

Final Official Statement Dated February 20, 2019

New Money Issue: Book-Entry-Only

**Rating: S&P Global Ratings: "AAA"
Fitch Ratings: "AAA"**

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

Town of Cheshire, Connecticut

\$14,500,000

General Obligation Bonds, Issue of 2019

BOOK-ENTRY-ONLY

Dated: Date of Delivery

**Due: July 15, 2020-2038
as detailed below:**

The Bonds will bear interest payable on July 15, 2019 and semiannually thereafter on January 15 and July 15 in each year until maturity. The Bonds are issuable only as fully registered bonds, without coupons, and when issued, will be registered in the name of Cede & Co., as Bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book entry-only form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co. as aforesaid, and shall not mean the Beneficial Owners (as described herein) of the Bonds. (See "Book Entry Only Transfer System" herein).

<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u>	<u>Year</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>CUSIP</u>
2020	\$ 760,000	5.000%	1.500%	165375X27	2030*	\$ 765,000	3.000%	2.440%	165375Y42
2021	760,000	5.000%	1.510%	165375X35	2031*	765,000	3.000%	2.640%	165375Y59
2022	760,000	5.000%	1.510%	165375X43	2032*	765,000	3.000%	2.810%	165375Y67
2023	760,000	5.000%	1.540%	165375X50	2033*	765,000	3.000%	2.920%	165375Y75
2024	760,000	5.000%	1.590%	165375X68	2034	765,000	3.000%	3.040%	165375Y83
2025	760,000	5.000%	1.660%	165375X76	2035	765,000	3.125%	3.140%	165375Y91
2026	760,000	5.000%	1.740%	165375X84	2036	770,000	3.150%	3.220%	165375Z25
2027*	760,000	4.000%	1.760%	165375X92	2037	770,000	3.250%	3.280%	165375Z33
2028*	760,000	3.000%	2.080%	165375Y26	2038	770,000	3.375%	3.375%	165375Z41
2029*	760,000	3.000%	2.230%	165375Y34					

* Priced assuming redemption on July 15, 2026; however any such redemption is at the option of the Town.

BNY MELLON CAPITAL MARKETS, LLC

The Bonds will be general obligations of the Town of Cheshire, 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.)

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

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

The Bonds are offered for delivery when, as and if issued, subject to the approving opinion of Robinson & Cole LLP, Bond Counsel, Hartford, Connecticut, and certain other conditions. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC on or about March 6, 2019.

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

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

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

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

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

The 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, (ii) a notice of the occurrence of certain events within 10 business days of the occurrence of such events, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The Continuing Disclosure Agreement shall be executed in substantially the form attached as Appendix C to this Official Statement.

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Bond Issue Summary

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

Date of Sale:	Wednesday, February 20, 2019 at 11:30 A.M. (E.T.).
Location of Sale:	Cheshire Town Hall, 84 South Main Street, Cheshire, Connecticut 06410.
Issuer:	Town of Cheshire, Connecticut (the "Town").
Issue:	\$14,500,000 General Obligation Bonds, Issue of 2019 (the "Bonds").
Dated Date:	Date of Delivery.
Interest Due:	July 15, 2019 and semiannually thereafter on January 15 and July 15, in each year until maturity or earlier redemption.
Principal Due:	The Bonds are due serially, July 15, 2020 through July 15, 2038, as detailed in this Official Statement.
Purpose:	The proceeds of the Bonds will be used to fund various sewer, general purpose and school construction projects authorized by the Town.
Redemption:	The Bonds are subject to redemption prior to maturity, as described herein.
Security:	The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
Credit Rating:	The Bonds have been rated "AAA" from S&P Global Ratings and "AAA" from Fitch Ratings.
Basis of Award:	Lowest True Interest Cost (TIC), as of the dated date.
Bond Insurance:	The Town does not expect to purchase a credit enhancement facility.
Tax Exemption:	See "Tax Matters" herein.
Continuing Disclosure:	In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided: (i) annual financial information and operating data, (ii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the continuing disclosure agreement, and (iii) notices of certain events with respect to the Bonds, within 10 business days of the occurrence of such event, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
Bank Qualification:	The Bonds <u>shall NOT be</u> 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 of interest expense allocable to the Bonds.
Registrar, Transfer Agent, Certifying Agent, and Paying Agent:	U.S. Bank National Association, Goodwin Square, 225 Asylum Street, 23rd Floor, Hartford, Connecticut 06103.
Legal Opinion:	Robinson & Cole LLP, of Hartford, Connecticut will act as Bond Counsel.
Municipal Advisor:	Phoenix Advisors, LLC, of Milford, Connecticut will act as Municipal Advisor. Telephone (203) 878-4945.
Delivery and Payment:	It is expected that delivery of the Bonds in book-entry-only form will be made on or about March 6, 2019, against payment in Federal Funds.
Issuer Official:	Questions concerning this Official Statement should be addressed to James J. Jaskot, Director of Finance & Treasurer, Town Hall, 84 South Main Street, Cheshire, Connecticut 06410. Telephone (203) 271-6610.

I. Bond Information

Introduction

This Official Statement, (the "Official Statement") including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Cheshire, Connecticut (the "Town"), in connection with the original issuance and sale of \$14,500,000 General Obligation Bonds, Issue of 2019 (the "Bonds") of the Town.

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

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

Bond Counsel are not passing upon and do not assume responsibility for the accuracy or adequacy of the statements made in this Official Statement (other than matters expressly set forth as their opinion attached hereto as Appendix B) and they make no representation that they have 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 it is subject to revision or amendment.

Municipal Advisor

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

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

Description of the Bonds

The Bonds will be dated as of the date of delivery, March 6, 2019, and will mature in annual installments on July 15 in each of the years and in the principal amounts set forth on the cover page of this Official Statement. Interest on the Bonds will be payable on July 15, 2019 and semiannually thereafter on July 15 and January 15, in each year until maturity. Interest will be calculated on the basis of twelve 30-day months and a 360-day year and will be payable to the registered owners of the Bonds as of the close of business on the last business day of June and December in each year, by check, mailed to the registered owner at the address as shown on the registration books of the Town kept for such purpose, or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the Town shall agree. The Bonds are subject to redemption prior to maturity as more fully described herein. The Bonds shall NOT 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.

Optional Redemption

The Bonds maturing on or before July 15, 2026 are not subject to redemption prior to maturity. The Bonds maturing on July 15, 2027 and thereafter, are subject to redemption prior to maturity, at the election of the Town, on and after July 15, 2026 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 respective price (expressed as a percentage of the principal amount of Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<i>Period During Which Redeemed</i>	<i>Redemption Price</i>
July 15, 2026 and thereafter	100%

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

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

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

Authorization and Purpose

The Town of Cheshire has the power to incur indebtedness as provided by the Connecticut General Statutes and the Town Charter. The issuance of bonds and notes is authorized by a resolution of the Town Council subject to certain procedures outlined in the Town Charter (see "Authority to Incur Debt" herein). Notes and bonds may be issued to meet certain emergency appropriations as provided in the Connecticut General Statutes.

The projects financed by the Bonds include:

Project Number	Project Name	Bond Authorization	Bonds This Issue
General Purpose			
01286	Technology - Town and School Security Project.....	\$ 338,500	\$ 300,000
01222	Capital Planning.....	150,000	50,000
01275	Vehicle / Equipment Replacement Fund.....	122,000	122,000
01109	Capital Planning.....	329,167	115,000
01158	Underground Storage Tank Removal.....	50,000	50,000
01279	Roof Replacement at Library, Fire Headquarters.....	185,000	185,000
01303	Boiler Replacement at Fire Headquarters and Annex and Police Station.....	150,000	100,000
01304	Parking Lot Repavement at Library.....	100,000	100,000
01319	Roof Replacement at Library.....	225,000	225,000
00713	Land Acquisition.....	722,343	120,000
01199	West Main Street Sidewalk Design and Construction.....	290,000	290,000
01287	Parking Area for Linear Trail near West Main Street.....	400,000	350,000
00903	Energy Conservation Program.....	114,855	18,000
01260	Upgrade and Expansion of Public Safety Radio Communication System.....	2,336,695	1,860,695
01224	Firefighting Equipment and Protective Clothing.....	45,000	45,000
01276	Firefighting Equipment and Protective Clothing.....	140,000	79,777
01321	Replace 1992 Fire Truck Pumping Engine.....	640,000	640,000
01230	Dump Trucks and Plows.....	25,513	13,000
01256	Sidewalk Program.....	75,000	75,000
01274	Road Repavement Program.....	1,700,000	1,700,000
01288	Vehicle / Equipment Replacement Fund.....	385,000	385,000
01295	Sidewalk Improvement Program.....	100,000	100,000
01299	Public Works Dump Truck and Plow.....	236,000	236,000
01307	Cuff Brook Culvert Lining at Marion Road Crossing.....	160,000	160,000
01308	West Johnson Bridge Repairs Over Ten Mile River.....	50,000	25,000
01316	Restroom Upgrades at Quinnipiac, Mixville, Cheshire, Lock 12 and MacNamara Parks.....	200,000	100,000
01318	Automated Trash Collection Containers.....	500,000	480,000
01322	Road Improvement Program.....	1,500,000	1,500,000
01202	Renovation of Senior Center Basement.....	12,000	12,000
01258	Library Reconfiguration and RFID Conversion.....	250,000	250,000
01280	Restroom Upgrades at Quinnipiac Park and Lock 12.....	180,000	100,000
01300	Heat and Power Unit at Community Pool.....	200,000	180,000
01310	Development of Chapman Property.....	50,000	50,000
Subtotal General Purpose.....		11,962,073	10,016,472
School			
01117	Cheshire High School Code Compliance.....	1,383,000	800,000
01193	District Wide Roof Repairs and Replacements.....	236,955	225,000
01196	District Wide Lavatory Improvements.....	500,000	450,000
01204	Window Replacements and Energy Improvements.....	500,000	462,500
01227	Replacement of Underground Oil Storage Tanks at Chapman, Doolittle, Darcey, Highland, Dodd Middle, and Humiston School Buildings.....	590,000	350,000
01234	Cheshire High School Storage.....	40,000	40,000
01281	Paving of Driveways and Parking Lots at Doolittle School.....	125,000	125,000
01311	Cafeteria Renovations - Chapman, Cheshire High, Highland, and Norton Schools.....	127,000	127,000
01312	Building Management System - Legacy Equipment Replacement..	100,000	90,000
01313	Insulate Tunnel Steam Piping - Cheshire High School.....	110,000	55,000
01314	Unit Ventilator Replacements - Cheshire High, Dodd Middle, Doolittle and Norton Schools.....	110,000	99,000
01315	School Masonry restoration - District Wide.....	110,000	110,000
01323	School Security Improvements - District Wide.....	1,090,000	600,000
Subtotal Schools.....		5,021,955	3,533,500
Sewer			
01150	Wastewater Treatment Plant Upgrade.....	175,028	175,028
01175	Cook Hill Road Pump Station.....	400,000	350,000
01263	West Johnson Avenue Pump Station Rehabilitation.....	550,000	150,000
01317	Belt Filter Press Refurbishment - Waste Water Treatment Plant..	365,000	275,000
Subtotal Sewers.....		1,490,028	950,028
Grand Totals.....		\$ 18,474,056	\$ 14,500,000

Book-Entry-Only Transfer System

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

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

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

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

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts upon DTC’s receipt of funds and corresponding detail information from the Town or Agent, on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to

Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC, Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

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

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

DTC Practices

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

Replacement Bonds

In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the 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 Town is authorized to issue fully registered Bond certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner’s name, will become the registered owner of the Bonds.

Security and Remedies

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

Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under Connecticut General Statutes to levy ad valorem taxes on all taxable property in 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.

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 to secure the Bonds, or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and a court of competent jurisdiction has the power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have the power in appropriate proceedings to order payment of a judgment on such bonds from funds lawfully available therefor or, in the absence thereof, to order the 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 of or interest on such debt would also be subject to the applicable provisions of federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted and to the exercise of judicial discretion. Under the Federal Bankruptcy Code, the Town may seek relief only, among other requirements, if it is

specifically authorized, in its capacity as a municipality or by name, to be a debtor under Chapter 9, Title 11 of the United States Code, or by state law or by a governmental officer or organization empowered by state law to authorize such entity to become a debtor under such Chapter. Section 7-566 of the Connecticut General Statutes, as amended, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

Qualification for Financial Institutions

The Bonds shall NOT be designated by the 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 of interest expense allocable to the Bonds.

Availability of Continuing Disclosure Information

The Town prepares, in accordance with State law, annual independent audited financial statements and files such annual audits with the State Office of Policy and Management. The Town provides, and will continue to provide, to Moody's Investor Service, S&P Global Ratings and Fitch Ratings ongoing disclosure in the form of comprehensive annual audited financial statements, 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, (ii) notice of the occurrence of certain events within 10 business days of the occurrence of such events with respect to the Bonds, and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement to be executed in substantially the form contained in Appendix C to this Official Statement. The Underwriter's obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement.

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

Bond Rating

The Bonds have been rated "AAA" from S&P Global Ratings and "AAA" from Fitch Ratings (the "Rating Agencies"). The Town furnished to the Rating Agencies certain information and materials, some of which may not have been included in this Official Statement. The rating reflects only the views of the Rating Agencies. No application was made to any other rating agencies for the purpose of obtaining ratings on outstanding securities of the Town.

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

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

Tax Matters

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

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

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

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

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

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

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

Original Issue Discount

The initial public offering price of certain maturities of the Bonds may be less than the principal amount payable on such Bonds at maturity. The excess of the principal amount payable at maturity over the initial public offering price at which a substantial amount of these Bonds are sold constitutes original issue discount. The offering prices relating to the yields set forth on the cover page of this Official Statement are expected to be the initial public offering prices at which a substantial amount of the Bonds were ultimately sold to the public.

