



Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

Board of Finance Agenda Submission

September 14, 2023

Trish Munroe
Town Clerk
Simsbury, CT 06070

Dear Ms. Munroe:

A **Regular Meeting** of the Board of Finance will be held at **5:45 PM**, on **Tuesday, September 19, 2023**, in the Main Meeting Room of Simsbury Town Hall, 933 Hopmeadow Street, Simsbury, Connecticut.

The Agenda is as follows:

1. Call to Order
2. Pledge of Allegiance
3. Presentation: Fiducient Advisors (Pages 1-71)
4. Finance Director's Report (Pages 72-73)
5. Draft Policy for Amending the Budget, Budgetary Transfers and Supplemental Appropriations (Pages 74-79)
6. Draft Budget Process Preview
7. Approval of Minutes
 - July 18, 2023 (Pages 80-82)
8. Communications
 - Simsbury S&P Rating Report (Pages 83-87)
 - State of CT Pension Information Request (Page 88)
9. Adjourn

Lisa Heavner
Chair

Board of Finance Meeting Schedule:
10/17/23, 11/17/23, 12/19/23, 1/16/24



Town of Simsbury Retirement Plans

Board of Finance Meeting - September 2023

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Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is risk of loss.

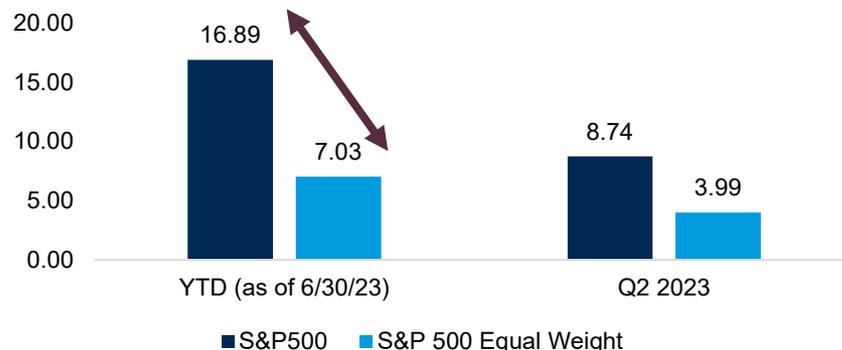


Market Themes

1. The S&P 500 continued its Q1 rally through June led by a narrow band of securities. The technology and artificial intelligence heavy rally has pushed the NASDAQ up an impressive 32% YTD helping propel large cap U.S. stocks up for the quarter.
2. One of the most anticipated recessions of all time has yet to materialize, though risks are rising. Continued contraction in leading economic indicators along with tighter financial conditions point to greater potential for slower economic growth.
3. Q2 data continued the moderating inflation trend with the Consumer Price Index hitting 4% for the first time since 2021. This supports our view the Fed is nearer, if not at, the terminal Fed Funds rate.

S&P 500 Index Return: The Power of Concentration

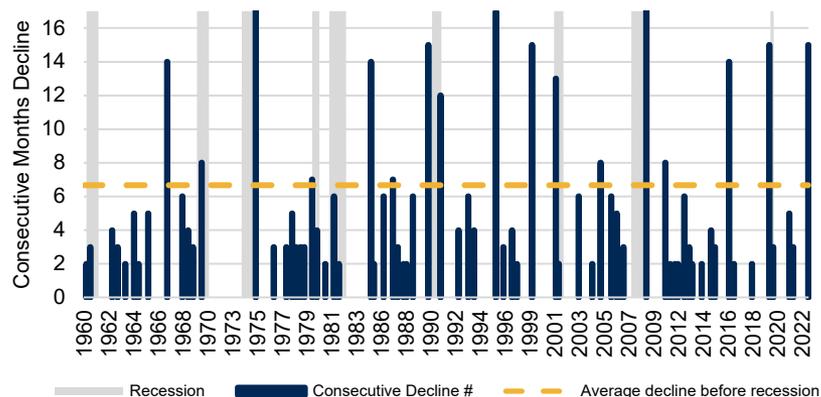
Today, the top five constituents of the S&P 500 make up 22.4% of the index and has driven 56% of returns YTD. This is the highest level of concentration in the past five years and over eight percent higher than the dot com bubble.



Source: Morningstar, Fiducient Advisors analysis June 30, 2023

Leading Indicators Have Contracted

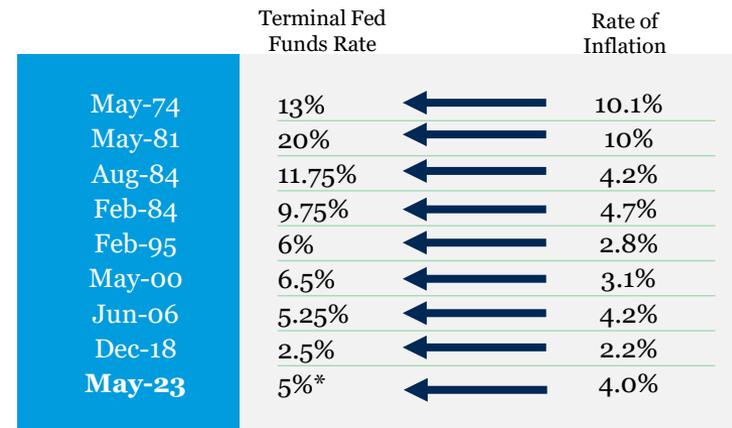
The LEI index has contracted 15 consecutive months, well in excess of the recessionary "redzone" which begins to draw attention after six months of declines.



Source: Factset, Fiducient Advisors analysis June 30, 2023

Light at the End of the Tunnel

Past rate hiking cycles in the U.S. ended after the terminal Fed Funds Rate exceeded inflation. The Fed Funds Rate surpassed the annual inflation rate in May marking the first time in this cycle this has occurred.

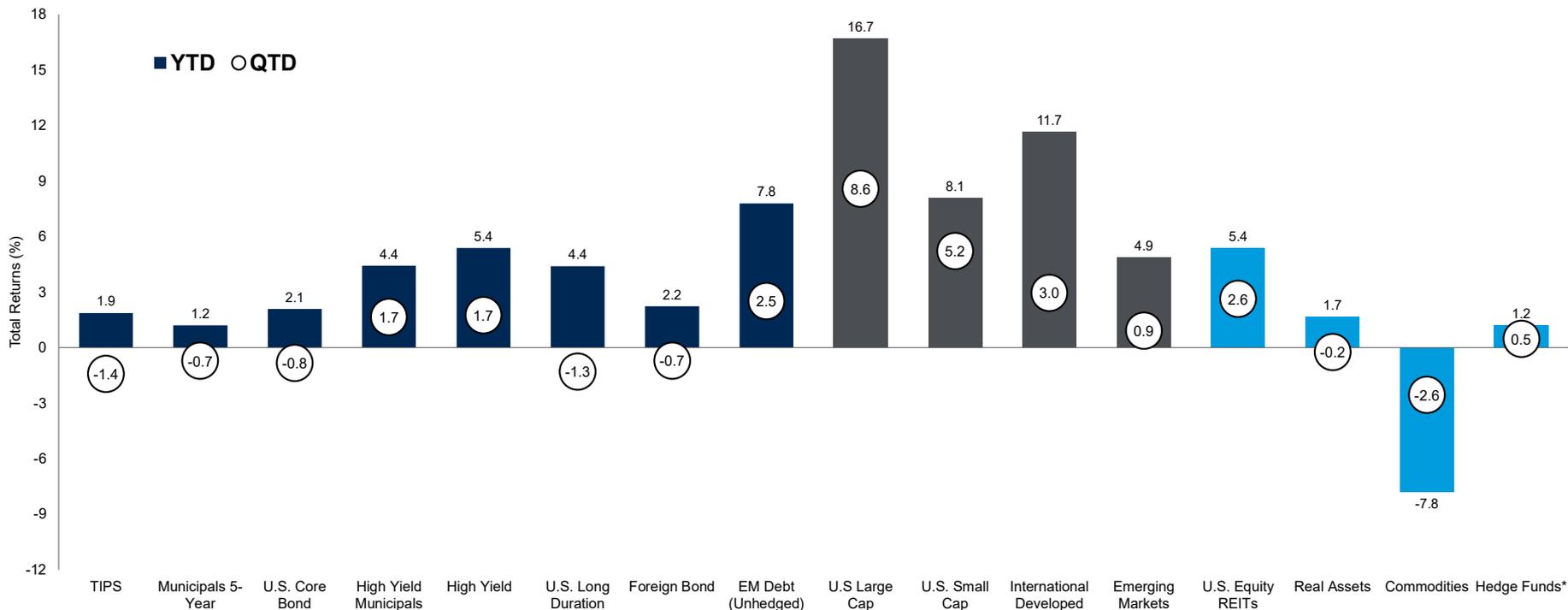


Source: Stategous June 30, 2023

*5% is the Fed Funds Rate of of June 30, 2023. It does not imply 5% will be the terminal rate



Asset Class Returns



Source: Morningstar Direct. As of June 30, 2023. *Hedge fund returns as of May 31, 2023.

Fixed Income (2Q)

- Volatility in interest rate markets continued in the second quarter, as investors grappled with the future of Fed policy. Ultimately, rates ended higher, providing a headwind for bonds.

+ Credit sectors generally fared well, as spreads compressed through the quarter on improved sentiment.

- Inflation continued to moderate during the quarter and posed a headwind for TIPS. Weakness in the U.S. Dollar was a tailwind for foreign bonds but persistent inflation outside the U.S. muted returns.

Equity (2Q)

+ Equity markets posted gains broadly. In the U.S., large cap outperformed on strong mega-cap tech returns. Small cap fared well amid improving sentiment and strong value sector performance.

+ Non-U.S. developed posted positive returns during the quarter. Strength in Europe and Japan contributed to returns. A falling dollar provided an added tailwind.

+ Emerging market equity posted a modest positive return. Concerns over China's economic growth offset positive returns in Europe.

Real Asset / Alternatives (2Q)

+ U.S. REITs gained with strength in residential and data centers. However, clouds still linger over the office market.

- Commodity markets took a step back in the quarter, largely driven by a pullback in the energy sector and industrial metals.

+ Hedge Funds saw modest gains for the first two months of the quarter.

Town of Simsbury Pension Plans

Total Performance Summary & Manager Summary As of June 30, 2023

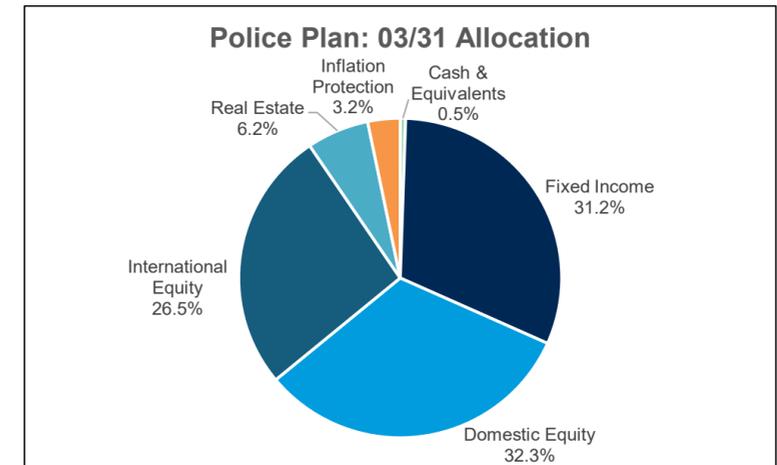
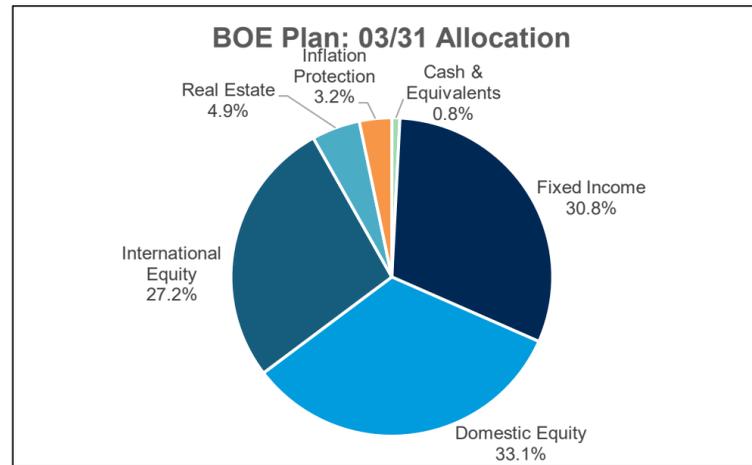
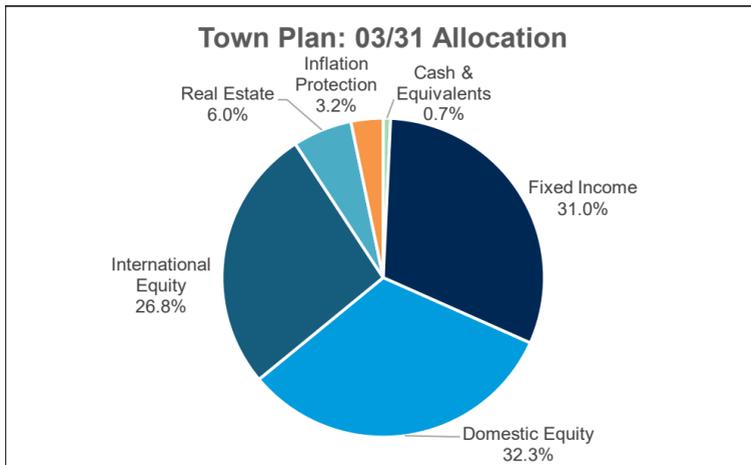
Trailing Performance Summary

	QTR	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
Simsbury Town Plan	2.4%	6.9%	7.1%	5.6%	5.1%	6.3%	6.0%	7.0%
Blended Benchmark*	2.7%	7.5%	7.8%	5.7%	5.1%	6.3%	6.3%	7.3%
Simsbury BOE Plan	2.5%	7.2%	7.5%	5.7%	5.2%	6.3%	6.0%	7.0%
Blended Benchmark*	2.7%	7.5%	7.8%	5.7%	5.1%	6.3%	6.3%	7.3%
Simsbury Police Plan	2.4%	6.9%	7.3%	5.7%	5.2%	6.3%	6.0%	7.1%
Blended Benchmark*	2.7%	7.5%	7.8%	5.7%	5.1%	6.3%	6.3%	7.3%

*Blended Benchmark as of 12/01/2022 is 32.50% Blmbg. U.S. Aggregate, 31.50% Russell 3000 Index, 16.50% MSCI AC World ex USA (Net), 6.00% MSCI EAFE Small Cap (Net), 5.00% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index. For a complete history of the benchmark composition, please see Fiducient Advisors Quarterly Investment Review.

Asset Allocation

Manager	Manager Status	Town Plan Asset Allocation (\$)	Town Plan Asset Allocation (%)	BOE Plan Asset Allocation (\$)	BOE Plan Asset Allocation (%)	Police Plan Asset Allocation (\$)	Police Plan Asset Allocation (%)	Long Term Target Allocation (%)
Total Plan		27,442,403	100.0	27,995,811	100.0	20,387,249	100.0	100.0
Cash & Equivalents		202,685	0.7	227,008	0.8	109,818	0.5	0.0
Allspring Gov't Money Market		202,685	0.7	227,008	0.8	109,818	0.5	0.0
Fixed Income		8,499,853	31.0	8,630,693	30.8	6,354,746	31.2	32.5
Metropolitan West Total Return PI	Maintain	3,156,306	11.5	3,153,485	11.3	2,356,334	11.6	12.25
Western Asset Core Plus Bond IS	Maintain	3,240,761	11.8	3,314,984	11.8	2,421,807	11.9	12.25
BlackRock Strategic Income Opportunities K	Maintain	2,102,787	7.7	2,162,224	7.7	1,576,604	7.7	8.0
Domestic Equity		8,858,697	32.3	9,254,582	33.1	6,584,050	32.3	31.5
Vanguard Instl Index	Maintain	6,157,921	22.4	6,337,869	22.6	4,548,429	22.3	21.5
Neuberger Berman Genesis R6	Maintain	2,700,776	9.8	2,916,713	10.4	2,035,621	10.0	10.0
International Equity		7,364,061	26.8	7,612,180	27.2	5,407,057	26.5	27.5
Hartford International Opportunities R6	Discuss	4,396,181	16.0	4,526,231	16.2	3,296,023	16.2	16.5
Templeton Instl Foreign Small Comp A	Maintain	1,632,509	5.9	1,673,429	6.0	1,168,673	5.7	6.0
Vanguard Emerging Markets Adm	Maintain	1,335,371	4.9	1,412,520	5.0	942,361	4.6	5.0
Real Estate		1,634,158	6.0	1,361,798	4.9	1,271,011	6.2	5.0
Barings Core Property Fund LP	Maintain	1,634,158	6.0	1,361,798	4.9	1,271,011	6.2	5.0
Real Assets		882,949	3.2	909,550	3.2	660,567	3.2	3.5
DWS RREEF Real Assets Fund R6	Maintain	882,949	3.2	909,550	3.2	660,567	3.2	3.5



Important Disclosure Information: Past performance may not be indicative of future results. Account information has been compiled solely by Fiducient Advisors, has not been independently verified, and does not reflect the impact of taxes on non-qualified accounts. In preparing this report, Fiducient Advisors has relied upon information provided by third party sources. A copy of our current written disclosure statement discussing our advisory services and fees continues to remain available for your review upon request. Historical performance results for investment indices and/or categories have been provided for general comparison purposes only, and generally do not reflect the deduction of transaction and/or custodial charges, the deduction of an investment management fee, nor the impact of taxes, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that your account holdings correspond directly to any comparative indices.

Town of Simsbury OPEB Plan

Total Performance Summary & Manager Summary As of June 30, 2023

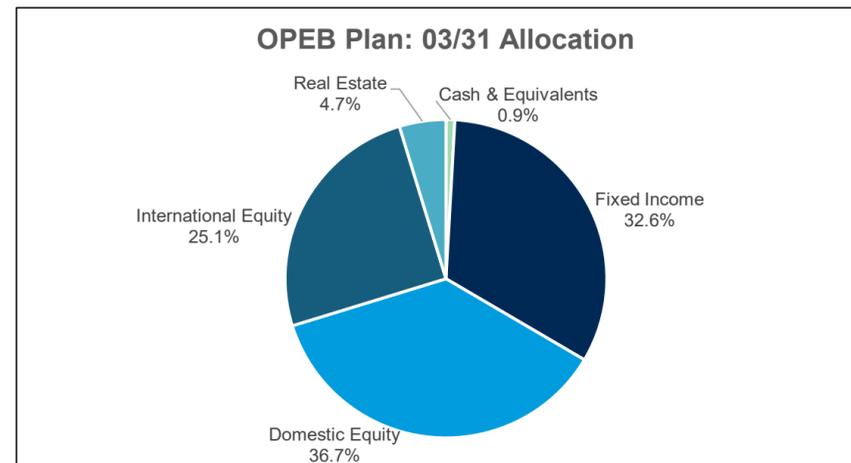
Trailing Performance Summary

	<u>QTR</u>	<u>Fiscal YTD</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>	<u>7-Year</u>	<u>10-Year</u>	<u>Since Inception</u>
Simsbury OPEB Plan	3.0%	8.6%	8.8%	6.3%	5.7%	6.4%	6.2%	5.5%
Blended Benchmark*	2.9%	8.3%	9.2%	6.2%	5.7%	6.5%	6.2%	5.5%

*Blended Benchmark as of 4/1/2017 is 17.5% Bloomberg Barclays U.S. Aggregate Index; 17.5% Bloomberg Barclays U.S. TIPS Index; 26% S&P 500 Index; 6% Russell Midcap Index; 3% Russell 2000 Index; 19% MSCI EAFE Index; 6% MSCI Emerging Markets Index; 2.5% Cohen Steers Realty Majors Index; 2.5% FTSE EPRA/NAREIT Developed ex U.S. Index. For a complete history of the benchmark composition, please see Fiducient Advisors Quarterly Investment Review.

