



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Submission

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June 11, 2021

Ericka Butler  
Town Clerk  
Simsbury, CT 06070

Dear Ms. Butler:

A **Regular Meeting** of the Board of Finance will be held at **5:45 PM**, on **Tuesday, June 15, 2021**, and broadcast live and rebroadcast as noted above.

The Agenda is as follows:

1. Call to Order
2. Pledge of Allegiance
3. Open Space (OSWA) Grant Supplemental Appropriation Request – Meadowood
4. Library Boiler and HVAC Repairs Supplemental Appropriation Request
5. Economic Development Commission Supplemental Appropriation Request
6. SPIRIT Council Supplemental Appropriation Request
7. Request to Establish a Special Revenue Fund – ARP Funds
8. Proposed Amended Defined Contribution Plan Investment Policy
9. Approval of Minutes
  - May 18, 2021
10. Communications
  - SAS114 Audit Communication Letter
  - April 2021 Building Department Report
11. Adjourn

Yours Truly,  
Robert Pomeroy  
Chairman

**Board of Finance Regular Meeting Schedule:**

7/20/21, 8/17/21, 9/21/21, 10/19/21, 11/16/21, 12/21/21, 1/18/22



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

1. **Title of Submission:** Open Space (OSWA) Grant Supplemental Appropriation Request - Meadowood
2. **Date of Board Meeting:** June 15, 2021
3. **Individual or Entity Making the Submission:**  
Maria Capriola, Town Manager
4. **Action Requested of the Board of Finance:**  
If the Board of Finance supports the supplemental appropriation request, the following motion is in order:  
  
*Move, effective June 15, 2021 to approve the supplemental appropriation request for the Meadowood acquisition as presented.*
5. **Summary of Submission:**  
In July 2020, the Board of Selectmen authorized Town Manager, Maria Capriola, to execute the grant application for an Open Space and Watershed Land Acquisition Grant to help defray Meadowood acquisition costs. The Board also authorized acceptance of the grant should it be awarded, as well as for the Town Manager to execute all necessary grant documents.  
  
The Town received official notification that we have been awarded \$400,000 from this grant program towards the purchase of Meadowood. Therefore, the funding needs to be formally appropriated.  
  
This item was reviewed by the Board of Selectmen at their regular meeting on June 14, 2021.
6. **Financial Impact:**  
The value of the grant award is \$400,000. This award will not affect the Town's planned financial contribution to the acquisition.
7. **Description of Documents Included with Submission:**  
None



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

- Title of Submission:** Library Boiler and HVAC Repairs Supplemental Appropriation Request
- Date of Board Meeting:** June 15, 2021
- Individual or Entity Making the Submission:**  
Maria Capriola, Town Manager; Amy Meriwether, Finance Director; Tom Roy, Public Works Director

**Action Requested of the Board of Finance:**

If the Board of Finance supports the supplemental appropriation request, the following motion is in order:

*Move, effective June 15, 2021 to approve the supplemental appropriation request of \$25,000 for the repair of the boiler and HVAC controllers at the Simsbury Public Library.*

**Summary of Submission:**

One of the two boilers at the Simsbury Public Library began leaking this past winter and is in need of repair prior to the next heating season. The failure/leak of the boiler was unexpected as this unit is only 15 years old. Public Works has had the second boiler evaluated and it was found to be in good condition, making the repair of the leaking boiler the most economical choice. Now that we are safely out of the heating season, we are in a good position to make the necessary repairs. The cost for this work will be \$9,250 +/-.

In addition to the boiler work at the Library, we have had two failures of the HVAC controllers at the Library in the last month. These controllers are essentially the electronic "brain" that regulates the air flow and runs the air handler units. We have the upgrade of all of the controllers at the Library scheduled in our Facilities Master Plan for ~ 5 years out. To replace the failing controllers and improve system reliability, the cost is approximately \$14,000. This would greatly improve the operational reliability of the system.

Notification of the proposed repairs was sent to the Board of Finance Chair and reviewed by the Board of Selectmen at their regular meeting on June 14, 2021.

**Financial Impact:**

Total estimated costs to repair the boiler and HVAC controls is \$23,250, with an estimated contingency of \$1,750. The total requested supplemental appropriation is \$25,000.

There are significant year end savings in the General Fund. This would result in a slightly reduced amount of the year end savings at the end of the fiscal year for the \$25,000 in work proposed.