Under Section 1288 of the Code, the amount of original issue discount treated as having accrued with respect to any Bond during each day it is owned by a taxpayer is added to the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds by such owner. Accrued original issue discount on the Bonds is excluded from gross income for federal income tax purposes. Original issue discount on any bond is treated as accruing on the basis of economic accrual for such purposes, computed by a constant semiannual compounding method using the yield to maturity on such bond. The original issue discount attributable to any bond for any particular semiannual period is equal to the excess of the product of (i) one-half of the yield to maturity of such bond, and (ii) the amount which would be the adjusted basis of the bond at the beginning of such semiannual period if held by the original owner and purchased by such owner at the initial public offering price, over the interest paid during such period. The amount so treated as accruing during each semiannual period is apportioned in equal amounts among the days in that period to determine the amount of original issue discount accruing for such purposes during each such day. Prospective purchasers of the Bonds should consult their own tax advisors with respect to the federal, state and local income tax consequences of the disposition of and receipt of interest on the Bonds.

Original Issue Premium

The initial public offering price of certain maturities of the Bonds may be greater than the principal amount payable on such Bonds at maturity. The excess of the initial public offering price at which a substantial amount of these Bonds are sold over the principal amount payable at maturity or on earlier call date constitutes original issue premium. The offering prices relating to the yields set forth on the cover page of this Official Statement are expected to be the initial public offering prices at which a substantial amount of the Bonds were ultimately sold to the public.

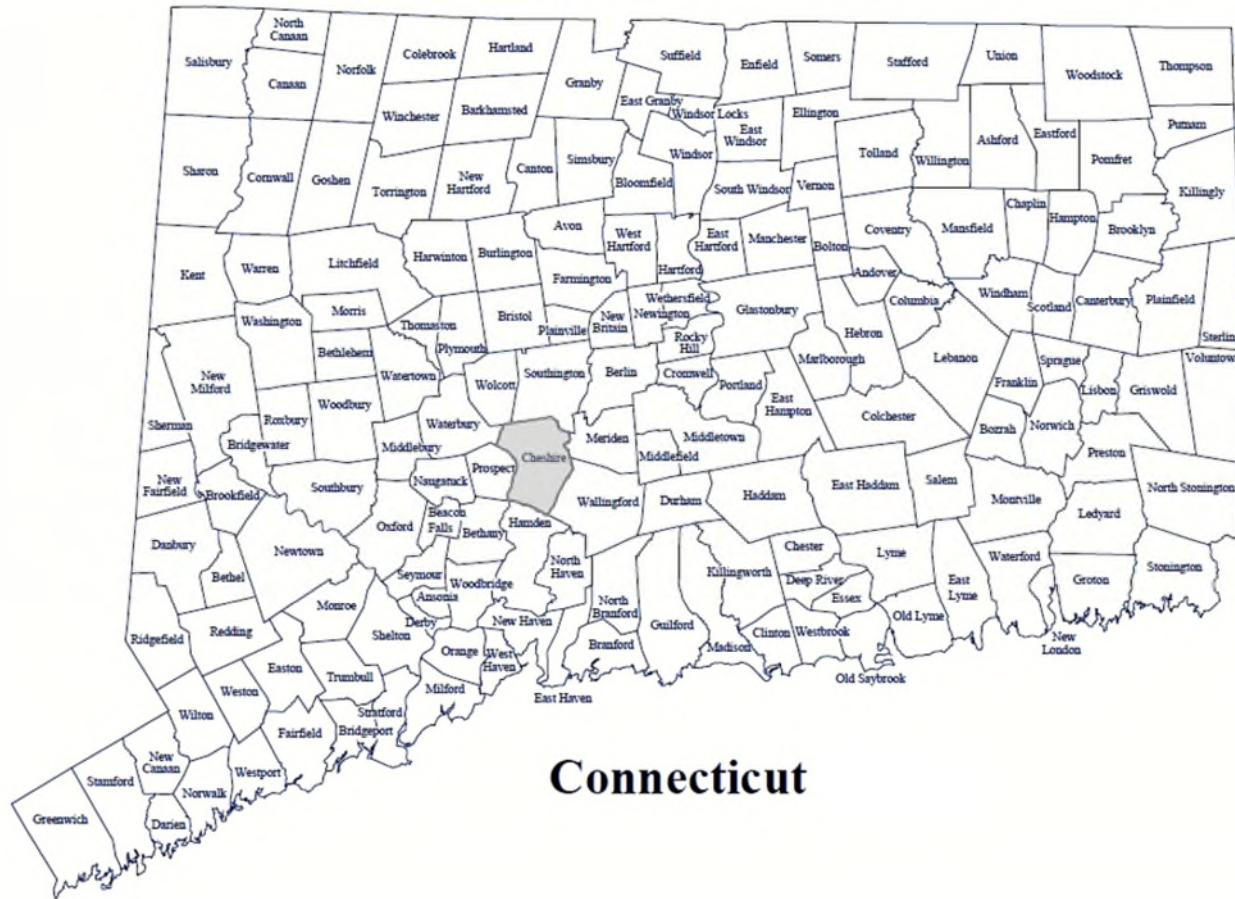
Under Sections 1016 and 171 of the Code, the amount of original issue premium treated as amortizing with respect to any Bond during each day it is owned by a taxpayer is subtracted from the owner's adjusted basis for purposes of determining gain or loss upon the sale or other disposition of such Bonds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

Bond Insurance

The Town does not expect to purchase a credit enhancement facility for the Bonds.

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II. The Issuer



Connecticut

Description of the Municipality

Cheshire, originally a part of the Town of Wallingford, was settled in 1694 and incorporated as a town in May 1780. Located in the south central section of the State, Cheshire is approximately 14 miles north of New Haven and 25 miles southwest of Hartford. The Town has a land area of 33 square miles and is bounded on the north by Southington and Wolcott, on the east by Meriden and Wallingford, on the south by Hamden and Bethany, and on the west by Prospect and Waterbury.

Until about 1950, Cheshire was predominantly a rural farming community. Since then, the Town has evolved into a residential suburban community. Despite significant industrial/commercial growth, Cheshire retains its rural characteristics with thousands of acres of open space and an active agricultural industry. The Town is designated as the Bedding Plant Capital of Connecticut by the General Assembly.

From its predominantly agricultural base, the economy of Cheshire has diversified and grown steadily. The Economic Development Coordinator and Town personnel work to attract new business development and retain companies. The Town has zoned 2,500 acres for industrial use in the north central section of Town. The Town continues to use a policy, started in 1993, for the possible granting of tax and infrastructure incentives to businesses that are compatible with Cheshire.

The Town's industrial zone is bounded on the west by Interstate 84, a major highway between Boston and New York. Interstate 691 traverses the industrial zone and links Interstate 84 to Interstate 91, 8 miles to the east. In addition, State Highway Routes 10 and 68/70, which run north south and east west respectively, intersect in the center of Cheshire. Intra and interstate area trucking companies are available to service Cheshire business and industry. International air service is 35 miles away at Bradley International Airport and 15 miles to the south is Tweed New Haven Airport, available for commuter and general aircraft use. The port of New Haven, the third largest in New England, handles all types of cargo and is less than one half hour away.

The Town is served by four daily newspapers and one local weekly newspaper. Major cable companies provide service to Cheshire residents and businesses.

The Town provides excellent quality of life opportunities for its residents. In addition to a variety of year-round recreational and cultural activities available in Cheshire, residents have easy access to activities in both the greater New Haven and greater Hartford areas.

The Town has been noted by a number of publications as a desirable community in which to live. In recent years, The Town has been recognized by Money and Connecticut magazines as one of the best small towns in the State and country.

Government Organization

The Town is governed by a Council-Manager form of government, which was adopted under a Town Charter approved by Town voters on June 9, 1971. The most recent Town Charter revisions became effective January 1, 2018.

The legislative function is performed by a nine-member Town Council, one member for each of the four voting districts and five members elected at large (the “Town Council”). Not more than seven persons from any one political party may serve as Town Council members. All Town Council members are elected biennially for two-year terms. The Town Council is empowered to adopt the Town’s budget, fix the mill rate and enact local ordinances. A Mayor is elected from within the Town Council and acts as its Chairman. The Town Council also appoints the members of all boards and commissions, except those positions that are elected.

The Town Council appoints the Town Manager who serves as the Chief Executive Officer of the Town. The Town Manager is responsible, in accordance with the Town Charter, for the operation of the municipality, including the appointment of all department heads.

The Board of Education, a seven-member elected body, is responsible for the operation of the public school system and appoints a Superintendent of Schools who serves as the Chief Executive Officer of the school system.

Principal Municipal Officials

Office	Name	Manner of Selection/Term	Years of Service As of December 2018
Town Manager	Sean M. Kimball ¹	Appointed	8 months
Director of Finance/Treasurer	James J. Jaskot ²	Appointed	20 years
Deputy Director of Finance	Gina DeFilio	Appointed	7 years
Personnel Director/Asst. Town Manager for Human Resources ..	Louis A. Zullo	Appointed	24 years ⁵
Asst. Town Manager for Admin./ Public Information Officer	Arnett T. Talbot ³	Appointed	26 years
Director of Public Works/Engineering.....	George Noewatne ⁴	Appointed	14 years
Chief of Police	Neil Dryfe	Appointed	8 years
Fire Chief	Jack Casner	Appointed	22 years ⁶
Town Planner	William Voelker	Appointed	13 years
Economic Development Coordinator	Gerald L. Sitko	Appointed	27 years
Superintendent of Schools.....	Jeffrey F. Solan	Appointed	3 years ⁷

¹ Mr. Kimball previously served in the roles of Acting Town Manager, Director of Finance/Treasurer, and Deputy Director of Administrative Services in the Town

² Mr. Jaskot spent thirteen years with the Town as Deputy Finance Director before becoming the Director of Finance/Treasurer in 2011.

³ Arnett Talbot was appointed Assistant Town Manager for Administration in January 2017, and has served as Public Information Officer since 2000. Ms. Talbot also served as the Executive Assistant to the Town Manager since 2000 and other various positions within the Town.

⁴ Mr. Noewatne served as Deputy Director of Public Works from April 2004 until his appointment as Director of Public Works/Engineering in January 2013.

⁵ Non-consecutive. Louis A. Zullo has been in his position since January 2017, Personnel Director since August 2000 and the Assistant Town Manager since April 2006.

⁶ Fire Chief became a full time position in 2004. Mr. Casner served as Fire Chief in a volunteer capacity for seven years.

⁷ Mr. Solan was the Assistant Principal at Dodd Middle School for three years, Principal at Dodd Middle School for four years, and Principal at Cheshire High School for four years before becoming Superintendent of Schools.

Key Municipal Officials

Sean M. Kimball, Town Manager: Sean M. Kimball was appointed Town Manager in May 2018. Prior to coming to Cheshire he worked for the Town of Simsbury, Connecticut for 7 years where he served in the roles of Acting Town Manager, Director of Finance/Treasurer and Deputy Director of Administrative Services. Prior to joining the Town of Simsbury, Mr. Kimball served as a Budget Consultant for the City of New Haven's Office of Management and Budget and as a Local Government Management Fellow in the City Manager's Office in San Jose, CA.

Mr. Kimball graduated with a Bachelor's Degree in Political Science from Santa Clara University and a Master's Degree in Public Administration from the University of Connecticut. He currently serves on the executive board of the Connecticut City and Town Management Association (CTCMA) and is a member of the Connecticut Government Finance Officers Association (GFOA CT). Mr. Kimball has also served as a member of the Committee on Taxes and Finance and the Committee on Labor Relations for the Connecticut Conference of Municipalities (CCM).

James J. Jaskot, Director of Finance / Treasurer: James J. Jaskot has been with the Town since July 1998. Mr. Jaskot served as Deputy Director of Finance for the Town for 13 years and was appointed Director of Finance / Treasurer in July 2011. Prior to coming to Cheshire, Mr. Jaskot worked for over fourteen years in public accounting with emphasis on municipal accounting, auditing and financial reporting.

Mr. Jaskot graduated from the University of Connecticut in 1983 with a Bachelor of Science Degree in Accounting. He is a Certified Public Accountant and member of the American Institute of Certified Public Accountants, Connecticut Society of Certified Public Accountants (CSCPA), and the GFOA CT. He is a past chair of the CSCPA Governmental Accounting and Auditing Committee and served as President of the GFOA CT Board. He has also participated on several task forces for the Governmental Accounting Standards Board (GASB) to deliberate proposed accounting standards.

Gina M. DeFilio, Deputy Director of Finance: Gina M. DeFilio became the Deputy Director of Finance in September 2011. Prior to coming to Cheshire, Ms. DeFilio worked in public accounting at RSM US LLP for over 10 years, with an emphasis on municipal accounting, auditing and financial reporting. She has managed the financial statement and grant audits of a number of Connecticut municipalities.

Ms. DeFilio graduated from the University of Connecticut in 1995 with a Bachelor of Science Degree in Accounting. She is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants, Connecticut Society of Certified Public Accountants (CSCPA), and the GFOA CT.

Louis A. Zullo, Human Resources Director / Assistant Town Manager for Human Resources: Louis A. Zullo has been in his position since January 2017, Personnel Director since August 2000 and the Assistant Town Manager since April 2006. He has also served as Cheshire's Assistant to the Town Manager from 1986 to 1992. He had spent fourteen years with the Town of East Haven as Community Development Coordinator and then Director of Administration and Management. Prior to his return to Cheshire, Mr. Zullo served as Administrative Officer of the Town of Woodbridge for two years.

Mr. Zullo received a Bachelor of Arts degree in Political Science from Providence College in 1975 and a Master of Public Administration degree from the University of New Haven in 1984.

Arnett T. Talbot, Assistant Town Manager for Administration / Public Information Officer: Arnett Talbot was appointed Assistant Town Manager for Administration in January 2017, and has served as Public Information Officer since 2000. Ms. Talbot also served as the Executive Assistant to the Town Manager since 2000. Prior to Ms. Talbot's 26 year tenure with the Town of Cheshire, including three years as a certified Assistant Town Clerk, she worked as the Director of Marketing for the United Way of Greater New Haven and as an Account Supervisor in the advertising and public relations industry.

Ms. Talbot earned a Bachelor of Arts degree in Communication Science from the University of Connecticut in 1980, and is currently a candidate for a Master of Public Administration degree from Post University.

George D. Noewatne, Jr., Director of Public Works / Engineering: George Noewatne was appointed to his current position in January 2013. He had previously served as the Town's Operations Manager/Deputy Director of Public Works since April 2004. Prior to his employment with the Town, Mr. Noewatne served for eight years as a project manager and/or owner's representative for numerous construction projects. In that capacity he worked for firms including: The Whiting-Turner Contracting Company, O&G Industries, and Strategic Building Solutions. Mr. Noewatne also served as an officer in the US Army Corps of Engineers for five years.

