

# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

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## Board of Finance

Regular Meeting – March 21, 2024 – 5:45 p.m.

Main Meeting Room, Simsbury Town Hall

**\*Meeting May Be Held in a Virtual Only Format if Inclement Weather is Expected on Day of Meeting\***

### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### PRESENTATION

- a) Fiscal Year 2022/2023 Audit Presentation (Page 1-218)

### ACTION/DISCUSSION ITEMS

- b) Approve Fiscal Year 2024/2025 Proposed Budget to Public Hearing (Pages 219-221)

### REVIEW OF MINUTES

- c) March 14, 2024 Special Meeting (Page 222)

### ADJOURN

#### ***Board of Finance Meeting Schedule:***

*4/3/24, 4/4/24, 4/16/24, 4/17/24, 5/14/24, 6/18/24, 7/16/24, 8/20/24, 9/17/24, 10/15/24, 11/12/24, 12/17/24, 1/14/25*



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# Town of Simsbury, Connecticut 2023 Audit Presentation

March 21, 2024

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# Agenda

- Terms of Engagement
- Executive Summary
- Financial Highlights
- Federal and State Single Audit
- Governance Communication
- Management Letter
- Upcoming GASB Pronouncement



# Terms of Engagement

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an “in relation” to opinion on the
  - Schedule of Expenditures of Federal Awards and
  - Schedule of Expenditures of State Financial Assistance
- Express an opinion on compliance related to
  - Major Federal Award Programs and
  - Major State Programs
- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Provide a report on internal control over compliance related to major federal award programs and major state programs



# Executive Summary

- Financial Statements
  - Unmodified Opinion on the basic financial statements
    - Best opinion available
  - No findings reported on internal controls over financial reporting
- Federal Single Audit
  - Unmodified Opinion on the major federal programs
  - No compliance findings or significant deficiencies in internal control over compliance
- State Single Audit
  - Unmodified opinion on the major state programs
  - No compliance findings or significant deficiencies in internal control over compliance



# Financial Highlights – Governmental Activities

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Current assets	\$ 57,562,364	\$ 58,687,387
Capital assets, net of accumulated depreciation	165,318,077	154,535,804
Noncurrent assets	<u>1,212,163</u>	<u>1,687,165</u>
Total Assets	<u>224,092,604</u>	<u>214,910,356</u>
 Deferred Outflow of Resources	 <u>10,054,685</u>	 <u>14,098,477</u>
 Current liabilities	 19,638,174	 17,064,487
Noncurrent liabilities	<u>70,273,003</u>	<u>76,943,874</u>
Total Liabilities	<u>89,911,177</u>	<u>94,008,361</u>
 Deferred Inflow of Resources	 <u>8,125,552</u>	 <u>8,944,979</u>
Net Position:		
Net investment in capital assets	126,101,760	111,009,498
Restricted	3,148,342	2,447,121
Unrestricted	<u>6,860,458</u>	<u>12,598,874</u>
Total Net Position	<u>\$ 136,110,560</u>	<u>\$ 126,055,493</u>



# Financial Highlights – Governmental Funds

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Fund
<b>REVENUES</b>							
Property Taxes	\$ 99,257,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,257,125
Intergovernmental	21,895,787	548,744	614,601	5,209,724	3,757,833	10,196,051	42,222,740
Investment Income (Loss)	1,617,674	113,906	57,393	-	-	57,792	1,846,765
Charges for Goods and Services	1,415,491	-	-	16,436	-	6,304,516	7,736,443
Licenses and Permits	1,001,636	-	-	-	-	-	1,001,636
Rental of Town-Owned Property	167,020	-	-	-	-	56,157	223,177
Local Revenues	66,679	-	-	-	-	-	66,679
Assessments	-	3,286,727	-	-	-	508,271	3,794,998
Other	55,632	707,599	231,564	461,614	-	385,936	1,842,345
<b>Total Revenues</b>	<b>125,477,044</b>	<b>4,656,976</b>	<b>903,558</b>	<b>5,687,774</b>	<b>3,757,833</b>	<b>17,508,723</b>	<b>157,991,908</b>
<b>EXPENDITURES</b>							
Current:							
General Government	3,714,035	-	-	-	-	169,977	3,884,012
Planning and Development	741,295	-	-	-	-	31,128	772,423
Public Safety	6,460,396	-	-	-	-	354,976	6,815,372
Facility Management	4,786,272	2,490,515	-	-	-	111,263	7,388,050
Culture and Recreation	3,327,654	-	-	-	-	2,696,320	6,023,974
Health and Welfare	1,115,929	-	-	-	-	137,995	1,253,924
Education	94,271,764	-	784,650	-	-	13,138,497	108,194,911
Capital Outlay	-	-	-	17,905,475	-	2,799,161	20,704,636
Debt Service:							
Principal Payments	5,090,000	960,000	-	-	-	8,358	6,058,358
Interest and Other	1,281,525	255,000	-	-	-	2,295	1,538,820
<b>Total Expenditures</b>	<b>120,788,870</b>	<b>3,705,515</b>	<b>784,650</b>	<b>17,905,475</b>	<b>-</b>	<b>19,449,970</b>	<b>162,634,480</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>4,688,174</b>	<b>951,461</b>	<b>118,908</b>	<b>(12,217,701)</b>	<b>3,757,833</b>	<b>(1,941,247)</b>	<b>(4,642,572)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	4,721,305	286,317	-	12,377,170	-	3,705,043	21,089,835
Transfers Out	(9,599,319)	(544,483)	-	(6,035,573)	(3,757,833)	(1,152,627)	(21,089,835)
<b>Total Other Financing Sources (Uses)</b>	<b>(4,878,014)</b>	<b>(258,166)</b>	<b>-</b>	<b>6,341,597</b>	<b>(3,757,833)</b>	<b>2,552,416</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(189,840)</b>	<b>693,295</b>	<b>118,908</b>	<b>(5,876,104)</b>	<b>-</b>	<b>611,169</b>	<b>(4,642,572)</b>
Fund Balances - Beginning of Year	20,041,310	7,320,255	679,604	4,277,194	-	5,343,975	37,662,338
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 19,851,470</b>	<b>\$ 8,013,550</b>	<b>\$ 798,512</b>	<b>\$ (1,598,910)</b>	<b>\$ -</b>	<b>\$ 5,955,144</b>	<b>\$ 33,019,766</b>





# Financial Highlights – General Fund

- Fund Balance \$19.9M
  - Non-spendable:
    - Prepaids - \$138K
  - Committed:
    - Education - \$651K
  - Assigned:
    - Town Encumbrances - \$23K
    - BOE Encumbrances - \$45K
  - Unassigned - \$19M



# Financial Highlights

- General Fund Budget
  - General Fund Revenues - \$571K above budget
    - Property Tax Collections were \$639K above budget
  - General Fund Expenditures - \$568K above budget
- Proprietary Funds
  - Health and Dental Insurance Fund
    - Net Position - \$4M, a decrease of \$564K from prior year



# Financial Highlights – Pension and OPEB Funds

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>ADDITIONS</b>					
Contributions:					
Employer	\$ 1,450,539	\$ 854,232	\$ 1,411,861	\$ 1,064,993	\$ 4,781,625
Plan Members	413,923	264,202	207,817	125,344	1,011,286
Total Contributions	1,864,462	1,118,434	1,619,678	1,190,337	5,792,911
Investment Income:					
Net Change in Fair Value of Investments	1,194,322	870,539	1,418,160	1,249,966	4,732,987
Interest and Dividends	665,947	490,707	671,873	501,437	2,329,964
Total Investment Income (Loss)	1,860,269	1,361,246	2,090,033	1,751,403	7,062,951
Less Investment Expenses:					
Custodian Fees	(33,578)	(28,717)	(37,193)	-	(99,488)
Net Investment Gain (Loss)	1,826,691	1,332,529	2,052,840	1,751,403	6,963,463
Total Additions	3,691,153	2,450,963	3,672,518	2,941,740	12,756,374
<b>DEDUCTIONS</b>					
Benefits	2,466,612	1,579,965	2,089,040	1,064,992	7,200,609
Administration	46,907	35,267	64,882	75,434	222,490
Total Deductions	2,513,519	1,615,232	2,153,922	1,140,426	7,423,099
<b>CHANGE IN NET POSITION</b>	1,177,634	835,731	1,518,596	1,801,314	5,333,275
Net Position - Beginning of Year	26,298,556	19,576,739	26,500,107	19,916,480	92,291,882
<b>NET POSITION - END OF YEAR</b>	<u>\$ 27,476,190</u>	<u>\$ 20,412,470</u>	<u>\$ 28,018,703</u>	<u>\$ 21,717,794</u>	<u>\$ 97,625,157</u>



# Financial Highlights – Pension & OPEB

- Net Pension Liability – Total for all plan \$33.3M, decreased \$283K from PY.
  - General Govt \$13.9M – 66.36% funded
  - Police \$6.6M – 75.57% funded
  - BOE \$12.8M – 68.65% funded
- OPEB Liability
  - Retiree Health Plan \$3.9M 84.56% funded



# Federal Single Audit

- Total Federal Awards expended - \$7.7M
- Major Program
  - COVID-19 – American Rescue Plan Act Local Fiscal Recovery
  - Special Education Cluster (DIEA)
- Unmodified Opinion on major program compliance
- No finding on internal control over major federal programs



# State Single Audit

- Total State Awards expended – \$19M
- Major Programs
  - Local Transportation Capital Program
  - Tiered PILOT
  - Municipal Revenue Sharing
  - MRSA – Tiered PILOT
- Unmodified opinion on major program compliance
- No finding on internal control over major state programs



# Auditors' Communication

- New Standards adopted – GASB 96 Subscription Based Information Technology Arrangements (SBITAs)
  - No material items recorded
- Significant Estimates
  - Net Pension Liability
  - Net OPEB Liability
  - Depreciation Expense
  - Allowance for Uncollectible Receivables
  - IBNR Healthcare costs



# Auditors' Communication Continued

- No disagreements with management
- Management did not consult with other accountants
- No difficulties encountered in performing the audit
- Uncorrected misstatements – Lessee and SBITA Implementation
- No independence issues





# Management Advisory Letter

- Capital Asset Reporting
  - Expected implementation FY24
- Fraud Risk Assessment
  - Expected implementation FY24
- Accounting Procedures Manual
  - Expected implementation FY24



# GASB Standards

- Implementation year 2024
  - Statement 99 – Omnibus 2022 (Various)
  - Statement 100 – Accounting Changes and Error Corrections
- Implementation year 2025
  - Statement 101 – Compensated Absences
  - Statement 102 – Certain Risk Disclosures



# Contact Information

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Board of Finance  
Town of Simsbury, Connecticut

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023, and have issued our report thereon dated [REPORT DATE]. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Connecticut State Single Audit Act (State Single Audit), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant audit findings or issues**

#### ***Qualitative aspects of accounting practices***

##### **Accounting policies**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Town of Simsbury, Connecticut, are described in Note 1 to the financial statements.

The entity changed accounting policies related to Subscription-Based Information Technology Arrangements by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 96, *Subscription-Based Technology Arrangements*, in 2023. Management has concluded that there was no material impact on the entity's net position and changes in net position as a result of adoption of this standard.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### **Accounting estimates**

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the net pension liability is based on actuarial valuation utilizing various assumptions and estimates approved by management. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of net other postemployment benefit (OPEB) liability is based on actuarial valuation utilizing various assumptions and estimates approved by management. We evaluated the key factors and assumptions used to develop the net OPEB liability in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of depreciation expense is based on the estimated useful lives of governmental activities capital assets, which are based on history and industry standards. We evaluated the key factors and assumptions used to determine the useful lives in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the allowance for doubtful accounts is based on historical taxes, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of amounts incurred but not reported (IBNR) health insurance claims is based on historical information and analysis of claims processed. We evaluated the key factors and assumptions used to develop the IBNR liability in determining that it is reasonable in relation to the financial statements taken as a whole.

**Financial statement disclosures**

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

***Significant unusual transactions***

We identified no significant unusual transactions.

***Difficulties encountered in performing the audit***

We encountered no significant difficulties in dealing with management in performing and completing our audit.

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes uncorrected misstatements of the financial statements:

- Right-To-Use Lease Assets and Lease Liability of the governmental activities were understated by approximately \$256 thousand.
- Right-To-Use Subscription Assets and Subscription Liability of the governmental activities were understated by approximately \$206 thousand.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

***Corrected misstatements***

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

***Disagreements with management***

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the management representation letter dated [REPORT DATE].

***Management consultations with other independent accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Significant issues discussed with management prior to engagement***

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

***Required supplementary information***

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

**Supplementary information in relation to the financial statements as a whole**

With respect to the schedule of expenditures of federal awards (SEFA) and schedule of expenditures of state financial assistance (SESFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA and the SESFA to determine that the SEFA and the SESFA comply with the requirements of the Uniform Guidance and the State Single Audit, respectively, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA and the SESFA are appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA and the SESFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated [REPORT DATE].

With respect to the combining and individual fund financial statements and schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated [REPORT DATE].

**Other information included in annual reports**

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the Annual Comprehensive Financial Report, including the introductory and statistical sections. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document. You are responsible to provide us the opportunity to review such documents before issuance.

\* \* \*

This communication is intended solely for the information and use of the Board of Finance and management of the Town of Simsbury, Connecticut, and is not intended to be, and should not be, used by anyone other than these specified parties.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]

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# Town of Simsbury Connecticut



## Annual Comprehensive Financial Report

For The Fiscal Year Ended  
June 30, 2023

# **Annual Comprehensive Financial Report**

of the

## **TOWN OF SIMSBURY, CONNECTICUT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Department of Finance  
Amy Meriwether  
Director of Finance

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# DRAPER

**INTRODUCTORY SECTION**



# TOWN OF SIMSBURY

933 Hopmeadow Street, Simsbury, CT 06070-1897

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Email: [ameriwether@simsbury-ct.gov](mailto:ameriwether@simsbury-ct.gov)

Website: [www.simsbury-ct.gov](http://www.simsbury-ct.gov)

[REPORT DATE]

To the Board of Selectmen, Board of Education, Board of Finance, Town Manager, and citizens of the Town of Simsbury:

Connecticut State Statutes require that all municipal entities publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Town of Simsbury, Connecticut for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the Town of Simsbury, Connecticut. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Simsbury has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefit, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Simsbury for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Simsbury financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Town was part of broader, federal, and state mandated "Single Audits" designed to meet the special needs of federal and state grantor agencies. The standards governing the Federal and State Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These reports are available in the Town of Simsbury's separately issued Single Audit Reports.



GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Town of Simsbury's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The Town of Simsbury was incorporated as Connecticut's twenty-first Town in May 1670. It has a land area of approximately 34.5 square miles and a population of approximately 24,935. Centrally located in the heart of the New York - Boston corridor, Simsbury is a most attractive and diverse suburban community. As a part of the beautiful Farmington Valley, Simsbury offers an unmatched quality of life with a traditional New England town atmosphere in a setting of rolling hills, the picturesque Farmington River, and well-manicured properties. Simsbury is conveniently located 20 minutes northwest of Hartford and 20 minutes southwest of Bradley International Airport.

The Town of Simsbury operates under a Charter revised as of December 4, 2017. The form of government is Board of Selectmen/Town Manager - Board of Finance - Referendum. There are five Selectmen (2-year term) and a First Selectman (2-year term). There is also an eight-member Board of Education (4-year term) and a six-member Board of Finance (6-year term). Effective December 4, 2017, the Town Manager is the full-time Chief Executive and Chief Administrative Officer of the town - a role formerly performed by the First Selectman/Selectwoman. The legislative authority of the government is vested in the Board of Selectmen. The Charter requires an automatic referendum for the annual budget and for expenditures in excess of 2% of the annual budget.

The Town of Simsbury provides a full range of services, including police protection; the construction and maintenance of streets and other infrastructure; recreational activities and cultural events; and a public school system which is one of the finest in the state and national level for excellence. Certain sanitation services are provided by a legally separate Water Pollution Control Authority, which functions in essence as a department of the Town of Simsbury and therefore its operations have been included as an integral part of the Town of Simsbury's financial statements.

## **Annual Budget Process**

The budget serves as the foundation of the Town of Simsbury's financial planning and control. The proposed budget is presented during at least one Board of Finance Public Hearing in April. The proposed budget is subject to an automatic referendum by all qualified voters of the Town to be held from 14 to 21 days after the Board of Finance files the approved budget with the Town Clerk. Should the referendum fail to adopt the budget, the Board of Finance, in cooperation with the Town Manager, Board of Selectmen and Board of Education, shall revise the annual budget, or that portion thereof which has been rejected at the referendum, and present it at a subsequent Board of Finance Public Hearing and referendum for acceptance. If the budget remains unaccepted at the second referendum, the budget adopted for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.

## **Local Economy**

Early in 1994, the Town hired a full-time professional Economic Development Coordinator who formulated a Strategic Plan to guide the Town's economic development efforts to help stimulate the growth of high-quality development. A fiscal impact study was completed in January 1995 to formulate a development strategy for the future. The Town encourages economic development through financial participation in the construction of roads and infrastructure. Economic development efforts have

focused on outreach programs, growing home-based businesses, and marketing various commercial and industrial properties to international corporations. An indicator of the Town's success in carrying out its economic development plan was the move of the International Skating Center of Connecticut to town. The Center features a twin ice rink Olympic training facility, a professional dance studio, a fully-equipped weight and fitness center, a state-of-the-art sound system, a pro shop and lounge, and spectator seating for roughly 1,700 people. More recently, an outdoor Performing Arts Center, able to host a full symphony orchestra, with seating area for 10,000 was completed.

The Town supported economic development by constructing the Iron Horse Boulevard, a central downtown street that allows residents and shoppers to move quickly north and south through the Town behind the majority of the Town's retail establishments without cutting off access to those stores.

On the commercial level, the Town's retail centers include the completely rebuilt Simsbury Commons (formally the Farmington Valley Mall), Drake Hill Mall, Simsbury Town Shoppes, and recently renovated Andy's Plaza.

Dyno Nobel/Ensign-Bickford Industries owns substantial real estate in the Town on which it has developed high quality residential structures and over 235,000 square feet of Class A office and research space. The company's Powder Forest Business Park has approximately 550 acres for development and its strict design and construction standards ensure a high level of aesthetics in harmony with the surrounding land.

The former Hartford Special Machine, Inc., building and its site were purchased by a partnership of developers and is now known as Tower Business Park. The building, originally 68,000 square feet on one floor, was completely renovated and a 51,000 square foot second floor was added for a total of 119,000 square feet of rental office space. A second three-story office building containing 45,000 square feet was added. Currently, both Chubb Executive Risk, Inc., a national insurance company employing about 250-499 people, and Blue Ridge Insurance, employing about 140 people, occupy the site.

The Town's current unemployment rate is 3.1% compared to the State average of 3.9% and the national average of 3.5%.

### **Long-Term Financial Planning**

The Town and Board of Education has a six-year Capital Improvement Plan which totals approximately \$60 million, of which is estimated that \$42 million will be funded through debt and the remainder from the tax levy, grants, and fund balance.

## Relevant Financial Policies

The Town of Simsbury's written financial policies are as follows:

- CNR and Capital Policy
- Capital Asset Policy
- Investment Policy
- Pension Investment Policy and Investment Objectives
- Defined Contribution Pension Plan Investment Policy
- Other Post Employment Benefit (OPEB) Trust Investment Policy
- Policy for Budgetary Transfers and Supplemental Appropriations
- Board of Education Non-Lapsing Account Policy
- Purchasing Policy
- Fund Balance Policy
- Debt Policy

The Town's debt policy establishes, as a long-term objective, that debt retirement expenses (interest and principal) be at a rate of not more than 8% of the total annual budget. For the year ended June 30, 2023, the annual debt retirement expense percentage in relation to the total annual budget was 5.82% and therefore in compliance with the Town's debt policy.

## Major Initiatives

The following major projects were subsequently approved at Referendum on May 16, 2023:

- \$1,989,000 was approved and authorized to be funded via the issuance of bonds for Old Drake Hill Road/Flower Bridge repairs
- \$1,700,000 was approved and authorized to be funded via cash, grants, and the issuance of bonds for highway pavement management
- \$1,075,000 was approved and authorized to be funded via the sewer use fund for a sewer replacement at Pine Hill
- \$1,000,000 was approved and authorized to be funded via the sewer use fund for a primary clarifier
- \$877,500 was approved and authorized to be funded via the issuance of bonds for elevator refurbishment
- \$873,000 was approved and authorized to be funded via cash, grants and the issuance of bonds for multi-use trail connections/trail development (Rt 10 to Curtiss Park)
- \$650,000 was approved and authorized to be funded via cash and grants for the Meadowood barn restoration
- \$500,000 was approved and authorized to be funded via the issuance of bonds for modular replacement at Tariffville School
- \$454,000 was approved and authorized to be funded via cash for the golf course irrigation system replacement
- \$402,500 was approved and authorized to be funded via grants for bridge improvements (Firetown Road and Barndoor Hills)
- \$389,440 was approved and authorized to be funded via cash and the issuance of bonds for Eno building infrastructure
- \$372,000 was approved and authorized to be funded via grants and the issuance of bonds for bridge improvements (Climax Road over Nod Brook)

- \$261,000 was approved and authorized to be funded via cash for a public works truck replacement and plow
- \$250,000 was approved and authorized to be funded via the issuance of bonds for district security improvements
- \$250,000 was approved and authorized to be funded via sewer use funds for a grit system upgrade
- \$223,400 was approved and authorized to be funded via the issuance of bonds for sidewalk reconstruction

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its annual comprehensive financial report for fiscal year ended June 30, 2022. This was the twenty third consecutive year that we have received this prestigious award. In order to be awarded a Certificate of Achievement, the Town must publish an easily readable and efficiently organized annual comprehensive financial report. The report published satisfied both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report was made possible by the dedicated service of the entire staff of the Finance Department. In addition, the accounting firm of CliftonLarsonAllen LLP, made substantial contributions in the development of this document. Due credit also should be given to the Town Manager, Board of Selectmen, Board of Education and the Board of Finance for their cooperation, assistance, and support throughout the year in matters pertaining to the financial affairs of the Town.

Respectfully submitted,



Amy Meriwether  
Director of Finance/Treasurer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Simsbury  
Connecticut**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO

## **PRINCIPAL OFFICIALS**

**As of June 30, 2023**

### **BOARD OF SELECTMEN**

Wendy Mackstutis, First Selectman  
Steven T. Antonio, Deputy First Selectman  
Diana A. Yeisley  
Kevin Beal  
Heather Goetz  
Curtis Looney

### **BOARD OF EDUCATION**

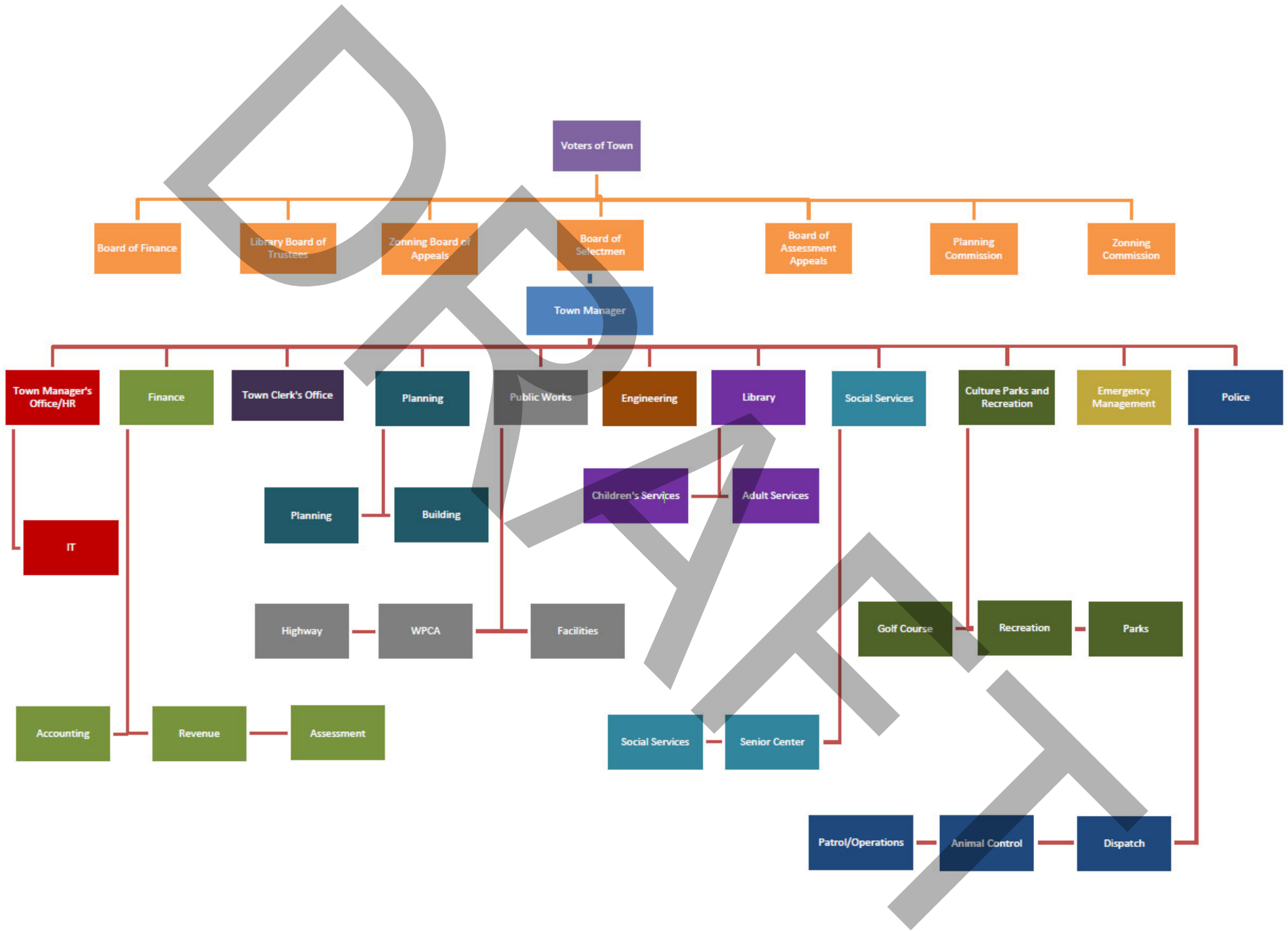
Jeffrey E. Tindall, Chairman  
Jennifer Batchelar, Vice Chairman  
Brian M. Watson  
Jessica Parise  
Tara Donohue Willerup  
Josh Falco  
Lydia A. Tedone  
Sharon Thomas

### **BOARD OF FINANCE**

Lisa Heavner, Chairman  
Robert Helfand  
Todd S. Burrick  
Art Wallace  
Arthur H. House  
Michael Doyle

### **APPOINTED OFFICIALS**

Matthew Curtis, Superintendent  
Amy Meriwether, Director of Finance/Treasurer  
Patricia Munroe, Town Clerk  
Colleen O'Connor, Tax Collector  
Francine Beland, Assessor  
Michael Berry, Director of Civil Preparedness  
Kristen Formanek, Social Service Director  
Thomas Tyburski, Director of Culture, Parks & Recreation  
George McGregor, Director of Planning  
Vacant, Conservation Officer  
Henry Miga, Building Official  
Thomas Roy, Town Engineer  
Updike, Kelley & Spellacy, Town Attorney



# DRPAFT

## FINANCIAL SECTION



## INDEPENDENT AUDITORS' REPORT

Board of Finance  
Town of Simsbury, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Simsbury, Connecticut, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Simsbury, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Simsbury, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Simsbury, Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, and the pension and OPEB schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Simsbury, Connecticut's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated [REPORT DATE], on our consideration of the Town of Simsbury, Connecticut’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Simsbury, Connecticut’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Simsbury, Connecticut’s internal control over financial reporting and compliance.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

The management of the Town of Simsbury, Connecticut (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

**Financial Highlights**

- At the end of the fiscal year the town's unassigned general fund balance was \$18,993,887 or 15.72% of General Fund expenditures.
- On a government-wide basis, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$136,110,560 for Governmental Activities.
- As of the close of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$33,019,766, a decrease of \$4,642,572 in comparison with the prior year.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in a future fiscal period (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Town include general government, planning and development, public safety, facility management, culture and recreation, health, insurances, education, special projects and long-term debt.

The government-wide financial statements can be found on pages 18 and 19 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

**Governmental Funds** - Governmental Funds are used to account for essentially the same functions reported as Governmental Activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of Governmental Funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for Governmental Funds with similar information presented for Governmental Activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between Governmental Funds and Governmental Activities.

The Town maintains 52 individual funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sewer Use Fund, BOE Programs Fund, Capital Project Fund and the ARPA fund, all of which are considered to be major funds.

Data from the other 48 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund and three of its special revenue funds, Sewer Fund, Residential Rental Properties Fund and Simsbury Farms Fund. Budgetary comparison schedules have been provided for all four funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 21 to 24 of this report.

**Proprietary Funds** - The Town maintains a Self-Insurance Fund to account for the self-insurance program for health insurance coverage for the Town and Board of Education employees.

The basic proprietary fund financial statements can be found on pages 25 to 27 of this report.

**Fiduciary Funds** - Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds.

The basic fiduciary fund financial statements can be found on pages 28 to 29 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 to 81 of this report.

**Required Supplementary Information**

This report contains certain supplementary information concerning the Town's compliance with legally adopted budgets for the General Fund and Sewer Fund, a major special revenue fund, as well as progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees.

**Other Information**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 105 to 129 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$136,110,560 at the close of the most recent fiscal year.

By far, the largest portion of the Town's net position is its net investment in capital assets (e.g., land, buildings, machinery and equipment). It is presented in the statement of net position less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets, net of accumulated depreciation, is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**NET POSITION - GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Current assets	\$ 57,562,364	\$ 58,687,387
Capital assets, net of accumulated depreciation	165,318,077	154,535,804
Noncurrent assets	1,212,163	1,687,165
<b>Total Assets</b>	<b>224,092,604</b>	<b>214,910,356</b>
Deferred Outflow of Resources	10,054,685	14,098,477
Current liabilities	19,638,174	17,064,487
Noncurrent liabilities	70,273,003	76,943,874
<b>Total Liabilities</b>	<b>89,911,177</b>	<b>94,008,361</b>
Deferred Inflow of Resources	8,125,552	8,944,979
Net Position:		
Net investment in capital assets	126,101,760	111,009,498
Restricted	3,148,342	2,447,121
Unrestricted	6,860,458	12,598,874
<b>Total Net Position</b>	<b>\$ 136,110,560</b>	<b>\$ 126,055,493</b>

The government's net position increased by \$10,055,067 or 7.98% during the current fiscal year from \$126,055,493 at June 30, 2022 to \$136,110,560 at June 30, 2023. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, is \$6,860,458 at the end of this year compared to \$12,598,874 at the end of the prior year for a decrease of \$5,738,416.



