



# Town of Simsbury

933 Hopmeadow Street Simsbury, Connecticut 06070

## Board of Finance Amended Agenda Submission

September 12, 2019

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, September 17, 2019**, in the Main Meeting Room of the Simsbury Town Hall, 933 Hopmeadow Street, Simsbury, Connecticut.

The Agenda is as follows:

1. Call to Order
2. Pledge of Allegiance
3. Debt Management Discussion
  - Draft Debt Policy
  - Best Practices Overview: Phoenix Advisors
4. FY18/19 Year End Results
5. Proposed General Fund Transfers
6. Proposed Capital Project Transfers
7. Presentation: Fiduciary Investment Advisors
8. Defined Contribution and Deferred Compensation Plan Request for Qualifications
9. Tax Abatement Process Improvement Recommendations
10. Cyber-Security Update
11. Finance Director's Report
12. Approval of Minutes:
  - July 30, 2019
13. Communications
  - GFOA Award Letter
14. Adjourn

Yours Truly,  
Robert Pomeroy  
Chairman

**Board of Finance Regular Meeting Schedule:**

Tuesday, October 15, 2019

Tuesday, November 19, 2019

Tuesday, December 17, 2019

Tuesday, January 21, 2020



# TOWN OF SIMSBURY

## BOARD OF FINANCE AGENDA SUBMISSION FORM

1. **Title of Submission:** Draft Debt Policy
2. **Date of Board Meeting:** September 17, 2019
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 the adoption of the draft debt policy as presented, the following motion is in order:

*Move, effective, September 17, 2019, to adopt the Debt Policy as revised and presented.*

Note: If approved, this policy will be forwarded to the Board of Selectmen at their next regular meeting for their consideration to adopt so the Town is operating under one debt policy.

5. **Summary of Submission:**  
Policy review on a regular basis ensures the Town's policies remain effective and in compliance with best practice. Management is in the process of reviewing all town policies for appropriate update. The debt policy was last adopted by the Town on February 15, 1989.

The debt policy has always been under the purview of the Board of Finance as a past practice. During the process of updating the debt policy it was found that the authority to issue debt rests with the Board of Selectmen per the Town Charter. Section 813 of the Town Charter states, "The Town shall have the power to incur indebtedness by issuing its bonds or notes as provided by the General Statutes subject to the limitations thereof and the provisions of this Charter. The issuance of bonds and notes, except tax anticipation notes, **shall be authorized by resolution of the Board of Selectmen** in accordance with the provisions of Chapter IV of this Charter. The issuance of **notes, the term of which does not exceed one (1) year, may be authorized by the Board of Selectmen upon recommendation of the Board of Finance** in accordance with Section 809 of this Charter." Staff has consulted with bond counsel and the Town Attorney on this matter and they have confirmed the responsibility of the Board of Selectmen.

Given the past involvement of the Board of Finance with regards to the management and monitoring of the Town's debt, staff further investigated the origin of the Charter language to ensure there was not an error during a previous Charter revision. Town Clerk, Ericka Butler, reviewed the last several charter revisions and it was determined the current Charter language is accurate and there is no evidence of error during a prior revision.

The above narrative was originally brought to the Board of Finance at their special meeting on July 30, 2019. After much discussion, the Board of Finance expressed an interest in discussing the Charter language directly with the town attorney and bond counsel as it relates to the Board of Finance's budget making authority. Robert Decrescenzo, Town Attorney and Judith Blank, Bond

Counsel will be in attendance at the Board of Finance meeting on September 17, 2019 to answer questions of the Board of Finance and bring clarity to the debt issuance authority and budget making authority as interpreted by the Town Charter.

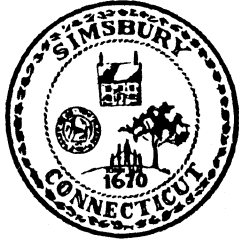
The Board of Finance also expressed they would like to formally adopt a debt policy that sets forth their guidelines on how the Town's debt should be managed. Attached is the draft policy for the review and discussion of the Board of Finance. If approved, the policy will be forwarded to the Board of Selectmen at their next regular meeting for review. The draft policy has been reviewed by the Town's bond consultant, Phoenix Advisors, and they are supportive of the policy as written.

**6. Financial Impact:**

None

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

- Draft Revised Debt Policy



# Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

## TOWN OF SIMSBURY DEBT MANAGEMENT POLICY

*Adopted by the Board of Finance on February 15, 1989*

*Revised and Adopted by the Simsbury Board of Finance on September XX, 2019*

### **I. Purpose**

The purpose of a debt management policy is to establish written and objective guidelines to improve the quality of decision-making on long-term capital planning and on the appropriateness of utilizing debt to fund capital expenditures at the most economically advantageous rates of interest. The Town will confine long-term borrowing to capital improvements or projects that cannot be financed with current revenues. This policy recognizes the infrastructure needs of the Town as well as the taxpayer's ability to pay while taking into account existing legal, economic, financial and debt market considerations.

The primary objectives of this policy are to:

- Establish conditions for the issuance of debt for the purpose of funding capital projects.
- Plan for long and short-term issuance to finance the Town's capital program based on cash flow needs, sources of revenue, capital construction periods, available financing instruments and market conditions.
- Minimize the Town's debt service and issuance costs.
- Retain the highest credit rating and ensure financial integrity while providing a funding mechanism to meet the Town's capital needs.
- Maintain full and complete financial disclosure and reporting.

This policy is based on the practices recommended by the Government Financial Officers Association (GFOA) to facilitate compliance with local, state and federal laws and regulations.

### **II. Applicability**

This policy applies to all staff, elected officials, and appointed officials involved in the procurement process.

### **III. Effective Date**

This policy shall remain in effect until revised or rescinded. The Board of Finance reserves the right to amend this policy as necessary.

#### IV. Authority and Responsibility

1. Borrowing Authority: The Town shall have the power to incur indebtedness in accordance with Connecticut General Statutes subject to the limitations and provisions of the Simsbury Town Charter, Chapter VIII; Section 813. As stated, the issuance of bonds and notes, except tax anticipation notes, shall be authorized by resolution of the Board of Selectmen upon the recommendation of the Board of Finance. The issuance of notes, the term of which does not exceed one (1) year, may be authorized by the Board of Selectmen upon recommendation of the Board of Finance.
  
2. Responsibility: It shall be the responsibility of the Board of Selectmen, the Town Manager and the Finance Director to issue debt in compliance with the terms outlined in this policy and in compliance with the Town Charter, State and Federal law and upon recommendation of the Board of Finance. The primary responsibility of debt management rests with the Finance Director. The Finance Director shall:
  - Provide for the issuance of debt at the lowest possible cost and risk;
  - Determine the available debt capacity;
  - Provide for the issuance of debt at appropriate intervals and in reasonable amounts as required to fund approved expenditures;
  - Recommend to the Board of Finance the manner of sale of debt;
  - Monitor opportunities to refund debt and recommend such refunding as appropriate;
  - Comply with all Internal Revenue Service (IRS), Securities and Exchange Commission (SEC), and State and local rules and regulations governing the issuance of debt;
  - Provide for the timely payment of principal and interest on all debt; ensure that the fiscal agent receives funds for payment of debt service on or before the payment date;
  - Provide for and participate in the preparation and review of offering documents;
  - Provide for and participate in the preparation of disclosure required by the legal documents governing the debt issued;
  - Distribute to appropriate repositories information regarding financial condition and affairs at such time and in the form required by law, regulation and general practice;
  - Provide for the distribution of pertinent information to rating agencies;
  - Maintain a current database with all outstanding debt; and
  - Apply and promote prudent fiscal practices.
  - Develop and maintain a capital finance model to evaluate the impact of capital program spending, operations and maintenance costs, and debt service on its financial condition.
  - Provide annual disclosure information to established national information repositories and maintain compliance with disclosure statements as required by the state and national regulatory bodies.

## V. Policy

1. Debt Retirement Objective – Debt retirement expenses (interest and principal) shall be at a rate of not more than 7% of the total annual general fund operating budget. Debt that is being funded outside of tax revenues (ie WPCA Sewer Use Fees) shall not be included within the 7% unless the fund responsible for the debt payments is financially unstable and the Town is ultimately responsible for the debt payments.
2. Compliance with Six-year Capital Improvement Plan (CIP) - Capital Planning for Simsbury is required by the Town Charter, Section 803 and predicated on adoption by the Board of Selectmen of a six-year CIP. In general, with the exception of emergencies and mandates, this plan is the governing document for capital expenditures. The Town further recognizes that certain projects for which debt financing should be considered may arise in such a manner that they cannot be incorporated into the six-year CIP prior to financing, e.g., the coming to the market of a specific property the Town desires to acquire for open space purposes.
3. Types of Permissible Debts – whenever possible, the Town will first attempt to fund capital projects with state and federal grants or other revenues. When such funds are insufficient, the Town may use dedicated revenues from Special Revenue Funds, Capital Projects Funds, or General Fund revenues or reserves. If these are not appropriate or sufficient, the Town will use bond funding or long-term leases. The Board of Finance will evaluate debt-funding scenarios as part of the budget process using models developed by the Finance Director in order to prioritize future financing needs and to evaluate compliance with this policy. The Board of Finance will forward their recommendations to the Board of Selectmen.

General Obligation (G.O.) bonds may be issued for long-term debt to finance traditional public improvements for which other funding is unavailable or impractical. Long-term bonds may be used to finance infrastructure or facility improvement projects with an estimated life expectancy of at least 15 years and cost of at least \$250,000.

The Town may go to market for G.O. bonds for a minimum threshold of \$1,000,000. A smaller number of projects may be combined to meet the threshold, provided that each such included project meets the 15-years useful life condition.

General Obligation (G.O.) Bond Anticipation Notes (BAN's) may be issued for short-term debt, the Town may choose to issue bond anticipation notes (BAN's) as a source of interim financing when deemed prudent. Bond anticipation notes may also be used as a form of short-term permanent financing (generally up to 10 years under current statutes) by renewing the notes over a number of years and reducing the principal amount of the notes on renewal.

Capital Lease Purchase Financing, in contrast to a true lease, provides for the acquisition of the leased item. Lease purchase financing may be used for procuring assets that are too expensive to fund with current receipts in any one year, but with useful lives too short (less than 15 years) to finance with long-term debt. Generally,

lease purchase financing will not be considered for the purchase or construction of assets with a life expectancy of less than five years. The Town will seek competitive pricing when practical.

Low Interest Loan – The use of federal and state aided low interest loans will be a valid financing mechanism and should be considered before consideration of issuing any other forms of debt. Low interest loans may also be considered from private banks as permitted by law, upon recommendation by the Finance Director and Board of Finance and approval by the Board of Selectmen.

This policy prohibits the issuance of any securities which would commonly be understood to be “derivative.”

4. Statutory Debt Limitations – Under Connecticut Law, municipalities may not incur indebtedness through the issue of bonds which will cause aggregate indebtedness by class to exceed the following:

General Purposes 2.25 times base  
School Purposes 4.50 times base  
Sewer Purposes 3.75 times base  
Urban Renewal Purposes 3.25 times base

The “base” is defined as annual receipts from taxation (total tax collections including interest and penalties) and State payment for revenue losses under CGS sections 12-24a, 12-24c and 12-129d. In no case shall total indebtedness exceed seven times the base.

The statutes also provide for certain exclusions of debt issued in anticipation of taxes, for the supply of water, supply of gas, supply of electricity, construction of subways, for the construction of underground conduits for cables, wires, and pipes and for two or more of such purposes; for indebtedness issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or contract.

5. Bond Structure – Consideration should be given to each of the following:
- Providing cash in advance to meet project expenses
  - Maximizing the credit rating potential and market acceptance of the bonds
  - Minimizing net borrowing cost
  - Minimizing the impact of debt service payments on annual cash flow
  - Scheduling new debt to coincide with the retirement of past debt to lessen the impact upon the mill rate and to keep debt service costs at or below 7% of the operating budget. Debt that is being funded outside of tax revenues (ie WPCA Sewer Use Fees) shall not be included within the 7% unless the fund responsible for the debt payments is financially unstable and the Town is ultimately responsible for the debt payments.

Bond term – All capital improvements financed through the issuance of debt will be financed for a period not to exceed the useful life of the improvements, but in no event to exceed 20 years. For capital expenditures valued below \$20 million, bonding will not exceed ten (10) years. Fifteen (15) to twenty (20) year bond terms may be considered for major projects exceeding \$20 million that benefit the community.



Interest Rates - The Town will attempt to issue debt that carries a fixed interest rate. However, it is recognized that certain circumstances may warrant the issuance of variable rate debt. In those instances, the Town should attempt to stabilize debt service payments through the use of an appropriate stabilization arrangement. Board of Selectmen and Board of Finance approval are needed to issue a variable rate debt.

Debt Service Pattern – Debt service payments (including principal and interest) shall be calculated in a manner where the total payments are as equal as possible over the course of the bond term to limit the amount of debt service budget fluctuation from year to year.

Call Provision – The Town seeks to minimize the cost from optional redemption call provisions, consistent with its desire to obtain the lowest possible interest rates on its bonds. The Town Manager and Finance Director will evaluate the optional redemption provisions for each issue to ensure that the Town does not pay unacceptable higher interest rates to obtain such advantageous calls.

Method of Sale – Debt obligations are generally issued through competitive sale. Upon recommendation of the Board of Finance, the Board of Selectmen may authorize the method of sale most appropriate in light of financial, market, transaction-specific and issuer-related conditions. When certain conditions favorable for a competitive sale do not exist and when a negotiated sale will provide significant benefits to the Town that would not be achieved through a competitive sale, the Town may elect to sell its debt obligations through a private or negotiated sale, upon approve of the Board of Finance and Board of Selectmen.

6. Refunding Debt - The Town will continually monitor its outstanding debt in relation to existing conditions in the debt market and will refund any outstanding debt when sufficient savings can be realized. The target threshold for net present value savings should be a minimum of 2%.
7. Emergencies - During emergency situations, the Town may issue debt to provide for emergency infrastructure repair or replacement if such repair or replacement as necessary for the immediate preservation of the public peace, health and safety. Emergency situations shall be governed by the Town Charter.

## **VI. Debt Affordability Measures**

The Board of Finance, with the assistance of the Town Manager and the Finance Director, will analyze the Town's debt position. The following statistical measures to determine debt capacity will be used and evaluated in comparison to other towns, rating agency standards and the Town's historical ratios to determine debt affordability:

### Debt Burden and Service Indicators

- Debt as a percentage of Net Taxable Grand List
- Debt per capita
- Debt to personal income
- Debt to taxable property value
- Debt as a percentage of General Fund expenditures

## **VII. Professional Services**

1. *Bond Counsel:* All debt issued by the Town will include a written opinion by bond counsel affirming that the Town is authorized to issue the proposed debt. The opinion shall include confirmation that the Town has met all Town and state requirements necessary for its issuance, a determination of the proposed debt's federal income tax status and other components necessary for the proposed debt.
2. *Financial Advisor:* A Financial Advisor(s) will be used to assist in the issuance of the Town's debt. The Financial Advisor will provide the Town with objective advice and analysis on debt issuance. This includes, but is not limited to, monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.
3. *Underwriters:* An Underwriter(s) will be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing the negotiated or private placement debt and reselling the debt to investors.
4. *Fiscal Agent:* A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders.

All vendors retained by the Town of Simsbury will be selected in accordance with the Town of Simsbury's purchasing policy.



# TOWN OF SIMSBURY

## BOARD OF FINANCE AGENDA SUBMISSION FORM

1. **Title of Submission:** Fiscal Year 2018/2019 Year End Results
2. **Date of Board Meeting:** September 17, 2019
3. **Individual or Entity Making the Submission:**  
Amy Meriwether, Finance Director
4. **Action Requested of the Board of Finance:**  
If the Board of Finance is in agreement with the provided schedule of year-end budget transfers, the following motion is in order:

*Move, effective September 17, 2019 to approve the schedule of year-end budget transfers as presented.*

5. **Summary of Submission:**

### General Fund Overview

Fiscal year 2018/2019 general fund revenues were budgeted at \$97,537,869. Actual receipts thru June 30, 2019 totaled \$99,609,161, an increase of \$2,071,292. The major drivers are as follows:

Tax Department \$887,307 – The Town collected \$436,364 in back taxes mainly related to the implementation of the new tax sale policy and tax collections in excess of budgetary estimates due to a conservative tax collection rate utilized during the budgeting process.

Finance Department \$1,923,740 – The Town received an unbudgeted bond premium in the amount of \$1,249,778, \$552,158 of investment income in excess of budgetary estimates and \$119,933 of unanticipated revenue from FEMA for reimbursement from the October 2011 winter storm.

Building Department \$463,063 – The Town received \$613,180 in building permit fees related to the Deep Water Wind Solar Project. Only a portion of this revenue had been budgeted.

Education \$785,919 – The Education Cost Sharing (ECS) Grant came in higher than anticipated by \$626,094.

Transfer In – Designated Fund Balance (\$2,000,000) – Fund balance appropriations were not utilized due to the excess revenues noted above.

General fund expenditures were budgeted at \$97,537,869. Actual expenditures thru June 30, 2019 totaled \$97,396,976, savings to the Town of \$140,893. This savings was made up of various budget line item variances but the major drivers were as follows:

Planning Department (\$51,069) – Majority of balance relates to salary savings due to staffing transitions.

Police Department (\$68,155) – Majority of balance relates to full-time salary savings of \$90,355, an overtime salary deficit of \$44,902, over-time training savings of \$9,959, seasonal salaries savings of \$5,613, holiday pay savings of \$42,610, contractual services deficit of \$26,992, clothes & safety supplies deficit of \$21,727 and equipment maintenance savings of \$11,298.

Highway Department (\$284,262) – Majority of balance relates to road paving costs that were paid for via the Town Aid Road Fund, therefore creating a savings in the Highway Department.

Employee Benefits \$132,666 – Deficit relates to the following line items that were under budgeted: \$60,877 for Major Medical Insurance, \$29,081 for Defined Contribution Pension Contributions and \$40,002 for Unemployment Compensation.

Transfer Out – Capital Projects \$370,000 – Savings of \$250,000 in the Highway Department was transferred to the Public Works Complex Infrastructure Capital Project Fund and \$120,000 of unanticipated FEMA revenue was transferred to the One Old Bridge Park Capital Project Fund. Both transfers were utilized to fund underbudgeted projects.

Included with this submission is a schedule of “Year-End Budget Transfers” which aligns the General Fund budget to actual results and requires the formal approval of the Board of Finance.

### Capital Funds Overview

A summary of all capital projects is included with this submission. A number of capital projects have been completed and proposed transfers will be discussed as part of agenda item #6.

### Simsbury Farms Fund

Simsbury Farms fund expenditures exceeded revenues by \$495,292 as of June 30, 2019. Fund balance decreased from \$31,825 to (\$463,467). Of the \$495,292 deficit, \$267,254 is due to an accounting change where summer program revenue was deferred to appropriately align program revenues with program expenditures. The remaining deficit of \$228,038 is broken down as follows and consistent with the prior year loss of \$229,037.