Mr. Noewatne graduated from the Virginia Military Institute with a Bachelor of Science Degree in Civil Engineering. Mr. Noewatne also holds a Master of Science Degree in Civil Engineering from the Virginia Polytechnic Institute and State University, as well as a Master of Business Administration Degree from the University of Connecticut. He is a member of the American Public Works Association, and is a certified Connecticut tree warden.

Neil Dryfe, Chief of Police: Neil Dryfe was appointed Chief of the Cheshire Police Department in January of 2011. Prior to coming to Cheshire, he served twenty-one years with the Hartford Police Department, rising through the ranks from police officer to assistant chief.

Chief Dryfe holds a Bachelors Degree from the University of Connecticut and a Masters Degree in Criminal Justice Administration from Western New England College. He is a member of the Connecticut Police Chiefs Association, the International Association of Chiefs of Police and the Police Executive Research Forum.

Jack Casner, Fire Chief: Jack Casner joined the volunteer fire department in 1987 and was appointed to the position of full time fire chief in January of 2004 after serving as a Lieutenant, Captain, and Fire Inspector over the course of his fire service career. Chief Casner was the volunteer fire chief for seven years prior to his appointment in 2004.

A twenty-seven year veteran of the fire service, Chief Casner has gained his education through Connecticut colleges and fire service education through the State of Connecticut Fire Academy. Chief Casner is a member of the International Association of Fire Chiefs, member and past president of the Waterbury Area Fire Chiefs Association, Connecticut Career Fire Chiefs Association, New England Fire Chiefs Association, New York State Fire Chiefs Association and several other related associations. Chief Casner is a member of the National Fire Protection Association and has served on several committees and boards within all of these associations and organizations. Currently Chief Casner is on the Board of Directors and is the Past President of the New England Association of Fire Chiefs. Chief Casner is recently accredited as a Fire Officer by the Commission on Public Safety Excellence, the third accredited in the State of Connecticut.

William Voelker, Town Planner: William Voelker has been employed by the Town since November 2005. Prior to coming to Cheshire, Mr. Voelker worked as the Director of Community Planning and Development for the Town of Simsbury since 1996. He has also served as the Town Planner of Berlin for seven and a half years and was the Assistant Planning Director for the City of Meriden for three plus years. He is a member of the American Institute of Certified Planners and is also a member of the American Planning Association, the Connecticut Developers Council, and the International Council of Shopping Centers.

Mr. Voelker holds a Bachelor of Arts degree from SUNY-Oswego and a Masters Degree in Community Planning and Development from the University of Rhode Island.

Gerald L. Sitko, Economic Development Coordinator: Gerald L. Sitko has been the Town's Economic Development Coordinator since 1991. Mr. Sitko came to Cheshire from the Connecticut Business and Industry Association where he was Assistant Director of Public Affairs for six years. He also served as Glastonbury's Assistant Town Manager for six years. Mr. Sitko received a Bachelor of Arts degree in Political Science from the University of Delaware. He received a Master of Arts degree in Urban Studies from the University of Akron.

Jeffrey F. Solan, Superintendent of Schools: Jeffrey F. Solan has been with the Cheshire Public Schools since July, 2005. Mr. Solan served as the Assistant Principal and Principal of Dodd Middle School before spending four years as Principal of Cheshire High School. He was appointed Superintendent of Schools in July, 2016. He has over 14 years of experience in public school administration, including 1 year with the Ansonia Public School system.

Mr. Solan graduated from the State University of New York, Oswego with a Bachelor's Degree in Psychology and earned a Master's Degree in Counseling and Psychology Services also from the State University of New York, Oswego. He has a Sixth Year Certificate from Southern Connecticut State University, an Executive Leadership Certificate from University of Connecticut, and he is currently working on an Educational Doctorate at Southern Connecticut State University.

Mr. Solan has served as the Chair of the Ulbrich Boys and Girls Club in Wallingford, Connecticut, volunteered with the Wallingford Youth Soccer and New Haven Warriors Hockey associations, and with Connecticut Food Bank. He is currently a member of the Connecticut Association of Public School Administrators and the American Association of School Administrators.

Municipal Services

Police

The Cheshire Police Department is staffed with fifty-eight full-time employees, forty eight of whom are sworn police officers. The Department is organized into three divisions; Patrol, Support Services, and Administration. The Police Department also manages the municipal animal control function consisting of two full-time employees, and employs seven part-time school crossing guards. The Cheshire Police Department is a full service agency providing a full range of police services on a twenty-four hour a day basis.

The headquarters building is a 20,000+ square foot facility, hosting all police department functions including a records division and dispatch facility. The Department is equipped with all appropriate telephone, radio and computer systems common to modern police agencies. The Department operates a fleet of twenty-five marked and unmarked vehicles equipped with two-way radios, computers, video cameras, less-lethal munitions, first aid supplies, Automatic External Defibrillators, GPS and traffic safety equipment. The Department also operates a motorcycle and an all-terrain vehicle.

Fire

Fire suppression and rescue services are provided by the Cheshire Fire Department. The Department is comprised of approximately 100 volunteer members, including 60 active firefighters. A career Fire Chief, appointed by the Town Manager, is responsible for administrative activities and personnel matters in addition to all of the services provided by the Department. The Town appropriates funds annually for the operation of the Department that are used for typical operating expenses such as training, insurance, and fleet maintenance. Apparatus and equipment are funded through the Town's Five-Year Capital Plan.

The Department equipment includes seven fire engines, two heavy-duty rescue units, two aerial ladders and several utility vehicles. The Department maintains three fire stations including an 18,000+ square foot headquarter facility and two substations.

Under the direction of the Fire Chief, the Fire Marshall's Office provides an aggressive prevention/public education/inspection program through its three full time and one part-time staff, who also serve as firefighters and respond with apparatus while on duty.

Parks and Recreation

The Parks and Recreation Department, located at the Harmon Leonard, Jr. Youth Center, offers a wide range of year-round recreational activities for all age groups—preschool, school-age, teens, adults and senior citizens. Over 330 acres are devoted to parks and active recreation and over 1,500 acres for open space and passive recreation. Parks include Roaring Brook, a natural area with a water course that falls eighty feet; Lock 12 Historical Park, a restored 150 year old canal lock and gatekeeper's home on the Farmington Canal; Cheshire Park, 75 acres, 25% set aside for active recreation with the balance undeveloped; Mixville Recreation Area which offers swimming, sledding and picnicking; other areas set aside for baseball, softball, soccer, tennis, and basketball; a 6.9 mile paved hiking and biking trail along the Farmington Canal; Bartlem Park which features eight ball-fields, a 50 meter year-round community pool, "boundless" playground apparatus, a skateboard facility, and a community garden; and Quinnipiac Park with an 80 by 180 foot rollerblading rink and seven soccer fields.

Public Works

The Public Works Department is made up of 44 administrative, technical, clerical, and labor personnel. The Department is responsible for the maintenance and repair of 152 miles of roads, winter snow and ice operations, sewer system and a wastewater treatment plant, public buildings and properties, residential curbside garbage and recycling collection, Town tree program, and engineering services. Town roads are replaced on an approximate 20 year cycle, thus in any given year, the Department improves 7.5 miles of roadway. In addition to milling and paving operations, the Town performs pavement preservation measures such as crack seal, chip seal, micro seal and cape seal on a number of roads each year to extend the usefulness of the road network.

The Town has a Municipal Solid Waste Disposal contract with Covanta Projects of Wallingford, L.P., under which it participates with four other south central Connecticut municipalities (Hamden, Meriden, North Haven, and Wallingford) in the Wallingford Regional Solid Waste Project. This regional solid waste facility previously consisted of a mass-burn solid waste, resource recovery, steam and electric generation facility located in the Town of Wallingford. However, Covanta and the member towns agreed to convert the site to a transfer station, and this conversion was completed in 2015.

Library

The Cheshire Public Library provides library materials, services and programs for all ages. The Library houses a collection of over 106,000 print and audiovisual materials along with over 60 databases and electronic collections. In 2018 there were 125,913 visits to the Library and staff responded to more than 27,000 requests for information. Free Wi-Fi and 18 internet accessible computers are available for public use. There are four study rooms that may be reserved by individuals or small groups.

The Library provides educational and cultural programs including early-literacy classes for preschoolers, teen programs, adult lectures, concerts and art exhibits. The Library also collaborates with the Cheshire Performing and Fine Arts Committee, which provides art and theatre programs to residents.

Human Services Department

The Human Services Department provides programs serving Cheshire youth, senior citizens and the handicapped. Counseling is available for teenagers and their families, as well as positive youth development programs for high school-aged adolescents. Bartlem Park features the “Yellow House” community youth center. The Town Senior Center serves as a gathering place for seniors and offers a variety of activities. A transportation system is provided for seniors and the handicapped.

Inspection

The Inspection Department issues permits for mechanical, electrical, and demolition and is responsible for the inspection and approval of all permitted construction in the Town of Cheshire in accordance with the Connecticut State Building Code. The Department is staffed by a Building Official, two Assistant Building Officials, and a Clerk..

Planning and Zoning

Cheshire is served by an elected, nine-member Planning and Zoning Commission (the “Commission”) whose responsibilities include the adoption of the Cheshire Plan of Conservation and Development (“POCD”) as well as the Zoning Regulations and Subdivision Regulations. Additional duties include the review of proposed development projects throughout Cheshire which are governed by these regulations. An update of the POCD was approved on June 27, 2016, with an effective date of July 1, 2016. Since then, the Commission is considering amendments to the POCD and the Cheshire Zoning Regulations to facilitate additional commercial growth within the Highland Avenue corridor. The Commission also performs an annual review of the Capital Budget in accordance with Section 8-24 of the Connecticut General Statutes. The Planning Department is staffed by a Town Planner/Development Coordinator, an Environmental Planner, a part time Zoning Enforcement Officer, and administrative support staff.

Economic Development

The Economic Development Commission (“EDC”), a seven-member body appointed by the Town Council, works with the Economic Development Coordinator to promote and develop the Town’s economic resources. The EDC feels that economic growth should be of high quality and compatible with the Town and that future commercial and industrial growth be linked closely to thoughtful planning and zoning decisions.

The EDC takes an active role in issues that affect the Town’s quality of life. EDC members feel that this involvement helps to make Cheshire a more attractive community in which to live and do business.

The Economic Development Coordinator and EDC maintain contact with Cheshire companies as part of the EDC’s retention activities. The coordinator visits companies and the EDC holds monthly meetings with local companies to learn about and discuss possible ways the Town could be of service to Cheshire businesses. Information and services are provided regularly by the Coordinator to prospective businesses as well as existing companies. Also, the Economic Development Coordinator maintains a working relationship with State agencies, utilities, the Connecticut Economic Resource Center (“CERC”), real estate professionals, the Cheshire Chamber of Commerce and other organizations in order to assist existing businesses or prospects interested in expanding or relocating their facilities in the Town.

Over the last fiscal year, development in the Cheshire real estate market continued to be diversified and significant. VR Osteria was approved for a 4,100 square foot addition at 1721 Highland Avenue. Cheshire Medical Associates began work on a 50,500 square foot medical office building at 266 and 292 South Main Street. James A. Fazzone, LLC was approved for a 55,000 square foot self-storage facility at 1670 Reinhard Road. Marbridge Assisted

Living started construction on a 46,000 square foot expansion at 665 West Main Street and Chase Bank was approved for a 2,800 square foot branch at 944 South Main Street.

Acquisition activity included the purchase of 30,000 square foot buildings at 30 Fieldstone Court by Target Sports and at 210 Realty Drive by Dalton Enterprises. In addition, Sky Management Services acquired four “flex” space buildings totaling 215,000 square feet at 611-617 West Johnson Avenue and High Voltage Maintenance purchased a 7,100 square foot building at 29 Diana Court. Also, Accel Industrial purchased 170,000 square feet at 350 Knotter Drive (former Alexion site).

Leasing activity during fiscal year 2018 included a lease extension by Creative Dimensions for 75,000 square feet at 345 McCausland Court. Perfectly Prepared leased 7,580 square feet at 1410 Highland Avenue. Tri-State Fund and Ion Insurance signed leases of 12,000 square feet and 9,000 square feet at 609 West Johnson Avenue and 1154 Highland Avenue, respectively. Pho & Spice leased 2,200 square feet at 15 South Main Street and Yougu Hibachi took 4,200 square feet at 195 Highland Avenue.

Town officials continue to support the effort of Ball & Socket Arts, Inc. to remediate and redevelop the property of the former Ball & Socket Manufacturing Company on West Main Street. Plans for this project include multi-use space for the arts, studio and retail space, and a theatre.

In addition, the following projects are also on the horizon: J & H Enterprises- 7,350 square foot motor vehicle repair facility at 1322 Waterbury Road; Ricci Construction Group- 3,450 square foot medical office building at 1008 South Main Street; and Climate Engineering- 32,500 square foot maintenance and warehouse facility at 551 West Johnson Avenue.

The Town’s economic prospects and indicators remain positive. Socioeconomic indicators such as per capita and median family income and educational attainment continue to exceed the norms in Connecticut. Further, Cheshire’s unemployment rates continue to be below the State of Connecticut average.

Health

Cheshire is a member of the multi-town (Cheshire, Prospect and Wolcott) Chesprocott Health District, which provides public health and sanitation inspection services to the member municipalities.

Sewer System

The Water Pollution Control Authority oversees management of a sewer system of approximately 4,500 properties and 400 businesses, or 60% of the Town’s population including the central business district and Cheshire Industrial Park. The municipal sanitary sewer system extends into the western, southern, southeastern and northern sections of town. Sewage is treated at the wastewater treatment plant and the design capacity is 4,000,000 gallons per day. The current average daily flow is approximately 2,490,000 gallons per day. The Town recovers a portion of the construction costs for lateral sewers through the collection of sewer assessments remitted over a period not to exceed ten years. Users of the system pay an initial connection charge and an annual sewer use charge that covers 100% of the annual operating and maintenance expenses and a substantial portion of capital improvements and debt service.

Water

The South Central Connecticut Regional Water Authority supplies Cheshire with water from four wells located in Cheshire, with additional capacity available from the Authority’s system in the adjacent Town of Hamden.