**Description of Documents Included with Submission:**

None



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

- Title of Submission:** Economic Development Commission Supplemental Appropriation Request
- Date of Board Meeting:** June 15, 2021
- Individual or Entity Making the Submission:**  
Maria Capriola, Town Manager

**Action Requested of the Board of Finance:**

If the Board of Finance supports the supplemental appropriation request, the following motion is in order:

*Move, effective June 15, 2021 to approve the supplemental appropriation for the Economic Development Commission and Chamber of Commerce in the amount of \$11,305 for the implementation of a co-working website.*

**Summary of Submission:**

At the November 23, 2020 Board of Selectmen meeting, the Board approved the 2020-2021 work plan for the Economic Development Commission (EDC). The assigned task for the "Support Entrepreneurs" work stream is "develop a plan for co-working space." This action item was also included in the 2019-2020 adopted work plan. The EDC members assigned to this item are Ron Jodice and Peter Van Loon, with staff support from Andrew Sherman, Business and Career Center Coordinator.

The need for co-working space was identified prior to the pandemic, and this demand has only increased over the past year due to the focus on remote work during the pandemic. The Business and Career Center continues to see a demand for space at the Library, and we received anecdotal feedback from a local hotel that they received six inquiries regarding co-working space in the past two weeks.

This effort is intended to not only support local professionals and entrepreneurs, but also to support local property owners. Many property owners lost tenants this past year, and as people are returning to work, they are less inclined to invest in long-term lease options. This proposal will address an immediate need for our local property owners who are looking to reduce vacancies and diversify their revenue opportunities as they recover from the pandemic.

The EDC and the Simsbury Chamber of Commerce have worked together to develop a concept to meet both of these needs, in the form of a customized website platform to connect property owners with professionals who are looking for short-term, temporary office space. The website will be developed and managed with the in-house expertise from the Chamber of Commerce. The partnership between the Chamber of Commerce and the Town would be for three years, after

which the project success would be evaluated, and it would be determined whether to continue or if terms and other changes are necessary.

At their meeting on May 26, 2021, the EDC voted unanimously to recommend to the BOS that we proceed with this project. At their meeting on June 9, 2021, the Simsbury Chamber of Commerce Board of Directors also voted unanimously to support this project.

This item was reviewed by the Board of Selectmen at their regular meeting on June 14, 2021.

**6. Financial Impact:**

The start-up costs for this project are estimated at \$6,305. This includes the purchase of the website URL (\$135), website hosting and security (\$170), website development (\$3,500), and annual project management costs (\$2,500). Annual project costs for years two and three are \$2,500 each year. The total start-up and ongoing costs for three years is \$11,305.

Staff proposes using the federal stimulus funds under the American Rescue Plan (ARP) for the start-up costs, and any ongoing costs for the three-year pilot period. ARP funds can be committed through 2026; should the pilot period be successful, we could extend our agreement with the Chamber of Commerce for an additional two years.

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

None



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

1. **Title of Submission:** SPIRIT Council Supplemental Appropriation Request

2. **Date of Board Meeting:** June 15, 2021

3. **Individual or Entity Making the Submission:**

Maria Capriola, Town Manager

4. **Action Requested of the Board of Finance:**

If the Board of Finance supports the supplemental appropriation request, the following motion is in order:

*Move, effective June 15, 2021 to approve the supplemental appropriation for additional funding for the Simsbury SPIRIT Council in the amount of \$22,000 to support data collection and analysis efforts.*

5. **Summary of Submission:**

The SPIRIT Council's mission is to represent the community at large and serve as Diversity Champions to help Simsbury become more inclusive – fostering awareness, action, and a community where all voices are welcome and each and every individual can live, work, learn, and play in a safe environment with meaningful and healthy relationships. The SPIRIT Council has a Data/Audit Subcommittee dedicated to gathering data and assessing progress towards diversity, equity and inclusion goals developed by the Simsbury SPIRIT Council.

At the February 8, 2021 Board of Selectmen meeting SPIRIT Council was granted a supplemental appropriation of \$3,000 for data collection to start the process with other funds being built into the Board of Selectmen's FY 21/22 budget. The Board of Finance removed this funding and noted a commitment to fund the work with year-end savings, which typically occurs in early fall. SPIRIT has asked for those funds to be released now rather than waiting.

This item was reviewed by the Board of Selectmen at their regular meeting on June 14, 2021.

6. **Financial Impact:**

The requested \$22,000 was not budgeted in the current fiscal year, therefore a supplemental appropriation is needed to fund the proposed work. If approved, at fiscal-year-end close, the appropriation could be funded by offsetting expenditure savings, or a transfer of funds from the General Fund Reserve to cover the expense.

