practices

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

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SECTION II - THE ISSUER

Description of the Town

The Town of Monroe, incorporated in 1823, is located in Fairfield County. It covers an area of 26.4 square miles seventy miles east of New York City and fourteen miles north of Bridgeport. It is bordered by Easton to the west, Newtown to the north, Shelton and Oxford to the east and Trumbull to the south. Lake Zoar, the Stevenson Dam, a Connecticut Light and Power Company hydropower facility, and the Housatonic River also are part of the Town's northeastern border.

The Town is one of the fastest growing, suburban residential communities in the state of Connecticut, with an increase of 16.2% since 1990 and a 40.7% increase since 1980. According to the U.S. Bureau of Census, 2013 American Community Survey, the Town's population was 19,631. The Town has above average income and education levels that reflect its character as a suburban bedroom community.

The Town of Monroe supports and encourages a balance of industrial, commercial, and residential properties and the Town's Economic Development Commission and Planning and Zoning Commission have worked together to reach this objective.

The Town is traversed by State Routes 25, running north and south and Route 111, running northeast through the Town. The Route 25 expressway, which begins at Route 8 in Bridgeport, intersects with the Merritt Parkway (Route 15), is completed to the intersection of Route 111 at the Monroe-Trumbull town line. The southern area of Town is easily accessible to the Merritt Parkway and thus to both Interstates 91 and 95. Air transportation is available in Bridgeport and Danbury, as is rail transportation, via Amtrak and the Metroliner Service; bus passenger transportation is provided by the Greater Bridgeport Transit District. Additional transportation for senior citizens and the homebound is provided by the Town of Monroe Senior Citizens Department.

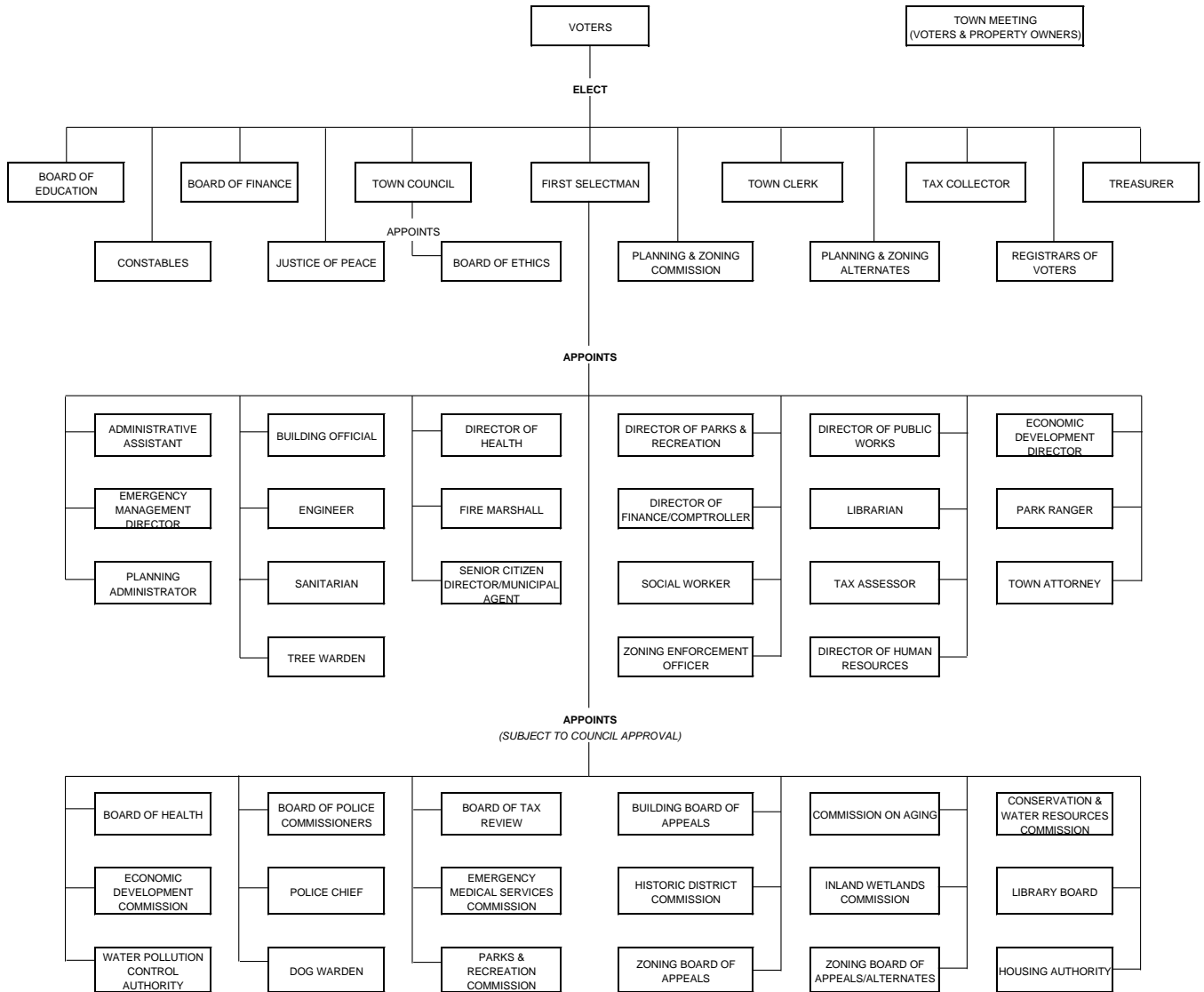
Form of Government

The Town is administered by an elected First Selectman, who acts as the Chief Executive Officer, and a 9-member Town Council that constitute the First Selectman/Council form of government. The First Selectman is responsible for planning, organizing and directing all routine municipal activities, except for education. Other Commissions are either elected or appointed by the First Selectman with approval of the Town Council. The First Selectman manages department heads, sees that law and ordinances governing the Town are enforced, makes recommendations and reports to the Town Council, prepares the annual budget, prepares the annual report, keeps the Town Council advised on the Town's financial condition and performs other duties prescribed by Charter, Ordinance or Town Council resolution.

The Town Council is the legislative body of the Town. Financial matters are the responsibility of the First Selectman and a six member Board of Finance, elected to four-year terms, in conjunction with the Director of Finance and part-time Treasurer. The Finance Department, directed by the Director of Finance who also serves as the Comptroller, manages all financial records and operations of the Town. The Treasurer is elected biannually and is responsible for investing funds of the Town.

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Organization Chart



Municipal Officials

<u>Name</u>	<u>Position</u>	<u>Term</u>	<u>Length of Service</u>
Stephen J. Vavrek, Jr.	First Selectman	11/25/2013	5 years
Ronald J. Bunovsky, Jr.	Treasurer and Acting Director of Finance	Appointed	5 years
Michael Manjos	Chairman, Board of Finance	11/25/2013	5 years
Jim Agostine	Superintendent of Schools	Appointed	4 years
Emanuel Cambra Jr.	Tax Collector	11/25/2013	15 years
John Salvatore	Chief of Police	Appointed	16 years
John P. Fracassini	Town Attorney	Appointed	5 years
<u>Other Appointments</u>			
Pullman Comley	Bond Counsel	Appointed	5 years
Mahoney Sabol LLC Independent Bond and Investment Consultants LLC	Independent Auditors	Appointed	2 year
	Independent Financial Advisors	Appointed	16 years

Source: Town Officials

Town Services

Police: The Monroe Police Department is a Connecticut Police Officer Standards and Training Council fully accredited law enforcement agency, providing 24-hour police protection to the citizens of Monroe. Professional police services include: computer forensic investigation, electronic and digital collection and analysis, crime scene evidence collection and processing, motor vehicle crash reconstruction, a specialized domestic violence victim support team and first response to all types of public safety emergencies. The Monroe Police Department is staffed by 41 full-time sworn officers and 11 full-time non-sworn employees.

Emergency Medical Service (EMS): The Monroe EMS was founded in June 1977 and is staffed by 43 active volunteers plus a contracted daytime staff. Emergency treatment services and transportation to area hospitals is provided on a 24-hour basis, with two fully equipped ambulances. Operations are funded through a self sustaining special revenue fund.

Fire: The Fire Department consists of three volunteer fire departments, carrying a force of approximately 120 active fire fighters in six fire stations. The major equipment includes 29 pieces of fire apparatus distributed among the three companies. The Town employs one full-time Fire Marshal and three part-time deputy Fire Marshals.

Public Works Department: The Public Works Department, which includes Highway, Recycling and the Tree Warden, employs one highway supervisor, two crew leaders and eighteen other personnel. The Public Works Department is responsible for over 42 pieces of rolling stock in the repair, maintenance, and snow plowing of over 130 miles of town roads. In addition, the Public Works Department manages the Town's bulky waste disposal area; open two days a week, for the disposal of brush and wood refuse.

Solid Waste: The Town has entered into a Solid Waste Disposal Agreement (the Agreement), with Wheelabrator Bridgeport, L.P.(Wheelabrator) for the disposal of solid waste through the Greater Bridgeport Regional Solid Waste Interlocal Committee (the Interlocal). It is required that the Agreement be executed by Contracting Communities whose aggregate average generation of Acceptable Waste for the two (2) year period prior to the Contact Date was in excess of 175,000 Tons per year. Each municipality which has signed the Agreement, agrees to deliver or cause to be delivered to the System all Acceptable Waste, as defined therein, generated by it or within its boundaries. Wheelabrator is required to accept from each municipality and dispose of all Acceptable Waste delivered to the System by or on behalf of each municipality. For fiscal year 2014-15, the cost per ton will be based on the disposal fee of \$59.75, which will be increased yearly for the duration of the contract by 0.75% of the CPI as of May 1 in the computation year minus the CPI published May 1, 2014. Both the Greater Bridgeport Regional Solid Waste Interlocal Agreement and the Solid Waste Disposal Agreement are available for review at Town Hall.

Transfer Station: The Town of Monroe is currently operating under a verbal agreement with the Town of Trumbull to utilize its transfer station to deliver all refuse to be transferred to the Facility in Bridgeport. The Town pays the Town of Trumbull a fee to operate the transfer station and transport refuse to the Facility in Bridgeport. For fiscal year 2014-15, the Town has paid a tipping fee of \$59.75 per ton for solid waste delivery to the Facility in Bridgeport. The Town pays additional fees of \$43.25 per ton to the Town of Trumbull for the operation of the transfer station and transportation to the Facility in Bridgeport, for an all-in-cost of \$103 per ton. The Town's agreement with the Town of Trumbull for use of the transfer station expired as of December 31, 2014. Currently the Town is studying the cost/benefit of renewing this contract with the Town of Trumbull.

Recycling: Monroe will continue to be a member of the Southwest Connecticut Regional Recycling Operating Committee (SWEROC), or similar group of which the number of towns and cities has yet to be finalized. The group will join together to administer the regional recycling program mandated by the State of Connecticut, pursuant to an Inter-Community Agreement, or similar document. Monroe will agree to continue to provide for the pickup and delivery of residential generated recyclables to an Intermediate Processing Center (IPC) in Stratford, Connecticut.

Health and Welfare: Effective July 1, 2015 the Town of Monroe will be leaving the Trumbull-Monroe Health District, and will be forming a new Health Department under the direct supervision of the Town. The new department will consist of a Director of Health, 2 Sanitarians and 1 Administrative Staff.

Parks and Recreation: Monroe maintains a full-time Parks and Recreation Department under the supervision of a Director of Parks and Recreation. The Department consists of the operation and maintenance of a 309-acre Wolfe Park with swimming pool, hiking trails, tennis courts, soccer fields, basketball courts, ball fields and picnic areas. Summer and evening programs are managed in conjunction with the public schools including Masuk indoor swimming pool. The Department has 7 full-time employees, including a Director and a varying number of part-time employees depending on demand for programs. Great Hollow Lake, located within Wolfe Park, provides additional activities that include a bathhouse, swimming beaches, a pavilion, fishing and boating areas, a playground and open play area and additional hiking trails. Other recreational facilities available to residents are Lake Zoar, Webb Mountain Park, Lane's Mine Park, and Chalk Hill Nature Trail.