Natural Gas

Natural gas distribution is provided by Eversource Energy, which currently serves approximately 1,250 customers in Cheshire.

Electricity

Electricity is furnished to approximately 9,900 customers in Cheshire by Eversource Energy.

Employee Relations and Collective Bargaining

Municipal Employees ¹

	2018-19	2017-18	2016-17	2015-16	2014-15
General Government	207	206	209	211	211
Board of Education	643	631	630	631	633
Total	850	837	839	842	844

¹ Full-time equivalent

Source: 2019 Adopted Budget.

Employees Bargaining Organizations

Employee Group	Bargaining Organization	Number of Employees ¹	Contract Expiration Date
<u>General Government</u>			
Police	Cheshire Police Union	42	6/30/2020
Public Works	Local 1303-202 of AFSCME, Council 4	28	6/30/2020
Dispatchers	UPSEU Local 424, Unit 101	6	6/30/2020
Town Hall Employees	Local 1303-374 of AFSCME, Council 4	41	6/30/2020
Library	Local 1303-431 of AFSCME, Council 4	17	6/30/2020
Total		134	
<u>Board of Education</u>			
Administrators	Cheshire Administrative Personnel	18	6/30/2021
Teachers	Educational Association of Cheshire	388	6/30/2021
Clerical	Cheshire Educational Secretaries and Technicians United	50	6/30/2019
Custodial	Cheshire Custodians Local 424-Unit 19 of United Public Service Employees Union	24	6/30/2019
Instructional Teacher Assistants and Teacher Assistants (Lunch Room and Playground Aides)	Cheshire Instructional Assistants Association, CSEA Inc., SEIU, AFL-CIO, Local 2001 CTW	204	6/30/2019
Total		684	

Source: Finance Director and Superintendent of Schools, Town of Cheshire.

¹ Includes full-time and part-time union employees only.

General Statutes Sections 7-473c, 7-474 and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipal entity may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration of teachers' contracts, in assessing the financial capability of a municipality, there is an irrefutable presumption that a budget reserve of 5% or less is not available for payment of the cost of any item subject to arbitration. For binding arbitration not involving teachers there is a presumption that 15% of the budget reserve 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.

Education System

The Town’s school system services grades pre-kindergarten through grade 12 and is governed by the local Board of Education. Cheshire has a seven-member Board of Education elected to 4-year staggered terms. The primary function of the Board is to establish policy. Some of the areas for which such policies are set include curriculum, submission of budget requests, ensuring funds for education as appropriated by the Town are properly expended, implementation of both State and Federal laws, and planning for facilities needed by the system, including construction and renovation. The Town has 8 schools for grades pre-kindergarten through 12. Enrollment in grades pre-kindergarten through 12 as of October 1, 2018 was 4,271. The rated capacity of the system facilities is 5,168.

School Facilities

Facility	Grades	Date of Construction	Most Recent	Number of Classrooms	Enrollment 10/1/2018	Rated Capacity ²
			Additions & Renovations ¹			
Chapman School.....	K-6	1949	1981	19	312	380
Doolittle School.....	1-6	1962	2018	30	444	600
Highland School.....	K-6	1971	1979	43	743	860
Norton School.....	K-6	1955	1996	24	426	480
Dodd Middle.....	7-8	1958	2004	32	682	820
Cheshire High.....	9-12	1952	2000	71	1,469	1,575
Humiston School ³	Sp.Ed.	1912	1971	6	17	29
Darcey School ⁴	Pre-School	1947	1985	4	100	100
Darcey Kindergarten ⁴	K	1990	1990	9	78	324
Total				238	4,271	5,168

¹ Other additions and renovations to school buildings include: Chapman School 1954, 1962; Doolittle 1981, 1994, 2018; Norton School 1956, 1981, 1994; Dodd Middle 1969, 1980, 1994, 2004; Cheshire High School 1955, 1961, 1971, 1979, 1993; Humiston 1919, 1925; and Darcey School 1954, 1961, 1984.

² Capacities were taken from Cheshire Public Schools – 2005 Study per Kaestle Boos Associates, Inc., dated 4/17/97. Since the study, some space has been converted to be used as classroom space to accommodate the increased enrollment. As a result, total capacity has increased to 5,168.

³ Renovated in 1971 for use for certain special education students and is also the site for the Cheshire Public Schools administrative offices.

⁴ A portion of the facility is used for pre-school students and kindergarten.

Source: Superintendent of Schools, Town of Cheshire.

School Enrollment and Projections

As of October 1	Special Education Pre-K	Grades K-6	Grades 7-8	Grades 9-12	Total
Actual ¹					
2009	99	2,486	815	1,545	4,945
2010	85	2,390	786	1,538	4,799
2011	73	2,369	774	1,572	4,788
2012	70	2,289	757	1,536	4,652
2013	76	2,213	747	1,558	4,594
2014	74	2,164	755	1,531	4,524
2015	52	2,115	719	1,497	4,383
2016	65	2,028	783	1,465	4,341
2017	97	1,969	783	1,435	4,284
2018	100	2,003	682	1,486	4,271
Projected ²					
2019	101	2,026	649	1,459	4,235
2020	102	2,043	645	1,413	4,203
2021	103	2,124	618	1,368	4,213

¹ Student Census Report/Racial Survey filed with the State Department of Education as of October 1.

² These are projections, they are intended as such, and not as representations of fact. No representation is made that such statements will be realized.

Source: Superintendent of Schools, Town of Cheshire.

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III. Economic and Demographic Information

Population and Density

Year	Town of Cheshire		
	Population	% Change	Density ¹
2017 ²	29,274	0.04%	887.1
2010	29,261	2.52%	886.7
2000	28,543	11.13%	864.9
1990	25,684	17.88%	778.3
1980	21,788	14.37%	660.2
1970	19,051	--	577.3

¹ Density based on 33 square miles.

² American Community Survey, 2013-2017.

Source: U.S. Department of Commerce, Bureau of the Census, 1970–2010.

Age Distribution of the Population

Age	Town of Cheshire		State of Connecticut	
	Number	Percent	Number	Percent
Under 5 years.....	1,071	3.7%	186,188	5.2%
5 to 9 years.....	1,367	4.7	206,536	5.7
10 to 14 years.....	1,843	6.3	225,831	6.3
15 to 19 years.....	2,053	7.0	249,777	6.9
20 to 24 years.....	1,664	5.7	245,849	6.8
25 to 34 years.....	2,619	8.9	439,239	12.2
35 to 44 years.....	3,534	12.1	433,401	12.1
45 to 54 years.....	5,306	18.1	535,611	14.9
55 to 59 years.....	2,410	8.2	266,501	7.4
60 to 64 years.....	2,332	8.0	229,788	6.4
65 to 74 years.....	2,872	9.8	318,515	8.9
75 to 84 years.....	1,417	4.8	167,133	4.6
85 years and over.....	786	2.7	90,109	2.5
Total.....	29,274	100.0%	3,594,478	100.0%

Source: American Community Survey, 2013-2017.

Income Distribution

	Town of Cheshire		State of Connecticut	
	Families	Percent	Families	Percent
Less than \$10,000.....	-	0.0%	27,787	3.1%
\$10,000 to \$14,999.....	33	0.4	16,143	1.8
\$15,000 to \$24,999.....	90	1.2	41,072	4.6
\$25,000 to \$34,999.....	206	2.7	52,218	5.8
\$35,000 to \$49,999.....	262	3.4	82,371	9.2
\$50,000 to \$74,999.....	1,088	14.1	134,356	15.0
\$75,000 to \$99,999.....	1,015	13.2	122,244	13.6
\$100,000 to \$149,999.....	1,964	25.5	186,352	20.8
\$150,000 to \$199,999.....	1,455	18.9	100,359	11.2
\$200,000 or more.....	1,599	20.7	132,765	14.8
Total.....	7,712	100.0%	895,667	100.0%

Source: American Community Survey, 2013-2017.

Income Levels

	<u>Town of Cheshire</u>	<u>State of Connecticut</u>
Per Capita Income, 2017.....	\$ 47,013	\$ 41,365
Per Capita Income, 2010.....	\$ 40,498	\$ 35,078
Median Family Income, 2017.....	\$ 127,143	\$ 93,800
Percent Below Poverty (Families), 2017.....	0.4%	7.0%

Source: U.S. Department of Commerce, Bureau of Census, 2010.

Source: American Community Survey, 2013-2017.

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

	<u>Town of Cheshire</u>		<u>State of Connecticut</u>	
	Number	Percentage	Number	Percentage
Less than 9th grade.....	409	1.9%	104,623	4.2%
Grades 9-12 – no diploma.....	577	2.7	137,877	5.6
High School graduate.....	4,414	20.7	673,582	27.2
Some College - no degree.....	2,911	13.7	422,535	17.0
Associate Degree.....	1,606	7.5	188,481	7.6
Bachelors Degree.....	6,025	28.3	532,055	21.5
Graduate or Professional Degree.....	5,334	25.1	421,144	17.0
Totals.....	21,276	100.0%	2,480,297	100.0%

Percent High School Graduate or Higher	95.4%	90.2%
Percent Bachelor Degree or Higher	53.4%	38.4%

Source: American Community Survey, 2013-2017.

Employment Data

<u>Period</u>	<u>Town of Cheshire</u>		<u>Percentage Unemployed</u>		
	Employed	Unemployed	Town of Cheshire	New Haven Labor Market	State of Connecticut
November 2018.....	15,659	393	2.4	3.0	3.0
Annual Average					
2017.....	15,204	511	3.3	4.7	4.7
2016.....	14,931	560	3.6	5.3	5.3
2015.....	14,878	583	3.8	5.7	5.6
2014.....	13,937	784	5.3	6.9	6.7
2013.....	13,455	903	6.3	8.1	7.9
2012.....	13,631	942	6.5	8.7	8.3
2011.....	13,802	1,060	7.1	9.2	8.8
2010.....	13,695	1,062	7.2	9.3	9.0
2009.....	13,842	942	6.4	8.2	8.2
2008.....	14,096	651	4.4	5.9	5.7

Source: State of Connecticut, Department of Labor.

Employment by Industry

Industry	Town of Cheshire		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing/hunting, & mining	98	0.7%	7,166	0.4%
Construction	565	3.8	104,122	5.8
Manufacturing	1,613	10.8	191,519	10.6
Wholesale trade	525	3.5	44,741	2.5
Retail trade	1,421	9.5	193,016	10.7
Transportation and warehousing, and utilities	377	2.5	68,926	3.8
Information	463	3.1	42,200	2.3
Finance, insurance, real estate, rental & leasing	1,417	9.5	163,810	9.1
Professional, scientific, management, administrative, and waste mgmt services	1,512	10.1	208,130	11.5
Education, health and social services	4,976	33.4	478,083	26.5
Arts, entertainment, recreation, accommodation and food services	853	5.7	153,679	8.5
Other services (except public administration)	540	3.6	82,538	4.6
Public Administration	552	3.7	67,156	3.7
Total Labor Force, Employed	14,912	100.0%	1,805,086	100.0%

Source: American Community Survey, 2013-2017.

Major Employers As of February 2019

Employer	Nature of Business	Number of Full-Time Employees
Bozzuto's Inc.	Wholesale Food Distribution	1,153
Town of Cheshire.....	Municipality	863
State of Connecticut.....	Correctional Facilities	766
Macy's Logistics.....	Distribution	485
UTC Aerospace.....	Manufacturing	288
EDAC.....	Manufacturing	254
Whole Foods.....	Distribution	232
Elim Park.....	Retirement Community	232
Housing Authority Insurance	Insurance	146
Omnicare.....	Pharmaceutical Services	120

Source: Economic Development Coordinator, Town of Cheshire.

Building Permits (Values in 000s)

Fiscal Year	Residential ¹		Industrial/Commercial		Other		Total	
	No.	Value	No.	Value	No.	Value	No.	Value
2018	32	\$ 6,879	3	\$ 4,799	1,668	\$ 28,782	1,703	\$ 40,460
2017	25	5,276	3	3,297	1,833	21,597	1,861	30,170
2016	38	10,926	2	715	1,978	27,481	2,018	39,122
2015	34	7,752	1	142	1,753	27,387	1,788	35,281
2014	36	7,442	-	-	1,907	41,061	1,943	48,503
2013	38	7,867	2	1,604	2,110	23,118	2,150	32,589
2012	20	8,740	4	2,720	2,008	22,754	2,032	34,214
2011	27	4,836	2	845	1,522	18,223	1,551	23,904
2010	40	7,104	3	1,835	1,524	12,611	1,567	21,550
2009	33	4,389	-	-	1,476	16,010	1,509	20,399

¹ Includes single, multi-family condominiums, apartments.

Source: Building Official, Town of Cheshire.

Housing Unit Inventory and Vacancy Rates

Type	Town of Cheshire		State of Connecticut	
	Number	Percent	Number	Percent
1-unit, detached.....	8,512	77.4%	892,621	59.2%
1-unit, attached.....	649	5.9	81,393	5.4
2 units.....	232	2.1	123,040	8.2
3 or 4 units.....	433	3.9	130,914	8.7
5 to 9 units.....	598	5.4	82,787	5.5
10 to 19 units.....	151	1.4	56,540	3.8
20 or more units.....	418	3.8	128,477	8.5
Mobile home.....	10	0.1	11,564	0.8
Boat, RV, van, etc.....	-	-	375	0.0
Total Inventory.....	11,003	100.0%	1,507,711	100.0%

Source: American Community Survey, 2013-2017.

Owner Occupied Housing Units

Specified Owner-Occupied Units	Town of Cheshire		State of Connecticut	
	Number	Percent	Number	Percent
Less than \$50,000.....	151	1.7%	24,038	2.7%
\$50,000 to \$99,999.....	108	1.2	29,789	3.3
\$100,000 to \$149,999.....	232	2.6	83,320	9.2
\$150,000 to \$199,999.....	504	5.7	141,024	15.6
\$200,000 to \$299,999.....	2,679	30.2	244,356	26.9
\$300,000 to \$499,999.....	4,190	47.2	236,671	26.1
\$500,000 to \$999,999.....	960	10.8	106,192	11.7
\$1,000,000 or more.....	49	0.6	41,408	4.6
Total.....	8,873	100.0%	906,798	100.0%
Median Sales Price.....	\$ 329,000		\$ 270,100	

Source: American Community Survey, 2013-2017.