Asset Allocation

<u>Manager</u>	<u>Manager Status</u>	<u>Town Plan Asset Allocation (\$)</u>	<u>Town Plan Asset Allocation (%)</u>	<u>Long Term Target Allocation (%)</u>
Total Plan		21,524,825	100.0	100.0
Cash & Equivalents		190,441	0.9	0.0
Raymond James Bank Deposit		190,441	0.9	0.0
Fixed Income		7,021,914	32.6	35.0
iShares TIPS Bond ETF	Maintain	3,494,637	16.2	17.5
iShares Core U.S. Aggregate Bond ETF	Maintain	3,527,277	16.4	17.5
Domestic Equity		7,902,867	36.7	35.0
iShares Core S&P 500 ETF	Maintain	6,113,358	28.4	26.0
iShares Russell Midcap ETF	Maintain	1,239,684	5.8	6.0
iShares Russell 2000 ETF	Maintain	549,825	2.6	3.0
International Equity		5,403,096	25.1	25.0
iShares MSCI EAFE ETF	Maintain	4,255,460	19.8	19.0
iShares MSCI Emerging Markets ETF	Maintain	1,147,636	5.3	6.0
Real Estate		1,006,507	4.7	5.0
iShares Cohen & Steers REIT ETF	Maintain	523,914	2.4	2.5
iShares Intl Developed Property ETF	Maintain	482,593	2.2	2.5



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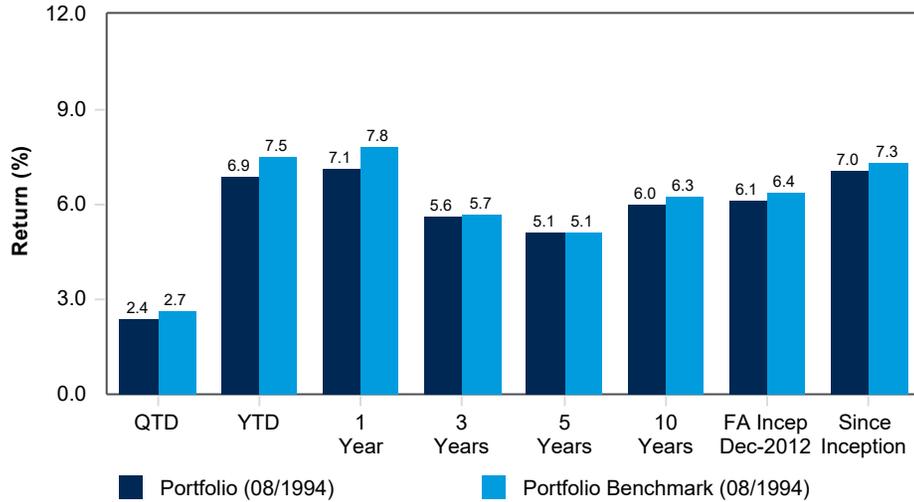


Portfolio Dashboard

Town Plan

As of June 30, 2023

Historical Performance



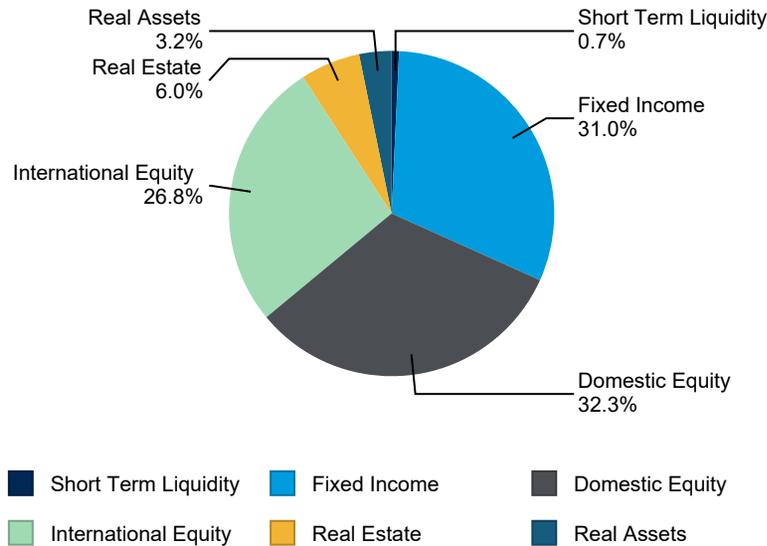
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Town Plan				
Beginning Market Value	27,313,475	26,674,735	26,299,388	4,896,705
Net Contributions	-512,136	-1,043,953	-679,956	-7,493,592
Gain/Loss	641,064	1,811,621	1,822,970	30,039,290
Ending Market Value	27,442,403	27,442,403	27,442,403	27,442,403

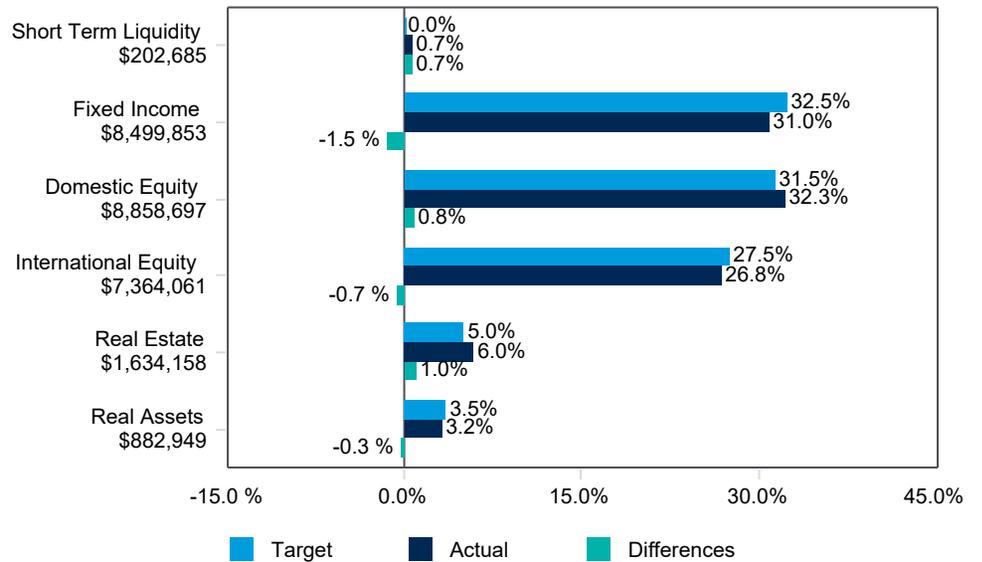
Current Benchmark Composition

From Date	To Date	Composition
12/2022	Present	32.50% Blmbg. U.S. Aggregate, 31.50% Russell 3000 Index, 16.50% MSCI AC World ex USA (Net), 6.00% MSCI EAFE Small Cap (Net), 5.00% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



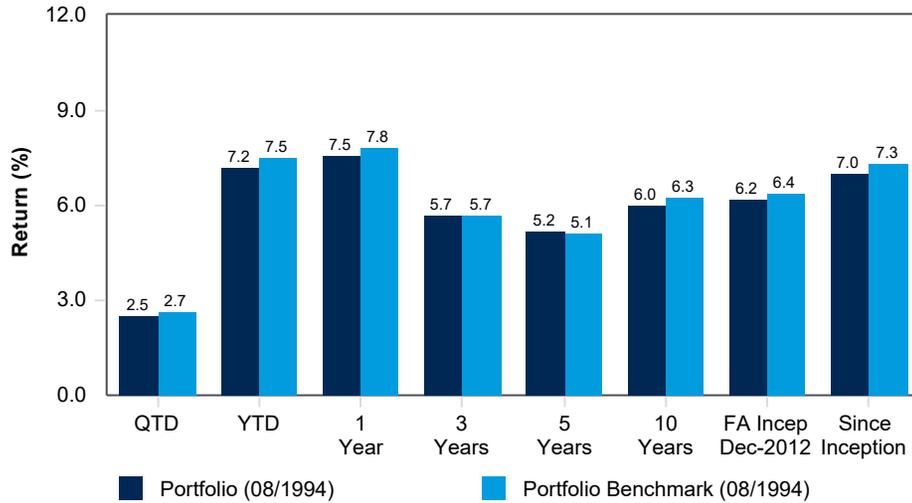


Portfolio Dashboard

Board of Education

As of June 30, 2023

Historical Performance



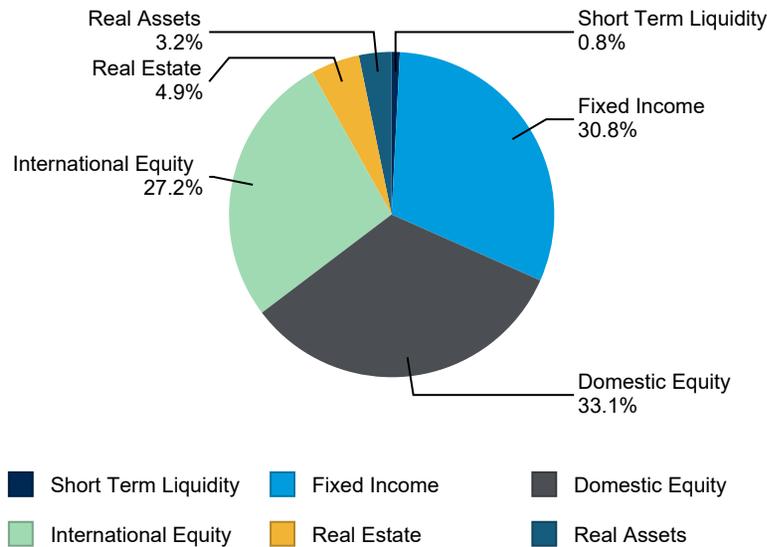
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Board of Education				
Beginning Market Value	27,856,476	27,118,409	26,490,305	3,743,350
Net Contributions	-540,759	-1,034,441	-543,359	-1,265,023
Gain/Loss	680,094	1,911,842	2,048,864	25,517,484
Ending Market Value	27,995,811	27,995,811	27,995,811	27,995,811

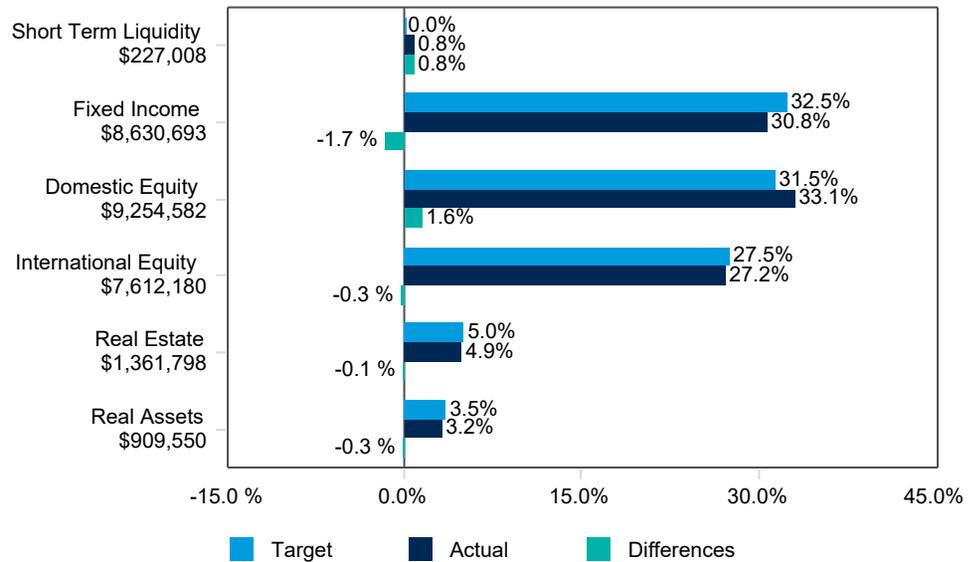
Current Benchmark Composition

From Date	To Date	Composition
12/2022	Present	32.50% Blmbg. U.S. Aggregate, 31.50% Russell 3000 Index, 16.50% MSCI AC World ex USA (Net), 6.00% MSCI EAFE Small Cap (Net), 5.00% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



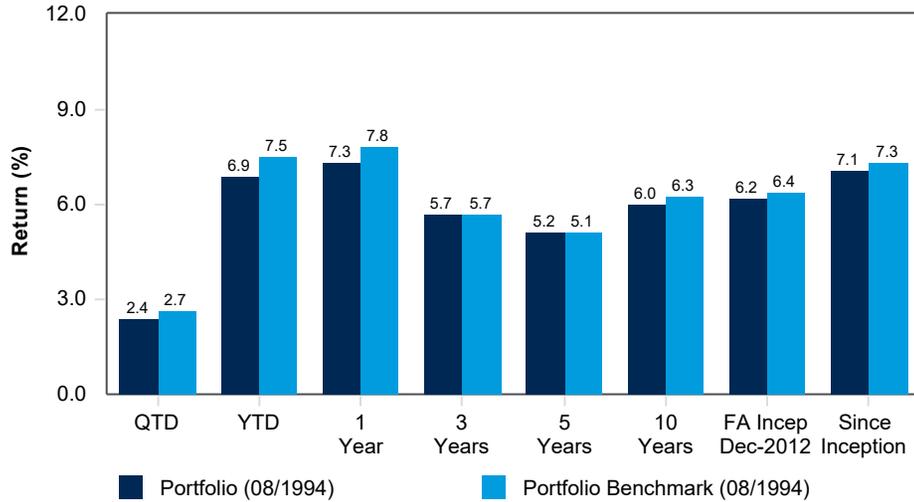


Portfolio Dashboard

Police Plan

As of June 30, 2023

Historical Performance



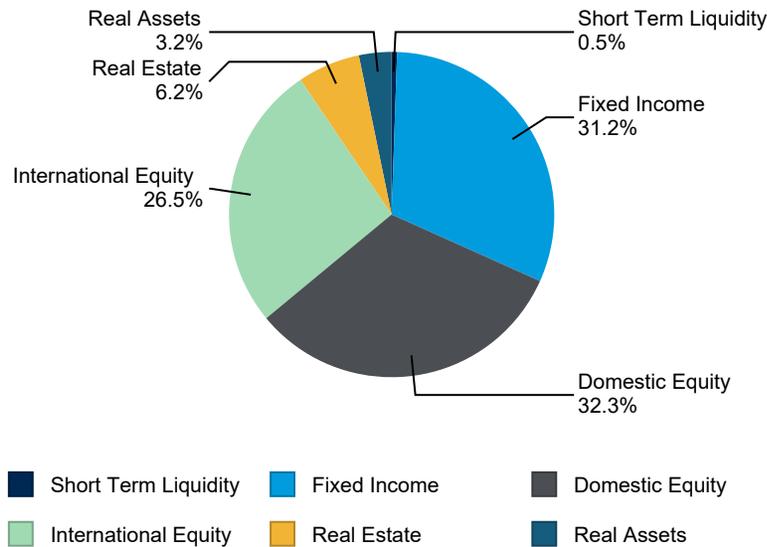
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Police Plan				
Beginning Market Value	20,167,421	19,698,581	19,576,476	3,402,802
Net Contributions	-249,936	-643,808	-525,063	-6,129,225
Gain/Loss	469,764	1,332,476	1,335,836	23,113,672
Ending Market Value	20,387,249	20,387,249	20,387,249	20,387,249

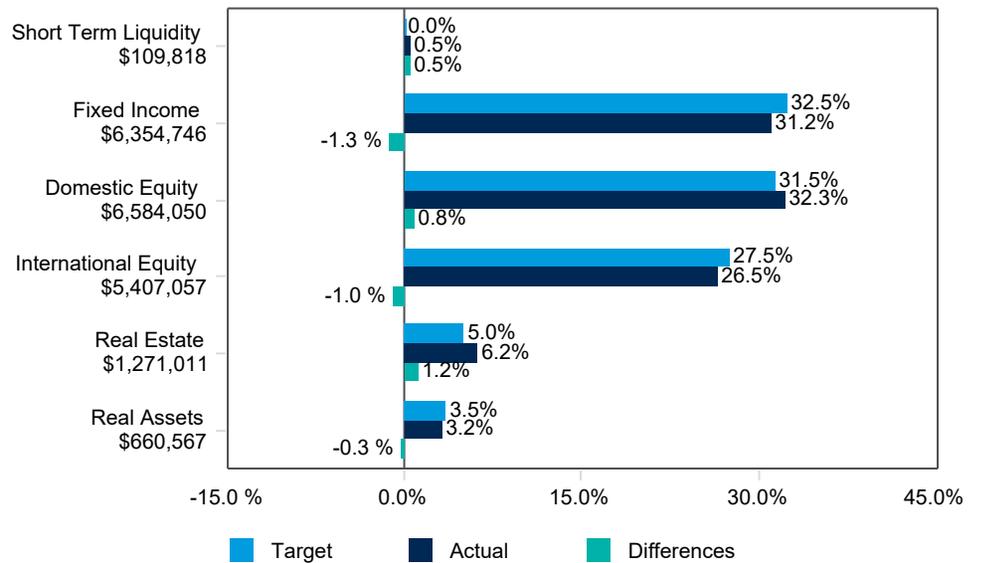
Current Benchmark Composition

From Date	To Date	Composition
12/2022	Present	32.50% Blmbg. U.S. Aggregate, 31.50% Russell 3000 Index, 16.50% MSCI AC World ex USA (Net), 6.00% MSCI EAFE Small Cap (Net), 5.00% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



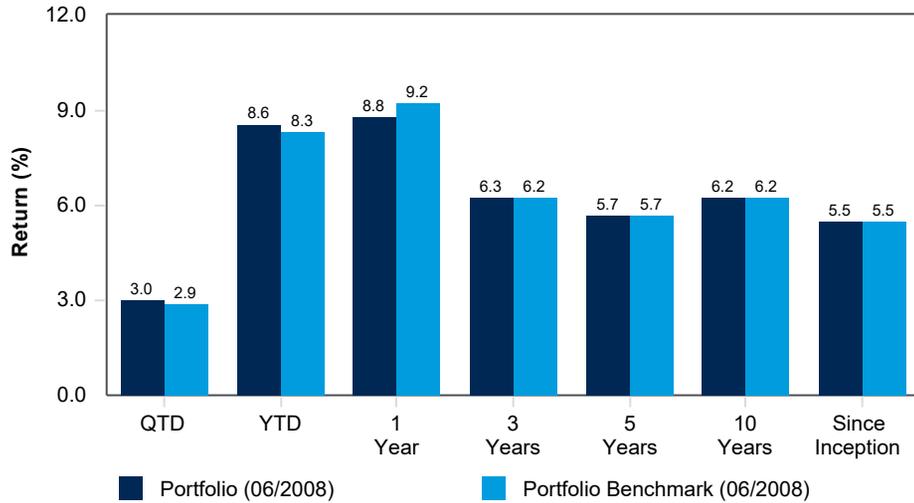


Portfolio Dashboard

Simsbury OPEB

As of June 30, 2023

Historical Performance



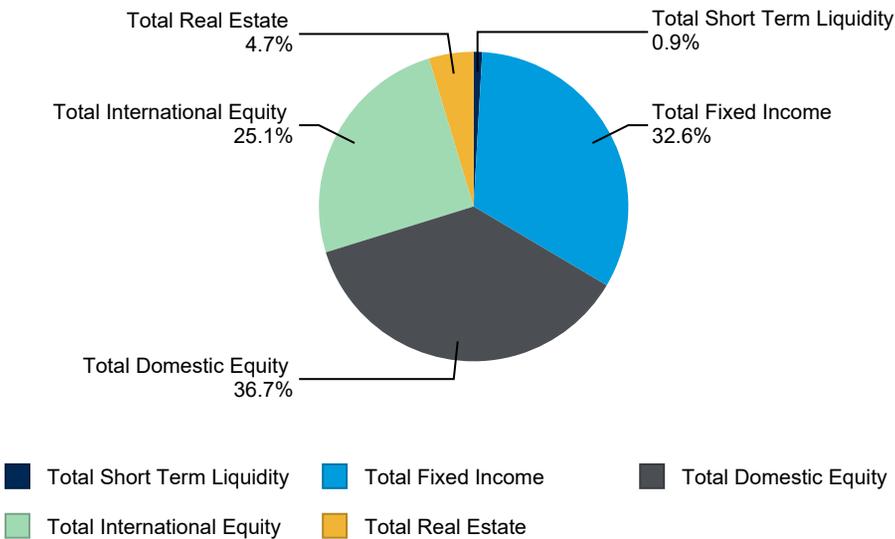
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Beginning Market Value	20,898,699	19,824,906	19,773,421	1,364,267
Net Contributions	-	-	-	10,356,217
Gain/Loss	626,126	1,699,919	1,751,404	9,804,340
Ending Market Value	21,524,825	21,524,825	21,524,825	21,524,825

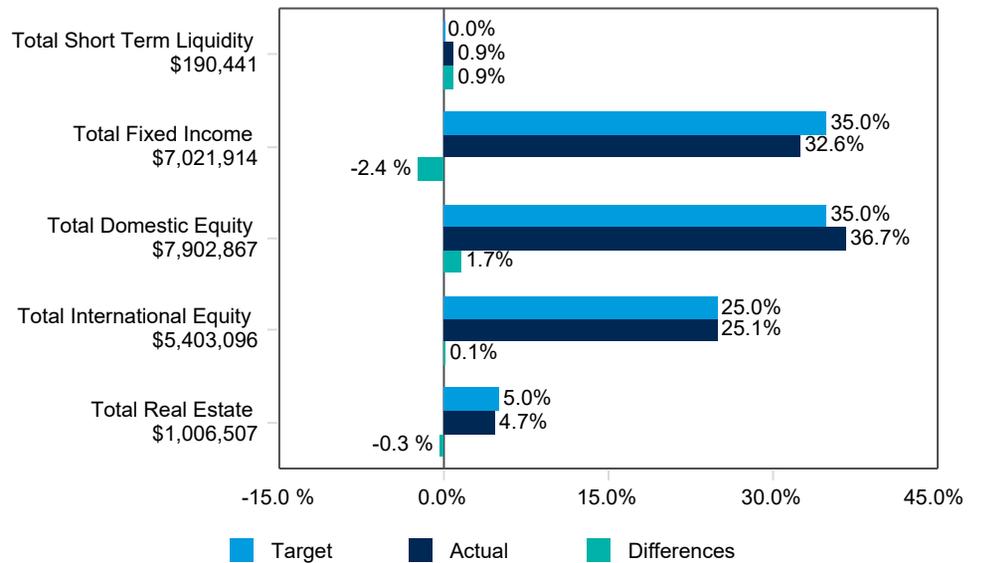
Current Benchmark Composition

From Date	To Date	Composition
04/2017	Present	17.50% Blmbg. U.S. Aggregate, 17.50% Blmbg. U.S. TIPS, 26.00% S&P 500, 6.00% Russell Midcap Index, 3.00% Russell 2000 Index, 19.00% MSCI EAFE (Net), 6.00% MSCI Emerging Markets (Net), 2.50% Cohen Steers Realty Majors Index, 2.50% FTSE EPRA/NAREIT Developed ex U.S. Index

Portfolio Allocation



Actual vs. Target Allocations





Fiduciary Governance Calendar



*Liquidity analysis is provided only for portfolios with marketable alternatives and/or private equity.

**Timing of actuarial review is dependent on client's individual plan and/or fiscal year and actuarial input.



Investment Policy Statement

A well-written Investment Policy Statement serves as the blueprint for the management of the investment program. As such, there are certain criteria that are required in an IPS, and other criteria that may or may not be included based on the organization’s circumstances:

Important elements of an IPS to consider:

Investment objective(s)	✓
Assignment of responsibilities	✓
Asset allocation framework	✓
Rebalancing guidelines	✓
Selection and monitoring criteria for investment strategies	✓
Termination guidelines for investment strategies	✓
Proxy Voting	✓

In the following pages, you will find the most recent IPS on file for the Town of Simsbury Pension Plans.

- The body of the IPS is as of September 2018, and the asset allocation table in Appendix A is as of September 2022.
- The IPS was most recently reviewed/approved by the Investment Committee in September 2022.
- There are no recommendations for change at this point in time.



Committee/Board Best Practices

Structure/Makeup

- **Leadership**
 - ✓ Effective leader with the ability to see the big picture and set the direction to achieve the Plan's objectives
 - ✓ Keeps meetings running smoothly and efficiently, guides discussion, encourages participation
- **Committee/Board Makeup**
 - ✓ Controlled turnover leads to well-informed Committee/Board members with institutional memory
 - ✓ Diversity (of age, gender, economic background, profession, etc.) fosters lively discussion and varied points of view
 - ✓ Large enough to promote meaningful discussion/debate, but small enough to reach consensus
 - ✓ Seek ongoing Committee/Board education to enable members to make informed decisions.

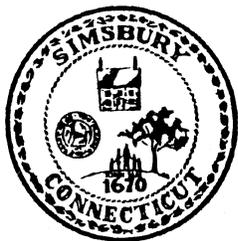
Governance

- **Meeting Frequency/Attendance**
 - ✓ Meetings must be frequent enough for the Committee/Board to fulfill its duties, not so frequent as to discourage attendance
 - ✓ Meeting attendance is expected, member participation should be encouraged
- **Meeting Preparation**
 - ✓ Use of a formal agenda leads to a structured, efficient meeting
 - ✓ Materials should be sent in advance and reviewed by all members prior to the meeting
- **Governance Calendar**
 - ✓ Ensures that significant fiduciary responsibilities/obligations are reviewed on a regular basis, including fees
 - ✓ Allows for a structured long-term approach in the face of potential short-term "fire drills"

Documentation

- **Investment Policy Statement**
 - ✓ Serves as the Committee's/Board's blueprint
 - ✓ Outlines roles and responsibilities of the Committee/Board members and other parties
 - ✓ Establishes formal procedures for hiring/terminating managers, evaluating performance, etc.
- **Meeting minutes**
 - ✓ Should be reviewed and approved by all Committee/Board members on a timely basis
 - ✓ Provide historical context for why/how decisions were made and educate newer members on past decisions
- **Clearly outlined goals and objectives**
 - ✓ Require well-defined methods for evaluation

Note: This is not meant to be a complete list of all fiduciary duties and responsibilities. Please consult your legal advisor for advice about your specific situation.



Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

TOWN OF SIMSBURY DEFINED BENEFIT PENSION PLANS INVESTMENT POLICY STATEMENT

Adopted by the Retirement Plan Subcommittee in November 2012

Amended on September 12, 2018

Adopted by the Board of Finance on July 30, 2019

I. Introduction & Purpose

The TOWN OF SIMSBURY DEFINED BENEFIT PENSION PLANS (the “Plans”) have been established to provide retirement benefits to those individuals eligible to receive them. This policy statement outlines the goals and investment objectives for the Plans. This document is intended to provide guidelines for managing the Plans, and to outline specific investment policies that will govern how those goals are to be achieved. This statement:

- Describes the investment objectives of the Plans;
- Defines the responsibilities of the Board of Finance, Retirement Plan Sub-Committee (“Committee”) and other parties responsible for the management of the Plans;
- Establishes investment guidelines regarding the selection of investment managers and diversification of assets;
- Specifies the criteria for evaluating the performance of the investment managers and of the Plans as a whole.

II. Investment Objective

The Plans’ assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plans, the Board of Finance has taken into account the financial needs and circumstances of the Town of Simsbury, the time horizon available for investment, the nature of the Plans’ cash flows and liabilities, and other factors that affect their risk tolerance. Consistent with this, the Board of Finance has determined that the investment of these assets shall be guided by the following underlying goals:

- To achieve the stated actuarial target of the Plans;
- To maintain sufficient liquidity to meet the obligations of the Plans;
- To diversify the assets of the Plans in order to reduce risk;
- To achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and of appropriate market indexes.

III. Assignment of Responsibilities

Board of Finance - In accordance with Simsbury’s Town Charter, Section 808, “The Board of Finance shall supervise and maintain the Town pension and other post-employment benefit funds in accordance with rules and regulations contained in agreements between the Town employees and the Town of Simsbury and or the Board of Education regarding pension and

other post-employment benefits. The Board of Finance shall, after consultation with the Board of Education and the Board of Selectmen, ensure the pension funds are prudently invested and shall also supervise and maintain the Retiree Benefit Fund established pursuant to the Town code of ordinances and designate the annual contribution to be made to insure said pension and post-employment funds. The investment and management of the assets of any such fund shall be in compliance with the prudent investor rule as set forth in Conn. Gen. Stat. Sections 45a-541 to 45a-541 | inclusive of the General Statutes.”

The Board of Finance shall:

1. Oversee compliance by the investment manager(s) with the investment policy;
2. Evaluate the performance of the investment manager(s) against specific investment objectives;
3. Approve fee schedules of the investment manager(s) based on contractual agreements;
4. Select the investment custodian(s); and,
5. Approve the continuation of business relationships with investment manager(s), custodian(s), and other vendors, if any.

The Board of Finance may delegate its authority to act on its behalf to certain members or agents (such as the Town Manager, the Director of Finance, or designated Sub-Committees). The Board of Finance shall discharge its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Board of Finance recognizes that some risk must be assumed to achieve the Plans’ long-term investment objectives. The Board of Finance will receive and review reports from the Town’s investment advisor on a semi-annual basis. The Board of Finance will review recommendations provided by the Retirement Plan Sub-Committee at their next regularly scheduled meeting.

Retirement Plan Sub-Committee – The Retirement Plan Sub-Committee is formed to satisfy the Simsbury Town Charter requirement that the Board of Finance consult with the Board of Selectmen and Board of Education. The Committee is charged with the responsibility of evaluating the assets of the Plans and recommending any changes to the Board of Finance. To that end, the Committee’s responsibilities include: recommending to the Board of Finance the Plans’ investment policy, objectives and portfolio guidelines with respect to asset allocation, risk parameters, and return evaluation and for specific interpretation of said investment policy, as well as selecting the investment vehicles, and periodically monitoring the performance of investments. The Committee will meet periodically. The Committee shall discharge its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Committee recognizes that some risk must be assumed to achieve the Plans’ long-term investment objectives.

Investment Consultant – The Board of Finance will engage the services of an Investment Consultant. The Investment Consultant’s role is that of a non-discretionary advisor to the Board of Finance and the Committee. The Investment Consultant will assist in the development and periodic review of an Investment Policy Statement and the Plans’ asset allocation, conduct manager searches when necessary, monitor the performance of the managers/funds, and communicate on other matters of relevance to the oversight of the Plans.

Custodian – The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plans, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also

perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plans accounts (for example, to accommodate distribution needs).

IV. Asset Allocation

The asset allocation target ranges set forth in Appendix A represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range.

V. Rebalancing

The Board of Finance, at its discretion, may or may not institute rebalancing as necessary. Such adjustments should be executed with consideration to turnover, transaction costs, and realized losses over the long term. The necessity to rebalance will be reviewed periodically.

VI. Selection Criteria for Investment Managers

Investment managers/funds retained by the Plans shall be chosen using various criteria, including but not limited to the following:

- Past results, considered relative to appropriate indexes and other investments having similar investment objectives. Consideration shall be given to both consistency of performance and the level of risk taken to achieve results;
- The investment style and discipline of the investment manager;
- How well the manager's investment style or approach complements other assets in the Plans;
- Level of experience, personnel turnover, financial resources, and staffing levels of the investment management firm or fund.

The Plans will utilize a multi-manager structure of complementary investment styles and asset classes to invest the Plans' assets.

The Investment Consultant is additionally tasked with regular oversight of the roster of investment managers deployed on the Plans' behalf. The motivation for this effort is to ensure that the managers continue to administer their portfolios in a manner consistent with the overall approaches and qualifications that appealed to the Board of Finance initially and that anomalies and deviations from these approaches and qualifications are identified and addressed. When deemed necessary, the Investment Consultant will provide other manager candidates for the Board of Finance's consideration.

Should additional contributions and/or market value growth permit, the Board of Finance may retain additional investment managers to invest the assets of the Plans. Additional managers would be expected to diversify the Plans by investment style, asset class, and management structure and thereby enhance the probability of the Plans achieving its long-term investment objectives.

VII. Securities Guidelines

The Plans' investments may include separately managed accounts and/or mutual funds/co-mingled funds, including marketable and non-marketable alternatives and exchange traded funds. The Board of Finance understands that managers have full responsibility for security selection, diversification, turnover and allocation of holdings among selected securities and industry groups, as particularly detailed in the Investment Policy Statement of each of the Plans' separately managed accounts or in the prospectus/offering memorandum for each mutual fund/co-mingled fund/exchange traded fund in the portfolio. No securities will be purchased, or carried, on margin.

With respect to mutual/co-mingled funds, the Board of Finance will consider the following to insure proper diversification and function for each of the funds:

1. The mutual fund/co-mingled pool organizations selected should demonstrate: (a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.
2. The mutual fund/co-mingled pool used will generally have at least a full three-year track record, or its equivalent, and the individual fund/pool must have at least \$25 million under management (or, as an organization, \$100 million in the same strategy) at the time of selection.
3. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.
4. With respect to hedge fund-of-funds, in addition to meeting each of the three above-specified criteria, each fund-of-funds will include an appropriate number of hedge fund managers to be considered well diversified. Investment strategies in hedge fund-of-funds may generally include: long/short U.S. equity, global equity, derivatives, distressed debt and other fixed income strategies, currency exposure, arbitrage and event driven strategies, and additional strategies with low correlation to traditional asset classes.

VIII. Proxy Voting

Each investment manager is responsible for and empowered to exercise all rights, including voting rights, as are acquired through the purchase of securities, where practical. Each investment manager shall vote proxies in the best interest of the Town of Simsbury. A copy of each firm's guidelines, and/or summary of proxy votes shall be provided to the Board of Finance or Committee upon request.

IX. Investment Monitoring and Reporting

The Board of Finance and Committee will periodically review performance of the investments in the Plans. Performance monitoring is the mechanism for revisiting the investment selection process and confirming that the criteria originally satisfied remain intact and that an investment continues to be appropriate for the Plans. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going process.

Monitoring should occur on a periodic basis. The monitoring process will utilize the same criteria that formed the basis of the investment selection decision. In addition, a set of "watch list criteria" may be employed to track important quantitative and qualitative elements, assist in the evaluation process, and focus the Board of Finance and Committee on potential areas of concern.

Watch list criteria may include the following:

- Performance relative to benchmark performance over various time frames;
- Deterioration of risk-adjusted performance;
- Notable style drift / change in investment objective;
- High manager fees relative to peers;
- Significant organizational or manager change.

X. Termination of an Investment Manager or Fund

A manager/fund may be terminated when the Board of Finance has lost confidence in the manager's ability to:

- Achieve performance and risk objectives;
- Comply with investment guidelines;
- Comply with reporting requirements;
- Maintain a stable organization and retain key investment professionals.

There are no hard and fast rules for manager termination. However, if the investment manager has consistently failed to adhere to one or more of the above conditions, termination may be considered. Failure to remedy the circumstances of unsatisfactory performance by the manager/fund, within a reasonable time, may be grounds for termination.

Any recommendation to terminate a manager/fund will be treated on an individual basis and will not be made solely based on quantitative data. In addition to those above, other factors may include, but shall not be limited to, professional or Town of Simsbury turnover, or material change to investment processes.

The process for selecting a replacement for a terminated manager would follow the criteria outlined in the section of this Investment Policy Statement titled Selection Criteria for Investment Managers.

XI. Approval

It is understood that this investment policy is to be reviewed periodically by the Board of Finance and Committee to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the investment managers.

The Town of Simsbury:

By: _____

Signature: _____

Date: _____

Title: _____

Appendix A
Updated September 2022

Target Asset Allocation Table

Asset Class	Min Weight	Target Weight	Max Weight	Benchmark Index
Domestic Equities	21.5%	31.5%	41.5%	Russell 3000 Index
International Equities	17.5%	27.5%	37.5%	MSCI ACWI ex-U.S. Index; MSCI EAFE Small Cap Index; MSCI Emerging Markets Index.
Fixed Income	22.5%	32.5%	42.5%	Barclays Capital Aggregate Index
Real Estate	0.0%	5.0%	10.0%	NCREIF Index
Real Assets	0.0%	3.5%	7.0%	Diversified Real Asset Index

FLASH Memo

Subject: TCW Fixed Income Team – Upcoming Retirements and Promotions

Previous Status: Maintain

Current Status: Watch

Effective Date: August 2023

Overview

TCW recently announced significant changes to the fixed income team, including the upcoming retirements of two longstanding Generalist Portfolio Managers, Laird Landmann and Stephen Kane. Mr. Landmann will be retiring at the end of 2023, with Mr. Kane retiring no earlier than the end of 2024. Bryan Whalen, who currently serves as co-CIO and Generalist Portfolio Manager alongside Mr. Kane, will remain in his role and will become the sole CIO at the end of 2023. Mr. Kane will continue to serve as a Generalist Portfolio Manager until his retirement.

Ruben Hovhannisyan and Jerry Cudzil will join the Generalist Portfolio Manager team, effective immediately. Mr. Hovhannisyan has worked directly in support of the Generalist team for 16 years, while Mr. Cudzil has been with the firm for over 10 years and previously served as Co-Head of Credit and Head of Credit Trading. TCW's team approach, where the Generalist Portfolio Managers set the top-down macro-orientation and risk budget while the sector specialists conduct the bottom-up security selection within their respective coverage areas, is expected to continue.

The fixed income team also promoted four senior research professionals (Tammy Karp, Drew Sweeney, Ken Toshima and Palak Pathak) to a newly formed role, Senior Portfolio Manager. They will join the Generalist Portfolio Managers and Specialist Portfolio Managers (Liza Crawford, Brian Gelfand, Steven Purdy, Bret Barker, and Jamie Patton) on the newly formalized Fixed Income Investment Committee.

This report is intended for the exclusive use of clients or prospective clients (the "recipient") of Fiducient Advisors and the information contained herein is confidential and the dissemination or distribution to any other person without the prior approval of Fiducient Advisors is strictly prohibited. Information has been obtained from sources believed to be reliable, though not independently verified. Any forecasts are hypothetical and represent future expectations and not actual return volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. The opinions and analysis expressed herein are based on Fiducient Advisor research and professional experience and are expressed as of the date of this report. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is risk of loss.

Recommendation

Messrs. Landmann and Kane, along with former CIO Tad Rivelle (who departed the firm at the end of 2021), co-founded Metropolitan West Asset Management (“MetWest”) in 1996 before it was acquired by TCW in 2010. The three portfolio managers developed and implemented the relative value, contrarian philosophy MetWest is known for, and brought Bryan Whalen into the firm in 2004. The upcoming retirements of Laird Landmann and Stephen Kane are material and mark the next steps in the transition to the second generation of fixed income leadership.

The announcement comes on the heels of previous senior leadership departures, including Tad Rivelle’s retirement in 2021 and former CEO David Lippman’s departure in 2022. Katie Koch, CEO, filled the firm’s leadership position in February 2023. Bryan Whalen has been working alongside the founding investors for the better part of two decades and will continue to carry the torch within the investment team, but the newly named Generalist Portfolio Managers have large shoes to fill. While the team structure in place helps provide continuity in the process, the impact of the newly formalized Fixed Income Investment Committee is yet to be determined.

The changes to the fixed income team also come amidst challenging performance relative to peers and the benchmark for the MetWest Total Return strategy. The Generalist/Specialist structure has historically delivered favorable results through a risk-controlled top-down framework combined with strong underlying security selection from the specialist teams. Our evaluation of the changes will aim to determine if the team’s ability to deliver long-term alpha can continue in a similar fashion.

As a result of the upcoming retirements and team changes, we have placed the MetWest Total Return, TCW Core Fixed Income, MetWest Low Duration, and TCW Total Return strategies on “Watch” as we further monitor and evaluate the newly named portfolio managers, team structure, and portfolios. We do not recommend any action be taken at this time.



Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@fiducient.com.

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.



- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
 - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
 - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
 - **Principal Diversified Real Assets:** 35% BbgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
 - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.



- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI AC USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with \$100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.



- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where FA overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.



Custodian reports are the reports that govern the account. There will be different account values between Fiducient Advisors' reports and the custodian reports based on whether the report utilizes trade date or date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.

MATERIAL RISKS & LIMITATIONS

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.
-Liability Driven Investing (LDI) Assets

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.
-Short Term Liquidity

Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impacted by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrower.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from your custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact FA or your custodian immediately.



Simsbury DC

Quarterly Investment Review - Second Quarter 2023

This report is intended for the exclusive use of clients or prospective clients (the "recipient") of Fiducient Advisors and the information contained herein is confidential and the dissemination or distribution to any other person without the prior approval of Fiducient Advisors is strictly prohibited. Information has been obtained from sources believed to be reliable, though not independently verified. Any forecasts are hypothetical and represent future expectations and not actual return volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. The opinions and analysis expressed herein are based on Fiducient Advisor research and professional experience and are expressed as of the date of this report.

Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is risk of loss.



Fiducient Advisors Update



Retirement Plans

Featured Insights

- Webcast: Stable Value vs. Money Market Funds
- Target Date Year in Review
- Plan Sponsor News

Coming Soon

- Pension Pulse Newsletter
- The Public Fiduciary Newsletter



Endowments & Foundations

Featured Insights

- Nonprofit Investment Stewards Podcast

Coming Soon

- Steward Newsletter



The Wealth Office®

Featured Insights

- Blog: Don't Let Healthcare Costs Derail a Healthy Retirement
- Blog: Shield Your Wealth – Seven Steps to Better Protect Your Financial Information
- Blog: Preparing for Rising College Costs: Start Early & Save Often



REGISTER TODAY!
2023 Investor Conference
 September 27
 Boston
 Westin Copley Center





Fiducient Advisors Update



We are excited to announce **Sabrina Bailey** joins Fiducient Advisors as our new Chief Executive Officer effective July 31, 2023. As part of the firm's well-planned and thoughtful long-term succession plan, our current CEO, Bob DiMeo, ascends to Chairman and remains active in the firm serving clients, working on business development, mentoring younger colleagues and participating in high-level strategy. Sabrina most recently joins the firm from the London Stock Exchange Group, plc (LSEG) where she served as the Global Head, Investment and Wealth Solutions. She held previous leadership roles within the Investment Consulting divisions of Mercer International, Wills Towers Watson and Northern Trust.



Research Insights

- Monthly Market Recaps
- Monthly Market Updates
 - *Relief From the May-hem? - May*
 - *The Fed Effect - April*
- Mid-Year Capital Markets Outlook
- Marketable Alternatives Mid-Year Update
- Webcast: Fiducient Speaker Series with Jared Franz of Capital Group
- Private Markets Annual Update
- The Next Chapter in the Active vs. Passive Debate

2023 New Associates – Welcome!

Claire Ellis
Consulting Analyst

Brooke Robinson
Consulting Analyst

Alejandro Rodriguez
Senior Research Associate

Table of Contents



Section 1	Fiduciary Governance Calendar
Section 2	Second Quarter 2023 Executive Summary



Fiduciary Governance Calendar



Fiduciary Governance Calendar



Fiduciary Trail[®]

Fiduciary Lockbox[®]

¹ Plan Sponsors should prudently select *and* monitor participant advice and managed accounts providers.



Investment Menu Review and Trends



Investment Menu Design¹

Illustrated below is a “Gap” analysis exercise. A Gap analysis is designed to help identify possible areas of opportunity within a plan’s investment menu, while at the same time reducing overlap and potential confusion. Proper diversification among the broader asset classes is important as it provides participants the ability to construct an appropriately allocated portfolio based on their specific risk and return needs. The number of participants invested in each fund is shown below the fund name.

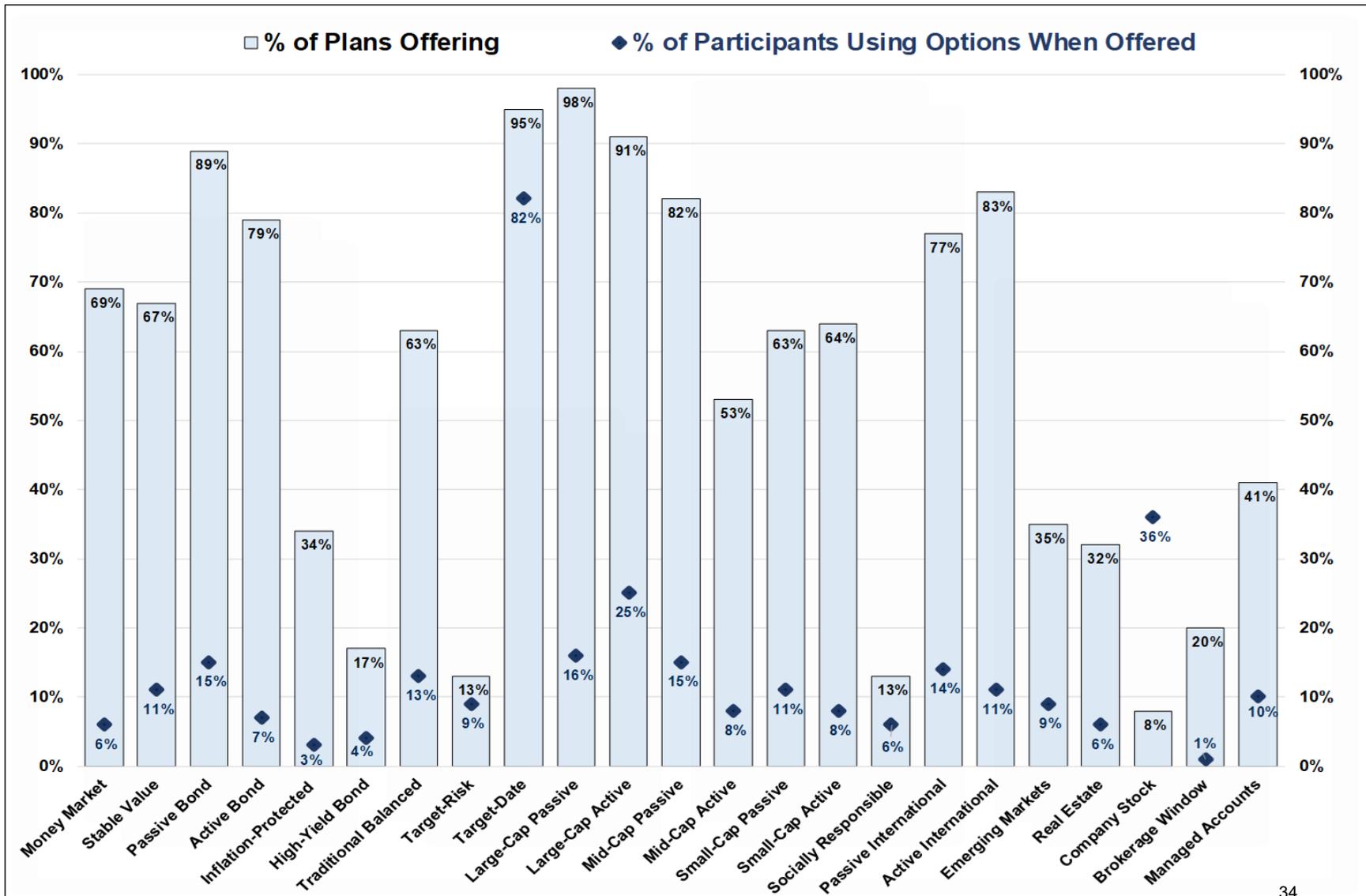
<u>Multi Asset</u>	<u>Capital Preservation</u>	<u>Fixed Income</u>	<u>Domestic Equity</u>			<u>Global / International</u>	<u>Other</u>
T. Rowe Price Retirement Funds I* 457: 121 BOE: 89 401(a): 56	VangtageTrust PLUS Fund R10 457: 52 BOE: 63 401(a): 1	Fidelity US Bond Index 457: 12 BOE: 6 401(a): 2 Western Asset Core Plus Bond IS 457: 23 BOE: 2 401(a): 1	<u>Large Value</u> Fidelity Large Cap Value Index 457: 5 BOE: 0 401(a): 1 MFS Value Fund R6 457: 38 BOE: 5 401(a): 1	<u>Large Blend</u> Fidelity 500 Index 457: 64 BOE: 13 401(a): 6	<u>Large Growth</u> Fidelity Large Cap Growth Index 457: 8 BOE: 1 401(a): 3 T. Rowe Price Growth Stock I 457: 52 BOE: 14 401(a): 1	Fidelity Total International Index 457: 7 BOE: 0 401(a): 2 Hartford International Opportunities R6 457: 31 BOE: 9 401(a): 3	
			<u>Mid Value</u> Fidelity Mid Cap Value Index 457: 1 BOE: 0 401(a): 0	<u>Small/Mid Blend</u> Fidelity Extended Market Index 457: 29 BOE: 11 401(a): 4	<u>Mid Growth</u> Fidelity Mid Cap Growth Index 457: 2 BOE: 0 401(a): 0		
			<u>Small/Mid Value</u> Vanguard Explorer Value Inv 457: 27 BOE: 9 401(a): 2		<u>Small/Mid Growth</u> Eaton Vance Atlanta Capital SMID-Cap R6 457: 33 BOE: 7 401(a): 2		
			<u>Small Value</u> Fidelity Small Cap Value Index 457: 2 BOE: 0 401(a): 0		<u>Small Growth</u> Fidelity Small Cap Growth Index 457: 2 BOE: 0 401(a): 0		

¹ Source: MissionSquare Managed Accounts
 457 Plan: 4
 BOE Plan: 1
 401(a) Plan: 0
 Number of participants as of 3/31/23
 457 Plan: 180
 BOE Plan: 142
 401(a) Plan: 61

*Indicates the current Qualified Default Investment Alternative (QDIA)



Investment Menu Benchmarking¹



¹Source: Vanguard's "How America Saves 2022" annual report.
www.FiducientAdvisors.com



QDIA Analysis



T. Rowe Price Retirement Funds

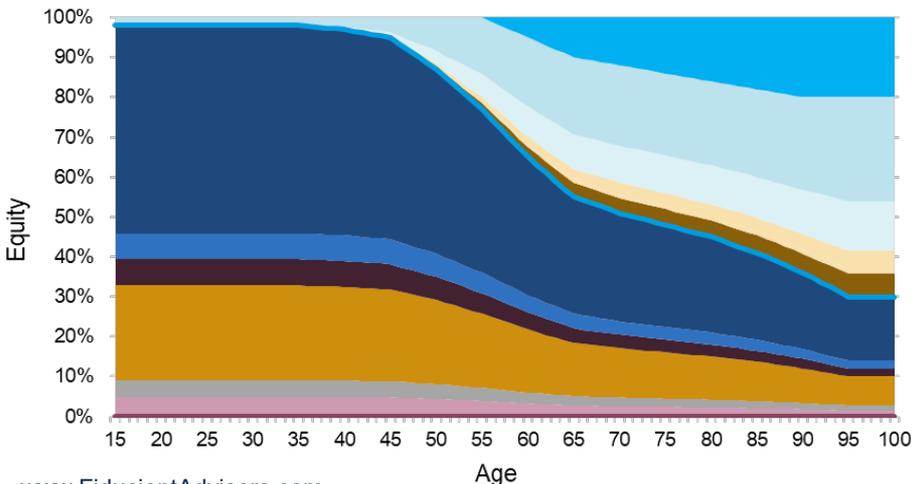
Strategy Overview:

- Launched in 2002, this strategy is run by lead PM Wyatt Lee, but final decisions are made by the T. Rowe Price Asset Allocation Committee.
- Utilizing internal T. Rowe Price strategies, the glide path is allocated primarily with active strategies.
- Portfolios are chosen based on desired asset class exposure, not the portfolio manager's assessment of a strategy's team and abilities.
- Tactical allocations can be made up to +/- 5% from the glide path. The team tends to look for allocation changes that are based on a 12 - 18 month timeframe.
- Terminal equity point is 30 years after retirement.
- The strategy can be accessed through both mutual funds and collective trusts.
- The strategy is available in five-year increments (2005 – 2065).