Library: In 2007, the Town completed a new \$6.2 million state of the art library adjacent to the Town Hall, which formerly housed the Town library. The new Edith Wheeler Memorial Library is a 30,000 square foot facility consisting of a children's library with young adult section located on the first floor and the main library located on the second floor. The new facility includes classrooms for cultural and programmatic activities as well as a 150 person capacity meeting room with a separate kitchen for social events. Full library services are provided by 7 full-time employees, including the Director, and 29 part time employees and several volunteer staff. The library offers over 82,000 volumes including works of fiction, nonfiction, and references for both children and adults. In addition, the library also offers music cassettes, audio books, compact disks, video cassettes and framed art, as well as a variety of programs for children, young adults, and adults. The library is fully automated for circulation, acquisitions, and the on-line card catalog which provides access for the public to several on-line databases and CD-ROM products. Additionally, each of the Monroe public schools has a library that is oriented to each school's curriculum.

Planning and Zoning Commission: The Town has a combined Planning and Zoning Commission, working with the First Selectman, whose duties are to guide, control and approve all design work and site development to conform with the Town and State Codes. The Town has recently completed an update to the Master Plan of Development which was adopted in December 2010.

Economic Development: The Town has an all-volunteer Economic Development Commission consisting of seven members appointed by the First Selectman with approval of the Town Council. The objectives of the Commission are to retain and enhance existing business in Town and to attract new development that is consistent with the Master Plan of Development. The Commission assists in the orderly development of commercial and industrial sectors of the Town thereby broadening the tax base and reducing reliance on residential taxes.

The Commission reviews project proposals and lends guidance and support to prospective business owners. The Commission provides information to potential businesses such as maps, charts, pamphlets, and demographic and economic information. It also works closely with the Monroe Chamber of Commerce and co-sponsor publications such as the Monroe Business Directory.

Currently the Town's commercial and industrial area is over 40% developed with less than 800 acres of existing land left for development. The Town has 1,576 acres of land zoned for business, commercial or industrial development, which is 9.1% of the total area of Town. The balance of the Town is residential zoning consisting of approximately 50% one acre dwelling lots, 42% two and three acre lots and 8% density and planned development.

Financial institutions located in the Town include Bank of America, First Niagara Bank, Hudson City Savings Bank, JPMorgan Chase Bank, Newtown Savings Bank, People's United Bank, Webster Bank and Wells Fargo Bank.

Educational System

The Board of Education is independent from the municipal government in governance and operation of the school system. The Board of Education is required by Town Charter to submit an annual budget to the First Selectman and Director of Finance. The Board of Education budget is included in the Town's operating budget and submitted to the Town Council who cannot alter the education budget but can make recommendations to the Board of Finance on that budget. The total budget is then submitted to the Board of Finance who may adjust only the total amount of the Board of Education budget.

The Town's elementary school system consists of one school in grades Pre K through 5, two schools for pupils in grades K through 5; one school for pupils in grades 6-8 and one high school for pupils in grades 9-12. The schools are governed by a nine-member Board of Education.

Educational Facilities

<u>School</u>	<u>Grades</u>	<u>Date of Construction (Additions, Remodeling)</u>	<u>No. of Classrooms</u>	<u>Enrollment 10/1/2014</u>	<u>Capacity</u>
Monroe	Pre K-5	1935 (1947,1953,1957,1983)	19	330	414
Stepney	K-5	1962 (1989)	30	467	565
Fawn Hollow	K-5	1966 (1989)	34	522	656
Jockey Hollow	6-8	1998	36	483	634
Masuk High School	9-12	1958 (1963,1977,2006)	57	1,459 ⁽¹⁾	1,450
Total				<u>3,261</u>	<u>3,719</u>

(1) 275 Jockey Hollow Middle School students participate in a STEM program which is located at Masuk High School.

Source: Superintendent's office, Town of Monroe.

School Enrollment

<u>School Year</u>	<u>PK-4</u>	<u>PK-5</u>	<u>5-8</u>	<u>6-8</u>	<u>9-12</u>	<u>Total</u>
2005-06	1,736		1,383		1,480	4,599
2006-07	1,566		1,349		1,300	4,215
2007-08	1,350		1,300		1,348	3,998
2008-09	1,340		1,255		1,305	3,900
2009-10	1,338		1,254		1,302	3,894
2010-11 (1)		1,537		930	1,312	3,779
2011-12		1,424		890	1,277	3,591
2012-13		1,396		854	1,231	3,481
2013-14		1,370		814	1,189	3,373
2014-15		1,319		758	1,184	3,261

Enrollment Projections

2015-16	1,274	770	1,096	3,140
2016-17	1,265	785	1,057	3,107
2017-18	1,228	770	1,037	3,035
2018-19	1,220	747	1,002	2,969

(1) During school year 2010-11 the Board of Education closed Chalk Hill School and moved 5th grade into the elementary schools and the 6th grade to the Jockey Hollow School.

Source: Superintendent's office, Town of Monroe.

Municipal Employment

<u>Fiscal Year</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Board of Education	478	486	485	500	494
General Government	192	208	207	205	206
Total	<u>670</u>	<u>694</u>	<u>692</u>	<u>705</u>	<u>700</u>

Source: Town Officials

Municipal Employees by Category

<u>Department</u>	<u>Number of Employees</u>
General Government	
Police	52
Highway Department	21
Clerical	33
Supervisors	13
Other	73
Total General Government	<u>192</u>
Board of Education	
Administration and Principals	24
Teachers	273
Paraprofessionals	84
Other	97
Total Board of Education	<u>478</u>
Grand Total	<u>670</u>

Source: Town Officials

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Municipal Employees Bargaining Organizations

<u>Employees</u>	<u>Organization</u>	<u>Employees Covered</u>	<u>Contract Expiration</u>
General Government			
Highway Department	Local 44, Connecticut Independent Labor Union	21	6/30/2013 (1)
Clerical	Local 136, International Federation of Professional and Technical Engineers	33	6/30/2015
Police Department	Local 15, AFSCME, AFL-CIO	39	6/30/2016
Supervisors	Local 818, AFSCME, AFL-CIO	13	6/30/2015
	Sub-total General Government	106	
	Non-Bargaining and part-time	86	
	Total General Government	192	
Board of Education			
Administrators	Monroe Federation of School Administrator's	21	6/30/2018
Teachers	Monroe Education Association	273	6/30/2017
Paraprofessionals	United Public Service Employees Union	84	6/30/2017
Secretaries	United Public Service Employees Union	24	6/30/2017
Custodial	United Public Service Employees Union	29	6/30/2017
School Nurses	United Public Service Employees Union	7	6/30/2015
School Library Employees	Local 136, International Federation of Professional and Technical Engineers, Library Association of Monroe School System	2	6/30/2015
	Sub-total Board of Education	440	
	Non-Bargaining and part-time	38	
	Total Board of Education	478	
	Total Town of Monroe	670	

(1) In arbitration.

Connecticut General Statutes Sections 7-473c, 7-474 and 10-153a to 10-153n provide for a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certificated teachers and certain other employees. The legislative body of a municipality may reject an arbitration panel's decision by a two-thirds majority vote. The State and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. Effective October 1, 1997 for binding arbitration of teacher's contracts, in assessing the financial capability of a town, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. In light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

SECTION III - ECONOMIC AND DEMOGRAPHIC DATA

Population Trends

<u>Year</u>	<u>Town of Monroe</u>	<u>Fairfield County</u>	<u>State of Connecticut</u>
1980	13,952	807,143	3,107,576
1990	16,896	857,270	3,287,116
2000	19,247	882,567	3,405,565
2013	19,631	926,233	3,583,561

Source: U.S. Bureau of Census.

Age Characteristics of Population

<u>Age</u>	<u>Town of Monroe</u>		<u>Fairfield County</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Under 5	945	4.8	55,905	6.0	197,395	5.5
5 - 9	1,308	6.7	62,559	6.8	220,139	6.1
10 - 14	1,810	9.2	66,723	7.2	236,742	6.6
15 - 19	1,615	8.2	65,240	7.0	255,816	7.1
20 - 24	618	3.1	51,209	5.5	229,708	6.4
25 - 34	1,517	7.7	107,511	11.6	428,258	12.0
35 - 44	2,808	14.3	128,515	13.9	469,746	13.1
45 - 54	3,337	17.0	149,726	16.2	568,510	15.9
55 - 59	1,641	8.4	60,019	6.5	246,210	6.9
60 - 64	1,354	6.9	51,176	5.5	210,753	5.9
65 - 74	1,470	7.5	65,751	7.1	269,422	7.5
75 - 84	974	5.0	41,577	4.5	164,260	4.6
85 and over	234	1.2	20,322	2.2	86,602	2.4
Total	19,631	100.0	926,233	100.0	3,583,561	100.0

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Selected Wealth and Income Indicators

	<u>Median Family Income</u>		<u>Per Capita Income</u>	
	<u>(2000)</u>	<u>(2013)</u>	<u>(2000)</u>	<u>(2013)</u>
Town of Monroe	\$ 92,514	\$121,023	\$34,161	\$48,118
Fairfield County	77,690	104,250	38,350	48,721
Connecticut	65,521	87,245	28,766	37,892
United States	49,600	64,719	21,690	28,155

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Income Distribution

	<u>Town of Monroe</u>		<u>Fairfield County</u>		<u>State of Connecticut</u>	
	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>	<u>Families</u>	<u>Percent</u>
\$ -0- to 9,999	13	0.2	6,574	2.9	29,895	3.3
10,000 to 14,999	28	0.5	3,732	1.6	19,176	2.1
15,000 to 24,999	173	3.2	11,036	4.8	47,319	5.2
25,000 to 34,999	193	3.6	13,273	5.8	56,997	6.3
35,000 to 49,999	345	6.4	18,570	8.1	86,025	9.5
50,000 to 74,999	709	13.2	30,173	13.1	143,989	15.9
75,000 to 99,999	712	13.3	27,532	12.0	131,874	14.6
100,000 to 149,999	1,187	22.1	44,089	19.1	187,718	20.8
150,000 to 199,999	692	12.9	24,080	10.5	90,602	10.0
200,000 or more	1311	24.4	51,249	22.3	109,982	12.2
	5,363	100.0	230,308	100.0	903,577	100.0

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Educational Attainment
Years of School Completed, Age 25 & Over

<u>Educational Attainment Group</u>	<u>Town of Monroe</u>		<u>Fairfield County</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than 9th grade	384	2.9	33,429	5.4	109,133	4.5
9th to 12th grade	420	3.1	35,076	5.6	155,272	6.4
High School graduate	3,055	22.9	142,179	22.8	678,370	27.8
Some college, no degree	2,142	16.1	97,335	15.6	431,469	17.7
Associates degree	940	7.0	36,887	5.9	178,597	7.3
Bachelor's degree	3,987	29.9	157,861	25.3	498,124	20.4
Graduate or professional degree	2,407	18.1	121,830	19.5	392,796	16.1
Total	13,335	100.0	624,597	100.0	2,443,761	100.0
Percent of High School Graduates		94.0%		89.0%		89.2%
Percent of College Graduates		47.9%		44.8%		36.5%

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Employment by Industry

<u>Employment Sector</u>	<u>Town of Monroe</u>		<u>Fairfield County</u>		<u>State of Connecticut</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Agriculture, Forestry, Fishing, Hunting & Mining	0	0.0	1,064	0.2	6,945	0.4
Construction	509	5.3	29,742	6.6	193,945	11.0
Manufacturing	1,038	10.8	39,461	8.8	99,444	5.7
Wholesale Trade	282	2.9	11,099	2.5	43,550	2.5
Retail Trade	974	10.1	48,422	10.8	191,841	10.9
Transportation, Warehousing & Utilities	121	1.3	14,560	3.2	65,630	3.7
Information	210	2.2	12,534	2.8	41,588	2.4
Finance, Insurance & Real Estate	1,140	11.8	53,406	11.9	160,976	9.1
Professional, Scientific & Management	1,785	18.5	69,728	15.5	194,959	11.1
Educational Services & Health Care	2,250	23.3	98,100	21.8	464,177	26.4
Arts, Entertainment, Recreation & Food Services	558	5.8	34,826	7.8	148,097	8.4
Other Service (including nonprofit)	397	4.1	25,277	5.6	81,443	4.6
Public Administration	386	4.0	10,887	2.4	66,817	3.8
Total	9,650	100.0	449,106	100.0	1,759,412	100.0

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Major Employers

<u>Name of Employer</u>	<u>Nature of Entity</u>	<u>Number of Employees</u>
Town of Monroe	Government and education	670
Big Y	Supermarket	159
Swiss Army Brands	Headquarters/Disribution	147
Really Good Stuff	Classroom supplies	126
Stop & Shop	Supermarket	126
Northeast Laser Engraving	Engraving Electopolish SVC	103
M Cubed Technologies	Ceramic Componant MFG	95
Waterview LLC	Property Management /Catering	75
Aquarion Water	Regulated Water Utility	69
Edgerton Inc.	HVAC Service & Installation	60
Seymour Sheridan Inc	MFG Bellows & Floats	60
		1,690

Source: Town officials.