Age Distribution of Housing

Year Built	Town of Cheshire		State of Connecticut	
	Units	Percent	Units	Percent
2010 or Later	96	0.9%	22,675	1.5%
2000 to 2009	642	5.8	105,131	7.0
1990 to 1999	1,031	9.4	114,261	7.6
1980 to 1989	1,820	16.5	191,939	12.7
1970 to 1979	1,512	13.7	200,217	13.3
1940 to 1969	4,924	44.8	535,477	35.5
1939 or earlier	978	8.9	338,011	22.4
Total Housing Units.....	11,003	100.0%	1,507,711	100.0%
Percent Owner Occupied.....	86.9%		66.6%	

Source: American Community Survey, 2013-2017.

Breakdown of Land Use

Land Use Category	Total Area		Residential		Commercial		Industrial	
	Acres	Percent	Acres	Percent	Acres	Percent	Acres	Percent
Developed	8,501.00	40.2%	6,694.00	36.6%	141.00	71.9%	1,666.00	62.6%
Undeveloped	12,627.00	59.8	11,578.00	63.4	55.00	28.1	994.00	37.4
Total.....	21,128.00	100.0%	18,272.00	100.0%	196.00	100.0%	2,660.00	100.0%

Source: Town Planner, Town of Cheshire, 2018.

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IV. Tax Base Data

Property Tax Assessment

The Assessor's Office is responsible for the revaluation of real property. The Town had a general property revaluation effective October 1, 2018. Under Connecticut General Statutes Section 12-62, the Town must next undergo a full physical revaluation effective October 1, 2023 and every fifth year thereafter. Public Act 06-148 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 and the location and appraisal of all real and personal property within the Town for inclusion onto the Grand List are the responsibilities of the Assessor's Office. The Grand List represents the total assessed values for all taxable real and personal property located within the Town on October 1 of each year. Each year a Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at 70% of the estimated market value at the time of the last general revaluation while assessments for motor vehicles are computed at 70% of the annual appraisal of motor vehicles. All personal property (furniture, fixtures, equipment, and machinery) is revalued annually. An Assessor's check and audit is completed periodically.

Section 12-124a of the Connecticut State 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.

When a new structure, or modification to an existing structure, is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Official. A physical appraisal is then completed and the structure classified and priced from a schedule developed at the time of the last general revaluation. New construction completed after the October 1 assessment is prorated onto the grand list from the date the Building Official issues the Certificate of Occupancy or when the structure is occupied.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule recommended by the Office of Policy and Management. For the October 1, 2014 grand list, OPM recommended using average retail values from the October 2014 issue of the National Automobile Dealers Association (NADA) guide. 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 but before the next August 1 are subject to a supplemental property tax as if the motor vehicle had been included on the October Grand List. The assessment is prorated, and the proration is based on the number of months of ownership between October 1 and the following September 30. Motor vehicles purchased in August and September are not assessed until the next October 1 Grand List. The supplemental motor vehicle tax is not due until January 1, a year and three months after the Grand List date. If the motor vehicle replaces a motor vehicle that was assessed on the October 1 Grand List, the taxpayer is entitled to certain credits. Assessments for motor vehicles are computed at 70% of the annual appraisal.

Connecticut General Statutes Section 12-71e, as amended, allows municipalities to tax motor vehicles at a different rate than other taxable property, but caps the motor vehicle tax rate at 39.00 mills for the assessment year commencing October 1, 2016, and 45.00 mills for the assessment year commencing October 1, 2017, and each assessment year thereafter. Section 4-66l of the General Statutes, as amended, diverts a portion of State collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's motor vehicle tax rates for the current 2017 assessment year (the fiscal year ending June 30, 2019) is 32.62 mills.

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 property taxes are payable in two installments on July 1 and January 1. Motor vehicle supplemental bills are payable on January 1. An estimate for interest and lien fees outstanding anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Payments not received within one month after the due date become delinquent, with interest charged at the rate of one and one-half percent per month from the due date on the tax. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are liened each year following legal demands and these liens are then assigned to a third party for collection prior to June 30. Delinquent motor vehicle and personal property accounts are transferred to a suspense account after a varying number of years, at which time they cease to be carried as receivables. The suspense accounts are placed with a private collection agency for further collection activity. Real estate accounts are transferred to suspense 15 years after the due date in accordance with State statutes.

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

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

Property Tax Collections

Grand List as of 10/1	Fiscal Year Ended 6/30	Net Taxable Grand List (000's)	Mill Rate	Adjusted Annual Levy	Uncollected		
					Percent of Annual Levy Collected at End of Fiscal Year	Percent of Annual Levy Uncollected at End of Fiscal Year	Percent of Annual Levy Uncollected as of 6/30/18
2017	2019 ²	\$ 2,778,822	32.62	\$ 91,049,638		IN COLLECTION	
2016	2018	2,763,741	31.94	88,471,517	99.78	0.22	0.22
2015	2017	2,750,532	31.19	86,120,878	99.78	0.22	0.05
2014	2016	2,726,750	30.69	83,710,090	99.78	0.22	0.03
2013 ¹	2015	2,698,370	30.25	81,616,162	99.79	0.21	0.02
2012	2014	2,881,585	27.60	79,373,263	99.78	0.22	0.01
2011	2013	2,863,685	27.23	77,777,955	99.71	0.29	0.01
2010	2012	2,840,888	26.85	75,961,009	99.76	0.24	0.01
2009	2011	2,826,223	26.50	74,558,659	99.60	0.40	0.01
2008 ¹	2010	2,816,401	26.05	73,095,410	99.66	0.34	0.01

¹ Revaluation.

² Subject to Audit.

Source: Collector of Revenue, Town of Cheshire.

Property Taxes Receivable

For the Fiscal Year Ending 6/30	Total Uncollected Taxes	Uncollected for Current Year of Levy
2018	\$313,357	\$192,246
2017	275,303	192,237
2016	250,115	186,611
2015	224,596	169,453
2014	224,462	171,587
2013	290,407	229,235
2012	353,158	277,097
2011	296,407	341,051
2010	281,449	247,918
2009	326,850	284,342

Source: Collector of Revenue, Town of Cheshire.

Principal Taxpayers

Taxpayer	Nature of Business	Assessment	Percent of Net Taxable Grand List ^{1,2}
Connecticut Light & Power (Eversource) ..	Utility	\$ 43,751,310	1.56%
Industrial Ave LLC	Wholesale Food Distribution	39,620,260	1.41
Bozzutos Inc.	Wholesale Food Distribution	35,798,800	1.28
Macy's Corporate Services Inc.....	Warehouse/Distribution	18,841,450	0.67
Yankee Gas Service SVC.....	Utility	15,619,010	0.56
CT Indy CH LLC.....	Office/Research/Development	14,829,890	0.53
EDAC Technologies Corp.....	Warehouse/Manufacturing	10,009,500	0.36
WFM Properties Cheshire LLC.....	Wholesale Food Distribution	8,608,120	0.31
Cheshire ILMR LLC	Real Estate	7,825,630	0.28
Montowese Industrial Park Inc	Real Estate	7,046,630	0.25
Total		\$ 201,950,600	7.21%

¹ Based on a Net Taxable Grand List for October 1, 2018 of \$2,801,801,050.

² Before Board of Assessment Appeals.

Source: Tax Assessor, Town of Cheshire.

Comparative Assessed Valuations of Taxable Property

Grand List as of 10/1 ¹	Comercial and					Gross Taxable Grand List (000's)	Less Exemptions (000's)	Net Taxable Grand List (000's)	Percent Change
	Residential Real Property	Industrial Real Property	Other Real Property	Personal Property	Motor Vehicle				
2018 ²	71.5	13.8	0.8	5.5	8.4	\$ 2,877,728	\$ 75,927	\$ 2,801,801	0.8%
2017	72.2	13.3	0.7	5.3	8.5	2,861,827	83,005	2,778,822	0.0
2016	70.7	13.3	0.7	6.5	8.8	2,836,633	72,892	2,763,741	0.0
2015	70.3	13.3	0.7	7.2	8.5	2,835,197	84,665	2,750,532	0.9
2014	70.5	13.4	0.7	6.9	8.5	2,806,804	80,054	2,726,750	1.1
2013 ²	71.1	13.4	0.7	6.5	8.3	2,770,330	71,960	2,698,370	-6.4
2012	72.6	13.9	0.7	5.2	7.6	2,936,016	54,431	2,881,585	0.6
2011	72.7	14.0	0.7	4.8	7.8	2,918,798	55,113	2,863,685	0.8
2010	72.9	14.2	0.8	4.6	7.5	2,899,654	58,766	2,840,888	0.5
2009	72.9	14.3	0.9	4.7	7.2	2,885,498	59,275	2,826,223	0.3

¹ After Board of Assessment Appeals, except October 1, 2018.

² Revaluation.

Source: Tax Assessor, Town of Cheshire.

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Tax-Exempt Property

The following categories of exempt real estate and personal properties are not included in the grand lists.

Public	Assessed Value
U.S. Government	\$ -
State of Connecticut ¹	165,293,510
Town of Cheshire	116,243,220
South Central Connecticut Regional Water Authority ¹	19,483,281
City of Meriden	1,898,610
Sub-Total Public	302,918,621
Private	
Volunteer Fire	472,400
Scientific	4,983,020
Educational	19,413,780
Historical	247,670
Charitable	3,686,330
Cemeteries	1,132,320
Churches	26,914,240
Hospitals and Sanitariums	47,383,910
Private College	14,827,550
Sub-Total Private	119,061,220
Total Exempt	\$ 421,979,841
Percent Compared to Net Taxable Grand List ^{2,3}	15.06%

¹ The Town has received a pilot payment from the State of Connecticut of \$1,317,410.00 and \$100,980.00 for Colleges & Hospitals (both prorated due to legislation) for fiscal year 2018-19 for this tax exempt property. Also, the Town has received \$629,496 from the South Central Connecticut Regional Water Authority.

² Based on a Net Taxable Grand List for October 1, 2018 of \$2,801,801,050.

³ Before Board of Assessment Appeals.

Source: Tax Assessor, Town of Cheshire.

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V. Debt Summary
Long-Term Bonded Debt
As of March 6, 2019
(Pro Forma)

Date of Issue	Date of Maturity	Rate	Purpose	Original Issue Amount	Balance Outstanding⁴
General Purpose					
06/15/10	08/01/22	3.00-5.00	Refunding Bonds - Series A	\$ 3,881,000	\$ 1,234,000
06/15/10	08/01/20	2.00-5.00	Refunding Bonds - Series B	1,560,000	342,000
07/16/12	08/01/26	0.20 - 4.00	General Purpose Refunding Bonds	3,676,000	2,298,000
02/28/13	07/15/32	3.00 - 4.00	General Purpose Bonds	6,688,197	4,920,000
05/07/14	08/01/21	2.00-5.00	General Purpose Refunding Bonds	6,252,000	1,191,000
02/26/15	07/15/34	2.00-5.00	General Purpose Bonds	12,044,268	10,141,000
03/13/15	01/15/29	2.00-5.00	General Purpose Refunding Bonds	2,977,000	2,387,000
03/31/16	07/15/30	2.00-4.00	General Purpose Refunding Bonds	3,226,000	3,101,000
03/06/17	07/15/36	2.00-5.00	General Purpose Bonds	12,015,000	11,382,000
Sub-total General Purpose				\$ 52,319,465	\$ 36,996,000
Schools¹					
06/15/10	08/01/22	3.00 - 5.00	Refunding Bonds – Series A	675,000	203,000
06/15/10	08/01/20	2.00 - 5.00	Refunding Bonds – Series B	1,085,000	238,000
07/16/12	08/01/26	0.20 - 4.00	School Refunding Bonds	1,411,000	982,000
02/28/13	07/15/32	3.00 - 4.00	School Bonds	3,546,803	2,609,000
05/07/14	08/01/21	2.00-5.00	School Refunding Bonds	2,880,000	625,000
02/26/15	07/15/34	2.00-5.00	School Bonds	2,909,732	2,452,000
03/13/15	01/15/29	2.00-5.00	School Refunding Bonds	980,000	784,000
03/31/16	07/15/30	2.00-4.00	School Refunding Bonds	1,476,000	1,418,000
03/06/17	07/15/36	2.00-5.00	School Bonds	2,985,000	2,827,000
Sub-total Schools				\$ 17,948,535	\$ 12,138,000
Sewers²					
09/30/07	03/31/27	2.00	CWF 481-C / WWT Plant ^{3,5}	5,226,439	2,344,250
09/30/07	03/31/27	2.00	CWF 112-CSL / WWT Plant ^{3,5}	1,497,614	671,735
06/15/10	08/01/22	3.00 - 5.00	Refunding Bonds – Series A	1,459,000	463,000
07/16/12	08/01/26	0.20 - 4.00	Sewer Refunding Bonds	568,000	305,000
02/28/13	07/15/32	3.00 - 4.00	Sewer Bonds	265,000	196,000
05/07/14	08/01/21	2.00-5.00	Sewer Refunding Bonds	428,000	29,000
02/26/15	07/15/34	2.00-5.00	Sewer Bonds	46,000	37,000
03/13/15	01/15/29	2.00-5.00	Sewer Refunding Bonds	1,008,000	799,000
03/31/16	07/15/30	2.00-4.00	Sewer Refunding Bonds	1,238,000	1,191,000
03/06/17	07/15/36	2.00-5.00	Sewer Bonds	2,500,000	2,366,000
07/01/17	07/01/37	2.00	CWF 618-DC / WWT Plant ^{3,5}	24,428,785	21,782,332
Sub-total Sewers				\$ 38,664,838	\$ 30,184,317
Total Outstanding Long Term Debt				\$ 108,932,838	\$ 79,318,317
This Issue					
03/06/19	07/15/38	3.00-5.00	General Purpose Bonds	\$ 10,016,472	\$ 10,016,472
03/06/19	07/15/38	3.00-5.00	School Bonds	3,533,500	3,533,500
03/06/19	07/15/38	3.00-5.00	Sewer Bonds	950,028	950,028
Total This Issue				\$ 14,500,000	\$ 14,500,000
Grand-Total				\$ 123,432,838	\$ 93,818,317

¹ The State of Connecticut Bureau of School Building Grants will reimburse the Town for the State's share of eligible principal and interest costs over the life of any bonds issued for projects authorized by the General Assembly prior to July 1, 1996.