Updates:

- In June 2023, T. Rowe announced the addition of two underlying building blocks: US Hedged Equity and Dynamic Credit, both with the intent of dampening volatility of the portfolios where held. These strategies are only added to the glide path for vintages 10 years before retirement and into retirement
- In September 2021, T. Rowe announced the addition of the U.S. Structured Research Equity strategy as a building block.
- In May 2020, T. Rowe Price began to implement a change to the strategic glide path for its Retirement Funds, maintaining higher equity exposures across certain parts of the glide path.

Asset Allocation



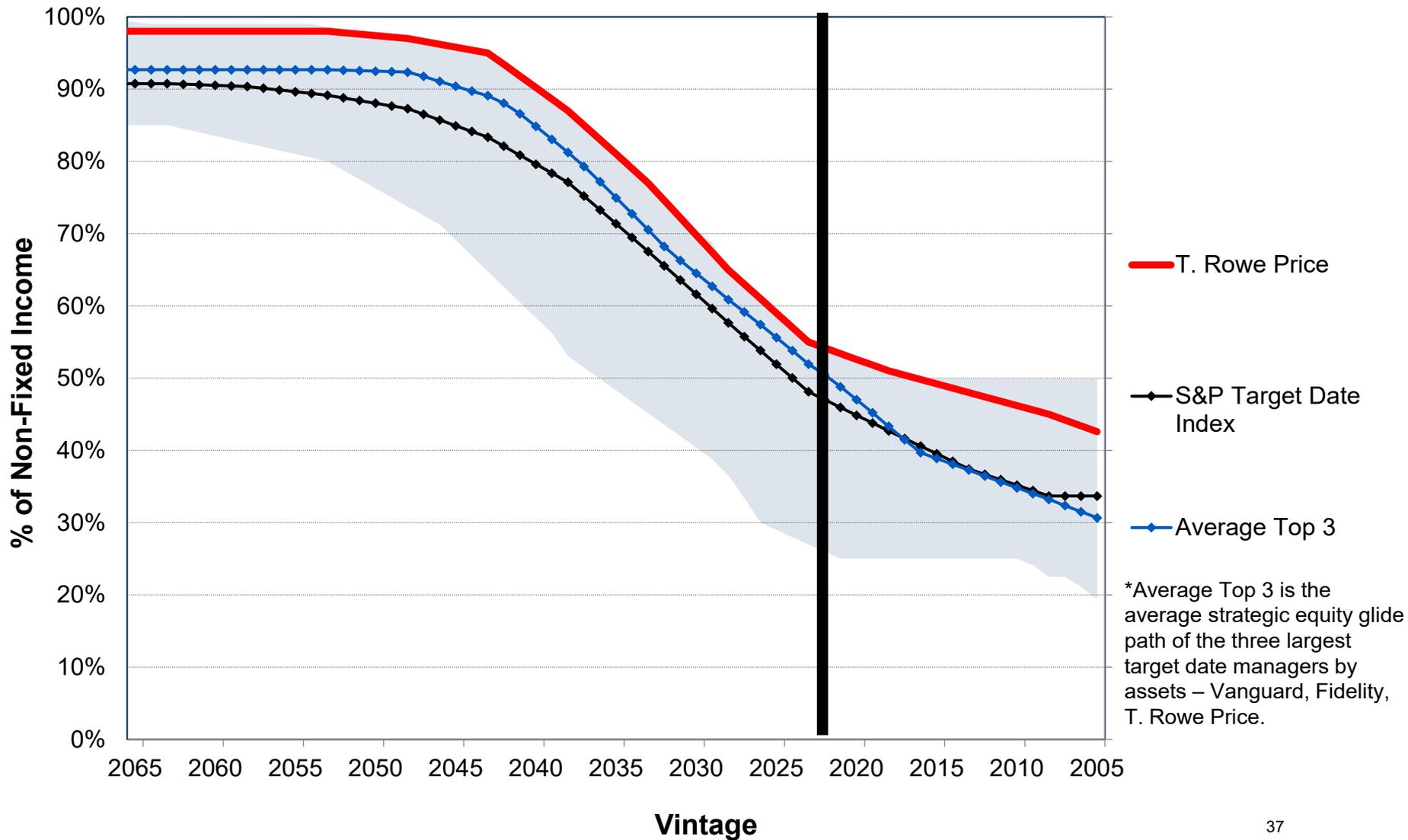
Inflation Risk Asset Classes	Implementation
TIPS	Passive Intermediate
Real Estate	Active Domestic
Commodities	Active

Longevity Risk Asset Classes	Implementation
Large Cap Equities	Active/Passive Value, Core, Growth
Mid Cap Equities	Active Core, Growth
Small Cap Equities	Active Core, Growth
Non-U.S. Equities	Active Value, Core, Growth
Emerging Markets Equities	Active Growth, Value
High Yield Bond	Active Domestic, Floating Rate
Emerging Markets Bond	Active

Market Risk Asset Classes	Implementation
Investment Grade Fixed Income	Active Short, Active/Passive Intermediate
Non-U.S. Fixed Income	Passive Intermediate
Cash	Cash, Govt. Money Market



Glide Path Comparisons

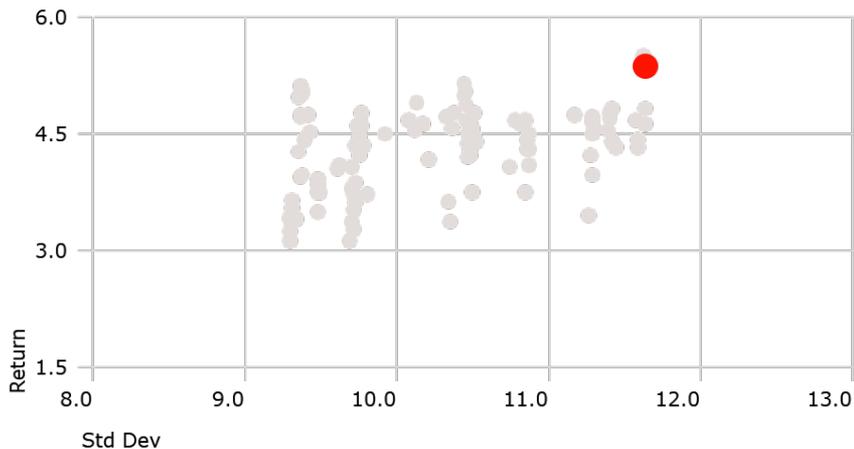




Five Year Risk-Reward

5 Year Risk-Reward (2020 Vintages)

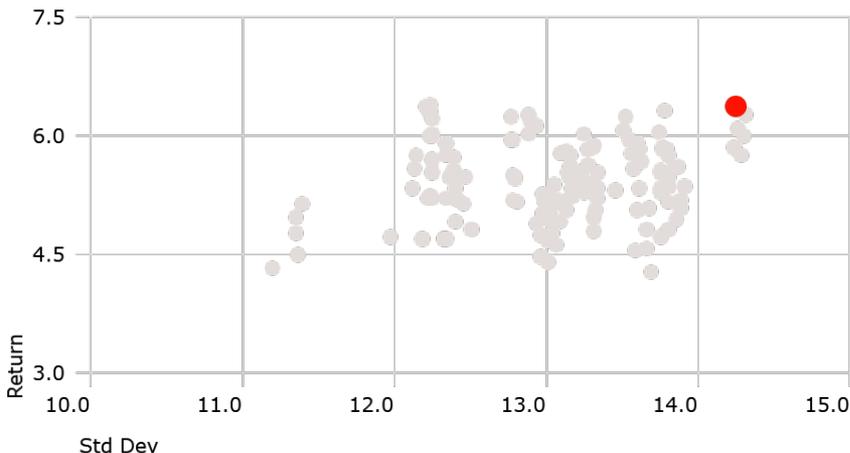
Time Period: 7/1/2018 to 6/30/2023



● T. Rowe Price Retirement 2020

5 Year Risk-Reward (2030 Vintages)

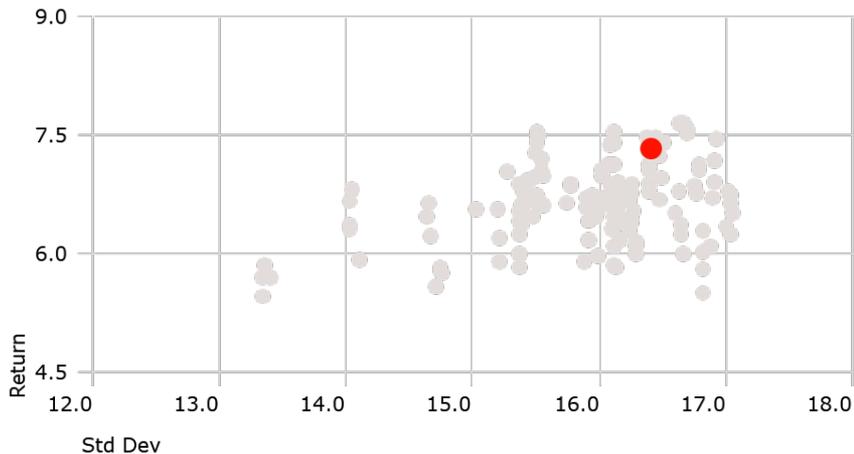
Time Period: 7/1/2018 to 6/30/2023



● T. Rowe Price Retirement 2030

5 Year Risk-Reward (2040 Vintages)

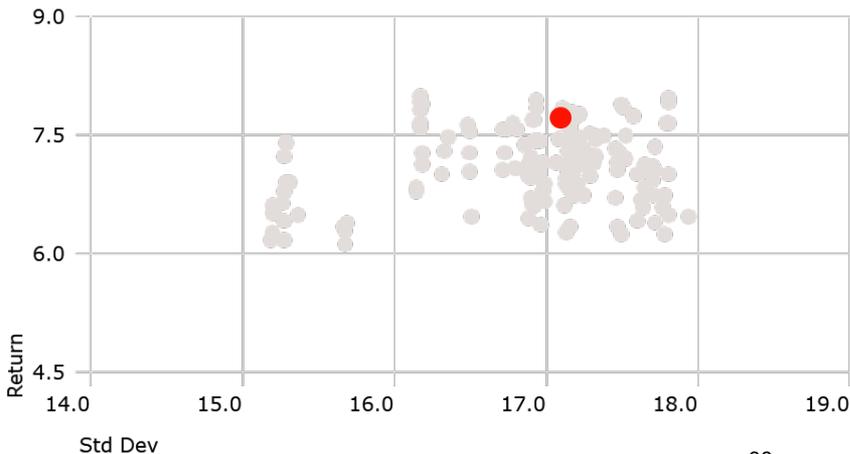
Time Period: 7/1/2018 to 6/30/2023



● T. Rowe Price Retirement 2040

5 Year Risk-Reward (2050 Vintages)

Time Period: 7/1/2018 to 6/30/2023



● T. Rowe Price Retirement 2050



Stable Value Analysis



What is Stable Value?

Stable Value:

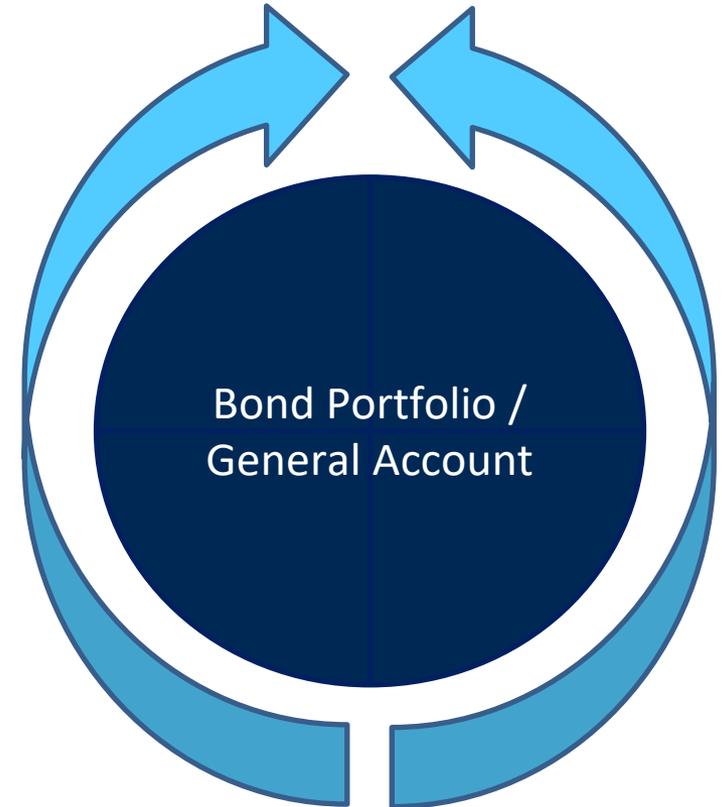
- Unique portfolios that utilize insurance to stabilize assets and smooth returns giving the appearance of cash like returns at a superior rates to true cash

Underlying Portfolio:

- The portfolios underlying stable value investments are generally made up of high-quality bonds, with a duration typically less than three years or are a highly diversified general account

Insurance:

- Also known as “wrap” contracts, these insurance products are what differentiate stable value from bond portfolios. Due to the insurance agreement, the portfolio can be marked at “book value” not “market value”. These contracts are written mostly by insurance companies on their own or on third party products





Primary Capital Preservation Structures

Implementation	Government Money Market	Synthetic CIT Stable Value	General Ledger/GIC
<u>Duration</u>	<ul style="list-style-type: none"> • Lowest (< 6 Months) 	<ul style="list-style-type: none"> • Higher (2-4 Years) 	<ul style="list-style-type: none"> • Highest (4-8 Years)
<u>Investment Universe</u>	<ul style="list-style-type: none"> • Repurchase Agreements • U.S. Government Obligations • U.S. Treasury Bills 	<ul style="list-style-type: none"> • U.S. Treasury Bills • Investment Grade Corporate Bonds • Non-IG Corporate Bonds • MBS • ABS • CMBS 	<ul style="list-style-type: none"> • U.S. Treasury Bills • Investment Grade Corporate Bonds • Non-IG Corporate Bonds • MBS • ABS • CMBS • Equity • Real Estate • Privates
<u>Participant Liquidity</u>	<ul style="list-style-type: none"> • Benefit Responsive 	<ul style="list-style-type: none"> • Benefit Responsive 	<ul style="list-style-type: none"> • Benefit Responsive
<u>Plan Level Discontinuance</u>	<ul style="list-style-type: none"> • Same as typical core menu offering 	<ul style="list-style-type: none"> • 12-Month Put is Typical 	<ul style="list-style-type: none"> • Can range, typically can be 1-5 years
<u>Plan Type Accessibility</u>	<ul style="list-style-type: none"> • All 	<ul style="list-style-type: none"> • Limited 403(b) 	<ul style="list-style-type: none"> • All

For illustrative purposes only.

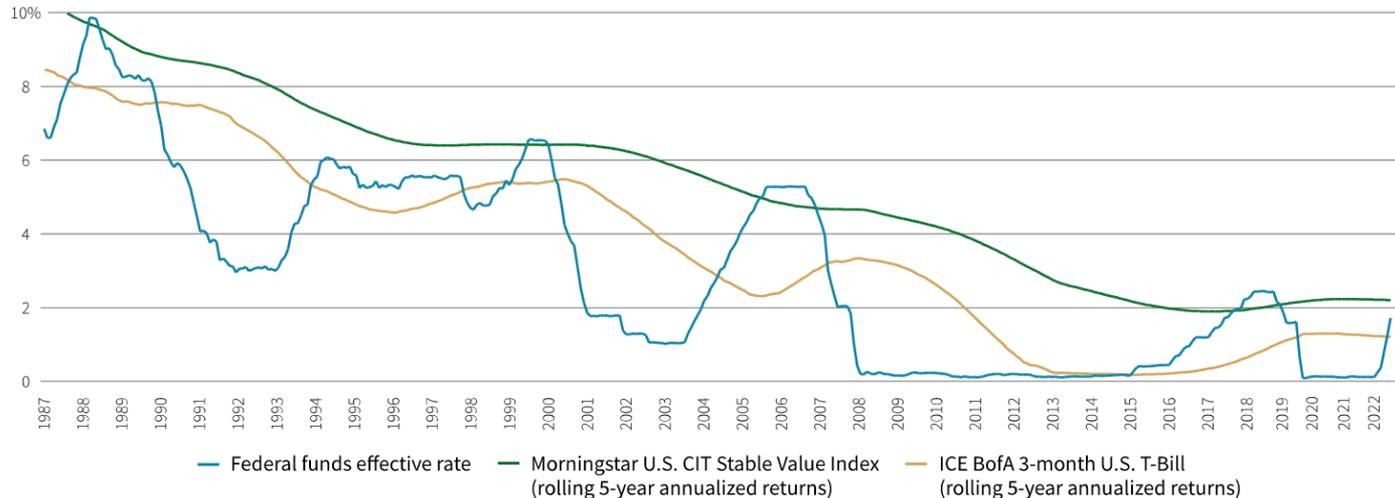


Capital Preservation – Impacts During Rising Rate Environment

- Stable value portfolios are designed to shelter participants from the impacts of rising interest rates as the use of wrap providers and book value accounting allows for a more stable return profile when compared to a similar short term bond portfolio.
- During periods of rising interest rates, the shorter maturities of money market funds allow the portfolio to more quickly reflect higher market yields.
- This phenomena is typically temporary as stable value portfolios tend to outpace money market strategies given their exposure to longer duration assets and the typically upward sloping nature of the yield curve.
- Yield curve inversions tend to be uncommon and on average have a duration of 7.25 months*.

Stable value has a long-term performance advantage over money market funds

Comparison of 5-year rolling returns



Sources: Federal Funds Effective Rate as retrieved from FRED, Federal Reserve Bank of St. Louis; T-bill returns as represented by the ICE BofA (Intercontinental Exchange Bank of America) U.S. 3-Month Treasury Bill Index, an unmanaged index that seeks to measure the performance of U.S. Treasury bills available in the marketplace; and Stable Value returns as represented by the Morningstar US CIT Stable Value Index, which measures the performance of approximately 75% of the U.S. collective investment trust stable-value fund pooled universe.

[Investors look to stable value for capital preservation in DC plans \(putnam.com\)](https://www.putnam.com/en-us/retirement/401k/putnam-stable-value-fund)

*Galliard Capital Management – Periods of Inverted Yield Curves since 1982



Stable Value – Understanding Market-to-Book

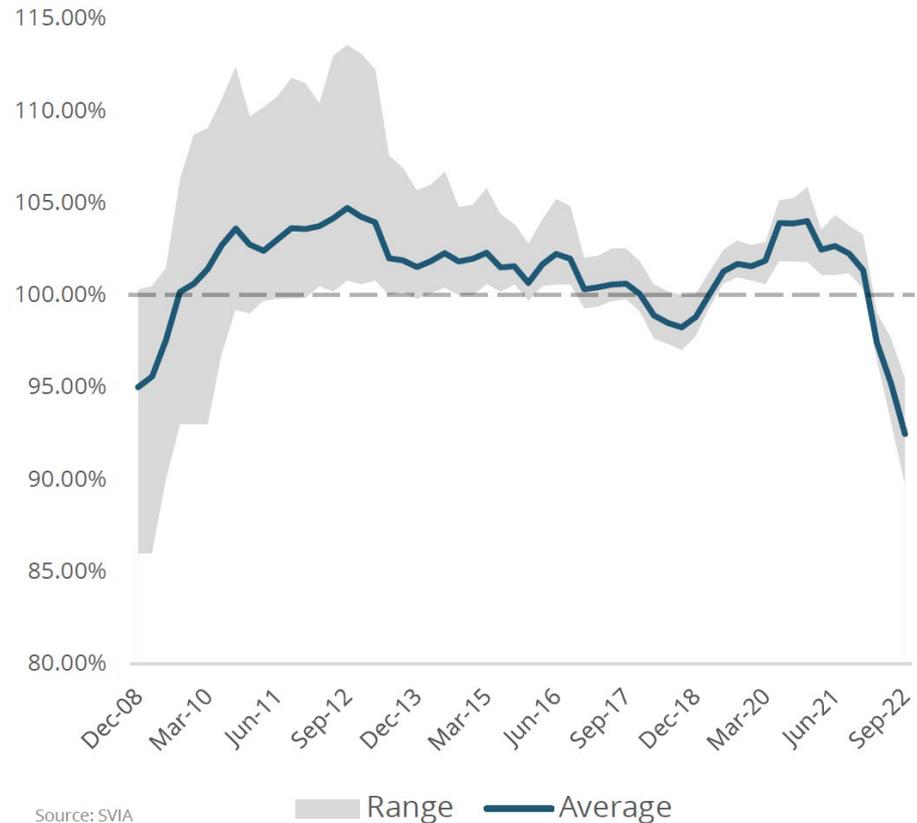
Market-to-book ratios are the market value of assets divided by the market value of contract value. A ratio below 100% indicates that the assets of the portfolio have a market value that is below that of the contract value.