**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

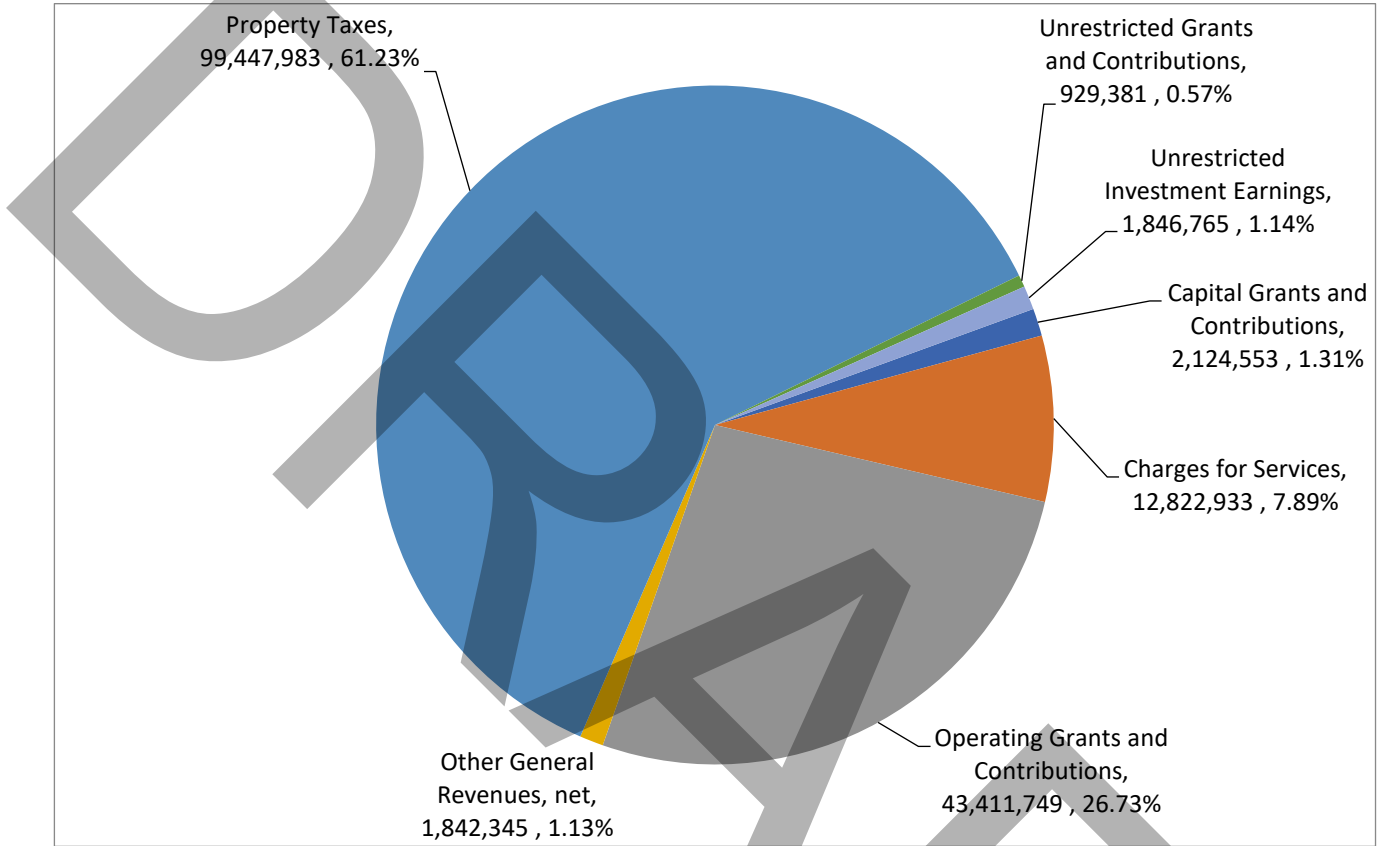
**CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2023</b>	<b>2022</b>
Revenues:		
Program revenues:		
Charges for services	\$ 12,822,933	\$ 11,633,929
Operating grants and contributions	43,411,749	27,456,694
Capital grants and contributions	2,124,553	1,758,102
General revenues:		
Property taxes	99,447,983	97,605,341
Grants and contributions not restricted to specific purpose	929,381	301,359
Unrestricted investment earnings	1,846,765	39,727
Other general revenues, net	1,842,345	2,055,482
Total revenues	<u>162,425,709</u>	<u>140,850,634</u>
Program expenses:		
General government	6,174,953	4,922,143
Planning and development	858,742	623,913
Public safety	7,946,056	6,482,826
Facility management	11,488,431	13,015,366
Culture and recreation	7,388,505	5,703,843
Health and welfare	1,296,503	986,983
Education	116,682,589	104,809,005
Interest on long-term debt	534,863	773,331
Total expenses	<u>152,370,642</u>	<u>137,317,410</u>
Change in net position	10,055,067	3,533,224
Net Position - July 1	<u>126,055,493</u>	<u>122,522,269</u>
Net Position - June 30	<u>\$ 136,110,560</u>	<u>\$ 126,055,493</u>

Total revenues were \$162,425,709 and \$140,850,634 for the years ended June 30, 2023 and 2022, respectively. Total cost of all programs and services were \$152,370,642, and \$137,317,410, respectively, for the years ended June 30, 2023 and 2022. Net position increased by \$10,055,067 for the year ended June 30, 2023, while net position increased by \$3,533,244 for the year ended June 30, 2022.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**Revenue by Source - Governmental Activities**



**Governmental Activities**

Major revenue factors during the year include:

- Property taxes collected increased by \$1,842,642 or 1.89%.
- Charges for goods and services increased by \$1,189,004 or 10.22%. Illustrated below is a comparison between 2023 and 2022:

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
General government	\$ 1,128,127	\$ 1,356,076	\$ (227,949)
Planning and development	123,526	79,112	44,414
Public safety	490,454	517,262	(26,808)
Facility management	4,669,010	4,138,888	530,122
Culture and recreation	2,496,995	2,317,281	179,714
Health and welfare	7,694	533	7,161
Education	3,907,127	3,224,777	682,350
<b>Total</b>	<b><u>\$ 12,822,933</u></b>	<b><u>\$ 11,633,929</u></b>	<b><u>\$ 1,189,004</u></b>

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

- Operating grants and contributions increased by \$15,955,055:

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
General government	\$ 8,304,913	\$ 3,511,170	\$ 4,793,743
Planning and development	1,817,741	1,453,071	364,670
Public safety	1,569,471	15,358	1,554,113
Facility management	99,556	27,968	71,588
Culture and recreation	68,244	42,186	26,058
Health and welfare	66,205	59,103	7,102
Education	31,485,619	22,347,838	9,137,781
<b>Total</b>	<u>\$ 43,411,749</u>	<u>\$ 27,456,694</u>	<u>\$ 15,955,055</u>

- Capital grants and contributions increased by \$366,451. Illustrated below is a breakdown comparison between 2023 and 2022:

	<u>2023</u>	<u>2022</u>	<u>Variance</u>
Facility management	\$ 798,711	\$ 697,277	\$ 101,434
Education	1,325,842	1,060,825	265,017
<b>Total</b>	<u>\$ 2,124,553</u>	<u>\$ 1,758,102</u>	<u>\$ 366,451</u>

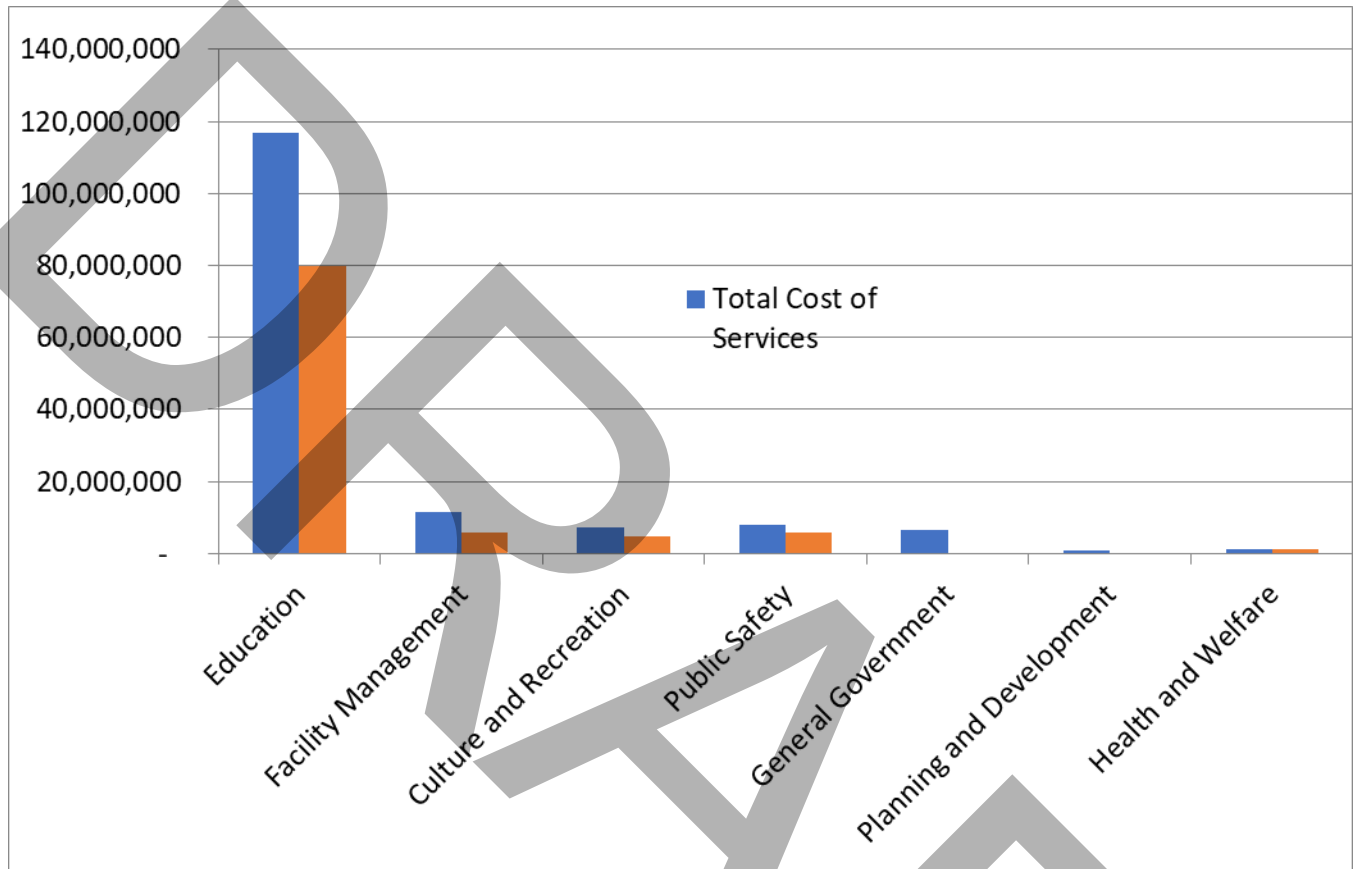
The following table presents the cost of each of the Town's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**GOVERNMENTAL ACTIVITIES  
For the Year Ended June 30, 2023**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General government	\$ 6,174,953	\$ 3,258,087
Planning and development	858,742	1,082,525
Public safety	7,946,056	(5,886,131)
Facility management	11,488,431	(5,921,154)
Culture and recreation	7,388,505	(4,823,266)
Health and welfare	1,296,503	(1,222,604)
Education	116,682,589	(79,964,001)
Interest on long-term debt	534,863	(534,863)
<b>Total</b>	<u>\$ 152,370,642</u>	<u>\$ (94,011,407)</u>

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**Expenses and Net Cost of Services - Governmental Activities**



**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**Financial Analysis of the Government's Funds**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

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

As of the end of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$33,019,766 representing a decrease of \$4,642,572 or 12.33% in comparison with the prior year. Of this total amount, \$211,884 is non-spendable, \$1,240,555 is restricted by governmental grants, \$14,742,855 is committed by the Simsbury Board of Finance (Budget-Making Authority), \$68,319 is assigned and \$16,756,153 is unassigned. The \$16,756,153 unassigned fund balance is available for spending at the Town's discretion. The total unassigned fund balance is based on a positive general fund balance in that amount.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$18,993,887, while total fund balance was \$19,851,470. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Of this total fund balance \$137,956 is non-spendable, \$68,319 is assigned, and \$651,308 is committed, with the balance being unassigned in the amount the \$18,993,887. The total fund balance of the Town's General Fund decreased by \$189,840 during the current fiscal year and the unassigned fund balance decreased by \$46,491. See "General Fund Budgetary Highlights" below for analysis for notable General Fund activity during the year.

The Sewer Use Fund has a fund balance of \$8,013,550 at the end of the year, an increase of \$693,295 from the prior year. The intention is to have fund balance be used to help pay the debt service on the Waste Water Treatment Plant \$26.8 million renovation and expansion capital project. This project was funded 100% by the State of Connecticut Clean Water Fund 2% Loan and Grant program, which was refunded in 2021. This project is completed and payments began on the 20-year, 2% loan program in September 2008. The loan will be repaid by future sewer user charges. The majority of the increase to fund balance relates to unanticipated revenues in excess of budget for assessments.

The Capital Project Fund has a fund balance of (\$1,598,910) at the end of the year, representing a decrease of \$5,876,104 over the prior year fund balance of \$4,277,194. Fund balance decreased as a result of not borrowing for bonded projects in the current year.

Other nonmajor governmental funds have a total fund balance of \$5,955,144, representing an increase of \$611,169 from the prior year as illustrated.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

<b>Nonmajor Governmental Funds</b>	<b>2023</b>	<b>2022</b>	<b>Variance</b>
Residential Rental Properties	\$ 470,174	\$ 429,371	\$ 40,803
Simsbury Farms Fund	645,898	646,083	(185)
General Government Program Fund	144,553	142,529	2,024
Public Safety Program Fund	143,988	142,529	1,459
Planning & Development Program Fund	325,941	310,044	15,897
Facilities Management Program Fund	412,861	548,130	(135,269)
Health & Welfare Program Fund	476,265	340,856	135,409
Culture & Recreation Program Fund	59,668	134,592	(74,924)
Sewer Assessment Fund	662,540	212,300	450,240
Cafeteria	280,356	114,151	166,205
State and Federal Education Grants	(606,109)	423	(606,532)
Capital and Nonrecurring Expenditures Fund	2,273,312	1,739,834	533,478
Student Activity	377,573	326,605	50,968
Flex Spending Fund	19,969	26,645	(6,676)
Continuing Education	213,518	181,303	32,215
Enrichment & Extended Day	54,637	48,580	6,057
<b>Total</b>	<b><u>\$ 5,955,144</u></b>	<b><u>\$ 5,343,975</u></b>	<b><u>\$ 611,169</u></b>

**General Fund Budgetary Highlights**

The original general fund budget including other financing sources and uses of \$114,961,272 was increased by \$2,327,313 to the final budget of \$117,288,585 due to the following:

- \$353,475 net savings in salaries and benefits. There was about \$730,000 in salary and benefits savings in various departments including: Information Technology, Planning, Building, Police, Animal Control, Public Works, Library, and Parks & Recreation related to vacant positions and staff turnover. In addition there was about \$375,000 in contract payouts related to contract settlements after being in negotiations for three years.
- \$460,142 pension savings due to the annually required contributions being lower than anticipated. In addition, the OPEB trust fund was fully funded during the year
- (\$2,557,500) contribution to the capital reserve fund
- (\$185,000) supplemental appropriation for a workers compensation payout
- (\$150,000) supplemental appropriation for the a non-grant program
- (\$100,056) supplemental appropriation to the Farmington Valley Health District
- (\$100,000) supplemental appropriation to the Simsbury Housing Authority
- (\$22,000) supplemental appropriation for a diversity, equity and inclusion data project
- (\$54,935) in increased legal expenditures for tax appeal settlements

Actuals exceeded the final budget by \$567,952. This is mainly related to a Board of Education deficit resulting from increased special education costs.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

Actual revenues were more than budgetary estimates by \$571,137 mainly related to the following:

- \$1,537,674 in increased investment income
- \$638,851 in increased tax collections due to a conservative assumed collection rate
- \$571,700 in unanticipated State grants
- \$184,916 related to an increased number of students paying tuition to attend Simsbury schools
- \$160,505 in excess building permit fees
- \$62,910 related to increased rental income for use of the school buildings
- \$58,994 in unanticipated Educational Cost Sharing Revenue
- \$42,950 in miscellaneous reimbursements
- (\$1,836,001) appropriation from fund balance to the capital reserve fund
- (\$825,489) decrease in anticipated motor vehicle State reimbursement.
- (\$86,692) in decreased conveyance and recording fees related to the slowing housing market

**Capital Asset and Debt Administration**

**Capital Assets** - The Town's investment in capital assets (net of accumulated depreciation) for its governmental activities as of June 30, 2023 amounted to \$165,318,077. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net change in the Town's investment in capital assets for the current fiscal year was an increase of \$10,782,270.

**CAPITAL ASSETS (net of depreciation)**  
**June 30, 2023**

Land	\$ 15,800,256
Development rights	11,725,000
Construction in progress	19,589,665
Buildings and improvements	95,994,400
Land improvements	2,763,088
Equipment	8,107,872
Infrastructure	<u>11,337,796</u>
 Total	 <u><u>\$ 165,318,077</u></u>

Additional information on the Town's Capital Assets can be found in Note 3C on pages 46 to 48 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2023**

**Long-term Debt** - At the end of the current fiscal year, the Town had total bonded debt outstanding of \$35,421,210, of which \$5,558,441 is due within one year. All of the debt is backed by the full faith and credit of the Town.

**OUTSTANDING DEBT  
June 30, 2023**

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General obligation bonds	\$ 35,410,000
Loan payable - State of Connecticut	<u>11,210</u>
Total	<u>\$ 35,421,210</u>

The Town's total debt decreased during the current fiscal year by \$6,986,038. The decrease was a result of paying down outstanding debt. No new debt was issued in the current fiscal year. The Town has an "Aaa" rating from Standard and Poor's and Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior years' tax collections. The current debt limitation for the Town is \$683,584,118 which is significantly more than the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 3F on pages 49 to 51 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The Town's elected Board of Finance considered many factors when setting the fiscal year 2023/24 budget spending guideline and mill rate. Factors included the economy, consumer price index, comparative town data, and the State budget situation. The current unemployment rate for the Town of Simsbury is 3.1%. This compares to the State's average unemployment rate of 3.9% and the national average rate of 3.5%.

**Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance/Treasurer for the Town of Simsbury.



# DRP BASIC FINANCIAL STATEMENTS A F T

TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION  
JUNE 30, 2023

Governmental  
Activities

**ASSETS**

Current Assets:

- Cash and Cash Equivalents
- Investments
- Accounts Receivable, Net
- Loans Receivable
- Supplies
- Prepaid Items
- Total Current Assets

\$ 46,621,636
597,922
9,264,901
380,021
46,695
651,189
<u>57,562,364</u>

Noncurrent Assets:

Capital Assets:

- Nondepreciable
- Depreciable, Net
- Loans Receivable
- Total Noncurrent Assets

47,114,921
118,203,156
1,212,163
<u>166,530,240</u>

Total Assets

224,092,604

**DEFERRED OUTFLOWS OF RESOURCES**

- Deferred Outflows Related to Pension
- Deferred Outflows Related to OPEB
- Deferred Charge on Refunding
- Total Deferred Outflows of Resources

7,281,971
2,411,759
360,955
<u>10,054,685</u>

See accompanying Notes to Financial Statements.

TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2023

	Governmental Activities
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 5,903,595
Accrued Interest Payable	267,670
Unearned Revenues	6,032,641
Bonds and Loans Payable	5,558,441
Compensated Absences	858,527
Claims Liability	1,012,300
Landfill Post Closure	5,000
Total Current Liabilities	<u>19,638,174</u>
Noncurrent Liabilities:	
Bonds and Loans Payable	32,700,083
Net Pension Liability	33,320,710
Net OPEB Liability	3,964,034
Compensated Absences	268,176
Landfill Post Closure	20,000
Total Noncurrent Liabilities	<u>70,273,003</u>
Total Liabilities	89,911,177
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Leases	2,739,234
Deferred Inflows Related to Pension	869,809
Deferred Inflows Related to OPEB	4,516,509
Total Deferred Inflows of Resources	<u>8,125,552</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	126,101,760
Restricted for:	
Grants	2,324,876
Education Trusts	45,472
Facility Management Trusts	14,443
Health and Welfare Trusts	97,854
Other Purposes	665,697
Unrestricted	<u>6,860,458</u>
Total Net Position	<u>\$ 136,110,560</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

Function/Program Activities	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities:					
General Government	\$ 6,174,953	\$ 1,128,127	\$ 8,304,913	\$ -	\$ 3,258,087
Planning and Development	858,742	123,526	1,817,741	-	1,082,525
Public Safety	7,946,056	490,454	1,569,471	-	(5,886,131)
Facility Management	11,488,431	4,669,010	99,556	798,711	(5,921,154)
Culture and Recreation	7,388,505	2,496,995	68,244	-	(4,823,266)
Health and Welfare	1,296,503	7,694	66,205	-	(1,222,604)
Education	116,682,589	3,907,127	31,485,619	1,325,842	(79,964,001)
Interest on Long-Term Debt	534,863	-	-	-	(534,863)
<b>Total Governmental Activities</b>	<b>\$ 152,370,642</b>	<b>\$ 12,822,933</b>	<b>\$ 43,411,749</b>	<b>\$ 2,124,553</b>	<b>(94,011,407)</b>
<b>GENERAL REVENUES</b>					
Property Taxes, Levied for General Purposes					99,447,983
Grants and Contributions Not Restricted to Specific Programs					929,381
Unrestricted Investment Earnings					1,846,765
Other General Revenues					1,842,345
<b>Total General Revenues</b>					<b>104,066,474</b>
<b>CHANGE IN NET POSITION</b>					<b>10,055,067</b>
Net Position - Beginning of Year					126,055,493
<b>NET POSITION - END OF YEAR</b>					<b>\$ 136,110,560</b>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023**

<b>ASSETS</b>	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 20,188,797	\$ 8,051,042	\$ -	\$ 3,024,945	\$ 3,755,397	\$ 7,059,956	\$ 42,080,137
Investments	-	-	597,922	-	-	-	597,922
Receivables, Net	4,532,552	1,743,069	573,135	2,244,475	-	1,763,854	10,857,085
Due from Other Funds	455,507	-	-	-	-	-	455,507
Inventories	-	-	-	-	-	46,695	46,695
Prepaid Items	137,956	960	2,200	-	-	24,073	165,189
<b>Total Assets</b>	<b>\$ 25,314,812</b>	<b>\$ 9,795,071</b>	<b>\$ 1,173,257</b>	<b>\$ 5,269,420</b>	<b>\$ 3,755,397</b>	<b>\$ 8,894,578</b>	<b>\$ 54,202,535</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 1,223,118	\$ 128,099	\$ 23,719	\$ 3,280,706	\$ -	\$ 1,198,285	\$ 5,853,927
Due to Other Funds	-	-	351,026	-	-	104,481	455,507
Due to Other Governments	-	-	-	-	-	49,668	49,668
Unearned Revenue	94,031	-	-	1,679,837	3,755,397	503,376	6,032,641
<b>Total Liabilities</b>	<b>1,317,149</b>	<b>128,099</b>	<b>374,745</b>	<b>4,960,543</b>	<b>3,755,397</b>	<b>1,855,810</b>	<b>12,391,743</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable Revenue - Property Taxes	1,103,032	-	-	-	-	-	1,103,032
Unavailable Revenue - Property Tax Interest	499,727	-	-	-	-	-	499,727
Unavailable Revenue - Sewer Assessments	-	-	-	-	-	258,598	258,598
Unavailable Revenue - Other Districts	-	1,592,184	-	-	-	-	1,592,184
Unavailable Revenue - Grants	-	-	-	1,907,787	-	607,487	2,515,274
Unavailable Revenue - Other	-	61,238	-	-	-	-	61,238
Unavailable Revenue - Small Cities Loans	-	-	-	-	-	21,739	21,739
Deferred Inflows Related to Leases	2,543,434	-	-	-	-	195,800	2,739,234
<b>Total Deferred Inflows of Resources</b>	<b>4,146,193</b>	<b>1,653,422</b>	<b>-</b>	<b>1,907,787</b>	<b>-</b>	<b>1,083,624</b>	<b>8,791,026</b>
<b>FUND BALANCES</b>							
Nonspendable	137,956	960	2,200	-	-	70,768	211,884
Restricted	-	-	45,472	-	-	1,195,083	1,240,555
Committed	651,308	8,012,590	750,840	-	-	5,328,117	14,742,855
Assigned	68,319	-	-	-	-	-	68,319
Unassigned	18,993,887	-	-	(1,598,910)	-	(638,824)	16,756,153
<b>Total Fund Balances</b>	<b>19,851,470</b>	<b>8,013,550</b>	<b>798,512</b>	<b>(1,598,910)</b>	<b>-</b>	<b>5,955,144</b>	<b>33,019,766</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 25,314,812</b>	<b>\$ 9,795,071</b>	<b>\$ 1,173,257</b>	<b>\$ 5,269,420</b>	<b>\$ 3,755,397</b>	<b>\$ 8,894,578</b>	<b>\$ 54,202,535</b>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2023**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Amounts reported for governmental activities in the statement of net position (Exhibit I) are different because of the following:

Total Fund Balances - Governmental Funds (Exhibit III)	\$ 33,019,766
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets	296,727,362
Less: Accumulated Depreciation	<u>(131,409,285)</u>
Net Capital Assets	165,318,077

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

Loans Receivable from Small Cities	21,739
Loans Receivable from Other Districts	1,592,184
Receivable from Grants	2,515,274
Receivable from Other	61,238
Property Tax Receivables Greater than 60 Days	1,602,759
Sewer Assessments Receivable	258,598
Deferred Outflows Related to Pension	7,281,971
Deferred Outflows Related to OPEB	2,411,759

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.	4,015,199
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Long-term liabilities, including deferred inflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds Payable	(35,410,000)
Loans Payable	(11,210)
Unamortized Bond Premium	(2,837,314)
Deferred Charge on Refunding	360,955
Interest Payable on Bonds	(267,670)
Compensated Absences	(1,126,703)
Net Pension Liability	(33,320,710)
Net OPEB Liability	(3,964,034)
Deferred Inflows Related to Pension	(869,809)
Deferred Inflows Related to OPEB	(4,516,509)
Landfill Liability	<u>(25,000)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 136,110,560</u>
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**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2023**

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Fund
<b>REVENUES</b>							
Property Taxes	\$ 99,257,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,257,125
Intergovernmental	21,895,787	548,744	614,601	5,209,724	3,757,833	10,196,051	42,222,740
Investment Income (Loss)	1,617,674	113,906	57,393	-	-	57,792	1,846,765
Charges for Goods and Services	1,415,491	-	-	16,436	-	6,304,516	7,736,443
Licenses and Permits	1,001,636	-	-	-	-	-	1,001,636
Rental of Town-Owned Property	167,020	-	-	-	-	56,157	223,177
Local Revenues	66,679	-	-	-	-	-	66,679
Assessments	-	3,286,727	-	-	-	508,271	3,794,998
Other	55,632	707,599	231,564	461,614	-	385,936	1,842,345
Total Revenues	<u>125,477,044</u>	<u>4,656,976</u>	<u>903,558</u>	<u>5,687,774</u>	<u>3,757,833</u>	<u>17,508,723</u>	<u>157,991,908</u>
<b>EXPENDITURES</b>							
Current:							
General Government	3,714,035	-	-	-	-	169,977	3,884,012
Planning and Development	741,295	-	-	-	-	31,128	772,423
Public Safety	6,460,396	-	-	-	-	354,976	6,815,372
Facility Management	4,786,272	2,490,515	-	-	-	111,263	7,388,050
Culture and Recreation	3,327,654	-	-	-	-	2,696,320	6,023,974
Health and Welfare	1,115,929	-	-	-	-	137,995	1,253,924
Education	94,271,764	-	784,650	-	-	13,138,497	108,194,911
Capital Outlay	-	-	-	17,905,475	-	2,799,161	20,704,636
Debt Service:							
Principal Payments	5,090,000	960,000	-	-	-	8,358	6,058,358
Interest and Other	1,281,525	255,000	-	-	-	2,295	1,538,820
Total Expenditures	<u>120,788,870</u>	<u>3,705,515</u>	<u>784,650</u>	<u>17,905,475</u>	<u>-</u>	<u>19,449,970</u>	<u>162,634,480</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	4,688,174	951,461	118,908	(12,217,701)	3,757,833	(1,941,247)	(4,642,572)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	4,721,305	286,317	-	12,377,170	-	3,705,043	21,089,835
Transfers Out	(9,599,319)	(544,483)	-	(6,035,573)	(3,757,833)	(1,152,627)	(21,089,835)
Total Other Financing Sources (Uses)	<u>(4,878,014)</u>	<u>(258,166)</u>	<u>-</u>	<u>6,341,597</u>	<u>(3,757,833)</u>	<u>2,552,416</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(189,840)	693,295	118,908	(5,876,104)	-	611,169	(4,642,572)
Fund Balances - Beginning of Year	20,041,310	7,320,255	679,604	4,277,194	-	5,343,975	37,662,338
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 19,851,470</u>	<u>\$ 8,013,550</u>	<u>\$ 798,512</u>	<u>\$ (1,598,910)</u>	<u>\$ -</u>	<u>\$ 5,955,144</u>	<u>\$ 33,019,766</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ (4,642,572)

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

Capital Outlay	17,352,358
Depreciation Expense	(6,384,439)
Loss on disposal of capital assets	(185,646)

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

Property Taxes Collected After 60 Days	190,350
Sewer Assessment Revenue	(508,277)
Loans Receivable from Other Districts	(449,188)
Receivable from Grants	1,325,842
Receivable from Other	(30,226)

Deferred Outflows Related to Pension	(3,387,171)
Deferred Outflows Related to OPEB	(580,931)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Premium Amortization	927,680
Accrued Interest	151,966
Principal Payments on Bonds	6,050,000
Principal Payments on Notes	8,358
Pension Liability	283,126
OPEB Liability	(39,935)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Deferred Charge on Refunding	(75,690)
Deferred Inflows Related to Pension	(261,005)
Deferred Inflows Related to OPEB	953,295
Change in Long-Term Compensated Absences	(83,403)
Other - Landfill	5,000

The net profit (loss) of the internal service funds is reported with governmental activities. (564,425)

Change in Net Position of Governmental Activities (Exhibit II) \$ 10,055,067



**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2023**

	<u>Governmental Activities</u> <u>Health &amp; Dental Insurance Fund</u>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 4,541,499
Prepaid Items	<u>486,000</u>
Total Current Assets	<u>5,027,499</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Claims Incurred but Not Reported	<u>1,012,300</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 4,015,199</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Governmental Activities</u> <u>Health &amp; Dental Insurance Fund</u>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 15,718,680
Other Operating Revenue	890,613
Miscellaneous	82
Total Operating Revenues	<u>16,609,375</u>
<b>OPERATING EXPENSES</b>	
Claims Incurred	15,852,556
Administration and Stop Loss Insurance Fees	<u>1,321,244</u>
Total Operating Expenses	<u>17,173,800</u>
<b>CHANGE IN NET POSITION</b>	(564,425)
Net Position - Beginning of Year	<u>4,579,624</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 4,015,199</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2023**

	<u>Governmental Activities Health &amp; Dental Insurance Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Users	\$ 16,897,177
Cash Paid for Claims	<u>(17,251,195)</u>
Net Cash Provided by Operating Activities	(354,018)
Cash and Cash Equivalents - Beginning of Year	<u>4,895,517</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 4,541,499</u></u>
<b>RECONCILIATION OF OPERATING (INCOME) LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	\$ (564,425)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Change in Assets and Liabilities:	
Decrease in accounts receivable	287,802
Increase (Decrease) in Accounts Payable	(49,595)
Increase (Decrease) in Claims Payable	<u>(27,800)</u>
Total Adjustments	<u>210,407</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (354,018)</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2023**

	Pension and Other Employee Benefit Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 931,525
Investments, at Fair Value:	
Mutual Funds	92,354,643
Private Equity Funds	4,266,967
Accounts Receivable	<u>82,784</u>
Total Assets	<u>97,635,919</u>
 <b>LIABILITIES</b>	
Accounts Payable	<u>10,762</u>
 <b>NET POSITION</b>	
Restricted for Pension Benefits	75,907,363
Restricted for OPEB Benefits	<u>21,717,794</u>
Total Net Position	<u><u>\$ 97,625,157</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED JUNE 30, 2023**

	<u>Pension and Other Employee Benefit Trust Funds</u>
<b>ADDITIONS:</b>	
Contributions:	
Employer	\$ 4,781,625
Plan Members	<u>1,011,286</u>
Total Contributions	5,792,911
Investment Income:	
Net Change in Fair Value of Investments	4,732,987
Interest	<u>2,329,964</u>
Total Investment Income	7,062,951
Less Investment Expenses:	
Investment Management Fees	<u>(99,488)</u>
Net Investment Income	<u>6,963,463</u>
Total Additions	12,756,374
<b>DEDUCTIONS:</b>	
Benefits	7,200,609
Administrative Expense	<u>222,490</u>
Total Deductions	<u>7,423,099</u>
<b>CHANGE IN NET POSITION</b>	5,333,275
Net Position - Beginning of Year	<u>92,291,882</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 97,625,157</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Simsbury, Connecticut (the Town) operates under a charter as revised November 8, 2016, effective December 4, 2017. The Town is governed by an elected Board of Selectmen consisting of a first selectman and five other members, an elected eight-member Board of Education, and an elected six-member Board of Finance.

The Board of Selectmen appoints a Town Manager who shall be the chief executive and the administrative official of the Town and shall serve at the pleasure of the Board of Selectmen. The Town Manager is appointed on the basis of executive and administrative qualifications, character, education, training, and experience. The Town Manager devotes full working time to the duties of the office.

The Town Manager is responsible to the Board of Selectmen for carrying out all acts and policies of the Board of Selectmen, and all resolutions and ordinances adopted by the Town. The Town Manager is responsible for the administration of the Town consistent with the policies established by the Board of Selectmen and for carrying out such other duties and responsibilities as set forth in the Charter.

The financial statements include all of the funds of the Town that meet the criteria issued by the Governmental Accounting Standards Board (GASB).

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

**Fiduciary Component Units**

The Town has established three single-employer Public Retirement Systems (PERS) plans and one postretirement health care benefits (OPEB) plan to provide retirement benefits and postretirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation**

The accompanying financial statements have been prepared in conformity with GAAP as applied to government units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are allocated as part of the program expense reported for individual functions and activities and are not eliminated in the process of consolidation. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)

Property taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. In determining when to recognize intergovernmental revenues (grants and entitlements), the legal and contractual requirements of the individual programs are used as guidance. Revenues are recognized when the eligibility requirements have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

General Fund

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

Sewer Use Fund

The Sewer Use Fund is the sewer treatment plant primary operating fund. It accounts for all financial resources associated with the operations of the sewer treatment plant. The major sources of revenue for this fund are sewer assessments and use charges.

Board of Education Program Fund

The Board of Education Program Fund accounts for Board of Education programs including district activity for the Kathleen Magowan Revocable Trust, the Farmington Valley Transitional Academy, and other scholarship donations, gifts, and distributions of trust income.

Capital Project Fund

The Capital Project Fund accounts for financial resources to be used for capital expenditures or for the acquisition or construction of capital facilities, improvements and/or equipment. Capital projects of greater than one year's duration have been accounted for in the Capital Project Fund. Most of the capital outlays are financed by the issuance of general obligation bonds. Other sources include capital grants, current tax revenues and low-interest state loans.



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

ARPA Fund

The ARPA Fund accounts for financial resources received as a result of the American Rescue Plan Act (ARPA).

Additionally, the Town reports the following fund types:

Internal Service Fund

The Internal Service Fund is used to account for the Town's self-insurance program for accident and health insurance coverage of Town and Board of Education employees.