Deficit breakdown by program:

Recreational Programs - \$3,019 Excess (NOT recognizing any deferred revenue accounting change)

Simsbury Farms Complex - \$37,920 Deficit (NOT recognizing any deferred revenue accounting change)

Golf Course - \$75,721 Deficit

Simsbury Farms Administration - \$117,416 Deficit (no program revenue offset)

Health Insurance Fund

The Health Insurance Fund revenues exceeded expenditures by \$13,131 as of June 30, 2019. Fund balance increased from (\$122,695) to (\$109,564). The \$13,131 increase to fund balance is mainly due to the \$1,000,000 transfer into the Health Insurance Fund from the General Fund. Without this transfer, the fund would have suffered a deficit of \$986,869. Reserves as of June 30, 2019 totaled \$1,912,924.

Sewer Use Fund

The Sewer Use Fund revenues exceeded expenditures by \$785,743 as of June 30, 2019. Fund balance increased from \$4,938,189 to \$5,723,932. The majority of the surplus relates to a facility connection charge (FCC) that was received by Dorset Crossing in the amount of \$521,337. The remaining fund surplus of \$264,406 is in line with budgetary estimates.

Special Revenue Funds with Fund Balance Deficits

Hazard Mitigation Fund – This fund is showing a deficit of \$2,335 that dates back to FY2011/2012. It appears State and Federal grants were received for hazard mitigation for the One Old Bridge property. The grants were overspent and no transfer was ever made to cover the cost of the over expenditures. A transfer request of \$2,335 is included in the Proposed General Fund Transfers agenda item #5.

POCD Grant Fund – This fund is showing a deficit of \$13,000 that dates back to FY2011/2012. It appears a Plan of Conservation and Development State grant was received and utilized for the purchase of a stormwater module. The cost of the module was \$25,000 but only \$12,000 of this grant was posted to the fund. It is unclear whether the grant was overspent or there was a mis-posting of the remaining revenue to another fund. A transfer request of \$13,000 is included in the Proposed General Fund Transfers agenda item #5.

Hartford Charette Fund – This fund is showing a deficit of \$25,298 that dates back to FY2013/2014. A budget of \$175,000 was appropriated in this fund to conduct a land use study on The Hartford property. It appears a donation was made to The Hartford project in the amount of \$145,000 for the study but no additional funds were ever transferred into the fund to cover the remaining \$30,000. A transfer request of \$25,298 is included in the Proposed General Fund Transfers agenda item #5.

**6. Financial Impact:**

Expenditures budget appropriations will be lined up with actual results.

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

- General Fund Schedule of Revenue
- General Fund Statement of Expenditures
- General Fund Year End Budget Transfers – Budgetary Basis
- General Fund Schedule of Changes in Fund Balance
- Simsbury Farms Statement of Revenues, Expenditures and Changes in Fund Balance
- Health Insurance Fund Statement of Revenues, Expenditures and Changes in Fund Balance
- Residential Property Statement of Revenues, Expenditures and Changes in Fund Balance
- Sewer Use Fund Statement of Revenues, Expenditures and Changes in Fund Balance
- Sewer Assessment Fund
- Special Revenue Funds Statement of Revenues, Expenditures and Changes in Fund Balance
- Belden Trust Funds Statement of Revenues, Expenditures and Changes in Fund Balance
- Pension Trust Funds Statements of Revenues, Expenditures and Changes in Fund Balance
- Capital Projects Summary
- Capital Non-Recurring Fund Summary

**Town of Simsbury  
General Fund  
Statement of Revenues  
For the Period Ended June 30, 2019**

	<u>2019 Budget</u>	<u>2019 Actual</u>	<u>Budget Variance</u>	<u>Percent of Budget</u>
<b>General Government</b>				
Tax Department	\$ 87,800,198	\$ 88,687,505	\$ 887,307	101%
Finance Department	394,065	2,317,805	1,923,740	588%
Building Department	798,000	1,261,063	463,063	158%
Town Clerk	598,700	551,206	(47,494)	92%
Assessor's Office	144,539	165,697	21,158	115%
Town Manager's Office	125,000	124,500	(500)	100%
Land Use Commission	30,000	28,407	(1,593)	95%
Miscellaneous	-	42,799	42,799	0%
<b>Total General Government</b>	<u>89,890,502</u>	<u>93,178,982</u>	<u>3,288,480</u>	<u>104%</u>
<b>Public Safety</b>				
Police Department	83,063	78,255	(4,808)	94%
Animal Control	500	375	(125)	75%
<b>Total Public Safety</b>	<u>83,563</u>	<u>78,630</u>	<u>(4,933)</u>	<u>94%</u>
<b>Public Works</b>				
Eno Memorial Hall	2,500	15,750	13,250	630%
Engineering	350	328	(22)	94%
Highway Department	-	4,263	4,263	0%
Landfill	-	370	370	0%
<b>Total Public Works</b>	<u>2,850</u>	<u>20,710</u>	<u>17,860</u>	<u>727%</u>
<b>Health &amp; Welfare</b>				
Elderly/Handicapped Transport	6,000	6,672	672	111%
<b>Total Health &amp; Welfare</b>	<u>6,000</u>	<u>6,672</u>	<u>672</u>	<u>111%</u>
<b>Culture &amp; Recreation</b>				
Library	49,000	31,748	(17,252)	65%
Community Gardens	2,500	2,425	(75)	97%
Memorial Pools & Fields	1,500	2,120	620	141%
<b>Total Culture &amp; Recreation</b>	<u>53,000</u>	<u>36,293</u>	<u>(16,707)</u>	<u>68%</u>
<b>Education</b>				
Board of Education	5,501,954	6,287,873	785,919	114%
<b>Total Education</b>	<u>5,501,954</u>	<u>6,287,873</u>	<u>785,919</u>	<u>114%</u>
<b>Intergovernmental</b>				
Transfer In - Designated Fund Balance	2,000,000	-	(2,000,000)	0%
<b>Total Intergovernmental</b>	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>	<u>0%</u>
<b>Total Revenues</b>	<u><u>\$ 97,537,869</u></u>	<u><u>\$ 99,609,161</u></u>	<u><u>\$ 2,071,292</u></u>	<u><u>102%</u></u>

**Town of Simsbury**  
**General Fund**  
**Statement of Expenditures**  
**For the Period Ended June 30, 2019**

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>Budget</u> <u>Variance</u>	<u>Percent of</u> <u>Budget</u>
<b>General Government</b>				
Town Manager's Office	\$ 456,825	\$ 451,414	\$ (5,411)	99%
Finance Department	322,007	315,322	(6,685)	98%
Building Department	291,911	277,356	(14,555)	95%
Assessor's Office	252,546	252,487	(59)	100%
Town Clerk	226,809	221,618	(5,191)	98%
Information Technology	204,413	201,628	(2,785)	99%
Community Development	188,539	184,604	(3,935)	98%
Planning Department	173,430	122,361	(51,069)	71%
Tax Department	168,126	178,068	9,942	106%
Legal Services	151,000	150,411	(589)	100%
Elections Administration	120,572	111,523	(9,049)	92%
Community Services	108,872	104,351	(4,521)	96%
Administrative Services	98,889	87,020	(11,869)	88%
Economic Development Commission	46,000	45,000	(1,000)	98%
Audit Services	38,000	38,100	100	100%
Land Use Commission	22,100	15,693	(6,407)	71%
Board of Finance	6,600	5,140	(1,460)	78%
Regional Probate Court	5,426	5,426	-	100%
Historic District Commission	1,400	331	(1,069)	24%
Public Buildings Commission	1,225	1,206	(19)	98%
Tourism Commission	645	-	(645)	0%
Total General Government	<u>2,885,335</u>	<u>2,769,058</u>	<u>(116,277)</u>	<u>96%</u>
<b>Public Safety</b>				
Police Department	4,803,871	4,735,716	(68,155)	99%
Animal Control	70,581	67,608	(2,973)	96%
Emergency Management	6,685	4,853	(1,832)	73%
Total Public Safety	<u>4,881,137</u>	<u>4,808,177</u>	<u>(72,960)</u>	<u>99%</u>
<b>Public Works</b>				
Highway Department	2,970,226	2,685,964	(284,262)	90%
Buildings & Maintenance	479,657	470,924	(8,733)	98%
Public Works Administration	270,179	246,529	(23,650)	91%
Engineering	265,288	246,119	(19,169)	93%
Town Office Buildings	145,890	147,271	1,381	101%
Library	131,639	142,856	11,217	109%
Eno Memorial Hall	71,975	77,022	5,047	107%
Landfill	71,500	86,635	15,135	121%
Other Buildings	32,272	20,253	(12,019)	63%
Total Public Works	<u>4,438,626</u>	<u>4,123,573</u>	<u>(315,053)</u>	<u>93%</u>
<b>Health &amp; Welfare</b>				
Social Service Administration	258,572	248,895	(9,677)	96%
Senior Center Services	152,720	149,659	(3,061)	98%
Health Department	134,239	134,239	-	100%



**Town of Simsbury  
General Fund  
Statement of Expenditures  
For the Period Ended June 30, 2019**

	<u>2019 Budget</u>	<u>2019 Actual</u>	<u>Budget Variance</u>	<u>Percent of Budget</u>
Transportaion Services	123,621	126,613	2,992	102%
Outreach Services - Elderly	24,408	24,418	10	100%
Total Health & Welfare	<u>693,560</u>	<u>683,825</u>	<u>(9,735)</u>	<u>99%</u>
<b>Culture &amp; Recreation</b>				
Library	1,474,097	1,449,067	(25,030)	98%
Parks & Open Space	674,541	658,064	(16,477)	98%
Recreation Administration	49,522	50,356	834	102%
Memorial Pool	53,408	53,846	438	101%
Memorial Field	26,951	19,008	(7,943)	71%
Beautification Committee	4,620	5,345	725	116%
Total Culture & Recreation	<u>2,283,139</u>	<u>2,235,686</u>	<u>(47,453)</u>	<u>98%</u>
<b>Education</b>				
Board of Education	69,149,552	69,146,063	(3,489)	100%
Non-Public Schools	543,490	542,166	(1,324)	100%
Total Education	<u>69,693,042</u>	<u>69,688,229</u>	<u>(4,813)</u>	<u>100%</u>
<b>Intergovernmental</b>				
Employee Benefits	4,781,745	4,914,411	132,666	103%
Transfer Out - Capital Projects	1,741,500	2,111,500	370,000	121%
Transfer Out - Health Insurance Fund	1,000,000	1,000,000	-	0%
Liability Insurance	485,715	498,119	12,404	103%
Transfer Out - Simsbury Farms	100,000	100,000	-	100%
Contingency Reserve	89,670	-	(89,670)	0%
Transfer Out - CNR 2016	83,250	83,250	-	100%
Transfer Out - CNR 2019	83,250	83,250	-	100%
Transfer Out - CNR 2015	83,250	83,250	-	100%
Transfer Out - CNR 2018	83,250	83,250	-	100%
Transfer Out - CNR 2017	68,300	68,300	-	100%
Total Intergovernmental	<u>8,599,930</u>	<u>9,025,330</u>	<u>425,400</u>	<u>105%</u>
<b>Debt Service</b>				
Principal	3,365,000	3,365,000	-	100%
Interest	698,100	698,100	-	100%
Total Debt Service	<u>4,063,100</u>	<u>4,063,100</u>	<u>-</u>	<u>100%</u>
<b>Total Expenditures</b>	<b>\$ <u>97,537,869</u></b>	<b>\$ <u>97,396,976</u></b>	<b>\$ <u>(140,893)</u></b>	<b><u>100%</u></b>

**Town of Simsbury**  
**General Fund**  
**Year End Budget Transfers - Budgetary Basis**  
**For the Year Ended June 30, 2019**

	<b>Final Budget</b>	<b>Additional Appropriation</b>	<b>Budget Reduction</b>	<b>Adjusted Budget</b>	<b>Balance</b>
<b>General Government</b>					
Town Manager's Office	\$ 456,825	\$ -	\$ (5,411)	\$ 451,414	\$ -
Finance Department	322,007	-	(6,685)	315,322	-
Building Department	291,911	-	(14,555)	277,356	-
Assessor's Office	252,546	-	(59)	252,487	-
Town Clerk	226,809	-	(5,191)	221,618	-
Information Technology	204,413	-	(2,785)	201,628	-
Community Development	188,539	-	(3,935)	184,604	-
Planning Department	173,430	-	(51,069)	122,361	-
Tax Department	168,126	9,942	-	178,068	-
Legal Services	151,000	-	(589)	150,411	-
Elections Administration	120,572	-	(9,049)	111,523	-
Community Services	108,872	-	(4,521)	104,351	-
Administrative Services	98,889	-	(11,869)	87,020	-
Economic Development Commission	46,000	-	(1,000)	45,000	-
Audit Services	38,000	100	-	38,100	-
Land Use Commission	22,100	-	(6,407)	15,693	-
Board of Finance	6,600	-	(1,460)	5,140	-
Regional Probate Court	5,426	-	-	5,426	-
Historic District Commission	1,400	-	(1,069)	331	-
Public Buildings Commission	1,225	-	(19)	1,206	-
Tourism Commission	645	-	(645)	-	-
<b>Total General Government</b>	<b>2,885,335</b>	<b>10,042</b>	<b>(126,318)</b>	<b>2,769,058</b>	<b>-</b>
<b>Public Safety</b>					
Police Department	4,803,871	-	(68,155)	4,735,716	-
Animal Control	70,581	-	(2,973)	67,608	-
Emergency Management	6,685	-	(1,832)	4,853	-
<b>Total Public Safety</b>	<b>4,881,137</b>	<b>-</b>	<b>(72,960)</b>	<b>4,808,177</b>	<b>-</b>
<b>Public Works</b>					
Highway Department	2,970,226	-	(284,262)	2,685,964	-
Buildings & Maintenance	479,657	-	(8,733)	470,924	-
Public Works Administration	270,179	-	(23,650)	246,529	-
Engineering	265,288	-	(19,169)	246,119	-
Town Office Buildings	145,890	1,381	-	147,271	-
Library	131,639	11,217	-	142,856	-
Eno Memorial Hall	71,975	5,047	-	77,022	-
Landfill	71,500	15,135	-	86,635	-
Other Buildings	32,272	-	(12,019)	20,253	-
<b>Total Public Works</b>	<b>4,438,626</b>	<b>32,780</b>	<b>(347,833)</b>	<b>4,123,573</b>	<b>-</b>
<b>Health &amp; Welfare</b>					
Social Service Administration	258,572	-	(9,677)	248,895	-
Senior Center Services	152,720	-	(3,061)	149,659	-
Health Department	134,239	-	-	134,239	-
Transportaion Services	123,621	2,992	-	126,613	-
Outreach Services - Elderly	24,408	10	-	24,418	-
<b>Total Health &amp; Welfare</b>	<b>\$ 693,560</b>	<b>\$ 3,002</b>	<b>\$ (12,738)</b>	<b>\$ 683,825</b>	<b>\$ -</b>

**Town of Simsbury  
General Fund  
Year End Budget Transfers - Budgetary Basis  
For the Year Ended June 30, 2019**

	<u>Final Budget</u>	<u>Additional Appropriation</u>	<u>Budget Reduction</u>	<u>Adjusted Budget</u>	<u>Balance</u>
<b>Culture &amp; Recreation</b>					
Library	\$ 1,474,097	\$ -	\$ (25,030)	\$ 1,449,067	\$ -
Parks & Open Space	674,541	-	(16,477)	658,064	-
Recreation Administration	49,522	834	-	50,356	-
Memorial Pool	53,408	437	-	53,845	-
Memorial Field	26,951	-	(7,943)	19,008	-
Beautification Committee	4,620	725	-	5,345	-
<b>Total Culture &amp; Recreation</b>	<u>2,283,139</u>	<u>1,996</u>	<u>(49,450)</u>	<u>2,235,685</u>	<u>-</u>
<b>Education</b>					
Board of Education	69,149,552	-	-	69,146,063	3,489
Non-Public Schools	543,490	-	-	542,166	1,324
<b>Total Education</b>	<u>69,693,042</u>	<u>-</u>	<u>-</u>	<u>69,688,229</u>	<u>4,813</u>
<b>Intergovernmental</b>					
Employee Benefits	4,781,745	132,666	-	4,914,411	-
Transfer Out - Capital Projects	1,741,500	370,000	-	2,111,500	-
Transfer Out - Health Insurance Fund	1,000,000	-	-	1,000,000	-
Liability Insurance	485,715	12,404	-	498,119	-
Transfer Out - Simsbury Farms	100,000	-	-	100,000	-
Contingency Reserve	89,670	46,409	-	-	136,079
Transfer Out - CNR 2016	83,250	-	-	83,250	-
Transfer Out - CNR 2019	83,250	-	-	83,250	-
Transfer Out - CNR 2015	83,250	-	-	83,250	-
Transfer Out - CNR 2018	83,250	-	-	83,250	-
Transfer Out - CNR 2017	68,300	-	-	68,300	-
<b>Total Intergovernmental</b>	<u>8,599,930</u>	<u>561,479</u>	<u>-</u>	<u>9,025,330</u>	<u>136,079</u>
<b>Debt Service</b>					
Principal	3,365,000	-	-	3,365,000	-
Interest	698,100	-	-	698,100	-
<b>Total Debt Service</b>	<u>4,063,100</u>	<u>-</u>	<u>-</u>	<u>4,063,100</u>	<u>-</u>
<b>Total Expenditures</b>	<u>\$ 97,537,869</u>	<u>\$ 609,299</u>	<u>\$ (609,299)</u>	<u>\$ 97,396,976</u>	<u>\$ 140,892</u>

**Town of Simsbury  
General Fund  
Schedule of Changes in Fund Balance - Budgetary Basis  
For the Year Ended June 30, 2019**

<b>Fund Balance, July 1, 2018</b>					\$	<b>15,948,459</b>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Preliminary Actual</u>	<u>Budget Variance</u>		
Total Revenues and Transfers In	\$ 95,518,369	\$ 95,537,869	\$ 99,609,161	\$ 4,071,292		
Less: Appropriation of Fund Balance	<u>1,000,000</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,000,000)</u>		
Total Revenues Less Appr. of Fund Balance	96,518,369	97,537,869	99,609,161	2,071,292		
Total Expenditures and Transfers Out	96,518,369	97,537,869	97,396,976	(140,893)		
Net Increase to Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,212,185</u>	<u>\$ 2,212,185</u>		<u><b>2,212,185</b></u>
<b>Fund Balance, June 30, 2019</b>					\$	<b><u>18,160,644</u></b>

<b>Fund Balance Breakdown Preceding Transfers:</b>		
	<b>% of FY19 Expenditures</b>	<b>Balance</b>
Non-Spendable Fund Balance	0.03%	\$ 32,689
Assigned Fund Balance	0.20%	191,853
Unassigned Fund Balance	<u>18.42%</u>	<u>17,936,102</u>
Total Fund Balance, June 30, 2019	<u>18.65%</u>	<u>\$ 18,160,644</u>

**Town of Simsbury**  
**Simsbury Farms**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**  
**With Comparative Totals for the Period Ended June 30, 2018**