While market-to-book ratios have declined given the rising interest rate environment, the crediting rate reset formulas used aim to amortize the impacts of volatile yields and to move towards current market rates.

Unlike in 2008 where market-to-book ratios fell primarily due to credit concern, the current driver is due to the rapid increase in interest rates. This is less of a concern, especially as wrap insurers have not limited their capacity which was a further issue during the GFC, and have not been required to step-in due to market strain.

Additionally, the spread of market-to-book ratios is significantly narrowed from 2008 as stable value restrictions and limits have increased since the GFC.

Market-to-Contract Ratios Over Time



Stable Value Analyzer

Fact Sheet - MissionSquare PLUS Stable Value

Inception Date: 01/02/1991

Date as of: 03/31/2023

Category: Stable Value

Strategy

MissionSquare Investments seeks to provide stable value participants with capital preservation by limiting the risk of loss of principal and delivering stable returns. Each stable value portfolio seeks to balance the primary goal of capital preservation with the multiple objectives of returns higher than those of money market funds and short-term bank rates over the long run, stability of returns, rate responsiveness, and liquidity for client needs.

Put Option/Plan Termination Details

12 Months

MissionSquare Investments retains full discretion to fund employer withdrawals from the PLUS Fund in an orderly manner over a period of not more than 12 months. This restriction on Employer withdrawals from the PLUS Fund does not apply to participant directed withdrawals from the Fund.

Share Class Options

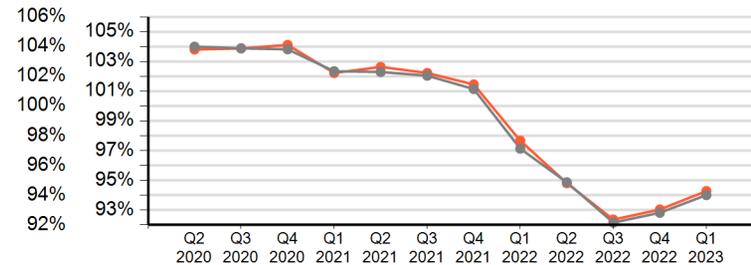
Share Class	Cusip	Wrap Fee %	Inv Mgmt %	Trustee/ Other	Total Exp Ratio %	Rev Share %	\$Min
R10	92208J709	0.11%	0.30%	0.11%	0.52%	0.00%	\$0
R1	92208J105	0.11%	0.30%	0.11%	1.32%	0.80%	\$0
R3	92208J204	0.11%	0.30%	0.11%	1.06%	0.54%	\$0
R5	92208J303	0.11%	0.30%	0.11%	0.77%	0.25%	\$0
R7	92208J501	0.11%	0.30%	0.11%	0.67%	0.15%	\$0
R8	92208J501	0.11%	0.30%	0.11%	0.62%	0.10%	\$0
R9	92208J600	0.11%	0.30%	0.11%	0.57%	0.05%	\$0
R11	92210J150	0.11%	0.25%	0.11%	0.47%	0.00%	\$50,000,000
R12	92210J143	0.11%	0.20%	0.11%	0.42%	0.00%	\$75,000,000
R13	92210J135	0.11%	0.15%	0.11%	0.37%	0.00%	\$100,000,000

Fund Information

Universe Median

AUM (\$mm):	\$11,642.00	\$8,000.00
% in Top 10 Accounts	22.00%	20.00%
Platform Availability	Proprietary	-
Portfolio Manager	Karen Chong-Wulff	-
Manager Tenure	15 years	24 years

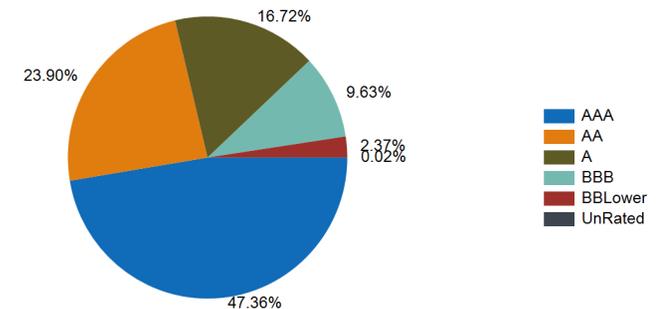
Market-to-Book



Current Market-to-Book: 94.28%

Universe Median: 94.01%

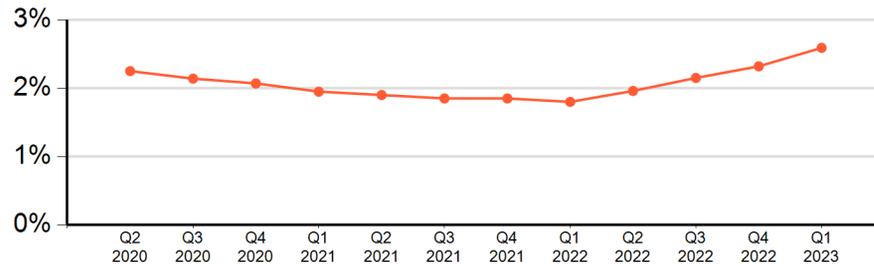
Credit Quality



Stable Value Analyzer

Fact Sheet - MissionSquare PLUS Stable Value

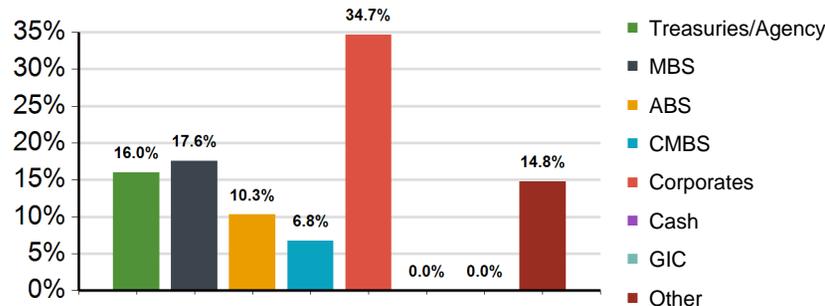
Crediting Rate



Current Crediting Rate: 2.59%

Universe Median: 2.59%

Sector Breakdown



Portfolio Information

		Universe Median
Crediting Rate Reset Period:	Daily	-
Number of Underlying Managers:	12	1
Cash Flows QTR:	(\$41,276,382)	(\$56,000,000)
Cash Flows YTD:	\$4,318,040	(\$56,000,000)
Cash Flows 1Yr:	\$4,318,040	\$601,999
High Yield Policy:	MissionSquare PLUS Fund can invest up to 10% in below investment-grade fixed income instruments for the underlying portfolios backing synthetic and separate account GICs. In practice, the overall exposure to below investment-grade securities within the PLUS Fund has been approximately 1%.	

Expenses:

		Universe Median
*Lowest Cost Share Class		
Wrap Fee:	0.11%	0.15%
Inv. Mgmt. Fee:	0.30%	0.20%
Trustee Fee/Other:	0.11%	0.02%
Total Expense Ratio:	0.52%	0.39%

Portfolio Statistics

		Universe Median
Avg Duration (years):	3.07	3.15
Avg Maturity (years):	5.07	4.12
Avg Credit Quality (S&P):	AA-	AA-
Current Yield:	4.91%	4.74%

Performance

		Universe Median
*Net Lowest Cost Share Class (\$0 Min)		
Quarter:	0.61%	0.61%
YTD:	0.61%	0.63%
1 Year:	2.14%	2.01%
3 Year:	2.04%	1.83%
5 Year:	2.18%	1.83%
10 Year:	2.13%	1.84%

Wrap Providers

Provider	Weighting	Credit Quality
Massachusetts Mutual Life Ins. Co.	9.00%	AA+
Metropolitan Tower Life Ins Co.	7.91%	AA-
New York Life Ins. Co.	9.30%	AA+
Pacific Life Ins. Co.	13.47%	A
Principal Life Ins. Co.	5.84%	AA-
Prudential Ins. Co. of America	12.84%	AA-
Transamerica Life Ins. Co.	13.57%	AA-
Universe Median		
Total Number of Wrap Providers	8	8.000
Percent Credit Quality		
% Traditional GIC:	20.00%	-
% Synthetic GIC:	74.00%	-

The performance analysis displayed is reflective of past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate over time. Current performance may differ from the performance displayed. Investing includes risk, including potential loss of principal. Investors should carefully consider the investment objectives, risks, charges and expenses of the investment company before investing. Contact your financial advisor or consultant for the most recent performance and strategy information.



Second Quarter 2023 Executive Summary



Asset Allocation

Simsbury DC

As of June 30, 2023

	Jun-2023		Mar-2023		Dec-2022		Sep-2022	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
T. Rowe Price Retirement I 2005 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2010 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2015 I	185,351	1.2	180,622	1.3	173,748	1.3	-	0.0
T. Rowe Price Retirement I 2020 I	288,569	1.9	287,859	2.1	350,793	2.6	628,963	4.8
T. Rowe Price Retirement I 2025 I	14,644	0.1	13,620	0.1	238,201	1.7	224,501	1.7
T. Rowe Price Retirement I 2030 I	844,211	5.7	793,047	5.7	737,277	5.4	725,677	5.5
T. Rowe Price Retirement I 2035 I	62,103	0.4	55,381	0.4	48,675	0.4	32,119	0.2
T. Rowe Price Retirement I 2040 I	411,901	2.8	379,404	2.7	339,067	2.5	280,347	2.1
T. Rowe Price Retirement I 2045 I	8,944	0.1	1,227	0.0	5,331	0.0	4,453	0.0
T. Rowe Price Retirement I 2050 I	786,153	5.3	711,084	5.1	648,775	4.7	590,929	4.5
T. Rowe Price Retirement I 2055 I	7,242	0.0	5,287	0.0	2,851	0.0	2,224	0.0
T. Rowe Price Retirement I 2060 I	13,995	0.1	11,385	0.1	9,185	0.1	6,809	0.1
Target Date Funds	2,623,114	17.6	2,438,916	17.4	2,553,903	18.6	2,496,022	18.9
MissionSquare PLUS Fund R10	3,390,164	22.8	3,425,762	24.5	3,502,014	25.5	3,369,983	25.5
Stable Value / Money Market Funds	3,390,164	22.8	3,425,762	24.5	3,502,014	25.5	3,369,983	25.5
Fidelity US Bond Index	178,645	1.2	166,285	1.2	159,577	1.2	151,013	1.1
Western Asset Core Plus Bond IS	282,831	1.9	285,720	2.0	267,619	1.9	261,564	2.0
Fixed Income Funds	461,477	3.1	452,005	3.2	427,196	3.1	412,577	3.1
Fidelity Large Cap Value Index	40,828	0.3	50,792	0.4	50,547	0.4	29,546	0.2
MFS Value Fund R6	833,339	5.6	802,936	5.7	815,332	5.9	743,650	5.6
Fidelity 500 Index	4,022,313	27.0	3,695,800	26.4	3,467,629	25.3	3,228,575	24.5
Fidelity Large Cap Growth Index	78,871	0.5	46,832	0.3	41,791	0.3	29,640	0.2
T. Rowe Price Growth Stock I	1,672,621	11.2	1,436,005	10.3	1,287,040	9.4	1,485,272	11.3
Fidelity Mid Cap Value Index	16,897	0.1	196	0.0	133	0.0	73	0.0
Vanguard Explorer Value Inv	406,108	2.7	381,530	2.7	367,451	2.7	328,872	2.5
Fidelity Extended Market Index	194,701	1.3	183,117	1.3	172,785	1.3	163,054	1.2
Fidelity Mid Cap Growth Index	20,332	0.1	9,753	0.1	8,880	0.1	8,260	0.1
Eaton Vance Atlanta Capital SMID-Cap R6	694,894	4.7	663,307	4.7	650,182	4.7	589,997	4.5
Fidelity Small Cap Value Index	6,244	0.0	2,142	0.0	1,866	0.0	1,489	0.0
Fidelity Small Cap Growth Index	24,895	0.2	20,804	0.1	19,598	0.1	18,768	0.1
Domestic Equity Funds	8,012,044	53.9	7,293,214	52.1	6,883,233	50.1	6,627,196	50.2
Fidelity Total International Index	114,034	0.8	120,333	0.9	106,097	0.8	58,573	0.4
Hartford International Opportunities R6	275,575	1.9	266,299	1.9	253,212	1.8	232,907	1.8
International Equity Funds	389,609	2.6	386,632	2.8	359,308	2.6	291,480	2.2
Town of Simsbury 457 Plan	14,876,407	100.0	13,996,527	100.0	13,725,653	100.0	13,197,258	100.0

Source: MissionSquare



Asset Allocation

Simsbury DC

As of June 30, 2023

	Jun-2023		Mar-2023		Dec-2022		Sep-2022	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
T. Rowe Price Retirement I 2005 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2010 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2015 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2020 I	16,847	1.2	14,483	1.1	11,977	1.0	9,986	0.9
T. Rowe Price Retirement I 2025 I	33,184	2.4	28,389	2.2	23,401	2.0	19,647	1.8
T. Rowe Price Retirement I 2030 I	78,642	5.6	79,223	6.2	59,689	5.1	50,834	4.8
T. Rowe Price Retirement I 2035 I	77,004	5.5	79,371	6.3	44,434	3.8	22,552	2.1
T. Rowe Price Retirement I 2040 I	124,791	9.0	100,698	7.9	91,796	7.9	78,106	7.3
T. Rowe Price Retirement I 2045 I	32,591	2.3	28,170	2.2	24,271	2.1	20,761	2.0
T. Rowe Price Retirement I 2050 I	68,544	4.9	59,505	4.7	50,946	4.4	43,726	4.1
T. Rowe Price Retirement I 2055 I	4,222	0.3	2,940	0.2	2,118	0.2	1,459	0.1
T. Rowe Price Retirement I 2060 I	10,538	0.8	7,982	0.6	5,414	0.5	3,250	0.3
Target Date Funds	446,362	32.1	400,762	31.6	314,047	27.0	250,319	23.5
MissionSquare PLUS Fund R10	639,284	45.9	607,475	47.9	584,623	50.3	575,336	54.0
Stable Value / Money Market Funds	639,284	45.9	607,475	47.9	584,623	50.3	575,336	54.0
Fidelity US Bond Index	25,290	1.8	9,227	0.7	7,745	0.7	6,577	0.6
Western Asset Core Plus Bond IS	1,917	0.1	1,817	0.1	1,635	0.1	1,478	0.1
Fixed Income Funds	27,207	2.0	11,044	0.9	9,380	0.8	8,055	0.8
Fidelity Large Cap Value Index	-	0.0	-	0.0	-	0.0	-	0.0
MFS Value Fund R6	11,632	0.8	10,995	0.9	10,874	0.9	9,358	0.9
Fidelity 500 Index	78,688	5.7	70,377	5.5	85,540	7.4	77,630	7.3
Fidelity Large Cap Growth Index	7,322	0.5	5,719	0.5	4,230	0.4	3,466	0.3
T. Rowe Price Growth Stock I	76,203	5.5	64,742	5.1	53,513	4.6	52,710	5.0
Fidelity Mid Cap Value Index	-	0.0	-	0.0	-	0.0	-	0.0
Vanguard Explorer Value Inv	15,841	1.1	14,658	1.2	13,767	1.2	11,877	1.1
Fidelity Extended Market Index	45,856	3.3	41,516	3.3	42,437	3.7	38,825	3.6
Fidelity Mid Cap Growth Index	-	0.0	-	0.0	-	0.0	-	0.0
Eaton Vance Atlanta Capital SMID-Cap R6	17,594	1.3	16,237	1.3	21,022	1.8	18,168	1.7
Fidelity Small Cap Value Index	-	0.0	-	0.0	-	0.0	-	0.0
Fidelity Small Cap Growth Index	-	0.0	-	0.0	-	0.0	-	0.0
Domestic Equity Funds	253,135	18.2	224,245	17.7	231,383	19.9	212,035	19.9
Fidelity Total International Index	-	0.0	-	0.0	-	0.0	-	0.0
Hartford International Opportunities R6	26,457	1.9	24,806	2.0	22,521	1.9	18,812	1.8
International Equity Funds	26,457	1.9	24,806	2.0	22,521	1.9	18,812	1.8
Simsbury BOE ICMA Plan	1,392,445	100.0	1,268,333	100.0	1,161,954	100.0	1,064,557	100.0



Asset Allocation

Simsbury DC

As of June 30, 2023

	Jun-2023		Mar-2023		Dec-2022		Sep-2022	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
T. Rowe Price Retirement I 2005 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2010 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2015 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2020 I	35,030	3.2	31,681	3.2	28,528	3.4	25,638	3.5
T. Rowe Price Retirement I 2025 I	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement I 2030 I	117,359	10.8	95,773	9.7	78,430	9.2	64,397	8.9
T. Rowe Price Retirement I 2035 I	1,546	0.1	1,475	0.2	1,394	0.2	1,296	0.2
T. Rowe Price Retirement I 2040 I	265,588	24.4	250,707	25.5	221,335	26.1	192,706	26.6
T. Rowe Price Retirement I 2045 I	56,539	5.2	50,757	5.2	46,860	5.5	42,908	5.9
T. Rowe Price Retirement I 2050 I	369,834	34.0	353,494	36.0	310,605	36.6	270,276	37.3
T. Rowe Price Retirement I 2055 I	26,096	2.4	20,050	2.0	14,227	1.7	9,689	1.3
T. Rowe Price Retirement I 2060 I	78,814	7.2	59,391	6.0	43,680	5.1	28,986	4.0
Target Date Funds	950,806	87.4	863,327	87.9	745,058	87.8	635,896	87.8
MissionSquare PLUS Fund R10	5,369	0.5	4,603	0.5	4,577	0.5	4,554	0.6
Stable Value / Money Market Funds	5,369	0.5	4,603	0.5	4,577	0.5	4,554	0.6
Fidelity US Bond Index	3,843	0.4	3,012	0.3	2,821	0.3	5,657	0.8
Western Asset Core Plus Bond IS	2,227	0.2	2,815	0.3	2,547	0.3	6,963	1.0
Fixed Income Funds	6,070	0.6	5,827	0.6	5,368	0.6	12,619	1.7
Fidelity Large Cap Value Index	8,570	0.8	11,106	1.1	10,110	1.2	5,734	0.8
MFS Value Fund R6	2,305	0.2	2,754	0.3	2,744	0.3	3,675	0.5
Fidelity 500 Index	24,847	2.3	19,817	2.0	15,770	1.9	8,722	1.2
Fidelity Large Cap Growth Index	27,828	2.6	23,493	2.4	17,220	2.0	12,237	1.7
T. Rowe Price Growth Stock I	815	0.1	769	0.1	920	0.1	1,422	0.2
Fidelity Mid Cap Value Index	3,160	0.3	-	0.0	-	0.0	-	0.0
Vanguard Explorer Value Inv	5,546	0.5	5,379	0.5	4,747	0.6	5,606	0.8
Fidelity Extended Market Index	11,451	1.1	11,045	1.1	8,947	1.1	7,803	1.1
Fidelity Mid Cap Growth Index	2,396	0.2	-	0.0	-	0.0	-	0.0
Eaton Vance Atlanta Capital SMID-Cap R6	3,995	0.4	4,094	0.4	3,606	0.4	2,925	0.4
Fidelity Small Cap Value Index	806	0.1	-	0.0	-	0.0	-	0.0
Fidelity Small Cap Growth Index	1,610	0.1	-	0.0	-	0.0	-	0.0
Domestic Equity Funds	93,329	8.6	78,458	8.0	64,065	7.6	48,124	6.6
Fidelity Total International Index	23,655	2.2	21,422	2.2	20,954	2.5	13,936	1.9
Hartford International Opportunities R6	8,352	0.8	8,911	0.9	8,227	1.0	8,916	1.2
International Equity Funds	32,007	2.9	30,333	3.1	29,181	3.4	22,851	3.2
Simsbury 401(a) ICMA Plan	1,087,581	100.0	982,548	100.0	848,249	100.0	724,045	100.0



Manager Performance

Simsbury DC

As of June 30, 2023

Rank
 = 1-50 percentile
 = 51-75 percentile
 = 76-100 percentile

	Performance(%)						Fund & Cat Avg Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
T. Rowe Price Retirement I 2005 I	2.2	6.5	6.3	3.6	4.4	5.0	0.34	Maintain
<i>T. Rowe Price Retirement 2005 Index</i>	2.3	7.0	6.8	3.4	4.7	5.1	-	
IM Mixed-Asset Target Today (MF) Median	1.5	5.5	5.0	2.1	3.3	3.8	0.58	
T. Rowe Price Retirement I 2005 I Rank	2	11	14	4	4	5	-	
T. Rowe Price Retirement I 2010 I	2.5	6.9	6.9	4.2	4.8	5.5	0.34	Maintain
<i>T. Rowe Price Retirement 2010 Index</i>	2.5	7.5	7.5	4.0	5.0	5.6	-	
IM Mixed-Asset Target 2010 (MF) Median	1.0	5.1	4.3	2.8	4.0	4.7	0.42	
T. Rowe Price Retirement I 2010 I Rank	1	2	2	1	1	1	-	
T. Rowe Price Retirement I 2015 I	2.7	7.3	7.4	4.8	5.1	6.1	0.36	Maintain
<i>T. Rowe Price Retirement 2015 Index</i>	2.8	7.9	8.0	4.6	5.3	6.2	-	
IM Mixed-Asset Target 2015 (MF) Median	1.6	5.9	5.8	3.3	4.1	5.3	0.51	
T. Rowe Price Retirement I 2015 I Rank	2	3	4	1	1	1	-	
T. Rowe Price Retirement I 2020 I	2.9	7.6	8.0	5.5	5.5	6.8	0.37	Maintain
<i>T. Rowe Price Retirement 2020 Index</i>	3.0	8.3	8.6	5.3	5.8	6.8	-	
IM Mixed-Asset Target 2020 (MF) Median	2.0	6.6	6.6	3.9	4.4	5.6	0.55	
T. Rowe Price Retirement I 2020 I Rank	3	9	3	1	1	1	-	
T. Rowe Price Retirement I 2025 I	3.4	8.4	8.9	6.4	6.0	7.5	0.39	Maintain
<i>T. Rowe Price Retirement 2025 Index</i>	3.5	9.1	9.9	6.5	6.4	7.5	-	
IM Mixed-Asset Target 2025 (MF) Median	2.2	7.1	7.2	4.5	4.7	5.8	0.59	
T. Rowe Price Retirement I 2025 I Rank	1	11	3	1	1	1	-	
T. Rowe Price Retirement I 2030 I	4.1	9.7	10.6	7.4	6.5	8.1	0.41	Maintain
<i>T. Rowe Price Retirement 2030 Index</i>	4.3	10.5	11.9	7.7	7.1	8.2	-	
IM Mixed-Asset Target 2030 (MF) Median	3.0	8.4	9.0	5.9	5.3	6.6	0.59	
T. Rowe Price Retirement I 2030 I Rank	1	3	5	1	1	1	-	

Explanation of Category rankings: Percentile rankings are on a scale of 1 to 100, with a rank of 1 (1st percentile) being the best and 100 (100th percentile) being the worst. Rankings relate to net of fee returns for each fund in its respective Lipper peer group. Due to statistical requirements, investment versus peer group rankings will not populate if peer groups contain less than 10 members. Returns for periods less than one year are not annualized.