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

None



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

1. **Title of Submission:** Request to Establish a Special Revenue Fund – ARP Funds

2. **Date of Board Meeting:** June 15, 2021

3. **Individual or Entity Making the Submission:**

Amy Meriwether, Finance Director

4. **Action Requested of the Board of Finance:**

If the Board of Finance supports establishing a special revenue fund, the following motion is in order:

*Move, effective June 15, 2021 to establish a special revenue fund for the recording of the anticipated American Rescue Plan funds.*

5. **Summary of Submission:**

The U.S. Department of Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds program that was authorized by the American Rescue Plan Act. This program provides \$350 billion in emergency funding for eligible state, local, territorial and Tribal governments to help address the economic fallout related to the pandemic, and lay out the foundation for a strong and equitable recovery. Funding objections include:

- Supporting urgent COVID-19 response efforts to continue to decrease the spread of the virus and bring the pandemic under control
- Replace lost public sector revenue to strengthen support for vital public services and help retain jobs
- Support immediate economic stabilization for households and businesses
- Address systemic public health economic challenges that have contributed to the inequal impact of the pandemic.

Simsbury is anticipated to receive \$7,515,665<sup>1</sup> in total relief funding that will be distributed in two tranches – 50% now and 50% next year. Due to the multi-year term and large value of funding, staff would like to segregate these funds into their own fund for ease of accounting, reporting and transparency.

6. **Financial Impact:**

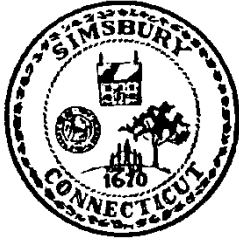
None

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

None

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<sup>1</sup> This includes our municipal allocation and our share of the county allocation



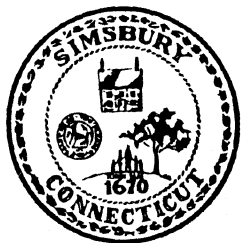
# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Agenda Item Submission Form

1. **Title of Submission:** Proposed Amended Defined Contribution Investment Plan Policy
2. **Date of Board Meeting:** June 15, 2021
3. **Individual or Entity Making the Submission:**  
Maria Capriola, Town Manager
4. **Action Requested of the Board of Finance:**  
If the Board of Finance supports the amended defined contribution investment plan policy, the following motion is in order:  
  
*Move, effective June 15, 2021 to approve the amended defined contribution investment plan policy as amended.*
5. **Summary of Submission:**  
At the regular Board of Finance meeting on May 18, 2021, the Board approved the amended Defined Contribution Pension Plan Investment Policy as recommended by the Retirement Plan Subcommittee with the following redaction in Section IV, Item 3: "The Town Manager is responsible for selecting the Plan's Administrator." Further clarification on the assignment of responsibilities was sought from the Town Attorney. Clarification was provided that the day to day responsibilities fall under the purview of the Town Manager. The following clarifying statement was added to the policy and is now ready to be finalized: "in accordance with paragraph 2 above. The Town Manager or his/her designee is responsible for serving as the Plan's Administrator."
6. **Financial Impact:**  
None
7. **Description of Documents Included with Submission:**
  - Proposed Amended Defined Contribution Pension Plan Investment Policy





# Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

**TOWN OF SIMSBURY**  
**DEFINED CONTRIBUTION PENSION PLANS INVESTMENT POLICY STATEMENT**  
*Adopted by the Board of Finance on May 18, 2021*  
*Previously Adopted by the Retirement Plan Sub-Committee in 2014*

## **I. Plan Description**

The Town of Simsbury sponsors the Simsbury 457/401 Plans (the "Plan") for the benefit of its employees. It is intended to provide eligible employees with the long-term accumulation of retirement savings through a combination of employee and employer contributions to individual participant accounts and the earnings thereon.

The Plan's participants and beneficiaries are expected to have different investment objectives, time horizons and risk tolerances. To meet these varying investment needs, participants and beneficiaries will be able to direct their account balances among a range of investment options to construct diversified portfolios that reasonably span the risk/return spectrum. Participants and beneficiaries alone bear the risk of the results from the investment options and asset mixes that they select.

## **II. Purpose of the Investment Policy Statement**

This investment policy statement is intended to assist the Plan's fiduciaries, who are charged with making investment-related decisions for the plan in a prudent manner. It outlines the underlying philosophies and processes for the selection, monitoring and evaluation of the investment categories and investment options utilized by the Plan. Specifically, this Investment Policy Statement:

- Defines the Plan's investment objectives
- Defines the roles of those responsible for the Plan's investments
- Describes the criteria and procedures for selecting investment categories and investment options
- Establishes investment performance measurement standards and monitoring procedures
- Describes methods for addressing investments that fail to satisfy established objectives

This Investment Policy Statement will be reviewed periodically, and, if appropriate, can be amended as needed.