Pension and Other Employee Benefit Trust Funds

The Pension and Other Employee Benefit Trust Funds are used to account for the activities of the Town's defined benefit plans and the Town and Board of Education for other postemployment benefits (e.g., health insurance, life insurance) which accumulate resources for pension benefit and other postemployment benefit payments to qualified employees.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's proprietary funds are charges to the Town and its employees for medical insurance premiums. Operating expenses for the fund include the cost of claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**C. Cash Equivalents**

For purposes of reporting cash flows, all savings, checking, money market accounts, and certificates of deposit with an original maturity of less than 90 days are considered to be cash equivalents.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Investments**

Investments are stated at fair value.

The Town has private equity partnerships for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than the values determined if a ready market for the securities existed.

**E. Supplies and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**F. Receivables and Payables**

Due from/to Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Loans Receivable

Loans receivable in the Planning and Development Program Fund are related to small cities loans. Loans receivable in the governmental activities are due from participating municipalities for their portion of the waste water treatment plant renovation and expansion capital project. Loans receivable are recorded and revenues recognized as earned.

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure, and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Capital Assets (Continued)**

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Infrastructure:	
Roads	30 to 50 Years
Sewer Lines and Water Lines	50 Years
Bridge/Large Culverts	30 to 50 Years
Dams	50 Years
Land and Buildings:	
Land	-
Buildings	50 to 75 Years
Construction in Progress	-
Vehicles and Equipment:	
Fire Equipment	20 to 25 Years
Ambulances	5 Years
Construction Equipment	5 Years
Machinery and Equipment	3 to 10 Years
Vehicles	3 to 15 Years

**H. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period or periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports a deferred charge on refunding and deferred outflows related to pension and OPEB in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources related to pension and OPEB resulted from differences between expected and actual experience, changes in assumptions or other inputs or the net difference between projected and actual earnings on pension and OPEB plan investments. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees).

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pension and OPEB in the government-wide statement of net position. The Town also reports leases in the government-wide statement of net position and in the governmental funds balance sheet. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period.

Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, property tax interest, sewer assessment, and loans receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**I. Net Pension Liability**

The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**J. Net Other Postemployment (OPEB) Liability**

The net OPEB liability is measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. The OPEB plan's fiduciary net position is determined using the same valuation methods that are used by the OPEB plan for purposes of preparing its statement of fiduciary net position. The net OPEB liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

**L. Compensated Absences and Termination Benefits**

Employees are paid by prescribed formula for absence due to vacation or sickness. All vacation and sick pay are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**M. Equity**

Equity in the government-wide financial statements is defined as “net position” and is classified in the following categories:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position

Restrictions are externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The Town currently has no assets under restriction.

Unrestricted Net Position

This component consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Equity (Continued)**

Unrestricted Net Position (Continued)

The equity of the fund financial statements is defined as “fund balance” and is classified in the following categories:

Nonspendable Fund Balance

This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).

Restricted Fund Balance

This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors, or laws and regulations of their governments.

Committed Fund Balance

This represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority (Simsbury Board of Finance). The Board of Finance is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or reverse the limitation.

Assigned Fund Balance

This balance represents amounts constrained for the intent to be used for a specific purpose by the finance director or the Board of Finance which have been delegated authority to assign amounts by the Town Charter.

Unassigned Fund Balance

This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**N. Property Taxes**

The Town’s property tax is levied each June on the assessed value listed on the prior October 1 Grand List for all taxable property located in the Town. Although taxes are levied in June, the legal right to attach property does not exist until July 1. Real and personal property tax bills in excess of \$100 are due and payable in two installments, on July 1 following the date of the Grand List and on January 1 of the subsequent year. Motor vehicle taxes are payable in one installment on July 1.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Property Taxes (Continued)**

Additional property taxes are assessed for motor vehicles registered subsequent to the Grand List date through July 31 and are payable in one installment due January 1.

Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. The Town files liens against property if taxes that are due July 1 remain unpaid on the following June 30.

Property tax revenues are recognized when they become available. Available means due or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The Town defines the current period to mean within 60 days after year-end. Property taxes receivable not expected to be collected during the available period are reflected in deferred revenue in the fund financial statements. The entire receivable is recorded as revenue in the government-wide financial statements. Property taxes collected prior to June 30 that are applicable to the subsequent year's assessment are reflected as advance tax collections in both the fund financial statements and the government-wide financial statements.

**O. Accounting Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

Budgets for the General Fund, Sewer Use Fund, Residential Rental Properties Fund and Simsbury Farms Fund are authorized annually by the Board of Finance. Annual budgets are not adopted for Special Revenue Funds other than the Sewer Use Fund, Residential Rental Properties Fund and Simsbury Farms Fund.

The annual budget making process is outlined in Chapter IV of the Simsbury Town Charter, "The Board of Selectmen" and in Chapter VIII, "Finance and Taxation," according to the following schedule:

- By January 31, the head of each department, office, or agency of the Town except the Board of Education files with the Director of Finance a detailed estimate of the expenditures to be made by such department, office, or agency and the revenues, other than tax revenue, to be collected thereby in the ensuing fiscal year.
- By March 1, the Director of Finance compiles department estimates for the annual budget and under the direction of the First Selectman presents to the Board of Selectmen the completed budget of all boards, offices, and agencies, except the Board of Selectmen.
- By March 15, the Board of Education presents its budget to the Director of Finance, the Board of Finance, and the Board of Selectmen.
- By March 31, the Board of Selectmen presents to the Board of Finance a budget for all departments, offices, and agencies of the Town, except the Board of Education, consisting of: (a) a budget message; (b) estimates of revenue; and (c) itemized estimates of expenditures. As part of the budget the First Selectman presents a program approved by the Board of Selectmen of proposed capital projects for the ensuing fiscal year and the five fiscal years thereafter.

The Board of Finance holds one or more public hearings the first of which must be held not later than the tenth day of April at which time any Elector or taxpayer has an opportunity to be heard. The Board of Finance, by resolution adopted by an affirmative vote of at least four members after holding the final public hearing, and no more than 10 days after the final public hearing, approve a budget and file the same with the Town Clerk for submission to the Automatic Referendum for its adoption. Should the Board of Finance fail to approve a budget no more than 10 days after such final public hearing, the budget as transmitted by the Board of Selectmen and by the Board of Education is deemed to have been finally approved by the Board of Finance.



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

The annual budget becomes effective only after it has been approved by resolution of the Board of Finance and adopted at an automatic referendum held following the final public hearing by a majority vote at such referendum. The Board of Finance, within five days following the adoption of the budget by referendum, fixes the tax rate in mills which is levied on all taxable property in the Town for the ensuing fiscal year. Should the budget not be approved at referendum, the Board of Finance, in cooperation with the First Selectman, revises the budget for presentation at a subsequent public hearing and referendum. If the Budget remains unaccepted at the second referendum, the adopted budget for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.

Upon request of the Board of Selectmen, during the last six 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, except for the Board of Education. No transfer shall be made from any appropriation for debt service and other statutory charges.

For management purposes, the Board of Finance is authorized to transfer the legally budgeted amounts between department accounts. In this function, departmental budget accounts serve as the legal level of control for the General Fund. The legal level of budgetary control is at the fund level for the Sewer Use, Residential Rental Properties and Simsbury Farms funds.

All unencumbered appropriations lapse at year-end, except those for capital projects and special revenue funds. Appropriations for these expenditures are continued until completion of applicable projects, which often last more than one fiscal year.

Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen. Summarizations of the amended General Fund budgets approved by the Board of Finance for the "budgetary" general and certain special revenue funds are presented in the required supplementary information. During the year there were \$2,327,313 of supplemental budgetary appropriations made from General Fund unappropriated and unencumbered surplus.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**B. Deficit Fund Equity**

Capital Project Fund	\$	1,598,910
State and Federal Education Grants		606,109

The deficit in the capital projects fund will be reduced in future years when additional debt is issued and grants are received. The state and federal education grants deficit will be funded by future grants.

**C. Overexpended Appropriations**

The Town overexpended the final budget as follows:

General Fund:		
Board of Education	\$	603,201
Residential Rental Properties:		
Facility Management		2,845
Debt Service		2,131
Simsbury Farms Fund:		
Culture and Recreation		462,556

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash, Cash Equivalents, and Investments**

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

The Connecticut General Statutes (Section 7-400) permit municipalities to invest in: 1) obligations of the United States and its agencies, 2) highly rated obligations of any state of the United States or of any political subdivision, authority or agency thereof, and 3) shares or other interests in custodial arrangements or pools maintaining constant net asset values and in highly rated no-load open end money market and mutual funds (with constant or fluctuating net asset values) whose portfolios are limited to obligations of the United States and its agencies, and repurchase agreements fully collateralized by such obligations. Other provisions of the Statutes cover specific municipal funds with particular investment authority. The provisions of the Statutes regarding the investment of municipal pension funds do not specify permitted investments. Therefore, investment of such funds is generally controlled by the laws applicable to fiduciaries and the provisions of the applicable plan.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

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

**Deposits**

Deposit Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposit will not be returned. The Town does not have a deposit policy for custodial credit risk. The deposit of public funds is controlled by the Connecticut General Statutes. Deposits may be placed with any qualified public depository that has its main place of business in the state of Connecticut. Connecticut General Statutes require that each depository maintain segregated collateral (not required to be based on a security agreement between the depository and the municipality and, therefore, not perfected in accordance with federal law) in an amount equal to a defined percentage of its public deposits based upon the depository’s risk-based capital ratio.

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$24,730,679 of the Town’s bank balance of \$25,746,396 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 22,157,612
Uninsured and Collateral Held by the Pledging Bank’s Trust Department, Not in the Town’s Name	<u>2,573,067</u>
Total Amount Subject to Custodial Credit Risk	<u><u>\$ 24,730,679</u></u>

Cash Equivalents

At June 30, 2023, the Town’s cash equivalents amounted to \$23,156,963. The following table provides a summary of the Town’s cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. These cash equivalents are investment pools of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

	Standard and Poor’s
State Short-Term Investment Fund (STIF)	AAA/m

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Investments**

As of June 30, 2023, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>June 30, 2023</u>	<u>Investment Maturities</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Other Investments:					
Mutual Funds	Unrated	\$ 92,952,565	\$ -	\$ -	\$ -
Private Equity Funds	N/A	4,266,967	-	-	-
Total Investments		<u>\$ 97,219,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party.

Credit Risk

The Town's investment policy limits its investments to those in conformance with State Statutes governing qualified public depositories.

Concentration of Credit Risk

Maturities shall be staggered to avoid undue concentration of funds in a specific maturity. At least 10% of the portfolio shall be invested in overnight instruments or in marketable securities, which can be sold to raise cash in one day's notice.

Concentration of Investments

Information regarding concentration of the investments that represent more than 5% of the investments in the Pension Plans are detailed in Note 4.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2023:

	<u>June 30, 2023</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level:				
Mutual Funds	\$ 92,952,565	<u>\$ 92,952,565</u>	<u>\$ -</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV):				
Barings Core Property Fund LP	4,266,967			
Total Investments	<u>\$ 97,219,532</u>			

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Investments (Continued)**

Fair Value (Continued)

Mutual funds classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

Barings Core Property Fund LP is a private equity fund made up of real estate investments, loan investments, mortgage loans payable, lines of credit payable and derivative instruments stated at their estimated fair values. The values are based upon independent appraisals, estimated sales proceeds or opinion of value. The fair values do not reflect transaction sale costs or prepayment costs, which may be incurred upon disposition of the investments or instrument. The estimated fair value of real estate investments, loan investments, mortgage loans payable, lines of credit payable, and derivative instruments are determined through a valuation process. These estimated fair values may vary significantly from the prices at which the investments and financial instruments would sell, since market prices of real estate investments and loans can only be determined by negotiation between a willing buyer and seller.

The following table summarizes all investments recorded using NAV as a practical expedient to fair value.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Eligible)</u>	<u>Redemption Notice Period</u>
Barings Core Property Fund LP	<u>\$ 4,266,967</u>	<u>\$ -</u>	Quarterly	60 days

Interest Rate Risk

The Town's investment policy limits its investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Except for CNR and Risk Management Funds, funds of the Town shall be invested in instruments whose maturities do not exceed 270 days at the time of purchase, unless a temporary extension of maturities is approved by the Board of Finance.

The Pension Trust Funds are also authorized to invest in corporate bonds, domestic common stocks, and domestic equity real estate. The investments of this fund are held in Trust by a Trustee Bank, which executes investment transactions under the direction of the Pension Plans' investment manager.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Receivables**

Receivables at year-end for the government's individual major funds and nonmajor funds in the aggregate are as follows:

	General	Sewer Use Fund	BOE Programs Fund	Capital Projects Fund	ARPA Fund	Nonmajor and Other Funds	Total
Receivables:							
Accounts	\$ 292,861	\$ 96,960	\$ 983	\$ 266,200	\$ -	\$ 296,115	\$ 953,119
Property Taxes	1,216,321	-	-	-	-	-	1,216,321
Interest Receivable	499,727	18,803	-	-	-	-	518,530
Loans Receivable	-	1,592,184	-	-	-	21,739	1,613,923
Special Assessments	-	35,122	-	-	-	258,603	293,725
Lease Receivable	2,581,821	-	-	-	-	206,421	2,788,242
Due from Other Governments	21,822	-	572,152	1,978,275	-	1,063,760	3,636,009
Gross Receivables	4,612,552	1,743,069	573,135	2,244,475	-	1,846,638	11,019,869
Less: Allowance for Uncollectibles	80,000	-	-	-	-	-	80,000
Total Net Receivables	<u>\$ 4,532,552</u>	<u>\$ 1,743,069</u>	<u>\$ 573,135</u>	<u>\$ 2,244,475</u>	<u>\$ -</u>	<u>\$ 1,846,638</u>	<u>\$ 10,939,869</u>

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 15,622,693	\$ 177,563	\$ -	\$ 15,800,256
Development Rights	11,725,000	-	-	11,725,000
Construction in Progress	7,101,495	15,068,028	2,579,858	19,589,665
Total Capital Assets Not Being Depreciated	34,449,188	15,245,591	2,579,858	47,114,921
Capital Assets Being Depreciated:				
Buildings and Improvements	169,454,287	1,031,738	-	170,486,025
Land Improvements	9,175,872	798,394	-	9,974,266
Equipment	26,298,148	1,490,686	1,381,075	26,407,759
Infrastructure	41,378,584	1,365,807	-	42,744,391
Total Capital Assets Being Depreciated	246,306,891	4,686,625	1,381,075	249,612,441
Less Accumulated Depreciation for:				
Buildings and Improvements	70,659,732	3,831,893	-	74,491,625
Land Improvements	6,955,936	255,242	-	7,211,178
Equipment	18,083,977	1,411,339	1,195,429	18,299,887
Infrastructure	30,520,630	885,965	-	31,406,595
Total Accumulated Depreciation	126,220,275	6,384,439	1,195,429	131,409,285
Total Capital Assets Being Depreciated, Net	120,086,616	(1,697,814)	185,646	118,203,156
Governmental Activities Capital Assets, Net	<u>\$ 154,535,804</u>	<u>\$ 13,547,777</u>	<u>\$ 2,765,504</u>	<u>\$ 165,318,077</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

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

Governmental Activities:	
General Government	\$ 351,241
Education	3,179,672
Public Safety	268,206
Facility Management	2,228,879
Culture and Recreation	317,526
Health and Welfare	<u>38,915</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 6,384,439</u></u>

Construction Commitments

The government has active construction projects as of June 30, 2023. The following is a summary of capital projects as of June 30, 2023:

Project	Total Contract	Spent to Date
Town Projects:		
Woodland/Hopmeadow Sewer Upgrades	\$ 1,616,500	\$ 1,555,058
Bridge Improvements (Design-FY15)	115,000	76,167
Accounting System	385,000	302,607
Radio System Upgrade	1,202,000	1,242,516
Meadowood Acquisition	5,492,360	5,498,887
Meadows Parking Improvements	874,000	834,835
North End Sidewalk	1,756,596	484,802
Golf Irrigation System	2,550,000	400,362
Town Hall Site & Safety Improvements	450,000	78
Eno Parking Improvements	245,000	3,760
Trails - Rt 10 to Curtiss Park	1,582,744	-
Trails - Curtiss Park to Tariffville	300,000	7,850
Performing Arts Center Restrooms	350,000	-
Tariffville Park Court Replacement	350,000	-
Flower Bridge Repair Design	280,000	38,532
Firetown Road Sidewalk	1,829,000	19,842
Education Projects:		
HJMS Phase 1A	1,255,000	1,168,450
Squadron Line Main Office Project	1,050,000	868,830
HJMS Renovation - Phase 2	1,950,000	1,717,409
Boiler Replacement Latimer	900,000	265,553
HJMS Renovation - Phase 3	23,965,620	19,999,999
SHS Partial Roof Replacement	2,600,000	2,127,359
SHS Bleachers & Press Box	945,000	592,361
Latimer Lane Renovation	39,054,243	12,023,882
District Climate Control	1,305,000	1,073,363
Central Roof Replacement	370,000	10,795
Tariffville Roof Replacement	1,000,000	19,815
Total	<u><u>\$ 93,773,063</u></u>	<u><u>\$ 50,333,112</u></u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

The commitments are being financed with general obligation bonds, state and federal grants, and general fund transfers.

**D. Lease Receivables**

The Town, acting as lessor, leases land and buildings under various long-term, noncancelable lease agreements through 2059. Total principal and interest payments for the year ended June 30, 2023, were \$127,137 and \$35,786, respectively.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30,</u>	Governmental Activities	
	Principal	Interest
2024	\$ 108,419	\$ 34,446
2025	113,020	33,050
2026	101,041	31,659
2027	85,250	30,550
2028	82,023	29,477
2029 and Thereafter	2,298,489	476,509
Total	\$ 2,788,242	\$ 635,691

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2023, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	BOE Programs Fund	\$ 351,026
General Fund	Cafeteria	104,481
	Total	\$ 455,507

The BOE programs fund and nonmajor special revenue funds owe the General Fund \$455,507 as of June 30, 2023. These receivable in the General Fund are caused by a timing difference between payments made by the General Fund on behalf of the funds and the reimbursement to the General Fund.

Interfund balances are a result of temporary loans to various funds.



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivables, Payables, and Transfers (Continued)**

Interfund transfers:

	General Fund	Sewer Use Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Transfers Out
Transfer Out:					
General Fund	\$ -	\$ -	\$ 9,426,874	\$ 172,445	\$ 9,599,319
Sewer Use Fund	114,483	-	430,000	-	544,483
Capital Project Fund	-	286,317	2,216,658	3,532,598	6,035,573
ARPA Fund	3,757,833	-	-	-	3,757,833
Nonmajor Governmental Funds	848,989	-	303,638	-	1,152,627
Total Transfers In	<u>\$ 4,721,305</u>	<u>\$ 286,317</u>	<u>\$ 12,377,170</u>	<u>\$ 3,705,043</u>	<u>\$ 21,089,835</u>

Some interfund transfers arose from budgeted appropriations in the General Fund to fund capital projects. The Town also reappropriated other capital and capital nonrecurring projects between various funds to fund other projects.

**F. Long-Term Debt**

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 41,460,000	\$ -	\$ 6,050,000	\$ 35,410,000	\$ 5,550,000
Premium on Bonds Issued	3,764,994	-	927,680	2,837,314	-
Total Bonds and Loans Payable	45,224,994	-	6,977,680	38,247,314	5,550,000
Loan Payable - State of Connecticut	19,568	-	8,358	11,210	8,441
Pension Liability	33,603,836	-	283,126	33,320,710	-
OPEB Liability	3,924,099	39,935	-	3,964,034	-
Compensated Absences	1,043,300	921,968	838,565	1,126,703	858,527
Landfill Closure	30,000	-	5,000	25,000	5,000
Total Governmental Activities	83,845,797	961,903	8,112,729	76,694,971	6,421,968
Long-Term Liabilities	<u>\$ 83,845,797</u>	<u>\$ 961,903</u>	<u>\$ 8,112,729</u>	<u>\$ 76,694,971</u>	<u>\$ 6,421,968</u>

Compensated absences, net pension liability and net OPEB liability are generally liquidated by the General Fund.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations of the Town for which full faith and credit are pledged and are payable from taxes levied on all taxable properties located within the Town. General obligation bonds currently outstanding are as follows:

	Date of Issue	Original Issue	Interest Rate	Maturity Date	Annual Principal	Principal Outstanding June 30, 2023
Bonds Payable:						
General Bonds	6/30/2015	9,060,000	2.00 - 4.00	7/15/2025	\$ 635,000 - 1,595,000	\$ 1,270,000
General Bonds	6/29/2017	10,940,000	2.00 - 5.00	6/15/2027	1,215,000 - 1,220,000	4,865,000
General Bonds	6/27/2019	8,365,000	4.00 - 5.00	6/15/2029	775,000 - 850,000	5,100,000
General Bonds	1/30/2020	9,110,000	2.00 - 5.00	2/1/2035	605,000 - 610,000	7,280,000
Refunding Bonds	2/17/2021	6,525,000	5.0	8/1/2027	260,000 - 1,175,000	4,620,000
General Bonds	3/10/2021	14,735,000	1.50 - 4.00	3/1/2036	1,225,000 - 1,230,000	12,275,000
Total Bonds Payable						<u>\$ 35,410,000</u>

The Town's Waste Water Treatment Plant renovation and expansion capital project was funded by the State of Connecticut Clean Water Fund 2% Loan and Grant program. The 2021 general obligation refunding bonds were issued to refund these loans.

The Town has a corresponding receivable from participating municipalities for their portion of the Waste Water Treatment Plant renovation and expansion capital project. The total loan receivable at June 30, 2023, was \$1,592,184. Current year principal payments received by the Town totaled \$543,666.

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 5,550,000	\$ 1,270,675	\$ 6,820,675
2025	5,595,000	1,010,575	6,605,575
2026	5,020,000	785,050	5,805,050
2027	5,075,000	581,400	5,656,400
2028-2032	10,380,000	1,134,175	11,514,175
2033-2036	3,790,000	171,200	3,961,200
Total	<u>\$ 35,410,000</u>	<u>\$ 4,953,075</u>	<u>\$ 40,363,075</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

Project Loan

The project loan obligation was issued by the State of Connecticut Department of Housing. The loan proceeds financed the Eno Farmhouse Renovation Project. The original loan balance was \$220,638 on June 10, 1994, with an interest rate of 1%. The obligation will be paid from future taxation.

Project loan obligations payable to the state of Connecticut mature as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 8,441	\$ 81	\$ 8,522
2025	2,769	9	2,778
Total	<u>\$ 11,210</u>	<u>\$ 90</u>	<u>\$ 11,300</u>

Authorized But Unissued Bonds

The total of authorized but unissued bonds (net of projected grants) at June 30, 2023, is \$58,623,463.

Debt Limitation

The Town's indebtedness does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General Purpose	\$ 219,098,036	\$ 19,895,830	\$ 199,202,206
Schools	438,196,073	69,528,843	368,667,230
Sewers	365,163,394	4,620,000	360,543,394
Urban Renewal	316,474,941		316,474,941

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$683,584,118.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Fund Balance**

The components of fund balance for the governmental funds at June 30, 2023, are as follows:

	General Fund	Major Special Revenue Funds			Capital Projects Fund	Nonmajor Governmental Funds	Total
		Sewer Use Fund	BOE Programs Fund	ARPA Fund			
<b>Fund Balances:</b>							
<b>Nonspendable:</b>							
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,695	\$ 46,695
Prepaid Expenditures	137,956	960	2,200	-	-	24,073	165,189
<b>Restricted for:</b>							
Grants	-	-	-	-	-	417,089	417,089
Education Trusts	-	-	45,472	-	-	-	45,472
Facilities Management Trusts	-	-	-	-	-	14,443	14,443
Health and Welfare Trusts	-	-	-	-	-	97,854	97,854
Student Activity	-	-	-	-	-	377,573	377,573
Flex Spending	-	-	-	-	-	19,969	19,969
Continuing Education	-	-	-	-	-	213,518	213,518
Enrichment and Extended Day	-	-	-	-	-	54,637	54,637
<b>Committed to:</b>							
Sewer Use	-	8,012,590	-	-	-	-	8,012,590
Sewer Assessment	-	-	-	-	-	662,540	662,540
Education	651,308	-	750,840	-	-	233,661	1,635,809
General Government	-	-	-	-	-	144,553	144,553
Public Safety	-	-	-	-	-	140,638	140,638
Culture and Recreation	-	-	-	-	-	699,655	699,655
Facility Management	-	-	-	-	-	484,218	484,218
Planning and Development	-	-	-	-	-	325,941	325,941
Health and Welfare	-	-	-	-	-	378,411	378,411
Capital Projects	-	-	-	-	-	2,258,500	2,258,500
<b>Assigned to:</b>							
Education	44,910	-	-	-	-	-	44,910
Culture and Recreation	3,558	-	-	-	-	-	3,558
Public Safety	200	-	-	-	-	-	200
General Government	18,669	-	-	-	-	-	18,669
Facilities Management	782	-	-	-	-	-	782
Health and Welfare	200	-	-	-	-	-	200
Unassigned	18,993,887	-	-	-	(1,598,910)	(638,824)	16,756,153
<b>Total Fund Balances</b>	<b>\$ 19,851,470</b>	<b>\$ 8,013,550</b>	<b>\$ 798,512</b>	<b>\$ -</b>	<b>\$ (1,598,910)</b>	<b>\$ 5,955,144</b>	<b>\$ 33,019,766</b>

Encumbrances at June 30, 2023, of \$68,319 are contained in the above table in the assigned category of the general fund. Encumbrances of \$66,378 for the sewer use fund, \$28,534,952 for the capital project fund and \$395,774 for the capital nonrecurring fund are included in the committed category.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN**

**A. Pension Trust Fund**

The Town maintains three single-employer defined benefit pension plans for full-time employees: General Government Plan, Police Plan, and Board of Education Plan. The plans are considered to be part of the Town's financial reporting entity and are included in the Town's financial reports as Pension Trust Funds. The plans do not issue stand-alone financial reports.

Oversight of the Town's retirement plans rests with the Retirement Plan Sub-Committee, which is comprised of two members of the Board of Selectmen, two members of the Board of Education, two members of the Board of Finance, and two members at large. The Subcommittee is staffed by the Town Treasurer, the Board of Education's Business Manager, and the Town Manager. The Town and the Board of Education have appointed a third party to serve as fiduciary investment advisor. Effective 2013, the Town of Simsbury's Charter was amended to place fiduciary responsibility for the investment of pension funds to the Board of Finance.

**Plan Description and Benefits Provided**

General Government Pension Plan

All full-time employees, except police and Board of Education employees, are eligible to participate in the General Government Pension Plan. Effective January 3, 2017, any Police Dispatcher Employee who is first hired on or after January 3, 2017, is not eligible to participate in the Plan. The Plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for normal retirement for plan participants are based on the average monthly compensation during the highest five consecutive years of service out of the last 10 years of the participants' active employment. The plan permits early retirement for participants at age 55 with five years of credited service. Benefits for early retirement are based on credited service and final average earnings to date of actual retirement reduced by 1/3 of 1% for each month by which the participant's retirement date precedes his normal retirement date. The participants' annual benefit is 2% of final average earnings times credited service for union employees, and 2½% of final average earnings times credited service for unaffiliated employees. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Plan Description and Benefits Provided (Continued)**

Police Pension Plan

All regular full-time employees of the Simsbury Police Department are eligible to participate in the Police Retirement Fund. The Plan provides retirement benefits as well as death benefits under two separate divisions. Division 000 participants are defined as those individuals who entered the plan on or after January 18, 1990, whereas Division 001 participants entered the plan prior to January 18, 1990. Pension benefits for normal retirement under the plan are based on average monthly compensation during the highest five consecutive years out of the last 10 years. The participants' annual benefit is 2½% of final average earnings times credited service for Division 000, and 2% of final average earnings times credited service for Division 001. The Plan permits early retirement for participants at the earlier of five years early with 10 years of service or 20 years of credited service for Division 000, and at five years early with 10 years of credited service for Division 001. Benefits are based on credited service and final average earnings to date of actual retirement actuarially reduced for each month by which the participant's retirement date precedes his normal retirement date. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

Board of Education Pension Plan

All regular full-time employees of the Board of Education, other than individuals covered by the State Teachers Retirement System or those who participate in the defined contribution plan, are eligible to participate in the Plan. The Plan provides retirement benefits as well as disability benefits. Pension benefits for normal retirement under the Plan are based on the average earnings received in the last three July 1's before retirement for the National Association of Government Employees (NAGE); the average earnings received the last three completed years of employment for the Simsbury Federation of Educational Personnel (SFEP), and the highest average earnings received in any three consecutive July 1's during the last ten years before retirement for unaffiliated employees and the Simsbury School Nurses Association (SSNA). The participants' annual benefit shall be equal to 1½% of final average earnings times credited service through July 1, 1996, plus 2% of final average earnings times credited service after July 1, 1996. The plan permits early retirement for participants eligible five years early with ten years of credited service. Benefits are based on credited service and final average earnings to date and actual retirement reduced by 4% for each year by which the participant's retirement date precedes his normal retirement date. There is no reduction for NAGE employees after age 62 and 29 years of service or for unaffiliated employees after age 62 and 25 years of service. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town of Simsbury Board of Education.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Plan Description and Benefits Provided (Continued)**

Board of Education Pension Plan (Continued)

At July 1, 2022, plan membership consisted of the following:

	General Government Plan	Police Plan	Board of Education Plan
Retirees and Beneficiaries			
Currently Receiving Benefits	110	34	155
Vested Terminated Employees	52	3	84
Active Employees	75	35	94
Total Participants	237	72	333

**Summary of Significant Accounting Policies**

Basis of Accounting

Pension plan financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income is recognized as earned.

**Contributions**

General Government Plan

This plan provides for union employee contributions of 2% and for unaffiliated 5% of regular earnings for employees, hired prior to August 12, 2013, and 7% for unaffiliated hired after that date. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,450,539, were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 21.50% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Contributions (Continued)**

Police Plan

Plan provisions require employee contributions of 6% of regular earnings for Division 000 and employee contributions of 3% of regular earnings for Division 001. The Town is required by Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$854,232 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 21.28% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

Board of Education Plan

This plan provides for employee contributions of 4% to 4.5% of regular earnings, based on the current individual collective bargaining contract. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,411,861 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 22.45% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Simsbury Board of Education.

Administrative costs of the plan are financed through investment earnings.

**Investments**

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee by a majority vote of its members. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2023:

<u>Asset Class</u>	<u>Target Allocation</u>
U.S. Core Fixed Income	32.50 %
U.S. Inflation-Indexed Bonds	1.75
U.S. Large Cap Equity	21.50
U.S. Small Cap Equity	10.00
Non-U.S. Equity	16.00
Emerging Markets Equity	11.50
Private Real Estate	5.00
Commodities	1.75
Total	<u>100.00 %</u>



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

Concentration of Investments

The following represents investments in each respective plan that represent more than 5% of the respective plans net position as of June 30, 2023.