² Does not include Cheshire's obligation to make annual payments to Waterbury to pay a portion of debt service for the Town's use of Waterbury's sewer treatment facilities by Cheshire. The remaining principal amount is \$6,185.

³ Permanently financed under the State of Connecticut Clean Water Fund Program.

⁴ Excludes Refunded Bonds.

⁵ Debt service will be paid directly from the Water Pollution Control Fund with usage fees.

**Short Term Debt
As of March 6, 2019
(Pro-Forma)**

The Town has no short-term debt outstanding.

Other Commitments

The Town has an obligation to make annual payments to the City of Waterbury to pay a portion of debt service on Waterbury's sewer treatment facilities which is used by Cheshire. The remaining principal amount outstanding at December 31, 2018 is \$6,185 which will be paid off in fiscal year 2020.

On May 16, 2014, the Town entered into a \$9,765,000 capital lease for the purchase of energy conservation improvements in various Town and school buildings. The lease has a contract interest rate of 3.17% and an effective rate of 2.77% after an interest subsidy from Eversource Energy. The lease matures on March 15, 2031 and it is expected that the lease payments will be offset by the resulting energy cost savings. The Town, as lessee, holds title to the equipment in which the lessor is granted a priority security interest or lien.

On December 18, 2015, the Town entered into a \$1,200,000 capital lease for the purchase of street lights and poles, and retrofitting the lights with LED energy efficient fixtures. The lease has a contract interest rate of 1.97% and an effective rate of 1.49% after an interest subsidy from Eversource Energy. Energy savings are expected to more than cover the cost of the lease payments.

**Annual Bonded Debt Maturity Schedule
As of March 6, 2019
(Pro Forma)**

Fiscal Year Ended 6/30	Principal Payments	Interest Payments	Total Payments	This Issue			Total This Issue	Cumulative Principal Retired (%)
				General Purpose	Schools	Sewer		
2019 ¹	\$ 420,338	\$ 128,656	\$ 548,994	\$ -	\$ -	\$ -	\$ -	0.45%
2020	6,866,006	2,235,293	9,101,299	-	-	-	-	7.77
2021	6,193,062	2,019,677	8,212,738	521,472	188,500	50,028	760,000	15.18
2022	6,200,260	1,805,188	8,005,448	525,000	185,000	50,000	760,000	22.60
2023	5,812,603	1,584,504	7,397,107	525,000	185,000	50,000	760,000	29.60
2024	5,350,095	1,378,098	6,728,193	525,000	185,000	50,000	760,000	36.11
2025	5,342,738	1,212,412	6,555,150	525,000	185,000	50,000	760,000	42.62
2026	5,040,535	1,071,948	6,112,483	525,000	185,000	50,000	760,000	48.80
2027	4,937,222	938,864	5,876,087	525,000	185,000	50,000	760,000	54.88
2028	4,346,439	821,063	5,167,502	525,000	185,000	50,000	760,000	60.32
2029	4,336,439	709,559	5,045,998	525,000	185,000	50,000	760,000	65.75
2030	3,946,439	595,243	4,541,682	525,000	185,000	50,000	760,000	70.77
2031	3,936,439	491,514	4,427,953	530,000	185,000	50,000	765,000	75.78
2032	3,481,439	393,598	3,875,037	530,000	185,000	50,000	765,000	80.30
2033	3,481,439	300,794	3,782,233	530,000	185,000	50,000	765,000	84.83
2034	2,926,439	215,740	3,142,179	530,000	185,000	50,000	765,000	88.77
2035	2,926,439	138,436	3,064,875	530,000	185,000	50,000	765,000	92.70
2036	2,141,439	72,332	2,213,772	530,000	185,000	50,000	765,000	95.80
2037	1,632,506	19,700	1,652,206	530,000	190,000	50,000	770,000	98.36
2038	-	-	-	530,000	190,000	50,000	770,000	99.18
2039	-	-	-	530,000	190,000	50,000	770,000	100.00
Total	\$ 79,318,317	\$ 16,132,618	\$ 95,450,935	\$ 10,016,472	\$ 3,533,500	\$ 950,028	\$ 14,500,000	

¹ Excludes \$6,993,751 in principal payments and \$2,343,461 in interest payments made or coming due between July 1, 2018 and March 6, 2019.

Note: Includes State of Connecticut Clean Water Fund loan debt and excludes refunded bonds.

Overlapping/Underlying Debt

The Town has neither overlapping nor underlying debt.

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

Debt Statement As of March 6, 2019 (Pro Forma)

Long-Term Debt:

General Purpose (Includes this issue)	\$ 47,012,472
Schools (Includes this issue)	15,671,500
Sewers ¹ (Includes this issue)	31,134,345
Total Long-Term Debt	93,818,317
Short-Term Debt	-
TOTAL DIRECT DEBT	93,818,317
Less: State School Construction Building Grants Principal Receivable (As of 12/31/18) ²	(32,905)
Sewer and Water Assessments Receivable (As of 12/31/18)	(114,500)
TOTAL NET DIRECT DEBT	93,670,912
Plus: Overlapping/Underlying Debt	-
TOTAL OVERALL NET DEBT	\$ 93,670,912

¹ Partially supported by benefit assessments.

² The State of Connecticut Bureau of School Building Grants will reimburse the Town for eligible principal and interest costs over the life of any bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School construction grants receivable stated above are for principal reimbursement only.

Current Debt Ratios As of March 6, 2019 (Pro Forma)

Population (2017) ²	29,274
Net Taxable Grand List (10/1/18) (70% of Estimated Full Value)	\$ 2,801,801,050
Estimated Full Value	\$ 4,002,572,929
Equalized Net Taxable Grand List (10/1/15) ¹	\$ 4,007,441,337
Income per Capita (2010) ³	\$ 40,498
Income per Capita (2017) ²	\$ 47,013

	Total Direct Debt	Total Net Direct Debt	Total Overall Net Debt
	\$93,818,317	\$93,670,912	\$93,670,912
Per Capita	\$3,204.83	\$3,199.80	\$3,199.80
Ratio to Net Taxable Grand List	3.35%	3.34%	3.34%
Ratio to Estimated Full Value	2.34%	2.34%	2.34%
Ratio to Equalized Net Taxable Grand List	2.34%	2.34%	2.34%
Debt per Capita to Income per Capita (2010)	7.91%	7.90%	7.90%
Debt per Capita to Income per Capita (2017)	6.82%	6.81%	6.81%

¹ Office of Policy and Management, State of Connecticut.

² American Community Survey, 2013-2017.

³ U.S. Bureau of Census.

Temporary Financing

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

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

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

Clean Water Fund Program

The Town is a participant in the State of Connecticut's Clean Water Fund Program (General Statutes Sections 22a-475 et seq., as amended) which provides financial assistance through a combination of grants and loans bearing interest at a rate of 2% per annum. All qualifying municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow, and phosphorous removal projects which are financed with a 50% grant and a 50% loan, and denitrification projects, which are financed with a 30% grant and a 70% loan).

Loans to each municipality are made pursuant to a Project Grant and Project Loan Agreement ("Loan Agreement"). Each municipality is obligated to repay only that amount which it draws down for the payment of project costs. Each municipality must deliver to the State an obligation secured by the full faith and credit of the municipality, and/or a dedicated source of revenue of such municipality.

Amortization of each loan is required to begin one year from the earlier of the project completion date specified in the Loan Agreement, or the actual project completion date. The final maturity of each loan is twenty years from the scheduled completion date. Principal and interest payments are payable 1) in equal monthly installments commencing one month after the scheduled completion date, or 2) in a single annual installment representing 1/20 of total principal not later than one year from the project completion date specified in the Loan Agreement, and thereafter in monthly installments. Borrowers may elect to make level debt service payments or level principal payments. Borrowers may prepay their loans at any time prior to maturity without penalty.

As of the date of this Official Statement, the Town has \$24,798,317 of Clean Water Fund permanent loan obligations outstanding reflected in the Town's "Debt Summary" herein.

Authority to Incur Debt

All debt is issued in accordance with the Connecticut General Statutes. The Town's Charter also specifies certain requirements for the approval and authorization of bonds and notes.

Authorization to incur indebtedness through the issuance of bonds and notes must be authorized by resolution of the Town Council subject to the following procedures.

1. Any appropriation and bond authorization not exceeding \$250,000 may be approved by the Town Council.
2. Any appropriation and bond authorization which exceeds \$250,000 but does not exceed \$500,000 may be approved by the Town Council following a public hearing called by the Council and noticed pursuant to the Town Charter. Such appropriation and bond authorization is subject to referendum if a petition requesting the same signed by at least 10% of the electors of the Town is submitted to the Town Clerk within 21 days following the publication of notice of the making of such appropriation and bond authorization.
3. Any appropriation and bond authorization which exceeds \$500,000 may be approved by the Town Council only following a public hearing called by the Council and noticed pursuant to the Town Charter. Such appropriation and bond authorization must be approved by the voters of the Town at a referendum held pursuant to the Charter. The referendum shall be held no later than 90 days following the Council vote to approve said appropriation.
4. To the extent any appropriation in excess of \$250,000 is to be funded from the proceeds of grants, insurance, gifts, or other off-setting reimbursements, the amount of the appropriation to be funded from such sources shall not be included in determining whether a referendum is required under the Charter.
5. The approval limits are cumulative for a five-year period for any capital budget appropriations for a single, specified purpose.
6. The Charter provides that the appropriation and bond authorization dollar limits set forth therein shall be reviewed by the Council every five years, beginning January 1, 2018.

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**Statement of Statutory Debt Limitation
As of March 6, 2019
(Pro Forma)**

Total Tax Collections (including interest and lien fees)

Received by the Treasurer for the year ended June 30, 2018 \$ 88,572,619

Reimbursement For Revenue Loss:

Tax relief for elderly -

Base for Debt Limitation Computation..... \$ 88,572,619

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>	<u>Unfunded Pension</u>
Debt Limitation:					
2 1/4 times base.....	\$ 199,288,393	-	-	-	-
4 1/2 times base.....	-	\$ 398,576,786	-	-	-
3 3/4 times base.....	-	-	\$ 332,147,321	-	-
3 1/4 times base.....	-	-	-	\$ 287,861,012	-
3 times base.....	-	-	-	-	\$ 265,717,857
Total Debt Limitation	\$ 199,288,393	\$ 398,576,786	\$ 332,147,321	\$ 287,861,012	\$ 265,717,857

Indebtedness:

Bonds & CWF PLO's Outstanding.....	36,996,000	12,138,000	30,184,317	-	-
Bonds – This Issue	10,016,472	3,533,500	950,028	-	-
Short Term Debt.....	-	-	-	-	-
Debt Authorized But Unissued.....	2,116,665	2,300,664	640,000	-	-
Total Indebtedness	49,129,137	17,972,164	31,774,345	-	-
Less:					
State School Grants - Principal Receivable ¹	-	(32,905)	-	-	-
Estimated Grants Receivable	(2,235,352)	(1,014,400)	-	-	-
Sewer & Water Assessments Receivable	-	-	(114,500)	-	-
Total Net Indebtedness	46,893,785	16,924,859	31,659,845	-	-

DEBT LIMITATION IN EXCESS

OF OUTSTANDING INDEBTEDNESS..... \$ 152,394,608 \$ 381,651,927 \$ 300,487,476 \$ 287,861,012 \$ 265,717,857

¹ State School Construction Building Grants Receivable are estimated. The State of Connecticut Bureau of School Building Grants will reimburse the Town for the State's share of eligible principal and interest costs over the life of any bonds issued for projects authorized by the General Assembly prior to July 1, 1996. School Construction Grants Receivable stated above are for principal reimbursement only.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$620,008,333.

**Authorized but Unissued Debt
As of March 6, 2019
(Pro Forma)**

Project	Amount Authorized	Amount Previously Financed ²	This Issue The Bonds	Authorized & Unissued	Estimated Grants Receivable ¹
General Purpose	\$ 62,493,706	\$ 50,360,569	\$10,016,472	\$ 2,116,665	\$ 2,235,352
Schools	13,492,514	7,658,350	3,533,500	2,300,664	1,014,400
Sewers	36,835,000	35,244,972	950,028	640,000	-
Total	\$ 112,821,220	\$ 93,263,891	\$14,500,000	\$ 5,057,329	\$ 3,249,752

¹ Subject to audit.

² Includes the amount the Town has permanently financed and amounts received through grants and equity contributions.

**Principal Amount of Outstanding Debt
Last Five Fiscal Years**

Fiscal Year Ending 6/30	2018	2017	2016	2015	2014
Long-Term Debt	\$ 86,340,315	\$ 97,323,044	\$ 60,648,000	\$ 62,576,466	\$ 53,987,792
Short-Term Debt	-	-	-	-	-
Total	\$ 86,340,315	\$ 97,323,044	\$ 60,648,000	\$ 62,576,466	\$ 53,987,792

Source: Annual audited financial statements.

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

Fiscal Year Ended 6/30	Net Assessed Value	Estimated Full Value	Net Long-Term Debt ¹	Ratio of Net Long-Term Debt to Assessed Value	Ratio of Net Long-Term Debt to Estimated Full Value	Population ²	Net Long-Term Debt per Capita	Ratio of Net Long-Term Debt per Capita to Per Capita Income ³
2018	\$ 2,778,822	\$ 3,969,746	\$ 86,340	3.11%	2.17%	29,274	\$ 2,949.39	6.27%
2017	2,763,741	3,948,201	97,323	0.04	0.02	29,274	3,324.56	0.07
2016	2,750,532	3,929,331	60,648	0.02	0.02	29,274	2,071.74	0.04
2015	2,726,750	3,895,357	62,576	2.29	1.61	29,274	2,137.61	4.55
2014	2,698,370	3,854,814	53,659	1.99	1.39	29,274	1,832.99	3.90
2013	2,881,585	4,116,550	60,863	2.11	1.48	29,274	2,079.08	4.42
2012	2,863,685	4,090,979	56,085	1.96	1.37	29,274	1,915.86	4.08

¹ Total debt less school building grants receivable (water and sewer assessments receivable are not deducted).