Manager Performance

Simsbury DC

As of June 30, 2023

	Performance(%)						Fund & Cat Avg Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
T. Rowe Price Retirement I 2035 I	4.9	11.0	12.4	8.4	7.0	8.6	0.42	Maintain
<i>T. Rowe Price Retirement 2035 Index</i>	5.2	11.9	13.9	9.0	7.7	8.8	-	
IM Mixed-Asset Target 2035 (MF) Median	3.8	9.6	11.1	7.4	6.1	7.3	0.60	
T. Rowe Price Retirement I 2035 I Rank	1	4	5	6	5	5	-	
T. Rowe Price Retirement I 2040 I	5.5	12.0	13.8	9.2	7.5	9.0	0.43	Maintain
<i>T. Rowe Price Retirement 2040 Index</i>	5.9	13.0	15.6	10.1	8.3	9.3	-	
IM Mixed-Asset Target 2040 (MF) Median	4.6	10.9	12.9	8.6	6.6	7.8	0.62	
T. Rowe Price Retirement I 2040 I Rank	5	13	20	19	12	4	-	
T. Rowe Price Retirement I 2045 I	5.9	12.5	14.6	9.9	7.8	9.2	0.44	Maintain
<i>T. Rowe Price Retirement 2045 Index</i>	6.3	13.6	16.5	10.9	8.7	9.5	-	
IM Mixed-Asset Target 2045 (MF) Median	5.1	11.5	13.9	9.4	7.1	8.0	0.62	
T. Rowe Price Retirement I 2045 I Rank	3	14	24	25	10	3	-	
T. Rowe Price Retirement I 2050 I	6.0	12.8	14.9	10.0	7.8	9.2	0.45	Maintain
<i>T. Rowe Price Retirement 2050 Index</i>	6.4	13.8	16.8	10.9	8.7	9.6	-	
IM Mixed-Asset Target 2050 (MF) Median	5.3	12.0	14.5	9.6	7.1	8.2	0.63	
T. Rowe Price Retirement I 2050 I Rank	7	18	30	29	10	3	-	
T. Rowe Price Retirement I 2055 I	6.0	12.8	15.0	10.0	7.8	9.2	0.46	Maintain
<i>T. Rowe Price Retirement 2055 Index</i>	6.4	13.9	16.8	11.0	8.7	9.6	-	
IM Mixed-Asset Target 2055 (MF) Median	5.3	12.2	14.7	9.7	7.2	8.3	0.63	
T. Rowe Price Retirement I 2055 I Rank	7	19	37	38	11	4	-	
T. Rowe Price Retirement I 2060 I	6.0	12.8	15.0	10.0	7.8	-	0.46	Maintain
<i>T. Rowe Price Retirement 2060 Index</i>	6.4	13.9	16.8	11.0	8.7	-	-	
IM Mixed-Asset Target 2060 (MF) Median	5.3	12.2	14.7	9.8	7.2	-	0.63	
T. Rowe Price Retirement I 2060 I Rank	12	26	39	42	10	-	-	
Target Date Funds	-	-	-	-	-	-	-	

Historical performance of current share class may differ slightly due to share class exchanges and/or blended performance.

Explanation of Category rankings: Percentile rankings are on a scale of 1 to 100, with a rank of 1 (1st percentile) being the best and 100 (100th percentile) being the worst. Rankings relate to net of fee returns for each fund in its respective Lipper peer group. Due to statistical requirements, investment versus peer group rankings will not populate if peer groups contain less than 10 members. Returns for periods less than one year are not annualized.



Manager Performance

Simsbury DC

As of June 30, 2023

Rank
 = 1-50 percentile
 = 51-75 percentile
 = 76-100 percentile

	Performance(%)						Fund & Cat Avg Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
MissionSquare PLUS Fund R10	0.7	1.3	2.4	2.1	2.2	2.1	0.54	Maintain
<i>FTSE 3 Month T-Bill</i>	1.3	2.4	3.7	1.3	1.6	1.0	-	
Stable Value / Money Market Funds								
	-	-	-	-	-	-		
Fidelity US Bond Index	-0.8	2.2	-1.0	-4.1	0.8	1.5	0.03	Maintain
<i>Blmbg. U.S. Aggregate</i>	-0.8	2.1	-0.9	-4.0	0.8	1.5	-	
IM U.S. Broad Market Core Fixed Income (MF) Median	-0.8	2.3	-0.9	-3.7	0.7	1.5	0.52	
Fidelity US Bond Index Rank	51	58	55	72	46	51	-	
Western Asset Core Plus Bond IS	-0.2	3.2	-0.4	-4.8	0.4	2.1	0.42	Maintain
<i>Blmbg. U.S. Aggregate</i>	-0.8	2.1	-0.9	-4.0	0.8	1.5	-	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	-0.7	2.5	-0.2	-3.3	1.0	1.7	0.64	
Western Asset Core Plus Bond IS Rank	14	10	57	97	82	24	-	
Fixed Income Funds								
	-	-	-	-	-	-		
Fidelity Large Cap Value Index	4.0	5.1	11.5	14.3	8.1	-	0.04	Maintain
<i>Russell 1000 Value Index</i>	4.1	5.1	11.5	14.3	8.1	-	-	
IM U.S. Large Cap Value Equity (MF) Median	4.4	4.4	12.2	14.3	8.6	-	0.76	
Fidelity Large Cap Value Index Rank	57	44	54	52	65	-	-	
MFS Value Fund R6	3.6	2.1	10.7	13.0	8.9	9.8	0.43	Maintain
<i>Russell 1000 Value Index</i>	4.1	5.1	11.5	14.3	8.1	9.2	-	
IM U.S. Large Cap Value Equity (MF) Median	4.4	4.4	12.2	14.3	8.6	9.4	0.76	
MFS Value Fund R6 Rank	66	79	59	72	43	39	-	

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Manager Performance

Simsbury DC

As of June 30, 2023

	Performance(%)						Fund & Cat Avg Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
Fidelity 500 Index	8.7	16.9	19.6	14.6	12.3	12.9	0.02	Maintain
<i>S&P 500</i>	8.7	16.9	19.6	14.6	12.3	12.9	-	
IM U.S. Large Cap Core Equity (MF) Median	8.2	15.4	18.4	13.4	11.4	11.8	0.72	
Fidelity 500 Index Rank	34	31	34	20	22	16	-	
Fidelity Large Cap Growth Index	12.8	29.0	27.1	13.7	15.1	-	0.04	Maintain
<i>Russell 1000 Growth Index</i>	12.8	29.0	27.1	13.7	15.1	-	-	
IM U.S. Large Cap Growth Equity (MF) Median	12.7	27.8	25.0	9.9	12.1	-	0.82	
Fidelity Large Cap Growth Index Rank	48	40	31	7	7	-	-	
T. Rowe Price Growth Stock I	13.8	32.3	25.1	6.2	9.0	13.3	0.53	Maintain
<i>Russell 1000 Growth Index</i>	12.8	29.0	27.1	13.7	15.1	15.7	-	
IM U.S. Large Cap Growth Equity (MF) Median	12.7	27.8	25.0	9.9	12.1	13.7	0.82	
T. Rowe Price Growth Stock I Rank	22	20	50	89	92	62	-	
Fidelity Mid Cap Value Index	3.9	5.3	10.6	15.0	-	-	0.05	Maintain
<i>Russell Midcap Value Index</i>	3.9	5.2	10.5	15.0	-	-	-	
IM U.S. Mid Cap Value Equity (MF) Median	4.3	4.8	11.9	17.2	-	-	0.90	
Fidelity Mid Cap Value Index Rank	60	48	56	83	-	-	-	
Vanguard Explorer Value Inv	4.0	6.2	10.8	16.2	5.0	8.2	0.53	Maintain
<i>Russell 2500 Value Index</i>	4.4	5.8	10.4	16.1	5.3	8.0	-	
IM U.S. SMID Cap Value Equity (MF) Median	2.8	3.7	9.7	18.8	6.3	8.6	1.09	
Vanguard Explorer Value Inv Rank	23	33	43	73	77	54	-	
Fidelity Extended Market Index	6.4	12.7	15.2	9.3	6.1	9.3	0.04	Maintain
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>	6.4	12.6	15.0	9.2	6.0	9.2	-	
IM U.S. SMID Cap Core Equity (MF) Median	4.5	7.6	14.0	15.0	6.2	8.3	1.00	
Fidelity Extended Market Index Rank	8	7	37	98	52	27	-	
Fidelity Mid Cap Growth Index	6.2	15.9	23.1	7.6	-	-	0.05	Maintain
<i>Russell Midcap Growth Index</i>	6.2	15.9	23.1	7.6	-	-	-	
IM U.S. Mid Cap Growth Equity (MF) Median	5.7	14.8	18.2	7.6	-	-	0.97	
Fidelity Mid Cap Growth Index Rank	42	32	9	50	-	-	-	

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Manager Performance

Simsbury DC

As of June 30, 2023

	Performance(%)						Fund & Cat Avg Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
Eaton Vance Atlanta Capital SMID-Cap R6	4.0	5.0	14.0	13.7	9.7	12.1	0.82	Maintain
<i>Russell 2500 Growth Index</i>	6.4	13.4	18.6	6.6	7.0	10.4	-	
IM U.S. SMID Cap Growth Equity (MF) Median	5.2	11.3	15.2	7.7	6.6	9.9	0.98	
Eaton Vance Atlanta Capital SMID-Cap R6 Rank	67	97	64	12	7	7	-	
Fidelity Small Cap Value Index	3.2	2.6	6.1	15.4	-	-	0.05	Maintain
<i>Russell 2000 Value Index</i>	3.2	2.5	6.0	15.4	-	-	-	
IM U.S. Small Cap Value Equity (MF) Median	3.7	4.4	9.7	19.1	-	-	1.08	
Fidelity Small Cap Value Index Rank	62	74	81	89	-	-	-	
Fidelity Small Cap Growth Index	7.1	13.7	18.8	6.2	-	-	0.05	Maintain
<i>Russell 2000 Growth Index</i>	7.1	13.6	18.5	6.1	-	-	-	
IM U.S. Small Cap Growth Equity (MF) Median	5.1	11.5	14.9	7.2	-	-	1.10	
Fidelity Small Cap Growth Index Rank	17	23	19	58	-	-	-	
Domestic Equity Funds	-	-	-	-	-	-	-	-
Fidelity Total International Index	2.5	9.4	12.4	7.4	3.5	-	0.06	Maintain
<i>MSCI AC World ex USA IMI (Net)</i>	2.4	9.1	12.5	7.3	3.4	-	-	
IM International Large Cap Core Equity (MF) Median	3.2	12.2	17.8	8.5	3.9	-	0.90	
Fidelity Total International Index Rank	80	80	83	68	67	-	-	
Hartford International Opportunities R6	2.5	8.2	12.3	7.0	4.2	-	0.70	Maintain
<i>MSCI AC World ex USA (Net)</i>	2.4	9.5	12.7	7.2	3.5	-	-	
IM International Large Cap Core Equity (MF) Median	3.2	12.2	17.8	8.5	3.9	-	0.90	
Hartford International Opportunities R6 Rank	77	85	83	74	43	-	-	
International Equity Funds	-	-	-	-	-	-	-	-

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Calendar Year Performance

Simsbury DC

As of June 30, 2023

Rank
 = 1-50 percentile
 = 51-75 percentile
 = 76-100 percentile

	Performance(%)										
	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
T. Rowe Price Retirement I 2005 I	6.5	-13.5	8.2	11.5	15.2	-3.1	10.7	6.7	-0.8	4.7	9.7
<i>T. Rowe Price Retirement 2005 Index</i>	7.0	-13.5	8.1	12.0	14.9	-2.6	10.1	5.8	-0.1	5.5	9.9
IM Mixed-Asset Target Today (MF) Median	5.5	-12.9	6.2	9.5	13.3	-3.6	8.9	5.1	-1.4	3.9	5.4
T. Rowe Price Retirement I 2005 I Rank	11	62	16	11	20	32	19	12	29	17	9
T. Rowe Price Retirement I 2010 I	6.9	-13.9	9.0	12.1	16.3	-3.6	11.8	7.2	-0.7	5.0	11.9
<i>T. Rowe Price Retirement 2010 Index</i>	7.5	-13.9	9.0	12.6	16.0	-3.0	11.2	6.3	-0.2	5.8	12.0
IM Mixed-Asset Target 2010 (MF) Median	5.1	-12.7	5.8	10.4	14.2	-3.6	10.2	6.1	-1.2	4.1	8.7
T. Rowe Price Retirement I 2010 I Rank	2	89	6	1	1	49	7	12	20	19	6
T. Rowe Price Retirement I 2015 I	7.3	-14.2	9.7	12.8	17.5	-4.1	13.5	7.3	-0.5	5.4	15.2
<i>T. Rowe Price Retirement 2015 Index</i>	7.9	-14.2	9.7	13.1	17.4	-3.6	12.9	6.9	-0.3	6.3	15.0
IM Mixed-Asset Target 2015 (MF) Median	5.9	-13.7	8.0	11.4	15.3	-3.9	11.3	6.4	-1.3	4.5	10.4
T. Rowe Price Retirement I 2015 I Rank	3	64	15	2	1	60	8	19	15	28	4
T. Rowe Price Retirement I 2020 I	7.6	-14.5	10.6	13.3	19.4	-4.8	15.9	7.6	-0.3	5.6	18.1
<i>T. Rowe Price Retirement 2020 Index</i>	8.3	-14.6	10.6	13.5	19.4	-4.4	14.9	7.5	-0.5	6.6	17.4
IM Mixed-Asset Target 2020 (MF) Median	6.6	-14.4	8.7	10.9	16.0	-4.5	12.7	6.4	-1.4	4.7	11.9
T. Rowe Price Retirement I 2020 I Rank	9	54	8	11	1	59	1	16	10	24	3
T. Rowe Price Retirement I 2025 I	8.4	-15.5	12.0	14.6	21.1	-5.5	17.8	7.6	0.0	5.8	20.8
<i>T. Rowe Price Retirement 2025 Index</i>	9.1	-15.4	12.3	14.6	21.4	-5.0	16.7	8.2	-0.6	7.1	20.0
IM Mixed-Asset Target 2025 (MF) Median	7.1	-15.3	9.7	12.1	18.2	-5.2	14.9	6.9	-1.4	5.2	15.9
T. Rowe Price Retirement I 2025 I Rank	11	55	5	9	1	57	1	23	5	33	5
T. Rowe Price Retirement I 2030 I	9.7	-16.9	13.7	15.9	22.7	-6.2	19.5	7.8	0.0	6.1	23.1
<i>T. Rowe Price Retirement 2030 Index</i>	10.5	-16.4	14.2	15.6	23.1	-5.7	18.3	8.8	-0.7	7.3	22.1
IM Mixed-Asset Target 2030 (MF) Median	8.4	-16.2	11.5	12.9	20.1	-6.3	16.9	7.3	-1.5	5.2	17.9
T. Rowe Price Retirement I 2030 I Rank	3	72	8	6	3	45	1	36	5	25	6

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Calendar Year Performance

Simsbury DC

As of June 30, 2023

	Performance(%)										
	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
T. Rowe Price Retirement I 2035 I	11.0	-17.9	15.3	17.0	23.9	-6.8	21.0	7.7	0.2	6.1	24.9
<i>T. Rowe Price Retirement 2035 Index</i>	11.9	-17.1	16.1	16.5	24.5	-6.2	19.6	9.2	-0.9	7.4	23.8
IM Mixed-Asset Target 2035 (MF) Median	9.6	-17.0	13.8	14.1	22.3	-7.3	18.7	7.7	-1.5	5.4	20.8
T. Rowe Price Retirement I 2035 I Rank	4	76	16	11	14	40	4	53	4	30	5
T. Rowe Price Retirement I 2040 I	12.0	-18.7	16.6	18.2	24.9	-7.2	22.1	7.7	0.2	6.2	25.9
<i>T. Rowe Price Retirement 2040 Index</i>	13.0	-17.7	17.7	17.2	25.5	-6.6	20.6	9.6	-1.0	7.4	24.7
IM Mixed-Asset Target 2040 (MF) Median	10.9	-17.9	15.7	14.7	23.6	-8.0	19.7	8.0	-1.7	5.4	21.7
T. Rowe Price Retirement I 2040 I Rank	13	81	20	10	17	29	3	56	4	30	5
T. Rowe Price Retirement I 2045 I	12.5	-19.0	17.4	18.7	25.5	-7.5	22.6	7.7	0.2	6.1	25.9
<i>T. Rowe Price Retirement 2045 Index</i>	13.6	-17.9	18.8	17.6	26.3	-7.0	21.0	9.7	-1.0	7.4	24.7
IM Mixed-Asset Target 2045 (MF) Median	11.5	-18.2	16.7	15.4	24.6	-8.2	20.6	8.1	-1.6	5.6	23.1
T. Rowe Price Retirement I 2045 I Rank	14	82	29	9	24	29	5	63	4	30	6
T. Rowe Price Retirement I 2050 I	12.8	-19.1	17.5	18.7	25.6	-7.5	22.6	7.7	0.2	6.2	25.9
<i>T. Rowe Price Retirement 2050 Index</i>	13.8	-18.0	18.9	17.6	26.3	-7.0	21.0	9.7	-1.0	7.4	24.7
IM Mixed-Asset Target 2050 (MF) Median	12.0	-18.3	17.0	15.5	24.7	-8.6	20.8	8.1	-1.6	5.6	23.1
T. Rowe Price Retirement I 2050 I Rank	18	77	36	9	27	22	6	62	5	32	9
T. Rowe Price Retirement I 2055 I	12.8	-19.1	17.6	18.7	25.5	-7.5	22.6	7.7	0.2	6.2	25.9
<i>T. Rowe Price Retirement 2055 Index</i>	13.9	-18.0	18.9	17.6	26.3	-7.0	21.0	9.7	-1.0	7.4	24.7
IM Mixed-Asset Target 2055 (MF) Median	12.2	-18.3	17.2	15.6	24.8	-8.5	21.1	8.2	-1.7	5.4	23.2
T. Rowe Price Retirement I 2055 I Rank	19	77	37	10	31	23	7	66	5	35	11
T. Rowe Price Retirement I 2060 I	12.8	-19.1	17.6	18.8	25.5	-7.4	22.5	7.4	0.1	-	-
<i>T. Rowe Price Retirement 2060 Index</i>	13.9	-18.0	18.9	17.6	26.3	-7.0	21.0	9.7	-1.0	-	-
IM Mixed-Asset Target 2060 (MF) Median	12.2	-18.3	17.3	15.7	25.1	-8.5	21.3	7.9	-1.0	-	-
T. Rowe Price Retirement I 2060 I Rank	26	74	42	10	38	22	12	66	6	-	-

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Calendar Year Performance

Simsbury DC

As of June 30, 2023

Rank
 = 1-50 percentile
 = 51-75 percentile
 = 76-100 percentile

	Performance(%)										
	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
MissionSquare PLUS Fund R10	1.3	2.0	1.9	2.2	2.5	2.3	2.1	2.0	2.0	2.1	2.3
<i>FTSE 3 Month T-Bill</i>	2.4	1.5	0.0	0.6	2.3	1.9	0.8	0.3	0.0	0.0	0.1
Fidelity US Bond Index	2.2	-13.0	-1.8	7.8	8.5	0.0	3.5	2.5	0.6	6.0	-2.2
<i>Blmbg. U.S. Aggregate</i>	2.1	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5	6.0	-2.0
IM U.S. Broad Market Core Fixed Income (MF) Median	2.3	-13.7	-1.3	8.2	8.8	-0.6	3.6	2.9	0.0	5.5	-2.0
Fidelity US Bond Index Rank	58	22	73	62	65	18	56	68	16	26	62
Western Asset Core Plus Bond IS	3.2	-18.8	-1.9	9.5	12.3	-1.5	7.0	4.7	1.3	7.7	-1.0
<i>Blmbg. U.S. Aggregate</i>	2.1	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5	6.0	-2.0
IM U.S. Broad Market Core+ Fixed Income (MF) Median	2.5	-13.7	-0.9	8.6	9.3	-1.0	4.5	4.1	-0.3	5.1	-1.1
Western Asset Core Plus Bond IS Rank	10	99	84	29	2	66	1	34	2	3	47
Fidelity Large Cap Value Index	5.1	-7.6	25.1	2.9	26.5	-8.3	13.8	-	-	-	-
<i>Russell 1000 Value Index</i>	5.1	-7.5	25.2	2.8	26.5	-8.3	13.7	-	-	-	-
IM U.S. Large Cap Value Equity (MF) Median	4.4	-6.1	26.0	3.8	26.5	-8.6	17.0	-	-	-	-
Fidelity Large Cap Value Index Rank	44	66	63	60	50	45	82	-	-	-	-
MFS Value Fund R6	2.1	-5.8	25.6	4.0	30.2	-9.8	17.9	14.3	-0.4	10.7	36.0
<i>Russell 1000 Value Index</i>	5.1	-7.5	25.2	2.8	26.5	-8.3	13.7	17.3	-3.8	13.5	32.5
IM U.S. Large Cap Value Equity (MF) Median	4.4	-6.1	26.0	3.8	26.5	-8.6	17.0	13.8	-3.0	10.8	32.1
MFS Value Fund R6 Rank	79	48	57	48	17	72	36	43	13	54	8
Fidelity 500 Index	16.9	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4	13.7	32.4
<i>S&P 500</i>	16.9	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4	13.7	32.4
IM U.S. Large Cap Core Equity (MF) Median	15.4	-18.7	26.9	18.4	30.7	-5.4	21.5	9.7	0.5	11.5	31.8
Fidelity 500 Index Rank	31	45	26	50	37	32	45	20	35	18	38
Fidelity Large Cap Growth Index	29.0	-29.2	27.6	38.4	36.4	-1.6	30.1	-	-	-	-
<i>Russell 1000 Growth Index</i>	29.0	-29.1	27.6	38.5	36.4	-1.5	30.2	-	-	-	-
IM U.S. Large Cap Growth Equity (MF) Median	27.8	-31.3	22.4	35.6	33.3	-1.2	29.3	-	-	-	-
Fidelity Large Cap Growth Index Rank	40	28	17	35	19	56	40	-	-	-	-