	General Government Plan	Police Plan	Board of Education Plan
Barings Core Property Fund LP	\$ 1,634,158	\$ 1,271,011	\$ 1,361,798

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

General Government	7.00 %
Police	6.87
Board of Education	7.74

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2023, were as follows:

	General Government	Police	Board of Education	Total
Total Pension Liability	\$ 41,406,783	\$ 27,010,405	\$ 40,810,885	\$ 109,228,073
Plan Fiduciary Net Position	27,476,190	20,412,470	28,018,703	75,907,363
Net Pension Liability	<u>\$ 13,930,593</u>	<u>\$ 6,597,935</u>	<u>\$ 12,792,182</u>	<u>\$ 33,320,710</u>
Plan Fiduciary Net Position as a Percentage of the Total Liability	66.36 %	75.57 %	68.65 %	69.49 %

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Net Pension Liability of the Town (Continued)**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>General Government</u>	<u>Police</u>	<u>Board of Education</u>
Inflation	2.50 %	2.50 %	2.50 %
Salary Increases	3.50 %	8.25%, for First 7 Years and 3.00% Thereafter	3.50 %
Investment Rate of Return	6.50%, Net of Pension Plan Investment Expense	6.50%, Net of Pension Plan Investment Expense	6.50%, Net of Pension Plan Investment Expense

Mortality rates were based on the PubG-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2016 – June 30, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 (see the discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed Income	1.84 %
U.S. Inflation-Indexed Bonds	1.19
U.S. Large Cap Equity	4.08
U.S. Small Cap Equity	4.65
Non-U.S. Equity	6.06
Emerging Markets Equity	5.97
Private Real Estate	3.57
Commodities	1.18

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Net Pension Liability of the Town (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability**

General Government

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2022	\$ 40,675,086	\$ 26,298,556	\$ 14,376,530
Changes for the Year:			
Service Cost	742,696	-	742,696
Interest on Total Pension Liability	2,613,253	-	2,613,253
Effect of Economic/Demographic Gains or Losses	(601,710)	-	(601,710)
Effect of Assumptions Changes or Inputs	444,070	-	444,070
Benefit Payments	(2,466,612)	(2,466,612)	-
Employer Contributions	-	1,450,539	(1,450,539)
Member Contributions	-	413,923	(413,923)
Net Investment Income	-	1,826,691	(1,826,691)
Administrative Expenses	-	(46,907)	46,907
Net Changes	<u>731,697</u>	<u>1,177,634</u>	<u>(445,937)</u>
Balances - June 30, 2023	<u>\$ 41,406,783</u>	<u>\$ 27,476,190</u>	<u>\$ 13,930,593</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Changes in the Net Pension Liability (Continued)**

Police

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2022	\$ 25,869,001	\$ 19,576,739	\$ 6,292,262
Changes for the Year:			
Service Cost	744,306	-	744,306
Interest on Total Pension Liability	1,679,324	-	1,679,324
Effect of Economic/Demographic Gains or Losses	(68,455)	-	(68,455)
Effect of Assumptions Changes or Inputs	366,194	-	366,194
Benefit Payments	(1,579,965)	(1,579,965)	-
Employer Contributions	-	854,232	(854,232)
Member Contributions	-	264,202	(264,202)
Net Investment Income	-	1,332,529	(1,332,529)
Administrative Expenses	-	(35,267)	35,267
Net Changes	<u>1,141,404</u>	<u>835,731</u>	<u>305,673</u>
Balances - June 30, 2023	<u>\$ 27,010,405</u>	<u>\$ 20,412,470</u>	<u>\$ 6,597,935</u>

Board of Education

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2022	\$ 39,435,151	\$ 26,500,107	\$ 12,935,044
Changes for the Year:			
Service Cost	618,531	-	618,531
Interest on Total Pension Liability	2,536,665	-	2,536,665
Effect of Plan Changes	3,185	-	3,185
Effect of Economic/Demographic Gains or Losses	209,124	-	209,124
Effect of Assumptions Changes or Inputs	97,269	-	97,269
Benefit Payments	(2,089,040)	(2,089,040)	-
Employer Contributions	-	1,411,861	(1,411,861)
Member Contributions	-	207,817	(207,817)
Net Investment Income	-	2,052,840	(2,052,840)
Administrative Expenses	-	(64,882)	64,882
Net Changes	<u>1,375,734</u>	<u>1,518,596</u>	<u>(142,862)</u>
Balances - June 30, 2023	<u>\$ 40,810,885</u>	<u>\$ 28,018,703</u>	<u>\$ 12,792,182</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Changes in the Net Pension Liability (Continued)**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	One Percent Decrease (5.50%)	Current (6.50%)	One Percent Increase (7.50%)
General Government	\$ 9,343,086	\$ 13,930,593	\$ 19,417,016
Police	10,048,789	6,597,935	3,721,626
Board of Education	17,066,628	12,792,182	9,126,982
Total	<u>\$ 36,458,503</u>	<u>\$ 33,320,710</u>	<u>\$ 32,265,624</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2023, the Town recognized pension expense of \$7,081,682. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources			
	General Government	Board of Education	Police	Totals
Differences Between Expected and Actual Experience	\$ 191,066	\$ 92,944	\$ 64,738	\$ 348,748
Changes of Assumptions	1,201,738	43,231	1,320,170	2,565,139
Net Difference Between Projected and Actual Earning on Pension Plan Investments	1,629,099	1,495,815	1,243,170	4,368,084
Total	<u>\$ 3,021,903</u>	<u>\$ 1,631,990</u>	<u>\$ 2,628,078</u>	<u>\$ 7,281,971</u>
	Deferred Inflows of Resources			
	General Government	Board of Education	Police	Totals
Differences Between Expected and Actual Experience	\$ 422,327	\$ -	\$ 447,482	\$ 869,809
Changes of Assumptions	-	-	-	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	-	-	-
Total	<u>\$ 422,327</u>	<u>\$ -</u>	<u>\$ 447,482</u>	<u>\$ 869,809</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows for each year ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 2,193,447
2025	899,435
2026	3,218,131
2027	56,346
2028	43,190
Thereafter	1,613
<b>Total</b>	<b><u><u>\$ 6,412,162</u></u></b>

**B. Connecticut Teachers Retirement System – Pension**

**Plan Description**

Teachers, principals, superintendents, or supervisors engaged in service of public schools are provided with pensions through the Connecticut State Teachers' Retirement System, a cost sharing multiple-employer defined benefit pension plan administered by the Teachers Retirement Board. Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the Teachers Retirement Board. The Teachers Retirement Board issues a publicly available financial report that can be obtained at [www.ct.gov](http://www.ct.gov).

**Benefit Provisions**

The plan provides retirement, disability, and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement

Retirement benefits for employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the three years of highest salary).

Early Retirement

Employees are eligible after 25 years of credited service including 20 years of Connecticut service, or age 55 with 20 years of credited service including 15 years of Connecticut service with reduced benefit amounts.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Benefit Provisions (Continued)**

Disability Retirement

Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required for nonservice-related disability eligibility. Disability benefits are calculated as 2% of average annual salary times credited service to date of disability, but not less than 15% of average annual salary, nor more than 50% of average annual salary.

**Contributions**

Per Connecticut General Statutes Section 10-183z (which reflects Public Act 79-436 as amended), contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers Retirement Board and appropriated by the General Assembly.

Employer (School Districts)

School District employers are not required to make contributions to the plan.

The statutes require the state of Connecticut to contribute 100% of each school districts' required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of the benefits earned by employees during the year, with any additional amount to finance any unfunded accrued liability.

For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the state was \$12,189,498 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

Effective July 1, 1992, each teacher is required to contribute 6% of salary for the pension benefit.

Effective January 1, 2018, the required contribution increased to 7% of pensionable salary.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$	-
State's Proportionate Share of the Net Pension Liability Associated with the Town		<u>154,605,022</u>
Total		<u><u>\$ 154,605,022</u></u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2022. At June 30, 2023, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2023, the Town recognized pension expense and revenue of \$14,942,748 in Exhibit II.

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00 - 6.50%, Including Inflation
Investment of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Actuarial Assumptions (Continued)**

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.

**Cost-of-Living Allowance**

For teachers who retired prior to September 1, 1992, pension benefit adjustments are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum.

For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%.

For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Long-Term Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the state of Connecticut Treasurer’s Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Domestic Equity Fund	5.40 %	20.00 %
Developed Market International Stock Fund	6.40	11.00
Emerging Market International Stock Fund	8.60	9.00
Core Fixed Income Fund	0.80	13.00
Emerging Market Debt Fund	3.80	5.00
High Yield Bond Fund	3.40	3.00
Real Estate Fund	5.20	19.00
Private Equity	9.40	10.00
Private Credit	6.50	5.00
Alternative Investments	3.10	3.00
Liquidity Fund	(0.04)	2.00
Total		100.00 %

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The Town’s proportionate share of the net pension liability is \$-0- and, therefore, the change in the discount rate would only impact the amount recorded by the state of Connecticut.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**C. Postemployment Health Care Plan – Retiree Health Plan**

**Summary of Significant Accounting Policies**

Basis of Accounting

The financial statements of the Retiree Health Plan (RHP) are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs of the plan are paid by the Town.

Investments are reported at fair value. Investment income is recognized as earned.

**Plan Description**

The RHP is a single-employer defined benefit health care plan administered by the Town of Simsbury. The RHP provides medical, dental and life insurance benefits to eligible retirees and their spouses. All employees of the Town are eligible to participate in the plan. Benefit provisions are established through negotiations between the Town and the various unions representing the employees.

The plan is considered to be part of the Town's financial reporting entity and is included in the Town's financial report as the Other Postemployment Benefits Trust Fund. The plan does not issue a stand-alone financial report.

Management of the postemployment benefits plan is vested with the Town Manager and Director of Finance/Treasurer. Policy oversight is provided by the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee, which consists of eight members. The Board of Finance has engaged the services of an investment consultant to assist in the development and periodic review of the Investment Policy Statement for the Other Postemployment Benefits Trust.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Plan Description (Continued)**

At July 1, 2021, plan membership consisted of the following:

	Retiree Health Plan
Retired Members and Beneficiaries	344
Spouses of Retired Members	43
Beneficiaries	1
Active Plan Members	713
Total Participants	1,101

Funding Policy

The contribution requirements of plan members and the Town are also negotiated with the various unions representing the employees. Retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of health insurance premiums as follows:

Town Employees

Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$139 and \$558 per month for retiree only coverage and between \$697 and \$1,116 per month for retiree and spouse coverage to age 65. Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$176 and \$970 per month for retiree only coverage and between \$352 and \$1,456 per month for retiree and spouse coverage to age 65. Eligible Town employees over age 65 have the option of joining the Town’s fully-insured Anthem Medicare Supplement Plan. Retirees typically contribute 25% of the premium (\$141) per month for individual coverage and 100% of the premium (\$562) for spouse coverage.

Board of Education Employees

Retired Board of Education employees under 65 or not eligible for Medicare, can receive coverage through the same CIGNA plans available to active employees. Retiree monthly contributions for retiree only plans and retiree and spouse plans are between \$733 and \$986 and \$1,466 and \$1,968, respectively. Retired BOE employees over 65 and eligible for Medicare Part A and B may participate in the Board’s fully insured Anthem Medicare Supplement Plan with a monthly contribution of \$498.

For the year ended June 30, 2023, plan members contributed \$125,344 for their share of premium payments. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan of \$1,064,993 were made in accordance with actuarially determined requirements.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Investments**

Investment Policy

The Investment Policy Statement of the Other Postemployment Benefits Trust outlines the goals and investment objectives for the Trust and is intended to provide guidelines for managing the Trust and to outline specific investment policies that will govern how these goals will be achieved. The Investment Policy Statement is established and may be amended by a majority vote of the members of the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of asset classes. The Investment Policy Statement discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The current recommended asset allocation outlined in the Investment Policy Statement is weighted toward domestic equities and fixed income, with a slightly lower weight placed on international equities and real estate funds. The Investment Policy Statement was last updated in September 2007.

Rate of Return

For the year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 8.77%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability of the Town**

The Town's net OPEB liability was measured as of June 30, 2023. The components of the net OPEB liability of the Town at June 30, 2023, were as follows:

Total OPEB Liability	\$ 25,681,828
Plan Fiduciary Net Position	<u>21,717,794</u>
Net OPEB Liability	<u><u>\$ 3,964,034</u></u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	84.56 %
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**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 %
Salary Increases	Graded Scale for Certified BOE and Police, 3.50% for All Others
Investment Rate of Return	6.50%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	Pre-Medicare: 5.20% - 4.30% over 60 Years Post-Medicare: 5.00% - 4.30% over 51 Years

Mortality rates were based on the Pub-2010 Mortality Tables with the MP-2021 Ultimate Improvement Scale (previously the RP-2000 Combined Healthy and Disabled Mortality, Male and Female, with generational projection per Scale AA were used).

The plan has not had a formal actuarial experience study performed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2023, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed income	17.50 %	1.84 %
U.S. Inflation-Indexed Bonds	17.50	1.19
U.S. Large Caps	26.00	4.08
U.S. Small Caps	3.00	4.65
U.S. Mid Caps	6.00	3.96
Foreign Developed Equity	19.00	5.25
Emerging Markets Equity	6.00	5.97
U.S. REITs	2.50	4.11
Non-U.S. REITs	2.50	5.32

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances - July 1, 2022	\$ 23,840,579	\$ 19,916,480	\$ 3,924,099
Changes for the Year:			
Service Cost	886,876	-	886,876
Interest on Total OPEB Liability	1,573,218	-	1,573,218
Effect of Economic/Demographic Gains or Losses	-	-	-
Effect of Assumptions Changes or Inputs	446,148	-	446,148
Benefit Payments	(1,064,993)	(1,064,992)	(1)
Employer Contributions	-	1,064,993	(1,064,993)
Member Contributions	-	125,344	(125,344)
Net Investment Income	-	1,751,403	(1,751,403)
Administrative Expenses	-	(75,434)	75,434
Balances - June 30, 2023	<u>\$ 25,681,828</u>	<u>\$ 21,717,794</u>	<u>\$ 3,964,034</u>

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	One Percent Decrease 5.50%	Current Discount Rate 6.50%	One Percent Increase 7.50%
Net OPEB Liability	<u>\$ 6,793,366</u>	<u>\$ 3,964,034</u>	<u>\$ 1,532,902</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Changes in the Net OPEB Liability (Continued)**

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower one percentage point higher than the current health care cost trend rates:

	<u>One Percent Decrease (1% Decrease)</u>	<u>Healthcare Cost Trend Rates (Current)</u>	<u>One Percent Increase (1 % Increase)</u>
Net OPEB Liability	\$ 936,435	\$ 3,964,034	\$ 7,612,853

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the Town recognized OPEB expense of \$732,564. At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 3,309,469	\$ 1,043,367
Changes of Assumptions	1,207,040	379,559
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	988,833
Total	<u>\$ 4,516,509</u>	<u>\$ 2,411,759</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ (413,171)
2025	(466,808)
2026	314,451
2027	(581,632)
2028	(698,261)
Thereafter	(259,329)
Total	<u>\$ (2,104,750)</u>



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan**

**Plan Description**

Teachers, principals, superintendents, or supervisors engaged in service of public schools plus professional employees at state schools of higher education are eligible to participate in the Connecticut State Teachers' Retirement System Retiree Health Insurance Plan (TRS-RHIP), a cost sharing multiple-employer defined benefit other postemployment benefit plan administered by the Teachers' Retirement Board (TRB), if they choose to be covered.

Chapter 167a of the State Statutes grants authority to establish and amend the benefit terms to the TRB. TRS-RHIP issues a publicly available financial report that can be obtained at [www.ct.gov/trb](http://www.ct.gov/trb).

**Benefit Provisions**

There are two types of the health care benefits offered through the system. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the CTRB Sponsored Medicare Supplement Plans provide coverage for those participating in Medicare but not receiving Subsidized Local School District Coverage.

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

Any member who is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Net Pension Liability of the Town**

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility

Any member who is currently receiving a retirement or disability benefit is eligible to participate in the plan.

Credited Service

One month for each month of service as a teacher in Connecticut public schools, maximum 10 months for each school year. Ten months of credited service constitutes one year of Credited Service. Certain other types of teaching services, state employment, or wartime military service may be purchased prior to retirement if the member pays one-half the cost.

Normal Retirement

Age 60 with 20 years of Credited Service in Connecticut, or 35 years of Credited Service including at least 25 years of service in Connecticut.

Early Retirement

Age 55 with 20 years of Credited Service including 15 years of Connecticut service, or 25 years of Credited Service including 20 years of Connecticut service.

Proratable Retirement

Age 60 with 10 years of credited service.

Disability Retirement

No service requirement if incurred in the performance of duty, and five years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Contributions**

State of Connecticut

Per Connecticut General Statutes Section 10-183z, contribution requirements of active employees and the state of Connecticut are approved, amended, and certified by the State Teachers' Retirement Board and appropriated by the General Assembly. The state contributions are not currently actuarially funded. The state appropriates from the General Fund one third of the annual costs of the Plan. Administrative costs of the Plan are financed by the state. Based upon Chapter 167a, Subsection D of Section 10-183t of the Connecticut statutes, it is assumed the state will pay for any long-term shortfall arising from insufficient active member contributions.

Employer (School Districts)

School District employers are not required to make contributions to the plan. For the year ended June 30, 2023, the amount of "on-behalf" contributions made by the state was \$172,408 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2023, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net OPEB Liability	\$	-
State's Proportionate Share of the Net OPEB Liability Associated with the Town		13,539,854
Total		<u><u>\$ 13,539,854</u></u>

The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2022. At June 30, 2023, the Town has no proportionate share of the net OPEB liability.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended June 30, 2023, the Town recognized OPEB expense and revenue of \$816,148 in Exhibit II.

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 %
Health Care Costs Trend Rate	5.00% for 2023, Decreasing to an Ultimate Rate of 4.30% by 2072
Salary Increases	Graded Scale for Certified BOE and Police, 3.50% for All Others
Investment Rate of Return	3.53%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position Will be Depleted	2027

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 2.17% to 3.53%
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;
- The assumed age-related annual percentage increases in expected annual per capita health care claims costs were updated;
- Long-term health care cost trend rates were updated; and
- The percentages of participating retirees who are expected to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Actuarial Assumptions (Continued)**

The changes in the benefit terms since the prior year are as follows:

- There was a change in the maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.98%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.53%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2022.

In addition to the actuarial methods and assumptions of the June 30, 2022, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2027 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate and the Discount Rate**

The Town's proportionate share of the net OPEB liability is \$-0- and, therefore, the change in the health care cost trend rate or the discount rate would only impact the amount recorded by the state of Connecticut.

**OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**Other Information**

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan.

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds**

Combining Statement of Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>Assets:</b>					
Cash	\$ 201,863	\$ 109,422	\$ 226,068	\$ 394,172	\$ 931,525
Investments	27,240,225	20,277,591	27,769,410	21,334,384	96,621,610
Accounts Receivable	34,102	25,457	23,225	-	82,784
Total Assets	<u>27,476,190</u>	<u>20,412,470</u>	<u>28,018,703</u>	<u>21,728,556</u>	<u>97,635,919</u>
<b>Liabilities:</b>					
Accounts Payable	-	-	-	10,762	10,762
Net Position of Pension and Other Postemployment Benefits	<u>\$ 27,476,190</u>	<u>\$ 20,412,470</u>	<u>\$ 28,018,703</u>	<u>\$ 21,717,794</u>	<u>\$ 97,625,157</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds  
(Continued)**

Combining Statement of Revenues, Expenses, and Changes in Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>ADDITIONS</b>					
Contributions:					
Employer	\$ 1,450,539	\$ 854,232	\$ 1,411,861	\$ 1,064,993	\$ 4,781,625
Plan Members	413,923	264,202	207,817	125,344	1,011,286
Total Contributions	<u>1,864,462</u>	<u>1,118,434</u>	<u>1,619,678</u>	<u>1,190,337</u>	<u>5,792,911</u>
Investment Income:					
Net Change in Fair Value of Investments	1,194,322	870,539	1,418,160	1,249,966	4,732,987
Interest and Dividends	665,947	490,707	671,873	501,437	2,329,964
Total Investment Income (Loss)	<u>1,860,269</u>	<u>1,361,246</u>	<u>2,090,033</u>	<u>1,751,403</u>	<u>7,062,951</u>
Less Investment Expenses:					
Custodian Fees	(33,578)	(28,717)	(37,193)	-	(99,488)
Net Investment Gain (Loss)	<u>1,826,691</u>	<u>1,332,529</u>	<u>2,052,840</u>	<u>1,751,403</u>	<u>6,963,463</u>
Total Additions	3,691,153	2,450,963	3,672,518	2,941,740	12,756,374
<b>DEDUCTIONS</b>					
Benefits	2,466,612	1,579,965	2,089,040	1,064,992	7,200,609
Administration	46,907	35,267	64,882	75,434	222,490
Total Deductions	<u>2,513,519</u>	<u>1,615,232</u>	<u>2,153,922</u>	<u>1,140,426</u>	<u>7,423,099</u>
<b>CHANGE IN NET POSITION</b>	1,177,634	835,731	1,518,596	1,801,314	5,333,275
Net Position - Beginning of Year	<u>26,298,556</u>	<u>19,576,739</u>	<u>26,500,107</u>	<u>19,916,480</u>	<u>92,291,882</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 27,476,190</u>	<u>\$ 20,412,470</u>	<u>\$ 28,018,703</u>	<u>\$ 21,717,794</u>	<u>\$ 97,625,157</u>

Aggregate Pension Information

The Town recognized the following amounts related to Pension plans as of and for the year ended June 30, 2023:

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
Employee's Pension Plan	\$ 13,930,593	\$ 3,021,903	\$ 422,327	\$ 3,093,998
Police Pension Plan	6,597,935	2,628,078	447,482	1,449,017
Board of Education Plan	12,792,182	1,631,990	-	2,538,667
Connecticut Teachers Retirement System	-	-	-	14,942,748
Total	<u>\$ 33,320,710</u>	<u>\$ 7,281,971</u>	<u>\$ 869,809</u>	<u>\$ 22,024,430</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds  
(Continued)**

Aggregate OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2023:

Plan	Net OPEB Liability	Deferred Outflows	Deferred Inflows	OPEB Expense
OPEB Plan	\$ 3,964,034	\$ 2,411,759	\$ 4,516,509	\$ 732,564
Connecticut Teachers Retirement System	-	-	-	816,148
Total	<u>\$ 3,964,034</u>	<u>\$ 2,411,759</u>	<u>\$ 4,516,509</u>	<u>\$ 1,548,712</u>

**NOTE 5 OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2023.

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees. The Town retains the risk of up to a maximum of \$250,000 per claim. Commercial insurance covers any individual claim in excess of \$10,000. During 2023, total claims expense of \$15,852,556 was incurred, which represent claims processed and an estimate for claims incurred but not reported as of June 30, 2023.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2023, of \$1,012,300.

Premium payments are reported as interfund services provided and used for the General Fund, and, accordingly, they are treated as operating revenues of the Self-Insurance Fund and operating expenditures of the General Fund.



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

A schedule of changes in the claims liability for the years ended June 30, 2023 and 2022, is presented below:

	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2021-22	\$ 957,900	\$ 15,963,173	\$ 15,880,973	\$ 1,040,100
2022-23	1,040,100	15,852,556	16,892,656	-

**B. Contingent Liabilities**

There are various suits and claims pending against the Town, none of which, individually or in the aggregate, is believed by counsel to be likely to result in judgment or judgments that could materially affect the Town's financial position.

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

The Town may be subject to rebate penalties to the federal government relating to various bond and note issues. The Town expects such amounts, if any, to be immaterial.

**C. Landfill Postclosure Care Costs**

The Simsbury landfill stopped accepting solid waste in 1988. The landfill has been capped and tested by the Department of Environmental Protection prior to October 1, 1993, and, as such, the U.S. EPA adopted regulations 40 CFR, Part 258 (Subtitle D), do not apply. However, the Simsbury landfill is still required to monitor its postclosure functions under an approved plan with the state of Connecticut Department of Environmental Protection.

The landfill closing costs of \$25,000 reported as a liability in the government-wide financial statements represent an estimate of the postclosure costs to be incurred by the Town over the next 5 fiscal years for mandatory ground water testing based on a study conducted by an independent consultant. It is estimated that the Town will incur a \$5,000 annual cost over the next 5 fiscal years. This estimate is subject to changes that may result from inflation, technological changes, or regulatory changes.

**DRAPER**

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Property Taxes:</b>				
Current Year Taxes	\$ 98,188,274	\$ 98,188,274	\$ 98,479,850	\$ 291,576
Prior Year's Taxes	280,000	280,000	379,359	99,359
Interest and Lien Fees	150,000	150,000	397,916	247,916
Total Property Taxes	98,618,274	98,618,274	99,257,125	638,851
<b>Intergovernmental Revenues:</b>				
State of Connecticut:				
Office of Policy and Management:				
Property Tax Relief:				
Car Tax Reimbursement	2,006,464	2,006,464	1,180,975	(825,489)
Disabled	1,300	1,300	1,500	200
Additional Veterans	4,500	4,500	3,509	(991)
Department of Education:				
Education Equalization Grant	6,996,426	6,996,426	7,055,420	58,994
Adult Education	15,452	15,452	6,213	(9,239)
Miscellaneous:				
State-Owned Property	99,702	99,702	651,183	551,481
Telephone Access Line Grant	43,000	43,000	45,708	2,708
Municipal Grant in Aid	77,648	77,648	108,577	30,929
Elderly/Handicapped Transportation	40,720	40,720	40,710	(10)
Housing Authority in Lieu of Taxes	25,000	25,000	40,170	15,170
Board of Education Tuition Regular	95,000	95,000	279,916	184,916
PILLOT - Westminster School	120,000	120,000	120,000	-
Total Intergovernmental Revenues	9,525,212	9,525,212	9,533,881	8,669
Investment Income	80,000	80,000	1,617,674	1,537,674
<b>Charges for Goods and Services:</b>				
Conveyance Tax Receipts	600,000	600,000	618,824	18,824
Town Clerk Recording Fees	200,000	200,000	94,484	(105,516)
Town Clerk Farmland Preservation Fees	3,200	3,200	1,777	(1,423)
Vital Record Copy Fees	33,000	33,000	41,638	8,638
Marriage License Fees	3,500	3,500	3,920	420
Trade Name Filing Fee	600	600	540	(60)
Vendor Permit Fees	750	750	1,960	1,210
Notary Filing Fees	1,000	1,000	815	(185)
Map/Land Record Copy Fee	25,000	-	17,646	17,646

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive Negative
	Original	Final		
<b>Charges for Goods and Services (Continued):</b>				
Liquor Permit Filing Fee	\$ 700	\$ 700	\$ 600	\$ (100)
Burial/Crem Permit Fee	800	800	1,120	320
Assessor Plane Reg Fee	3,500	3,500	-	(3,500)
Assessor Copy Fees	250	250	4,270	4,020
Misc. Copy Fee	2,000	2,000	1,173	(827)
Foreclosure Filing Fee	200	200	330	130
Tax Collector - Fire District Supplies, etc.	6,500	6,500	6,500	-
Finance Department - BOE Charges for Services	30,000	30,000	30,000	-
Building Department Shared Position Information Technology - BOE Charges for Services	38,500	38,500	-	(38,500)
Police Department - Emergency Reporting	171,752	171,752	171,752	-
Police Department - BOE Charges for Services	39,828	39,828	40,650	822
Engineering Department Fees	153,972	153,972	153,972	-
Engineering Department Shared Position	5,050	5,050	7,877	2,827
Library Fees	20,000	20,000	20,000	-
Passport Fees	3,000	3,000	14,015	11,015
Memorial Pool	5,000	5,000	-	(5,000)
Parks and Open Space - BOE Charges for Services	2,800	2,800	7,694	4,894
Board of Education Miscellaneous	232,651	232,651	232,651	-
Community Gardens	7,500	7,500	12,781	5,281
<b>Total Charges for Goods and Services</b>	<b>1,595,453</b>	<b>1,570,453</b>	<b>1,492,988</b>	<b>(77,465)</b>
<b>Fines and Forfeitures:</b>				
Library Fines and Fees	1,000	1,000	3,562	2,562
False Alarms Fines	4,200	4,200	5,610	1,410
Traffic Tickets	2,500	2,500	3,274	774
Animal Control Fines	500	500	150	(350)
<b>Total Fines and Forfeitures</b>	<b>8,200</b>	<b>8,200</b>	<b>12,596</b>	<b>4,396</b>
<b>Rental of Town-Owned Property:</b>				
Eno Memorial Hall	1,000	1,000	5,630	4,630
Education - School Rentals	25,000	25,000	87,910	62,910
Library Rentals	700	700	-	(700)
World Skate	80,000	80,000	85,000	5,000
SPAC Rental Fees	2,500	2,500	2,500	-
<b>Total Rental of Town-Owned Property</b>	<b>109,200</b>	<b>109,200</b>	<b>181,040</b>	<b>71,840</b>

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Licenses and Permits:</b>				
Sporting Licenses	\$ 50	\$ 50	\$ 75	\$ 25
Dog Licenses	14,000	14,000	19,681	5,681
Land Use Commission	20,000	20,000	34,616	14,616
Police Department Fees	6,000	6,000	5,690	(310)
Building Department Fees	700,000	700,000	860,505	160,505
<b>Total Licenses and Permits</b>	<b>740,050</b>	<b>740,050</b>	<b>920,567</b>	<b>180,517</b>
<b>Other Local Revenues:</b>				
Tax Department Insufficient Funds	-	-	160	160
Finance Department Miscellaneous	-	-	6,608	6,608
Town Clerk Insufficient Funds	40	40	100	60
Town Clerk Miscellaneous	-	-	10	10
Central Administration Miscellaneous	-	-	182	182
Highway Department Miscellaneous	3,250	3,250	6,282	3,032
Police Department Insufficient Funds	-	-	20	20
Emergency Management Miscellaneous	-	-	4,443	4,443
Police Department Miscellaneous	4,100	4,100	5,230	1,130
Insurance Refunds	47,500	47,500	57,365	9,865
Miscellaneous	-	-	42,150	42,150
<b>Total Other Local Revenues</b>	<b>54,890</b>	<b>54,890</b>	<b>122,550</b>	<b>67,660</b>
<b>Total Revenues</b>	<b>110,731,279</b>	<b>110,706,279</b>	<b>113,138,421</b>	<b>2,432,142</b>

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive Negative
	Budgeted Amounts			
	Original	Final		
Other Financing Sources:				
Appropriations from Fund Balance	\$ -	\$ 1,861,001	\$ -	\$ (1,861,001)
Transfers from Other Funds:				
Sewer Use Fund	114,483	114,483	114,483	-
Special Revenue Fund	4,115,510	4,606,822	4,606,822	-
Total Other Financing Sources	<u>4,229,993</u>	<u>6,582,306</u>	<u>4,721,305</u>	<u>(1,861,001)</u>
 Total Revenues and Other Financing Sources	 <u>\$ 114,961,272</u>	 <u>\$ 117,288,585</u>	 117,859,726	 <u>\$ 571,141</u>
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf payments to the Connecticut State Teacher's Retirement System for Town teachers are not budgeted.			12,189,498	
State of Connecticut on-behalf payments to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted.			172,408	
Nonbudgetary items related to lease revenue			18,867	
Encumbrances outstanding at June 30, 2022, cancelled during the year ended June 30, 2023.			<u>(42,150)</u>	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds Exhibit IV			<u>\$ 130,198,349</u>	

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government:</b>				
Town Manager's Office	\$ 495,579	\$ 532,166	\$ 532,166	\$ -
Administration Services	126,716	119,833	119,833	-
Community Services	131,427	344,179	344,179	-
Land Use Commission	19,200	18,843	18,843	-
Economic Development Commission	50,650	63,500	63,500	-
Public Building Committee	2,000	1,319	1,319	-
Beautification	6,000	3,466	3,466	-
Elections	157,035	143,983	143,983	-
Legal	151,000	205,935	205,935	-
Town Clerk	250,045	303,966	303,966	-
Probate Court	9,548	9,548	9,548	-
Total General Government	1,399,200	1,746,738	1,746,738	-
<b>Financial Services:</b>				
Board of Finance	48,295	54,640	54,640	-
Finance Department	463,189	546,334	546,334	-
Tax Collector	199,496	225,774	225,774	-
Assessors	381,919	422,601	422,601	-
Information Technology	494,378	457,490	457,490	-
Total Financial Services	1,587,277	1,706,839	1,706,839	-
<b>Planning and Development:</b>				
Planning Department	376,670	363,709	363,709	-
Building Department	306,404	303,865	303,865	-
Total Planning and Development	683,074	667,574	667,574	-
<b>Public Safety:</b>				
Police Commission	750	74	74	-
Police	5,542,887	5,433,968	5,433,968	-
Dispatch	592,210	543,962	543,962	-
Animal Control Officer	75,217	53,408	53,408	-
Civil Preparedness	26,800	15,330	15,330	-
Total Public Safety	6,237,864	6,046,742	6,046,742	-

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Works:</b>				
Engineering	\$ 307,479	\$ 314,794	\$ 314,794	\$ -
Public Works Administration	334,726	382,728	382,728	-
Buildings and Grounds	537,636	514,441	514,441	-
Town Offices	151,172	165,895	165,895	-
Eno Hall Memorial	74,609	97,074	97,074	-
Miscellaneous Building	33,810	35,526	35,526	-
Highway - Labor and Equipment	2,155,412	2,092,453	2,092,453	-
Highway - Facilities and Programs	1,017,965	1,065,832	1,065,832	-
Landfill	78,000	81,363	81,363	-
Total Public Works	4,690,809	4,750,106	4,750,106	-
<b>Culture and Recreation:</b>				
Recreation - Administration	64,560	82,660	82,660	-
Parks and Open Space - Maintenance	1,016,874	981,476	981,476	-
Parks and Open Space - Memorial Field	37,714	28,769	28,769	-
Parks and Open Space - Memorial Pool	81,097	73,125	73,125	-
Library - Administration	672,649	744,500	744,500	-
Library - Adult and Young Adult	593,346	591,710	591,710	-
Library - Building and Grounds	154,527	147,969	147,969	-
Library - Children Services	380,562	414,145	414,145	-
Total Culture and Recreation	3,001,329	3,064,354	3,064,354	-
<b>Health and Welfare:</b>				
Aging & Disability Commission	1,500	866	866	-
Health Department	183,870	283,926	283,926	-
Social Services Administration	400,666	425,766	425,766	-
Senior Center	160,687	170,875	170,875	-
Transportation	167,870	171,562	171,562	-
Total Health and Welfare	914,593	1,052,995	1,052,995	-
<b>Fringe Benefits and Insurance:</b>				
Social Security	1,012,750	1,007,360	1,007,360	-
Town General Liability Insurance	487,949	642,639	642,639	-
Employee Group Insurance	3,148,824	2,690,851	2,690,851	-
Life and Disability Insurance	77,688	73,984	73,984	-
Unemployment Reserve	10,000	16,084	16,084	-
Pensions	2,492,516	2,032,373	2,032,373	-
Total Fringe Benefits and Insurance	7,229,727	6,463,291	6,463,291	-



**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	2023			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Education	\$ 76,456,545	\$ 76,456,545	\$ 77,059,746	\$ (603,201)
Nonpublic Schools Budget:				
Nonpublic Schools	574,274	574,274	539,025	35,249
Debt Service:				
Principal	5,090,000	5,090,000	5,090,000	-
Interest	1,281,525	1,281,525	1,281,525	-
Total Debt Service	<u>6,371,525</u>	<u>6,371,525</u>	<u>6,371,525</u>	<u>-</u>
Other Financing Uses:				
Contingency Reserve	184,953	-	-	-
Vacancy Rate	(200,000)	-	-	-
Transfer to Capital Fund	5,657,657	8,215,157	8,215,157	-
Transfers to Other Funds	172,445	172,445	172,445	-
Total Other Financing Uses	<u>5,815,055</u>	<u>8,387,602</u>	<u>8,387,602</u>	<u>-</u>
Total Expenditures and Other Financing Uses	<u>\$ 114,961,272</u>	<u>\$ 117,288,585</u>	117,856,537	<u>\$ (567,952)</u>