Unemployment Rate Statistics (1)

<u>Yearly Average</u>	<u>Town of Monroe</u>	<u>Bridgeport Labor Market (2)</u>	<u>State of Connecticut</u>	<u>United States</u>
2005	3.9 %	4.6 %	4.9 %	5.1 %
2006	3.3 %	3.9 %	4.3 %	4.6 %
2007	3.7 %	4.1 %	4.6 %	4.6 %
2008	4.8 %	5.3 %	5.8 %	5.8 %
2009	6.6 %	7.6 %	8.0 %	9.3 %
2010	7.4 %	8.4 %	9.0 %	9.6 %
2011	7.5 %	8.2 %	8.8 %	9.0 %
2012	6.9 %	7.8 %	8.3 %	8.1 %
2013	6.2 %	7.3 %	7.9 %	7.4 %
2014	5.8 %	6.2 %	6.7 %	6.2 %
<u>2015 Monthly</u>				
January	5.8 %	6.5 %	6.8 %	6.1 %
February	6.0 %	6.7 %	6.9 %	5.8 %

(1) Non-seasonally adjusted.

(2) Beginning in January 2005, the State of Connecticut Department of Labor combined the Bridgeport and Stamford Labor Market Areas (LMA).

Source: State of Connecticut, Department of Labor; United States Department of Labor, Bureau of Labor Statistics.

Monroe Housing Inventory

Type	Units	Percent
1-unit detached	5,861	85.4
1-unit attached	633	9.2
2 to 4 units	177	2.6
5 to 9 units	196	2.9
10 or more units	-	-
Mobile home, trailer, other	-	-
Total Inventory	6,867	100.0

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Characteristics of Housing Units (Owner Occupied)

Value of Owner Occupied Units	Town of Monroe		Fairfield County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
\$ 0 to \$ 50,000	57	0.9	3,702	1.6	20,800	2.3
50,000 to 99,999	0	0.0	3,898	1.7	24,638	2.7
100,000 to 149,999	147	2.4	6,735	2.9	66,934	7.3
150,000 to 199,999	137	2.2	13,838	6.0	135,714	14.8
200,000 to 299,999	1,012	16.5	35,824	15.6	264,832	28.8
300,000 to 499,999	3,186	51.9	70,586	30.8	250,076	27.2
500,000 to 999,999	1,505	24.5	62,910	27.4	114,622	12.5
1,000,000 and over	93	1.5	31,993	13.9	41,872	4.6
Total	6,137	100.0	229,486	100.0	919,488	100.0
Median Value	\$399,000		\$432,100		\$278,900	

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Age Distribution of Housing

Year Structure Built	Town of Monroe		Fairfield County		State of Connecticut	
	Number	Percent	Number	Percent	Number	Percent
1939 or earlier	567	8.3	77,884	21.6	336,587	22.6
1940 to 1949	304	4.4	27,824	7.7	105,742	7.1
1950 to 1959	822	12.0	62,046	17.2	232,555	15.6
1960 to 1969	1,383	20.1	52,500	14.5	200,430	13.5
1970 to 1979	1,121	16.3	50,154	13.9	200,576	13.5
1980 to 1989	1,509	22.0	40,689	11.3	192,185	12.9
1990 to 1999	961	14.0	24,224	6.7	111,295	7.5
2000 to 2009	200	2.9	24,058	6.7	102,666	6.9
2010 or later	0	0.0	1,893	0.5	4,959	0.3
Total housing units	6,867	100.0	361,272	100.0	1,486,995	100.0

Source: U.S. Bureau of Census, American Community Survey, 2009-13.

Building Permits

Fiscal Year	Residential	Commercial/Industrial	All Other	Total
2015 (1)	\$ 5,226,410	\$ 959,888	\$ 3,261,019	\$ 9,447,317
2014	5,133,252	859,599	6,433,557	12,426,408
2013	5,787,045	2,653,020	5,812,035	14,252,100
2012	4,040,641	3,023,417	3,981,792	11,045,850
2011	6,766,753	4,296,938	3,657,556	14,721,247
2010	5,820,353	779,995	1,856,156	8,456,504
2009	7,067,408	6,354,629	7,207,179	20,629,216
2008	9,644,811	11,954,127	7,088,757	28,687,695
2007	12,529,990	5,513,034	9,905,857	27,948,881
2006	14,429,178	13,043,932	3,023,959	30,497,069

(1) As of January 31, 2015.

Source: Town of Monroe building officials.

Land Use Summary

Land Use Category	Total Acreage by Zoning	Percent of Total Land
Residential and Farming	6,533	38.8
Residential and Farming	4,466	26.5
Residential and Farming	2,741	16.3
Elderly Residence District	85	0.5
Multifamily Residence District	580	3.4
Recreational Residence	754	4.5
Housing Opportunity District	25	0.1
Business District 1	258	1.5
Business District 2	180	1.1
Limited Office Retail District	71	0.4
Industrial District 1	115	0.7
Industrial District 2	807	4.8
Industrial District 3	207	1.2
	<u>16,822</u>	<u>100.0</u>

Source: Town Officials

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SECTION IV - INDEBTEDNESS

Computation of Statutory Debt Limit

As of April 22, 2015 (Pro Forma)

Total fiscal year 2014 tax collections (including interest and lien fees)	\$ 70,016,146
State Reimbursement for Revenue Loss on Tax Relief for the Elderly	<u>171,204</u>
Base for Establishing Debt Limit	<u><u>\$ 70,187,350</u></u>

<u>Debt Limitation</u> ⁽¹⁾	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Pension Deficit</u>	<u>Total Debt</u>
(2.25 times base)	\$157,921,538					
(4.50 times base)		\$315,843,075				
(3.75 times base)			\$263,202,563			
(3.25 times base)				\$228,108,888		
(3.00 times base)					\$210,562,050	
(7.00 times base)						\$491,311,450
Indebtedness (Including this issue)						
Bonds Payable	\$ 19,854,000	\$ 19,636,000	\$ -	\$ -	\$ -	\$ 39,490,000
The Bonds (<i>This Issue</i>)	3,270,000	2,950,000	-	-	-	6,220,000
BANs Outstanding	-	2,950,000	-	-	-	2,950,000
Authorized but Unissued Debt	5,728,000	271,466	-	-	-	5,999,466
Gross Direct Debt	<u>28,852,000</u>	<u>25,807,466</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School grants receivable ⁽²⁾	<u>-</u>	<u>(987,172)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(987,172)</u>
Net Direct Debt	<u>28,852,000</u>	<u>24,820,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(987,172)</u>
Excess of Limit Over Outstanding and Authorized Debt	<u><u>\$129,069,538</u></u>	<u><u>\$291,022,781</u></u>	<u><u>\$263,202,563</u></u>	<u><u>\$228,108,888</u></u>	<u><u>\$210,562,050</u></u>	<u><u>\$492,298,622</u></u>

(1) Under Connecticut General Statutes, Town debt cannot exceed \$491,311,450 or seven times the debt limit base.

(2) The Town also receives school construction subsidy grants which are paid over the life of the outstanding school bonds issued for projects approved prior to July 1, 1996. The grants representing the principal portion of the outstanding bonds are estimated to be \$987,172. See "School Projects" herein.

Source: Town Officials.

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Calculation of Net Direct Debt
As of April 22, 2015 (Pro Forma)

Bonded Debt (1)	
The Bonds (<i>This Issue</i>)	\$ 6,220,000
General Improvement	19,854,000
Schools	<u>19,636,000</u>
Total Bonded Debt	<u>45,710,000</u>
Short-Term Debt	
Bond Anticipation Notes	<u>2,950,000</u>
Total Short-Term Debt	<u>2,950,000</u>
Total Direct Debt	<u>48,660,000</u>
Exclusions: (State School Construction Aid) (2)	<u>(987,172)</u>
Net Direct Debt	<u><u>\$ 47,672,828</u></u>

(1) Does not include authorized but unissued debt of \$5,999,466.

(2) The Town receives State of Connecticut school construction subsidy grants which are paid over the life of the outstanding school bonds issued for projects approved prior to July 1, 1996. The grants representing the principal portion of the outstanding bonds are estimated to be \$987,172.

Current Debt Ratios

As of April 22, 2015 (Pro Forma)

Total Direct Indebtedness	\$ 48,660,000
Net Direct Indebtedness	\$ 47,672,828

Population (1)	19,631
Net Taxable Grand List (10/1/13)	\$ 2,312,089,496
Estimated Full Value	\$ 3,302,984,994
Equalized Net Taxable Grand List (2012) (2)	\$ 3,207,048,912
Per Capita Income (2013) (1)	\$ 48,118

Total Direct Debt:

Per Capita	\$2,478.73
To Net Taxable Grand List	2.10%
To Estimated Full Value	1.47%
To Equalized Net Taxable Grand List	1.52%
Per Capita to Per Capita Income	5.15%

Net Direct Debt:

Per Capita	\$2,428.45
To Net Taxable Grand List	2.06%
To Estimated Full Value	1.44%
To Equalized Net Taxable Grand List	1.49%
Per Capita to Per Capita Income	5.05%

(1) U.S. Bureau of Census, American Community Survey, 2009-2013.

(2) Office of Policy and Management, State of Connecticut

Historical Debt Statement

	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>
Population (1)	19,631	19,631	19,441	19,402	19,435
Net taxable grand list	\$ 2,310,276,150	\$ 2,296,715,433	\$ 2,290,492,353	\$ 2,286,815,228	\$ 2,117,900,075
Estimated full value	\$ 3,300,394,500	\$ 3,281,022,047	\$ 3,272,131,933	\$ 3,266,878,897	\$ 3,025,571,536
Equalized net taxable grand list (2)	\$ 3,207,048,912	\$ 3,098,919,583	\$ 3,271,578,057	\$ 3,277,578,057	\$ 3,562,432,689
Per capita income (1)	\$ 48,118	\$ 48,118	\$ 48,380	\$ 45,908	\$ 43,842
Short-term debt	\$ 2,950,000	\$ -	\$ -	\$ -	\$ 3,000,000
Long-term debt	\$ 41,455,000	\$ 42,195,000	\$ 45,885,000	\$ 45,035,000	\$ 42,610,000
Total Direct Indebtedness	\$ 44,405,000	\$ 42,195,000	\$ 45,885,000	\$ 45,035,000	\$ 45,610,000
Net Direct Indebtedness	\$ 43,022,534	\$ 40,412,146	\$ 43,694,963	\$ 42,439,479	\$ 42,602,204

(1) U.S. Bureau of Census, American Community Survey, 2009-13.