## **III. Investment Objective**

The following criteria may be considered when choosing a menu of investment options:

- The menu of investment options should represent a broad range that allows for participant choice among various asset classes and investment styles.
- Investment options should have varying degrees of risk and potential for return.
- Investment options should have returns that are competitive in the marketplace when compared to appropriate benchmarks.

- Investment options should have total expense ratios that are competitive in the marketplace.

These are not necessarily the only criteria that may be considered.

#### **IV. Assignment of Responsibilities**

The parties responsible for the management and administration of the Plan include:

1. The Town of Simsbury Retirement Plan Sub-Committee, (the "Committee") which is responsible for:
  - Recommending the Investment Policy Statement
  - Recommending investment options
  - Periodically evaluating the Plan's investment performance and recommending investment option changes
2. The Town of Simsbury Board of Finance, (the "Board") which is responsible for:
  - Approving and maintaining the Investment Policy Statement
  - Selecting investment options
  - Periodically evaluating the Plan's investment performance and selecting investment option changes
  - Approving the continuation of business relationships with investment managers, custodians, and other vendors, if any
3. The Plan's Administrator is responsible for day to day administration of the plan **in accordance with paragraph 2 above. The Town Manager or his/her designee is responsible for serving as the Plan's Administrator.**
4. The Plan's Trustee, who is responsible for holding and investing plan assets in accordance with the terms of the Trust Agreement. The Finance Director or his/her designee is responsible for serving as the Plan's Trustee.
5. The Investment Managers of the Plan options, who are responsible for making reasonable investment decisions consistent with the stated approach as described by prospectus and reporting investment results on a regular basis.
6. The Plan Record keeper, who is responsible for maintaining and updating individual account balances as well as information regarding plan contributions, withdrawals and distributions.

At the Board of Finance's discretion, the services of an investment consultant may be utilized to assist the Committee, Board, Town Manager and Finance Director with any of the following, including, without limitation: Investment policy development, fund menu construction, fund analysis and recommendations, performance monitoring, and employee education.

#### **V. Selection of Investments**

Set forth below are the considerations and guidelines employed in selection of investment options:

The Plan intends to provide a broad range of investment options that will span a risk/return spectrum. Further, the Plan's investment options will allow Plan participants

to construct portfolios consistent with their unique individual circumstances, goals, time horizons and tolerance for risk.

After determining the asset classes to be used, the Board must evaluate and select investment options. Each investment option should be managed by a prudent expert that meets certain minimum criteria:

- Be a bank, insurance company, mutual fund company, or investment adviser registered under the Registered Investment Advisers Act of 1940.
- Be operating in good standing with regulators and clients.
- Provide qualitative and quantitative information on the history of the firm, its investment philosophy and approach, and other relevant information.

Assuming the minimum criteria are met, additional factors that may be considered include:

- Results compared to an appropriate, style-specific benchmark and peer group.
- Adherence to stated investment objective.
- Fees compared to similar investments in the marketplace.
- Availability of relevant information in a timely fashion.

## **VI. Investment Monitoring and Reporting**

The Committee will periodically review the investment options in the Plan. Investment options that no longer accept participant and/or employer contributions and cannot be removed from the Plan due to contractual limitations and where participants have been notified of this will not be monitored by the Committee. Performance monitoring is the mechanism for revisiting the investment option selection process and confirming that the criteria originally satisfied remain intact and that an investment option continues to be an appropriate offering. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going process.

Monitoring should occur on a periodic basis. The monitoring process may utilize the same criteria that formed the basis of the investment selection decision; however, these are not the only criteria that may be considered. In addition, a set of “watch list criteria” may be employed to track important quantitative and qualitative elements, assist in the evaluation process, and focus the Committee on potential areas of concern.

Watch list criteria may include the following:

- Results versus benchmark over a specified period of time
- Deterioration of risk-adjusted performance
- Notable style drift / change in investment objective
- Expense ratio versus category average
- Significant organizational or manager change

## **VII. Termination of an Investment Option**

An investment option may be terminated when the Board, in consultation with the Committee, has lost confidence in the manager's ability to:

- Achieve investment objectives,

- Comply with investment guidelines,
- Comply with reporting requirements, or
- Maintain a stable organization and retain key relevant investment professionals.