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Calendar Year Performance

Simsbury DC

As of June 30, 2023

	Performance(%)										
	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
T. Rowe Price Growth Stock I	32.3	-40.1	20.2	37.1	31.0	-0.9	33.8	1.6	10.9	8.8	39.2
<i>Russell 1000 Growth Index</i>	29.0	-29.1	27.6	38.5	36.4	-1.5	30.2	7.1	5.7	13.1	33.5
IM U.S. Large Cap Growth Equity (MF) Median	27.8	-31.3	22.4	35.6	33.3	-1.2	29.3	2.2	5.6	10.5	34.1
T. Rowe Price Growth Stock I Rank	20	96	63	42	73	47	15	56	5	72	11
Fidelity Mid Cap Value Index	5.3	-12.1	28.2	4.7	-	-	-	-	-	-	-
<i>Russell Midcap Value Index</i>	5.2	-12.0	28.3	5.0	-	-	-	-	-	-	-
IM U.S. Mid Cap Value Equity (MF) Median	4.8	-8.0	28.8	2.5	-	-	-	-	-	-	-
Fidelity Mid Cap Value Index Rank	48	95	59	34	-	-	-	-	-	-	-
Vanguard Explorer Value Inv	6.2	-14.1	28.4	3.3	26.9	-13.0	13.3	20.7	-2.8	4.8	38.1
<i>Russell 2500 Value Index</i>	5.8	-13.1	27.8	4.9	23.6	-12.4	10.4	25.2	-5.5	7.1	33.3
IM U.S. SMID Cap Value Equity (MF) Median	3.7	-3.6	33.5	3.4	25.1	-14.6	13.2	21.0	-3.8	5.6	36.5
Vanguard Explorer Value Inv Rank	33	81	62	55	23	32	42	61	25	73	30
Fidelity Extended Market Index	12.7	-26.4	12.4	32.2	28.0	-9.4	18.2	16.1	-3.3	7.7	38.3
<i>Dow Jones U.S. Completion Total Stock Market Indx</i>	12.6	-26.5	12.4	32.2	27.9	-9.6	18.1	15.7	-3.4	7.6	38.1
IM U.S. SMID Cap Core Equity (MF) Median	7.6	-14.7	26.0	8.6	24.8	-12.5	13.9	17.3	-5.1	6.8	35.4
Fidelity Extended Market Index Rank	7	100	100	1	19	22	23	66	31	41	20
Fidelity Mid Cap Growth Index	15.9	-26.7	12.7	34.8	-	-	-	-	-	-	-
<i>Russell Midcap Growth Index</i>	15.9	-26.7	12.7	35.6	-	-	-	-	-	-	-
IM U.S. Mid Cap Growth Equity (MF) Median	14.8	-28.8	14.2	34.9	-	-	-	-	-	-	-
Fidelity Mid Cap Growth Index Rank	32	37	60	52	-	-	-	-	-	-	-
Eaton Vance Atlanta Capital SMID-Cap R6	5.0	-8.8	22.3	11.3	34.6	-5.3	24.8	11.4	9.8	5.2	36.1
<i>Russell 2500 Growth Index</i>	13.4	-26.2	5.0	40.5	32.7	-7.5	24.5	9.7	-0.2	7.1	40.6
IM U.S. SMID Cap Growth Equity (MF) Median	11.3	-26.4	11.1	31.9	30.4	-6.5	24.3	10.5	-0.9	4.0	37.9
Eaton Vance Atlanta Capital SMID-Cap R6 Rank	97	2	11	98	20	39	45	43	1	45	71
Fidelity Small Cap Value Index	2.6	-14.4	28.1	4.5	-	-	-	-	-	-	-
<i>Russell 2000 Value Index</i>	2.5	-14.5	28.3	4.6	-	-	-	-	-	-	-
IM U.S. Small Cap Value Equity (MF) Median	4.4	-11.1	32.0	3.6	-	-	-	-	-	-	-
Fidelity Small Cap Value Index Rank	74	96	75	38	-	-	-	-	-	-	-

Explanation of Category rankings: Percentile rankings are on a scale of 1 to 100, with a rank of 1 (1st percentile) being the best and 100 (100th percentile) being the worst. Rankings relate to net of fee returns for each fund in its respective Lipper peer group. Due to statistical requirements, investment versus peer group rankings will not populate if peer groups contain less than 10 members. Returns for periods less than one year are not annualized.



Calendar Year Performance

Simsbury DC

As of June 30, 2023

	Performance(%)										
	YTD	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Fidelity Small Cap Growth Index	13.7	-26.2	2.8	34.4	-	-	-	-	-	-	-
<i>Russell 2000 Growth Index</i>	13.6	-26.4	2.8	34.6	-	-	-	-	-	-	-
IM U.S. Small Cap Growth Equity (MF) Median	11.5	-27.5	10.5	36.6	-	-	-	-	-	-	-
Fidelity Small Cap Growth Index Rank	23	42	82	56	-	-	-	-	-	-	-
Fidelity Total International Index	9.4	-16.3	8.5	11.1	21.5	-14.4	27.6	-	-	-	-
<i>MSCI AC World ex USA IMI (Net)</i>	9.1	-16.6	8.5	11.1	21.6	-14.8	27.8	-	-	-	-
IM International Large Cap Core Equity (MF) Median	12.2	-15.1	10.7	9.1	22.1	-15.0	25.0	-	-	-	-
Fidelity Total International Index Rank	80	65	72	35	62	41	24	-	-	-	-
Hartford International Opportunities R6	8.2	-17.9	7.7	20.8	26.1	-18.6	24.8	1.2	1.5	-	-
<i>MSCI AC World ex USA (Net)</i>	9.5	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7	-	-
IM International Large Cap Core Equity (MF) Median	12.2	-15.1	10.7	9.1	22.1	-15.0	25.0	0.0	-1.9	-	-
Hartford International Opportunities R6 Rank	85	81	73	1	21	87	53	36	5	-	-

Historical performance of current share class may differ slightly due to share class exchanges and/or blended performance.

Explanation of Category rankings: Percentile rankings are on a scale of 1 to 100, with a rank of 1 (1st percentile) being the best and 100 (100th percentile) being the worst. Rankings relate to net of fee returns for each fund in its respective Lipper peer group. Due to statistical requirements, investment versus peer group rankings will not populate if peer groups contain less than 10 members. Returns for periods less than one year are not annualized.



Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@fiducient.com.

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.



- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
 - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
 - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
 - **Principal Diversified Real Assets:** 35% BbgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
 - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.



- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI AC USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with \$100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.



- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where FA overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.



Custodian reports are the reports that govern the account. There will be different account values between Fiduciant Advisors' reports and the custodian reports based on whether the report utilizes trade date or date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by Fiduciant Advisors are described in Part 2 of the Form ADV.

MATERIAL RISKS & LIMITATIONS

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.
-Liability Driven Investing (LDI) Assets

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.
-Short Term Liquidity

Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impacted by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrower.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from your custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact FA or your custodian immediately.



Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

Board of Finance Agenda Item Submission Form

1. **Title of Submission:** Defined Benefit Pension Plans Investment Policy

2. **Date of Board Meeting:** September 19, 2023

3. **Individual or Entity Making the Submission:**
Fiducient; Amy Meriwether, Finance Director

4. **Action Requested of the Board of Finance:**
If the Board of Finance would like to affirm the Defined Benefit Pension Plans Investment Policy as presented, the following motion is in order:

Move, effective September 19, 2023 to affirm the current Defined Benefit Pension Investment Policy as presented.

5. **Summary of Submission:**
Included in the Fiducient Advisors presentation this evening is a review the of the Defined Benefit Pension Plans Investment Policy. Fiducient is requesting that this policy be updated, if appropriate. If no updates are necessary, Fiducient has requested that the Board of Finance affirm the policy's current standing.

6. **Financial Impact:**
None

7. **Description of Documents Included with Submission:**

- Defined Benefit Pension Plans Investment Policy



Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

TOWN OF SIMSBURY DEFINED BENEFIT PENSION PLANS INVESTMENT POLICY STATEMENT

Adopted by the Retirement Plan Subcommittee in November 2012

Amended on September 12, 2018

Adopted by the Board of Finance on July 30, 2019

I. Introduction & Purpose

The TOWN OF SIMSBURY DEFINED BENEFIT PENSION PLANS (the “Plans”) have been established to provide retirement benefits to those individuals eligible to receive them. This policy statement outlines the goals and investment objectives for the Plans. This document is intended to provide guidelines for managing the Plans, and to outline specific investment policies that will govern how those goals are to be achieved. This statement:

- Describes the investment objectives of the Plans;
- Defines the responsibilities of the Board of Finance, Retirement Plan Sub-Committee (“Committee”) and other parties responsible for the management of the Plans;
- Establishes investment guidelines regarding the selection of investment managers and diversification of assets;
- Specifies the criteria for evaluating the performance of the investment managers and of the Plans as a whole.

II. Investment Objective

The Plans’ assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plans, the Board of Finance has taken into account the financial needs and circumstances of the Town of Simsbury, the time horizon available for investment, the nature of the Plans’ cash flows and liabilities, and other factors that affect their risk tolerance. Consistent with this, the Board of Finance has determined that the investment of these assets shall be guided by the following underlying goals:

- To achieve the stated actuarial target of the Plans;
- To maintain sufficient liquidity to meet the obligations of the Plans;
- To diversify the assets of the Plans in order to reduce risk;
- To achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and of appropriate market indexes.

III. Assignment of Responsibilities

Board of Finance - In accordance with Simsbury’s Town Charter, Section 808, “The Board of Finance shall supervise and maintain the Town pension and other post-employment benefit funds in accordance with rules and regulations contained in agreements between the Town employees and the Town of Simsbury and or the Board of Education regarding pension and

other post-employment benefits. The Board of Finance shall, after consultation with the Board of Education and the Board of Selectmen, ensure the pension funds are prudently invested and shall also supervise and maintain the Retiree Benefit Fund established pursuant to the Town code of ordinances and designate the annual contribution to be made to insure said pension and post-employment funds. The investment and management of the assets of any such fund shall be in compliance with the prudent investor rule as set forth in Conn. Gen. Stat. Sections 45a-541 to 45a-541 | inclusive of the General Statutes.”

The Board of Finance shall:

1. Oversee compliance by the investment manager(s) with the investment policy;
2. Evaluate the performance of the investment manager(s) against specific investment objectives;
3. Approve fee schedules of the investment manager(s) based on contractual agreements;
4. Select the investment custodian(s); and,
5. Approve the continuation of business relationships with investment manager(s), custodian(s), and other vendors, if any.

The Board of Finance may delegate its authority to act on its behalf to certain members or agents (such as the Town Manager, the Director of Finance, or designated Sub-Committees). The Board of Finance shall discharge its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Board of Finance recognizes that some risk must be assumed to achieve the Plans’ long-term investment objectives. The Board of Finance will receive and review reports from the Town’s investment advisor on a semi-annual basis. The Board of Finance will review recommendations provided by the Retirement Plan Sub-Committee at their next regularly scheduled meeting.

Retirement Plan Sub-Committee – The Retirement Plan Sub-Committee is formed to satisfy the Simsbury Town Charter requirement that the Board of Finance consult with the Board of Selectmen and Board of Education. The Committee is charged with the responsibility of evaluating the assets of the Plans and recommending any changes to the Board of Finance. To that end, the Committee’s responsibilities include: recommending to the Board of Finance the Plans’ investment policy, objectives and portfolio guidelines with respect to asset allocation, risk parameters, and return evaluation and for specific interpretation of said investment policy, as well as selecting the investment vehicles, and periodically monitoring the performance of investments. The Committee will meet periodically. The Committee shall discharge its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Committee recognizes that some risk must be assumed to achieve the Plans’ long-term investment objectives.

Investment Consultant – The Board of Finance will engage the services of an Investment Consultant. The Investment Consultant’s role is that of a non-discretionary advisor to the Board of Finance and the Committee. The Investment Consultant will assist in the development and periodic review of an Investment Policy Statement and the Plans’ asset allocation, conduct manager searches when necessary, monitor the performance of the managers/funds, and communicate on other matters of relevance to the oversight of the Plans.

Custodian – The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plans, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also

perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plans accounts (for example, to accommodate distribution needs).

IV. Asset Allocation

The asset allocation target ranges set forth in Appendix A represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range.

V. Rebalancing

The Board of Finance, at its discretion, may or may not institute rebalancing as necessary. Such adjustments should be executed with consideration to turnover, transaction costs, and realized losses over the long term. The necessity to rebalance will be reviewed periodically.

VI. Selection Criteria for Investment Managers

Investment managers/funds retained by the Plans shall be chosen using various criteria, including but not limited to the following:

- Past results, considered relative to appropriate indexes and other investments having similar investment objectives. Consideration shall be given to both consistency of performance and the level of risk taken to achieve results;
- The investment style and discipline of the investment manager;
- How well the manager's investment style or approach complements other assets in the Plans;
- Level of experience, personnel turnover, financial resources, and staffing levels of the investment management firm or fund.

The Plans will utilize a multi-manager structure of complementary investment styles and asset classes to invest the Plans' assets.

The Investment Consultant is additionally tasked with regular oversight of the roster of investment managers deployed on the Plans' behalf. The motivation for this effort is to ensure that the managers continue to administer their portfolios in a manner consistent with the overall approaches and qualifications that appealed to the Board of Finance initially and that anomalies and deviations from these approaches and qualifications are identified and addressed. When deemed necessary, the Investment Consultant will provide other manager candidates for the Board of Finance's consideration.

Should additional contributions and/or market value growth permit, the Board of Finance may retain additional investment managers to invest the assets of the Plans. Additional managers would be expected to diversify the Plans by investment style, asset class, and management structure and thereby enhance the probability of the Plans achieving its long-term investment objectives.

VII. Securities Guidelines

The Plans' investments may include separately managed accounts and/or mutual funds/co-mingled funds, including marketable and non-marketable alternatives and exchange traded funds. The Board of Finance understands that managers have full responsibility for security selection, diversification, turnover and allocation of holdings among selected securities and industry groups, as particularly detailed in the Investment Policy Statement of each of the Plans' separately managed accounts or in the prospectus/offering memorandum for each mutual fund/co-mingled fund/exchange traded fund in the portfolio. No securities will be purchased, or carried, on margin.

With respect to mutual/co-mingled funds, the Board of Finance will consider the following to insure proper diversification and function for each of the funds:

1. The mutual fund/co-mingled pool organizations selected should demonstrate: (a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.
2. The mutual fund/co-mingled pool used will generally have at least a full three-year track record, or its equivalent, and the individual fund/pool must have at least \$25 million under management (or, as an organization, \$100 million in the same strategy) at the time of selection.
3. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.
4. With respect to hedge fund-of-funds, in addition to meeting each of the three above-specified criteria, each fund-of-funds will include an appropriate number of hedge fund managers to be considered well diversified. Investment strategies in hedge fund-of-funds may generally include: long/short U.S. equity, global equity, derivatives, distressed debt and other fixed income strategies, currency exposure, arbitrage and event driven strategies, and additional strategies with low correlation to traditional asset classes.

VIII. Proxy Voting

Each investment manager is responsible for and empowered to exercise all rights, including voting rights, as are acquired through the purchase of securities, where practical. Each investment manager shall vote proxies in the best interest of the Town of Simsbury. A copy of each firm's guidelines, and/or summary of proxy votes shall be provided to the Board of Finance or Committee upon request.

IX. Investment Monitoring and Reporting

The Board of Finance and Committee will periodically review performance of the investments in the Plans. Performance monitoring is the mechanism for revisiting the investment selection process and confirming that the criteria originally satisfied remain intact and that an investment continues to be appropriate for the Plans. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going process.

Monitoring should occur on a periodic basis. The monitoring process will utilize the same criteria that formed the basis of the investment selection decision. In addition, a set of "watch list criteria" may be employed to track important quantitative and qualitative elements, assist in the evaluation process, and focus the Board of Finance and Committee on potential areas of concern.

Watch list criteria may include the following:

- Performance relative to benchmark performance over various time frames;
- Deterioration of risk-adjusted performance;
- Notable style drift / change in investment objective;
- High manager fees relative to peers;
- Significant organizational or manager change.

X. Termination of an Investment Manager or Fund

A manager/fund may be terminated when the Board of Finance has lost confidence in the manager's ability to:

- Achieve performance and risk objectives;
- Comply with investment guidelines;
- Comply with reporting requirements;
- Maintain a stable organization and retain key investment professionals.

There are no hard and fast rules for manager termination. However, if the investment manager has consistently failed to adhere to one or more of the above conditions, termination may be considered. Failure to remedy the circumstances of unsatisfactory performance by the manager/fund, within a reasonable time, may be grounds for termination.

Any recommendation to terminate a manager/fund will be treated on an individual basis and will not be made solely based on quantitative data. In addition to those above, other factors may include, but shall not be limited to, professional or Town of Simsbury turnover, or material change to investment processes.

The process for selecting a replacement for a terminated manager would follow the criteria outlined in the section of this Investment Policy Statement titled Selection Criteria for Investment Managers.

XI. Approval

It is understood that this investment policy is to be reviewed periodically by the Board of Finance and Committee to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the investment managers.

The Town of Simsbury:

By: _____

Signature: _____

Date: _____

Title: _____

Appendix A
Updated September 2022

Target Asset Allocation Table

Asset Class	Min Weight	Target Weight	Max Weight	Benchmark Index
Domestic Equities	21.5%	31.5%	41.5%	Russell 3000 Index
International Equities	17.5%	27.5%	37.5%	MSCI ACWI ex-U.S. Index; MSCI EAFE Small Cap Index; MSCI Emerging Markets Index.
Fixed Income	22.5%	32.5%	42.5%	Barclays Capital Aggregate Index
Real Estate	0.0%	5.0%	10.0%	NCREIF Index
Real Assets	0.0%	3.5%	7.0%	Diversified Real Asset Index



Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

To: Board of Finance
From: Amy Meriwether, Finance Director/Treasurer
CC: Lee Erdmann, Interim Town Manager
Date: September 19, 2023
Re: Finance Director's Report

Fiscal Year 2023/2024 Approved Supplemental Appropriations

Below is a listing of supplemental appropriations approved by the Board of Selectmen and the Board of Finance as of September 12, 2023:

- Erosion and Sediment Control Repairs at Cambridge Crossing - \$30,000

Total Supplemental Appropriations - \$30,000 or 0.02% of the FY23/24 adopted budget

Grants Applications and Awards

Below is a chart of all grant applications and their current status as of September 12, 2023:

Grant Application	Amount	Status
CT Dept of Agriculture Farm Viability Grant	35,500	Awarded
Tai Ji Quan: Moving for Better Balance Grant	2,880	Awarded
2023 COPS Hiring Program Application	125,000	Pending
Police Department Congressionally Directed Spending	112,000	Pending

Assessor's Office Performance Audit

As previously reported, the deadline for bidders to submit their proposals for the Assessor's Office Performance audit was August 4th. Two bids were received and both firms were interviewed. At the conclusion of the interviews, it was decided to award the contract to Tyler Technologies. The cost to complete the performance audit will be \$20,000. A draft contract has been sent to legal counsel for review.

2023 Bond Issuance

The Town is currently in the final stages of issuing bonds in the amount of \$22,165,000. As part of this process, the Town's bond rating was re-evaluated by Standard & Poor's (S&P). I am happy to report that the Town's AAA bond rating was affirmed. A copy of the rating report is included in the "Communications" section of this packet.

The bond sale took place on September 13th with 17 underwriting firms bidding. The bonds were awarded to Raymond James & Associates with an interest rate of 3.47%. The offering generated a premium of \$970,000 (after fees). This premium was utilized to offset the par value of the issuance. Utilizing this offset the Town will also save an additional \$801,755 of interest costs over the life of the bond for a total savings of \$1,771,755.

In the FY23/24 budget debt was budgeted at \$7,806,810. Based on the final results of the sale, the updated debt service projections are anticipated to be \$7,550,217. This is a savings of \$256,593.

TOWN OF SIMSBURY
POLICY FOR AMENDING THE BUDGET
BUDGETARY TRANSFERS AND SUPPLEMENTAL APPROPRIATIONS
Adopted by the Board of Finance on September XX, 2023

Objective: It is the purpose of this policy to outline the process and circumstances for amending the budget by supplemental appropriation and clarify the legal authority for transfers within or between funds, departments and capital projects.

A. Appropriations

An appropriation is the legal authority to spend up to a certain amount during the budget period. Any amount that is appropriated may be encumbered.

Pursuant to Conn. Gen. Statutes, Sec. 7-348 and Town Charter Section 812(d), no expenditure and no commitment to make an expenditure shall be made, caused to be made, or authorized by any officer, agent or agency of the Town, or by any board or commission of the Town unless an appropriation shall have been made for such expenditure or commitment in accordance with the provisions of the Town Charter and state law.

Unless listed as an explicit exception under state or federal law, appropriations must be approved by citizens or elected officials by one of the following legal processes before staff is legally authorized to spend:

- Annual budget and referendum process, pursuant to Town Charter, Title VIII
- Supplemental appropriations, pursuant to Town Charter, Sec. 809
- Emergency appropriation process, pursuant to Town Charter Sec. 810
- Citizen petition, pursuant to Town Charter, Sec. 407

Any increase in an appropriation at the legal level of control of the local government, regardless of the revenue source, shall require the approval of the Board of Finance, upon recommendation of the Board of Selectmen or Education, according to state law and town Charter, as described in Section B.

The Board of Finance’s legal level of control for each type of fund is noted below:

- General Fund – Department level*
- Capital Projects Funds – Project level
- All Other Funds – Fund level

*Individual departments are identified below:

Town Manager/General	Finance/Tax/Assessor
Government/Legal	Information Technology
Board of Selectmen	Planning and Community Dev.
Public Agencies	Police
Health	Public Works
Individual Boards and Commissions	Community and Social Services
Election Administration	Library
Town Clerk	Employee Benefits
Probate	General Liability and Insurance

Transfers/Cash for Capital
Debt Service

Education

Required Appropriations by Fund

The following funds require appropriations:

- General Fund – Department level control
 - Town/Board of Education General Fund
 - Board of Education Non-Lapsing Fund
- Capital Funds – Project level control
 - Capital Projects Fund
 - Capital Non-Recurring Fund
- Special Revenue Funds – Fund level control
 - Sewer Use Fund – Water Pollution Control Authority (WPCA)
 - Residential Property Fund
 - Simsbury Farms Fund
 - LOCIP Fund
 - Town Aid Road Fund
 - Preservation of Historic Documents Fund
 - Town Clerk LOCIP Fund
 - Narcotics Task Force Fund
 - Police D.A.R.E Program Fund
 - Police Private Duty Fund (non-salary expenditures only)
 - Law Enforcement Block Grant Fund
 - Police Community Services Fund
 - Clean Energy Task Force Fund
 - Expanded Dial-A-Ride Fund
 - Youth Service Bureau Fund
 - Board of Education Grants Fund
 - American Rescue Plan Act (ARPA) Fund
 - Planning & Development Program Fund
 - Other as required by law or Charter

The following funds do NOT require appropriations:

- Internal Service Funds
 - Health Insurance Fund
 - Dental Insurance Fund
- Fiduciary Funds
 - Town Pension Fund
 - Police Pension Fund
 - Board of Education Pension Fund
 - Other Post Employment Benefits Fund (OPEB)
- Trust Funds
 - Magowan Trust Fund
 - Belden Horace Trust Fund
 - Antoinette Eno Wood Trust Fund
 - Julia Darling Trust Fund
 - Kate Southwell Trust Fund
 - Ellsworth Trust Fund
 - Pease Cemetery Trust Fund

- Special Revenue Funds
 - Social Worker Contingency Fund
 - Social Services Program Fund
 - Senior Center Program Fund
 - Library Program Fund
 - Dog Park Fund
 - Field Recreation Fund
 - Simsbury Celebrates Fund
 - Simsbury 350th Anniversary Fund
 - Sewer Assessment Fund
 - Flex Spending Fund
 - Board of Education Program Fund
 - Student Activities Fund
 - Cafeteria Fund
 - Others as required by law or Charter

Although the above funds do not require appropriations, it is policy of the Board of Finance to budget for each of these funds if reasonable estimates are available and to review all town and education spending, regardless of appropriation requirements in quarterly reports prepared by the Director of Finance.