(2) Office of Policy and Management, State of Connecticut

Historical Debt Ratios

Total Direct Indebtedness:	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>
Per capita	\$2,261.98	\$2,149.41	\$2,360.22	\$2,321.15	\$2,346.80
To net taxable grand list	1.92%	1.84%	2.00%	1.97%	2.15%
To estimated full value	1.35%	1.29%	1.40%	1.38%	1.51%
To equalized net taxable grand list	1.38%	1.36%	1.40%	1.37%	1.28%
Debt per capita to per capita income	4.70%	4.47%	4.88%	5.06%	5.35%
Net Direct Indebtedness:					
Per capita	\$2,191.56	\$2,058.59	\$2,247.57	\$2,187.38	\$2,192.04
To net taxable grand list	1.86%	1.76%	1.91%	1.86%	2.01%
To estimated full value	1.30%	1.23%	1.34%	1.30%	1.41%
To equalized net taxable grand list	1.34%	1.30%	1.34%	1.29%	1.20%
Debt per capita to per capita income	4.55%	4.28%	4.65%	4.76%	5.00%

Outstanding Short-Term Indebtedness

The Town currently has \$2,950,000 in outstanding bond anticipation notes which mature on June 17, 2015. The notes will be retired by proceeds of the Bonds.

Overlapping and Underlying Indebtedness

Apart from the Town, there are no other political subdivisions with power to issue debt or cause taxes to be levied on taxable property in the Town.

Capital Leases

The Town has entered into multi-year capital lease agreements for the purchase of various capital items including energy conservation improvements, public works equipment, vehicles and computer hardware and software. The present value of future minimum lease payments as of June 30, 2014 was \$3,148,006. These payments are not included in outstanding bonded debt.

In July 2013, the Town entered into a Guaranteed Energy Performance Contract ("EPC") with Honeywell International Inc. ("Honeywell") under which various equipment and improvements intended to reduce energy consumption were undertaken at Board of Education buildings. The total costs of the improvements was \$3,803,204 and the improvements were in part financed by the issuance of a 10 year tax-exempt municipal lease in the amount of \$2,697,019 and a \$1,106,185 in energy rebates and an interest free loan from Eversource, formerly the Connecticut Light & Power Company. Under the terms of the EPC, if energy savings in any year are not sufficient to substantially cover the cost of the debt service on the improvements, Honeywell will cover the differential.

Legal Requirements for Approval of Borrowing

Under Chapter IX, Section 1 of the Town Charter, bonds are authorized by a majority of qualified voters present at a Town Meeting. Action on any borrowing shall become effective only after it has been first approved by the Town Council and then approved by the Board of Finance and referred to a Town Meeting. Town Meetings shall be called by the Council in the manner provided for by the Connecticut General Statutes. No Town Meeting shall increase the borrowing or bond issue above the amount recommended by the Council. Refunding bonds may be authorized by resolution adopted by the Town Council in accordance with State Statutes.

Temporary Financing

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

Temporary notes must be funded beyond ten years from their initial borrowing if written commitment exists for state and/or federal grants, for terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

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

School Projects

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996. State grants will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its bonds only for the net share of project costs.

Debt service reimbursement will continue under the prior reimbursement program for all projects approved prior to July 1, 1996 (the "Prior Program"). Under the Prior Program, a municipality issued Bonds for the entire amount of the school construction project and the State of Connecticut reimburses the municipality for principal and interest costs for eligible school construction projects over the life of outstanding school Bonds and the subsequent bond issues necessary to completely fund the approved school project.

Authorized but Unissued Debt

<u>Projects</u>	<u>Total Bond Authorization</u>	<u>Prior Debt/ Paydowns</u>	<u>Grants Received</u>	<u>The Bonds This Issue</u>	<u>Authorized But Unissued</u>
Police Department Facility, Phase I	\$ 1,130,000	\$ 1,117,000	\$ -	\$ -	\$ 13,000 ⁽¹⁾
Schools carpet replacement/asbestos abatement and pool filter system	1,527,000	1,100,000	313,080	-	113,920 ⁽¹⁾
Masuk High School Renovation	38,407,000	25,020,000	13,229,454	-	157,546 ⁽¹⁾
Edith Wheeler Memorial Library	6,290,000	4,875,000	1,250,000	-	165,000 ⁽¹⁾
Town Hall/Police Station Renovations	4,105,000	3,605,000	-	-	500,000
Masuk High School Roof	2,950,000	-	-	2,950,000	-
Pepper Street Improvements	5,050,000	-	-	-	5,050,000
Road Paving Project, Phase 3 & 4	2,400,000	-	-	2,400,000	-
Underground Storage Tanks	620,000	-	-	620,000	-
Park & Recreation Field Improvements	250,000	-	-	250,000	-
	<u>\$74,224,000</u>	<u>\$46,262,000</u>	<u>\$15,742,534</u>	<u>\$6,220,000</u>	<u>\$ 5,999,466</u>

(1) The Town does not expect any future borrowing for these projects.

Capital Improvement Program

The Town annually submits an updated five-year capital improvement program. The plan is a systematic program to add or replace capital items for each department within the General Government and Board of Education. Annual publication and approval by the Council is required for eligibility for certain state grants. The Town's current five-year capital improvement plan totals \$25,835,637 in spending with \$13,600,000 in funding expected to come from the issuance of bonds. A copy of the most recent capital improvement program is available from the Director of Finance.

Combined Schedule of Long Term Debt through Maturity

As of April 22, 2015 (Pro Forma)

<u>Fiscal Year</u>	<u>Existing Indebtedness</u>			<u>The Bonds Principal</u>	<u>ALL ISSUES Total Principal</u>
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Debt Service</u>		
2014-15 ⁽¹⁾	\$ 4,115,000	\$ 1,338,196	\$ 5,453,196	\$ -	\$ 4,115,000
2015-16	4,585,000	1,206,588	5,791,588	-	4,585,000
2016-17	4,590,000	1,057,763	5,647,763	455,000	5,045,000
2017-18	3,985,000	905,856	4,890,856	455,000	4,440,000
2018-19	3,860,000	760,181	4,620,181	445,000	4,305,000
2019-20	3,625,000	618,256	4,243,256	445,000	4,070,000
2020-21	3,620,000	496,444	4,116,444	445,000	4,065,000
2021-22	3,480,000	374,475	3,854,475	445,000	3,925,000
2022-23	2,680,000	271,544	2,951,544	445,000	3,125,000
2023-24	2,710,000	194,641	2,904,641	445,000	3,155,000
2024-25	1,975,000	118,400	2,093,400	440,000	2,415,000
2025-26	1,230,000	61,756	1,291,756	440,000	1,670,000
2026-27	555,000	29,700	584,700	440,000	995,000
2027-28	220,000	13,050	233,050	440,000	660,000
2028-29	215,000	6,450	221,450	440,000	655,000
2029-30	-	-	-	440,000	440,000
Total	<u>\$41,445,000</u>	<u>\$ 7,453,299</u>	<u>\$48,898,299</u>	<u>\$ 6,220,000</u>	<u>\$ 47,665,000</u>

(1) Includes \$1,955,000 of principal payments paid between July 1, 2014 and April 22, 2015.

Source: Town annual audit reports.

SECTION V - FINANCIAL DATA

Accounting Policies

The Town's accounting policies are summarized in Note 1 "Summary of Significant Account Policies" in the Notes to the General Purpose Financial Statements in Appendix A.

Basis of Accounting

See Note 1 of "Notes to the General Purpose Financial Statements" in Appendix A.

Audit

Pursuant to the provisions of the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes) and the Town of Monroe Charter, the Town is obligated to undergo an annual examination by an independent certified public accountant. The independent auditors are required to conduct their examination under the guidelines issued by the State of Connecticut, Office of Policy & Management, who receives a copy of said Audit Report when completed. Currently, the Town retains Mahoney, Sabol & Company, LLP of Glastonbury, Connecticut as outside independent auditors.

The most recent annual audit covers the fiscal year ended June 30, 2014, a copy of which is included in this document and made a part hereof as Appendix A. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Budgetary Procedure

Monroe Town Charter defines the Town's budgetary policy. Department heads, chairpersons of boards or commissions or any agency submit departmental requests to the First Selectman as scheduled. The First Selectman's Budget is delivered to the Town Council by February 8th. The Town Council shall hold one public hearing prior to forwarding the Budget to the Board of Finance by February 28th. The Board of Finance must hold one public hearing prior to submitting the budget to the First Selectman no later than March 21st. A Budget summary is published in the newspaper 5 days prior to the referendum and Public Input Session. A Budget referendum is held on April 6th, the 1st Tuesday in April.

- Upon request by the First Selectman, the Board of Finance may transfer appropriations from one department to another within the fiscal year.
- Upon request by the First Selectman, the Town Council may transfer line items within department budgets within the fiscal year.
- Formal budgetary integration is employed as a management control device during the year for the General Fund.
- Except for encumbrance accounting, the budget is prepared on the modified accrual basis of accounting.
- No constraints or limitations exist under the charter establishing minimum or maximum increases or decreases relating to the budgetary procedure or adoption of the mill rate.

All unencumbered appropriations lapse at year end, except those for the Capital Projects Fund and certain specific revenue funds. Appropriations for Capital Projects are continued until completion, even when projects extend beyond one or more fiscal years.

Employee Pension Systems

The Town has two contributory defined benefit retirement pension plans (the "Plans") which cover substantially all Town and Board of Education employees except police department employees who participate in the Connecticut Municipal Employees' Retirement System Fund B (MERS), a cost-sharing, multiple-employer, contributory defined benefit plan established under Chapter 113 of the Connecticut General Statutes and administered by the Connecticut State Employees Retirement Commission, and teachers, who also participate in a contributory plan administered by the Connecticut State Teachers Retirement Board. The Town plans are administered by a life insurance company. For further details on the plans, see Appendix A "Audited Financial Statements" herein.

The Town has implemented Government Accounting Standards Board's (GASB) Statement No. 67 effective Fiscal Year 2014. Net position is based on fair market value as of June 30, 2014 and the Total Pension Liability is based on the actuarial assumptions as of the prior valuation date updated to June 30, 2014. In accordance with GASB Statement No. 67, the components of the net pension liability of the Town of June 30, 2014 were as follows:

	Town/Board of Education Plans
Total pension liability	\$ 22,584,527
Plan fiduciary net position	<u>19,792,352</u>
Net pension liability	<u>\$ 2,792,175</u>
Plan fiduciary net position as a % of total pension liability	87.6%

The following represents the net pension liability of the Town, calculated using the discount rate of 7.5%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Town Employees Plan Net Pension Liability	\$ 5,431,348	\$ 2,792,175	\$ 551,150

The following represents historic trend information of the Town's Plans:

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
<i>Town Employee's Plan</i>						
07/01/14	\$8,904,632	\$11,047,132	\$(2,142,500)	80.6%	\$3,439,025	-62.3%
07/01/12	7,486,638	9,598,303	(2,111,665)	78.0%	3,044,942	-69.3%
01/01/10	7,124,118	8,784,914	(1,660,796)	81.1%	3,205,710	-51.8%
01/01/08	8,221,381	7,967,922	253,459	103.2%	2,938,871	8.6%
01/01/06	7,590,537	6,963,392	627,145	109.0%	2,855,405	22.0%
<i>Board of Education Employee's Plan</i>						
07/01/14	\$10,015,497	\$11,741,546	\$(1,726,049)	85.3%	\$4,264,439	-40.5%
07/01/12	8,994,081	10,626,487	(1,632,406)	84.6%	4,268,569	-38.2%
01/01/11	8,502,820	9,675,631	(1,172,811)	87.9%	3,839,606	-30.5%
01/01/09	7,735,096	8,601,200	(866,104)	89.9%	3,828,126	-22.6%
01/01/07	7,241,315	7,743,658	(502,343)	93.5%	3,140,757	-16.0%

Schedule of Employer Contributions

Fiscal Year Ended	Annual Required Contribution	Actual Contribution	Percentage Contributed
<i>Town Employee's Plan</i>			
2016 (1)	\$382,281	\$382,281	100.0%
2015 (2)	394,666	379,425	96.1%
2014	388,045	341,866	88.1%
2013	381,679	301,267	78.9%
2012	564,832	102,101	18.1%
 <i>Board of Education Employee's Plan</i>			
2016 (1)	\$376,663	\$376,663	100.0%
2015 (2)	356,619	356,619	100.0%
2014	349,519	349,519	100.0%
2013	357,276	357,276	100.0%
(1)	Recommended budget.		
(2)	Adopted budget.		