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

Any recommendation to terminate an investment option will be treated on an individual basis, and will not be made solely based on quantitative data. In addition to those above, other factors may include professional or client turnover, or material change to investment processes. Considerable judgment must be exercised in the termination decision process.

An investment option to be terminated shall be removed using one of the following approaches:

- Remove and replace (map assets) to an alternative comparable option,
- Freeze assets in the terminated option and direct new assets to a replacement option,
- Phase out the option over a specific time period,
- Remove the option and do not provide a replacement option, or
- A reasonable solution that may be determined at the time of termination.

The process for selecting a replacement for a terminated investment option may follow the criteria outlined in Part V, Selection of Investments.

### **VIII. Participant Education and Communication**

The Plan will communicate to employees that:

- They control their own investments,
- Investment changes are permitted on a daily basis and may be subject to individual investment option requirements,
- Educational materials allowing employees to make informed decisions are readily available.

### **IX. Coordination with the Plan Document**

If any term or condition of this investment policy conflicts with any term or condition in the Plan Document, the terms and conditions of the Plan Document shall control.

### **X. Approval**

It is understood that this investment policy is to be reviewed periodically by the Retirement Plan Sub-Committee and the Board of Finance to determine if any revisions are warranted by changing circumstances including, but not limited to, changes in financial status, risk tolerance, or changes involving the investment managers. The Retirement Plan Sub-Committee will make recommendations to the Board of Finance. The Board of Finance has the authority to officially adopt, revise, or rescind this Policy in consultation with the Board of Education and Selectmen.

**Board of Finance**  
**TOWN OF SIMSBURY, CONNECTICUT**  
**SPECIAL MEETING MINUTES**  
**Tuesday, May 18, 2021 at 5:45 P.M.**  
**Zoom Meeting/Simsbury Community Television Live Stream**

**PRESENT:** Lisa Heavner, Arthur House, Derek Peterson, and Robert Pomeroy

**ALSO PRESENT:** Sean Askham, Deputy First Selectman; Tom Fitzgerald, Management Specialist; Amy Meriwether, Director of Finance

**1. Call to Order - Establish Quorum**

Mr. Pomeroy called the meeting to order at 5:49 P.M.

**2. Pledge of Allegiance**

All present stood for the Pledge of Allegiance

**3. Finance Director's Report**

Ms. Meriwether provided an update on Grants and Donations then reviewed the anticipated American Rescue Plan funding, which is emergency funding released by the Federal Government and passed through the State. She stated Simsbury is expected to receive approx. \$2.5M in Town funding and \$966,442 in Board of Education funding. She provided an overview of eligible uses for these funds which include providing services to mitigate the spread of COVID-19, responding to revenue losses, improvements to water and sewer infrastructure, services to address health disparities, anything addressing the negative economic impact, premium pay for essential workers, and improvements related to the broadband infrastructure. Ms. Meriwether stated staff is putting together a proposed list of uses which will be discussed at future Board of Selectmen and Board of Education meetings. She said further guidance will be needed to determine what can be funded, and Ms. Heavner added that her understanding of the involvement of the Board of Finance is limited to the role of appropriation. She said they will provide transparency, spend reporting, communications and give feedback as part of community input, and asked Ms. Meriwether to keep the Board updated as she received more guidance. Ms. Heavner also mentioned that there is a possibility to receive community grants for counties. Initial projections for County allocations are close to \$5M. She added there may also be additional library allocations, but nothing is confirmed yet. Ms. Meriwether talked about the Latimer Lane Project and reported that Tecton presented detailed project specifications at the last Board of Education meeting. This presentation was shared with the Board of Finance.

**4. Town Quarterly Budget Status Report**

Ms. Meriwether reported as of March 31, 2021, revenues total \$99,493,677 or 97% of the budget. She outlined some of the drivers including the Tax Department being over 100% of collections, the Building Dept exceeding budget estimates by \$580K, the Town Clerk's recording fees are currently over budget by \$60K and conveyance taxes are at 100% of budget. She reported the Finance Department is not going to meet their budget and are currently at \$350K under budget for investment income. Ms. Meriwether stated that a surplus of approx. \$700K is anticipated on the town side. Ms. Heavner said it would be helpful to include projected

reserve levels and corresponding percentage to the report going forward. Ms. Meriwether reported on expenditure which totaled \$76,058,525 or 73% of budget and are currently proceeding in accordance with budget. She mentioned the Simsbury Farms fund's revenue is more than expenditures by about \$239K and overall \$110K to the good compared to this time last year. For The Health Insurance Fund, she reported revenues are exceeded expenditures by \$1,154,888 and if claims continue as they have been there will be a potential savings of \$1.7M. Reserves as of March 31, 2021 totaled \$5.5M, or 37% of expected claims. Ms. Heavner asked for future reports to include the year capital projects were approved, the original appropriation, and any projects that have exceeded the 3-year mark where an extra appropriation is needed.