Budgetary expenditures are different than GAAP expenditures because:

State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted. 12,189,498

State of Connecticut on-behalf payments to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted. 172,408

Transfers to BOE Nonlapsing Fund -

Encumbrances Outstanding at June 30, 2022, Liquidated During the Year Ended June 30, 2023. 238,065

Encumbrances Outstanding at June 30, 2023 (68,319)

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

\$ 130,388,189

**TOWN OF SIMSBURY, CONNECTICUT  
SEWER OPERATING FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

	Sewer Use Fund			Variance with Final Budget Positive (Negative)
	Budget		Actual	
	Original	Final		
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 393,660	\$ 393,660	\$ 393,660	\$ -
Investment Income	8,000	8,000	113,906	105,906
Charges for Goods and Services	766,921	766,921	681,507	(85,414)
Miscellaneous	7,500	7,500	6,938	(562)
Assessment Interest and Liens	23,379	23,379	25,351	1,972
Assessments	<u>2,863,996</u>	<u>2,863,996</u>	<u>3,286,727</u>	<u>422,731</u>
Total Revenues	<u>4,063,456</u>	<u>4,063,456</u>	<u>4,508,089</u>	<u>444,633</u>
<b>EXPENDITURES</b>				
Current:				
Facility Management	2,696,139	2,696,139	2,600,711	95,428
Debt Service	<u>1,215,000</u>	<u>1,215,000</u>	<u>1,215,000</u>	<u>-</u>
Total Expenditures	<u>3,911,139</u>	<u>3,911,139</u>	<u>3,815,711</u>	<u>95,428</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	152,317	152,317	692,378	540,061
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers from Other Funds	-	286,317	286,317	-
Transfers to Other Funds	<u>(430,000)</u>	<u>(430,000)</u>	<u>(430,000)</u>	<u>-</u>
Net Other Financing Uses	<u>(430,000)</u>	<u>(143,683)</u>	<u>(143,683)</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (277,683)</u>	<u>\$ 8,634</u>	548,695	<u>\$ 540,061</u>
Fund Balances - Beginning of Year			<u>7,248,471</u>	
<b>FUND BALANCES - END OF YEAR</b>			<u>\$ 7,797,166</u>	

**TOWN OF SIMSBURY, CONNECTICUT  
SEWER OPERATING FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2023  
(NON-GAAP BUDGETARY BASIS)**

Reconciliation to GAAP Basis

	Revenue and Transfers	Expenditures and Transfers	Fund Balance
Balance, Budgetary Basis - End of Year	\$ 4,794,406	\$ 4,245,711	\$ 7,797,166
Additional Payment Made Not Budgeted for Encumbrances Cancelled During the Year	150,006	-	150,006
Prior Encumbrances Still Open	(1,119)	-	-
Payments on Prior Year Encumbrances	-	4,287	66,378
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Balance, GAAP Basis - June 30, 2023	<u>\$ 4,943,293</u>	<u>\$ 4,249,998</u>	<u>\$ 8,013,550</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**TOWN PENSION PLAN**  
**LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>										
Service Cost	\$ 742,696	\$ 770,819	\$ 669,268	\$ 700,538	\$ 629,377	\$ 673,731	\$ 668,192	\$ 651,746	\$ 607,101	\$ 605,889
Interest	2,613,253	2,555,101	2,364,718	2,205,899	2,156,775	2,070,339	1,939,574	1,864,604	1,793,949	1,718,093
Changes of Benefit Terms	-	-	-	-	-	-	291,643	-	(16,733)	-
Differences Between Expected and Actual Experience	(601,710)	167,817	(58,874)	1,599,221	206,134	269,122	509,974	(259,385)	99,498	(1,191)
Changes of Assumptions	444,070	510,795	2,635,850	-	815,182	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,466,612)	(2,216,848)	(2,139,369)	(2,104,246)	(1,917,120)	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)	(1,157,072)
Net Change in Total Pension Liability	731,697	1,787,684	3,471,593	2,401,412	1,890,348	1,456,147	1,872,391	960,357	1,162,385	1,165,719
Total Pension Liability - Beginning	40,675,086	38,887,402	35,415,809	33,014,397	31,124,049	29,667,902	27,795,511	26,835,154	25,672,769	24,507,050
Total Pension Liability - Ending	41,406,783	40,675,086	38,887,402	35,415,809	33,014,397	31,124,049	29,667,902	27,795,511	26,835,154	25,672,769
<b>Plan Fiduciary Net Position:</b>										
Contributions - Employer	1,450,539	1,390,773	1,272,157	1,031,101	950,965	920,889	877,664	1,023,393	1,013,590	985,741
Contributions - Member	413,923	337,794	296,132	326,518	365,409	302,656	295,408	445,994	223,536	175,834
Net Investment Income	1,826,691	(3,535,516)	6,057,599	755,523	1,183,630	1,491,838	2,563,793	(20,390)	417,241	2,628,574
Benefit Payments	(2,466,612)	(2,216,848)	(2,139,369)	(2,104,246)	(1,917,120)	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)	(1,105,875)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	(51,197)
Administrative Expense	(46,907)	(39,567)	(39,320)	(49,745)	(58,623)	(22,443)	(34,812)	(37,476)	(35,251)	(32,427)
Net Change in Plan Fiduciary Net Position	1,177,634	(4,063,364)	5,447,199	(40,849)	524,261	1,135,895	2,165,061	114,913	297,686	2,600,650
Plan Fiduciary Net Position - Beginning	26,298,556	30,361,920	24,914,721	24,955,570	24,431,309	23,295,414	21,130,353	21,015,440	20,717,754	18,117,104
Plan Fiduciary Net Position - Ending	27,476,190	26,298,556	30,361,920	24,914,721	24,955,570	24,431,309	23,295,414	21,130,353	21,015,440	20,717,754
<b>Town's Net Pension Liability - Ending</b>	<b>\$ 13,930,593</b>	<b>\$ 14,376,530</b>	<b>\$ 8,525,482</b>	<b>\$ 10,501,088</b>	<b>\$ 8,058,827</b>	<b>\$ 6,692,740</b>	<b>\$ 6,372,488</b>	<b>\$ 6,665,158</b>	<b>\$ 5,819,714</b>	<b>\$ 4,955,015</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>66.36%</b>	<b>64.66%</b>	<b>78.08%</b>	<b>70.35%</b>	<b>75.59%</b>	<b>78.50%</b>	<b>78.52%</b>	<b>76.02%</b>	<b>78.31%</b>	<b>80.70%</b>
<b>Covered Payroll</b>	<b>\$ 6,745,332</b>	<b>\$ 6,597,800</b>	<b>\$ 6,859,123</b>	<b>\$ 6,832,071</b>	<b>\$ 7,110,117</b>	<b>\$ 7,124,309</b>	<b>\$ 6,870,896</b>	<b>\$ 6,476,467</b>	<b>\$ 6,477,000</b>	<b>\$ 6,491,000</b>
<b>Town's Net Pension Liability as a Percentage of Covered Payroll</b>	<b>206.52%</b>	<b>217.90%</b>	<b>124.29%</b>	<b>153.70%</b>	<b>113.34%</b>	<b>93.94%</b>	<b>92.75%</b>	<b>102.91%</b>	<b>89.85%</b>	<b>76.34%</b>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS  
POLICE PENSION PLAN  
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>										
Service Cost	\$ 744,306	\$ 708,680	\$ 642,813	\$ 650,296	\$ 543,312	\$ 530,370	\$ 530,838	\$ 484,804	\$ 449,735	\$ 434,196
Interest	1,679,324	1,637,478	1,533,380	1,460,524	1,412,130	1,370,121	1,374,437	1,327,012	1,261,868	1,169,501
Changes of Benefit Terms	-	-	-	-	-	-	-	-	266,580	-
Differences Between Expected and Actual Experience	(68,455)	(249,802)	(77,829)	132,645	2,931	(186,985)	(944,755)	132,622	(91,391)	1,025,203
Changes of Assumptions	366,194	364,297	1,028,208	-	578,872	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,579,965)	(1,180,296)	(1,204,052)	(1,110,746)	(1,246,539)	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)	(1,914,868)
Net Change in Total Pension Liability	1,141,404	1,280,357	1,922,520	1,132,719	1,290,706	703,403	(72,425)	889,542	793,945	714,032
Total Pension Liability - Beginning	25,869,001	24,588,644	22,666,124	21,533,405	20,242,699	19,539,296	19,611,721	18,722,179	17,928,234	17,214,202
Total Pension Liability - Ending	27,010,405	25,869,001	24,588,644	22,666,124	21,533,405	20,242,699	19,539,296	19,611,721	18,722,179	17,928,234
<b>Plan Fiduciary Net Position:</b>										
Contributions - Employer	854,232	857,435	809,664	651,976	586,956	600,240	677,434	727,009	633,000	562,763
Contributions - Member	264,202	267,908	244,095	294,500	270,561	244,113	239,130	196,550	190,966	152,656
Net Investment Income (Loss)	1,332,529	(2,604,930)	4,388,821	547,467	1,001,959	1,039,142	1,774,219	(11,573)	295,997	1,966,976
Benefit Payments	(1,579,965)	(1,180,296)	(1,204,052)	(1,110,746)	(1,246,539)	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)	(946,618)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	(968,250)
Administrative Expense	(35,267)	(22,675)	(16,390)	(34,126)	(51,487)	(12,953)	(24,396)	(24,051)	(33,374)	(32,865)
Net Change in Plan Fiduciary Net Position	835,731	(2,682,558)	4,222,138	349,071	561,450	860,439	1,633,442	(166,961)	(6,258)	734,662
Plan Fiduciary Net Position - Beginning	19,576,739	22,259,297	18,037,159	17,688,088	17,126,638	16,266,199	14,632,757	14,799,718	14,805,976	14,071,314
Plan Fiduciary Net Position - Ending	20,412,470	19,576,739	22,259,297	18,037,159	17,688,088	17,126,638	16,266,199	14,632,757	14,799,718	14,805,976
<b>Town's Net Pension Liability - Ending</b>	<b>\$ 6,597,935</b>	<b>\$ 6,292,262</b>	<b>\$ 2,329,347</b>	<b>\$ 4,628,965</b>	<b>\$ 3,845,317</b>	<b>\$ 3,116,061</b>	<b>\$ 3,273,097</b>	<b>\$ 4,978,964</b>	<b>\$ 3,922,461</b>	<b>\$ 3,122,258</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>75.57%</b>	<b>75.68%</b>	<b>90.53%</b>	<b>79.58%</b>	<b>82.14%</b>	<b>84.61%</b>	<b>83.25%</b>	<b>74.61%</b>	<b>79.05%</b>	<b>82.64%</b>
<b>Covered Payroll</b>	<b>\$ 4,014,270</b>	<b>\$ 3,834,513</b>	<b>\$ 3,932,170</b>	<b>\$ 3,589,830</b>	<b>\$ 3,400,678</b>	<b>\$ 3,400,310</b>	<b>\$ 3,143,684</b>	<b>\$ 2,918,053</b>	<b>\$ 2,866,000</b>	<b>\$ 2,772,281</b>
<b>Town's Net Pension Liability as a Percentage of Covered Payroll</b>	<b>164.36%</b>	<b>164.10%</b>	<b>59.24%</b>	<b>128.95%</b>	<b>113.08%</b>	<b>91.64%</b>	<b>104.12%</b>	<b>170.63%</b>	<b>136.86%</b>	<b>112.62%</b>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS  
BOARD OF EDUCATION PLAN  
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	0	2018	0	0	2015	2014
<b>Total Pension Liability:</b>										
Service Cost	\$ 618,531	\$ 709,652	\$ 665,110	\$ 740,945	\$ 712,212	\$ 742,875	\$ 781,880	\$ 792,518	\$ 720,226	\$ 723,982
Interest	2,536,665	2,472,708	2,241,566	2,143,058	2,064,354	1,980,261	1,903,998	1,815,018	1,745,104	1,635,060
Changes of Benefit Terms	3,185	-	8,957	-	-	-	-	(29,091)	(32,802)	-
Differences Between Expected and Actual Experience	209,124	65,804	39,830	260,375	135,169	(161,126)	(274,621)	(445,038)	319,281	(19,757)
Changes of Assumptions	97,269	485,086	2,847,046	-	760,097	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,089,040)	(1,795,888)	(1,668,714)	(1,551,554)	(1,335,830)	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)	(1,096,023)
Net Change in Total Pension Liability	1,375,734	1,937,362	4,133,795	1,592,824	2,336,002	1,237,582	1,168,738	1,008,101	1,604,724	1,243,262
Total Pension Liability - Beginning	39,435,151	37,497,789	33,363,994	31,771,170	29,435,168	28,197,586	27,028,848	26,020,747	24,416,023	23,172,761
Total Pension Liability - Ending	40,810,885	39,435,151	37,497,789	33,363,994	31,771,170	29,435,168	28,197,586	27,028,848	26,020,747	24,416,023
<b>Plan Fiduciary Net Position:</b>										
Contributions - Employer	1,411,861	1,387,251	1,296,230	1,175,122	1,086,598	1,084,561	1,112,035	1,288,982	1,236,631	1,231,124
Contributions - Member	207,817	242,443	265,776	279,676	293,320	304,208	348,561	324,788	283,432	240,312
Net Investment Income	2,052,840	(3,678,215)	6,155,888	745,321	1,223,623	1,364,568	2,322,363	21,997	337,905	2,157,488
Benefit Payments	(2,089,040)	(1,795,888)	(1,668,714)	(1,551,554)	(1,335,830)	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)	(1,056,810)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	(39,213)
Administrative Expense	(64,882)	(40,351)	(36,442)	(26,153)	(54,326)	(25,392)	(37,728)	(18,799)	(26,200)	(29,131)
Net Change in Plan Fiduciary Net Position	1,518,596	(3,884,760)	6,012,738	622,412	1,213,385	1,403,517	2,502,712	491,662	684,683	2,503,770
Plan Fiduciary Net Position - Beginning	26,500,107	30,384,867	24,372,129	23,749,717	22,536,332	21,132,815	18,630,103	18,138,441	17,453,758	14,949,988
Plan Fiduciary Net Position - Ending	28,018,703	26,500,107	30,384,867	24,372,129	23,749,717	22,536,332	21,132,815	18,630,103	18,138,441	17,453,758
<b>Town's Net Pension Liability - Ending</b>	<b>\$ 12,792,182</b>	<b>\$ 12,935,044</b>	<b>\$ 7,112,922</b>	<b>\$ 8,991,865</b>	<b>\$ 8,021,453</b>	<b>\$ 6,898,836</b>	<b>\$ 7,064,771</b>	<b>\$ 8,398,745</b>	<b>\$ 7,882,306</b>	<b>\$ 6,962,265</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>68.65%</b>	<b>67.20%</b>	<b>81.03%</b>	<b>73.05%</b>	<b>74.75%</b>	<b>76.56%</b>	<b>74.95%</b>	<b>68.93%</b>	<b>69.71%</b>	<b>71.48%</b>
<b>Covered Payroll</b>	<b>\$ 6,290,034</b>	<b>\$ 6,391,476</b>	<b>\$ 7,050,585</b>	<b>\$ 7,011,899</b>	<b>\$ 7,235,501</b>	<b>\$ 7,614,963</b>	<b>\$ 7,766,728</b>	<b>\$ 7,864,597</b>	<b>\$ 7,916,465</b>	<b>\$ 7,911,823</b>
<b>Town's Net Pension Liability as a Percentage of Covered Payroll</b>	<b>203.37%</b>	<b>202.38%</b>	<b>100.88%</b>	<b>128.24%</b>	<b>110.86%</b>	<b>90.60%</b>	<b>90.96%</b>	<b>106.79%</b>	<b>99.57%</b>	<b>88.00%</b>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TOWN PENSION PLAN  
LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 1,450,539	\$ 1,390,773	\$ 1,272,157	\$ 1,031,101	\$ 950,965	\$ 920,889	\$ 877,663	\$ 888,277	\$ 1,013,590	\$ 985,089
Contributions in Relation to the Actuarially Determined Contribution	<u>1,450,539</u>	<u>1,390,773</u>	<u>1,272,157</u>	<u>1,031,101</u>	<u>950,965</u>	<u>920,889</u>	<u>877,664</u>	<u>1,023,393</u>	<u>1,013,590</u>	<u>985,089</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (135,116)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 6,745,332</u>	<u>\$ 6,597,800</u>	<u>\$ 6,859,123</u>	<u>\$ 6,832,071</u>	<u>\$ 7,110,117</u>	<u>\$ 7,124,309</u>	<u>\$ 6,870,896</u>	<u>\$ 6,476,467</u>	<u>\$ 6,477,448</u>	<u>\$ 6,490,784</u>
Contributions as a Percentage of Covered Payroll	21.50%	21.08%	18.55%	15.09%	13.37%	12.93%	12.77%	15.80%	15.65%	15.18%

Notes to Schedule:

Valuation Date July 1, 2022  
 Measurement Date June 30, 2023  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16 Years
Asset Valuation Method	5-Year Nonsymptotic
Inflation	2.50%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Retirement Age	Rates Based on Age
Turnover	Rates Based on Service
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION PLAN  
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 854,232	\$ 857,435	\$ 809,664	\$ 651,976	\$ 586,956	\$ 600,240	\$ 677,434	\$ 631,023	\$ 632,679	\$ 562,233
Contributions in Relation to the Actuarially Determined Contribution	<u>854,232</u>	<u>857,435</u>	<u>809,664</u>	<u>651,976</u>	<u>586,956</u>	<u>600,240</u>	<u>677,434</u>	<u>727,009</u>	<u>633,000</u>	<u>562,233</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95,986)</u>	<u>\$ (321)</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 4,014,270</u>	<u>\$ 3,834,513</u>	<u>\$ 3,932,170</u>	<u>\$ 3,589,830</u>	<u>\$ 3,400,678</u>	<u>\$ 3,400,310</u>	<u>\$ 3,143,684</u>	<u>\$ 2,918,053</u>	<u>\$ 2,866,183</u>	<u>\$ 2,772,281</u>
Contributions as a Percentage of Covered Payroll	21.28%	22.36%	20.59%	18.16%	17.26%	17.65%	21.55%	24.91%	22.09%	20.28%

Notes to Schedule:

Valuation Date July 1, 2022  
 Measurement Date June 30, 2023  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	15 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Non-asymptotic
Inflation	2.50%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Retirement Age	Rates based on age
Mortality	PubS-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.



**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
BOARD OF EDUCATION PLAN  
LAST TEN FISCAL YEARS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially Determined Contribution	\$ 1,411,861	\$ 1,387,251	\$ 1,296,230	\$ 1,175,122	\$ 1,086,598	\$ 1,084,561	\$ 1,112,035	\$ 1,110,353	\$ 1,236,631	\$ 1,231,124
Contributions in Relation to the Actuarially Determined Contribution	<u>1,411,861</u>	<u>1,387,251</u>	<u>1,296,230</u>	<u>1,175,122</u>	<u>1,086,598</u>	<u>1,084,561</u>	<u>1,112,035</u>	<u>1,288,982</u>	<u>1,236,631</u>	<u>1,231,124</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (178,629)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 6,290,034</u>	<u>\$ 6,391,476</u>	<u>\$ 7,050,585</u>	<u>\$ 7,011,899</u>	<u>\$ 7,235,501</u>	<u>\$ 7,614,963</u>	<u>\$ 7,766,728</u>	<u>\$ 7,864,597</u>	<u>\$ 7,916,465</u>	<u>\$ 7,911,823</u>
Contributions as a Percentage of Covered Payroll	22.45%	21.70%	18.38%	16.76%	15.02%	14.24%	14.32%	16.39%	15.62%	15.56%

Notes to Schedule:

Valuation Date July 1, 2022  
 Measurement Date June 30, 2023  
 Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	16 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Non-asymptotic
Inflation	2.50%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Retirement Age	Rates Based on Age
Turnover	Rates Based on Age
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
PENSION  
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-Weighted Rate of Return, Net of Investment Expense:										
General Government Pension Plan	700.00%	(11.65%)	24.27%	3.04%	4.84%	6.36%	12.09%	(0.10%)	1.97%	14.35%
Police Pension Plan	687.00%	(11.64%)	24.19%	3.07%	5.88%	6.34%	12.00%	(0.08%)	1.98%	14.30%
Board of Education Pension Plan	774.00%	(11.91%)	24.75%	3.08%	5.32%	6.32%	12.07%	0.12%	1.86%	14.02%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS RETIREMENT PLAN  
LAST NINE FISCAL YEARS\***

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	154,605,022	124,926,104	157,733,293	143,961,121	111,002,388	111,434,579	117,564,334	92,706,902	85,688,952
<b>Total</b>	<b>\$ 154,605,022</b>	<b>\$ 124,926,104</b>	<b>\$ 157,733,293</b>	<b>\$ 143,961,121</b>	<b>\$ 111,002,388</b>	<b>\$ 111,434,579</b>	<b>\$ 117,564,334</b>	<b>\$ 92,706,902</b>	<b>\$ 85,688,952</b>
Town's Covered Payroll	\$ 39,933,262	\$ 38,088,354	\$ 36,741,196	\$ 35,765,154	\$ 34,712,942	\$ 34,259,016	\$ 33,773,614	\$ 32,597,004	\$ 32,231,978
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

Notes to Schedule:

Changes in Benefit Terms	Legislation was passed restoring the 25% wear down of Plan N benefits to vested members as of June 30, 2019.
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	27.8 years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment-Related Expense

Notes:

This schedule is intended to be for ten years. Additional years will be added as they become available.  
The measurement date is one year earlier than the employer's reporting date.

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS**  
**OPEB**  
**LAST SEVEN FISCAL YEARS\***

	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability:							
Service Cost	\$ 886,876	\$ 897,711	\$ 955,522	\$ 902,676	\$ 828,630	\$ 823,820	\$ 797,888
Interest	1,573,218	1,896,026	1,785,683	1,620,250	1,520,906	1,509,026	1,424,684
Differences Between Expected and Actual Experience	-	(4,203,001)	-	2,113,487	-	(949,698)	-
Changes of Assumptions	446,148	(1,456,892)	-	(291,275)	-	(509)	-
Benefit Payments	(1,064,993)	(954,082)	(1,140,222)	(1,040,537)	(969,404)	(1,061,000)	(1,228,579)
Net Change in Total OPEB Liability	1,841,249	(3,820,238)	1,600,983	3,304,601	1,380,132	321,639	993,993
Total OPEB Liability - Beginning	23,840,579	27,660,817	26,059,834	22,755,233	21,375,101	21,053,462	20,059,469
Total OPEB Liability - Ending	25,681,828	23,840,579	27,660,817	26,059,834	22,755,233	21,375,101	21,053,462
Plan Fiduciary Net Position:							
Contributions - Employer	1,064,993	954,082	1,360,107	1,350,537	1,157,219	1,197,000	1,310,930
Contributions - Member	125,344	133,591	152,927	107,341	174,772	173,532	174,237
Net Investment Income	1,751,403	(2,832,861)	4,657,455	611,868	931,563	931,850	1,180,640
Benefit Payments	(1,064,992)	(954,082)	(1,140,222)	(1,040,537)	(969,404)	(1,061,000)	(1,228,579)
Administrative Expense	(75,434)	(50,970)	(84,664)	(11,592)	(4,925)	(9,228)	-
Net Change in Plan Fiduciary Net Position	1,801,314	(2,750,240)	4,945,603	1,017,617	1,289,225	1,232,154	1,437,228
Plan Fiduciary Net Position - Beginning	19,916,480	22,666,720	17,721,117	16,703,500	15,414,275	14,182,121	12,744,893
Plan Fiduciary Net Position - Ending	21,717,794	19,916,480	22,666,720	17,721,117	16,703,500	15,414,275	14,182,121
Net OPEB Liability - Ending	<u>\$ 3,964,034</u>	<u>\$ 3,924,099</u>	<u>\$ 4,994,097</u>	<u>\$ 8,338,717</u>	<u>\$ 6,051,733</u>	<u>\$ 5,960,826</u>	<u>\$ 6,871,341</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	84.56%	83.54%	81.95%	68.00%	73.41%	72.11%	67.36%
Covered Payroll	<u>\$ 57,834,701</u>	<u>\$ 54,406,476</u>	<u>\$ 54,406,476</u>	<u>\$ 52,352,923</u>	<u>\$ 52,352,923</u>	<u>\$ 45,238,019</u>	<u>\$ 45,238,019</u>
Net OPEB Liability as a Percentage of Covered Payroll	6.85%	7.21%	9.18%	15.93%	11.56%	13.18%	15.19%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
OPEB  
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution (1)	\$ 703,614	\$ 1,595,000	\$ 1,284,141	\$ 1,308,000	\$ 1,093,300	\$ 1,182,000	\$ 1,073,307	\$ 1,047,953	\$ 1,880,000	\$ 1,825,000
Contributions in Relation to the Actuarially Determined Contribution	1,064,993	954,082	1,360,107	1,350,537	1,157,219	1,197,000	1,073,307	1,195,883	4,880,000	1,980,158
Contribution Deficiency (Excess)	\$ (361,379)	\$ 640,918	\$ (75,966)	\$ (42,537)	\$ (63,919)	\$ (15,000)	\$ -	\$ (147,930)	\$ (3,000,000)	\$ (155,158)
Covered Payroll	\$ 57,834,701	\$ 54,406,476	\$ 54,406,476	\$ 52,352,923	\$ 52,352,923	\$ 45,238,019	\$ 45,238,019	\$ 44,570,517	\$ 44,132,000	\$ 44,132,000
Contributions as a Percentage of Covered Payroll	1.84%	1.75%	2.50%	2.58%	2.21%	2.65%	2.37%	2.68%	11.06%	4.49%

(1) Actuarially Determined Contributions prior to fiscal year ended June 30, 2017, is based on the Annual Required Contribution (ARC) calculated in accordance with GASB No. 45.

Notes to Schedule:

Valuation Date July 1, 2021  
 Measurement Date June 30, 2023

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine

Contribution Rates:	
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent, Closed
Amortization Period	16 Years
Asset Valuation Method	Market Value
Inflation	2.75%
Healthcare Cost Trend Rates	Pre-Medicare: 5.00% - 4.30% over 60 Years Post-Medicare: 5.10% - 4.30% over 51 Years
Salary Increases	Graded Scale for Certified BOE and Police, 3.5% for All Others
Investment Rate of Return	6.50%, Net of OPEB Plan investment expense, including inflation
Mortality	Pub-2010 Mortality Tables with the MP-2021 Ultimate Improvement Scale

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF INVESTMENT RETURNS  
OPEB  
LAST SEVEN FISCAL YEARS\***

	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, Net of Investment Expense	8.77%	(12.46%)	26.00%	3.59%	5.96%	7.52%	9.44%

\*Note: This schedule is intended to be for ten years. Additional years will be added as they become available.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
TEACHERS RETIREMENT PLAN  
LAST SIX YEARS\***

	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	13,539,854	13,610,470	23,525,926	22,451,549	22,190,058	28,681,978
Total	<u>\$ 13,539,854</u>	<u>\$ 13,610,470</u>	<u>\$ 23,525,926</u>	<u>\$ 22,451,549</u>	<u>\$ 22,190,058</u>	<u>\$ 28,681,978</u>
Town's Covered Payroll	<u>\$ 39,933,262</u>	<u>\$ 38,088,354</u>	<u>\$ 36,741,196</u>	<u>\$ 35,765,154</u>	<u>\$ 34,712,942</u>	<u>\$ 34,259,016</u>
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

Notes to Schedule:

Changes in Benefit Terms

There was a change in maximum monthly subsidy amounts offered to retirees and their dependents from \$110/\$220 to \$220/\$440.

Changes of Assumptions

Based on the procedure described in GASB 75, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2022, was updated to equal the ESRI of 3.53% as of June 30, 2022.

Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience based on scheduled premium increases through calendar year 2024.

Assumed age related annual percentage increases in expected annual per capita health care claim costs were updated.

Long-term health care cost trend rates were updated.

The percentages of participating retirees who are to enroll in the Medicare Supplement Plan and the Medicare Advantage Plan options were updated to better reflect anticipated plan experience.

Actuarial Cost Method  
Amortization Method  
Remaining Amortization Period  
Asset Valuation Method  
Investment Rate of Return  
Price Inflation

Entry Age  
Level Percent of Payroll Over an Open Period  
30 Years  
Market value of assets  
3.00%, Net of Investment-Related Expense Including Price Inflation  
2.50%

Notes:

This schedule is intended to be for ten years. Additional years will be added as they become available.  
The measurement date is one year earlier than the employer's reporting date.

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

DRAFT



## MAJOR GOVERNMENTAL FUNDS

### General Fund

The General Fund is the principal operating fund of the Town. It is used to account for activities traditionally associated with government that are not required to be accounting for in another fund.

DRAFT

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
GENERAL FUND  
JUNE 30, 2023**

<b>ASSETS</b>	General Fund	BOE Nonlapsing Fund	Total Governmental Funds
Cash and Cash Equivalents	\$ 19,537,489	\$ 651,308	\$ 20,188,797
Receivables, Net of Allowance of \$80,000	4,532,552	-	4,532,552
Due from Other Funds	455,507	-	455,507
Other Assets	137,956	-	137,956
<b>Total Assets</b>	<b><u>\$ 24,663,504</u></b>	<b><u>\$ 651,308</u></b>	<b><u>\$ 25,314,812</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 1,223,118	\$ -	\$ 1,223,118
Unearned Revenue	94,031	-	94,031
<b>Total Liabilities</b>	<b><u>1,317,149</u></b>	<b><u>-</u></b>	<b><u>1,317,149</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue - Property Taxes	1,103,032	-	1,103,032
Unavailable Revenue - Property Tax Interest	499,727	-	499,727
Lease Related	2,543,434	-	2,543,434
<b>Total Deferred Inflows of Resources</b>	<b><u>4,146,193</u></b>	<b><u>-</u></b>	<b><u>4,146,193</u></b>
<b>FUND BALANCES</b>			
Nonspendable	137,956	-	137,956
Committed	-	651,308	651,308
Assigned	68,319	-	68,319
Unassigned	18,993,887	-	18,993,887
<b>Total Fund Balances</b>	<b><u>19,200,162</u></b>	<b><u>651,308</u></b>	<b><u>19,851,470</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 24,663,504</u></b>	<b><u>\$ 651,308</u></b>	<b><u>\$ 25,314,812</u></b>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE GENERAL FUND  
YEAR ENDED JUNE 30, 2023**

	General Fund	BOE Nonlapsing Fund	Total
<b>REVENUES</b>			
Property Taxes	\$ 99,257,125	\$ -	\$ 99,257,125
Intergovernmental	21,895,787	-	21,895,787
Investment Gain	1,617,674	-	1,617,674
Charges for Goods and Services	1,415,491	-	1,415,491
Licenses and Permits	1,001,636	-	1,001,636
Rental of Town-Owned Property	167,020	-	167,020
Local Revenues	66,679	-	66,679
Other	55,632	-	55,632
Total Revenues	<u>125,477,044</u>	-	<u>125,477,044</u>
<b>EXPENDITURES</b>			
Current:			
General Government	3,714,035	-	3,714,035
Planning and Development	741,295	-	741,295
Public Safety	6,460,396	-	6,460,396
Facility Management	4,786,272	-	4,786,272
Culture and Recreation	3,327,654	-	3,327,654
Health and Welfare	1,115,929	-	1,115,929
Education	94,271,764	-	94,271,764
Capital outlay			-
Debt Service:			
Principal Payments	5,090,000	-	5,090,000
Interest and Other	1,281,525	-	1,281,525
Total Expenditures	<u>120,788,870</u>	-	<u>120,788,870</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	4,688,174	-	4,688,174
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	4,721,305	-	4,721,305
Transfers Out	<u>(9,599,319)</u>	-	<u>(9,599,319)</u>
Total Other Financing Sources (Uses)	<u>(4,878,014)</u>	-	<u>(4,878,014)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(189,840)	-	(189,840)
Fund Balances - Beginning of Year	<u>19,390,002</u>	<u>651,308</u>	<u>20,041,310</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 19,200,162</u>	<u>\$ 651,308</u>	<u>\$ 19,851,470</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF BOARD OF EDUCATION EXPENDITURES**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2023**  
**(NON-GAAP BUDGETARY BASIS)**

	Original Appropriation	Amended Appropriation	Actual Expenditures and Encumbrances	Variance Favorable (Unfavorable)
General Control	\$ 2,156,716	\$ 2,156,716	\$ 2,213,174	\$ (56,458)
Instruction	47,805,024	47,805,024	47,594,733	210,291
Health Services	784,371	784,371	756,950	27,421
Transportation	2,928,619	2,928,619	3,567,744	(639,125)
Operation of School Plant	5,155,307	5,155,307	5,173,621	(18,314)
Maintenance of Schools	1,254,851	1,254,851	1,270,011	(15,160)
Employee Pension and Insurance	14,063,424	14,063,424	13,544,329	519,095
Food Services	8,896	8,896	-	8,896
Student Activities	759,306	759,306	771,952	(12,646)
Community Service	32,563	32,563	46,131	(13,568)
New and Replaced Equipment	90,468	90,468	109,424	(18,956)
Tuition to Other Schools	1,417,000	1,417,000	2,011,677	(594,677)
Nonpublic Schools	574,274	574,274	539,025	35,249
Subtotal	77,030,819	77,030,819	77,598,771	(567,952)
Transfers to CNR Funds	-	-	-	-
Total Expenditures	<u>\$ 77,030,819</u>	<u>\$ 77,030,819</u>	<u>\$ 77,598,771</u>	<u>\$ (567,952)</u>

**DRPAFT**

**NONMAJOR GOVERNMENTAL FUNDS**

## SPECIAL REVENUE FUNDS

Special revenue funds are used to account for proceeds of several revenue sources that are legally restricted to expenditures for specific purposes. The Town's special revenue funds are:

**Residential Rental Properties** - to account for rental revenues and the maintenance and capital expenditures in maintaining the Town owned residential properties.