	<u>2019 Budget</u>	<u>2019 Actual</u>	<u>2018 Actual</u>	<u>Actuals Variance</u>
<b>Revenues</b>				
Recreation Programs				
Special Programs	\$ 424,200	\$ 188,494	\$ 287,719	\$ (99,225)
Sponsorships/Advertising	4,500	-	-	-
Day Camps	-	51,072	147,894	(96,821)
Total Recreation Programs	<u>428,700</u>	<u>239,567</u>	<u>435,613</u>	<u>(196,046)</u>
Simsbury Farms Complex				
Skating	218,000	226,831	192,891	33,940
Simsbury Farms Pools	189,400	160,311	176,769	(16,458)
Vending	29,900	21,380	20,863	517
Court Rental	24,000	25,262	22,177	3,085
Apple Barn Rental	3,500	2,588	5,936	(3,348)
Miscellaneous	-	(511)	11,843	(12,353)
Total Simsbury Farms Complex	<u>464,800</u>	<u>435,861</u>	<u>430,478</u>	<u>5,383</u>
Golf Course				
Golf Course Fees	920,000	745,144	795,908	(50,764)
Golf Surcharge	42,000	45,984	-	45,984
Miscellaneous	26,500	26,500	30,136	(3,636)
Total Golf Course	<u>988,500</u>	<u>817,628</u>	<u>826,044</u>	<u>(8,416)</u>
Intergovernmental				
Transfer In - General Fund	100,000	100,000	299,037	(199,037)
Total Intergovernmental	<u>100,000</u>	<u>100,000</u>	<u>299,037</u>	<u>(199,037)</u>
<b>Total Revenues</b>	<b><u>1,982,000</u></b>	<b><u>1,593,056</u></b>	<b><u>1,991,172</u></b>	<b><u>(398,116)</u></b>
<b>Expenditures</b>				
Golf Course	901,398	893,349	876,509	16,840
Simsbury Farms Complex	479,736	518,735	464,535	54,200
Special Programs	388,078	458,847	413,805	45,042
Simsbury Farms Administration	212,771	217,416	235,177	(17,760)
<b>Total Expenditures</b>	<b><u>1,981,983</u></b>	<b><u>2,088,348</u></b>	<b><u>1,990,026</u></b>	<b><u>98,322</u></b>
<b>Net Change in Fund Balance</b>	<b>17</b>	<b>(495,292)</b>	<b>1,146</b>	
Fund Balance - 7/1	<u>31,825</u>	<u>31,825</u>	<u>30,679</u>	
Fund Balance - 6/30	<u>\$ 31,842</u>	<u>\$ (463,467)</u>	<u>\$ 31,825</u>	

**Town of Simsbury**  
**Health Insurance Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**  
**With Comparative Totals For the Period Ended June 30, 2018**

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>Budget</u> <u>Variance</u>	<u>2018</u> <u>Actual</u>	<u>Actuals</u> <u>Variance</u>
<b>Revenues</b>					
Premiums	\$ 13,610,424	\$ 13,681,935	\$ 71,511	\$ 12,396,262	\$ 1,285,673
H.S.A Funding	-	544,666	544,666	475,201	69,465
Rx Reimbursement	365,000	438,630	73,630	350,491	88,139
Insurance Refunds	-	44,656	44,656	34,401	10,255
<b>Total Revenues</b>	<b>13,975,424</b>	<b>14,709,887</b>	<b>734,463</b>	<b>13,256,355</b>	<b>1,453,532</b>
<b>Expenditures</b>					
Claims	13,031,176	14,161,101	1,129,925	12,773,634	1,387,467
H.S.A Funding	-	557,067	557,067	475,118	81,949
ASO Fees/Admin Fees	445,288	438,306	(6,982)	438,192	114
Stop Loss Insurance	498,960	540,283	41,323	420,494	119,789
<b>Total Expenditures</b>	<b>13,975,424</b>	<b>15,696,756</b>	<b>1,721,332</b>	<b>14,107,438</b>	<b>1,589,318</b>
<b>Operating Transfers</b>					
Transfer In	1,000,000	1,000,000	-	-	1,000,000
<b>Total Operating Transfer</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>
<b>Net Change in Fund Balance</b>	<b>1,000,000</b>	<b>13,131</b>	<b>(986,869)</b>	<b>(851,083)</b>	<b>864,214</b>
<b>Fund Balance - 7/1</b>	<b>(122,695)</b>	<b>(122,695)</b>		<b>728,388</b>	
<b>Fund Balance - 6/30</b>	<b>\$ 877,305</b>	<b>\$ (109,564)</b>		<b>\$ (122,695)</b>	
<b>IBNR Liability Balance</b>	<b>1,865,007</b>	<b>2,022,488</b>		<b>1,865,007</b>	
<b>Fund Balance</b>	<b>877,305</b>	<b>(109,564)</b>		<b>(122,695)</b>	
<b>Total Reserve</b>	<b>2,742,312</b>	<b>1,912,924</b>		<b>1,742,312</b>	

**Town of Simsbury**  
**Residential Rental Property Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**  
**With Comparative Totals For the Period Ended June 30, 2018**

	<u>2019</u> <u>Budget</u>	<u>2019</u> <u>Actual</u>	<u>Budget</u> <u>Variance</u>	<u>2018</u> <u>Actual</u>	<u>Actuals</u> <u>Variance</u>
<b>Revenues</b>					
Rental Income	\$ 36,423	\$ 78,531	\$ 42,108	\$ 73,298	\$ 5,233
<b>Total Revenues</b>	<b>36,423</b>	<b>78,531</b>	<b>42,108</b>	<b>73,298</b>	<b>5,233</b>
<b>Expenditures</b>					
Operating					
Contractual Services	13,000	10,250	(2,750)	8,250	2,000
Facilities Maintenance	8,300	16,262	7,962	2,646	13,617
Sewer Use Fees	2,200	1,143	(1,057)	1,179	(36)
Building Improvements	1,500	2,950	1,450	-	2,950
Water Charges	1,250	1,415	165	1,221	194
Equipment Maintenance	650	210	(440)	8,025	(7,815)
Building Supplies	500	-	(500)	-	-
Electric	500	-	(500)	-	-
Total Operating	<u>27,900</u>	<u>32,230</u>	<u>4,330</u>	<u>21,320</u>	<u>10,910</u>
Debt Service					
Principal	8,031	8,010	(21)	7,931	80
Interest	492	618	126	596	22
Total Debt Service	<u>8,523</u>	<u>8,629</u>	<u>106</u>	<u>8,527</u>	<u>102</u>
<b>Total Expenditures</b>	<b>36,423</b>	<b>40,859</b>	<b>4,436</b>	<b>29,847</b>	<b>11,012</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>37,672</b>	<b>37,672</b>	<b>43,451</b>	<b>(5,779)</b>
<b>Fund Balance - 7/1</b>	<b>303,322</b>	<b>303,322</b>		<b>259,872</b>	
<b>Fund Balance - 6/30</b>	<b>\$ 303,322</b>	<b>\$ 340,995</b>		<b>\$ 303,322</b>	

**Town of Simsbury**  
**Sewer Use Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**

	<b>2019</b>	<b>2019</b>	<b>Budget</b>	<b>Percent of</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>	<b>Budget</b>
<b>Revenues</b>				
Assessments	\$ 3,045,955	\$ 3,130,864	\$ 84,909	103%
Intergovernmental Revenues	409,927	409,927	0	100%
WPCA Fees	364,763	1,021,666	656,903	280%
Interest & Liens	27,000	20,478	(6,522)	76%
Miscellaneous Grant	21,254	10,037	(11,217)	47%
Interest on Investments	7,997	15,545	7,548	194%
Miscellaneous	6,007	442	(5,565)	7%
<b>Total Revenues</b>	<b>3,882,903</b>	<b>4,608,959</b>	<b>726,056</b>	<b>119%</b>
<b>Expenditures</b>				
<b>Operating</b>				
Salaries & Wages	865,344	769,133	(96,211)	89%
Utilities	506,683	513,978	7,295	101%
Benefits	401,290	380,709	(20,581)	95%
Supplies	133,790	107,203	(26,587)	80%
Public Agency Support	110,917	110,917	-	100%
Machinery & Equipment	88,200	67,767	(20,433)	77%
Program Services	67,451	54,545	(12,906)	81%
Consultant	48,000	1,887	(46,113)	4%
Sewer Extensions	32,000	10,752	(21,248)	34%
Equipment & Vehicle Maintenance	30,240	22,992	(7,248)	76%
Insurance	21,876	21,876	-	100%
Facilities Maintenance	17,400	17,413	13	100%
Travel & Conferences	4,565	2,860	(1,705)	63%
Dues & Subscriptions	1,500	1,790	290	119%
Total Operating	2,329,256	2,083,822	(245,724)	89%
<b>Debt Service</b>				
Principal	960,452	1,061,375	100,923	111%
Interest	304,755	203,832	(100,923)	67%
Total Debt Service	1,265,207	1,265,207	-	100%
<b>Total Expenditures</b>	<b>3,594,463</b>	<b>3,349,029</b>	<b>(245,434)</b>	<b>93%</b>
<b>Operating Transfers</b>				
Transfers Out	-	474,187	474,187	0%
Total Operating Transfers	-	474,187	474,187	0%
<b>Net Change in Fund Balance</b>	<b>288,440</b>	<b>785,743</b>	<b>497,303</b>	
<b>Fund Balance - 7/1</b>	<b>4,938,189</b>	<b>4,938,189</b>		
<b>Fund Balance - 6/30</b>	<b>\$ 5,226,629</b>	<b>\$ 5,723,932</b>		



**Town of Simsbury**  
**Sewer Assessment Fund**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**  
**With Comparative Totals for the Period Ended June 30, 2018**

	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Assessments	\$ 133,860	\$ 145,265	\$ 11,405
Interest & Liens	13,043	7,990	(5,053)
Interest on Investments	19,512	3,902	(15,610)
<b>Total Revenues</b>	<u>166,416</u>	<u>157,157</u>	<u>(9,258)</u>
<b>Expenditures</b>	521,337	371,000	(150,337)
<b>Net Change in Fund Balance</b>	<b>(354,921)</b>	<b>(213,843)</b>	<b>141,079</b>
<b>Fund Balance - 7/1</b>	<u>1,501,879</u>	<u>1,715,721</u>	
<b>Fund Balance - 6/30</b>	<u>\$ 1,146,957</u>	<u>\$ 1,501,879</u>	

Town of Simsbury  
Special Revenue Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Period Ended June 30, 2019

	<u>Library Programs</u>	<u>Police Community Services</u>	<u>Police DUI Safety</u>	<u>Narcotics Task Force</u>	<u>D.A.R.E. Program</u>	<u>Police Block Grant</u>	<u>Police Vehicles</u>	<u>Police Special Duty</u>	<u>Social Services Programs</u>	<u>Community Development Grant</u>	<u>Hazard Mitigation</u>
<b>Revenues</b>											
Grants	\$ 20,928	\$ 9,541	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,342	\$ -	\$ -
Donations	52,223	8,287	-	-	-	-	-	-	32,218	-	-
Intergovernmental Revenues	-	-	-	3,721	-	-	-	-	-	-	-
Charges for Services	-	7,373	-	-	-	-	-	386,391	-	-	-
Interest on Investments	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>73,151</b>	<b>25,200</b>	<b>-</b>	<b>3,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>386,391</b>	<b>37,560</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>											
Contractual Services	19,964	-	-	-	-	-	-	274,706	-	-	-
Supplies & Materials	11,708	6,629	-	6,651	-	-	-	18,913	-	-	-
Program Services	-	13,089	-	-	-	-	-	-	49,422	-	-
Facilities Maintenance	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Public Agency Support	-	314	-	-	-	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>31,672</b>	<b>20,033</b>	<b>-</b>	<b>6,651</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>293,619</b>	<b>49,422</b>	<b>-</b>	<b>-</b>
<b>Operating Transfers</b>											
Transfers Out	-	-	-	(12,788)	-	-	-	-	-	-	-
<b>Total Operating Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(12,788)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>41,479</b>	<b>5,167</b>	<b>-</b>	<b>(15,718)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,773</b>	<b>(11,862)</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - 7/1</b>	<b>48,803</b>	<b>15,836</b>	<b>33,142</b>	<b>36,459</b>	<b>1,243</b>	<b>9,704</b>	<b>44,632</b>	<b>216,782</b>	<b>138,193</b>	<b>233,142</b>	<b>(2,335)</b>
<b>Fund Balance - 6/30</b>	<b>\$ 90,283</b>	<b>\$ 21,003</b>	<b>\$ 33,142</b>	<b>\$ 20,740</b>	<b>\$ 1,243</b>	<b>\$ 9,704</b>	<b>\$ 44,632</b>	<b>\$ 309,555</b>	<b>\$ 126,331</b>	<b>\$ 233,142</b>	<b>\$ (2,335)</b>

**Town of Simsbury**  
**Special Revenue Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**

	<u>Town Aid Road</u>	<u>Preservation of Historic Documents</u>	<u>Eno Memorial Fund</u>	<u>Town Clerk LOCIP</u>	<u>Expanded Dial-A-Ride</u>	<u>Incentive Housing</u>	<u>Dog Park</u>	<u>Regional Probate</u>	<u>Clean Energy Task Force</u>	<u>POCD Grant</u>
<b>Revenues</b>										
Grants	\$ 368,399	\$ 6,500	\$ -	\$ 7,275	\$ 36,956	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	-	-	-	-	261	-	-	-
Intergovernmental Revenues	-	-	-	-	-	-	-	21,088	-	-
Charges for Services	-	24,250	-	-	-	-	-	-	-	-
Interest on Investments	-	-	759	-	-	-	-	-	-	-
Miscellaneous	-	3,310	-	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>368,399</b>	<b>34,060</b>	<b>759</b>	<b>7,275</b>	<b>36,956</b>	<b>-</b>	<b>261</b>	<b>21,088</b>	<b>-</b>	<b>-</b>
<b>Expenditures</b>										
Contractual Services	-	-	-	-	32,661	-	300	6,512	-	-
Supplies & Materials	-	-	-	-	-	-	1,597	12,776	-	-
Program Services	250,000	19,400	-	-	-	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-	-	235	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-
Public Agency Support	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	29,363	6,500	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>279,363</b>	<b>25,900</b>	<b>-</b>	<b>-</b>	<b>32,661</b>	<b>-</b>	<b>2,132</b>	<b>19,288</b>	<b>-</b>	<b>-</b>
<b>Operating Transfers</b>										
Transfers Out	-	-	-	(27,700)	-	-	-	-	-	-
<b>Total Operating Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,700)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>89,036</b>	<b>8,160</b>	<b>759</b>	<b>(20,425)</b>	<b>4,295</b>	<b>-</b>	<b>(1,871)</b>	<b>1,800</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - 7/1</b>	<b>752,028</b>	<b>2,526</b>	<b>127,390</b>	<b>89,178</b>	<b>72,293</b>	<b>8,826</b>	<b>5,223</b>	<b>20,829</b>	<b>6,715</b>	<b>(13,000)</b>
<b>Fund Balance - 6/30</b>	<b>\$ 841,064</b>	<b>\$ 10,686</b>	<b>\$ 128,148</b>	<b>\$ 68,753</b>	<b>\$ 76,588</b>	<b>\$ 8,826</b>	<b>\$ 3,353</b>	<b>\$ 22,629</b>	<b>\$ 6,715</b>	<b>\$ (13,000)</b>

**Town of Simsbury**  
**Special Revenue Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**

	<u>Hartford Charette</u>	<u>Simsbury Celebrates</u>	<u>Field Recreation</u>	<u>Simsbury Try-Athlon</u>	<u>MSP Senior Center</u>	<u>Youth Service Bureau</u>	<u>Small Cities Grant</u>
<b>Revenues</b>							
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,806	\$ 363,265
Donations	-	13,274	-	3,880	59,502	-	-
Intergovernmental Revenues	-	-	-	-	-	-	-
Charges for Services	-	-	25,141	-	-	-	-
Interest on Investments	-	-	-	-	-	-	-
Miscellaneous	-	-	-	7,325	400	(50)	-
<b>Total Revenues</b>	<b>-</b>	<b>13,274</b>	<b>25,141</b>	<b>11,205</b>	<b>59,902</b>	<b>16,756</b>	<b>363,265</b>
<b>Expenditures</b>							
Contractual Services	-	15,710	-	8,658	1,946	-	363,265
Supplies & Materials	-	329	17,898	9,284	21	15,806	-
Program Services	-	974	1,681	-	49,983	-	-
Facilities Maintenance	-	-	-	-	-	-	-
Utilities	-	-	7,794	-	-	-	-
Public Agency Support	-	-	-	-	-	1,000	-
Machinery & Equipment	-	-	5,924	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>17,013</b>	<b>33,297</b>	<b>17,942</b>	<b>51,950</b>	<b>16,806</b>	<b>363,265</b>
<b>Operating Transfers</b>							
Transfers Out	-	-	-	-	-	-	-
<b>Total Operating Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>(3,740)</b>	<b>(8,156)</b>	<b>(6,737)</b>	<b>7,952</b>	<b>(50)</b>	<b>-</b>
<b>Fund Balance - 7/1</b>	<b>(25,298)</b>	<b>8,506</b>	<b>7,712</b>	<b>20,166</b>	<b>6,513</b>	<b>4,254</b>	<b>-</b>
<b>Fund Balance - 6/30</b>	<b>\$ (25,298)</b>	<b>\$ 4,766</b>	<b>\$ (443)</b>	<b>\$ 13,428</b>	<b>\$ 14,465</b>	<b>\$ 4,204</b>	<b>\$ -</b>

**Town of Simsbury  
Belden Trust Funds  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Period Ended June 30, 2019**

	<b>Eno Wood Trust</b>	<b>Horace Belden Trust</b>	<b>Julia Darling Trust</b>	<b>Kate Southwell Trust</b>
<b>Revenues</b>				
Trust Distributions	\$ 29,399	\$ 58,032	\$ 25,664	\$ 13,984
<b>Total Revenues</b>	<b>29,399</b>	<b>58,032</b>	<b>25,664</b>	<b>13,984</b>
<b>Expenditures</b>				
Salaries & Benefits	-	-	-	6,278
Program Services	-	-	21,923	924
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>21,923</b>	<b>7,202</b>
<b>Operating Transfers</b>				
Transfers Out	-	(20,410)	-	-
<b>Total Operating Transfers</b>	<b>-</b>	<b>(20,410)</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>29,399</b>	<b>37,622</b>	<b>3,741</b>	<b>6,781</b>
<b>Fund Balance - 7/1</b>	<b>74,231</b>	<b>97,875</b>	<b>23,982</b>	<b>17,894</b>
<b>Fund Balance - 6/30</b>	<b>\$ 103,630</b>	<b>\$ 135,497</b>	<b>\$ 27,723</b>	<b>\$ 24,675</b>

**Town of Simsbury**  
**Pension Trust Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the Period Ended June 30, 2019**