Per the July 1, 2014 actuarial valuation, the Actuarially Determined Contribution ("ADC") for FY 2016-17 is \$389,752 for the Town Employee's Plan and \$385,429 for the BOE Employee's Plan. For further details on the plans, see "Appendix A, - Audited Financial Statements".

Other Post Employment Benefits

The Town administers two single-employer defined benefit plans for employee postemployment benefits. The first is the Police Postemployment Benefit program which provides post employment medical coverage for those officers who retire from employment with the Town. Under the program, the retiree is provided medical coverage at a cost equal to twenty-five percent of the annual premium and is provided coverage from retirement up to the qualification for Medicare benefits. Benefit provisions are established by the Town and the union representing the police officers. The plan is funded on a pay-as-you-go basis and no trust has been established to hold plan assets, however the activities of this program are reported in the Town's Post Retirement Medical Benefits Fund.

The second plan is the Board of Education Postemployment Welfare Benefit program, which provides medical, prescription drug and dental benefits for eligible employees and their spouses and life insurance benefits for retirees only. Benefit provisions are established by the Town and the Connecticut General Statutes. The plan is funded on a pay-as-you-go basis and no trust has been established to hold plan assets.

The Town was required to comply with the reporting requirements of GASB 45 beginning with the 2008-09 fiscal year. The most recent actuarial valuation of the OPEB liability for the Police Postemployment Benefit program was as of July 1, 2014 and for the Board of Education Postemployment Welfare Benefit program was as of June 30, 2012. Results of those valuations are as follow:

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Overfunded (Unfunded) AAL (UAAL) (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
<u>Town</u>						
7/1/2014	\$ 232,000	\$ 998,000	\$ (766,000)	23.2%	N/A	N/A
7/1/2012	-	1,702,216	(1,702,216)	0.0%	\$2,732,999	-62.28%
7/1/2010	-	1,568,829	(1,568,829)	0.0%	2,702,454	-58.05%
7/1/2008	-	884,014	(884,014)	0.0%	2,567,152	-34.44%

(1) Per July 1, 2014 Draft Valuation

Board of Education

6/30/2012	\$ -	\$ 9,652,132	\$ (9,652,132)	0.0%	N/A	N/A
6/30/2010	-	10,403,104	(10,403,104)	0.0%	N/A	N/A
6/30/2009	-	15,112,705	(15,112,705)	0.0%	N/A	N/A

Schedule of Employer Contributions

Fiscal	Actuarial Required Contribution	Actual Contribution	Percentage Contribute
<u>Town</u>			
2015 (1)	\$ 179,057	\$ 29,672	16.6%
2014	175,750	31,212	17.8%
2013	162,881	46,500	28.5%
2012	159,926	42,515	26.6%
2011	112,070	45,143	40.3%
<u>Board of Education</u>			
2015 (1)	\$ 574,268	\$ 551,750	96.1%
2014	567,391	387,594	68.3%
2013	545,568	466,832	85.6%
2012	545,568	498,525	91.4%
2011	766,819	550,020	71.7%

(1) Adopted budget.

Per the July 1, 2014 OPEB valuation for the Police Postemployment Benefit program, the Actuarially Required Contributions for FY 2015-16 and FY 2016-17 are \$106,000 and \$129,000, respectively. In the recommended budget for FY 2015-16, the Board of Finance has added \$30,000 to pre-fund OPEB above the pay-as-you-go amount. For further details on the OPEB plans, see "Appendix A, - Audited Financial Statements".

Investment Policies and Procedures

The Town Charter and Connecticut General Statutes Sections 7-400, as amended by Public Act 94-190, 7-401 and 7-402 govern the investments of the Town which it is permitted to acquire. Generally, the Town may invest in certificates of deposit, repurchase agreements, municipal notes and bonds, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks, all Federal Land Banks, the Tennessee Valley Authority, or any other agency of the United States government, and certain money market mutual funds.

The Town's investment practices have been to invest only in certificates of deposit, repurchase agreements, the State of Connecticut Short-Term Investment Fund (STIF) and United States Treasury Bills. The Town has followed these investment

practices and the Town's operating funds and capital funds are currently invested in the following short-term investments: (1) various certificates of depository with Connecticut banks; (2) the State of Connecticut Short-Term Investment fund; and (3) United States Treasury Bills.

Property Tax Assessment

Section 12-62 et. seq. of the Connecticut General Statutes govern real property assessments and establish the revaluation cycle for Connecticut municipalities of a revaluation every five years and, generally, a physical inspection every ten years. Section 12-62 also imposes a penalty on municipalities that fail to effect revaluations as required, with certain exceptions. However, the statute permits the phase-in of a real property assessment increase resulting from a revaluation over a period of up to five years. The maintenance of an equitable tax base by locating and appraising all real and personal property within the Town for inclusion on the Grand List is the responsibility of the Assessor's Office. The Grand List represents the total assessed values for all taxable and tax exempt real estate, taxable personal property, and motor vehicles located within the Town as of October 1. Assessments for real and personal property are computed at seventy percent (70%) of the market value at the time of last revaluation, and at 70% of the annual approval of Motor Vehicles by the Office of Policy and Management. Grand List information is used by municipalities to set the mill rate which in turn becomes the basis for the Towns' annual tax levy. Any property owner may seek to appeal its assessment by filing a written appeal to a Town's Board of Assessment Appeals. The Board of Assessment Appeals elects to hear such appeals and determines whether adjustments to the Assessor's list relating to assessments under appeal are warranted. Under Connecticut law, taxpayers who are dissatisfied with a decision by a Town's Board of Assessment Appeals may appeal the decision to the Connecticut Superior Court. Pending the appeal, 75 to 90 percent of the taxes due must be paid, depending on the value of the assessed property. The Town recently performed a revaluation on October 1, 2014 which will become effective for fiscal year 2015-16.

When a new structure or modification to an existing structure is undertaken, a municipality's Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure classified and priced from a schedule developed as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to municipalities by the State of Connecticut Department of Motor Vehicles and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule developed by the Connecticut Association of Assessing Officials and as recommended by the State Office of Policy and Management. Section 12-71b of The Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date are subject to property tax as follows: 1) vehicles registered subsequent to November 1 but prior to the following August 1, are subject to a prorated tax based on the period of time from the date of registration until the following October 1; 2) vehicles purchased in August and September are not taxed until the next October 1 Grand List. With respect to replacement vehicles (as compared to additional vehicles) Section 12-71b provides for similar prorating of taxes on the new vehicle and a credit with respect to taxes due on the replaced vehicle during the assessment year.

All commercial personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy percent (70%) of present market value.

Section 12-124a of the Connecticut General Statutes permits a municipality, upon approval by its legislative body, to abate property taxes on owner-occupied residences to the extent that the taxes exceed eight percent of the owner's total income, from any source, adjusted for self-employed persons to reflect expenses allowed in determining adjusted gross income. The owner must agree to pay the amount of taxes abated with interest at 6% per annum, or at such rate approved by the legislative body, at such time that the residence is sold or transferred or on the death of the last surviving owner. A lien for such amounts is recorded in the land records but does not take precedence over any mortgage recorded before the lien.

Public Act 06-176 permits a municipality upon approval by its legislative body to freeze the property taxes due for certain low-income elderly residents. Any municipality providing such property tax relief may place a lien upon such property in the amount of total tax relief granted plus interest.

Property Tax Levy and Collection

Property taxes are levied on all taxable assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Real and personal property taxes are generally payable in two installments on July 1 and January 1, except that real and personal property taxes under \$100 are payable in one installment on July 1. Motor vehicle tax bills are payable in July and motor vehicle supplemental bills are payable in January. Personal property taxes of \$100.00 or less are payable in July. A margin against delinquencies, legal reductions, and Grand List adjustments, such as Assessor errors, is provided by adjusting the Grand List

downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least four times a year with interest charged at the rate of one and one-half percent per month with a minimum charge of \$2. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle, real estate, and personal property tax accounts are transferred to a suspense account when collection appears unlikely at which time they cease to be carried as receivables. Tax accounts are transferred to suspense accounts no later than fifteen years after the due date in accordance with state statutes.

Historic Property Tax Levies and Collections

FY Ending 30-Jun	Net Taxable Grand List	Tax Rate (In Mills)	Total Adjusted Tax Levy	% Collected End of Each FY	Uncollected End of Each FY	Uncollected As of 6/30/2014
2016 (1,2)	\$2,152,674,588	n/a	n/a	n/a	n/a	n/a
2015 (3)	2,312,089,496	31.01	\$71,697,895	In process	In process	In process
2014	2,308,576,322	30.41	70,203,806	98.90 %	\$ 765,134	\$ 765,134
2013	2,296,715,433	29.26	67,210,084	99.01	665,685	230,586
2012	2,290,492,353	28.79	65,702,612	98.80	779,332	19,941
2011 (2)	2,286,815,228	28.26	64,320,324	98.54	936,551	6,912
2010	2,117,900,075	29.50	62,457,178	98.60	866,701	-
2009	2,116,304,857	28.68	60,656,250	99.00	601,302	-
2008	2,095,924,088	27.42	57,583,055	99.20	588,841	-
2007	2,068,914,417	26.08	53,915,213	99.30	371,688	-
2006 (2)	2,037,563,974	24.05	49,057,616	99.20	355,202	-

- (1) Proposed budget.
- (2) Revaluation.
- (3) Adopted budget.

Source: Town Officials.

Taxable Grand List

Grand List Dated	Real Property	Motor Vehicle Property	Personal Property	Gross Taxable Grand List	Less Exemptions	Net Taxable Grand List
10/1/14 (1)	\$ 1,918,116,470	\$164,379,927	\$86,834,196	\$2,169,330,593	\$16,656,005	\$2,152,674,588
10/1/13	2,086,251,624	162,453,620	84,094,567	2,332,799,811	20,710,315	2,312,089,496
10/1/12	2,084,679,376	156,954,517	83,513,266	2,325,147,159	16,570,837	2,308,576,322
10/1/11	2,079,868,452	156,689,468	80,346,311	2,316,904,231	20,188,798	2,296,715,433
10/1/10	2,078,952,184	150,522,125	80,587,807	2,310,062,116	19,569,763	2,290,492,353
10/1/09 (1)	2,078,951,846	144,510,773	85,468,422	2,308,931,041	22,115,813	2,286,815,228
10/1/08	1,914,130,100	144,037,577	82,022,355	2,140,190,032	22,289,957	2,117,900,075
10/1/07	1,901,467,199	157,545,290	79,680,836	2,138,693,325	22,388,468	2,116,304,857
10/1/06	1,876,527,749	156,136,365	76,424,263	2,109,088,377	13,164,289	2,095,924,088
10/1/05	1,855,075,178	156,699,426	73,748,290	2,085,522,894	16,608,477	2,068,914,417
10/1/04 (1)	1,830,579,694	148,487,868	73,227,443	2,052,295,005	14,731,031	2,037,563,974

- (1) Revaluation.