**Simsbury Farms Fund** - to account for user revenues associated with the Simsbury Farms Recreation Facility and the associated expenditures.

**General Government Program Fund** - includes the following programs:

- **Preservation of Historic Documents** - to account for, in the Town Clerk's office, additional revenues collected, grant revenues received and expenditures to preserve land records pursuant to Public Act No. 00-146.
- **LOCIP** - to account for document fees collected by Town Clerk's office to be used for expenditures that qualify under the State Local Capital Improvement (LOCIP) grants.
- **Ellsworth Fund** - to be used for the beautification of the main streets of the Town of Simsbury, particularly Hopmeadow Street and/or expenses relating to the Planning Commission.

**Public Safety Program Fund** - includes the following programs:

- **Narcotics Task Force** - to account for state grants for narcotic enforcement.
- **Police Dare Program** - to account for state grants for narcotic education.
- **Local Law Enforcement Block Grant** - to account for local law enforcement block grant from the State of Connecticut Office of Policy and Management and the United States Department of Justice. Expenditures are for public safety equipment not otherwise budgeted for in the public safety operating budget.
- **Police Vehicles** - to account for revenues associated with the sale of police vehicles and funding from the General Fund budget to be used for the purchase of new police vehicles.
- **Police Special Duty** - to account for revenues and expenditures for police officers special duty for outside organizations.
- **Police Community Services Fund** - to account for police grants, donations, charges for fingerprint services and programs including: Project Lifesaver, Self-Defense Classes, Police Cadets, and Heroes & Hounds.

**Planning and Development Program Fund** - to account for all financial resources of the community development block grant and the small cities community development block grant.

## SPECIAL REVENUE FUNDS

**Facilities Management Program Fund** - includes the following programs:

- **Town Aid Fund** - to account for state town aid road grants and related expenses to town roads.
- **Eno Memorial Hall** - to account for the revenue from the settlement of the Kenessat painting and the expenditures for capital improvements and maintenance for the Eno Memorial Hall building.
- **Antoinette Eno Wood** - to account for the distribution of Trust's interest income to the Town and expenses related in maintaining Eno Memorial Hall. The assets are held in a separate trust and are not in the Town's name.
- **Horace Belden Income** - to account for the distribution of Trust's interest income to the Town and expenses related in maintaining town roads. The assets are held in a separate trust and are not in the Town's name.
- **Pease Cemetery Trust** - to maintain the Pease and Shaw cemetery lots.

**Health and Welfare Program Fund** - includes the following programs:

- **Social Workers Contingency** - to account for donations and gifts and associated expenses related for the well-being of town citizens in need of assistance.
- **Clean Energy Task Force** - to account for grants and donations to be expended per the charge of the Clean Energy Task Force.
- **Expanded Dial-A-Ride** - to account for grant and expenditures related to an expanded dial-a-ride service to the elderly and disabled residents of program.
- **Senior Center** - to account for donations and expenses related to senior center programs.
- **Youth Services** - to account for grant and expenditures related to youth services.
- **Julia Darling Income** - to account for the distribution of Trust's interest income to the Town and expenses related to the well-being of Town citizens in need of assistance. The assets are held in a separate trust and are not in the Town's name.
- **Kate Southwell Income** - to account for the distribution of Trust's interest income to the Town and expenses related to the well-being of Town citizens, excluding citizens of Tariffville, in need of assistance. The assets are held in a separate trust and are not in the Town's name.
- **Mary Schneider Memorial** - to account for donations to the Town and expenses related to the well-being of Town citizens in need of assistance.

## SPECIAL REVENUE FUNDS

**Culture and Recreation Program Fund** - includes the following program:

- **Library** - to account for donations, memorial gifts and miscellaneous grants and expenses related to the operations of the library.
- **Dog Park** - to account for donations and expenses related to the operations of the dog park.
- **Simsbury 350<sup>th</sup>** - to account for donations, grants and expenditures associated with the celebrations being held in honor of the Town's 350<sup>th</sup> anniversary.
- **Field Recreation Fund** - to account for charges for services and expenditures associated with the maintenance of the athletic fields.
- **Simsbury Try-Athlon** - to account for donations and expenditures associated with the annual Try-Athlon event.
- **Simsbury Celebrates** - to account for donations and expenditures associated with the annual Simsbury Celebrates event.

**Sewer Assessment Fund** - to account for all financial resources extending sewers within the Town of Simsbury.

**Cafeteria** - to account for the operation of all cafeterias for the public school system.

**State and Federal Education Grants** - to account for specially financed education programs under grants received from the Federal Government and the State of Connecticut.

**Student Activities** - to account for the various student activities and clubs.

**Town and BOE Flex Spending** - allows employees to use payroll deductions to fund an individual flex spending account for dependent care or medical expenses. Reimbursements are paid from the account by a third-party administrator in accordance with IRS regulations.

**Department of Continuing Education** - account for activities of continuing education programs.

**Enrichment and Extended Day Fund** - to account for enrichment and extended day activities.

### Capital Project Funds

Capital project funds are used to account for financial resources that are restricted or committed for capital outlays including the acquisition or construction of capital facilities and other capital assets.

**Capital and Nonrecurring Expenditures Fund** - to account for equipment purchases and other nonrecurring capital expenditures.



**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2023**

<b>ASSETS</b>	Special Revenue Funds						
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Planning and Development Program Fund	Facilities Management Program Fund	Health and Welfare Program Fund
Cash and Cash Equivalents	\$ 477,588	\$ 1,056,873	\$ 149,012	\$ 79,298	\$ 326,316	\$ 378,733	\$ 483,671
Receivables:							
Accounts	-	119,567	7,753	63,568	142,783	35,635	16,160
Special Assessments	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-
Prepaid Items	-	5,911	-	3,350	-	-	-
Total Assets	<u>\$ 477,588</u>	<u>\$ 1,182,351</u>	<u>\$ 156,765</u>	<u>\$ 146,216</u>	<u>\$ 469,099</u>	<u>\$ 414,368</u>	<u>\$ 499,831</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 7,414	\$ 101,610	\$ 4,459	\$ 2,228	\$ 1,250	\$ 1,507	\$ 13,663
Due to Other Funds	-	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-
Unearned Revenue	-	359,212	7,753	-	-	-	9,903
Total Liabilities	<u>7,414</u>	<u>460,822</u>	<u>12,212</u>	<u>2,228</u>	<u>1,250</u>	<u>1,507</u>	<u>23,566</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred Inflows Related to Leases	-	75,631	-	-	120,169	-	-
Unavailable Revenue - Special Assessments	-	-	-	-	-	-	-
Unavailable Revenue - Grants	-	-	-	-	-	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	21,739	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>75,631</u>	<u>-</u>	<u>-</u>	<u>141,908</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>							
Nonspendable	-	5,911	-	3,350	-	-	-
Restricted	-	-	-	-	-	431,532	97,854
Committed	470,174	639,987	144,553	140,638	325,941	14,044	378,411
Unassigned	-	-	-	-	-	(32,715)	-
Total Fund Balances	<u>470,174</u>	<u>645,898</u>	<u>144,553</u>	<u>143,988</u>	<u>325,941</u>	<u>412,861</u>	<u>476,265</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 477,588</u>	<u>\$ 1,182,351</u>	<u>\$ 156,765</u>	<u>\$ 146,216</u>	<u>\$ 469,099</u>	<u>\$ 414,368</u>	<u>\$ 499,831</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2023**

<b>ASSETS</b>	Special Revenue Funds					
	Culture and Recreation Program Fund	Sewer Assessment Fund	Cafeteria	State and Federal Education Grants	Student Activity	Flex Spending
Cash and Cash Equivalents	\$ 81,740	\$ 662,535	\$ (24,208)	\$ 132,220	477,054	\$ 24,969
Receivables:						
Accounts	26,863	-	-	-	-	-
Special Assessments	-	258,603	-	-	-	-
Due from Other Governments	-	-	390,457	673,303	-	-
Supplies	-	-	46,695	-	-	-
Prepaid Items	-	-	-	-	-	-
Total Assets	\$ 108,603	\$ 921,138	\$ 412,944	\$ 805,523	\$ 477,054	\$ 24,969
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 44,004	\$ -	\$ 6,080	\$ 759,408	\$ -	\$ -
Due to Other Funds	-	-	-	-	99,481	5,000
Due to Other Governments	-	-	-	49,668	-	-
Unearned Revenue	-	-	126,508	-	-	-
Total Liabilities	44,004	-	132,588	809,076	99,481	5,000
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred Inflows Related to Leases	-	-	-	-	-	-
Unavailable Revenue - Special Assessments	-	258,598	-	-	-	-
Unavailable Revenue - Grants	4,931	-	-	602,556	-	-
Unavailable Revenue - Loans Receivable	-	-	-	-	-	-
Total Deferred Inflows of Resources	4,931	258,598	-	602,556	-	-
<b>FUND BALANCES</b>						
Nonspendable	-	-	46,695	-	-	-
Restricted	-	-	-	-	377,573	19,969
Committed	59,668	662,540	233,661	-	-	-
Unassigned	-	-	-	(606,109)	-	-
Total Fund Balances	59,668	662,540	280,356	(606,109)	377,573	19,969
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 108,603	\$ 921,138	\$ 412,944	\$ 805,523	\$ 477,054	\$ 24,969

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2023**

<b>ASSETS</b>	Special Revenue Funds		Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
	Continuing Education Fund	Enrichment and Extended Day Fund		
Cash and Cash Equivalents	\$ 213,518	\$ 54,637	\$ 2,486,000	\$ 7,059,956
Receivables:				
Accounts	-	-	29,162	441,491
Special Assessments	-	-	-	258,603
Due from Other Governments	-	-	-	1,063,760
Supplies	-	-	-	46,695
Prepaid Items	-	-	14,812	24,073
	<u>\$ 213,518</u>	<u>\$ 54,637</u>	<u>\$ 2,529,974</u>	<u>\$ 8,894,578</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ 256,662	\$ 1,198,285
Due to Other Funds	-	-	-	104,481
Due to Other Governments	-	-	-	49,668
Unearned Revenue	-	-	-	503,376
Total Liabilities	<u>-</u>	<u>-</u>	<u>256,662</u>	<u>1,855,810</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Leases	-	-	-	195,800
Unavailable Revenue - Special Assessments	-	-	-	258,598
Unavailable Revenue - Grants	-	-	-	607,487
Unavailable Revenue - Loans Receivable	-	-	-	21,739
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,083,624</u>
<b>FUND BALANCES</b>				
Nonspendable	-	-	14,812	70,768
Restricted	213,518	54,637	-	1,195,083
Committed	-	-	2,258,500	5,328,117
Unassigned	-	-	-	(638,824)
Total Fund Balances	<u>213,518</u>	<u>54,637</u>	<u>2,273,312</u>	<u>5,955,144</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 213,518</u>	<u>\$ 54,637</u>	<u>\$ 2,529,974</u>	<u>\$ 8,894,578</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds						
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Planning and Development Program Fund	Facilities Management Program Fund	Health and Welfare Program Fund
Rental of Town-Owned Property							
<b>REVENUES</b>							
Property taxes							
Intergovernmental	\$ -	\$ -	\$ 10,070	\$ -	\$ -	\$ 367,851	\$ 99,466
Charges for Goods and Services	82,228	2,442,124	47,621	428,560	-	-	-
Rental of Town-Owned Property	-	31,295	-	-	24,862	-	-
Investment Income (Loss)	17,723	-	1,712	-	-	7,950	1,658
Assessments	-	-	-	-	-	-	-
Other	-	9,433	-	7,954	22,163	81,306	180,760
Total Revenues	<u>99,951</u>	<u>2,482,852</u>	<u>59,403</u>	<u>436,514</u>	<u>47,025</u>	<u>457,107</u>	<u>281,884</u>
<b>EXPENDITURES</b>							
Current Operating:							
General Government	-	-	57,379	-	-	-	-
Planning and Development	-	-	-	-	31,128	-	-
Public Safety	-	-	-	354,976	-	-	-
Facility Management	48,495	-	-	-	-	62,768	-
Culture and Recreation	-	2,540,593	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	137,995
Education	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Debt Service	10,653	-	-	-	-	-	-
Total Expenditures	<u>59,148</u>	<u>2,540,593</u>	<u>57,379</u>	<u>354,976</u>	<u>31,128</u>	<u>62,768</u>	<u>137,995</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	40,803	(57,741)	2,024	81,538	15,897	394,339	143,889
<b>OTHER FINANCING SOURCES</b>							
Transfers In	-	197,556	-	-	-	37,000	18,480
Transfers Out	-	(140,000)	-	(80,079)	-	(566,608)	(26,960)
Total Other Financing Sources	<u>-</u>	<u>57,556</u>	<u>-</u>	<u>(80,079)</u>	<u>-</u>	<u>(529,608)</u>	<u>(8,480)</u>
<b>NET CHANGE IN FUND BALANCES</b>	40,803	(185)	2,024	1,459	15,897	(135,269)	135,409
Fund Balances - Beginning of Year	<u>429,371</u>	<u>646,083</u>	<u>142,529</u>	<u>142,529</u>	<u>310,044</u>	<u>548,130</u>	<u>340,856</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 470,174</u>	<u>\$ 645,898</u>	<u>\$ 144,553</u>	<u>\$ 143,988</u>	<u>\$ 325,941</u>	<u>\$ 412,861</u>	<u>\$ 476,265</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds					
	Culture and Recreation Program Fund	Sewer Assessment Fund	Cafeteria	State and Federal Education Grants	Student Activity	Flex Spending
<b>REVENUES</b>						
Property taxes						
Intergovernmental	\$ 43,314	\$ -	\$ 1,886,940	\$ 7,698,585	\$ -	\$ -
Charges for Goods and Services	-	-	327,782	-	1,458,249	105,922
Rental of Town-Owned Property	-	-	-	-	-	-
Investment Income (Loss)	-	28,749	-	-	-	-
Assessments	-	508,271	-	-	-	-
Other	67,783	12,713	3,824	-	-	-
Total Revenues	<u>111,097</u>	<u>549,733</u>	<u>2,218,546</u>	<u>7,698,585</u>	<u>1,458,249</u>	<u>105,922</u>
<b>EXPENDITURES</b>						
Current Operating:						
General Government	-	-	-	-	-	112,598
Planning and Development	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Facility Management	-	-	-	-	-	-
Culture and Recreation	155,727	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Education	-	-	2,052,341	8,305,117	1,407,281	-
Capital Outlay	-	99,493	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	<u>155,727</u>	<u>99,493</u>	<u>2,052,341</u>	<u>8,305,117</u>	<u>1,407,281</u>	<u>112,598</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(44,630)	450,240	166,205	(606,532)	50,968	(6,676)
<b>OTHER FINANCING SOURCES</b>						
Transfers In	2,250	-	-	-	-	-
Transfers Out	(32,544)	-	-	-	-	-
Total Other Financing Sources	<u>(30,294)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(74,924)	450,240	166,205	(606,532)	50,968	(6,676)
Fund Balances - Beginning of Year	<u>134,592</u>	<u>212,300</u>	<u>114,151</u>	<u>423</u>	<u>326,605</u>	<u>26,645</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 59,668</u>	<u>\$ 662,540</u>	<u>\$ 280,356</u>	<u>\$ (606,109)</u>	<u>\$ 377,573</u>	<u>\$ 19,969</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds		Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
	Continuing Education Fund	Enrichment and Extended Day Fund		
<b>REVENUES</b>				
Property taxes				
Intergovernmental	\$ -	\$ -	\$ 89,825	\$ 10,196,051
Charges for Goods and Services	773,759	638,271	-	6,304,516
Rental of Town-Owned Property	-	-	-	56,157
Investment Income (Loss)	-	-	-	57,792
Assessments	-	-	-	508,271
Other	-	-	-	385,936
Total Revenues	<u>773,759</u>	<u>638,271</u>	<u>89,825</u>	<u>17,508,723</u>
<b>EXPENDITURES</b>				
Current Operating:				
General Government	-	-	-	169,977
Planning and Development	-	-	-	31,128
Public Safety	-	-	-	354,976
Facility Management	-	-	-	111,263
Culture and Recreation	-	-	-	2,696,320
Health and Welfare	-	-	-	137,995
Education	741,544	632,214	-	13,138,497
Capital Outlay	-	-	2,699,668	2,799,161
Debt Service	-	-	-	10,653
Total Expenditures	<u>741,544</u>	<u>632,214</u>	<u>2,699,668</u>	<u>19,449,970</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	32,215	6,057	(2,609,843)	(1,941,247)
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	-	3,449,757	3,705,043
Transfers Out	-	-	(306,436)	(1,152,627)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>3,143,321</u>	<u>2,552,416</u>
<b>NET CHANGE IN FUND BALANCES</b>	32,215	6,057	533,478	611,169
Fund Balances - Beginning of Year	<u>181,303</u>	<u>48,580</u>	<u>1,739,834</u>	<u>5,343,975</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 213,518</u>	<u>\$ 54,637</u>	<u>\$ 2,273,312</u>	<u>\$ 5,955,144</u>

**TOWN OF SIMSBURY, CONNECTICUT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL NONMAJOR GOVERNMENTAL FUNDS  
 YEAR ENDED JUNE 30, 2023  
 (NON-GAAP BUDGETARY BASIS)**

	Residential Rental Properties				Simsbury Farms Fund			
	Budget		Actual	Variance with Final Budget Positive (Negative)	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
<b>REVENUES</b>								
Charges for Goods and Services	\$ -	\$ -	\$ -	\$ -	\$ 2,088,978	\$ 2,088,978	\$ 2,453,702	\$ 364,724
Investment income	100	100	17,723	17,623	-	-	-	-
Rental of Town-Owned Property	71,940	82,040	82,228	188	29,150	29,150	29,150	-
Total Revenues	72,040	82,140	99,951	17,811	2,118,128	2,118,128	2,482,852	364,724
<b>EXPENDITURES</b>								
Current:								
Facility Management	45,650	45,650	48,495	(2,845)	-	-	-	-
Culture and Recreation	-	-	-	-	2,218,037	2,218,037	2,680,593	(462,556)
Debt Service	8,522	8,522	10,653	(2,131)	-	-	-	-
Total Expenditures	54,172	54,172	59,148	(4,976)	2,218,037	2,218,037	2,680,593	(462,556)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	17,868	27,968	40,803	12,835	(99,909)	(99,909)	(197,741)	(97,832)
<b>OTHER FINANCING SOURCES</b>								
Transfers from Other Funds	-	-	-	-	181,715	181,715	197,556	15,841
Transfers to Other Funds	-	-	-	-	-	-	-	-
Net Other Financing Sources	-	-	-	-	181,715	181,715	197,556	15,841
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 17,868</u>	<u>\$ 27,968</u>	40,803	<u>\$ 12,835</u>	<u>\$ 81,806</u>	<u>\$ 81,806</u>	(185)	<u>\$ (81,991)</u>
Fund Balances - Beginning of Year			429,371				643,217	
<b>FUND BALANCES - END OF YEAR</b>			<u>\$ 470,174</u>				<u>\$ 643,032</u>	
<u>Reconciliation to GAAP Basis</u>								
	Revenue and Transfers	Expenditures and Transfers	Fund Balance		Revenue and Transfers	Expenditures and Transfers	Fund Balance	
Balance, Budgetary Basis - End of Year	\$ 99,951	\$ 59,148	\$ 470,174		\$ 226,706	\$ 2,680,593	\$ 643,032	
Encumbrances Outstanding at End of Year, Charged to Budgetary Expenditures	-	-	-		-	2,866	2,866	
Balance, GAAP Basis - June 30, 2023	<u>\$ 99,951</u>	<u>\$ 59,148</u>	<u>\$ 470,174</u>		<u>\$ 226,706</u>	<u>\$ 2,683,459</u>	<u>\$ 645,898</u>	

# DRPAF

**INTERNAL SERVICE FUNDS**



## INTERNAL SERVICE FUNDS

**PPO/HDHP/HMO** - This fund is used to account for premiums and claims relating to the self-insurance health coverage for those Town and Board of Education current employees who elected to receive health coverage under the CIGNA PPO (Preferred Provided Option Plan), the CIGNA HDHP (High Deductible Health Plan) or the CIGNA HMO (In Network Only Option) Plan. For Town employees, that can include medical/prescription and/or dental coverage. For Board of Education employees, that includes just medical/prescription coverage.

**Dental** - This fund is used to account for premiums and claims relating to the self-insurance dental coverage for current Board of Education employees only who have elected to receive dental coverage under the MetLife Plan.

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 3,914,994	\$ 626,505	\$ 4,541,499
Prepaid Items	486,000	-	486,000
Total Current Assets	<u>4,400,994</u>	<u>626,505</u>	<u>5,027,499</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Claim Incurred but Not Reported	<u>982,400</u>	<u>29,900</u>	<u>1,012,300</u>
<b>NET POSITION</b>			
Unrestricted	<u>\$ 3,418,594</u>	<u>\$ 596,605</u>	<u>\$ 4,015,199</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2023**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 15,361,253	\$ 357,427	\$ 15,718,680
Other Operating Revenue	890,613	-	890,613
Miscellaneous	82	-	82
Total Operating Revenues	<u>16,251,948</u>	<u>357,427</u>	<u>16,609,375</u>
<b>OPERATING EXPENSES</b>			
Claims Incurred	15,401,923	450,633	15,852,556
Administration and Stop Loss			
Insurance Fees	<u>1,272,176</u>	<u>49,068</u>	<u>1,321,244</u>
Total Operating Expenses	<u>16,674,099</u>	<u>499,701</u>	<u>17,173,800</u>
<b>CHANGE IN NET POSITION</b>	(422,151)	(142,274)	(564,425)
Net Position - Beginning of Year	<u>3,840,745</u>	<u>738,879</u>	<u>4,579,624</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 3,418,594</u>	<u>\$ 596,605</u>	<u>\$ 4,015,199</u>

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2023**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 16,539,750	\$ 357,427	\$ 16,897,177
Payments to Employees	(16,751,368)	(499,827)	(17,251,195)
Net Cash Provided (Used) by Operating Activities	<u>(211,618)</u>	<u>(142,400)</u>	<u>(354,018)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(211,618)	(142,400)	(354,018)
Cash and Cash Equivalents - Beginning of Year	<u>4,126,612</u>	<u>768,905</u>	<u>4,895,517</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 3,914,994</u>	<u>\$ 626,505</u>	<u>\$ 4,541,499</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (422,151)	\$ (142,274)	\$ (564,425)
Change in Assets and Liabilities:			
(Increase) decrease in accounts receivable	287,802	-	287,802
(Increase) Decrease in Prepaid Items	-	-	-
Increase (Decrease) in Accounts Payable	(45,569)	(4,026)	(49,595)
Increase (Decrease) in Claims Payable	(31,700)	3,900	(27,800)
Total Adjustments	<u>210,533</u>	<u>(126)</u>	<u>210,407</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (211,618)</u>	<u>\$ (142,400)</u>	<u>\$ (354,018)</u>

# DRPAF

## FIDUCIARY FUNDS

## FIDUCIARY FUNDS

Fiduciary Fund types are used to account for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, or others. The Town's Fiduciary Funds are as follows:

### Trust Funds:

- **Pension Trust Fund** - to account for the activities of the Town's defined benefit plans which accumulate resources for pension benefit payments to qualified employees.
- **Other Postemployment Benefit Trust Fund** - to account for the activities for both Town and Board of Education for other postemployment benefits (e.g., health insurance, life insurance) which accumulate resources for other postemployment benefit payments to qualified employees.

**TOWN OF SIMSBURY, CONNECTICUT  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
TRUST FUNDS  
JUNE 30, 2023**

	<u>Pension Trust Fund</u>	<u>Other Postemployment Benefit Trust Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 537,353	\$ 394,172	\$ 931,525
Investments, at Fair Value:			
Mutual Funds	71,020,259	21,334,384	92,354,643
Private Equity Funds	4,266,967	-	4,266,967
Accounts Receivable	<u>82,784</u>	<u>-</u>	<u>82,784</u>
Total Assets	<u>75,907,363</u>	<u>21,728,556</u>	<u>97,635,919</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>-</u>	<u>10,762</u>	<u>10,762</u>
<b>NET POSITION</b>	<u><u>\$ 75,907,363</u></u>	<u><u>\$ 21,717,794</u></u>	<u><u>\$ 97,625,157</u></u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**TRUST FUNDS**  
**YEAR ENDED JUNE 30, 2023**

	Pension Trust Fund	Other Postemployment Benefit Trust Fund	Total
<b>ADDITIONS:</b>			
Contributions:			
Employer	\$ 3,716,632	\$ 1,064,993	\$ 4,781,625
Plan Members	885,942	125,344	1,011,286
Total Contributions	<u>4,602,574</u>	<u>1,190,337</u>	<u>5,792,911</u>
Investment Earnings:			
Net Change in Fair Value of Investments	3,483,021	1,249,966	4,732,987
Interest	1,828,527	501,437	2,329,964
Total Investment Earnings	<u>5,311,548</u>	<u>1,751,403</u>	<u>7,062,951</u>
Less Investment Expenses:			
Investment Management Fees	(99,488)	-	(99,488)
Net Investment Earnings	<u>5,212,060</u>	<u>1,751,403</u>	<u>6,963,463</u>
Total Additions	9,814,634	2,941,740	12,756,374
<b>DEDUCTIONS:</b>			
Benefits	6,135,617	1,064,992	7,200,609
Administrative Expense	147,056	75,434	222,490
Total Deductions	<u>6,282,673</u>	<u>1,140,426</u>	<u>7,423,099</u>
<b>CHANGE IN NET POSITION</b>	3,531,961	1,801,314	5,333,275
Net Position - Beginning of Year	<u>72,375,402</u>	<u>19,916,480</u>	<u>92,291,882</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 75,907,363</u>	<u>\$ 21,717,794</u>	<u>\$ 97,625,157</u>



# DRAPER

**OTHER SCHEDULES**

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED, AND OUTSTANDING  
YEAR ENDED JUNE 30, 2023**

Grand List Year	Balance	Current	Lawful Corrections		Transfers	Adjusted	Collections	Interest	Liens	Other	Balance
	July 1, 0		Levy	Additions							* Deductions
2021	\$ -	\$ 98,259,397	\$ 1,383,661	\$ 353,903	\$ 10	\$ 99,289,145	\$ 98,620,602	\$ 194,979	\$ 525	\$ -	\$ 668,543
2020	683,371	-	48,977	281,689	42,389	408,270	165,547	93,269	1,104	-	242,723
2019	174,706	-	32,683	52,944	2,220	152,225	94,202	45,566	456	-	58,023
2018	86,588	-	7,811	1,282	280	92,837	46,381	22,000	168	-	46,456
2017	48,459	-	4,173	377	93	52,162	9,107	6,142	72	-	43,055
2016	46,179	-	2,428	-	10	48,597	16,688	12,343	72	-	31,909
2015	28,731	-	1,270	-	10	29,991	4,281	4,452	48	-	25,710
2014	18,759	-	2,812	112	178	21,281	3,091	4,064	24	-	18,190
2013	21,903	-	1,721	-	178	23,446	1,721	2,553	-	-	21,725
2012	16,913	-	1,050	-	179	17,784	1,050	1,868	-	-	16,734
2011	17,597	-	1,387	-	191	18,793	1,387	2,915	5	-	17,406
2010	8,018	-	208	-	188	8,038	279	568	-	-	7,759
2009	8,059	-	412	-	186	8,285	605	1,262	-	-	7,680
2008	5,683	-	112	-	183	5,612	112	265	-	-	5,500
2007	5,088	-	95	-	180	5,003	95	238	-	-	4,908
2006	4,846	-	-	4,846	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,174,900</b>	<b>\$ 98,259,397</b>	<b>\$ 1,488,800</b>	<b>\$ 695,153</b>	<b>\$ 46,475</b>	<b>\$ 100,181,469</b>	<b>\$ 98,965,148</b>	<b>\$ 392,484</b>	<b>\$ 2,474</b>	<b>\$ -</b>	<b>\$ 1,216,321</b>

\* Motor vehicle supplement taxes totaling \$1,359,768 are included in additions.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF CHANGES IN SEWER USER CHARGES RECEIVABLE  
YEAR ENDED JUNE 30, 2023**

<u>Grand List Year</u>	<u>Balance July 1, 2022</u>	<u>Current Year Charges</u>	<u>Adjustments</u>	<u>Collections</u>	<u>Balance June 30, 2023</u>
2022	\$ -	\$ 3,245,967	\$ 37,496	\$ 3,262,261	\$ 21,202
2021	22,507	-	-	15,544	6,963
2020	5,221	-	-	1,800	3,421
2019	2,808	-	-	1,337	1,471
2018	2,116	-	-	1,090	1,026
2017	789	-	-	85	704
2016	670	-	-	335	335
2015	335	-	-	335	-
<b>Total</b>	<b><u>\$ 34,446</u></b>	<b><u>\$ 3,245,967</u></b>	<b><u>\$ 37,496</u></b>	<b><u>\$ 3,282,787</u></b>	<b><u>\$ 35,122</u></b>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF CHANGES IN SEWER ASSESSMENT RECEIVABLE  
YEAR ENDED JUNE 30, 2023**

Phases	Balance July 1,	Adjustments	Principal	Interest	Lien Fees	Refunds	Balance June 30, 2023
II	\$ 24,073	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,073
VI	2,938	-	-	-	-	-	2,938
IX	16,883	-	-	-	-	-	16,883
X	21,153	-	-	-	-	-	21,153
XI	8,044	-	-	-	-	-	8,044
XII	71,884	-	35,942	-	-	-	35,942
XIV	10,917	-	2,183	-	-	-	8,734
XV	221,829	-	210,338	-	216	-	11,491
XVI	25,184	-	4,197	-	-	-	20,987
XVII	363,969	-	255,611	36	144	-	108,358
<b>Total</b>	<b>\$ 766,874</b>	<b>\$ -</b>	<b>\$ 508,271</b>	<b>\$ 36</b>	<b>\$ 360</b>	<b>\$ -</b>	<b>\$ 258,603</b>

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF DEBT LIMITATION  
YEAR ENDED JUNE 30, 2023**

Revenue from Taxation for the Year Ended June 30, 2022:

Taxes	\$ 97,003,232
Interest and Lien Fees	373,673
Base	<u>\$ 97,376,905</u>

	General Purpose	Schools	Sewers	Urban Renewal
Debt Limitation:				
2-1/4 Times Base	\$ 219,098,036	\$ -	\$ -	\$ -
4-1/2 Times Base	-	438,196,073	-	-
3-3/4 Times Base	-	-	365,163,394	-
3-1/4 Times Base	-	-	-	316,474,941
Total Debt Limitation	<u>219,098,036</u>	<u>438,196,073</u>	<u>365,163,394</u>	<u>316,474,941</u>

Indebtedness:				
Bonds and Loans Payable	10,684,410	20,116,800	4,620,000	-
Bonds Authorized and Unissued	<u>9,211,420</u>	<u>49,412,043</u>	<u>-</u>	<u>-</u>
Total Indebtedness	<u>19,895,830</u>	<u>69,528,843</u>	<u>4,620,000</u>	<u>-</u>

Debt Limitation in Excess of Outstanding and Authorized Debt	<u>\$ 199,202,206</u>	<u>\$ 368,667,230</u>	<u>\$ 360,543,394</u>	<u>\$ 316,474,941</u>
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Total Capacity of Borrowing (7 Times Base)	\$ 681,638,335
Total Present Indebtedness	<u>94,044,673</u>
Margin for Additional Borrowing	<u>\$ 587,593,662</u>

# DRAPER

**STATISTICAL SECTION**

## STATISTICAL SECTION INFORMATION

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

Statistical section information is presented in the following categories:

**Financial Trends** - These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

**Revenue Capacity** - These schedules contain information to help the reader assess the Town's most significant local revenue source, property taxes.

**Debt Capacity** - These schedules present information to help the reader assess the affordability of the Town's current level of outstanding debt and the Town's ability to issue additional debt in the future.

**Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities takes place.

**Operating Information** - These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

The accompanying tables are presented in the above order. Refer to the Table of Contents for applicable page number locations.