	<u>General Government</u>	<u>Police</u>	<u>Board of Education</u>	<u>OPEB</u>
<b>Revenues</b>				
Contributions	\$ 1,316,374	\$ 857,517	\$ 1,379,918	\$ 346,204
Interest & Dividends	603,717	425,961	566,351	413,646
Change in Market Value	614,388	607,394	689,436	1,369,346
<b>Total Revenues</b>	<b><u>2,534,478</u></b>	<b><u>1,890,872</u></b>	<b><u>2,635,705</u></b>	<b><u>2,129,196</u></b>
<b>Expenditures</b>				
Retiree Payments	1,917,120	1,246,539	1,335,830	-
Admin Expenses	58,623	51,487	54,326	36,566
Custodian Fees	34,475	31,396	32,166	-
Securities Purchased	-	-	-	819,788
<b>Total Expenditures</b>	<b><u>2,010,217</u></b>	<b><u>1,329,422</u></b>	<b><u>1,422,321</u></b>	<b><u>856,354</u></b>
<b>Net Change in Fund Balance</b>	<b>524,261</b>	<b>561,450</b>	<b>1,213,384</b>	<b>1,272,842</b>
<b>Fund Balance - 7/1</b>	<b><u>24,431,309</u></b>	<b><u>17,126,638</u></b>	<b><u>22,536,332</u></b>	<b><u>15,414,275</u></b>
<b>Fund Balance - 6/30</b>	<b><u>\$ 24,955,570</u></b>	<b><u>\$ 17,688,088</u></b>	<b><u>\$ 23,749,717</u></b>	<b><u>\$ 16,687,117</u></b>

**Town of Simsbury**  
**Capital Project Fund**  
**Schedule of Expenditures Compared with Appropriations**  
**For the Period Ended June 30, 2019**

Inception Year	Expected Completion	Project	Appropriations			Expenditures			Encumbrances June 30, 2019	Uncommitted Balance June 30, 2019
			Balance June 30, 2018	Current Year	Balance June 30, 2019	Balance June 30, 2018	Current Year	Balance June 30, 2019		
<b>Sewer Fund Projects</b>										
FY10	December 2019	Project2010 - Bushy	\$ 260,000.00	\$ -	\$ 260,000.00	\$ 162,221.04	\$ 76,589.07	\$ 238,810.11	\$ -	\$ 21,189.89
FY13	Completed	Project2013 - Phelps	272,320.00	-	272,320.00	266,376.77	4,000.00	270,376.77	-	1,943.23
FY13	Completed	Wolcott Pump Station	1,378,500.00	-	1,378,500.00	1,008,080.31	41,127.00	1,049,207.31	-	329,292.69
FY15	Completed	Sewer Main Extensions	156,000.00	-	156,000.00	56,879.69	99,119.94	155,999.63	-	0.37
FY16	2020	Sewer Main Extensions - Waterset	371,000.00	-	371,000.00	-	269,463.13	269,463.13	-	101,536.87
FY16	Fall 2019	Hopmeadow/Center Area Sewer repairs	135,000.00	-	135,000.00	-	-	-	-	135,000.00
FY16	October 2019	Portable Generator	80,000.00	-	80,000.00	35,813.07	-	35,813.07	24,850.00	19,336.93
FY17	Completed	Sewer Main Extensions/Repairs - Massaco St.	104,000.00	-	104,000.00	83,593.00	-	83,593.00	-	20,407.00
FY17	Fall 2019	Hopmeadow/Center Area Sewer Repairs	100,000.00	-	100,000.00	-	-	-	-	100,000.00
FY17	Completed	Oxidation Ditch Dissolved Oxygen Control	27,000.00	-	27,000.00	16,119.64	-	16,119.64	-	10,880.36
FY18	December 2019	36 Drake Hill Rd Dike Analysis	75,000.00	-	75,000.00	-	-	-	-	75,000.00
FY18	December 2019	Phosphorus Removal Analysis	150,000.00	-	150,000.00	-	-	-	-	150,000.00
FY18	Completed	Hayes Road Pump	45,000.00	-	45,000.00	20,004.35	-	20,004.35	-	24,995.65
FY18	FY22	Tariffville Area Sewer	100,000.00	-	100,000.00	-	-	-	-	100,000.00
FY18	December 2019	WPC Plan update	100,000.00	-	100,000.00	-	-	-	-	100,000.00
FY19	Re-evaluating	JetFlush Truck	-	175,000.00	175,000.00	-	-	-	-	175,000.00
FY19	FY22	Tariffville Sewer	-	100,000.00	100,000.00	-	-	-	-	100,000.00
FY19	December 2019	Primary Clarifier	-	75,000.00	75,000.00	-	-	-	19,894.84	55,105.16
FY19	December 2019	Plant H2O Sys Rehab	-	80,000.00	80,000.00	-	-	-	-	80,000.00
<b>Town Projects</b>										
FY13	December 2019	Town Security Measures	77,600.00	-	77,600.00	46,383.51	-	46,383.51	-	31,216.49
FY14	December 2019	Open Space - Betty Hudson Property	275,000.00	-	275,000.00	243,101.19	4,714.93	247,816.12	-	27,183.88
FY15	Completed	Center Area Charrette Infrastructure	540,000.00	-	540,000.00	279,884.44	-	279,884.44	-	260,115.56
FY14	December 2019	Senior/Community Center Design	321,698.56	-	321,698.56	155,488.93	8,106.75	163,595.68	-	158,102.88
FY14	Completed	Town Teledata	125,000.00	-	125,000.00	122,627.12	2,373.00	125,000.12	-	(0.12)
FY15	Completed	Multi Use Trail Connections/Master Plan Updates	212,000.00	-	212,000.00	82,118.24	-	82,118.24	-	129,881.76
FY15	December 2019	Bridge Improvements (Design-FY15)	115,000.00	-	115,000.00	48,319.34	19,073.65	67,392.99	-	47,607.01
FY15	December 2019	Technology Infrastructure	635,395.17	-	635,395.17	495,359.12	-	495,359.12	-	140,036.05
FY16	Completed	Park Improvements	508,000.00	-	508,000.00	456,086.09	51,914.00	508,000.09	-	(0.09)
FY16	January 2020	Weatogue Planning Route 10 and Code Prep	57,000.00	-	57,000.00	-	-	-	-	57,000.00
FY16	Completed	Municipal Building Renovations	50,000.00	-	50,000.00	35,787.44	11,592.56	47,380.00	-	2,620.00
FY16	December 2020	Town Hall Site and Safety Improvements	45,000.00	-	45,000.00	11,120.31	2,500.00	13,620.31	-	31,379.69
FY16	October 2019	Portable Generator /Generator Infrastructure	80,000.00	-	80,000.00	48,317.20	31,100.47	79,417.67	-	582.33
FY16	December 2019	Project Planning Fund	28,000.00	-	28,000.00	9,800.00	-	9,800.00	-	18,200.00
FY17	Completed	Veterans Memorial (STEAP Grant)	480,495.00	-	480,495.00	412,978.28	-	412,978.28	-	67,516.72
FY17	December 2021	Multi-Use Connections & Master Plan Updates	1,160,000.00	-	1,160,000.00	40,245.69	89,082.87	129,328.56	-	1,030,671.44
FY17	Completed	SF Golf Course Improvements	125,000.00	9,609.00	134,609.00	92,642.28	41,966.39	134,608.67	-	0.33
FY17	Completed	Greenway Improvements	240,000.00	-	240,000.00	237,474.91	2,525.09	240,000.00	-	-
FY17/FY18	December 2019	Open Space Planning Improvements	540,000.00	165,410.00	705,410.00	49,566.52	61,252.27	110,818.79	-	594,591.21
FY17	November 2019	Street Lighting Purchase /Lighting Improvements	937,321.92	-	937,321.92	872,935.86	2,853.92	875,789.78	-	61,532.14
FY17	Completed	Highway Pavement Management	2,500,000.00	-	2,500,000.00	2,395,571.42	101,359.32	2,496,930.74	-	3,069.26
FY17/FY18	December 2022	Dam Evaluations and Repairs	220,000.00	-	220,000.00	78,219.83	29,885.00	108,104.83	-	111,895.17
FY17	February 2020	Public Works Complex Infrastructure Improvements	450,000.00	250,000.00	700,000.00	184,092.87	-	184,092.87	-	515,907.13
FY17	December 2020	Town Hall Site and Safety Improvements	385,000.00	-	385,000.00	-	4,672.74	4,672.74	-	380,327.26
FY17/FY18	Completed	Plan of Conservation & Development	165,000.00	-	165,000.00	86,830.16	-	86,830.16	-	78,169.84
FY17	October 2019	Portable Generator Infrastructure	175,000.00	-	175,000.00	20,477.16	54,295.62	74,772.78	46,500.00	53,272.22
FY17	December 2019	Land Use Studies	92,500.00	-	92,500.00	-	19,245.83	19,245.83	-	73,254.17

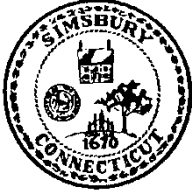
Town of Simsbury  
Capital Project Fund  
Schedule of Expenditures Compared with Appropriations  
For the Period Ended June 30, 2019

Inception Year	Expected Completion	Project	Appropriations			Expenditures			Encumbrances June 30, 2019	Uncommitted Balance June 30, 2019
			Balance June 30, 2018	Current Year	Balance June 30, 2019	Balance June 30, 2018	Current Year	Balance June 30, 2019		
FY17	November 2019	Storage Building	65,000.00		65,000.00	-	-	-	11,750.00	53,250.00
FY18	Completed	SF Rink/Pool Improvements	950,000.00		950,000.00	897,516.79	36,179.69	933,696.48	-	16,303.52
FY18	Completed	Park Improvements	311,000.00		311,000.00	277,152.85	32,528.37	309,681.22	-	1,318.78
FY18	December 2019	Street Lighting Purchase /Lighting Improvements	400,000.00		400,000.00	-	4,854.79	4,854.79	-	395,145.21
FY18	Completed	Iron Horse Blvd Playground Renovation	298,000.00		298,000.00	234,510.41	11,272.73	245,783.14	-	52,216.86
FY18	December 2019	Finance Security Upgrades	230,000.00		230,000.00	74,822.59	1,820.55	76,643.14	-	153,356.86
FY18	December 2019	Eno Memorial Hall Renovations	300,000.00		300,000.00	2,576.59	258,771.62	261,348.21	-	38,651.79
FY18	February 2020	Cold Storage Facility	380,000.00		380,000.00	-	4,612.06	4,612.06	-	375,387.94
FY18	December 2019	Town Facilities Master Plan	400,000.00		400,000.00	8,640.17	4,854.79	13,494.96	-	386,505.04
FY18	May 2020	Library Interior/Parking Renovations	584,500.00		584,500.00	13,040.00	112,066.46	125,106.46	-	459,393.54
FY18	December 2019	Library Lower Level Improvements	906,048.00		906,048.00	82.61	683,055.91	683,138.52	-	222,909.48
FY18	December 2019	Zoning Regulation Update	65,000.00		65,000.00	-	5,000.00	5,000.00	-	60,000.00
FY18	December 2021	Bridge Improvements	805,000.00		805,000.00	-	28,991.59	28,991.59	-	776,008.41
FY18	Completed	Drainage Improvements	125,000.00		125,000.00	81,903.81	42,740.99	124,644.80	-	355.20
FY19	May 2020	Sidewalk Resurface		250,000.00	250,000.00	-	24,542.00	24,542.00	-	225,458.00
FY19	Completed	Ashborer Tree Mig		85,000.00	85,000.00	-	85,000.00	85,000.00	-	-
FY19	December 2023	Multi-Use Trail		1,020,000.00	1,020,000.00	-	-	-	-	1,020,000.00
FY19	July 2020	Highway Pavement Management		845,000.00	845,000.00	-	816,820.01	816,820.01	-	28,179.99
FY19	July 2020	Greenway Improvements		275,000.00	275,000.00	-	25,000.00	25,000.00	-	250,000.00
<b>Education Projects</b>										
FY14	Completed	Boiler Replacement Squadron Line	850,000.00		850,000.00	742,716.45	9,719.71	752,436.16	(2,591.45)	100,155.29
FY15	Needs Audit	HJMS Phase 1A	1,255,000.00		1,255,000.00	1,168,299.83	-	1,168,299.83	-	86,700.17
FY15/FY16	January 2020	SHS Turf Field Replacement	910,000.00		910,000.00	862,911.19	-	862,911.19	-	47,088.81
FY15	Needs Audit	Squadron Line Main Office Project	1,050,000.00		1,050,000.00	867,602.43	1,227.18	868,829.61	-	181,170.39
FY16	Completed	District Network Infrastructure	200,000.00		200,000.00	188,776.96	13,743.00	202,519.96	(2,520.00)	0.04
FY16/FY17	June 2020	Climate Control Phases 1 (FY16) & 2 (FY17)	3,100,000.00		3,100,000.00	2,171,928.14	77,060.00	2,248,988.14	-	851,011.86
FY16	Needs Audit	Central School Roof Replacement	770,000.00		770,000.00	620,602.49	-	620,602.49	-	149,397.51
FY17	Completed	District Network Infrastructure	450,000.00		450,000.00	409,418.06	40,582.00	450,000.06	-	(0.06)
FY17	Needs Audit	HJMS Renovation - Phase 2	1,950,000.00		1,950,000.00	1,751,859.38	-	1,751,859.38	-	198,140.62
FY18	December 2019	SHS Tennis Court Replacement	740,000.00		740,000.00	523,786.03	41,428.29	565,214.32	-	174,785.68
FY19	September 2020	Boiler Replacement Latimer		900,000.00	900,000.00	-	-	-	-	900,000.00
FY19	September 2020	School Security Improvements		850,000.00	850,000.00	-	480,154.90	480,154.90	-	369,845.10
FY19	January 2020	School Facility Master Plan		200,000.00	200,000.00	-	43,647.02	43,647.02	-	156,352.98
FY19	September 2020	District Network Infrastructure		400,000.00	400,000.00	-	150,656.81	150,656.81	-	249,343.19
FY19	June 2021	HJMS Renovation - Phase 3		23,965,620.00	23,965,620.00	-	1,477,706.31	1,477,706.31	-	22,487,913.69
			\$ 30,988,378.65	\$ 29,645,639.00	\$ 60,634,017.65	\$ 19,052,662.56	\$ 5,542,850.33	\$ 24,595,512.89	\$ 97,883.39	\$ 35,940,621.37



Town of Simsbury  
 Capital Non-Recurring Fund  
 Schedule of Expenditures Compared with Appropriations  
 For the Period Ended June 30, 2019

Project	Appropriations			Expenditures			Encumbrances June 30, 2019	Uncommitted Balance June 30, 2019
	Balance June 30, 2018	Current Year	Balance June 30, 2019	Balance June 30, 2018	Current Year	Balance June 30, 2019		
FY13 CNR Projects	\$ 1,395,281	\$ -	\$ 1,395,281	\$ 1,309,191	\$ -	\$ 1,309,191	\$ -	\$ 86,090
FY15 CNR Projects	1,141,934	-	1,141,934	1,139,967	-	1,139,967	-	1,967
FY16 CNR Projects	1,225,013	-	1,225,013	1,210,324	50	1,210,374	-	14,639
FY17 CNR Projects	1,134,004	-	1,134,004	1,068,748	46,787.70	1,115,535	-	18,469
FY18 CNR Projects	1,126,121	-	1,126,121	784,421	229,797	1,014,218	-	111,903
FY19 CNR Projects	-	604,215	604,215	-	604,215	604,215	-	-
CNR Assessor	-	61,500	61,500	-	-	-	-	61,500
CNR Reserve (5 Year Payback)	1,900,000	-	1,900,000	-	-	-	-	1,900,000
	<u>\$ 7,922,353</u>	<u>\$ 665,715</u>	<u>\$ 8,588,068</u>	<u>\$ 5,512,650</u>	<u>\$ 880,850</u>	<u>\$ 6,393,500</u>	<u>\$ -</u>	<u>\$ 2,194,568</u>



# TOWN OF SIMSBURY

## BOARD OF FINANCE AGENDA SUBMISSION FORM

1. **Title of Submission:** Proposed General Fund Transfers

2. **Date of Board Meeting:** September 17, 2019

3. **Individual or Entity Making the Submission:**  
Amy Meriwether, Finance Director/Treasurer

4. **Action Requested of the Board of Finance:**  
If the Board of Finance supports the general fund transfer requests as presented, the following motion is in order:

*Move, effective September 17, 2019 to approve the general fund transfer requests as presented.*

5. **Summary of Submission:**

The general fund ended FY2018/2019 with a net increase to fund balance of \$2,212,580. Staff is requesting the following year end transfers:

### Transfers from General Fund

#### Hazard Mitigation Special Revenue Fund

This fund is showing a deficit of \$2,335 that dates back to FY2011/2012. It appears State and Federal grants were received for hazard mitigation for the One Old Bridge property. The grants were overspent and no transfer was ever made to cover the cost of the over expenditures. Staff is requesting a transfer from the General Fund in the amount of \$2,335 to offset the fund deficit and close out the fund.

#### POCD Grant Fund

This fund is showing a deficit of \$13,000 that dates back to FY2011/2012. It appears a Plan of Conservation and Development State grant was received and utilized for the purchase of a stormwater module. The cost of the module was \$25,000 but only \$12,000 of this grant was posted to the fund. It is unclear whether the grant was overspent or there was a mis-posting of the remaining revenue to another fund. Staff is requesting a transfer from the General Fund in the amount of \$13,000 to offset the fund deficit and close out the fund.

### Hartford Charette Fund

This fund is showing a deficit of \$25,298 that dates back to FY2013/2014. A budget of \$175,000 was appropriated in this fund to conduct a land use study on The Hartford property. It appears a donation was made to The Hartford project in the amount of \$145,000 for the study but no additional funds were ever transferred into the fund to cover the remaining \$30,000. Staff is requesting a transfer from the General Fund in the amount of \$25,298 to offset the fund deficit and close out the fund.

### Health Insurance Fund

During the FY2019/2020 budgeting process, it was identified that the health insurance fund reserve does not meet industry standards. As you may recall, insurance rates were raised for FY2019/2020 enough to make the Health Insurance Fund solvent but not enough to create a contribution to fund balance. The Board of Finance appropriated \$850,000 in FY2019/2020 to get to a short term reserve target goal of \$2,800,000. Staff is requesting an additional contribution of \$400,000 into the Health Insurance Fund to increase the reserve to \$3,200,000. This will put the fund within industry standards of 20-25% of expected claims.

### Simsbury Farms Fund

As previously reported in agenda item #4, the Simsbury Farm's fund ended FY2018/2019 with a deficit of \$495,292. This brought the Simsbury Farms fund balance from \$31,825 to (\$463,467). Of this fund balance, \$53,201 is designated for golf equipment purchases leaving an unassigned fund balance of \$516,668. Therefore, staff is requesting a transfer of \$516,668 from the General Fund to the Simsbury Farms Fund to get the fund out of a deficit position.

### Capital Reserve Fund

During the FY2019/2020 budgeting process, the Board of Finance expressed that they were comfortable with an unassigned fund balance ratio in the General Fund of 15%. At the end of FY2019/2020, the unassigned fund balance ratio in the General Fund is expected to be 14.93%. If the Board of Finance is still comfortable with this 15% target, staff is requesting a contribution into the Capital Reserve fund of \$1,000,000. If approved, the Capital Reserve Fund would increase from \$13,297 to \$1,013,297. These funds would be utilized in future budget years to offset unanticipated project shortfalls and reduce the need for bonding, therefore, reducing our future debt expenditures. All funds will remain in the Capital Reserve until action is taken by the Board of Finance to appropriate the funds. Based on actual FY2018/2019 results and if the \$1,000,000 transfer is approved, this will leave the Town with an estimated unassigned fund balance ratio in the General Fund of 15.32% as of June 30, 2020.