Source: Town Officials.

Grand List Dated	Residential Property	Commercial/Industrial Property	Public Utility & Vacant Property	Sub-Total Real Property
10/1/14 (1)	\$1,637,287,930	\$208,863,630	\$ 71,964,910	\$ 1,918,116,470
10/1/13	1,789,149,043	210,679,153	86,423,428	2,086,251,624
10/1/12	1,786,281,115	211,331,213	87,067,048	2,084,679,376
10/1/11	1,784,313,791	208,533,493	87,021,168	2,079,868,452
10/1/10	1,781,704,626	209,685,430	87,562,128	2,078,952,184
10/1/09 (1)	1,781,417,088	211,395,000	86,139,758	2,078,951,846
10/1/08	1,678,449,336	174,542,600	61,138,164	1,914,130,100
10/1/07	1,672,037,365	170,000,130	59,429,704	1,901,467,199
10/1/06	1,658,832,885	153,453,595	64,241,269	1,876,527,749
10/1/05	1,645,701,218	150,728,010	58,645,950	1,855,075,178
10/1/04 (1)	1,629,691,796	143,739,128	57,148,770	1,830,579,694

(1) Revaluation.

Source: Town Officials.

Largest Taxpayers

The following table sets forth the ten largest taxpayers in the Town per the Grand List dated October 1, 2014:

Business-Name	Nature of Business	Total Estimated Assessment	% of Net Taxable Grand List
FirstLight Hydro Generating Co	Hydro Electric Generation	\$ 34,706,490	1.6%
Sippin Properties (1)	Retail/Office/Industrial/Oil Distribution	24,516,190	1.1%
Eversource	Electric & Gas Utility	23,095,430	1.1%
Tartaglia Commercial Properties (1)	Retail Property Lease & Mgmt	15,677,340	0.7%
Aquarion Water Company	Corporate HQ & Distribution	12,795,250	0.6%
Victorinox Swiss Army Inc.	Corporate HQ & Distribution	11,868,770	0.6%
Steiner Properties (1)	Retail & Residential Property	6,835,600	0.3%
SB Real Estate LLC / Really Good Stuff Inc.	Classroom Supplies	6,740,070	0.3%
Lake Zoar Properties LLC	Banquet Facility	6,065,400	0.3%
Kimball Properties (1)	Commercial & Industrial Property	5,386,200	0.3%
Total		\$147,686,740 (2)	6.9%

(1) Includes multiple legal entities with common ownership.

(2) Represents 6.9% of the net taxable grand list of \$2,512,674,588 dated October 1, 2014.

Source: Town Officials

Revenues

The Town derives its revenues from a direct tax levy on property, state and federal aid, various fees and charges, and certain miscellaneous sources. Town revenues are summarized for fiscal years ended 2010-2014 in "Statements Revenues, Expenditures and Changes in Fund Balance - General Fund" herein. The prior year's appropriated surplus is also available to support current operating expenditures.

Property Tax Revenues

<u>Fiscal Year</u>	<u>General Fund Revenues</u>	<u>Property Tax Revenues</u>	<u>Property Taxes as a Percentage of General Fund Revenues</u>
2016 (1)	\$ 81,682,962	\$73,052,358	89.4 %
2015 (2)	79,846,778	71,258,789	89.2
2014	85,840,388	70,058,508	81.6
2013	82,869,323	67,784,322	81.8
2012	80,259,000	66,287,184	82.6
2011	77,483,724	64,441,364	83.2
2010	75,549,157	62,534,910	82.8
2009	74,119,204	60,629,712	81.8
2008 (3)	86,029,299	57,756,527	67.1
2007	68,360,264	54,156,712	79.2

- (1) Town Council proposed budget for fiscal year 2015-16, budgetary basis of accounting, excludes on behalf payments to Connecticut State Teachers' Retirement System.
- (2) Adopted Budget, budgetary basis of accounting, excludes on behalf payments to Connecticut State Teachers' Retirement System.
- (3) Includes \$18,002,147 on behalf of payments to Connecticut State Teachers' Retirement System. Amount is significantly higher than prior years due to State of Connecticut issuing Pension Obligation Bonds to fund the plan in fiscal year 2007-08.

Source: Audited financial statements; fiscal year 2014-15 adopted budget; fiscal year 2015-16 proposed budget.

Intergovernmental Revenues

<u>Fiscal Year</u>	<u>General Fund Revenues</u>	<u>Federal & State Aid</u>	<u>Aid As a Percentage Of General Fund Revenues</u>
2016 (1)	\$ 81,682,962	\$ 7,457,654	9.1 %
2015 (2)	79,846,778	7,426,456	9.3
2014	85,840,388	14,609,179	17.0
2013	82,869,323	13,856,850	16.7
2012	80,259,000	12,747,056	15.9
2011	77,483,724	11,739,302	15.2
2010	75,549,157	11,597,967	15.4
2009	74,119,204	11,609,447	15.7
2008	86,029,299	25,538,538 (3)	29.7
2007	68,360,264	10,069,616	14.7

- (1) Town Council proposed budget for fiscal year 2015-16, budgetary basis of accounting, excludes on behalf payments to Connecticut State Teachers' Retirement System.
- (2) Adopted Budget, budgetary basis of accounting, excludes on behalf payments to Connecticut State Teachers' Retirement System.
- (3) Includes \$18,002,147 on behalf of payments to Connecticut State Teachers' Retirement System. Amount is significantly higher than prior years due to State of Connecticut issuing Pension Obligation Bonds to fund the plan in fiscal year 2007-08.

Source: Audited financial statements; fiscal year 2014-15 adopted budget; fiscal year 2015-16 proposed budget.

Expenditures

<u>Fiscal Year</u>	<u>Education</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Debt Service</u>	<u>Public Works</u>
2016 (1)	65.7 %	11.0 %	8.5 %	7.3 %	4.2 %
2015 (2)	66.3	10.9	8.2	7.1	4.7
2014	65.7	9.4	7.4	6.8	3.9
2013	69.7	9.4	7.7	6.7	3.1
2012	70.8	9.0	7.2	6.6	3.7
2011	71.2	8.0	7.3	6.9	4.1
2010	72.1	7.7	7.3	6.7	3.9
2009	69.9	8.0	7.3	7.8	3.9
2008	74.3 (3)	6.7	5.8	6.4	3.1
2007	70.2	8.3	7.4	7.7	3.4

- (1) Town Council proposed budget for fiscal year 2015-16, budgetary basis of accounting, excludes on behalf payments to Connecticut State Teachers' Retirement System.
- (2) Adopted Budget, budgetary basis of accounting, excludes on behalf payments to Connecticut State Teachers' Retirement System.
- (3) Includes \$18,002,147 on behalf of payments to Connecticut State Teachers' Retirement System. Amount is significantly higher than prior years due to State of Connecticut issuing Pension Obligation Bonds to fund the plan in fiscal year 2007-08.

Source: Audited financial statements; fiscal year 2014-15 adopted budget; fiscal year 2015-16 proposed budget.

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Comparative General Fund Operation Statement
 Budget and Actual (Budgetary Basis)

	<u>Fiscal Year 2013-14</u>			<u>Fiscal Year</u>	<u>Fiscal Year</u>
	<u>Revised</u>	<u>Actual</u>	<u>Variance</u>	<u>2014-15</u>	<u>2015-16</u>
	<u>Budget</u>	<u>Operations</u>	<u>Favorable</u>	<u>Adopted</u>	<u>Proposed</u>
			<u>(Unfavorable)</u>	<u>Budget</u>	<u>Budget</u>
REVENUES					
Property taxes, interest and liens	\$69,469,388	\$70,015,701	\$ 546,313	\$71,258,789	\$73,052,358
Licenses, fees and permits	553,700	577,616	23,916	598,700	613,700
Intergovernmental revenue	7,463,481	7,564,605	101,124	7,426,456	7,457,654
Charges for services	333,210	309,965	(23,245)	352,250	352,250
Investment Income	200,000	120,855	(79,145)	140,583	137,000
Other revenues	60,000	214,265	154,265	70,000	70,000
TOTAL REVENUES	<u>\$78,079,779</u>	<u>78,803,007</u>	<u>723,228</u>	<u>\$79,846,778</u>	<u>\$81,682,962</u>
EXPENDITURES					
Current:					
General government	\$ 8,231,803	8,133,331	98,472	8,713,844	9,008,895
Public safety	6,348,113	6,290,307	57,806	6,587,338	6,954,189
Public works	3,491,025	3,442,507	48,518	3,747,562	3,470,797
Health and welfare	260,485	232,826	27,659	271,314	272,032
Culture and recreation	1,480,125	1,457,543	22,582	1,553,136	1,656,533
Education	52,109,919	52,010,375	99,544	52,932,987	53,898,755
Capital outlay	116,767	4,125	112,642	188,956	205,500
Debt Service	5,731,542	5,644,746	86,796	5,676,641	6,021,261
TOTAL EXPENDITURES	<u>77,769,779</u>	<u>77,215,760</u>	<u>554,019</u>	<u>79,671,778</u>	<u>81,487,962</u>
Excess (deficiency) of revenues over expenditures	<u>310,000</u>	<u>1,587,247</u>	<u>1,277,247</u>	<u>175,000</u>	<u>195,000</u>
Other financing sources (uses):					
Appropriation of fund balance	-	-	-	-	-
Operating transfers in	-	7,865	7,865	-	-
Operating transfers out	(310,000)	(627,812)	(317,812)	(175,000)	(195,000)
Total Other financing sources (uses)	(310,000)	(619,947)	(309,947)	(175,000)	(195,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>967,300</u>	<u>\$ 967,300</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Audited financial statements; fiscal year 2014-15 adopted budget; fiscal year 2015-16 proposed budget.

Comparative Balance Sheet – General Fund

Fiscal Year Ended:	2010	2011	2012	2013	2014
ASSETS					
Cash and cash equivalents	\$ 5,279,445	\$ 8,238,049	\$ 9,288,216	\$ 5,379,830	\$13,980,946
Investments	6,003,211	3,721,758	3,540,384	3,756,145	3,003,955
Property taxes receivable	1,094,413	1,262,560	1,215,039	824,290	1,095,746
Intergovernmental receivables	3,007,798	2,649,333	2,190,037	2,277,512	1,382,466
Other receivables	76,950	27,901	148,576	127,243	412,773
Prepaid items	103,844	88,057	76,893	328,814	34,269
Due from other funds	1,430,049	1,643,209	567,639	2,563,364	1,065,713
Total Assets	\$16,995,710	\$17,630,867	\$17,026,784	\$15,257,198	\$20,975,868
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable and accrued liabilities	\$ 4,771,016	\$ 2,453,169	\$ 3,089,338	\$ 4,455,860	\$ 5,086,329
Due to other funds	3,044,697	5,106,472	5,936,895	2,250,213	6,710,247
Unearned revenues				96,440	88,574
Deferred inflows of resources	4,579,181	5,737,608	3,377,581	2,702,135	-
Total Liabilities	12,394,894	13,297,249	12,403,814	9,504,648	11,885,150
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	1,035,980
Unavailable revenue - grants	-	-	-	-	1,382,466
Total Deferred Inflows of Resources	-	-	-	-	2,418,446
FUND BALANCES					
Reserved for encumbrances	947,722	-	-	-	-
Reserved for prepaid items	103,844	-	-	-	-
Unreserved:					
Designated for subsequent budget	695,000	-	-	-	-
Undesignated	2,854,250	-	-	-	-
Nonspendable	-	88,057	76,893	328,814	34,269
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	982,162	555,927	735,552	692,998
Unassigned	-	3,263,399	3,990,150	4,688,184	5,945,005
Total Fund Balances	4,600,816	4,333,618	4,622,970	5,752,550	6,672,272
Total Liabilities, deferred inflows of Resources and fund balances	\$16,995,710	\$17,630,867	\$17,026,784	\$15,257,198	\$20,975,868