**TOWN OF SIMSBURY, CONNECTICUT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Net Investment in Capital Assets	\$ 97,320,295	\$ 100,313,724	\$ 103,429,189	\$ 98,938,703	\$ 104,065,426	\$ 97,592,854	\$ 104,095,766	\$ 102,108,821	\$ 111,009,498	\$126,101,760
Restricted:										
Grants	-	-	-	-	-	-	-	1,729,407	1,536,278	2,324,876
Education Trusts	-	-	-	-	-	-	-	-	59,032	45,472
Facility Management Trusts	-	-	-	-	-	-	-	-	186,524	14,443
Health and Welfare Trusts	-	-	-	-	-	-	-	-	82,154	97,854
Other Purposes	-	-	-	-	-	-	-	-	583,133	665,697
Unrestricted	21,526,646 *	20,323,545	19,400,044	8,236,636 **	6,760,932	12,273,505	13,055,298 **	18,684,041 ***	12,598,874	6,860,458
Total Governmental Activities Net Position	<u>\$118,846,941</u>	<u>\$ 120,637,269</u>	<u>\$ 122,829,233</u>	<u>\$107,175,339</u>	<u>\$ 110,826,358</u>	<u>\$ 109,866,359</u>	<u>\$ 117,151,064</u>	<u>\$ 122,522,269</u>	<u>\$ 126,055,493</u>	<u>\$136,110,560</u>

\* Restated for GASB 68  
 \*\* Restated for GASB 75  
 \*\*\* Restated for GASB 84



**TOWN OF SIMSBURY, CONNECTICUT  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>EXPENSES</b>										
Governmental Activities:										
General Government	\$ 2,205,896	\$ 1,977,419	\$ 2,786,959	\$ 2,851,855	\$ 2,634,618	\$ 2,802,078	\$ 3,538,892	\$ 3,109,289	\$ 4,922,143	\$ 6,174,953
Planning and Development	596,042	1,173,028	617,505	1,363,689	1,660,834	1,014,484	687,491	751,246	623,913	858,742
Public Safety	5,007,354	5,887,147	5,437,865	5,458,475	5,559,388	6,058,746	5,707,706	6,092,548	6,482,826	7,946,056
Facility Management	8,266,613	9,017,445	10,847,069	13,455,187	8,530,110	9,385,514	10,401,802	9,547,697	13,015,366	11,488,431
Culture and Recreation	5,137,622	5,150,210	5,204,380	5,696,882	5,862,399	6,099,059	6,206,411	8,119,710	5,703,843	7,388,505
Health and Welfare	868,466	919,341	915,881	899,974	909,646	965,885	998,310	974,252	986,983	1,296,503
Board of Education	84,666,310	83,402,825	84,996,362	92,918,242	95,466,144	92,106,333	101,356,331	113,993,273	104,809,005	116,682,589
Debit Service Interest	1,019,312	797,900	645,311	854,362	553,117	761,825	942,031	123,487	773,331	534,863
Total Governmental Activities Expenses	107,767,615	108,325,315	111,451,332	123,498,666	121,176,256	119,193,924	129,838,974	142,711,502	137,317,410	152,370,642
<b>PROGRAM REVENUES</b>										
Governmental Activities:										
Charges for Services:										
General Government	760,330	762,490	882,767	904,172	861,158	803,803	980,762	1,218,097	1,356,076	1,128,127
Planning and Development	169,606	19,617	739,107	2,202	20	40	40	61,235	79,112	123,526
Public Safety	311,044	254,006	276,530	312,583	287,766	454,809	628,727	664,915	517,262	490,454
Facility Management	3,452,650	3,369,838	4,096,938	3,557,914	4,450,358	4,047,484	4,105,430	4,600,565	4,138,888	4,669,010
Culture and Recreation	1,748,704	1,797,383	1,907,459	1,733,275	1,694,672	1,498,999	1,788,231	1,855,922	2,317,281	2,496,995
Health and Welfare	8,675	2,320	2,876	1,464	365	1,875	2,537	598	533	7,694
Board of Education	1,139,274	1,160,212	869,848	878,295	979,761	967,066	1,279,122	2,955,973	3,224,777	3,907,127
Operating Grants and Contributions:										
General Government	334,574	215,448	213,374	1,023,774	586,655	329,563	210,520	592,814	3,511,170	8,304,913
Planning and Development	110,020	135,176	361,630	898,406	1,083,664	1,308,617	835,775	993,162	1,453,071	1,817,741
Public Safety	12,173	34,435	29,229	54,129	5,593	19,263	5,685	57,691	15,358	1,569,471
Facility Management	193,969	226,135	212,271	250,021	176,232	76,078	109,425	28,408	27,968	99,556
Culture and Recreation	624,762	135,523	108,773	178,219	138,070	43,307	42,786	15,507	42,186	68,244
Health and Welfare	237,750	209,240	236,228	204,394	192,154	390,954	133,511	49,271	59,103	66,205
Board of Education	17,681,269	15,783,990	17,177,726	22,786,889	24,230,927	15,991,807	27,752,657	36,882,930	22,347,838	31,485,619

**TABLE 2  
(CONTINUED)**

**TOWN OF SIMSBURY, CONNECTICUT  
CHANGES IN NET POSITION (CONTINUED)  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>PROGRAM REVENUES (Continued)</b>										
Capital Grants and Contributions:										
General Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning and Development	-	-	-	350,000	30,495	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-	-
Facility Management	541,351	888,334	767,121	383,902	751,231	510,734	723,731	1,565,437	697,277	798,711
Culture and Recreation	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Board of Education	-	64,872	17,128	72,604	-	83,082	3,118,298	768,208	1,060,825	1,325,842
Total Governmental Activities Expenses	<u>27,328,165</u>	<u>25,061,034</u>	<u>27,901,021</u>	<u>33,594,260</u>	<u>35,471,139</u>	<u>26,529,500</u>	<u>41,719,257</u>	<u>52,312,754</u>	<u>40,850,747</u>	<u>58,359,235</u>
Total Governmental Activities Net Expenses	(80,439,450)	(83,264,281)	(83,550,311)	(89,904,406)	(85,705,117)	(92,664,424)	(88,119,717)	(90,398,748)	(96,466,663)	(94,011,407)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental Activities:										
Property Taxes	83,574,205	84,031,217	84,703,120	85,768,365	87,415,877	88,730,412	92,013,447	93,530,124	97,605,341	99,447,983
Grants and Contributions Not Restricted to Specific Programs	333,164	307,788	197,363	195,890	187,541	116,910	122,048	136,603	301,359	929,381
Unrestricted Investment Earnings	71,233	(22,010)	336,375	120,444	387,674	794,773	770,446	216,796	39,727	1,846,765
Other General Revenues, Net	957,675	739,629	507,433	852,587	1,033,041	2,064,349	1,852,332	1,888,451	2,055,482	1,842,345
Total Primary Government	<u>84,936,277</u>	<u>85,056,624</u>	<u>85,744,291</u>	<u>86,937,286</u>	<u>89,024,133</u>	<u>91,706,444</u>	<u>94,758,273</u>	<u>95,771,974</u>	<u>100,001,909</u>	<u>104,066,474</u>
<b>CHANGE IN NET POSITION</b>										
Total Governmental Activities	<u>\$ 4,496,827</u>	<u>\$ 1,792,343</u>	<u>\$ 2,193,980</u>	<u>\$ (2,967,120)</u>	<u>\$ 3,319,016</u>	<u>\$ (957,980)</u>	<u>\$ 6,638,556</u>	<u>\$ 5,373,226</u>	<u>\$ 3,535,246</u>	<u>\$ 10,055,067</u>

**TOWN OF SIMSBURY, CONNECTICUT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable	\$ -	\$ -	\$ -	\$ 14,663	\$ 61,835	\$ 35,789	\$ 104,649	\$ 158,914	\$ 69,409	\$ 137,956
Restricted	2,368	-	-	-	-	-	-	-	-	-
Committed	-	639,000	427,598	385,000	385,000	385,000	651,308	651,308	651,308	651,308
Assigned	21,309	183,461	1,787,133	1,542,894	1,967,056	228,239	372,549	215,191	280,215	68,319
Unassigned	11,611,521	11,870,091	11,247,572	12,272,378	14,380,222	16,460,519	17,775,774	16,955,367	19,040,378	18,993,887
Total General Fund	<u>\$ 11,635,198</u>	<u>\$ 12,692,552</u>	<u>\$ 13,462,303</u>	<u>\$ 14,214,935</u>	<u>\$ 16,794,113</u>	<u>\$ 17,109,547</u>	<u>\$ 18,904,280</u>	<u>\$ 17,980,780</u>	<u>\$ 20,041,310</u>	<u>\$ 19,851,470</u>
All Other Governmental Funds:										
Nonspendable	\$ 37,169	\$ 26,056	\$ 30,304	\$ 26,621	\$ 28,854	\$ 127,426	\$ 86,110	\$ 60,706	\$ 57,519	\$ 73,928
Restricted	1,724,023	1,454,961	1,599,957	1,341,471	1,181,529	1,478,410	1,434,315	1,707,668	1,257,689	1,240,555
Committed	10,317,052	12,701,558	10,145,328	14,923,557	9,505,284	16,603,434	12,235,194	25,547,280	16,306,277	14,091,547
Unassigned	-	-	(705,063)	-	(656,795)	(194,371)	(857,754)	(213,091)	(421)	(2,237,734)
Total All Other Governmental Funds	<u>\$ 12,078,244</u>	<u>\$ 14,182,575</u>	<u>\$ 11,070,526</u>	<u>\$ 16,291,649</u>	<u>\$ 10,058,872</u>	<u>\$ 18,014,899</u>	<u>\$ 12,897,865</u>	<u>\$ 27,102,563</u>	<u>\$ 17,621,064</u>	<u>\$ 13,168,296</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2023	2023
<b>REVENUES</b>										
Property Taxes	\$ 83,460,141	\$ 83,958,850	\$ 84,535,118	\$ 85,638,921	\$ 87,613,101	\$ 88,687,364	\$ 91,966,373	\$ 93,537,721	\$ 97,389,009	\$ 99,257,125
Intergovernmental	19,289,241	17,879,660	19,293,730	26,100,771	21,516,886	25,153,451	28,562,227	28,006,482	31,836,208	42,222,740
Investment Income (Loss)	71,233	(22,010)	333,675	119,016	387,438	794,773	770,446	216,796	39,727	1,846,765
Charges for Goods and Services	3,826,011	3,766,179	3,738,193	3,637,248	3,641,451	3,518,601	4,402,885	6,426,210	7,071,373	7,736,443
Licenses and Permits	708,824	675,091	1,175,709	459,719	1,233,813	1,310,154	848,888	1,443,584	980,469	1,001,636
Rental of Town-Owned Property	171,087	151,472	137,767	132,302	144,562	156,406	141,472	82,500	168,732	223,177
Local Revenues	577,789	69,800	78,642	238,217	285,858	54,796	113,874	134,389	66,086	66,679
Assessments	2,737,195	2,688,513	2,908,891	3,128,191	3,194,543	2,734,119	3,277,730	3,307,627	3,282,183	3,794,998
Other	1,577,753	1,173,651	859,538	1,277,022	1,308,689	2,064,349	1,852,326	1,888,450	2,055,482	1,842,345
<b>Total Revenues</b>	<b>112,419,274</b>	<b>110,341,206</b>	<b>113,061,263</b>	<b>120,731,407</b>	<b>119,326,341</b>	<b>124,474,013</b>	<b>131,936,221</b>	<b>135,043,759</b>	<b>142,889,269</b>	<b>157,991,908</b>
<b>EXPENDITURES</b>										
Current:										
General Government	2,199,199	2,205,494	2,245,328	2,210,896	2,285,031	2,223,957	2,531,424	2,673,713	3,018,328	3,884,012
Planning and Development	704,150	491,362	551,342	1,276,962	803,785	947,587	542,324	556,501	633,434	772,423
Public Safety	4,440,427	4,366,285	4,558,452	4,735,609	4,872,353	5,120,078	5,379,825	5,420,205	6,287,412	6,815,372
Facility Management	5,862,713	5,727,133	5,690,540	5,855,240	6,124,464	6,252,699	6,088,114	6,300,602	6,574,468	7,388,050
Culture and Recreation	4,263,907	4,091,607	4,210,600	4,330,256	4,383,763	4,536,453	4,492,533	4,441,661	4,986,925	6,023,974
Health and Welfare	786,278	858,548	818,821	809,168	829,040	871,091	913,647	890,326	931,901	1,253,924
Fringe Benefits and Insurance	4,833,766	5,080,534	4,602,175	4,871,466	5,101,590	5,412,531	5,790,709	6,254,510	-	-
Education	78,987,017	76,446,257	78,891,667	85,375,951	82,761,898	87,252,148	89,137,384	93,391,081	102,376,895	108,194,911
Capital Outlay	3,440,988	6,725,454	6,925,221	10,500,504	9,283,800	6,362,324	23,212,039	12,072,467	17,724,027	20,704,636
Debit Service:										
Principal	6,453,974	6,533,165	6,043,138	6,178,314	5,173,903	4,435,003	5,226,427	5,430,874	6,018,274	6,058,358
Interest	1,103,933	947,530	866,277	864,972	980,049	1,003,459	1,226,037	1,408,635	1,758,574	1,538,820
<b>Total Expenditures</b>	<b>113,076,352</b>	<b>113,473,369</b>	<b>115,403,561</b>	<b>127,009,338</b>	<b>122,599,676</b>	<b>124,417,330</b>	<b>144,540,463</b>	<b>138,840,575</b>	<b>150,310,238</b>	<b>162,634,480</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(657,078)</b>	<b>(3,132,163)</b>	<b>(2,342,298)</b>	<b>(6,277,931)</b>	<b>(3,273,335)</b>	<b>56,683</b>	<b>(12,604,242)</b>	<b>(3,796,816)</b>	<b>(7,420,969)</b>	<b>(4,642,572)</b>

**TOWN OF SIMSBURY, CONNECTICUT**  
**REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2023	2023
<b>OTHER FINANCING SOURCES</b>										
Proceeds from Capital Lease										
Proceeds from Sales of Bonds	\$ -	\$ 9,768,488	\$ -	\$ 12,251,686	\$ -	\$ 9,614,778	\$ 10,131,941	\$ 23,854,297	\$ -	\$ -
Payments to Escrow Agents	-	(3,474,640)	-	-	-	-	-	(7,424,452)	-	-
Transfers In	-	-	-	-	-	-	-	-	-	21,089,835
Transfers Out	-	-	-	-	-	(1,400,000)	(850,000)	-	-	(21,089,835)
Total Other Financing Sources	-	6,293,848	-	12,251,686	-	8,214,778	9,281,941	16,429,845	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(657,078)	3,161,685	(2,342,298)	5,973,755	(3,273,335)	8,271,461	(3,322,301)	12,633,029	(7,420,969)	(4,642,572)
Fund Balance - Beginning of Year	24,370,520	23,713,442	26,875,127	24,152,565 *	30,126,320	26,852,985	35,124,446	32,450,314 *	45,083,343	37,662,338
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 23,713,442</u>	<u>\$ 26,875,127</u>	<u>\$ 24,532,829</u>	<u>\$ 30,126,320</u>	<u>\$ 26,852,985</u>	<u>\$ 35,124,446</u>	<u>\$ 31,802,145</u>	<u>\$ 45,083,343</u>	<u>\$ 37,662,374</u>	<u>\$ 33,019,766</u>
Debt Service as a Percentage to Noncapital Expenditures	6.92%	6.91%	6.91%	5.79%	5.15%	4.74%	4.74%	5.23%	5.65%	5.23%

\* Restated

**TOWN OF SIMSBURY, CONNECTICUT  
 ASSESSED VALUE AND ESTIMATED ACTUAL OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)  
 (UNAUDITED)**

Fiscal Year	Real Property		All Land	Motor Vehicles	Personal Property	Tax Exempt Real Property Excluded	Total Taxable Assessed Value	Mill Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property								
2014	\$ 1,697,766	\$ 260,396	\$ 17,465	\$ 179,800	\$ 79,240	\$ 301,195	\$ 2,234,667	37.29 %	\$ 3,481,281	64.20 %
2015	1,708,581	259,276	16,637	179,800	79,240	304,761	2,251,625	37.14	3,577,008	62.90
2016	1,714,665	258,610	15,617	184,456	95,823	300,668	2,268,971	37.00	3,586,050	63.30
2017	1,731,800	253,823	24,984	184,785	97,023	324,211	2,292,415	37.12	3,600,147	63.70
2018	1,749,693	224,283	29,170	190,931	83,777	331,443	2,277,854	38.76	3,670,051	62.10
2019	1,866,812	237,843	33,023	192,264	86,054	352,670	2,415,996	36.42	3,451,702	70.00
2020	1,889,218	245,516	26,715	192,843	88,296	353,020	2,442,436	37.32	3,701,103	65.50
2021	1,928,868	240,322	31,574	200,236	114,378	352,598	2,508,260	37.09	3,775,735	66.40
2022	1,951,847	248,012	28,634	214,631	139,229	366,412	2,582,353	37.41	4,318,606	59.80
2023	1,972,601	258,327	25,317	273,775	155,643	354,277	2,679,485	37.41	5,099,385	52.50

Source: Town of Simsbury Assessor and State of Connecticut, Office of Policy and Management.

Note: The estimated actual taxable value is the Equalized Net Grant List as determined by the state of Connecticut, Office of Policy and Management. Properties in town are reassessed every five years per state statute. The last completed revaluation was for the fiscal year ended June 30, 2020. For the fiscal year ended 2023, the estimated actual taxable value is the sum of the real estate assessments divided 65.5%, plus the motor vehicle and personal property assessments divided by 70%.

Last revaluation was completed October 1, 2017.

**TOWN OF SIMSBURY, CONNECTICUT  
 PRINCIPAL PROPERTY TAXPAYERS  
 LAST TEN FISCAL YEARS  
 (IN THOUSANDS)  
 (UNAUDITED)**

	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Net Taxable Assessed Grand List
Connecticut Light & Power	\$ 56,198,640	1	2.10 %	\$ 20,174,920	3	0.77 %
SL Simsbury LLC	35,988,630	2	1.30			
Simsbury Commons LLC	31,395,000	3	1.20			
DWW Solar II LLC	21,624,980	4	0.80			
Simsbury Developers LLC	21,054,630	5	0.80			
CA Senior Simsbury CT Property Owner LLC	20,160,000	6	0.80			
Dorset Crossing Apartments LLC	19,533,420	7	0.70			
Executive Risk Indemnity Inc	16,473,460	8	0.60	17,247,680	4	0.90
Highcroft Simsbury LLC	15,371,200	9	0.60			
McLean Affiliates Inc	15,343,260	10	0.60			
Hartford Life and Accident Ins. Company				43,519,840	1	1.93
Simsbury Hopmeadow Street LLC				13,248,510	6	0.59
Woodgreen Simsbury LLC				8,464,400	5	0.38
Hoffman Phyllis W Trustee of Hoffman				9,191,870	7	0.41
Simsbury Commons North E A LLC				8,864,800	8	0.39
Hoffman Enterprises Limited Partnership				7,004,970	9	0.31
E and A/I and G Commons LP				23,450,000	2	1.04
Aquarion Water Company of CT				6,962,460	10	0.31
<b>Total</b>	<b>\$ 253,143,220</b>		<b>9.50 %</b>	<b>\$ 158,129,450</b>		<b>7.03 %</b>

Source: Town Assessor's office

**TOWN OF SIMSBURY, CONNECTICUT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 83,294,253	\$ 82,960,550	99.60	\$ 316,790	\$ 83,277,340	99.98
2015	83,746,698	83,403,071	99.59	321,724	83,724,795	99.97
2016	84,403,852	83,954,704	99.47	430,389	84,385,093	99.98
2017	85,482,093	85,007,778	99.45	445,584	85,453,362	99.97
2018	87,249,801	86,727,571	99.40	476,051	87,203,622	99.95
2019	88,528,110	88,013,697	99.42	465,954	88,479,651	99.95
2020	91,863,738	91,299,235	99.39	477,915	91,777,150	99.91
2021	93,581,275	93,191,141	99.58	215,428	93,406,569	99.81
2022	97,182,001	96,498,632	99.30	448,732	96,947,364	99.76
2023	99,289,154	98,711,443	99.42	-	98,711,443	99.42

Source: Town Tax Collector office and Finance office



**TOWN OF SIMSBURY, CONNECTICUT**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**(IN THOUSANDS)**  
**(UNAUDITED)**

Fiscal Year	General Bonded Debt				Percentage of Actual Taxable Value of Property (1)	Percentage of Personal Income (2)	Per Capita
	General Obligation Bonds			Clean Water Fund Loan			
	General Purpose	Schools	Total Primary Government				
2014	\$ 12,448,221	\$ 11,800,279	\$ 14,715,929	\$ 38,964,429	1.11	0.90	1.66
2015	17,271,364	8,722,936	13,736,091	39,730,391	1.11	0.90	1.65
2016	13,807,003	5,888,215	12,736,475	32,431,693	0.88	0.58	1.30
2017	19,798,083	6,707,171	11,716,683	38,221,937	0.88	0.58	1.30
2018	17,382,173	4,756,389	10,676,307	32,814,869	0.89	0.61	1.32
2019	22,299,287	5,874,161	9,614,932	37,788,380	1.09	0.67	1.51
2020	18,741,040	15,059,986	8,532,134	42,333,160	1.14	0.70	1.67
2021	27,719,407	24,569,638	-	52,289,045	1.38	0.81	2.11
2022	22,882,775	22,342,219	-	45,224,994	1.05	0.66	1.78
2023	10,673,200	20,116,800	-	30,790,000	0.60	0.42	1.23

(1) See Table 5 for taxable property value data.

(2) See Table 11 for personal income and population data.

**TOWN OF SIMSBURY, CONNECTICUT  
DIRECT AND OVERLAPPING GOVERNMENTS  
(UNAUDITED)**

**TOWN OF SIMSBURY, CONNECTICUT  
DIRECT AND OVERLAPPING GOVERNMENTS**

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<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Percentage</u>	<u>Simsbury Share of Debt</u>
General Government	10,673,200	100%	10,673,200
Education	20,116,800	100%	20,116,800
Water Pollution Control	4,620,000	67.6%	<u>3,123,120</u>
Net Direct and Overlapping Indebtedness			33,913,120

\* Debt is shared with the Towns of Avon and Granby

**TOWN OF SIMSBURY, CONNECTICUT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 573,743,814	\$ 585,105,962	\$ 587,668,774	\$ 592,572,134	\$ 599,644,318	\$ 613,118,891	\$ 621,815,943	\$ 643,749,365	\$ 656,657,960	\$ 681,638,335
Total Net Debt Applicable to limit	47,507,359	40,378,199	40,073,073	46,245,721	44,185,079	65,861,245	63,230,233	57,950,970	93,530,419	94,044,673
Legal Debt Margin	<u>\$ 526,236,455</u>	<u>\$ 544,727,763</u>	<u>\$ 547,595,701</u>	<u>\$ 546,326,413</u>	<u>\$ 555,459,239</u>	<u>\$ 547,257,646</u>	<u>\$ 558,585,710</u>	<u>\$ 585,798,395</u>	<u>\$ 563,127,541</u>	<u>\$ 587,593,662</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	8.28%	6.90%	6.82%	7.80%	7.37%	10.74%	10.17%	9.00%	14.24%	13.80%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2021 debt limit can be found on Schedule 4 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Population (1)	Personal Income (Thousands of Dollars) (1)	Per Capita Personal Income (1)	Median Age (1)	Education Level in Years of Schooling (1)		School Enrollment (2)	Unemployment Rate (3)
					Percentage of High School Graduate or Higher	Percentage of Bachelor's Degree or Higher		
2014	23,535	\$ 1,018,570	\$ 43,279	43.3	95.7	62.7	4,330	4.8
2015	23,535	1,018,571	43,279	43.0	96.9	60.0	4,254	3.2
2016	24,348	1,328,013	54,543	43.8	97.5	65.3	4,133	3.6
2017	23,844	1,271,577	53,329	44.3	97.5	65.0	4,110	3.2
2018	24,952	1,351,825	54,177	44.8	97.1	64.7	4,039	2.8
2019	24,979	1,414,361	56,622	44.7	97.0	67.0	4,018	2.4
2020	25,395	1,535,204	60,453	45.0	97.0	66.0	4,098	7.1
2021	24,799	1,597,700	64,426	45.4	97.7	65.3	3,960	4.7
2022	25,395	1,729,704	68,112	45.4	98.2	66.5	4,029	3.0
2023	24,935	1,828,708	73,339	46.5	98.1	67.5	4,064	3.5

Sources: Population, personal income, median age, and education level provided by Town of Simsbury.

- (1) U. S. Census Bureau, CT Data Collaborative, Town Charts
- (2) Simsbury, Board of Education
- (3) State of Connecticut, Department of Labor

**TOWN OF SIMSBURY, CONNECTICUT  
PRINCIPAL EMPLOYERS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	2023			2014		
	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Simsbury Board of Education	662	1	8.06%	643	2	6.81 %
Wings Media Group	500-999	2	6.09-12.16			
Everest Global Svc	500-999	3	6.09-12.16			
Chubb	250-499	4	3.04-6.07	417	4	4.41
Keller Williams Realty	250-499	5	3.04-6.07			
Hoffman Auto Group	250-499	6	3.04-6.07	191	5	2.02
McLean Home Care	250-499	7	3.04-6.07	425	3	4.50
The Hartford Life Insurance Co	-		0.00	1,374	1	14.54
Ensign-Bickford Companies	-		0.00	226	6	2.39
Super Stop & Shop	-		0.00	160	8	1.69
Town of Simsbury	-		0.00	178	7	1.88
Mitchell of Simsbury	-		0.00	98	9	1.04
Hopmeadow Country Club	-		0.00	100	10	1.06
<b>Total</b>	<u>2662-4656</u>		<u>32.40-56.67%</u>	<u>3,812</u>		<u>40.34 %</u>

Source: 2023 Data: Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.  
Only 1-7 available, next category is employers with 100-249 employees, and there are a total of 16 in this category.

2014 Data: FY2013/14 Audit Report

**TOWN OF SIMSBURY, CONNECTICUT**  
**FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Government:</b>										
Central Administration	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.5	5.5	5.5
Finance	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0
Tax Collector	1.8	1.8	1.8	1.8	1.8	2.0	2.0	2.0	2.0	2.0
Assessor's	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.5
Town Clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Data Processing	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<b>Public Safety:</b>										
Officers	42.0	40.0	39.0	39.0	39.0	38.0	38.0	38.0	36.0	36.0
Civilians	14.4	13.4	13.4	13.4	13.4	11.0	10.0	10.0	10.0	10.0
<b>Planning and Development:</b>										
Community Development	0.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	4.0	4.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building	3.7	3.7	3.5	3.5	3.5	3.5	2.5	2.5	2.5	2.5
Engineering	2.7	2.8	2.8	2.8	2.8	2.8	2.8	1.8	1.5	1.5
<b>Facilities Management:</b>										
Public Works	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	2.0	2.0
Buildings and Maintenance	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3	7.3
Highway	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	19.0	19.0
Sewer Treatment Plant	11.0	11.0	10.0	10.0	10.0	11.0	11.0	11.0	11.0	11.0
<b>Social Services</b>										
Public Libraries***	7.3	6.5	5.7	5.7	5.7	4.5	4.5	3.5	3.5	3.5
Parks and Recreation	23.7	23.7	23.2	23.2	23.1	17.8	17.8	17.8	17.8	17.3
<b>Board of Education:</b>										
Certified	20.1	19.7	20.0	19.0	19.0	17.0	17.0	17.0	17.0	17.0
Noncertified	409.6	396.5	399.7	392.5	387.4	387.8	391.6	390.2	390.9	400.7
	252.9	254.6	255.2	251.8	254.6	253.6	262.3	259.5	252.2	247.8
<b>Total</b>	<u>841.5</u>	<u>826.0</u>	<u>824.6</u>	<u>812.9</u>	<u>809.6</u>	<u>799.3</u>	<u>809.8</u>	<u>804.1</u>	<u>793.2</u>	<u>797.6</u>

Source: Town of Simsbury and Simsbury Board of Education

**TOWN OF SIMSBURY, CONNECTICUT  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Government:</b>										
Birth Certificates Issued	270	223	216	202	213	202	181	202	164	171
Death Certificates Issued	237	243	229	337	208	208	185	168	215	196
Marriage Licenses Issued	229	244	173	214	276	257	269	241	303	281
<b>Boards and Agencies:</b>										
Registered Voters	18,703	19,238	19,065	19,335	18,065	17,557	16,404	16,103	15,773	15,859
<b>Planning and Development:</b>										
Building Permits Issued	1,032	1,036	1,134	831	790	784	719	877	861	676
Building Department Fees	976,073	734,416	1,281,258	716,765	1,219,155	1,168,936	369,966	1,121,573	606,216	651,959
Value of Building Permits (in Thousand of Dollars)	100,587	37,012	78,779	36,291	92,540	64,174	24,055	64,448	42,281	35,637
<b>Public Safety:</b>										
Part I Crimes	180	134	147	164	152	147	173	147	151	169
Motor Vehicle Accidents	481	544	409	479	562	548	622	584	615	651
Medical Calls	2,045	1,890	1,869	1,684	1,628	1,708	1,659	1,669	1,559	1,544
Motor Vehicle Enforcement	3,356	3,150	3,802	3,054	3,996	3,367	3,767	3,985	3,757	2,980
Alarm Responses	757	769	647	758	820	870	801	915	865	789
Total Incidents	41,561	46,682	52,019	48,202	43,733	35,148	37,122	33,912	32,183	31,256
<b>Facility Management:</b>										
Miles of Roads Maintained	165	165	165	165	165	164	164	164	164	164
<b>Public Libraries:</b>										
Volumes in Collection	99,480	100,534	107,906	117,415	123,064	131,738	136,436	150,553	152,567	147,540
Items Circulated	443,371	402,211	279,879	366,410	427,340	363,437	376,364	389,691	396,836	426,575
Attendance	49,203	54,746	26,772	49,550	370,384	372,334	381,907	375,523	361,357	314,928
Events	1,166	2,548	898	1,356	1,860	1,528	1,447	1,631	1,573	1,100
<b>Human Services:</b>										
Dial-A-Ride Passengers	5,993	4,890	3,044	5,303	8,199	8,105	8,576	9,275	9,704	9,405
Dial-A-Ride Traveled Miles	39,732	38,674	43,001	33,598	57,846	42,851	44,864	46,195	49,066	48,799
<b>Education:</b>										
Elementary Schools	5	5	5	5	5	5	5	5	5	5
Middle Schools	1	1	1	1	1	1	1	1	1	1
High Schools	1	1	1	1	1	1	1	1	1	1

**TOWN OF SIMSBURY, CONNECTICUT  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Public Safety:</b>										
Police Stations	-	-	-	-	-	-	-	-	-	-
Substations	-	-	-	-	-	-	-	-	-	-
Police Vehicles	-	-	-	-	-	-	-	-	-	-
<b>Facility Management:</b>										
Miles of Town Roads	165	165	165	165	165	164	164	164	164	164
Miles of Sidewalks	14	14	14	14	9	8	8	8	8	8
Sanitary Sewers (Miles)	82	82	82	81	81	81	81	81	81	81
Storm Sewers (Miles)	55	55	55	55	55	55	55	55	55	55
Treatment Capacity (Thousands of Gallons)	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800
<b>Parks and Recreation:</b>										
Acreage	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815
Neighborhood Parks	11	11	11	11	11	11	11	11	11	11
Playgrounds (Including Schools)	12	12	12	12	12	12	12	12	12	12
Swimming Pools	6	6	6	6	6	6	6	6	6	6
Ice Skating Facilities	1	1	1	1	1	1	1	1	1	1
Public Golf Course	1	1	1	1	1	1	1	1	1	1
Tennis Courts	17	17	17	17	17	17	17	17	17	17
Baseball Fields	14	14	14	14	14	14	14	14	14	14
Basketball Courts	2	2	2	2	2	2	2	2	2	2
Soccer Fields	21	21	21	21	21	21	21	21	21	21
Football Fields	2	2	2	2	2	2	2	2	2	2
<b>Health and Welfare:</b>										
Community Center	1	1	1	1	1	1	1	1	1	1
Dial-A-Ride Buses	2	2	2	2	2	2	2	2	2	2

Source(s): Various Town Departments



Board of Finance  
Town of Simsbury, Connecticut

In planning and performing our audit of the financial statements of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the Town of Simsbury, Connecticut's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control.

However, during our audit we became aware of matters that are opportunities to strengthen your internal control and improve the efficiency of your operations. Our comments and suggestions regarding those matters are summarized below. We previously provided a written communication dated [REPORT DATE], on the entity's internal control. This letter does not affect our report on the financial statements dated [REPORT DATE], nor our internal control communication dated [REPORT DATE].

#### **PRIOR YEAR RECOMMENDATIONS**

##### Capital Asset Reporting

The implementation of Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments*, required significant changes to the reporting of capital assets. Although the Town compiled the information for inclusion in the financial statements in accordance with the standard, the Town is maintaining capital assets on stand-alone Excel spreadsheets.

**Recommendation** – Due to the complexity and volume of these assets, we recommend that policies and procedures be developed and formalized to control the operation of the capital asset management system. We also recommend a capital asset inventory be performed to ensure all of the Town's assets are properly accounted for. Finally, at the end of each year, the Finance Department should work with other department heads to determine any additions or deletions in their department in the current year and also if any assets have been impaired.

**2023 Update** – The Town has purchased a new accounting system, Munis, which includes a capital asset module. Implementation was delayed due to the COVID-19 pandemic and will be completed during 2024.

### Fraud Risk Assessment

It is estimated that U.S. businesses, including municipalities, lose up to 7% of annual revenue to fraud. Municipalities are especially vulnerable due to the large amounts of cash collected in the tax collector's office, in addition to decentralized cash collection points such as transfer stations, student activities, recreation programs, etc. Although fraud may take many forms, asset misappropriation is the most common. Internally, fraudulent disbursements and inventory theft account for most asset misappropriation frauds. This type of fraud often goes undetected for several years. Current economic and business conditions have created an environment in which the risk of fraud has increased dramatically.