### **5. Board of Education Quarterly Budget Status Report**

Ms. Meriwether reported some highlights on the revenue side for the Board of Education which included a notification received in April for an additional award of \$7K for the Open Choice Academic and Social Support grant to be used by the end of the year. Simsbury was awarded \$1.5M from the Open Choice Attendance and Early Learning grant, which is an increase of approx. \$26K. On the Special Education grant she reported a final award of approx. \$1.8M and the Talent Development (TEAM) received a small grant of \$4,302 which is a decrease of \$713 compared to last year. She reported on the expenditure side most of the fluctuations from the previous year to this year was mainly COVID related. She said they have implemented a spending freeze and are expecting a deficit of approx. \$900K. The Board of Finance previously appropriated approx. \$650K of the non-Lapsing fund to help cover this cost and the remainder is anticipated to be covered by grants.

### **6. FY21/22 Setting of the Mill Rate**

Mr. Pomeroy opened the conversation stating the final step in the budget making process is for the Board of Finance to formally set the mill rate for FY21/22. The proposed increase is from 37.09 mills to 37.41mills for the town, which was identified during the budget process. He noted the mill rate for the Fire District was set at 1.22 mills from 1.19 mills which was an increase of approx. 2.5%. The combined tax mill rate will increase to 38.63 mills.

**MOTION:** Ms. Heavner made a motion, effective May 18, 2021 to set the mill rate for the Fiscal Year 2021/2022 at 37.41 mills. Mr. House second the motion. All were in favor, and the motion carried unanimously.

### **7. Supplemental Appropriation for North End Sidewalk Project**

Mr. Pomeroy noted there is no additional impact on the town because when the price of this project increased the grant also increased.

**MOTION:** Ms. Heavner made a motion, effective May 18, 2021 to approve the supplemental appropriation request for the North End sidewalk project as presented. Mr. Peterson second the motion. All were in favor, and the motion carried unanimously.

### **8. Approval of Tax Collector Suspense List**

Mr. Pomeroy asked for clarification on how the current suspense list of \$88K compares to previous years and Ms. Meriwether confirmed it's the same or less. He stated that these debts

are not forgiven and are still owed and represented by tax liens on vehicles and property, but for administrative purposes this allows the Tax Collector to move these into a separate column.

**MOTION:** Mr. Peterson made a motion, effective May 18, 2021 to approve the suspense list in the amount of \$88,866.42 and authorize Tax Collector Colleen O'Connor to transfer these accounts to the Suspense Tax Book. Mr. House second the motion. All were in favor, and the motion carried unanimously.

### **9. Request to Establish a Special Revenue Fund**

Ms. Meriwether stated that funds were received in 2010 by the senior center where it was listed as the beneficiary of a will. The money was deposited into the Social Service Contributions Special Revenue Fund and in 2011, the Board approved the use of these funds to be put towards the construction of or improvements to the Senior Center. She said since these funds have been assigned by the Board of Selectmen for a specific purpose, this purpose cannot be changed, or funds used outside its purpose without the Board's formal approval. She provided three options as to where the funds could move to, and Mr. Pomeroy offered his opinion that they should be moved to the Capital Reserve Fund with a designation on it.

**MOTION:** Ms. Heavner made a motion, effective May 18, 2021 to transfer these funds into the Capital Reserve Fund as assigned for their stated purpose of the construction of or improvements to the Senior Center. Mr. House second the motion. All were in favor, and the motion carried unanimously.

### **10. Retirement Plan Sub-Committee Quarterly Update (Oral Report)**

Mr. Peterson said he attended the last Retirement Plan Sub-Committee meeting and provided an overview of the Retirement Plan quarterly update. He said interest rates and inflation are expected to increase. He reported the Simsbury Pension Plan valued assets year over year remain flat but well-funded at about 70%. He reported the Police Retirement fund had increased year over year and is well funded at about 80%. He said the sub-committee has recommended the Board of Finance take action with one of the asset allocation managers, Templeton Global Bond, and spread their allocations over the other 3 fixed income managers as they were not performing well. He said the sub committee also recommended all the changes and updates provided by Ms. Heavner on the Deferred Contribution Plan Investment policy.