Other Appropriation Exceptions

Gifts, Donations, Minor Grants and Bequests: It is the policy of the Board of Finance that gifts, donations and bequests for a *specific purpose* and under \$20,000 may be expended without an appropriation in the year in which it is received. However, expenditure of an undesignated *general purpose* gift, grant, bequest or donation that exceeds budgeted appropriations can only be made after adoption of a supplemental appropriation. Any portion of a *specific purpose* gift, donation, grant or bequest that will be spent in a fiscal year following the year in which they are received should be included as a resource in the regular budget for that future year and the expenditure must be appropriated.

Reimbursements for Special Education: Reimbursements for Special Education do not require supplemental appropriations. When the state reimburses a town for special education expenditures, that are attributable to expenses beyond the BOE's itemized budget estimate, the Town Treasurer is required to credit the BOE's expenditure account. The obligation to credit the BOE expenditure account is limited to the amount by which the expenditures exceed the budgeted estimates of expenditures.

Credits to the BOE Expenditure Account: Other credits to the BOE do not require supplemental appropriations. When the BOE receives funds from students or parents due to lost, damaged or stolen textbooks, library materials or other educational materials, or when the district receives insurance proceeds from such lost or damaged educational materials, the town is required to credit such funds as additional appropriations. Also, amounts received by a local BOE from outside groups in payment for custodial and other related costs involving the use of facilities are deemed appropriated to the BOE, though such appropriation may be net of any expense incurred by the town in providing such custodial services.

B. Supplemental Appropriations

Notice: If any occasion arises in which more money than has previously been appropriated is needed for any department, fund, or capital or CNR project of the Town, the Board of Selectmen or Town Manager shall notify the Board of Finance of that fact, and the chair of the Board of Finance shall forthwith call a meeting to consider the supplemental appropriation for such department, fund or project.

Supplemental appropriations for special projects/activities not funded by a grant or donation shall be kept to a minimum and may be considered only when the project or activity could not have reasonably been budgeted, a delay would cause harm or incur greater costs, or a need is stated.

Power to grant a supplemental appropriation: Pursuant to Section 809 of the Town Charter, upon recommendation by a majority of the Board of Selectmen, the Board of Finance may approve by resolution a supplemental appropriation to any department, fund, capital or CNR project in the annual budget for the then current fiscal year.

Except as set forth in Section 810 (Emergency Appropriations) of the Simsbury Town Charter, any individual appropriation for any purpose that is in the amount equal to or greater than two percent (2%) of the annual budget for the then current fiscal year is subject to automatic referendum pursuant to Section 406 of the Simsbury Town Charter.

Any individual appropriation for any purpose in an amount less than two percent (2%) of that annual budget for the then current fiscal year may be made upon approval of the Board of Selectmen and the Board of Finance.

Supplemental appropriations as described in this section which have not been approved at referendum may not exceed in any fiscal year a cumulative total of three percent (3%) of the annual budget for the then current fiscal year, pursuant to Section 809 of the Simsbury Town Charter.

All appropriation increases above the department, fund or project appropriation approved at referendum must be recommended by the Board of Selectmen and approved by the Board of Finance.

Supplemental Appropriations for the Board of Education operating budget are also governed by Conn. Gen. Stats., Section 10-222. If any occasion arises whereby additional funds are needed by the Board of Education, the chair of the Board of Education shall notify the Board of Finance and shall submit a request for additional funds in the same manner as provided for departments, boards or agencies of the municipality and no additional funds shall be expended unless such supplemental appropriation shall be granted and no supplemental expenditures shall be made in excess of those granted through the Board of Finance.

Emergency Appropriations: For the purpose of meeting a public emergency threatening the lives of citizens, emergency appropriations, the total amount of which shall not exceed fifty percent (50%) of undesignated fund balance for the then current fiscal year, may be made upon the recommendation of at least four (4) members of the Board of Selectmen and by an affirmative vote of no fewer than four (4) members of the Board of Finance. In the absence of sufficient general fund resources to meet such appropriations, additional means of

financing shall be provided in such manner, consistent with the provisions of the General Statutes and of this Charter, as may be determined by the Board of Finance.

Common supplemental appropriations include, but are not limited to:

- **Fiscal Year-End Transfers:** usually adopted in September/October to re-appropriate funds from the previous year's ending balance for projects or obligations that were approved but not completed during the year (carry-forward encumbrances), to fund a new project that cannot reasonably wait until the next budget cycle, or as a transfer to the Capital Reserve Fund or other funds.
- **Mid-Year transfers:** for unbudgeted projected overages that may be funded by transfers from savings in other budgeted appropriations.
- **Grants or unanticipated revenues:** if revenue is received during the fiscal year from a source that could not have been reasonably anticipated or budgeted, such as grants or implementation of a new fee, the Board of Finance, upon recommendation of the Board of Selectmen, may appropriate that unanticipated revenue for expenditure.
- **Emergency appropriations** as governed by Charter, Section 810.
- **Budgeted contingency for settled negotiated contracts** that are to be transferred to operating budgets upon settlement are not considered supplemental departmental appropriations, but require Board of Finance approval to transfer from contingency to departmental budgets. These transfers are done for administrative implementation, not as supplementals.

C. Appropriation Lapses

All appropriations unexpended or unencumbered at the end of the fiscal year shall lapse except for:

- Capital expenditure appropriations from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided any such project shall be deemed to have been abandoned if three (3) fiscal years shall lapse without any expenditure from or encumbrances of the appropriation therefore; and
- Federal or state grants do not lapse until the expiration of the federal or state grant or as required by law; or
- Special Revenue Funds, unless explicitly stated as part of the creation of the fund.

D. Transfers *within* a Department

Approval by the Board of Finance is not required for line-item transfers *within* a department provided that the total expenditure of a particular department does not exceed the amount that is appropriated for the whole department.

The Board of Selectmen has the sole power to approve line-item transfers *within* the budgets of Town departments, other than the Board of Education.

The Board of Education has the sole authority to approve line-item transfers *within* the Board of Education budget so long as the budget does not exceed the total appropriation allocated to the Board of Education.

The Board of Finance annually reviews transfers made within departments at the close of the fiscal year and during quarterly reporting pursuant to Conn. Gen. Stat. Sec. 7-345.

E. Transfers *Between* Departments

Pursuant to Section 812 (f) of the Simsbury Town Charter and Conn. Gen. Stat., Sec. 7-347 and subject to the conditions identified below, upon the request of the Board of Selectmen during the last six (6) months of the fiscal year, the Board of Finance may, by resolution, transfer any unencumbered appropriation, balance or portion thereof from one department, commission, board or office to another. Notwithstanding the foregoing, this provision shall not apply to the Board of Education and no transfer shall be made from any appropriation for debt service or other statutory charges.

Notwithstanding the foregoing, such transfers may only be granted subject to the satisfaction of at least one of the following conditions:

- The purpose for which the transferred funds are to be expended remains unchanged; or
- The purpose for which the funds were initially appropriated no longer exists; or
- The proposed transfer is from a fund in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation approved at referendum.

F. Transfers *Between* Funds

All transfers between funds require the approval of the Board of Finance upon the recommendation of the Board of Selectmen. The BOE Non-Lapsing Fund does not require BOS approval but does require Board of Education recommendation to the Board of Finance.

G. Transfers Between Capital and Capital Non-Recurring (CNR) Projects

No individual Capital or CNR project may exceed its project appropriation without a supplemental appropriation. All transfers between capital and CNR projects or from other funds require prior approval of the Board of Finance upon the recommendation of the Board of Selectmen, with the exception of minor CNR project overages described below.

Consistent with the Capital and Capital Non-Recurring Fund Policy, for CNR projects only, anticipated budget transfers between projects can be overspent within \$5,000 or 20% of the total project budget, whichever is less, so long as the total anticipated overages do not exceed anticipated savings from other projects. The transfer and close out requests will go before the Board of Selectmen and Board of Finance at year end for formal close-out.

Board of Finance
TOWN OF SIMSBURY, CONNECTICUT
REGULAR MEETING
Tuesday, July 18, 2023, at 5:45 P.M.
In Person Meeting /Simsbury Community Media Live Stream

PRESENT:

Lisa Heavner, Robert Helfand, Linda Schofield, Mike Doyle, Derek Peterson and Arthur House

ALSO PRESENT:

Amy Meriwether, Director of Finance; Lee Erdmann, Interim Town Manager; Wendy Mackstutis, First Selectman

1. Call to Order - Establish Quorum

Ms. Heavner called the meeting to order at 5:45 P.M.

2. Pledge of Allegiance

All present stood for the Pledge of Allegiance.

Ms. Heavner thanked Ms. Schofield for her service on the Board of Finance and presented her with a gift of appreciation.

3. Finance Director's Report

Ms. Meriwether provided an overview of the Finance Director's report. She reported no change to the Supplemental Appropriations since her last reporting and one update to the Grants listing for a grant that was approved since the time the report was written.

She noted the Assessor's Performance Audit Request for Proposal has gone out.

Ms. Meriwether reviewed the monthly financial summary noting they are still finalizing the FY23 year-end which takes several weeks. The board asked questions on the personal property revenue and other items in the report which were addressed and clarified by Ms. Meriwether. An in-depth discussion followed on the use of the non-lapsing fund or a supplemental appropriation from the general fund for the Board of Education as they will be ending the year in a deficit position. Ms. Meriwether made a recommendation to take it from the non-lapsing fund with a stipulation to transfer savings back at year end if they so choose, and the board agreed they would be comfortable with that.

MOTION: Mr. House made a motion, effective July 18, 2023, to authorize the use of the Board of Education non-lapsing fund up to \$651,308 for the fiscal year 2023 budget. Mr. Helfand seconded the motion. All were in favor and the motion passed unanimously.

Ms. Meriwether reviewed expenditures and said they added about \$17,500,000 since the last time the numbers were reported. She added around \$13M was from the Board of Education, \$6M was the balloon payments that the teachers receive before they go on their summer break, and \$2M was related to June payments for their debt service. Ms. Heavner discussed the payout of the vacation payout within the Town Manager budget and how that works due to their contractual obligation, and she stated the rule that no department can go over budget unless they have prior approval by the Board of Finance. She clarified that it looks like the CSEA looks like it's over budget, but they budget salary in two lines, one in the Department line and one in the

contingency line. She said it's not technically an overage. Ms. Meriwether confirmed they have two contingencies, one for \$189K and one of \$750K, and she confirmed these are adequate to cover the transfers. Ms. Heavner pointed out two overages, one in the Legal Department, and she said they were advised this would happen, and EDC went over budget. She asked Ms. Meriwether if she can see the more detailed line items for revenue and expenditures at the year-end close out in September. She also asked to see the projects that are carrying over to the following year.

4. Financial Planning Discussion

Ms. Heavner talked about the budget enhancement timeline and thanked everyone for their efforts working on this. Ms. Heavner stated the Board of Finance has long been advocating for many of the government financial officer's association best practices and are happy to see them included as well as the other additional suggestions being incorporated into future budgets. She added that she believes they promote transparency and helps citizens better understand what they are getting for the taxes they pay.

Ms. Meriwether walked through the year over year year-end savings analysis and the budget modeling documents. Ms. Heavner added further details around the expenditure savings and asked about budgeting the vacancy rate to get a truer number. She talked about budgeting contingency and asked Ms. Meriwether what they do in the event of excess savings. Ms. Meriwether explained their first recommendation is to put it into general fund reserves if they are not at their target percentage. After that they recommend it gets included in their capital reserve fund for future capital maintenance, because they have more capital needs and maintenance that what they currently fund.

Ms. Meriwether continued with her report and the board asked questions which were addressed. Ms. Heavner asked to include Farmington as one of the towns to do a comparison with during the budget benchmarking, and asked if the total student population so they can calculate cost per student.

Ms. Schofield added to include the probable impact on taxes on budget communications for the public to help get them engaged.

Mr. Helfand spoke about informing the public of their property tax change based on their property value, and commended the chart that was used this past year.

Ms. Meriwether reviewed the budget modeling and asked the board to review later and provide her feedback. She went through all the updates, explained how everything interlocks, and added that she made notes on the side which explains her thought process.

Initial feedback from the board was the tool is a great improvement and they will review and get back with more input.

Mr. House asked Ms. Schofield what her thoughts are on the process for budgeting, and Ms. Scofield said in her experience giving stronger guidance up front has worked better in the past.

Ms. Heavner also spoke about having the harder conversations around priority budgeting and zero-based budgeting and about articulating it to the public better, so they understand the thinking and the analysis.

Ms. Heavner mentioned that she did submit Ms. Meriwether's budget modeling for an award and thanked her again for all the work she did and said it clarifies it for the board, the policymakers, and the public what they are doing and will help them make better decisions.

5. Approval of Minutes – May 16, 2023, and June 20, 2023

MOTION: Mr. Doyle made a motion, effective July 18, 2023, to approve the minutes as presented from May 16, 2023, and June 20, 2023. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

6. Communication - Moody's Profile Report for Simsbury

Ms. Meriwether reviewed the highlights within the Moody's report for the Town of Simsbury. She specifically noted that Simsbury is in line or better than the medians for other Aaa rated communities with the exception of the available fund balance. Simsbury's available fund balance is at 29%, which is lower than other medians which come in at 62%. She noted that Simsbury is pretty standard for Connecticut and the national recommended percentage is a lot higher than most towns in the State of Connecticut, including Aaa rated communities.

7. Executive Session - Pursuant to General Statutes section 1-200(6)(B) and (E), pending claim: 442 Hopmeadow Street

MOTION: Mr. Doyle made a motion, effective July 18, 2023, to go into executive session with Finance Director, Amy Meriwether. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

The Board went into an Executive Session.

8. Adjourn

MOTION: Mr. House made a motion, effective July 18, 2023, to adjourn at 7:28 P.M. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,
Marion Lynott
Commission Clerk

RatingsDirect®

Summary:

Simsbury Town, Connecticut; General Obligation

Primary Credit Analyst:

Lauren Freire, New York + 1 (212) 438 7854; lauren.freire@spglobal.com

Secondary Contact:

Felix Winnekens, New York + 1 (212) 438 0313; felix.winnekens@spglobal.com

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Simsbury Town, Connecticut; General Obligation

Credit Profile

US\$22.165 mil GO bnds, issue of 2023 due 03/15/2043

<i>Long Term Rating</i>	AAA/Stable	New
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Simsbury GO bnds

<i>Long Term Rating</i>	AAA/Stable	Affirmed
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Credit Highlights

- S&P Global Rating assigned its 'AAA' rating to Simsbury Town, Conn.'s roughly \$22.1 million series 2023 general obligation (GO) bonds.
- At the same time, S&P Global Ratings affirmed its 'AAA' rating on the town's existing GO debt.
- The outlook is stable.

Security

The town's full-faith-and-credit pledge secures the bonds.

Officials intend to use series 2023 bond proceeds to fund various capital projects with the bulk of the issuance for the ongoing Latimer Lane school renovation.

Credit overview

Simsbury is an affluent, residential community in the Hartford-West Hartford-East Hartford metropolitan statistical area (MSA). With the recent reassessment in 2022, management reports property tax base appreciation growing by 27% to \$3.4 billion. There are several projects that remain in the pipeline that should contribute to additional tax base growth, potentially at levels greater than neighboring peers.

We adjusted budgetary performance to account for recurring transfers into the capital-projects fund and nonmajor funds from the general fund, as well as for the expenditure of bond proceeds. Strong property tax collections, in excess of budgeted levels; unexpected state and federal aid; and increased conveyance and recording fees contribute to positive results. Expenses remained slightly underbudget, and management conservatively budgets.

Simsbury is closing out fiscal 2023, and it expects positive budgetary performance. The fiscal 2024, \$121.6 million budget is a 5.83% increase, supported by increased costs related to inflationary pressure, debt-service costs, and increased educational costs. However, due to a trend of positive performance, we do not expect a material effect on overall budgetary performance.

With the series 2023 issuance, Simsbury will have about \$55.9 million in total direct debt outstanding, which we continue to view as manageable. In accordance with the capital-improvement plan, the town currently plans to issue about \$23 million of additional debt during the next two years for various purposes as part of the capital plan and the

second half of the Latimer project. It contributes to various locally administered pension plans that are all more than 64% funded with a combined net pension liability of \$20.6 million as of fiscal 2022. Simsbury also prefunds an other postemployment benefits (OPEB) plan through a trust: The OPEB is 104% funded.

The rating reflects our view of the town's:

- Wealthy, diverse tax base with numerous ongoing residential and commercial developments and access to the Hartford MSA;
- Very strong management with strong financial-management policies, practices under our Financial Management Assessment (FMA) methodology, with a recent debt-policy change increasing debt-service limits to 6%-8% of expenditures to account for a middle-school project, and strong Institutional Framework score;
- Strong budgetary performance due to strong revenue collections, resulting in very strong reserves of \$19.3 million, exceeding the fund-balance policy--Simsbury's history of strong budgetary performance supports very strong liquidity; and
- Manageable debt, which we expect will likely continue despite a slight uptick due to a school project--Well-funded pension and OPEB plans support consistent fixed costs.

Environmental, social, and governance

We have evaluated environmental, social, and governance (ESG) factors relative to Simsbury's economy, financial measures, management, and debt and long-term liability profile; we view them all as neutral in our analysis.

Outlook

The stable outlook reflects S&P Global Ratings' expectation that Simsbury's strong budgetary performance will likely continue, bolstered by very strong management policies and a very strong local economy.

Downside scenario

Although unlikely, we could lower the rating if budgetary performance were to deteriorate, leading to a sharp reserve drawdown.

Ratings above the sovereign

We rate Simsbury higher than the nation because we think it can maintain better credit characteristics than the nation in a stress scenario based on its predominantly locally derived revenue base and our view that pledged revenue supporting bond debt service is at limited risk of negative sovereign intervention. In fiscal 2022, local property taxes generated upward of 82.4% of town revenue. (For further information, see our criteria, titled "Ratings Above The Sovereign: Corporate And Government Ratings—Methodology And Assumptions," published Nov. 19, 2013, on RatingsDirect.)

Simsbury, Connecticut key credit metrics

	Most recent	--Historical information--		
		2022	2021	2020
Very strong economy				
Projected per capita effective buying income (EBI) (%) of U.S.	170.0			
Market value per capita (\$)	205,222			
Population		23,680	23,440	23,435
County unemployment rate(%)		4.3		
Market value (\$000)	4,859,668	3,689,076		
10 largest taxpayers as a % of taxable value	9.8			
Strong budgetary performance				
Operating fund result as a % of expenditures		1.8	(0.8)	0.7
Total governmental fund result as a % of expenditures		0.5	4.0	4.5
Very strong budgetary flexibility				
Available reserves as a % of operating expenditures		17.1	15.4	16.9
Total available reserves (\$000)		19,971	17,820	18,800
Very strong liquidity				
Total government cash % of governmental fund expenditures		33.8	42.1	35.7
Total government cash % of governmental fund debt service		617.9	798.6	678.8
Very strong management				
Financial Management Assessment		Strong		
Very strong debt and long-term liabilities				
Debt service as a % of governmental fund expenditures		5.5	5.3	5.3
Net direct debt as a % of governmental fund revenue	39.1			
Overall net debt as a % of market value	1.2			
Direct debt 10-year amortization (%)	83.7			
Required pension contribution as a % of governmental fund expenditures		2.6		
Other postemployment benefits actual contribution as a % of governmental fund expenditures		0.7		
Strong Institutional Framework				

Data points and ratios may reflect analytical adjustments.

Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Incorporating GASB 67 And 68: Evaluating Pension/OPEB Obligations Under Standard & Poor's U.S. Local Government GO Criteria, Sept. 2, 2015
- Criteria Guidance: Assessing U.S. Public Finance Pension And Other Postemployment Obligations For GO Debt, Local Government GO Ratings, And State Ratings, Oct. 7, 2019
- 2022 Update Of Institutional Framework For U.S. Local Governments

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

SEAN SCANLON
STATE COMPTROLLER



TARA DOWNES
DEPUTY COMPTROLLER



STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

August 1, 2023

Dear Municipal Leader,

I hope you are well, and I hope you and your staff will help my office comply with a newly signed state law in a timely manner. Public Act 23-182 requires municipalities to share certain data regarding municipal retirement plans with the Office of the State Comptroller (OSC). The data includes:

1. A statement of whether the municipality has formally adopted an investment policy statement and if so, a copy of the statement
2. Summary plan documents for each retirement plan offered in the previous 5 fiscal years
3. The 5 most recent actuarial valuations for each applicable plan
4. The form and governance structure of the municipal entity, if any, that provides management or oversight of each plan
5. A statement of whether the municipality uses a third-party advisor or administrator to provide management or oversight of the plans
6. The estimated fees paid by the municipality in each of the previous 5 fiscal years for investments under the plans

The Act requires municipalities to provide us with this data by September 1, 2023. To ensure we meet our obligation, please fill out [this survey \(https://osc.ct.gov/municipalretirementsurvey/\)](https://osc.ct.gov/municipalretirementsurvey/) by 9/1/23. From this, OSC, the Office of Policy and Management and the Treasurer's Office will produce a report to be shared with each municipality outlining a summary of the information collected, best practices, and any legislative recommendations. If you have any questions regarding the survey, please reach out to:

John Herrington
Retirement Services Division Director
Office of the State Comptroller
John.Herrington@ct.gov

Charlotte Moller
Director of Policy
Office of the State Comptroller
Charlotte.Moller@ct.gov

Thank you in advance for your cooperation and if you have questions, please do not hesitate to reach out to my office.

Sincerely,



Sean Scanlon
State Comptroller

Simsbury Note: All information being requested by the State of CT has previously been reported/reviewed by the Board of Finance