### Transfers to Assigned Fund Balance

During the FY2019/2020 budgeting process, a request for Economic Development marketing materials in the amount of \$18,000 was denied due to budgetary constraints. Staff would like to bring back this request back to the Board of Finance for funding via year end savings.

Staff is also requesting additional funds for professional development, executive coaching and leadership development for the Library, Police and Planning departments.

**6. Financial Impact:**

See “Fund Balance Summary” provided with the “General Fund – Close Out Transfer Requests” document.

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

- General Fund – Close Out Transfer Requests

**Town of Simsbury  
General Fund  
Close Out Transfer Requests  
For the Year Ended June 30, 2019**

**Transfers from General Fund**

Hazard Mitigation Special Revenue Fund	\$ (2,335)
POCD Grant Special Revenue Fund	(13,000)
Hartford Charette Special Revenue Fund	(25,298)
Health Insurance Fund	(400,000)
Simsbury Farms	(516,660)
Capital Reserve Fund	<u>(1,000,000)</u>
Total Transfers from General Fund	\$ (1,957,293)

**Transfers to General Fund Assigned Fund Balance**

EDC Marketing Materials	\$ 18,000.00
Library & Police Professional Development	4,500.00
Executive Coaching & Leadership Development	<u>6,000.00</u>
Total Transfers to Assigned Fund Balance	\$ 28,500.00

<b>Fund Balance Summary</b>		
Net Increase to Fund Balance Before Transfers	\$	2,212,185
Transfer from General Fund		<u>(1,957,293)</u>
Net Increase to Fund Balance After Transfers		<u>254,892</u>
<b>Fund Balance Post Transfers</b>		
Fund Balance, July 1, 2018		15,948,459
Net Increase to Fund Balance After Transfers		<u>254,892</u>
Fund Balance, June 30, 2019		<u>16,203,351</u>
<b>Fund Balance Breakdown Post Transfers</b>		
Non-Spendable Fund Balance	0.03%	32,689
Assigned Fund Balance	0.23%	220,353
Unassigned Fund Balance	<u>16.35%</u>	<u>15,950,309</u>
Total Fund Balance	<u>16.61%</u>	<u>\$ 16,203,351</u>



# TOWN OF SIMSBURY

## BOARD OF FINANCE AGENDA SUBMISSION FORM

1. **Title of Submission:** Proposed Capital Project Transfers

2. **Date of Board Meeting:** September 17, 2019

3. **Individual or Entity Making the Submission:**  
Amy Meriwether, Finance Director/Treasurer

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

If the Board of Finance supports the capital transfer requests as presented, the following motion is in order:

*Move, effective September 17, 2019 to approve the capital project transfer requests as presented.*

5. **Summary of Submission:**

Completed capital projects have been reviewed as part of the year-end closing and staff is requesting the following funding transfers to close out the remaining balances in each of the capital funds:

### Transfers to Sewer Use Fund

Five sewer extension projects were completed as of June 30, 2019. All projects were funded via the Sewer Use Fund and came in well under budget. Staff is requesting a total transfer of \$691,759.94 to the Sewer Use Fund from each of the capital project funds to return the project savings back to the initial funding source.

### Transfers to HJMS Renovation – Phase III Capital Project Fund

There are nine capital projects being closed that were all funded via bond proceeds. The total dollar value of bonded projects being closed is \$215,865. Due to the large dollar value of unspent bond proceeds, it is the recommendation of bond counsel that these funds be utilized to reduce future bonding. The Town is planning on bonding for the HJMS Renovation – Phase III in the current fiscal, FY2019/2020, and will plan to reduce bonding for this project by the \$215,865.

### Transfers to/from Capital Reserve Fund

There are four capital projects and two Capital Non-Recurring funds being closed that were all funded via general fund transfers. Staff is requesting the total close out dollar value of \$321,358 be transferred to the Capital Reserve Fund for future use as previously narrated in agenda item #5.

The Park Improvements capital project fund is in a negative cash position by \$3,000. The project had an approved appropriation of \$508,000 via bonding but the project was only bonded for \$505,000 leaving a \$3,000 deficit. Due to the minimal negative balance, staff is requesting a transfer from the Capital Reserve Fund in the amount of \$3,000 to offset the deficit and close the fund.

The Town Teledata and District Network Infrastructure capital projects were overspent by \$0.12 and \$2,519.96 respectively. Staff is requesting a transfer from the Capital Reserve Fund in the amount of \$2,520 to offset the minimal deficits and close the funds.

Staff is requesting an additional appropriation of \$100,000 for fencing at the Bandshell. This project was included in FY20/21 if the six year CNR plan. This year staff has received numerous concerns from the public and the PAC regarding safety, security, and aesthetic issues related to the temporary fencing installed annually. If we were to make funds available now for FY 19/20, we would be able to construct the permanent fence in advance of the PAC's 2020 season and alleviate the fencing issues approximately one year ahead of schedule.

**6. Financial Impact:**

See "Capital Fund Summary" provided with the "Capital Projects – Close Out Transfer Requests" document.

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

- Capital Projects – Capital Close Out Transfer Request

Town of Simsbury  
**Capital Projects**  
 Close Out Transfer Requests  
 For the Year Ended June 30, 2019

**Transfers to Sewer Use Fund**

Project	Transfer Amount
Project 2013 - Phelps	\$ 1,943.23
Wolcott Pump Station	644,413.69
Sewer Main Extensions	0.37
Sewer Main Extension/Repairs - Massaco St.	20,407.00
Hayes Road Pump	24,995.65
Total Transfers to Sewer Use Fund	<u>691,759.94</u>

**Transfers to Capital Project Fund - HJMS Renovation - Phase III**

Center Area Chaurette Infrastructure	10,115.56
Highway Pavement Management	3,069.26
SF Rink/Pool Improvements	16,303.52
Park Improvements	1,318.78
Iron Horse Blvd Playground Renovation	52,216.86
Drainage Improvements	355.20
Boiler Replacement Squadron Line	97,563.64
District Network Infrastructure	34,922.61
Total Transfers to General Fund	<u>215,865.43</u>

**Transfers to/from Capital Reserve Fund**

**Transfers to Capital Reserve Fund**

Multi Use Trail Connections/Master Plan Updates	129,881.76
Municipal Building Renovations	2,620.00
Veterans Memorial	4,538.72
SF Golf Course Improvements	0.33
Plan of Conservation & Development	78,169.84
CNR FY13	104,000.00
CNR FY15	2,147.32
Total Transfers to Capital Reserve Fund	<u>321,357.97</u>

**Transfers from Capital Reserve Fund**

Town Teledata	(0.12)
Park Improvements	(3,000.09)
District Network Infrastructure	(2,519.96)
Fencing at the Bandshell (Performing Arts Center)	(100,000.00)
Total Transfers from Capital Reserve Fund	<u>(105,520.17)</u>
Net Transfer from Capital Reserve Fund	215,837.80

<b>Capital Reserve Fund Summary WITH General Fund Approved Transfer</b>	
Beginning Balance - 7/1/18	13,297.19
Net Transfer from Capital Reserve Fund	<u>1,215,837.80</u>
Ending Balance - 6/30/19	<u>1,229,134.99</u>
<b>Capital Reserve Fund Summary WITHOUT General Fund Approved Transfer</b>	
Beginning Balance - 7/1/18	13,297.19
Net Transfer from Capital Reserve Fund	<u>215,837.80</u>
Ending Balance - 6/30/19	<u>229,134.99</u>





**FIDUCIARY**  
INVESTMENT ADVISORS

*Strategic thinking. Customized solutions.*

# Simsbury Board of Finance

## Discussion Materials - September 2019

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

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*Firm & Service Team Overview*

## Section 2

*Capital Markets Overview*

## Section 3

*Pension Plans & OPEB Trust Reviews*

## Section 4

*DC Plan Review*

# Firm & Service Team Overview

# Who We Are



## Fee-Only Fiduciary Advisor

- Completely independent - zero conflicts of interest
- No product sales or ancillary business lines



## Employee-Owned Firm

- We provide an exceptional, customized service experience
- 78 employees, all dedicated to this work



## Focused Expertise

- Significant experience with pension sponsors across a variety of risk profiles
- 13 CFA (Chartered Financial Analyst) charterholders on staff



## \$80B Under Advisement

- Provides us influence that we leverage on behalf of our clients
- We have the resources and knowledge typically found in much larger firms



## 99% Client Retention Rate\*

- Client satisfaction is the primary focus of our firm
- Retention rate is the result of thoughtful, customized consulting



## Company Culture

- Numerous “Best Places to Work” awards, both locally and nationally
- Focus on collaboration, consistency of advice, and continuity of service team
- Emphasis on community service

*\*Since our inception, FIA has maintained a client retention rate of over 99% (excluding plan terminations, organization dissolution, and mergers & acquisitions), a testament, we believe, to the proactive and customized solutions we seek to deliver on behalf of our clients.*

# FIA's Public Fund Experience

## Extensive experience and visibility in the public fund arena

### Active in numerous organizations dedicated to educating and assisting fiduciaries and decision makers

- Connecticut Government Finance Officers Association (GFOA)
- Connecticut Council of Small Towns (COST)
- Connecticut Public Pension Forum (CPPF) – founding member
- Mass Association of Contributory Retirement Systems (MACRS)

### Frequent speakers at national and local conferences on investing and fiduciary oversight for public pensions

- Opal Financial Group's Annual Public Funds Summit East
- Pennsylvania Assoc. of Public Employee Retirement Systems Fall Workshop
- New England States GFOA Training Seminar

### Strive to look beyond the merely routine issues associated with public retirement systems

- Assisted municipalities with the establishment of and the appropriate investment of proceeds from pension obligation bonds (POBs)
- A pioneer in assisting municipalities in the creation of asset allocation strategies and portfolio design for Other Post Retirement Benefits (OPEB) Trusts

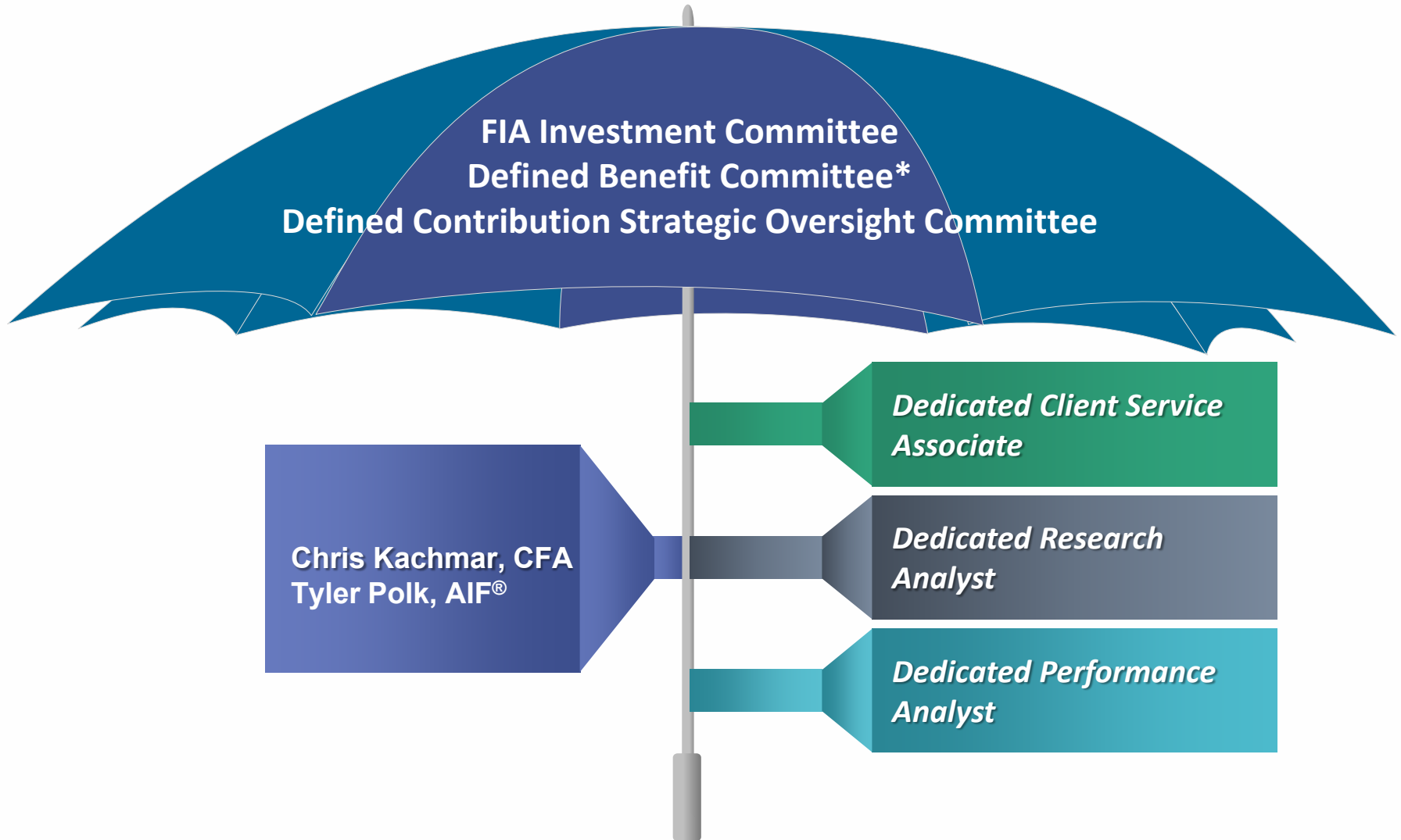


# CT Public Fund Experience



*The above list consists of certain clients who have given us permission to use their names on our representative client list. This list does not constitute our entire client list. It is not known whether the listed clients approve or disapprove of Fiduciary Investment Advisors or the advisory services provided.*

# Your Dedicated Service Team



\*Defined Benefit committee is led by an FIA consultant with an actuarial background.



# Capital Markets Overview

# Capital Markets Flash Report

August 2019

U.S. Equity						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
S&P 500	-1.6	18.3	2.9	12.7	10.1	13.4
Russell 1000 Growth	-0.8	23.3	4.3	17.0	13.1	15.4
Russell 1000 Value	-2.9	13.8	0.6	8.1	6.6	11.5
Russell Mid Cap	-2.8	19.6	0.5	10.1	7.9	13.5
Russell Mid Cap Growth	-1.8	26.7	6.0	14.9	10.7	14.9
Russell Mid Cap Value	-3.5	14.8	-3.1	6.5	5.9	12.5
Russell 2000	-4.9	11.8	-12.9	7.9	6.4	11.6
Russell 2000 Growth	-4.3	16.3	-11.0	10.6	8.1	13.1
Russell 2000 Value	-5.6	7.3	-14.9	5.0	4.6	10.0

U.S. equity markets took a step back in August, with the S&P 500 Index posting a return of -1.6%. Large cap stocks significantly outperformed small caps, with growth outperforming value across all cap spectrums. From a sector standpoint, the utilities and real estate sectors posted strong returns as falling interest rates sent investors scrambling for yield.

Fixed Income						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
BBgBarc US Agg	2.6	9.1	10.2	3.1	3.3	3.9
BBgBarc US Corp IG	3.1	13.9	13.3	4.6	4.6	5.8
BBgBarc US Corp HY	0.4	11.0	6.6	6.2	4.9	8.5
BBgBarc US Gov/Cr 1-3 Yr	0.8	3.5	4.6	1.9	1.6	1.6
BBgBarc US Gov/Cr Long	7.9	23.3	22.3	5.8	6.7	7.9
BBgBarc Municipal	1.6	7.6	8.7	3.3	3.8	4.6
FTSE WGBI USD	2.7	7.7	8.4	1.9	1.4	2.1
ICE BofAML US 3M T-Bill	0.2	1.6	2.4	1.5	0.9	0.5

Bond markets rallied in August, posting strong positive returns as falling interest rates provided a nice backdrop. The 10-year Treasury yield ended the month at 1.51%. Treasuries outperformed spread products in August as investment grade and high yield spreads widened 12 and 22 basis points, respectively. Global bonds posted strong returns during the month as well, with the FTSE WGBI Index producing a return of 2.7%.

International Equity						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
MSCI ACWI Ex USA	-3.1	8.8	-3.3	5.9	1.4	4.7
MSCI EAFE	-2.6	9.7	-3.3	5.9	1.9	5.0
MSCI EAFE Growth	-1.2	16.6	0.8	7.9	4.5	6.8
MSCI EAFE Value	-4.1	2.7	-7.4	3.8	-0.8	3.1
MSCI EAFE Small Cap	-2.5	9.0	-9.2	6.0	4.3	7.7
MSCI EM	-4.9	3.9	-4.4	5.8	0.4	4.1
MSCI EM Small	-5.0	-0.1	-10.4	1.1	-1.4	3.8

International equities struggled in August, posting negative absolute returns across regions, and underperforming domestic markets. Style trends were consistent abroad, with growth outpacing value. Emerging markets lagged developed regions, with weakness coming from China as trade tensions with the U.S. continue to weigh on the outlook.

Commodities & Real Estate						
	MTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Commodity	-2.3	1.9	-5.9	-0.9	-8.6	-4.3
S&P N.A. Natural Resources	-5.1	6.3	-18.0	-2.6	-8.0	1.8
FTSE Nareit Equity REITs	3.4	23.3	12.1	5.7	8.3	13.4
FTSE EPRA Nareit Developed	1.9	17.8	9.1	5.4	5.9	9.8

Commodities and natural resource equities struggled in August. The strength of the U.S. dollar, combined with global growth concerns, weighed on returns. On the other hand, precious metals performed well, with gold, often seen as a safe haven during times of distress, reaching levels not seen since 2013. As has been the case for much of 2019, REITs continued to benefit from the declining rate environment.