**MOTION:** Mr. House made a motion, effective May 18, 2021 to accept the changes to eliminate Templeton Global Bond fund and spread their allocations over the three remaining fixed income managers of Metropolitan West, Western Asset Core, and Blackrock. All were in favor, and the motion carried unanimously.

Mr. Pomeroy spoke about the updates submitted to the Investment policy for the Defined Contribution plan. Ms. Heavner provided an additional change of eliminating the line "The Town Manager is responsible for selecting the Plan's Administrator" as there is confusion around what that means. It has been raised and is currently being reviewed for clarification by Counsel.

**MOTION:** Ms. Heavner made a motion, effective May 18, 2021 to approve the draft of the Defined Contribution Investment Policy statement with the eliminations of the words in Section

IV #3 “The Town Manager is responsible for selecting the Plan’s Administrator”. The motion was seconded by Mr. House. All were in favor and the motion passed unanimously.

### **11. FY22/23 Capital Project Budget Workgroup**

Mr. Pomeroy suggested forming a work group to move the capital project part of the budget out of the operating / Referendum process and start working on it earlier in the year. He added it gets lost in the overall process and that these projects are longer-term projects and don’t rely on the previous year’s budget numbers. He suggested starting this process in the Summer and by the end of the year they would have it complete before working on the operating budget in Jan/Feb. Mr. House agreed with the recommendation and Ms. Heavner agreed also adding to ensure policy changes were reviewed and projects were communicated. Mr. Pomeroy suggested the Board think about it further and determine how it’s communicated formally to the other two Boards, and perhaps make a recommendation and get it on their agenda to discuss and act on in July, if possible.

### **12. Approval of Minutes**

**MOTION:** M. House made a motion to approve the minutes of the April 6, 2021 Regular Board of Finance Meeting and Public Hearing as presented. The motion was seconded by Mr. Peterson. All were in favor and the motion passed unanimously.

### **13. Communications**

Communications provided in the packet included the Tecton Architects Presentation on the Latimer Lane Renovation. Mr. Pomeroy said it’s good to see the plans and be kept informed.

### **14. Adjourn**

**MOTION:** Mr. Peterson made a motion to adjourn the meeting at 6:32 P.M. Mr. House seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,

Marion Lynott  
Commission Clerk





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June 8, 2021

The Board of Finance  
Town of Simsbury, Connecticut

We are engaged to audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Town of Simsbury, Connecticut as of and for the year ended June 30, 2021. Professional standards require that we communicate to you the following information related to our audit. We will contact you to schedule a meeting to discuss this information since a two-way dialogue can provide valuable information for the audit process.

**Our responsibility under Auditing Standards Generally Accepted in the United States of America and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the Connecticut State Single Audit Act**

Our responsibilities, as described by professional standards, are as follows:

- Forming and expressing opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America.
- Considering, as part of planning and performing our audit, the entity's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.
- Considering internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with 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.
- Planning and performing the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements as a whole are free from material misstatement.
- Performing, as part of obtaining reasonable assurance about whether the entity's financial statements are free of material misstatement, tests of the entity's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit.
- Examining, in accordance with the Uniform Guidance and the Connecticut State Single Audit Act, on a test basis, evidence about the entity's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Compliance Supplement" and the "Compliance Supplement to the Connecticut State Single Audit Act" applicable to each of its major federal and state



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programs for the purpose of expressing an opinion on the entity's compliance with those requirements. While our audit will provide a reasonable basis for our opinion, it will not provide a legal determination on the entity's compliance with those requirements.

- Communicating significant matters related to the financial statement audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the financial statements does not relieve you or management of your responsibilities.

With respect to the required supplementary information (RSI) accompanying the financial statements, we will make 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 will compare 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 will not express an opinion or provide any assurance on the RSI.

Our responsibility for the schedule of expenditures of federal awards (SEFA) and schedule of expenditures of state awards (SESFA), as described by professional standards, is to evaluate the presentation of the SEFA and SESFA in relation to the financial statements as a whole and to report on whether the SEFA and SESFA are fairly stated, in all material respects, in relation to the financial statements as a whole. We will make certain inquiries of management and evaluate the form, content, and methods of preparing the SEFA and SESFA to determine whether the SEFA and SESFA comply with the requirements of the Uniform Guidance and Connecticut State Single Audit Act, the method of preparing it has not changed from the prior period, and the SEFA and SESFA are appropriate and complete in relation to our audit of the financial statements. We will compare and reconcile the SEFA and SESFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Our responsibility for other supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole. We will make certain inquiries of management and evaluate the form, content, and methods of preparing the information to determine whether 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, and the information is appropriate and complete in relation to our audit of the financial statements. We will compare and reconcile the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Our auditors' opinions, 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. Our responsibility for

other information in documents containing the entity's financial statements and our auditors' report does not extend beyond the financial information identified in the report. 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 such documents. We are required by professional standards to read the other information in order to identify material inconsistencies between the audited financial statements and the other information because the credibility of the audited financial statements and our report may be undermined by material inconsistencies between the audited financial statements and other information.