During the annual audit, we obtain an understanding of the Town's and Board of Education's internal controls and assess the risk of fraud and whether or not the financial statements would be materially misstated due to these risks; however, an audit is designed to provide reasonable, but not absolute assurance. Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform an examination of all transactions, there is a risk that material misstatements or noncompliance or fraud may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs.

During our discussions with management, we noted that neither the Town nor the Board of Education has performed a fraud risk assessment. The objectives of a Fraud Risk Assessment are to gather perceptions of fraud risk and to promote fraud awareness and prevention across the entity. The Fraud Risk Assessment process starts with the gathering of information on the population of fraud risks that may apply to the entity. This includes consideration of various types of possible fraud schemes, scenarios, and opportunities to commit fraud. This information is then used to assess the relative likelihood and potential significance of identified fraud risk based on historical information, known fraud schemes and interviews with staff and management. A report is prepared documenting fraud risk within the entity and setting forth suggested policies and procedures to help prevent and detect fraud.

**Recommendation** – We recommend that the Town and Board of Education have a Fraud Risk Assessment performed. A Fraud Risk Assessment is designed to proactively identify fraud risk, pinpoint opportunities to reduce the cost of fraud, determine whether adequate fraud prevention exists and to help create cost-effective fraud prevention and detection policies and procedures.

**2023 Update** – The funding request for a Fraud Risk Assessment was made during the FY20 budget process. It has been included in year three (FY24) of the six-year capital plan for the Town of Simsbury, due to delays in the MUNIS system implementation as a result of the COVID-19 pandemic.

Accounting Procedures Manual

**Prior Year Recommendation** – During the June 30, 2011 audit, it was noted that the Town’s finance office and the Board of Education’s finance office do not have an accounting procedures manual. We recommend the Town and the Board of Education consider the development of a comprehensive accounting procedures manual for their finance offices. A comprehensive accounting procedures manual would include, but is not limited to, the documentation of formalized control policies and procedures relating to daily, weekly, monthly, and year-end procedures. It would also address year-end closing processes and financial statement presentation. This manual may be used to provide guidance to employees regarding their delegated responsibilities and allow for smoother transitions if turnover occurs.

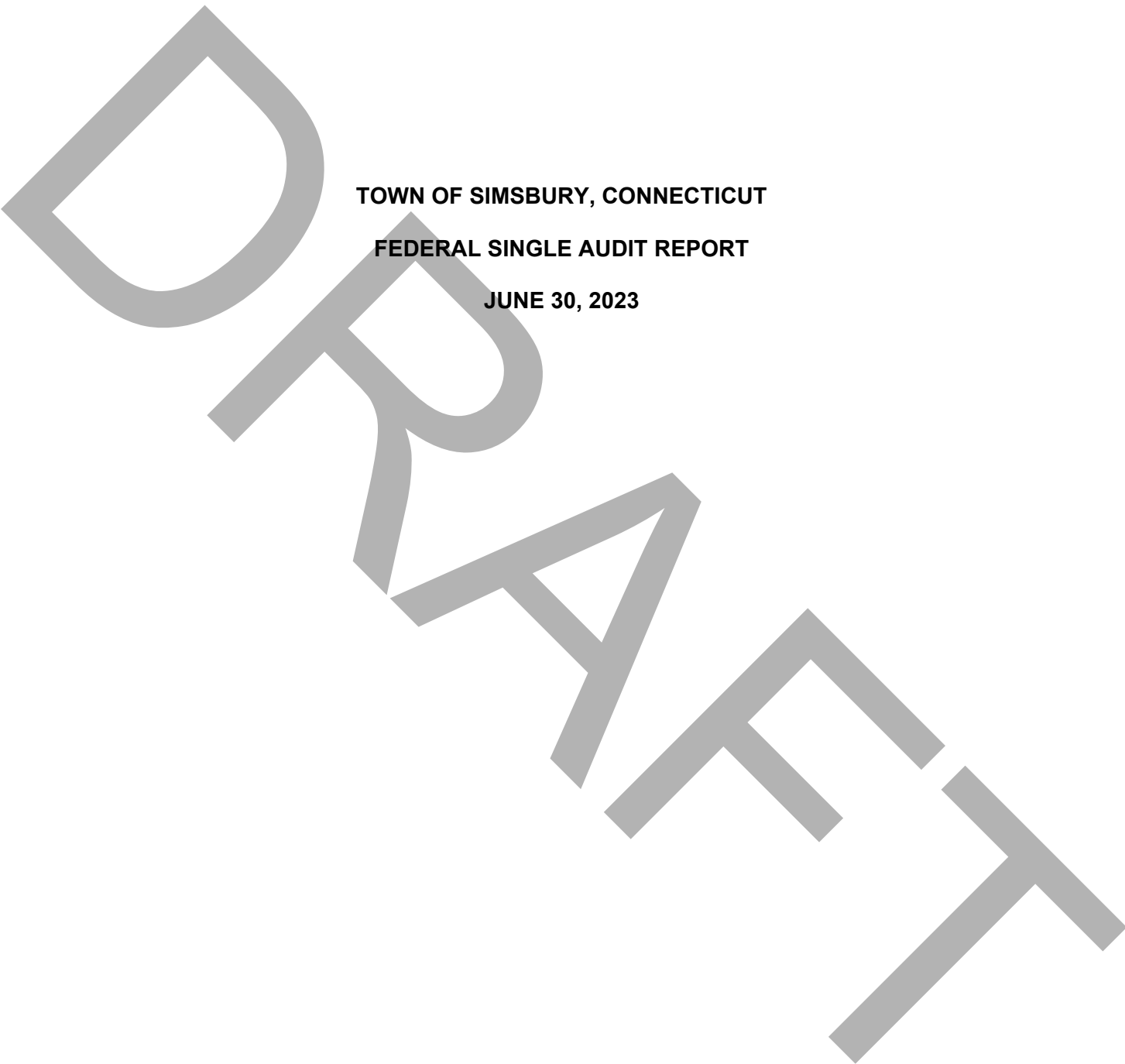
**2023 Update** – The Town has started to accumulate all current relevant written procedures/instructions into one common subdirectory on the Finance Department network drive. The majority of procedures will change with the current implementation of the new Munis accounting system. Once implementation has been completed, procedures for the Town and Board of Education will mirror each other, and one manual for both entities created. Full completion estimated during 2024.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the Board of Finance, the Town Council, others within the organization, and federal and state awarding agencies and pass-through entities, and is not intended to be, and should not be, used by anyone other than these specified parties.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]



**TOWN OF SIMSBURY, CONNECTICUT**

**FEDERAL SINGLE AUDIT REPORT**

**JUNE 30, 2023**

**TOWN OF SIMSBURY, CONNECTICUT  
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
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AND REPORT ON THE SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Board of Finance  
Town of Simsbury, Connecticut

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the Town of Simsbury, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town of Simsbury, Connecticut's major federal programs for the year ended June 30, 2023. The Town of Simsbury, Connecticut's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Simsbury, Connecticut, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Simsbury, Connecticut, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town of Simsbury, Connecticut's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Simsbury, Connecticut's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Simsbury, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Simsbury, Connecticut's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Simsbury, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Simsbury, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements. We have issued our report thereon dated [REPORT DATE], which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]



**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<b>United States Department of Agriculture</b>			
<i>Passed Through the State of Connecticut Department of Education:</i>			
Child Nutrition Cluster:			
National School Lunch Program	10.555	12060-SDE64370-20560	\$ 49,909
National School Lunch Program	10.555	12060-SDE64370-20560	560,396
School Breakfast Program	10.553	12060-SDE64370-20508	<u>116,070</u>
			\$ 726,375
State Administrative Expenses for Child Nutrition	10.560	12060-SDE64370-23126	106,471
P-EBT Local Admin	10.649	12060-SDE64370-29802	<u>6,903</u>
Total United States Department of Agriculture			<u>839,749</u>
<b>United States Department of Transportation</b>			
<i>Passed Through the State of Connecticut Department of Transportation:</i>			
Transit Services Programs Cluster:			
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	12062-DOT57931-21361	<u>52,800</u>
Total United States Department of Transportation			<u>52,800</u>
<b>United States Department of Education</b>			
<i>Passed Through the State of Connecticut Department of Education:</i>			
Special Education Cluster (IDEA):			
Special Education_Grants to States	84.027	12060-SDE64370-20977-2023	961,674
Special Education_Grants to States	84.027	12060-SDE64370-20977-2022	62,844
Special Education_Grants to States	84.027	12060-SDE64370-20977-2021	14,225
Special Education_Preschool Grants	84.173	12060-SDE64370-20983-2023	25,842
Special Education_Preschool Grants	84.173	12060-SDE64370-20983-2022	<u>8,406</u>
			1,072,991
Education Stabilization Fund:			
COVID-19 - ARP Special Education Grants	84.425U	12060-SDE64370-23083-2022	97,616
COVID-10 - American Rescue Plan - Emergency	84.425U	12060-SDE64370-29636-2021	580,666
COVID-19 - Preschool Grants (ARPA)	84.425U	12060-SDE64370-29684-2022	17,095
COVID-19 - ESSERF K-12 Fund	84.425D	12060-SDE64370-29571-2021	43,555
COVID-19 - ESSERF K-12 Fund	84.425D	12060-SDE64370-29571-2020	<u>819</u>
			739,751
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2023	14,065
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2022	114,355
Title I Grants to Local Educational Agencies	84.010	12060-SDE64370-20679-2020	<u>93</u>
			128,513
Career and Technical Education -- Basic Grants to States	84.048	12060-SDE64370-20742-2023	34,268
Career and Technical Education -- Basic Grants to States	84.048	12060-SDE64370-20742-2021	<u>41,096</u>
			75,364
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2023	17,394
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858-2022	50,298
<i>Passed Through Capitol Region Education Council:</i>			
Improving Teacher Quality State Grants	84.367	12060-SDE64370-20858	<u>9,102</u>
			76,794

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<b>United States Department of Education (Continued)</b>			
<i>Passed Through the State of Connecticut Department of Education:</i>			
Title IV - Student Support	84.424	12060-SDE64370-22854-2023	\$ 5,277
Title IV - Student Support	84.424	12060-SDE64370-22854-2022	<u>7,026</u>
			<u>\$ 12,303</u>
Total United States Department of Education			2,105,716
<b>United States Department of the Treasury</b>			
<i>Passed Through the State of Connecticut Department of Education:</i>			
COVID-19 - ARPA-Free Meals for Students	21.027	12060-SDE64370-28105	928,147
<i>Passed Through the State of Connecticut Office of Policy and Management:</i>			
COVI-19 - ARPA Local Fiscal Recovery EXP	21.027	12060-OPM20600-29669	<u>3,757,833</u>
			<u>4,685,980</u>
Total United States Department of the Treasury			4,685,980
<b>United States Election Assistance Commission</b>			
<i>Passed Through the State of Connecticut Office of the Secretary of State:</i>			
Help America Vote Act Requirements Payments	90.401	12060-SOS12500-21465	<u>10,710</u>
Total United States Election Assistance Commission			10,710
<b>United States Department of Interior</b>			
<i>Direct:</i>			
Historic Preservation Fund Grants-In-Aid	15.904		<u>29,162</u>
Total United States Department of Interior			<u>29,162</u>
Total Expenditures of Federal Awards			<u><u>\$ 7,724,117</u></u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Simsbury, Connecticut, under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Because the Schedule presents only a selected portion of the operations of the Town of Simsbury, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the Town of Simsbury, Connecticut.

**Basis of Accounting**

Expenditures reported on the Schedule are reported using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance. Under these principles certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 2 INDIRECT COST RECOVERY**

The Town of Simsbury, Connecticut, has elected not to use the 10% de minimis indirect cost rate provided under Section 200.414 of the Uniform Guidance.

**NOTE 3 NONCASH AWARDS**

Donated commodities in the amount of \$49,909 are included in the Department of Agriculture's National School Lunch Program, Assistance Listing #10.555. The amount represents the market value of commodities received.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Finance  
Town of Simsbury, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements, and have issued our report thereon dated [REPORT DATE].

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Town of Simsbury, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Simsbury, Connecticut’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ none reported
2. Type of auditors’ report issued on compliance for federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes \_\_\_\_\_ x \_\_\_\_\_ no

**Identification of Major Federal Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
21.027	COVID-19 – American Rescue Plan Act Local Fiscal Recovery
84.027, 84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_ x \_\_\_\_\_ yes \_\_\_\_\_ no

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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***Section II – Financial Statement Findings***

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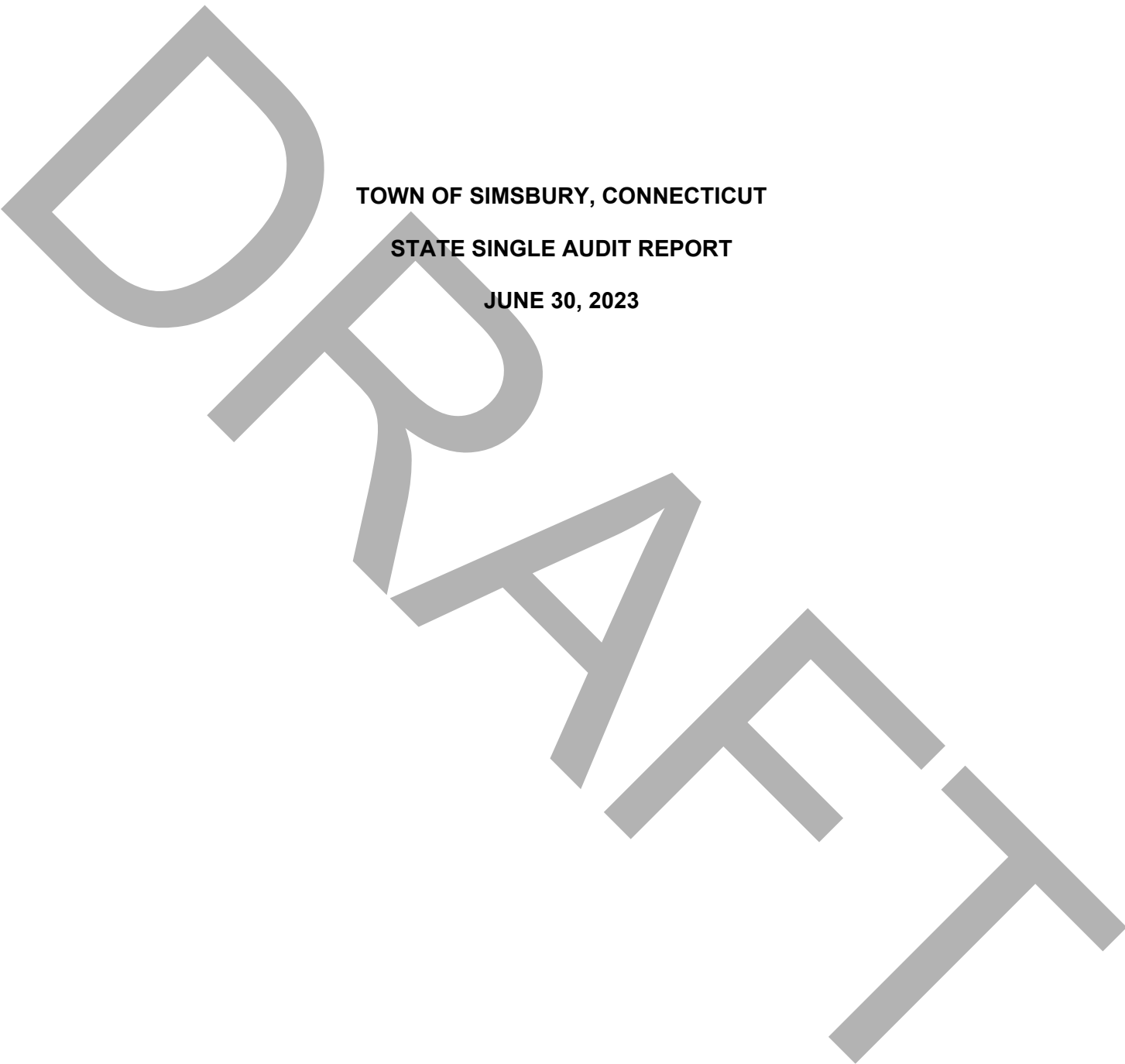
Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



**TOWN OF SIMSBURY, CONNECTICUT**

**STATE SINGLE AUDIT REPORT**

**JUNE 30, 2023**



**TOWN OF SIMSBURY, CONNECTICUT  
STATE SINGLE AUDIT REPORT  
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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE STATE SINGLE AUDIT ACT**

Board of Finance  
Town of Simsbury, Connecticut

**Report on Compliance for Each Major State Program**

***Opinion on Each Major State Program***

We have audited the Town of Simsbury, Connecticut's compliance with the types of compliance requirements identified as subject to audit in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of the Town of Simsbury, Connecticut's major state programs for the year ended June 30, 2023. The Town of Simsbury, Connecticut's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Simsbury, Connecticut, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S Sections 4-230 to 4-236). Our responsibilities under those standards and the State Single Audit Act are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town of Simsbury, Connecticut, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of the Town of Simsbury, Connecticut's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town of Simsbury, Connecticut's state programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Simsbury, Connecticut's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Simsbury, Connecticut's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the State Single Audit Act, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Simsbury, Connecticut's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Simsbury, Connecticut's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements. We have issued our report thereon dated [REPORT DATE], which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Expenditures
<b>Department of Education</b>		
Sheff Settlement	11000-SDE64370-12457	\$ 199,239
Talent Development	11000-SDE64370-12552	2,483
Child Nutrition State Match	11000-SDE64370-16211	16,204
Health Foods Initiative	11000-SDE64370-16212	30,806
Adult Education	11000-SDE64370-17030	\$ 6,047
Adult Education	11000-SDE64370-17030	166
		<u>6,213</u>
Health & Welfare-Private School Pupil	11000-SDE64370-17034	20,219
School Breakfast Program	11000-SDE64370-17046	18,634
Open Choice Program	11000-SDE64370-17053	1,693,427
Open Choice Program	11000-SDE64370-17053	130,000
		<u>1,823,427</u>
Total Department of Education		<u>2,117,225</u>
<b>Connecticut State Library</b>		
Connecticard Payments	11000-CSL66051-17010	16,481
Historic Document Preservation	12060-CSL66094-35150	7,500
Total Connecticut State Library		<u>23,981</u>
<b>Department of Children and Families</b>		
Community Based Prevent Prog	11000-DCF91141-16092	7,299
Youth Service Bureaus	11000-DCF91141-17052	14,102
Youth Service Bureau Enhancement	11000-DCF91141-17107	10,754
Total Department of Children and Families		<u>32,155</u>
<b>Department of Transportation</b>		
Bus Operations	12001-DOT57931-12175	34,050
Town Aid Road Grants-Municipal	12052-DOT57131-43455	183,926
Town Aid Road-STO	13033-DOT57131-43459	183,926
Local Transport Capital Program	13033-DOT57197-43584	2,280,344
Dial-A-Ride	12001-DOT57931-12379	6,660
Total Department of Transportation		<u>2,688,906</u>
<b>Department of Social Services</b>		
Medicaid	11000-DSS60000-16020	10,256
Total Department of Social Services		<u>10,256</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

State Grantor/Pass-Through Grantor/ Program Title	State Grant Program Core-CT Number	Expenditures
<b>Office of Policy and Management</b>		
Reimbursement Property Tax-Disability Exemption	11000-OPM20600-17011	\$ 1,500
Property Tax Relief for Veterans	11000-OPM20600-17024	3,509
Tiered PILOT	11000-OPM20600-17111	78,491
Local Capital Improvement	12050-OPM20600-40254	163,738
Municipal Purposes & Projects	12052-OPM20600-43587	77,648
Municipal Revenue Sharing	12060-OPM20600-35458	551,481
MRSA - Tiered PILOT	12060-OPM20600-35691	21,210
Total Office of Policy and Management		<u>897,577</u>
<b>Department of Energy and Environmental Protection</b>		
Connecticut Bikeway	12052-DEP44321-43314	5,890
Public/Educ/Govern Programming	12060-DEP44620-35363	26,763
Total Department of Energy and Environmental Protection		<u>32,653</u>
Total State Financial Assistance Before Exempt Programs		5,802,753
<b>Exempt Programs</b>		
<b>Department of Education</b>		
Education Cost Sharing	11000-SDE64370-17041-82010	7,055,420
Excess Cost - Student Based	11000-SDE64370-17047	2,334,718
Total Department of Education		<u>9,390,138</u>
<b>Department of Administrative Services</b>		
School Construction Progress	13010-DAS27635-43744	2,622,523
Total Department of Administrative Services		<u>2,622,523</u>
<b>Office of Policy and Management</b>		
Municipal Transition	11000-OPM20600-17103	1,180,975
Total Office of Policy and Management		<u>1,180,975</u>
Total Exempt Programs		<u>13,193,636</u>
Total State Financial Assistance		<u>\$ 18,996,389</u>

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
YEAR ENDED JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying schedule of expenditures of state financial assistance (the Schedule) includes the state grant activity of the Town of Simsbury, Connecticut, under programs of the State of Connecticut for the year ended June 30, 2023. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. Because the Schedule presents only a selected portion of the operations of the Town of Simsbury, Connecticut, it is not intended to, and does not, present the financial position, changes in fund balance, changes in net position or cash flows of the Town of Simsbury, Connecticut.

**Basis of Accounting**

The accounting policies of the Town of Simsbury, Connecticut, conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The information in the Schedule is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Expenditures reported on the Schedule are presented on the modified accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Finance  
Town of Simsbury, Connecticut

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, major fund and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements, and have issued our report thereon dated [REPORT DATE].

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Town of Simsbury, Connecticut's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Simsbury, Connecticut’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
[REPORT DATE]

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2023**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes        x   no

**State Financial Assistance**

1. Internal control over major programs:
- Material weakness(es) identified? \_\_\_\_\_ yes        x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes        x   none reported
2. Type of auditors’ report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? \_\_\_\_\_ yes        x   no

The following schedule reflects the major programs included in the audit:

<u>State Grantor and Program</u>	<u>State Core-CT Number</u>	<u>Expenditures</u>
Department of Transportation: Local Transportation Capital Program	13033-DOT57197-43584	\$ 2,280,344
Office of Policy and Management: Tiered PILOT	11000-OPM20600-17111	78,491
Municipal Revenue Sharing	12060-OPM20600-35458	551,481
MRSA – Tiered PILOT	12060-OPM20600-35691	21,210

Dollar threshold used to distinguish between Type A and Type B programs: \$   200,000

**TOWN OF SIMSBURY, CONNECTICUT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

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***Section II – Financial Statement Findings***

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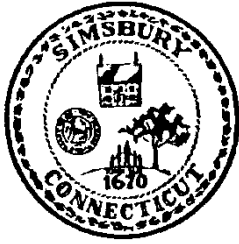
Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

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***Section III – Findings and Questioned Costs – State Financial Assistance***

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Our audit did not disclose any matters required to be reported in accordance with the State Single Audit Act.



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

1. **Title of Submission:** Approve Fiscal Year 2024/2025 Proposed Budget to Public Hearing
2. **Date of Board Meeting:** March 21, 2024
3. **Individual or Entity Making the Submission:**  
Amy Meriwether, Finance Director; Marc Nelson, Town Manager; Matthew Curtis, Superintendent
4. **Action Requested of the Board of Finance:**  
If the Board of Finance would like to approve the fiscal year 2024/2025 proposed budget to public hearing the following motion is in order:  
  
*Move, effective March 21, 2024, to move the Board of Selectmen's budget as proposed, and the Board of Education's budget as amended on March 18, 2024, and forward the two budgets to the scheduled Public Hearing in accordance with Section 808 of the Charter.*
5. **Summary of Submission:**  
The Board of Finance has reviewed the Board of Selectman and Board of Education's proposed fiscal year 2024/2025 budgets. The next step in the budget process is to move these budgets to the scheduled public hearing for public comment.
6. **Financial Impact**  
None
7. **Description of Documents Included with Submission**
  - Budget Summary

**TOWN OF SIMSBURY  
BUDGET SUMMARY**

	Adopted	Proposed	Change	
	FY2024	FY 2025	Dollar	Percentage
Board of Selectmen	31,679,397	28,740,677	(2,938,720)	-9.28%
Debt Service & Capital	7,806,810	8,915,868	1,109,058	14.21%
Board of Education	81,576,437	85,217,644	3,641,207	4.46%
Non-Public School	605,699	588,724	(16,975)	-2.80%
<b>Total Appropriations</b>	<b>121,668,343</b>	<b>123,462,913</b>	<b>1,794,570</b>	<b>1.47%</b>

LESS ESTIMATED NON-CURRENT YEAR TAX REVENUES 17,154,066 12,721,197 (4,432,869) -25.84%

**BALANCE TO BE RAISED 104,514,277 110,741,716 6,227,439 5.96%**

	ACTUAL REVENUE 2023	ACTUAL REVENUE 12/31/2023	BUDGET REVENUE 2024	PROJECTED REVENUE 6/30/2024	ESTIMATED REVENUE 2025
<b>GENERAL FUND REVENUES</b>					
Property Taxes - Prior Year & Interest & Liens	777,275	407,804	430,000	500,000	580,000
Intergovernmental Revenues & Payments in Lieu of Taxes	9,227,086	2,491,450	9,196,826	9,895,742	7,884,731
Investment Income	1,617,668	1,261,977	800,000	2,588,464	1,300,000
Charges for Goods & Services & Misc	1,994,664	1,098,186	1,798,290	1,896,084	1,829,701
Fines & Forfeitures	12,596	6,014	8,200	10,039	9,972
Rental of Town Owned Property	181,040	91,033	114,300	131,900	114,900
Licenses & Permits	920,566	312,954	740,050	721,646	741,886
Operating Transfers In (Belden Trust)	26,960	27,380	27,380	27,380	28,350
Operating Transfers In (Capital Project Funds)	822,029	281,187	281,187	281,187	231,657
Operating Transfers In (ARPA Fund)	3,757,833	3,757,833	3,757,833	3,757,833	-
<b>Total General Fund Revenue Budget</b>	<b>19,337,716</b>	<b>9,735,818</b>	<b>17,154,066</b>	<b>19,810,275</b>	<b>12,721,197</b>

	FY 2023 ACTUAL	FY 2024 12/31/2023	FY 2024 BUDGET	FY 2024 6/30/2024	FY 2025 PROPOSED
<b>GENERAL FUND EXPENDITURES BY FUNCTION</b>					
General Government	1,647,264	846,862	1,614,485	1,543,069	1,634,688
Financial Services & Information Technology	1,706,839	840,919	1,763,376	1,718,853	1,861,877
Planning & Development	751,236	368,076	791,403	763,517	851,676
Public Safety	6,040,144	3,175,669	6,553,196	6,493,711	6,643,957
Public Works & Engineering	4,749,325	2,279,733	4,933,286	4,592,384	4,974,983
Health and Social Services	1,052,795	423,381	933,561	928,647	883,370
Parks and Recreation & Library	3,064,262	1,474,786	3,147,065	3,147,272	3,265,001
Fringe Benefits & Liability Insurance	6,463,291	4,644,618	7,838,098	7,381,365	7,988,170
Operating Transfers	8,387,602	3,972,186	4,104,927	3,972,186	636,956
<b>Total Board of Selectmen Operating Budget</b>	<b>33,862,757</b>	<b>18,026,230</b>	<b>31,679,397</b>	<b>30,541,003</b>	<b>28,740,677</b>
Debt Service	6,371,525	1,173,813	7,806,810	7,806,810	8,915,868
Education	77,551,189	34,529,916	82,182,136	82,882,136	85,806,368
<b>Total General Fund Budget</b>	<b>117,785,471</b>	<b>53,729,958</b>	<b>121,668,343</b>	<b>121,229,949</b>	<b>123,462,913</b>

	ACTUAL REVENUE FY 2023	BUDGET REVENUE FY 2024	ACTUAL REVENUE 12/31/2023	PROJECTED REVENUE 6/30/2024	ESTIMATED REVENUE FY 2025
<b>SPECIAL REVENUE FUNDS - REVENUES</b>					
<b>Water Pollution Control Fund</b>					
Total Water Pollution Control Fund	4,793,285	4,212,824	3,819,382	4,481,794	4,318,233
<b>Residential Property Fund</b>					
Rental of Town Owned Property	99,951	77,100	38,171	97,000	97,000
<b>Simsbury Farms Complex</b>					
Total Simsbury Farms Complex	2,678,825	2,548,091	1,184,470	2,541,291	2,855,485
<b>Total Special Revenue Funds</b>	<b>7,572,061</b>	<b>6,838,015</b>	<b>5,042,023</b>	<b>7,120,085</b>	<b>7,270,718</b>

	FY 2023 ACTUAL	FY 2024 BUDGET	FY 2024 12/31/2023	FY 2024 6/30/2024	FY 2025 PROPOSED
<b>SPECIAL REVENUE FUNDS - EXPENDITURES</b>					
<b>Water Pollution Control Fund</b>					
Total Water Pollution Control Requests	4,249,997	5,771,929	3,943,665	5,478,872	4,808,496
<b>Residential Property Fund</b>					
Total Residential Properties	59,147	47,122	24,893	41,170	55,827
<b>Simsbury Farms Complex</b>					
Total Simsbury Farms Complex	2,680,590	2,918,370	1,703,993	2,758,476	2,884,828
<b>Total Special Revenue Funds</b>	<b>6,989,734</b>	<b>8,737,421</b>	<b>5,672,551</b>	<b>8,278,518</b>	<b>7,749,151</b>

FY2025 CAPITAL & NONRECURRING FUND BUDGET	20/21	21/22	22/23	23/24	Requested 24/25	FY2025	
						Charge -Back Against General Fund	Other /State Grants
<b>BOARD OF SELECTMEN</b>							
BOARD OF SELECTMEN TOTAL	416,250	416,250	416,250	416,250	2,485,794	422,250	2,063,544
<b>BOARD OF EDUCATION</b>							
BOARD OF EDUCATION TOTAL	570,500	550,300	550,300	550,300	550,300	550,300	-
TOTAL CAPITAL & NON-RECURRING	986,750	966,550	966,550	966,550	3,036,094	972,550	2,063,544

CAPITAL IMPROVEMENT PROJECTS						FY 2025
						Financing
	Memorial Pool Redesign	\$	150,000			Cash
	Sidewalk Reconstruction	\$	223,400			Bonds
	Town Hall Rooftop Units	\$	275,000			Bonds
	Municipal Site and Safety Improvements (Town Hall)	\$	460,000			Bonds
	Barn and Facility Repairs - Wolcott Road	\$	275,000			Bonds
	Dam Evaluation & Repairs (Stoddard Dam Breach)	\$	171,000			Bonds
	District Network Infrastructure	\$	350,000			Bonds
	SHS - Auditorium & Amphitheater Improvements	\$	400,000			Bonds
	Tootin Hills - Replace Roof	\$	1,120,000			Bonds/Grants
	Public Works Truck Replacement and Plow	\$	266,220			Cash
	Old Drake Hill Road Flower Bridge Rehabilitation - Supplemental*	\$	2,646,000			Cash
	Highway Pavement Management	\$	1,600,000			Cash/Grants/Bonds
	Simsbury Meadows Performing Arts Center Bandshell Addition	\$	2,782,881			Grants/Cash
	Tariffville Connection - East Coast Greenway Gap Closure	\$	450,000			Grants/Cash
	Sewer Replacement - Pine Hill	\$	200,000			Sewer Use
<b>TOTAL PROPOSED CAPITAL IMPROVEMENT PROJECTS</b>		\$	<u>11,369,501</u>			

\* \$2,151,000 was appropriated in prior years, proposed budget is to appropriate an additional \$495,000 to be paid for via cash

**Board of Finance  
TOWN OF SIMSBURY  
SPECIAL MEETING MINUTES  
Thursday, March 14, 2024, at 5:00 P.M.  
Engineering Conference Room – 933 Hopmeadow Street**

**PRESENT:**

Lisa Heavner, Art House, Robert Helfand, Todd Burrick, Mike Doyle, and Art Wallace

**ALSO PRESENT:**

Amy Meriwether, Director of Finance; and Melissa Appleby, Budget Director

**Call to Order**

Ms. Heavner called the meeting to order at 5:10 P.M.

**Pledge of Allegiance**

All stood for the Pledge of Allegiance.

**Budget Discussion**

Ms. Heavner said that the intent of this meeting is to discuss strategies for mitigating mill rate increases in the context of increasing expenditures. She said that Ms. Meriwether had prepared some options for review, and that she would discuss some concepts for Board of Finance consideration.

Ms. Meriwether provided an overview of the changes that the Board of Selectmen made to the FY25 Town Manager proposed budget. Using the Board of Selectmen approved budget and Board of Education anticipated budget, she presented a baseline to work off of for modeling purposes. Ms. Meriwether then presented three scenarios that take into consideration various debt issuance assumptions and use of reserves over time. Board of Finance members discussed how each scenario would impact debt service, health insurance reserve levels, general fund reserves, and capital reserves. As part of this discussion, Ms. Meriwether presented a proposal to increase funding for the capital non-recurring (CNR) budgets for both the Town and Board of Education, with the goal of increasing available CNR funds by \$1 million in FY25, split 70/30 between the Board of Education and Town. Discussion ensued regarding how the additional \$1 million would be funded.

Board of Finance members discussed the merits of each scenario presented by Ms. Meriwether, and agreed to give some thought to each. Ms. Heavner reviewed the next steps in the budget process, including the upcoming presentation from the Board of Selectmen and the public hearing on April 3.

**Adjourn**

The meeting adjourned at 7:14 P.M.

Respectfully submitted,  
Melissa Appleby  
Budget Director