# Capital Markets Flash Report

August 2019

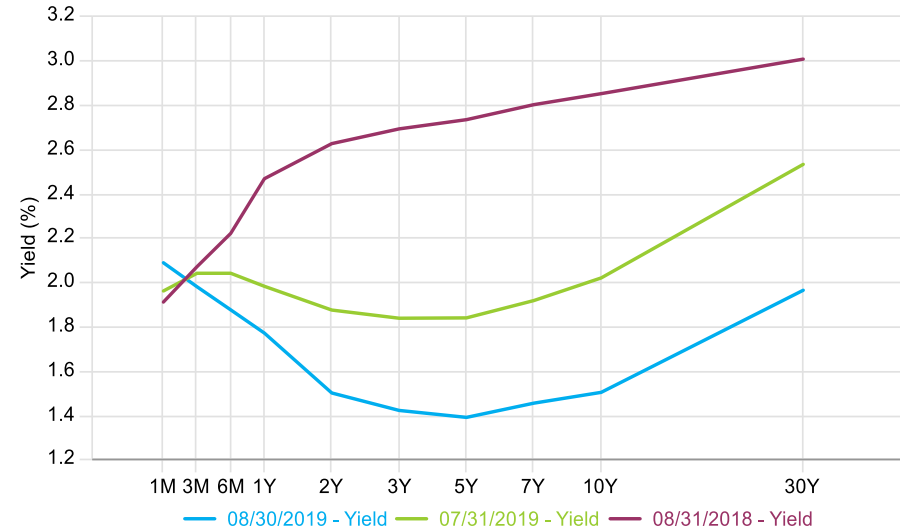
## S&P 500 Price History - Trailing 1 Year

08/31/2018 - 08/30/2019



FactSet, S&P

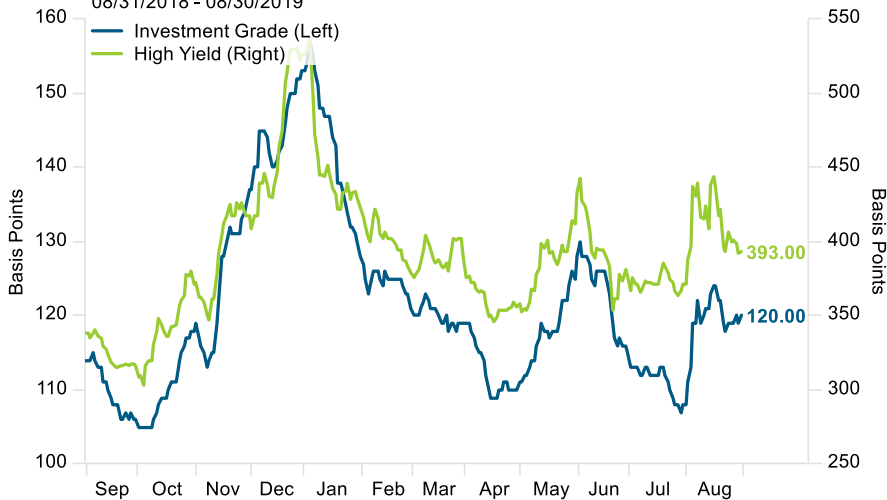
## United States Treasury Yield Curve



FactSet

## Barclays Corporate Option Adjusted Spread - Trailing 1 Year

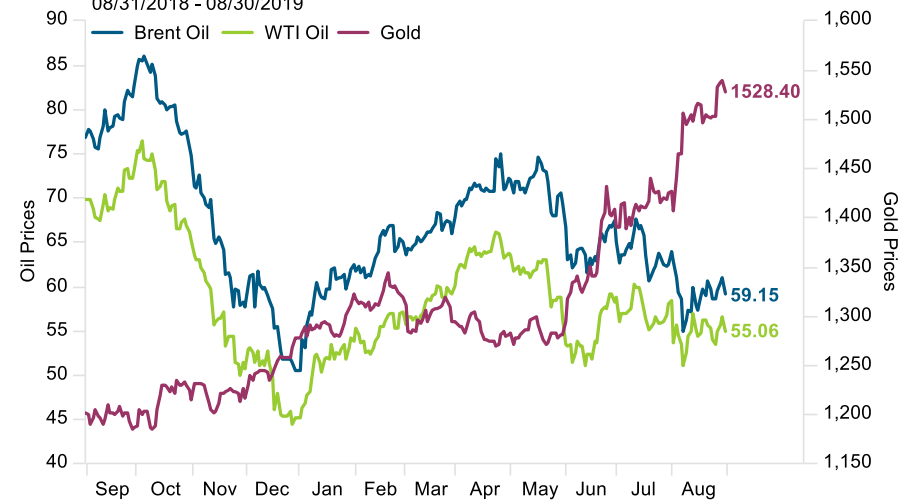
08/31/2018 - 08/30/2019



FactSet, Bloomberg Barclays

## Commodity Prices - Trailing 1 Year

08/31/2018 - 08/30/2019



FactSet

## Data Source Acknowledgements, Links, and Disclaimers

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**Performance data sourced from Morningstar Direct.**

# Pension Plans & OPEB Trust Reviews

# Asset Allocation - Town of Simsbury

As of June 30, 2019

	Town Pension Plan		BOE Plan		Police Plan		Target (%)
	Market Value (\$)	Allocation (%)	Market Value (\$)	Allocation (%)	Market Value (\$)	Allocation (%)	
<u>Short Term Liquidity</u>							
Wells Fargo Gov't Money Market	240,933	1.0%	176,550	0.7%	88,695	0.5%	0.0%
<u>Fixed Income</u>							
Metropolitan West Total Return PI	2,468,842	9.9%	2,421,589	10.2%	1,755,759	9.9%	10.0%
Western Asset Core Plus Bond IS	2,486,339	10.0%	2,437,131	10.3%	1,767,391	10.0%	10.0%
BlackRock Strategic Income Opps K	1,837,016	7.4%	1,787,044	7.5%	1,311,108	7.4%	7.5%
Templeton Global Bond R6	<u>1,190,707</u>	<u>4.8%</u>	<u>1,142,309</u>	<u>4.8%</u>	<u>842,128</u>	<u>4.8%</u>	<u>5.0%</u>
<b>Total Fixed Income</b>	<b>7,982,904</b>	<b>32.0%</b>	<b>7,788,072</b>	<b>32.8%</b>	<b>5,676,386</b>	<b>32.1%</b>	<b>32.5%</b>
<u>Domestic Equity</u>							
Vanguard Instl Index Fund I	5,046,063	20.2%	4,987,141	21.0%	3,585,991	20.3%	20.5%
Neuberger Berman Genesis R6	<u>2,383,513</u>	<u>9.6%</u>	<u>2,353,460</u>	<u>9.9%</u>	<u>1,693,381</u>	<u>9.6%</u>	<u>9.5%</u>
<b>Total Domestic Equity</b>	<b>7,429,575</b>	<b>29.8%</b>	<b>7,340,601</b>	<b>30.9%</b>	<b>5,279,372</b>	<b>29.9%</b>	<b>30.0%</b>
<u>International Equity</u>							
Hartford International Opportunities R6	4,071,263	16.3%	3,851,911	16.2%	2,846,549	16.1%	16.5%
Templeton Instl Foreign Small Comp A	1,446,159	5.8%	1,381,346	5.8%	1,037,462	5.9%	6.0%
Vanguard Emerging Markets Adm	<u>1,170,149</u>	<u>4.7%</u>	<u>1,065,671</u>	<u>4.5%</u>	<u>814,925</u>	<u>4.6%</u>	<u>5.0%</u>
<b>Total International Equity</b>	<b>6,687,570</b>	<b>26.8%</b>	<b>6,298,928</b>	<b>26.5%</b>	<b>4,698,936</b>	<b>26.6%</b>	<b>27.5%</b>
<u>Real Estate</u>							
Barings Core Property Fund LP	<u>1,432,457</u>	<u>5.7%</u>	<u>1,193,714</u>	<u>5.0%</u>	<u>1,114,133</u>	<u>6.3%</u>	<u>5.0%</u>
<b>Total Real Estate</b>	<b>1,432,457</b>	<b>5.7%</b>	<b>1,193,714</b>	<b>5.0%</b>	<b>1,114,133</b>	<b>6.3%</b>	<b>5.0%</b>
<u>Inflation Protection</u>							
Vanguard Short-Term Infl Protection Adm	425,091	1.7%	344,885	1.5%	298,042	1.7%	1.7%
Credit Suisse Commodity Return I	392,928	1.6%	319,185	1.3%	274,271	1.6%	1.7%
Van Eck Global Hard Assets I	<u>349,202</u>	<u>1.4%</u>	<u>265,565</u>	<u>1.1%</u>	<u>246,386</u>	<u>1.4%</u>	<u>1.7%</u>
<b>Total Inflation Protection</b>	<b>1,167,221</b>	<b>4.7%</b>	<b>929,635</b>	<b>3.9%</b>	<b>818,699</b>	<b>4.6%</b>	<b>5.0%</b>
	<b>24,940,661</b>	<b>100.0%</b>	<b>23,727,501</b>	<b>100.0%</b>	<b>17,676,222</b>	<b>100.0%</b>	<b>100.0%</b>

## Total Plan Performance Summary - Total Plan

As of June 30, 2019

### Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
<b>Total Plan</b>				<b>08/01/1994</b>
Beginning Market Value	65,125,451	60,583,027	12,042,857	
Net Contributions	-918,662	-1,774,516	-10,115,935	
Total Gain/Loss	2,137,594	7,535,872	64,417,461	
Ending Market Value	66,344,383	66,344,383	66,344,383	

### Town Hybrid Composition

Allocation Mandate	Weight (%)
Blmbg. Barc. U.S. Aggregate Index	27.5
FTSE World Government Bond Index	5.0
Russell 3000 Index	30.0
MSCI AC World ex USA (Net)	16.5
MSCI EAFE Small Cap (net) Index	6.0
MSCI Emerging Markets (Net) Index	5.0
NCREIF Fund Index - ODCE (net)	5.0
Short Term Inflation Protection Index	5.0

### Trailing Performance Summary

	QTR	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
<b>Total Plan</b>	<b>3.3</b>	<b>12.6</b>	<b>5.6</b>	<b>8.0</b>	<b>5.2</b>	<b>7.2</b>	<b>8.7</b>	<b>7.4</b>	<b>08/01/1994</b>
Town Hybrid	3.0	11.6	5.3	7.9	5.2	7.4	8.6	7.6	
Difference	0.3	1.0	0.3	0.1	0.0	-0.2	0.1	-0.2	

### Calendar Year Performance Summary

	2018	2017	2016	2015	2014	2013	2012	2011
<b>Total Plan</b>	<b>-6.6</b>	<b>14.7</b>	<b>7.4</b>	<b>-0.1</b>	<b>3.1</b>	<b>14.4</b>	<b>12.6</b>	<b>-0.2</b>
Town Hybrid	-5.8	15.8	7.5	-0.8	4.9	14.3	11.6	1.0
Difference	-0.8	-1.1	-0.1	0.7	-1.8	0.1	1.0	-1.2

Investment performance history data prior to 7/1/2011 was sourced from prior consultant.

# Detailed Fee Review

MANAGER	TARGET ALLOCATION	FEE SCHEDULE
Metropolitan West Total Return PI	10.0%	0.37%
Western Asset Core Plus Bond IS	10.0%	0.43%
BlackRock Strategic Income Opportunities K	7.5%	0.74%
Templeton Global Bond R6	5.0%	0.56%
Vanguard Institutional Index I	20.5%	0.035%
Neuberger Berman Genesis R6	9.5%	0.75%
Hartford International Opportunities R6	16.5%	0.71%
Templeton Instl Foreign Small Comp A	6.0%	0.99%
Vanguard Emerging Markets Adm	5.0%	0.14%
Barings Core Property Fund LP*	5.0%	0.975%
Vanguard Short-Term Inflation Protection Adm	1.7%	0.06%
Credit Suisse Commodity Return I	1.7%	0.78%
Van Eck Global Hard Assets I	1.7%	0.95%
<b>Weighted Average Investment Management Fee</b>		<b>0.50%</b>
<b>Wells Fargo (Base Fee)</b>	Asset based fee: 0.025% Account fee: \$1,000 per account	
<b>FIA Consulting Fee</b>	Flat fee plus 3% annual escalator Approximate 2018 Fee: \$48,850	

\*The base management fee for Barings Core Property Fund LP was reduced to 1.00% effective 10/1/2018 for account values under \$25 million. The fee of 0.975% includes a 2.5% discount applicable for FIA's clients. In addition, Barings has implemented a performance based discount should the fund's trailing 12-month return fail to exceed the management fee by at least 6%. The fee reported above does not reflect a performance based discount, if applicable.

The estimated annual custody fee represents the base fee and includes asset based, account based and line-item fees, where applicable. The estimate does not include applicable fees for transactions, trade settlement and/or wire transfers. Please refer to your custody agreement for a complete description of fees and expenses.

DISCLOSURE: The figures on this page have been obtained from sources we deem to be reliable. FIA has not independently verified this information. Custodial and Consulting fees are as of 12/31/2018.



## Asset Allocation - OPEB

As of June 30, 2019

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>Simsbury OPEB Total Plan</b>	<b>16,682,608</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
<b>Total Short Term Liquidity</b>	<b>369,588</b>	<b>2.2</b>	<b>0.0</b>	<b>2.2</b>
Money Market Funds	369,588	2.2	0.0	2.2
<b>Total Fixed Income</b>	<b>5,637,420</b>	<b>33.8</b>	<b>35.0</b>	<b>-1.2</b>
iShares TIPS Bond ETF	2,814,029	16.9	17.5	-0.6
iShares Core U.S. Aggregate Bond ETF	2,823,391	16.9	17.5	-0.6
<b>Total Domestic Equity</b>	<b>5,863,658</b>	<b>35.1</b>	<b>35.0</b>	<b>0.1</b>
iShares Core S&P 500 ETF	4,396,491	26.4	26.0	0.4
iShares Russell Midcap Index Fund	995,380	6.0	6.0	0.0
iShares Russell 2000 ETF	471,787	2.8	3.0	-0.2
<b>Total International Equity</b>	<b>4,003,410</b>	<b>24.0</b>	<b>25.0</b>	<b>-1.0</b>
iShares MSCI EAFE ETF	3,026,735	18.1	19.0	-0.9
iShares MSCI Emerging Mkts ETF	976,675	5.9	6.0	-0.1
<b>Total Real Estate</b>	<b>808,532</b>	<b>4.8</b>	<b>5.0</b>	<b>-0.2</b>
iShares Cohen & Steers REIT ETF	413,200	2.5	2.5	0.0
iShares International Developed Property ETF	395,332	2.4	2.5	-0.1

Investments with a zero balance were held in the plan during the reporting period and will be removed once they no longer impact plan performance.

Asset Allocation weightings may not add up to 100% due to rounding.

## Total Plan Performance Summary - OPEB

As of June 30, 2019

### Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
<b>Simsbury OPEB Total Plan</b>				<b>06/01/2008</b>
Beginning Market Value	16,188,851	14,838,028	1,364,267	
Net Contributions	-	-	9,727,521	
Total Gain/Loss	493,757	1,844,579	5,590,820	
Ending Market Value	16,682,608	16,682,608	16,682,608	

### Blended Benchmark Composition

Allocation Mandate	Weight (%)
Blmbg. Barc. U.S. Aggregate Index	17.5
Bloomberg Barclays U.S. TIPS Index	17.5
S&P 500 Index	26.0
Russell Midcap Index	6.0
Russell 2000 Index	3.0
MSCI EAFE (Net) Index	19.0
MSCI Emerging Markets (Net) Index	6.0
Cohen Steers Realty Majors Index	2.5
FTSE EPRA/NAREIT Developed ex U.S. Index	2.5

### Trailing Performance Summary

	QTR	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
<b>Simsbury OPEB Total Plan</b>	<b>3.0</b>	<b>12.4</b>	<b>6.1</b>	<b>7.4</b>	<b>5.1</b>	<b>6.8</b>	<b>8.0</b>	<b>5.5</b>	<b>06/01/2008</b>
Blended Benchmark	3.4	13.0	6.5	7.9	5.3	7.0	8.4	5.5	
Difference	-0.4	-0.6	-0.4	-0.5	-0.2	-0.2	-0.4	0.0	

### Calendar Year Performance Summary

	2018	2017	2016	2015	2014	2013	2012	2011
<b>Simsbury OPEB Total Plan</b>	<b>-6.1</b>	<b>14.9</b>	<b>6.5</b>	<b>-0.7</b>	<b>5.6</b>	<b>9.8</b>	<b>12.0</b>	<b>2.5</b>
Blended Benchmark	-5.8	15.0	6.6	-0.7	6.0	9.9	12.4	2.2
Difference	-0.3	-0.1	-0.1	0.0	-0.4	-0.1	-0.4	0.3



# DC Plan Review

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# Fiduciary Governance Calendar

# Fiduciary Governance Calendar



<sup>1</sup> Where applicable, FIA is recommending that plan fiduciaries prudently select *and* monitor participant advice providers.

# Estimated Fee Review-457 Plan<sup>1</sup>

As of 12/31/18



Fund Name	12/31/2018 Assets	Fees (%)	Separate Account Fee (%)	Total Fees (%)	Total Fees (\$)	Estimated Recordkeeping Offset (%)	Separate Account Fee (%)	Total Estimated Recordkeeping Offset (%)	Total Estimated Recordkeeping Offset (\$)
General Account	\$2,657,613	0.00%	0.00%	0.00%	\$0	0.00%	0.00%	0.00%	\$0
Dreyfus Bond Market Index Inv	\$99,519	0.40%	0.65%	1.05%	\$1,045	0.30%	0.65%	0.95%	\$945
Western Asset Core Plus Bond FI	\$215,874	0.83%	0.65%	1.48%	\$3,195	0.30%	0.65%	0.95%	\$2,051
Templeton Global Bond A	\$25,742	0.96%	0.65%	1.61%	\$414	0.84%	0.65%	1.49%	\$384
MFS Value Fund R3	\$648,846	0.83%	0.65%	1.48%	\$9,603	0.55%	0.65%	1.20%	\$7,786
Dreyfus S&P 500 Index	\$2,784,316	0.50%	0.65%	1.15%	\$32,020	0.35%	0.65%	1.00%	\$27,843
T. Rowe Price Growth Stock Adv	\$1,745,312	0.92%	0.65%	1.57%	\$27,401	0.40%	0.65%	1.05%	\$18,326
AllianceBern Discovery Value A	\$270,666	1.13%	0.65%	1.78%	\$4,818	0.55%	0.65%	1.20%	\$3,248
Dreyfus MidCap Index	\$67,652	0.50%	0.65%	1.15%	\$778	0.30%	0.65%	0.95%	\$643
Eaton Vance Atlanta Capital SMID-Cap A	\$414,937	1.19%	0.65%	1.84%	\$7,635	0.55%	0.65%	1.20%	\$4,979
Dreyfus Small Cap Stock Index	\$104,728	0.50%	0.65%	1.15%	\$1,204	0.35%	0.65%	1.00%	\$1,047
Hartford International Opportunities HLS IA	\$206,009	0.73%	0.65%	1.38%	\$2,843	0.25%	0.65%	0.90%	\$1,854
T. Rowe Price Retirement Balanced R	\$0	1.06%	0.65%	1.71%	\$0	0.65%	0.65%	1.30%	\$0
T. Rowe Price Retirement 2010 R	\$0	1.09%	0.65%	1.74%	\$0	0.65%	0.65%	1.30%	\$0
T. Rowe Price Retirement 2020 R	\$63,351	1.13%	0.65%	1.78%	\$1,128	0.65%	0.65%	1.30%	\$824
T. Rowe Price Retirement 2030 R	\$656,575	1.19%	0.65%	1.84%	\$12,081	0.65%	0.65%	1.30%	\$8,535
T. Rowe Price Retirement 2040 R	\$96,468	1.24%	0.65%	1.89%	\$1,823	0.65%	0.65%	1.30%	\$1,254
T. Rowe Price Retirement 2050 R	\$304,715	1.24%	0.65%	1.89%	\$5,759	0.65%	0.65%	1.30%	\$3,961
<b>Total Assets</b>	<b>\$10,362,321</b>			<b>1.08%</b>	<b>\$111,747</b>			<b>0.81%</b>	<b>\$83,681</b>
<b># of participants=</b>	<b>146</b>								
<b>Weighted Average Plan Cost/ Recordkeeping &amp; Admin Rev Rec'd</b>				<b>1.08%</b>	<b>\$111,747</b>			<b>0.81%</b>	<b>\$83,681</b>
<b>Average Account Balance / Total Per Participant Costs</b>	<b>\$70,975</b>								