Source: Annual audited financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund

Fiscal Year Ended:	2010	2011	2012	2013	2014
REVENUES					
Property taxes	\$62,534,910	\$64,441,364	\$66,287,184	\$67,784,322	\$70,058,508
Intergovernmental revenue	11,597,967	11,739,302	12,747,056	13,856,850	14,609,179
Licenses, permits and fines	522,924	547,600	521,210	643,720	577,616
Charges for services	376,778	334,795	334,991	299,516	259,965
Investment income	490,759	399,705	261,453	64,143	120,855
Miscellaneous revenues	25,819	20,958	107,106	220,772	214,265
TOTAL REVENUES	<u>75,549,157</u>	<u>77,483,724</u>	<u>80,259,000</u>	<u>82,869,323</u>	<u>85,840,388</u>
EXPENDITURES					
Current:					
General government	5,731,389	6,221,711	7,212,104	7,583,687	8,359,920
Public safety	5,426,717	5,709,668	5,722,467	6,244,359	6,592,973
Public Works	2,940,916	3,225,919	2,936,293	2,496,482	3,442,507
Health and welfare	167,092	173,658	188,797	199,762	232,826
Culture and recreation	1,409,880	1,407,510	1,463,535	1,458,186	1,457,543
Education	53,939,216	55,364,249	56,657,002	56,376,507	58,266,029
Capital outlays	193,703	252,703	533,774	1,069,737	4,262,062
Debt service	5,010,884	5,400,842	5,260,045	5,437,360	6,052,772
TOTAL EXPENDITURES	<u>74,819,797</u>	<u>77,756,260</u>	<u>79,974,017</u>	<u>80,866,080</u>	<u>88,666,632</u>
Excess (deficiency) of revenues over expenditures	729,360	(272,536)	284,983	2,003,243	(2,826,244)
Other financing sources (uses):					
Unspent Encumbrances prior year					
Operating transfers in	49,339	98,371	162,379	35,000	57,865
Operating transfers out	(615,700)	(120,926)	(285,996)	(908,663)	(426,545)
Proceeds of loan/debt	-	10,805,000	8,785,000	-	3,097,019
Retirement of debt	-	(11,105,918)	(9,082,302)	-	(3,803,204)
Premium on refunded bonds issued	-	423,261	425,288	-	-
Proceeds from energy rebate	-	-	-	-	706,185
Capital Lease Financing	-	-	-	-	4,114,646
Total other financing sources (uses)	<u>(566,361)</u>	<u>99,788</u>	<u>4,369</u>	<u>(873,663)</u>	<u>3,745,966</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	162,999	(172,748)	289,352	1,129,580	919,722
Fund Balance - July 1	<u>4,437,817</u>	<u>4,506,366</u> (1)	<u>4,333,618</u>	<u>4,622,970</u>	<u>5,752,550</u>
Fund Balance - June 30	<u>\$ 4,600,816</u>	<u>\$ 4,333,618</u>	<u>\$ 4,622,970</u>	<u>\$ 5,752,550</u>	<u>\$ 6,672,272</u>

Source: Annual audited financial statements.

SECTION VI - ADDITIONAL INFORMATION

Litigation

The Town of Monroe, its officers, employees, boards and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings and other miscellaneous claims. It is the Town Attorney's opinion that such pending litigation will not be finally determined, individually or in the aggregate, so as to result in final judgments against the Town which would have a material adverse effect on the Town's financial position.

Availability of Continuing Disclosure Information

The Town prepares, in accordance with state law, annual audited financial statements and files such annual audits with the State Office of Policy and Management on an annual basis. The Town provides, and will continue to provide, to the rating agencies ongoing disclosure in the form of the annual financial reports, recommended and adopted budgets, and other materials relating to its management and financial condition, as may be necessary or requested.

In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided (i) annual financial information and operating data with respect to the Bonds, (ii) notice of the occurrence of certain events with respect to the Bonds within 10 business days of the occurrence of such events; and (iii) timely notice of a failure by the Town to provide the required annual financial information with respect to the Bonds on or before the date specified in the Continuing Disclosure Agreement for the Bonds. The Underwriter's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement for the Bonds the form of which are set forth in Appendix C herein.

The Town has previously undertaken in Continuing Disclosure Agreements entered into for the benefit of holders of certain of its general obligation bonds and notes to provide certain annual financial information and notices of certain events pursuant to Rule 15c2-12(b)(5). In accordance with the Securities and Exchange Commission's interpretive letter dated June 23, 1995 to the National Association of Bond Lawyers regarding Rule 15c2-12 and the Town's previous continuing disclosure agreements, as to the filings for the fiscal year ending June 30, 2010 and June 30, 2012, since audited financial statements and financial/operating data were not available by eight months after the close of the fiscal year, the Town filed unaudited financial statements and financial/operating data on February 25, 2011 and February 28, 2013, respectively, and subsequently filed audited financial statements on April 4, 2011 and March 6, 2013, respectively, when such audited financial statements were available. Aside from the aforementioned, within the last five fiscal years, the Town has not failed to meet in any material respect any of its undertakings under such agreements.

Financial Advisor

The Town has retained Independent Bond and Investment Consultants LLC of Madison, Connecticut, as financial advisor in connection with the issuance and sale of the Bonds. Although Independent Bond and Investment Consultants LLC has assisted in the preparation of the Official Statement, Independent Bond and Investment Consultants LLC is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. Independent Bond and Investment Consultants LLC is an SEC and MSRB registered municipal advisor and is not engaged in the business of providing investment advice, underwriting, trading or distributing municipal securities or other public securities.

Documents Accompanying Delivery of the Bonds

Upon the delivery of the Bonds, the Town will furnish the following:

1. A Signature and No Litigation certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them;
2. A certificate on behalf of the Town, signed by the First Selectman, Town Treasurer and Acting Director of Finance and Comptroller, which will be dated the date of delivery and attached to a confirmed copy of the Official Statement, and which will certify that, to the best of said officials' knowledge and belief, as of the date the Official Statement and the date of the closing, the descriptions and statements in the Official Statement relating to the Town of Monroe and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement;

3. Receipts for the purchase price of the Bonds;
4. The approving opinion of Pullman & Comley, LLC, of Hartford, Connecticut; and
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached to the Official Statement as Appendix C.

The Town of Monroe has prepared an Official Statement for the Bonds which is dated April 8, 2015. The Town deems such Official Statement final as of its date for the purposes of SEC Rule 15c2-12(b)(1), but is subject to revision or amendment. The Town will provide the winning bidder with 50 copies of the Official Statement, as prepared for this issue at the Town's expense and delivered not later than seven business days after the bid opening. Additional copies of the Official Statement may be obtained by a winning bidder at its own expense by arrangement with the printer. If the Issuer's financial advisor is provided with the necessary information from the winning bidder by 12:00 o'clock noon on the day after the bid opening, the copies of the Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices, the name of the managing underwriter of the Bonds.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at the office of the U.S. Bank National Association of Hartford, Connecticut and will be available for examination upon reasonable request.

Concluding Statement

Additional information may be obtained upon request from the Office of the Director of Finance at (203) 452-2802 or from Independent Bond and Investment Consultants LLC at (203) 245-9603.

This Official Statement is submitted only in connection with the sale of the Bonds by the Town and may not be reproduced or used in whole or part for any other purpose.

Independent Bond and Investment Consultants LLC, the Town's financial advisor, has assisted the Town in the preparation of this Official Statement from documents supplied by Town officials and other sources. Independent Bond and Investment Consultants LLC does not assume responsibility for the adequacy or accuracy of statements made herein and makes no representation that it has independently verified the accuracy of supporting documents supplied by the Town.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. This Official Statement is not to be constructed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds.

TOWN OF MONROE, CONNECTICUT

/s/ STEPHEN J. VAVREK, JR.
By: STEPHEN J. VAVREK, JR.
First Selectman

/s/ RONALD J. BUNOVSKY, JR.
By: RONALD J. BUNOVSKY, JR.
Treasurer and Acting Director of Finance

Dated: April 8, 2015

APPENDIX A – AUDITED FINANCIAL STATEMENTS

TOWN OF MONROE, CONNECTICUT

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APPENDIX B - FORM OF OPINION OF BOND COUNSEL

April __, 2015

Town of Monroe, Connecticut
7 Fan Hill Road
Monroe, Connecticut 06468

Ladies and Gentlemen:

We have acted as Bond Counsel to the Town of Monroe, Connecticut (the "Town") in connection with the issuance by the Town of its \$6,220,000 General Obligation Bonds, Issue of 2015, dated April 22, 2015 (the "Bonds"). In such capacity, we have examined records of proceedings of the Town authorizing the Bonds, a Tax Compliance Agreement of the Town dated April 22, 2015 (the "Agreement"), such law and such other proceedings, certifications, and documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We are of the opinion that when the Bonds are duly certified by U.S. Bank National Association, the Bonds will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The rights of the holders of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excludable from gross income. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

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

In our opinion, under existing statutes and court decisions, (i) interest on the Bonds is excludable from gross income for federal income tax purposes; and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to certain corporations (as defined for federal income tax purposes) subject to the federal alternative minimum tax, such interest may be taken into account in computing the federal alternative minimum tax. We express no opinion regarding other Federal income tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

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

The Bonds have been designated to be and are qualified tax exempt obligations of the Town under Section 265(b)(3) of the Code.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Official Statement dated April __, 2015 and other offering material relating to the Bonds.

We have not undertaken to advise whether any events after the date of issuance of the Bonds, including the adoption of Federal tax legislation, may affect the tax status of the Bonds.

Although we have rendered an opinion that interest on the Bonds is not includable in gross income for federal income tax purposes, federal income tax liability may otherwise be affected by the ownership or disposition of the Bonds. We express no opinion regarding any tax consequence caused by ownership or disposition of, or receipt of interest income on, the Bonds not specifically described herein.

Respectfully,

PULLMAN & COMLEY, LLC

APPENDIX C - FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

In Connection With The Issuance and Sale of \$6,220,000 General Obligation Bonds, Issue of 2015

This Continuing Disclosure Agreement (“Agreement”) is executed and delivered as of April 22, 2015, by the Town of Monroe, Connecticut (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of its \$6,220,000 General Obligation Bonds, Issue of 2015, dated April 22, 2015 (the “Bonds”).

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

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Section 2 of this Continuing Disclosure Agreement.

“EMMA” means the Electronic Municipal Market Access System as described in the 1934 Act Release #59062 and maintained by the Municipal Securities Rulemaking Board for the purposes of the Rule and as further described in Section 13 hereof.

“Final Official Statement” means the official statement of the Issuer dated April 8, 2015, prepared in connection with the issuance of the Bonds.

“Fiscal Year End” shall mean the last day of the Issuer’s fiscal year, currently June 30.

“Listed Events” shall mean any of the events listed in Section 4 of this Continuing Disclosure Agreement.

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

“Rule” means rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

Section 2. Annual Reports.

(a) The Issuer shall provide or cause to be provided to the MSRB, in accordance with the provisions of the Rule and of this Agreement, the following annual financial information and operating data regarding the Issuer (commencing with the information and data for the fiscal year ending June 30, 2015):

(i) Audited financial statements of the Issuer as of and for the year ending on its Fiscal Year End prepared in accordance with generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board from time to time or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer is required to prepare audited financial statements of its various funds and accounts.

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

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

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

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

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

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

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

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

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

(I) the funding status of the Issuer's pension benefit obligations; and

(J) the funding status of the Issuer's OPEB obligation.

(b) The above-referenced information is expected to be provided by the filing of and cross reference to the Issuer's audited financial statements. The information may be provided in whole or in part by cross-reference to other documents provided to the MSRB, including official statements of the Issuer which will be available from the MSRB's internet web site or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report or the annual adopted budget.