### **Planned scope and timing of the audit**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit of the financial statements will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters may be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

We expect to begin our audit on approximately September 27, 2021 and issue our report on approximately November 22, 2021.

### **Other planning matters**

Recognizing the importance of two-way communication, we encourage you to provide us with information you consider relevant to the audit. This may include, but is not limited to, the following items:

- Your views about the following matters:
  - The appropriate person(s) in the entity's governance structure with whom we should communicate.
  - The allocation of responsibilities between those charged with governance and management.
  - The entity's objectives and strategies and the related business risks that may result in material misstatements.
  - Matters you believe warrant particular attention during the audit and any areas for which you request additional procedures to be undertaken.
  - Significant communications with regulators.

- Other matters you believe are relevant to the audit of the financial statements.
- The attitudes, awareness, and actions of those charged with governance concerning (a) the entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control, and (b) the detection or the possibility of fraud.
- The actions of those charged with governance in response to developments in law, accounting standards, corporate governance practices, and other related matters.
- The actions of those charged with governance in response to previous communications with the auditor.
- Your understanding of the risks of fraud and the controls in place to prevent and detect fraud, including your views on the following matters:
  - The “tone at the top” conveyed by management.
  - The risk that the entity’s financial statements or schedule of expenditures of federal awards might be materially misstated due to fraud.
  - Programs and controls that the entity has established to mitigate identified fraud risks or that otherwise help to prevent, deter, and detect fraud.
  - How and how often you review the entity’s policies on fraud prevention and detection.
  - If a fraud hotline is in place, how it is monitored and how you are notified of allegations or concerns.
  - How you exercise oversight of management’s processes for identifying and responding to the risks of fraud and the programs and controls management has established to mitigate those risks.
  - The risks of fraud at the entity, including any specific fraud risks the entity has identified or account balances, classes of transactions, or disclosures for which a risk of fraud may be likely to exist.
  - Examples of fraud-related discussions management has had with you.
  - Any actual or suspected fraud affecting the entity or its federal award programs that you are aware of, including measures taken to address the fraud.
  - Any allegations of fraud (e.g., received in communications from employees, former employees, analysts, regulators, grantors, or others) that you are aware of.
  - Any knowledge of possible or actual policy violations or abuses of broad programs and controls occurring during the period being audited or the subsequent period.

- Any accounting policies or procedures applied to smooth earnings, meet debt covenants, minimize taxes, or achieve budget, bonus, or other financial targets that you are aware of; and whether you are aware of any accounting policies that you consider aggressive.
- How you oversee the entity's (1) compliance with laws, regulations, and provisions of contracts and grant agreements (2) policies relative to the prevention of noncompliance and illegal acts, and (3) use of directives (for example, a code of ethics) and periodic representations obtained from management-level employees about compliance with laws, regulations, and provisions of contracts and grant agreements.
- Whether you are aware of any noncompliance with laws, regulations, contracts, and grant agreements, including measures taken to address the noncompliance.
- If the entity uses a service organization, your knowledge of any fraud, noncompliance, or uncorrected misstatements affecting the entity's financial statements or federal award programs reported by the service organization or otherwise known to you.

\* \* \*

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

Sincerely,

**CliftonLarsonAllen LLP**



Nikoleta D. McTigue, CPA  
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# TOWN OF SIMSBURY - BUILDING DEPARTMENT

## Monthly Report - April 2021

	Building		Mechanical		Totals				
	Permits Issued	Construction Value	Permits Issued	Construction Value	Total All Permits	Total All Construction Value	Total Actual Receipts	Total Inspections	Total Zoning Compliance
Commercial	6	\$570,700	9	\$1,068,070	15	1,638,770			
Residential	137	\$3,049,211	202	\$1,112,813	339	4,162,024			
<b>Totals</b>	<b>143</b>	<b>\$3,619,911</b>	<b>211</b>	<b>\$2,180,883</b>					
					<b>354</b>	<b>\$5,800,794</b>	<b>\$60,332</b>	<b>234</b>	<b>85</b>