# Estimated Fee Review-401(a) Plan<sup>1</sup>

As of 12/31/18



Fund Name	12/31/2018 Assets	Fees (%)	Separate Account Fee (%)	Total Fees (%)	Total Fees (\$)	Estimated Recordkeeping Offset (%)	Separate Account Fee (%)	Total Estimated Recordkeeping Offset (%)	Total Estimated Recordkeeping Offset (\$)
General Account	\$66,230	0.00%	0.00%	0.00%	\$0	0.00%	0.00%	0.00%	\$0
Western Asset Core Plus Bond FI	\$679	0.80%	0.65%	1.45%	\$10	0.30%	0.65%	0.95%	\$6
Templeton Global Bond A	\$1,933	0.96%	0.65%	1.61%	\$31	0.52%	0.65%	1.17%	\$23
MFS Value R3	\$69	0.83%	0.65%	1.48%	\$1	0.55%	0.65%	1.20%	\$1
Dreyfus S&P 500 Index	\$4,383	0.50%	0.65%	1.15%	\$50	0.35%	0.65%	1.00%	\$44
T. Rowe Price Growth Stock R	\$139	1.17%	0.65%	1.82%	\$3	0.65%	0.65%	1.30%	\$2
AllianceBern Discovery Value A	\$1,298	1.13%	0.65%	1.78%	\$23	0.55%	0.65%	1.20%	\$16
Dreyfus MidCap Index	\$693	0.50%	0.65%	1.15%	\$8	0.30%	0.65%	0.95%	\$7
Eaton Vance Atlanta Capital SMID-Cap A	\$104	1.19%	0.65%	1.84%	\$2	0.55%	0.65%	1.20%	\$1
Dreyfus Small Cap Stock Index	\$0	0.50%	0.65%	1.15%	\$0	0.35%	0.65%	1.00%	\$0
Hartford Intl Opportunities R4	\$1,491	1.14%	0.65%	1.79%	\$27	0.65%	0.65%	1.30%	\$19
T. Rowe Price Retirement 2020 R	\$4,124	1.11%	0.65%	1.76%	\$73	0.65%	0.65%	1.30%	\$54
T. Rowe Price Retirement 2030 R	\$5,365	1.17%	0.65%	1.82%	\$98	0.65%	0.65%	1.30%	\$70
T. Rowe Price Retirement 2040 R	\$19,244	1.22%	0.65%	1.87%	\$360	0.65%	0.65%	1.30%	\$250
T. Rowe Price Retirement 2050 R	\$83,902	1.22%	0.65%	1.87%	\$1,569	0.65%	0.65%	1.30%	\$1,091
<b>Total Assets</b>	<b>\$189,656</b>			<b>1.19%</b>	<b>\$2,254</b>			<b>0.83%</b>	<b>\$1,583</b>
<b># of participants=</b>	<b>25</b>								
<b>Weighted Average Plan Cost/ Recordkeeping &amp; Admin Rev Rec'd</b>				<b>1.19%</b>	<b>\$2,254</b>			<b>0.83%</b>	<b>\$1,583</b>
<b>Average Account Balance / Total Per Participant Costs</b>	<b>\$7,586</b>								
									<b>\$63</b>



# Estimated Fee Review-BOE Plan<sup>1</sup>

As of 12/31/18



Fund Name	12/31/2018 Assets	Fees (%)	Separate Account Fee (%)	Total Fees (%)	Total Fees (\$)	Estimated Recordkeeping Offset (%)	Separate Account Fee (%)	Total Estimated Recordkeeping Offset (%)	Total Estimated Recordkeeping Offset (\$)
General Account	\$225,526	0.00%	0.00%	0.00%	\$0	0.00%	0.00%	0.00%	\$0
Dreyfus Bond Market Index Inv	\$2,543	0.40%	0.65%	1.05%	\$27	0.30%	0.65%	0.95%	\$24
Western Asset Core Plus Bond FI	\$399	0.82%	0.65%	1.47%	\$6	0.30%	0.65%	0.95%	\$4
Templeton Global Bond A	\$6,695	0.96%	0.65%	1.61%	\$108	0.52%	0.65%	1.17%	\$78
MFS Value Fund R3	\$13,484	0.83%	0.65%	1.48%	\$200	0.55%	0.65%	1.20%	\$162
Dreyfus S&P 500 Index	\$40,204	0.50%	0.65%	1.15%	\$462	0.35%	0.65%	1.00%	\$402
T. Rowe Price Growth Stock R	\$19,183	1.17%	0.65%	1.82%	\$349	0.65%	0.65%	1.30%	\$249
AllianceBern Discovery Value A	\$6,720	1.13%	0.65%	1.78%	\$120	0.55%	0.65%	1.20%	\$81
Dreyfus MidCap Index	\$15,091	0.50%	0.65%	1.15%	\$174	0.30%	0.65%	0.95%	\$143
Eaton Vance Atlanta Capital SMID-Cap A	\$10,244	1.19%	0.65%	1.84%	\$188	0.55%	0.65%	1.20%	\$123
Dreyfus Small Cap Stock Index	\$8,225	0.50%	0.65%	1.15%	\$95	0.35%	0.65%	1.00%	\$82
Hartford Intl Opportunities R4	\$7,555	1.14%	0.65%	1.79%	\$135	0.65%	0.65%	1.30%	\$98
T. Rowe Price Retirement Balanced R	\$511	1.02%	0.65%	1.67%	\$9	0.65%	0.65%	1.30%	\$7
T. Rowe Price Retirement 2020 R	\$2,055	1.11%	0.65%	1.76%	\$36	0.65%	0.65%	1.30%	\$27
T. Rowe Price Retirement 2030 R	\$15,902	1.17%	0.65%	1.82%	\$289	0.65%	0.65%	1.30%	\$207
T. Rowe Price Retirement 2040 R	\$20,506	1.22%	0.65%	1.87%	\$383	0.65%	0.65%	1.30%	\$267
T. Rowe Price Retirement 2050 R	\$5,809	1.22%	0.65%	1.87%	\$109	0.65%	0.65%	1.30%	\$76
<b>Total Assets</b>	<b>\$400,652</b>			<b>0.67%</b>	<b>\$2,689</b>			<b>0.51%</b>	<b>\$2,029</b>
<b># of participants=</b>	<b>68</b>								
<b>Weighted Average Plan Cost/ Recordkeeping &amp; Admin Rev Rec'd</b>				<b>0.67%</b>	<b>\$2,689</b>			<b>0.51%</b>	<b>\$2,029</b>
<b>Average Account Balance / Total Per Participant Costs</b>	<b>\$5,892</b>								<b>\$30</b>

# Benchmarking Summary



	Benchmarking		Potential Pricing Factors		
	Weighted Average Plan Cost	Recordkeeping & Admin Revenue Received	Average Assets	Average Participant Count	Average Account Balance
<b>Simsbury 457 Plan</b>	<b>1.08%</b>	<b>0.81%</b>	<b>\$10,362,319</b>	<b>144</b>	<b>\$70,973</b>
<b>Simsbury 401(a) Plan</b>	<b>1.19%</b>	<b>0.83%</b>	<b>\$189,656</b>	<b>25</b>	<b>\$7,586</b>
<b>Simsbury BOE Plan</b>	<b>0.67%</b>	<b>0.51%</b>	<b>\$400,652</b>	<b>68</b>	<b>\$5,892</b>
\$1-\$20 Million Average <sup>2</sup>	0.68%	0.30%	\$8,915,293	148	\$104,643
Total Plans Average <sup>2</sup>	0.51%	0.18%	\$212,696,238	2,234	\$120,492
Total Plans Median <sup>2</sup>	0.48%	0.14%	\$72,720,353	795	\$97,884

It is important to consider certain plan services that may also have an impact on your plan's fees relative to the benchmarks shown above, i.e. additional education days, additional compliance testing, etc.

<sup>1</sup> Source: 401(k) Averages Book.

<sup>2</sup> Source: Institutional Consultant's Plan Survey. Actual services and other fees may vary by client. Data is inclusive of ERISA/PERA accounts.

# Pricing Considerations

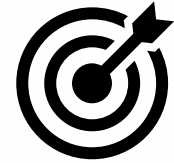
## Ways to Pay



Plan sponsors have a number of ways to pay for recordkeeping fees:

- ✓ Revenue sharing
- ✓ Level pricing
- ✓ Pro rata
- ✓ Per capita

## Proprietary Investment Options



Don't compromise on investment merit and fiduciary obligations when evaluating proprietary investments simply to save on fees. Understand there may be an impact to plan pricing should proprietary fund(s) be removed from the plan.

## Transaction & Project Fees



Some recordkeepers use transaction fees (ex. loans, distributions) or billable fees for projects or services (ex. fund changes, M&A, ERISA consulting) that may not be included in the recordkeeping agreement as a way to lower overall plan level fees. Plan sponsors should understand what these fees are, who is paying them, and if they are reasonable in light of the services being provided.

## Litigation



Defined Contribution plan litigation has witnessed a busy decade. Lawsuits have been brought against plan fiduciaries for a variety of reasons, with the recent rise in litigation especially focused on fees. These cases highlight the importance of evaluating and making prudent decisions regarding all plan and participant level fees.<sup>1</sup>

<sup>1</sup> Cassell v. Vanderbilt et al;  
Northrop Grumman Corp. ERISA Litigation  
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# Second Quarter 2019 Executive Summary

## Historical Balances by Investment

Simsbury 457

As of June 30, 2019

	Jun-2019		Mar-2019		Dec-2018		Sep-2018	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
General Account	2,778,453	23.2	2,760,531	23.9	2,657,613	25.6	2,622,794	22.6
<b>Stable Value/ Money Market Funds</b>	<b>2,778,453</b>	<b>23.2</b>	<b>2,760,531</b>	<b>23.9</b>	<b>2,657,613</b>	<b>25.6</b>	<b>2,622,794</b>	<b>22.6</b>
BNY Mellon Bond Market Index Inv	107,714	0.9	103,734	0.9	99,519	1.0	97,633	0.8
Western Asset Core Plus Bond FI	236,012	2.0	226,722	2.0	215,874	2.1	234,929	2.0
Templeton Global Bond A	29,318	0.2	27,680	0.2	25,742	0.2	23,933	0.2
<b>Fixed Income Funds</b>	<b>373,044</b>	<b>3.1</b>	<b>358,137</b>	<b>3.1</b>	<b>341,135</b>	<b>3.3</b>	<b>356,495</b>	<b>3.1</b>
T. Rowe Price Retirement Balanced R	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0
<b>Balanced Funds</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>
MFS Value Fund R3	785,824	6.6	742,303	6.4	648,846	6.3	731,637	6.3
BNY Mellon S&P 500 Index	3,344,368	27.9	3,200,228	27.7	2,784,316	26.9	3,274,470	28.2
T. Rowe Price Growth Stock Adv	2,126,852	17.7	2,037,906	17.6	1,745,312	16.8	2,033,922	17.5
AllianceBern Discovery Value A	312,835	2.6	304,388	2.6	270,666	2.6	329,334	2.8
BNY Mellon MidCap Index	51,238	0.4	66,056	0.6	67,652	0.7	81,068	0.7
Eaton Vance Atlanta Capital SMID-Cap A	538,100	4.5	473,983	4.1	414,937	4.0	533,656	4.6
BNY Mellon Small Cap Stock Index	104,287	0.9	100,552	0.9	104,728	1.0	146,827	1.3
<b>Domestic Equity Funds</b>	<b>7,263,506</b>	<b>60.6</b>	<b>6,925,416</b>	<b>60.0</b>	<b>6,036,455</b>	<b>58.3</b>	<b>7,130,913</b>	<b>61.5</b>
Hartford International Opportunities HLS IA	253,377	2.1	239,371	2.1	206,009	2.0	265,623	2.3
<b>International Funds</b>	<b>253,377</b>	<b>2.1</b>	<b>239,371</b>	<b>2.1</b>	<b>206,009</b>	<b>2.0</b>	<b>265,623</b>	<b>2.3</b>
T. Rowe Price Retirement 2010 R	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0
T. Rowe Price Retirement 2020 R	73,493	0.6	70,045	0.6	63,351	0.6	67,413	0.6
T. Rowe Price Retirement 2030 R	756,410	6.3	724,867	6.3	656,575	6.3	719,960	6.2
T. Rowe Price Retirement 2040 R	123,445	1.0	113,045	1.0	96,468	0.9	104,450	0.9
T. Rowe Price Retirement 2050 R	365,981	3.1	358,409	3.1	304,715	2.9	329,536	2.8
<b>Target Date Funds</b>	<b>1,319,328</b>	<b>11.0</b>	<b>1,266,365</b>	<b>11.0</b>	<b>1,121,110</b>	<b>10.8</b>	<b>1,221,359</b>	<b>10.5</b>
<b>Simsbury 457</b>	<b>11,987,708</b>	<b>100.0</b>	<b>11,549,820</b>	<b>100.0</b>	<b>10,362,321</b>	<b>100.0</b>	<b>11,597,184</b>	<b>100.0</b>

Source: MassMutual

## Historical Balances by Investment

Simsbury DC

As of June 30, 2019

	Jun-2019		Mar-2019		Dec-2018		Sep-2018	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
General Account	85,268	33.3	82,001	35.0	66,230	34.9	63,294	36.6
<b>Stable Value / Money Market Funds</b>	<b>85,268</b>	<b>33.3</b>	<b>82,001</b>	<b>35.0</b>	<b>66,230</b>	<b>34.9</b>	<b>63,294</b>	<b>36.6</b>
BNY Mellon Bond Market Index Inv	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0
Western Asset Core Bond FI	796	0.3	0.00	0.0	679	0.4	0.00	0.0
Templeton Global Bond A	1,978	0.8	1,967	0.8	1,933	1.0	1,905	1.1
<b>Fixed Income Funds</b>	<b>2,774</b>	<b>1.1</b>	<b>1,967</b>	<b>0.8</b>	<b>2,612</b>	<b>1.4</b>	<b>1,905</b>	<b>1.1</b>
T. Rowe Price Retirement Balanced R	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.0
<b>Balanced Funds</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>	<b>0.00</b>	<b>0.0</b>
MFS Value Fund R3	396	0.2	230	0.1	69	0.0	0.00	0.0
BNY Mellon S&P 500 Index	7,008	2.7	5,873	2.5	4,383	2.3	4,306	2.5
T. Rowe Price Growth Stock R	792	0.3	469	0.2	139	0.1	0.00	0.0
AllianceBern Discovery Value A	2,643	1.0	2,023	0.9	1,298	0.7	959	0.6
BNY Mellon MidCap Index	1,086	0.4	775	0.3	693	0.4	823	0.5
Eaton Vance Atlanta Capital SMID-Cap A	620	0.2	354	0.2	104	0.1	0.00	0.0
BNY Mellon Small Cap Stock Index	0.00	0.0	919	0.4	0.00	0.0	783	0.5
<b>Domestic Equity Funds</b>	<b>12,544</b>	<b>4.9</b>	<b>10,643</b>	<b>4.5</b>	<b>6,687</b>	<b>3.5</b>	<b>6,871</b>	<b>4.0</b>
Hartford International Opportunities R4	1,761	0.7	1,696	0.7	1,491	0.8	1,762	1.0
<b>International Equity Funds</b>	<b>1,761</b>	<b>0.7</b>	<b>1,696</b>	<b>0.7</b>	<b>1,491</b>	<b>0.8</b>	<b>1,762</b>	<b>1.0</b>
T. Rowe Price Retirement 2020 R	6,895	2.7	5,603	2.4	4,124	2.2	3,340	1.9
T. Rowe Price Retirement 2030 R	9,933	3.9	7,794	3.3	5,365	2.8	4,022	2.3
T. Rowe Price Retirement 2040 R	33,604	13.1	26,714	11.4	19,244	10.1	14,949	8.6
T. Rowe Price Retirement 2050 R	103,118	40.3	97,817	41.8	83,902	44.2	76,744	44.4
<b>Target Date Funds</b>	<b>153,551</b>	<b>60.0</b>	<b>137,928</b>	<b>58.9</b>	<b>112,636</b>	<b>59.4</b>	<b>99,055</b>	<b>57.3</b>
<b>Simsbury 401(a) DC Plan</b>	<b>255,899</b>	<b>100.0</b>	<b>234,235</b>	<b>100.0</b>	<b>189,656</b>	<b>100.0</b>	<b>172,887</b>	<b>100.0</b>

Source: MassMutual

## Historical Balances by Investment

Simsbury DC

As of June 30, 2019

	Jun-2019		Mar-2019		Dec-2018		Sep-2018	
	(\$)	%	(\$)	%	(\$)	%	(\$)	%
General Account	264,015	53.0	246,285	53.8	225,526	56.3	213,054	53.7
<b>Stable Value / Money Market Funds</b>	<b>264,015</b>	<b>53.0</b>	<b>246,285</b>	<b>53.8</b>	<b>225,526</b>	<b>56.3</b>	<b>213,054</b>	<b>53.7</b>
BNY Mellon Bond Market Index Inv	4,247	0.9	3,164	0.7	2,543	0.6	4,569	1.2
Western Asset Core Bond FI	635	0.1	525	0.1	399	0.1	315	0.1
Templeton Global Bond A	7,867	1.6	7,365	1.6	6,695	1.7	6,137	1.5
<b>Fixed Income Funds</b>	<b>12,750</b>	<b>2.6</b>	<b>11,055</b>	<b>2.4</b>	<b>9,637</b>	<b>2.4</b>	<b>11,021</b>	<b>2.8</b>
T. Rowe Price Retirement Balanced R	636	0.1	585	0.1	511	0.1	505	0.1
<b>Balanced Funds</b>	<b>636</b>	<b>0.1</b>	<b>585</b>	<b>0.1</b>	<b>511</b>	<b>0.1</b>	<b>505</b>	<b>0.1</b>
MFS Value Fund R3	16,514	3.3	15,511	3.4	13,484	3.4	14,974	3.8
BNY Mellon S&P 500 Index	52,111	10.5	48,018	10.5	40,204	10.0	44,436	11.2
T. Rowe Price Growth Stock R	26,162	5.2	23,906	5.2	19,183	4.8	16,379	4.1
AllianceBern Discovery Value A	8,961	1.8	8,209	1.8	6,720	1.7	7,560	1.9
BNY Mellon MidCap Index	19,691	4.0	18,204	4.0	15,091	3.8	17,375	4.4
Eaton Vance Atlanta Capital SMID-Cap A	14,459	2.9	12,620	2.8	10,244	2.6	11,571	2.9
BNY Mellon Small Cap Stock Index	10,431	2.1	9,772	2.1	8,225	2.1	9,703	2.4
<b>Domestic Equity Funds</b>	<b>148,328</b>	<b>29.8</b>	<b>136,240</b>	<b>29.8</b>	<b>113,150</b>	<b>28.2</b>	<b>121,998</b>	<b>30.7</b>
Hartford International Opportunities R4	10,255	2.1	9,349	2.0	7,555	1.9	8,205	2.1
<b>International Equity Funds</b>	<b>10,255</b>	<b>2.1</b>	<b>9,349</b>	<b>2.0</b>	<b>7,555</b>	<b>1.9</b>	<b>8,205</b>	<b>2.1</b>
T. Rowe Price Retirement 2020 R	2,544	0.5	2,360	0.5	2,055	0.5	2,112	0.5
T. Rowe Price Retirement 2030 R	21,909	4.4	19,851	4.3	15,902	4.0	12,490	3.1
T. Rowe Price Retirement 2040 R	30,555	6.1	24,937	5.5	20,506	5.1	21,208	5.3
T. Rowe Price Retirement 2050 R	7,343	1.5	6,847	1.5	5,809	1.4	6,246	1.6
<b>Target Date Funds</b>	<b>62,351</b>	<b>12.5</b>	<b>53,996</b>	<b>11.8</b>	<b>44,272</b>	<b>11.1</b>	<b>42,056</b>	<b>10.6</b>
<b>Simsbury BOE DC Plan</b>	<b>498,334</b>	<b>100.0</b>	<b>457,509</b>	<b>100.0</b>	<b>400,652</b>	<b>100.0</b>	<b>396,839</b>	<b>100.0</b>