² State of Connecticut, Department of Public Health: 2009. American Community Survey (ACS), 2013-2017.

³ U.S. Department of Commerce, Bureau of Census, ACS 2017: Income Per Capita: \$47,013.

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

Fiscal Year Ended 6/30	Total Debt Service	Total General Fund Expenditures ¹	Ratio of Debt Service To General Fund Expenditures (%)
2019 ²	\$ 6,574,924	\$ 123,662,303 ³	5.32%
2018	6,591,782	120,075,276	5.49
2017	6,727,183	119,988,739	5.61
2016	6,945,314	113,718,678	6.11
2015	7,587,271	111,653,307	6.80
2014	8,212,210	108,347,596	7.58

¹ Presented on a GAAP basis (includes transfers out).

² Budgeted.

³ An estimate for the State of Connecticut's Teacher's Retirement fund payment has been added to this number to be consistent with prior years.

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VI. Financial Information

The General Fund Revenues, Expenditures and Changes in Fund Balance for the fiscal years ended June 30, 2014 through June 30, 2018 have been derived from audited financial statements on a GAAP basis. The Adopted Budget for fiscal year 2018-2019 is provided by the Town on a budgetary basis.

The financial information presented herein is the responsibility of the Town's management. (Appendix A -- "Financial Statements" was taken from the Comprehensive Annual Financial Report of the Town for the fiscal year ended June 30, 2018.)

General Fund Revenues, Expenditures and Changes in Fund Balance

Revenues:	Adopted Budget 2019	Actual 2018	Actual 2017	Actual 2016	Actual 2015	Actual 2014	Actual 2013
Property Taxes	\$ 90,917,783	\$ 88,764,655	\$ 86,340,125	\$ 83,973,691	\$ 81,989,985	\$ 79,722,309	\$ 78,167,540
Intergovernmental ¹	14,916,868	28,670,263	29,594,581	25,313,541	25,852,837	24,543,872	23,677,909
Investment Income	900,000	507,789	213,597	145,901	130,521	109,980	111,783
Charges for services	2,276,652	2,893,360	2,934,073	2,561,691	2,326,024	2,514,759	2,709,802
Other ²	1,189,000	271,299	615,198	709,382	294,274	275,836	352,099
Total Revenues	110,200,303	121,107,366	119,697,574	112,704,206	110,593,641	107,166,756	105,019,133
Expenditures:							
Administration and Finance ⁴	13,074,828	12,362,605	12,467,704	11,828,942	11,255,168	10,786,244	10,334,731
Planning and Development	559,071	528,591	529,368	527,025	510,710	511,205	493,523
Public Safety	7,248,244	6,912,516	6,833,420	6,765,459	6,446,795	6,291,401	6,195,398
Public Works	6,358,048	6,043,517	5,595,836	5,310,222	5,329,060	5,419,667	5,507,157
Public Health	484,296	495,603	458,744	451,549	449,181	428,576	441,501
Social Services	926,983	862,945	866,048	819,370	797,586	774,440	756,699
Cultural services	2,006,476	1,911,595	1,970,786	1,901,710	1,845,471	1,747,966	1,697,293
Leisure services	948,807	1,488,947	2,224,281	2,088,041	1,756,907	1,855,955	1,994,834
Education ¹	71,643,626	83,409,031	81,465,369	75,896,046	74,575,158	71,369,932	68,815,590
Debt Service	6,574,924	6,591,782	6,727,183	6,945,314	7,587,271	8,212,210	8,209,112
Total Expenditures	109,825,303	120,607,132	119,138,739	112,533,678	110,553,307	107,397,596	104,445,838
Excess (deficiency) of revenues over expenditures	375,000	500,234	558,835	170,528	40,334	(230,840)	573,295
Other financing sources (uses):							
Refunding Bond Proceeds	-	-	-	5,940,000	4,965,000	9,560,000	-
Bond Premiums/Accrued Interest	-	-	-	495,080	393,600	662,990	-
Payment to Refunded Bond Escrow	-	-	-	(6,318,509)	(5,272,199)	(10,079,384)	-
Insurance Recovery	-	-	-	-	-	-	258,344
Transfer in	725,000	1,062,775	755,078	753,657	754,013	813,938	802,863
Transfer out ³	(1,100,000)	(781,952)	(850,000)	(1,185,000)	(1,100,000)	(950,000)	(1,000,000)
Net other financing sources (uses)	(375,000)	280,823	(94,922)	(314,772)	(259,586)	7,544	61,207
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	781,057	463,913	(144,244)	(219,252)	(223,296)	634,502
Fund Balance, July 1	13,050,339	12,269,282	11,805,369	11,949,613	12,168,865	12,392,161	11,757,659
Fund Balance, June 30	\$ 13,050,339	\$ 13,050,339	\$ 12,269,282	\$ 11,805,369	\$ 11,949,613	\$ 12,168,865	\$ 12,392,161
Operating Expenditures							
(including transfers out)	N/A	\$ 121,389,084	\$ 119,988,739	\$ 113,718,678	\$ 111,653,307	\$ 108,347,596	\$ 105,445,838
Fund Balance as Percent of General Fund							
Expenditures (including transfers out)	N/A	10.8%	10.2%	10.4%	10.7%	11.2%	11.8%

¹ GAAP basis includes payments made by the State of Connecticut on behalf of Town of Cheshire for the State Teachers' Retirement System including: \$14,050,395 (6/30/18), \$12,668,791 (6/30/17), \$7,860,000 (6/30/16), \$8,105,000 (6/30/15), \$7,722,000 (6/30/14).

² Included in the "Other" revenue line item is application of \$800,000 of Fund Balance in the fiscal year 2018-19 adopted budget.

³ Includes transfers to the Capital and Non-Recurring Fund: \$765,000 (6/30/2018), \$850,000 (6/30/17), \$835,000 (6/30/16), \$1,100,000 (6/30/15), \$950,000 (6/30/14).

⁴ Fiscal Year 2019 Budget includes \$125,000 for contingency.

Analysis of General Fund Balance

	Budget 2019	Actual 2018	Actual 2017	Actual 2016	Actual 2015	Actual 2014
Nonspendable	N/A	\$ 90,257	\$ 1,310,489	\$ 76,554	\$ 82,760	\$ 81,848
Committed	N/A	25,000	25,000	100,000	250,000	500,000
Assigned	N/A	2,354,385	2,574,820	2,231,241	2,503,625	2,577,811
Unassigned	N/A	10,580,697	8,358,973	9,397,574	9,113,228	9,009,206
Total General Fund Balance	\$ -	\$13,050,339	\$12,269,282	\$ 11,805,369	\$ 11,949,613	\$ 12,168,865

Connecticut General Statutes Section 4-661, as amended (“Section 4-661”), creates certain disincentives on increasing adopted budget expenditures for municipalities in Connecticut. Beginning in fiscal year 2018, the Office of Policy and Management (“OPM”) must reduce the amount of the municipal revenue sharing grant for those municipalities whose increase in its adopted budget expenditures, with certain exceptions, exceeds the previous fiscal year by 2.5% or more or the rate of inflation, whichever is greater (the “expenditure cap”). The reduction to the municipal revenue sharing grant will generally equal 50 cents for every dollar by which the municipality’s adopted budget exceeds the expenditure cap. A municipality whose population increased from the previous fiscal year, as determined by OPM, may increase its adopted budget expenditures over the expenditure cap by an amount proportionate to its population growth. Section 4-661 requires each municipality to annually certify to the Secretary of OPM whether the municipality has exceeded the expenditure cap, and if so, the amount by which the expenditure cap was exceeded. For fiscal year ending June 30, 2019, the Town will receive municipal revenue sharing grant moneys from the State.

Under Section 4-661, municipal spending does not include expenditures: (i) for debt service, special education, or costs to implement court orders or arbitration awards; (ii) associated with a major disaster or emergency declaration by the President or disaster emergency declaration issued by the Governor under the civil preparedness law; (iii) for any municipal revenue sharing grant the municipality disburses to a district; or (iv) budgeting for an audited deficit, non-recurring grants, capital expenditures or payments on unfunded pension liabilities.

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Historical General Fund Balance Sheet

	Actual 6/30/2018	Actual 6/30/2017	Actual 6/30/2016	Actual 6/30/2015	Actual 6/30/2014
Assets:					
Cash and Cash Equivalents.....	\$ 18,749,915	\$ 16,370,436	\$ 17,100,026	\$ 14,576,301	\$ 14,037,947
Receivables.....	686,011	663,119	865,540	716,699	817,950
Investments.....	8,321,000	8,226,000	8,101,000	7,983,000	7,875,000
Due from other funds.....	-	107	1,212	4,297	-
Other Assets	90,257	1,310,489	76,554	82,760	81,848
Bond Proceeds, held in trust.....	-	-	-	-	-
Prepays.....	-	-	-	-	-
Total Assets	\$ 27,847,183	\$ 26,570,151	\$ 26,144,332	\$ 23,363,057	\$ 22,812,745
Liabilities:					
Accounts Payable	\$ 2,165,301	\$ 1,768,463	\$ 1,970,241	\$ 1,206,828	\$ 1,572,040
Accrued Payroll	5,523,557	5,679,895	6,652,286	6,078,406	5,757,021
Deferred Revenue	-	-	-	-	-
Unearned Revenue	66,008	31,646	40,612	208,782	340,105
Due to bond escrow agent	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	\$ 7,754,866	\$ 7,480,004	\$ 8,663,139	\$ 7,494,016	\$ 7,669,166
Deferred Inflows of Resources: ¹					
Advance Tax Collections.....	\$ 6,738,122	\$ 6,497,033	\$ 5,356,498	\$ 3,622,568	\$ 2,497,764
Unavailable Resources.....	303,856	323,832	319,326	296,860	476,950
Total Deferred Inflows of Resources.....	\$ 7,041,978	\$ 6,820,865	\$ 5,675,824	\$ 3,919,428	\$ 2,974,714
Fund Balance:					
Nonspendable	\$ 90,257	\$ 1,310,489	\$ 76,554	\$ 82,760	\$ 81,848
Committed	25,000	25,000	100,000	250,000	500,000
Assigned	2,354,385	2,574,820	2,231,241	2,503,625	2,577,811
Unassigned	10,580,697	8,358,973	9,397,574	9,113,228	9,009,206
Total Fund Balance	\$ 13,050,339	\$ 12,269,282	\$ 11,805,369	\$ 11,949,613	\$ 12,168,865

¹ Starting with the year ending June 30, 2014, there was a change in asset and liability classification per implementation of GASB Statement No. 65.

Accounting Policies and Basis of Accounting

The Town's accounting system conforms to Generally Accepted Accounting Principles (GAAP) as applied to governmental units. As a reporting entity, the Town's financial statements include all funds, account groups, agencies, boards, and commissions that are controlled by or dependent on the Town's executive and legislative branches. All accounts are organized on the basis of fund accounting and account groups. (See Appendix A -"Basic Financial Statements (Excerpted from the Town's Comprehensive Annual Financial Report)" herein.)

Audit

Pursuant to the Municipal Auditing Act (Chapter 111 of the Connecticut General Statutes, Sections 7-391 through 7-397), the Town is obligated to undergo an annual examination by an independent certified public accountant. The audit must be conducted under the guidelines issued by the State of Connecticut, Office of Policy and Management, and a copy of said audit report must be filed with the Office of Policy and Management. The Town is in full compliance with said provisions. RSM US LLP of New Haven, Connecticut have audited the Town's finances for fiscal year ended 2018.

Certificate of Achievement for Excellence in Financial Reporting

The Town was awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for its comprehensive annual financial reports for fiscal years ended June 30, 1993 through June 30, 2017. This is the highest form of recognition for governmental accounting and financial reporting. To be eligible for the award, financial reports must include general purpose financial statements presented in conformity with GAAP, and have been audited in accordance with generally accepted auditing standards. The reports also contain statistical information useful in evaluating the financial condition of a government and conform to certain generally accepted formatting standards established for the Certificate Program. In addition, the "Distinguished Budget Presentation Award" has been presented to the Town by the GFOA for the fiscal year 2018-2019 Town budget. This is the fourteenth year that the Town has received this award as the Town progresses in transforming the budget document from a basic line item budget to a performance based budget.

Budget Adoption Procedure

Section 7-1 of the Town Charter requires that each department, office, board or commission of the Town, including the Board of Education, submit a budget request detailing estimates of the expenditures and anticipated revenues for the ensuing fiscal year to the Town Manager no later than February 15 in accordance with a format prescribed by the Town Manager. By March 10 the Town Manager must present an itemized annual operating budget to the Town Council detailing the Town Manager's recommendations for expenditures and revenues which must be balanced together with a budget message describing the recommended budget and outlining the financial policy for the Town for the upcoming fiscal year. The Town Manager, in making his recommendations, may make adjustments to any budget upwards or downwards except for the budget submitted by the Board of Education for which he may only offer recommendations but may not make any adjustments thereto.

Subsequent to the submission of the budget to the Town Council, a three member Budget Committee of the Town Council conducts a series of public meetings concerning the Town Manager's proposed budget. By no later than April 7 the Town Council must hold one or more public hearings concerning the budget, public notice of which must be given at least five days prior to said hearing. By April 17 the Town Council must adopt a budget and fix a tax rate in mills. The Town Council has the authority to increase or decrease the operating budget submitted by the Town Manager, including that portion pertaining to the Board of Education. The adopted budget must be filed with the Town Clerk and published in its entirety in a local newspaper by no later than April 27. In the event that the Council fails to adopt a budget by April 17 the budget submitted to the Town Council by the Town Manager is deemed to have been adopted and the Town Manager shall establish the tax rate.

The budget adopted by the Town Council is subject to referendum by petition of at least 10% of the registered electors. Said petition must be filed by May 11 and the Council shall call a referendum to be held no later than June 20. In order for a vote of a referendum to be effective, at least 20% of the qualified electors have to vote and in the event that the budget is rejected, the Council has to adopt a new budget and tax rate and file it with the Town Clerk by June 27.

See "Authority to Incur Debt" herein for a discussion of a capital expenditure appropriation.