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

Section 3. Timing. The Issuer shall provide the information and data referenced in Section 2(a) not later than eight months after each Fiscal Year End for which such information is being provided. The Issuer agrees that if audited information is not available eight months after the close of any Fiscal Year End, it shall submit unaudited information by such time and will submit audited information when available.

Section 4. Event Notices.

(a) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event:

(i) principal and interest payment delinquencies;

(ii) unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) substitution of credit or liquidity providers, or their failure to perform;

(v) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds;

(vi) tender offers;

(vii) bankruptcy, insolvency, receivership, or a similar proceeding by the Issuer;

(viii) Bond defeasances; and

(ix) rating changes.

(b) The Issuer agrees to provide or cause to be provided to the MSRB, within ten (10) business days of the occurrence of any of the following events with respect to the Bonds, notice of the occurrence of such event, if material:

(i) non-payment related defaults;

(ii) modifications to rights of Bond holders;

(iii) Bond calls;

(iv) release, substitution, or sale of property securing repayment of the Bonds;

(v) consummation of a merger, consolidation, acquisition involving the Issuer, other than the ordinary course of business, or the sale of all or substantially all the assets of the Issuer, or the entry into a definitive agreement to engage in such a transaction, or a termination of such an agreement, other than in accordance with its terms; and

(vi) appointment of a successor or additional trustee, or the change in the name of the trustee.

Section 5. Notice of Failure. The Issuer agrees to provide or cause to be provided, in a timely manner to the MSRB, notice of any failure by the Issuer to provide the annual financial information described in Section 2(a) of this Continuing Disclosure Agreement on or before the date set forth in Section 3 hereof.

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

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

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

Section 9. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communications, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Continuing Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Continuing Disclosure Agreement, the Issuer shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Enforceability. The Issuer agrees that its undertaking pursuant to the Rule set forth in this Continuing Disclosure Agreement is intended to be for the benefit of and enforceable by the beneficial owners of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure after its receipt of written notice from any beneficial owner of the Bonds of such failure. The present address of the Issuer is Town of Monroe, 7 Fan Hill Road, Monroe, CT 06468, Attn: First Selectman. In the event the Issuer does not cure such failure, the right of any beneficial owner of the Bonds to enforce the provisions of this undertaking shall be limited to a right to obtain specific enforcement of the Issuer's obligations hereunder. No monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute default of the Issuer with respect to the Bonds.

Section 11. Governing Law. This Agreement shall be governed by the laws of the State of Connecticut.

Section 12. Method of Filing. To the extent filings are required to be made to the MSRB under this Agreement, the Issuer shall transmit such filings or notices in an electronic format to the continuing disclosure service portal provided through MSRB's EMMA as provided at <http://emma.msrb.org/> or any similar system that is acceptable to the SEC.

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

TOWN OF MONROE, CONNECTICUT

By: _____
Stephen J. Vavrek Jr.
First Selectman

APPENDIX D – NOTICE OF SALE

**Notice Of Sale
Town Of Monroe, Connecticut
\$6,220,000 General Obligation Bonds, Issue of 2015
dated Date of Delivery
(the “Bonds”)**

ELECTRONIC BIDS VIA *PARITY*® will be received by the TOWN OF MONROE, CONNECTICUT, (the “Town”) at Monroe Town Hall, 7 Fan Hill Road, Monroe, Connecticut 06468, until 11:00 A.M. (E.D.T.) on Wednesday,

April 8, 2015

for the purchase, when issued, at not less than par and accrued interest from the date of the Bonds to the date of delivery, of the whole of

\$6,220,000 General Obligation Bonds, Issue of 2015
dated Date of Delivery

The Bonds are payable annually on April 15, in the principal amounts and years as set forth below:

<u>Amount</u>	<u>Due</u>
\$455,000	2017-2018
\$445,000	2019-2024
\$440,000	2025-2030

Interest on the Bonds will be payable on October 15, 2015 and semiannually thereafter on the 15th day of April and October in each year until maturity. The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be delivered to The Depository Trust Company, New York, New York (“DTC”), registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in the principal amount of \$5,000 or integral multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium (if any) and interest on the Bonds will be payable by the Town to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for payments by DTC to its participants or by DTC participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Town fails to identify another qualified securities depository to replace DTC, or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Town will authenticate and deliver replacement Bonds in the form of fully registered Bond certificates directly to the beneficial owners of the Bonds or their nominees. (The record dates for the Bonds will be the last day of March and September, or the preceding business day if such day is not a business day.) The Bonds will be certified by the Registrar, Transfer Agent and Paying Agent which shall be U.S. Bank National Association, Hartford, Connecticut.

The Bonds maturing on or before April 15, 2020 are not subject to redemption prior to maturity. The Bonds maturing on April 15, 2021 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after April 15, 2020, either in whole or in part at any time, in such order of maturity and amount as the Town may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth as follows, plus interest accrued and unpaid to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
April 15, 2020	100%

Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and shall specify in a multiple of one-eighth (1/8) or one-twentieth (1/20) of one percent (1%) the rate or rates of interest per annum which the Bonds are to bear, but shall NOT specify (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds which exceeds the interest rate specified in such proposal for any other Bonds by more than three (3) percentage points. Interest shall be computed on the basis of twelve 30 day months and a 360 day year. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery, if any. No bid for less than par and accrued interest will be considered.

Unless all bids are rejected, the Bonds will be awarded to the bidder whose bid will result in the lowest true interest cost ("TIC") to the Town. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds to April 22, 2015, the dated date of the Bonds, results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. In the event that two or more bidders offer bids at the same lowest TIC, the Town will determine by lot which of such bidders will be awarded the Bonds. The purchase price must be paid in federal funds.

Electronic bids for the purchase of the Bonds may be submitted through the facilities of **PARITY**[®] until 11:00 A.M. (E.D.T.) on Wednesday, April 8, 2015. Any prospective bidder must be a subscriber of i-Deal's BiDCOMP competitive bidding system. Further information about **PARITY**[®], including any fee charged, may be obtained from **PARITY**[®], c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 404-8102 - email notice: PARITY@i-Deal.com). The Town neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY**[®] is communicated to the Town, it shall constitute an irrevocable offer in response to this Notice of Sale, and shall be binding upon the bidder. By submitting a bid for the Bonds via **PARITY**[®], the bidder represents and warrants to the Town that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Town will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice of Sale. **The Town shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of **PARITY**[®], or the inaccuracies of any information, including bid information or worksheets supplied by **PARITY**[®], the use of **PARITY**[®] facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

Disclaimer. Each **PARITY**[®] prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY**[®] for the purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale. Neither the Town nor **PARITY**[®] shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Town nor **PARITY**[®] shall be responsible for a bidder's failure to make a bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY**[®]. The Town is using **PARITY**[®] as a communication mechanism, and not as the Town's agent, to conduct the electronic bidding for the Bonds. The Town is not bound by any advice and determination of **PARITY**[®] to the effect that any particular bid complies with the terms of this Notice of Sale and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY**[®] are the sole responsibility of the bidders; and the Town is not responsible, directly or indirectly, for any such costs or expenses. If a prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY**[®] at (212) 404-8102. If any provision of this Notice of Sale shall conflict with information provided by **PARITY**[®], this Notice of Sale shall control.

The Bonds will be general obligations of the Town payable, unless paid from other sources, from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limit as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes. Under existing statutes the State of Connecticut is obligated to pay to the Town the amount of tax revenue which the Town would have received except for the limitation upon its power to tax such dwelling houses.

At or prior to the delivery of the Bonds the successful bidder shall be furnished, without cost, with the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel, substantially in the form set out in Appendix B to the Official Statement. The winning bidder will also be furnished with a receipt of payment for the Bonds, a Signature and No Litigation Certificate dated as of the date of delivery of the Bonds, stating that there is no litigation pending, or to the knowledge of the signers thereof, threatened, affecting the validity of the Bonds or the power of the Town to levy and collect taxes to pay them. A signed copy of the Official Statement prepared for this Bond issue will also be furnished together with a certificate of the Town relating to the accuracy and completeness of the Official Statement.

The opinion of Bond Counsel will provide: (i) that the Bonds will be valid general obligations of the Town when duly certified; (ii) that, assuming the accuracy of and continued compliance by the Town with its representations and covenants contained in a certain Tax Regulatory and Compliance Agreement (the "Agreement") relating to certain requirements of the Internal Revenue Code of 1986, as amended (the "Code") and other certifications received from the Town, as to which bond counsel has made no independent verification, under existing law interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes pursuant to the Code and although interest on the Bonds is not treated as a preference item for purposes of calculating the federal alternative minimum tax, in the case of certain corporations (as defined for federal income tax purposes) subject to the federal alternative minimum tax, such interest may be taken into account in computing the federal alternative minimum tax and, (iii) that interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates; and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. In rendering the legal opinion, Pullman & Comley, LLC will rely upon and assume the material accuracy of the representations and statements of expectation contained in the Agreement entered into by the Town for the benefit of the owners of the Bonds and further, will assume continuing compliance by the Town with the covenants and procedures set forth in the Agreement. Copies of the opinion will be printed upon each of the Bonds, and a signed opinion will be filed with the Paying Agent.

The Town has prepared a Preliminary Official Statement dated April 1, 2015 for the Bonds, which is deemed final as of its date for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision or amendment. Bidders must acknowledge in their respective bids that they have received and reviewed such Preliminary Official Statement. The Town will make available to the winning purchaser 50 copies of the Official Statement, dated April 8, 2015, as prepared by the Town at the Town's expense. The copies of the Official Statement will be made available to the winning purchaser at the office of the Town's financial advisor, Independent Bond and Investment Consultants, LLC, by the fifth business day after the day bids on the Bonds are received. If the Town's financial advisor is provided with the necessary information from the winning purchaser by noon of the date following the day bids on the Bonds are received, the copies of the Official Statement will include an additional cover page and other pages indicating the interest rates, ratings, yields or reoffering prices, the name of the managing underwriting, the name of the insurer, if any, on the Bonds and any corrections. The purchaser shall arrange with the financial advisor the method of delivery of the copies of the Official Statement to the purchaser. Additional copies of the Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C to the Official Statement (the "Continuing Disclosure Agreement"), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data, (ii) timely notice of the occurrence of certain material events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information. The winning bidder's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement.

The Bonds will be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, for purposes of the deduction by financial institutions for federal income tax purposes of a portion of interest expense allocable to tax exempt obligations.

It shall be the responsibility of the purchaser to furnish to Pullman & Comley, LLC, Hartford, Connecticut, in writing before delivery of the Bonds the reoffering prices at which a substantial portion of the bonds of each maturity initially were sold. The completed certificate should be delivered to Marie V. Phelan, Esq. Pullman & Comley, LLC, 90 State House Square, Hartford, Connecticut 06103, (860) 424-4337.

The Bonds will be delivered to U.S. Bank National Association as agent for DTC in New York, New York on or about April 22, 2015 against payment in immediately available federal funds. The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of the winning purchaser to obtain CUSIP numbers for the Bonds prior to delivery and the Town will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of the winning purchaser to obtain such numbers and to supply them to the Town in a timely manner.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

For more information regarding this issue and the Town, reference is made to the Preliminary Official Statement dated April 1, 2015. Copies of the Preliminary Official Statement may be obtained from Mr. Ronald J. Bunovsky, Jr., Treasurer and Acting Director of Finance, Town of Monroe, Monroe Town Hall, 7 Fan Hill Road, Monroe, Connecticut 06468 (203) 452-2802 or from Mr. William Lindsay, Independent Bond and Investment Consultants LLC, (203) 245-9603.

Stephen J. Vavrek Jr.
First Selectman

Ronald J. Bunovsky, Jr.
Treasurer and Acting Director of Finance

April 1, 2015