Capital Improvement Plan

Annually, the Town Manager prepares a Five-Year Capital Expenditure Plan, which is reviewed by the Planning and Zoning Commission and the Town Council in accordance with the Town Charter. Included in the Five-Year Capital Expenditure Plan is a recommended Annual Capital Expenditure Budget for the current fiscal year.

Department	Fiscal Year					Total
	2018-19	2019-20	2020-21	2021-22	2022-23	
Administration & Finance						
Finance	\$ 374,000	\$ 520,000	\$ 210,000	\$ 640,000	\$ 210,000	\$ 1,954,000
General Services.....	222,000	292,000	364,000	203,000	177,000	1,258,000
Public Property.....	475,000	480,000	735,000	355,000	-	2,045,000
Planning & Development						
Land Acquisition	-	500,000	-	-	-	500,000
Public Safety						
Police	185,000	-	-	-	-	185,000
Fire	640,000	145,000	1,150,000	795,000	660,000	3,390,000
Public Works						
Roads, Sidewalk, Drainage & Trees..	2,846,000	5,212,000	3,720,000	3,015,000	2,531,000	17,324,000
Sewer & Water	365,000	300,000	300,000	395,000	195,000	1,555,000
Leisure Services						
Recreation	280,000	345,000	2,290,000	150,000	180,000	3,245,000
Education	2,612,000	4,001,000	3,725,000	5,638,000	3,250,000	19,226,000
Total	\$ 7,999,000	\$ 11,795,000	\$ 12,494,000	\$ 11,191,000	\$ 7,203,000	\$ 50,682,000
Funding Sources						
Bond/Note Proceeds	\$ 6,622,000	\$ 9,675,000	\$ 10,957,000	\$ 9,708,000	\$ 5,663,000	\$ 42,625,000
Grants	555,000	1,003,000	593,000	145,000	473,000	2,769,000
Capital & Non-recurring						
Expenditures Fund	822,000	1,117,000	944,000	1,338,000	1,067,000	5,288,000
Total Funding Sources	\$ 7,999,000	\$ 11,795,000	\$ 12,494,000	\$ 11,191,000	\$ 7,203,000	\$ 50,682,000

Note: The above is based on the Town Council's approved Five Year Capital Plan for Fiscal Years 2019 through 2023.

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Pension Programs

The Town contributes to three single employer, defined benefit pension plans that are closed to new employees: Town, Police, and Volunteer Firefighters. Certificated teachers and certificated school administrators contribute to the Connecticut State Teachers' Retirement System which does not require Town funding.

As of the actuarial valuation for July 1, 2017, the Town, Police and Volunteer Firefighter plans were funded at 83.5%, 59.9% and 42.2%, respectively. Cheshire's pension contributions are actuarially determined and valuations are based on a 7.50% rate of return assumption on investments, projected salary increases of 2.5%-4.75% for the Town Plan and 2.5%-8% for the Police plan (not applicable for the Firefighters plan), and inflation rate increases of 2.75% for the Police and Firefighters plans. As of July 1, 2016, there were 696 members in the Town's three plans with 267 retirees receiving benefits, 137 terminated employees entitled to benefits at a future date, and 326 active plan members. Town and Police employees must have ten years of continuous service to be 100% vested. Volunteer firefighters are vested on a percentage basis after 5 years of credited service.

The Town defined benefit pension plan was closed to new employees at various times between July 1, 2006 and June 30, 2012, depending on the union or nonunion group. The Police pension plan was closed to new employees effective December 31, 2013. In lieu of these plans, the Town has instituted defined contribution plans and is contractually required to contribute a percentage of compensation to an eligible 457(b) plan for Town employees, a 403(b) plan for Board of Education employees, and a 401(a) plan for police officers. Town contributions are generally 6% of compensation or 5% plus an additional 1% match depending on the union or nonunion group, except for police officers that require a 10% contribution from the Town and 6% from the officers based on compensation that includes overtime but excludes special duty.

Below is the past five years of funding of the Plans:

Town Plan			
Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Percent Contributed
6/30/2018	\$ 1,825,373	\$ 1,825,373	100.0%
6/30/2017	1,773,905	1,773,905	100.0%
6/30/2016	1,821,202	1,821,202	100.0%
6/30/2015	2,096,584	1,840,124	87.8%
6/30/2014	2,014,125	1,540,124	76.5%

Police Plan			
Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Percent Contributed
6/30/2018	\$ 1,631,178	\$ 1,452,765	89.1%
6/30/2017	1,456,934	1,302,765	89.4%
6/30/2016	1,342,563	1,152,765	85.9%
6/30/2015	1,205,946	852,765	70.7%
6/30/2014	1,143,257	702,765	61.5%

Volunteer Fire			
Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Percent Contributed
6/30/2018	\$ 257,157	\$ 257,157	100.0%
6/30/2017	270,278	270,278	100.0%
6/30/2016	263,917	263,917	100.0%
6/30/2015	241,200	241,200	100.0%
6/30/2014	249,892	223,000	89.2%

Other Post-Employment Benefits

The Town provides other postemployment benefits (OPEB), including health and life insurance benefits, for certain retired employees. Police, other Town and Board of Education employees, and teachers are provided benefits when they retire if they meet their contractual eligibility requirements. A brief description of the benefits follows:

The Town administers an OPEB trust for Police personnel and their spouses. As of July 1, 2017, this plan was 3.1% funded with actuarial assets valued at \$289,194 and had actuarial accrued liabilities valued at \$9,430,008.

The Town administers another OPEB trust for all retiree medical benefits other than Police. Town employees, other than Police, are provided a subsidy ranging from \$2,000 to \$2,500 towards health insurance coverage for up to five years or until Medicare eligible. In addition, health and life insurance has been provided to some Town and Board of Education early retirees for a limited duration. As of July 1, 2017, this plan was 3.3% funded with actuarial assets valued at \$83,345 and had actuarial accrued liabilities valued at \$2,530,319.

This OPEB trust also provides funds for an implicit rate subsidy pertaining to teacher post-retirement medical premiums. Teachers are allowed to continue participating in the Town’s health insurance program after retirement until Medicare eligible, but must reimburse the Town for premiums paid on their behalf. Since the premiums are based on a pool of current and retired employees, the Town incurs an implicit rate subsidy in providing these benefits. As of July 1, 2017, this plan was 3.3% funded with actuarial assets valued at \$510,911 and had actuarial accrued liabilities valued at \$15,511,064.

Below is the past five years of funding of the Plans:

Town Plan			
Annual			
Fiscal Year Ended	Determined Contribution	Actual Contribution	Percent Contributed
6/30/2018	\$1,150,167	\$ 733,522	63.78%
6/30/2017	1,089,741	772,073	70.85%
6/30/2016	1,149,867	848,406	73.78%
6/30/2015	1,103,235	827,537	75.01%
6/30/2014	1,631,204	1,080,481	66.24%

Police Plan			
Annual			
Fiscal Year Ended	Determined Contribution	Actual Contribution	Percent Contributed
6/30/2018	\$ 762,064	\$ 505,276	66.30%
6/30/2017	711,806	504,927	70.94%
6/30/2016	732,922	404,366	55.17%
6/30/2015	673,997	155,183	23.02%
6/30/2014	697,112	62,712	9.00%

For more information, please refer to Note #8 – Other Post-Employment Benefits (OPEB) in the Notes to the Financial Statements included as Appendix A herein.

Compensated Absences

Employees may accumulate a limited amount of vested vacation and sick leave. At the end of the fiscal year 2018, the accumulated value was \$2,903,700. The Town and Board of Education were also liable for early retirement contracts totaling \$148,508.

Risk Management

The Town is exposed to various risks of loss relating to public official liability, police liability, Board of Education legal liability, theft or impairment of assets, errors and omissions, injury to employees and natural disasters. The Town purchases commercial insurance for all risks of loss, including blanket and umbrella policies, except for self-insured medical benefits provided under its three health insurance plans, prescription drug plan, dental plans, and workers’ compensation covered under a public entity risk pool. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. There were no significant reductions in insurance coverage from coverage in the prior year.

The Town utilizes an internal service fund, the Health Insurance Fund, to account for and finance employee medical benefits claims for eligible employees of both the Town and Board of Education. The Town retains the risk of loss under the three medical plans it offers, along with dental and prescription drugs. A third party processes the claims filed under the self-insured health plans for which the Town is charged an administrative fee. The Town is a member of CT Prime, Inc, a captive established to provide a stop-loss policy for health insurance claims exceeding \$175,000. CT Prime, Inc. is an association sponsored, non-profit, non-stock specialty insurance company, fully regulated by the Connecticut Department of Insurance. CT Prime, Inc purchases commercial reinsurance for stop-loss claims in excess of \$500,000. Incurred but not reported (“IBNR”) claims are accrued for in the Health Insurance Fund.

The Town utilizes another internal service fund, Heart & Hypertension, to account for the financing of heart and hypertension claims. Payments to the Health Insurance Fund are based upon estimates for the number of employees and type of coverage (single or family) and trends in the insurance claims and estimates for administration. For the Heart & Hypertension Fund, payments to the fund are based upon estimates of claim reserves necessary to pay annual commitments as well as future claims. The claims liability for the Health Insurance Fund and Heart & Hypertension Fund, respectively, reported in the fund at June 30, 2018, is based upon the provisions of GASB Statements No. 10 and 30, which require that a liability for IBNR claims be recorded if information prior to the issuance of the financial statements indicates that it is possible that a liability has been incurred at the date of the financial statements and the amount of the possible loss can be reasonably estimated. The amount of claims accrual is based on the ultimate costs of settling the claims, which includes past experience data, inflation and other future economic and societal factors and incremental claims adjustment expenses, net of estimated subrogation recoveries. The claims accrual does not include other allocated or unallocated claims adjustment expenses.

The Town currently is a member in Connecticut Interlocal Management Agency (CIRMA), a public entity risk pool established for the purpose of administering an interlocal risk management program pursuant to the provisions of Section 7-479a, et. seq., of Connecticut General Statutes, for workers’ compensation coverage.

Investments

Town policy for eligible investments is governed by State of Connecticut Statutes which, in general, allow the Town to invest in obligations of the United States of America or United States government sponsored corporations, in shares or other interests in any custodial arrangement, pool, or no-load, open-end management type investment company or investment trust (as defined), in obligations of any State or political subdivision rated within the top two rating categories of any nationally recognized rating service, or in obligations of the State of Connecticut or political subdivisions rated within the top three rating categories of any nationally recognized rating service. For the Capital Nonrecurring Fund, not more than 31% can be invested in equity securities. Investment income is recorded in the fund in which it was earned.

The Town has investment policies for its pension and other postemployment benefit (OPEB) funds that provide an asset allocation average, over a full market cycle, of approximately 65% equities (or alternative investment strategies as equivalents) and 35% fixed income and cash (or alternative investment strategies equivalents). For purposes of the policy, a full market cycle is defined by the Board to be no less than three years, or more than seven years. However, within a market cycle, Plan allocations should not exceed the following parameters:

	<u>Target</u>	<u>Range</u>
A. Global Equities	65%	35% - 80%
B. Fixed Income and Cash	35%	20% - 65%
C. Domestic Equities	60%	40% - 80%
D. International Equities	40%	20% - 60%

VII. Legal and Other Information

Litigation

Following consultation with the Town Attorney, and other attorneys providing legal services to the Town, Town officials advise that the Town, its officers, employees, boards and commissions are named defendants in a number of lawsuits. It is the Town Attorney's opinion that such pending litigation will not be finally determined so as to result individually or in the aggregate in final judgments against the Town which would materially adversely affect its financial position." For the purposes of this Official Statement judgments "which would materially adversely affect its financial position" means judgments for which "there is a substantial likelihood that a reasonable investor would consider the information important in deciding whether to invest".

Transcript and Closing Documents

The winning bidder will be furnished the following documents when the Bonds are delivered:

1. 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 of Cheshire, Connecticut signed by the Town Manager and the Director of Finance & Treasurer, which will be dated the date of delivery, and attached to a signed copy of the Official Statement, certifying that, to the best of said officials' knowledge and belief, at the time bids on the Bonds were accepted, the descriptions and statements in the Official Statement relating to the Town 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 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. A receipt for the purchase price of the Bonds.

4. The approving opinion of Robinson & Cole LLP, Bond Counsel, of Hartford, Connecticut in substantially the form attached as Appendix B to this Official Statement.

5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached as Appendix C to this Official Statement.

The Town of Cheshire has prepared an Official Statement for the Bonds, which is dated February 20, 2019. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(5), but it is subject to revision or amendment. The Town will make available to the winning bidder of the Bonds 25 copies of the Official Statement at the Town's expense within seven business days of the bid opening. Additional copies may be obtained by the original purchaser at its own expense by arrangement with the printer.

A transcript of the proceedings taken by the Town will be kept on file at the offices of U.S. Bank National Association in Hartford, Connecticut and will be available for examination upon reasonable notice.

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Concluding Statement

This Official Statement is not to be construed as a contract or agreement between the Town and the purchaser or holders of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representation of fact, and no representation is made that any of such opinion or estimate will be realized. 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 made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Town since the date hereof. References to statutes, charters, or other laws herein may not be complete and such provision of law are subject to repeal or amendment.

Information herein has been derived by the Town from official and other sources and is believed by the Town to be reliable, but such information other than that obtained from official records of the Town has not been independently confirmed or verified by the Town and its accuracy is not guaranteed.

Additional information may be obtained from James J. Jaskot, Director of Finance, Town of Cheshire, 84 South Main Street, Cheshire, Connecticut 06410, and telephone number (203) 271-6610. This Official Statement has been duly prepared and delivered by the Town, and executed for and on behalf of the Town by the following officials:

TOWN OF CHESHIRE, CONNECTICUT

/s/ Sean M. Kimball

Sean M. Kimball, *Town Manager*

/s/ James J. Jaskot

James J. Jaskot, *Director of Finance & Treasurer*

Dated: February 20, 2019

Appendix A

2018 Basic Financial Statements

The following includes the Basic Financial Statements of the Town for the fiscal year ended June 30, 2018. The supplemental data, which was a part of that report, has not been reproduced herein. A copy of the complete report is available upon request from Matthew Spoerndle, Senior Managing Director, Phoenix Advisors LLC, 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 878-4945.

Appendix B

Form of Opinion of Bond Counsel

Appendix C

Form of Continuing Disclosure Agreement

Appendix D

Notice of Sale

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