Source: MassMutual

## Performance Overview By Investment

As of June 30, 2019

Total Annualized Return (%)

	QTR	1 Year	3 Years	5 Years	10 Years	Expense Ratio (%)	Manager Status
							1-50 Percentile = <span style="background-color: #e0ffe0;"> </span> 51-75 Percentile = <span style="background-color: #ffffe0;"> </span> 76-100 Percentile = <span style="background-color: #ffcc00;"> </span>
<b>General Account- 457 Plan</b>			<b>Net Crediting Rate: 4.00%</b>			-	<b>MAINTAIN</b>
<i>FTSE 3 Month T-Bill</i>	0.6	2.3	1.4	0.8	0.5	-	
<b>General Account- 401(a) Plan</b>			<b>Net Crediting Rate: 1.45%</b>			-	<b>MAINTAIN</b>
<i>FTSE 3 Month T-Bill</i>	0.6	2.3	1.4	0.8	0.5	-	
<b>General Account- BOE DC Plan</b>			<b>Net Crediting Rate: 1.45%</b>			-	<b>MAINTAIN</b>
<i>FTSE 3 Month T-Bill</i>	0.6	2.3	1.4	0.8	0.5	-	
<b>BNY Mellon Bond Market Index Inv</b>	<b>2.9</b>	<b>7.5</b>	<b>1.9</b>	<b>2.5</b>	<b>3.4</b>	<b>0.40</b>	<b>MAINTAIN</b>
<i>Blmbg. Barc. U.S. Aggregate Index</i>	3.1	7.9	2.3	2.9	3.9	-	
IM U.S. Broad Market Core+ Fixed Income (MF) Rank	71	65	95	75	99	0.67	
<b>Western Asset Core Plus Bond FI</b>	<b>3.8</b>	<b>9.0</b>	<b>3.8</b>	<b>3.9</b>	<b>6.4</b>	<b>0.83</b>	<b>MAINTAIN</b>
<i>Blmbg. Barc. U.S. Aggregate Index</i>	3.1	7.9	2.3	2.9	3.9	-	
IM U.S. Broad Market Core Fixed Income (MF) Rank	3	5	3	1	1	0.60	
<b>Templeton Global Bond A</b>	<b>0.7</b>	<b>5.3</b>	<b>4.3</b>	<b>1.2</b>	<b>4.6</b>	<b>0.94</b>	<b>MAINTAIN</b>
<i>FTSE World Government Bond Index</i>	3.6	5.5	1.0	0.8	2.2	-	
IM Global Fixed Income (MF) Rank	100	75	15	62	30	0.82	
<b>T. Rowe Price Retirement Balanced R</b>	<b>2.9</b>	<b>5.7</b>	<b>5.7</b>	<b>3.7</b>	<b>6.4</b>	<b>1.02</b>	<b>MAINTAIN</b>
<i>T. Rowe Price Retirement Balanced Index</i>	3.1	6.5	6.4	4.5	6.5	-	
IM Mixed-Asset Target Alloc Moderate (MF) Rank	60	46	84	74	91	1.04	

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

Source: Lipper Analytical Services or investment manager for non-mutual fund holdings.



## Performance Overview By Investment

As of June 30, 2019

Total Annualized Return (%)

	QTR	1 Year	3 Years	5 Years	10 Years	Expense Ratio (%)	Manager Status
<b>MFS Value Fund R3</b>	<b>5.0</b>	<b>10.5</b>	<b>10.1</b>	<b>8.3</b>	<b>12.4</b>	<b>0.83</b>	<b>MAINTAIN</b>
<i>Russell 1000 Value Index</i>	3.8	8.5	10.2	7.5	13.2	-	
IM U.S. Large Cap Value Equity (MF) Rank	8	11	63	13	39	0.89	
<b>BNY Mellon S&amp;P 500 Index</b>	<b>4.2</b>	<b>9.9</b>	<b>13.6</b>	<b>10.2</b>	<b>14.2</b>	<b>0.50</b>	<b>MAINTAIN</b>
<i>S&amp;P 500 Index</i>	4.3	10.4	14.2	10.7	14.7	-	
IM U.S. Large Cap Core Equity (MF) Rank	50	41	40	27	25	0.81	
<b>T. Rowe Price Growth Stock Adv</b>	<b>3.7</b>	<b>8.0</b>	<b>19.4</b>	<b>13.4</b>	<b>16.3</b>	<b>0.92</b>	<b>MAINTAIN</b>
<i>Russell 1000 Growth Index</i>	4.6	11.6	18.1	13.4	16.3	-	
IM U.S. Large Cap Growth Equity (MF) Rank	78	81	29	31	17	0.93	
<b>T. Rowe Price Growth Stock R</b>	<b>3.8</b>	<b>8.3</b>	<b>19.7</b>	<b>13.6</b>	<b>16.6</b>	<b>1.18</b>	<b>MAINTAIN</b>
<i>Russell 1000 Growth Index</i>	4.6	11.6	18.1	13.4	16.3	-	
IM U.S. Large Cap Growth Equity (MF) Rank	76	78	25	24	12	0.93	
<b>AllianceBern Discovery Value A</b>	<b>2.0</b>	<b>-5.7</b>	<b>8.9</b>	<b>5.0</b>	<b>13.1</b>	<b>1.10</b>	<b>MAINTAIN</b>
<i>Russell 2500 Value Index</i>	1.9	-1.9	9.0	5.5	13.3	-	
IM U.S. SMID Cap Value Equity (MF) Rank	40	41	32	28	19	1.19	
<b>BNY Mellon MidCap Index</b>	<b>2.9</b>	<b>0.9</b>	<b>10.4</b>	<b>7.5</b>	<b>14.1</b>	<b>0.50</b>	<b>MAINTAIN</b>
<i>S&amp;P MidCap 400 Index</i>	3.0	1.4	10.9	8.0	14.6	-	
IM U.S. Mid Cap Core Equity (MF) Rank	71	72	44	27	16	1.04	
<b>Eaton Vance Atlanta Capital SMID-Cap A</b>	<b>8.9</b>	<b>13.7</b>	<b>15.5</b>	<b>13.4</b>	<b>16.6</b>	<b>1.16</b>	<b>MAINTAIN</b>
<i>Russell 2500 Growth Index</i>	4.1	6.1	16.1	10.0	15.7	-	
IM U.S. SMID Cap Growth Equity (MF) Rank	9	12	64	10	15	1.11	

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

Source: Lipper Analytical Services or investment manager for non-mutual fund holdings.

## Performance Overview By Investment

As of June 30, 2019

Total Annualized Return (%)

	QTR	1 Year	3 Years	5 Years	10 Years	Expense Ratio (%)	Manager Status
<b>BNY Mellon Small Cap Stock Index</b>	<b>1.8</b>	<b>-5.3</b>	<b>11.4</b>	<b>7.9</b>	<b>14.6</b>	<b>0.50</b>	<b>MAINTAIN</b>
<i>S&amp;P SmallCap 600 Index</i>	1.9	-4.9	12.0	8.4	15.0	-	
IM U.S. Small Cap Core Equity (MF) Rank	43	41	29	20	16	1.08	
<b>Hartford International Opportunities HLS IA</b>	<b>4.2</b>	<b>0.0</b>	<b>8.0</b>	<b>3.0</b>	<b>7.9</b>	<b>0.73</b>	<b>MAINTAIN</b>
<i>MSCI AC World ex USA (Net)</i>	3.0	1.3	9.4	2.2	6.5	-	
IM International Large Cap Core Equity (MF) Rank	32	45	55	1	3	1.02	

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




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

Source: Lipper Analytical Services or investment manager for non-mutual fund holdings.

## Performance Overview By Investment

As of June 30, 2019

Total Annualized Return (%)

	QTR	1 Year	3 Years	5 Years	10 Years	Expense Ratio (%)	Manager Status
							1-50 Percentile = 
							51-75 Percentile = 
							76-100 Percentile = 
<b>T. Rowe Price Retirement 2010 R</b>	<b>3.1</b>	<b>6.2</b>	<b>6.2</b>	<b>4.2</b>	<b>7.7</b>	<b>1.04</b>	<b>MAINTAIN</b>
<i>T. Rowe Price Retirement 2010 Index</i>	3.3	7.1	6.8	4.9	7.9	-	
IM Mixed-Asset Target 2010 (MF) Rank	20	43	28	44	24	0.55	
<b>T. Rowe Price Retirement 2020 R</b>	<b>3.3</b>	<b>6.1</b>	<b>8.2</b>	<b>5.3</b>	<b>9.5</b>	<b>1.11</b>	<b>MAINTAIN</b>
<i>T. Rowe Price Retirement 2020 Index</i>	3.5	7.3	8.8	6.0	9.7	-	
IM Mixed-Asset Target 2020 (MF) Rank	19	42	7	13	3	0.68	
<b>T. Rowe Price Retirement 2030 R</b>	<b>3.5</b>	<b>5.9</b>	<b>10.0</b>	<b>6.2</b>	<b>10.8</b>	<b>1.17</b>	<b>MAINTAIN</b>
<i>T. Rowe Price Retirement 2030 Index</i>	3.7	7.3	10.5	6.9	11.0	-	
IM Mixed-Asset Target 2030 (MF) Rank	27	46	11	17	8	0.71	
<b>T. Rowe Price Retirement 2040 R</b>	<b>3.6</b>	<b>5.6</b>	<b>11.1</b>	<b>6.7</b>	<b>11.4</b>	<b>1.22</b>	<b>MAINTAIN</b>
<i>T. Rowe Price Retirement 2040 Index</i>	3.8	7.2	11.7	7.4	11.7	-	
IM Mixed-Asset Target 2040 (MF) Rank	26	39	14	20	11	0.73	
<b>T. Rowe Price Retirement 2050 R</b>	<b>3.6</b>	<b>5.5</b>	<b>11.3</b>	<b>6.8</b>	<b>11.4</b>	<b>1.22</b>	<b>MAINTAIN</b>
<i>T. Rowe Price Retirement 2050 Index</i>	3.8	7.1	11.8	7.5	11.7	-	
IM Mixed-Asset Target 2050 (MF) Rank	27	43	19	25	9	0.72	

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

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

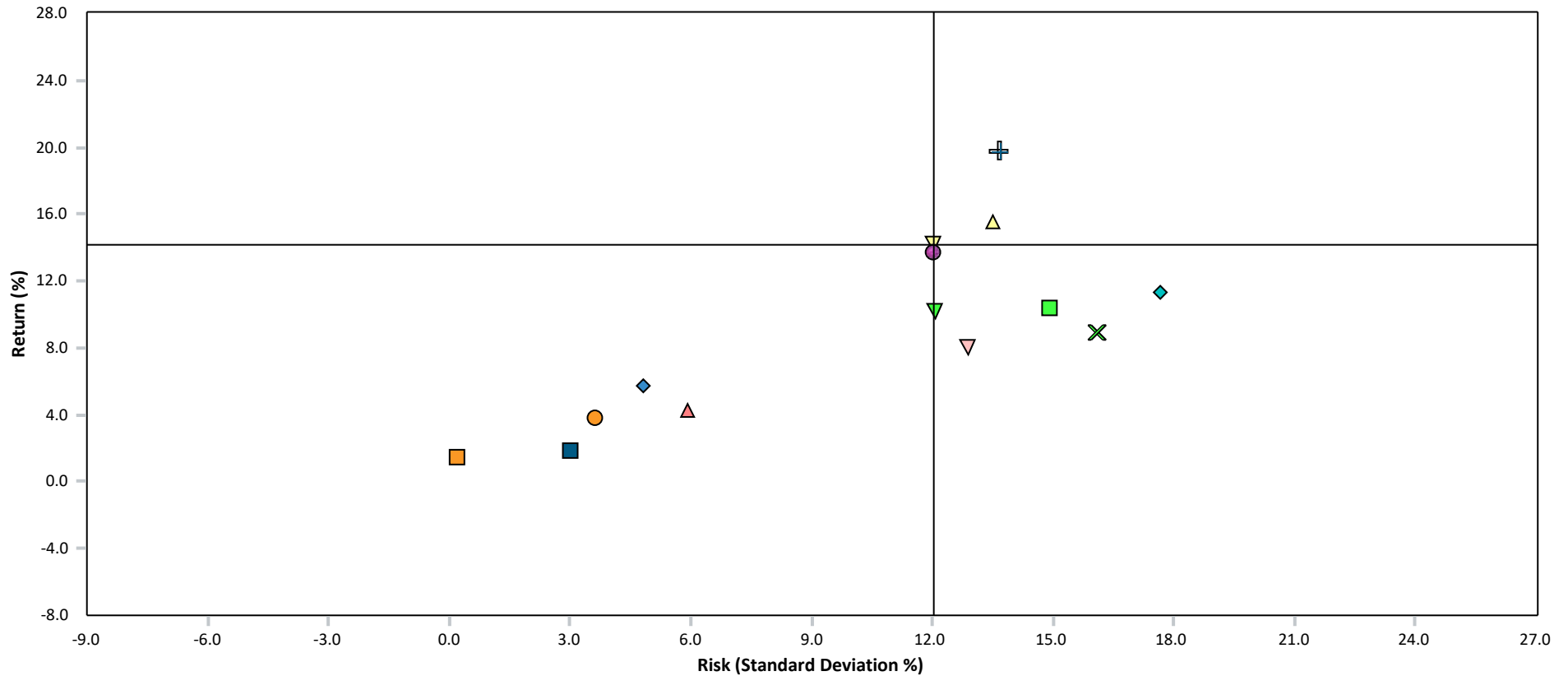
Source: Lipper Analytical Services or investment manager for non-mutual fund holdings.

# Performance vs Risk

## 3 Years Ending June 30, 2019

The plan's investment menu should provide for investment options with materially different risk/reward characteristics that would allow participants to construct a broadly diversified portfolio. The chart below illustrates how the funds in the plan align on the "risk-return spectrum" when compared to the S&P 500 Index.

Calculation based on monthly periodicity.



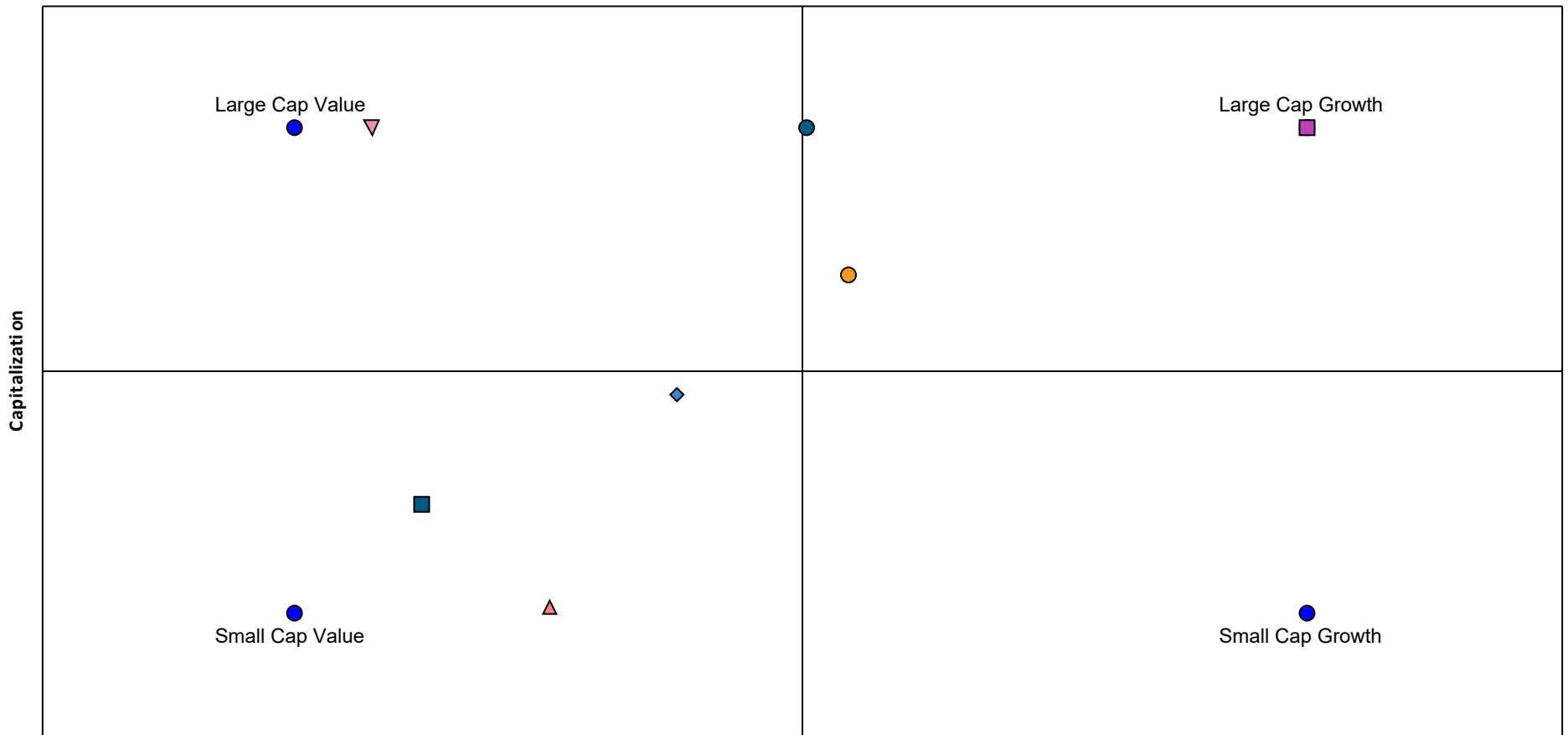
- BNY Mellon Bond Market Index Inv
- Western Asset Core Plus Bond FI
- ▲ Templeton Global Bond A
- ◆ T. Rowe Price Retirement Balanced R
- ▼ MFS Value Fund R3
- BNY Mellon S&P 500 Index
- ⊕ T. Rowe Price Growth Stock R
- ✕ AllianceBern Discovery Value A
- BNY Mellon MidCap Index
- ▲ Eaton Vance Atlanta Capital SMID-Cap A
- ◆ BNY Mellon Small Cap Stock Index
- ▼ Hartford International Opportunities HLS IA
- ▼ S&P 500 Index
- 90 Day U.S. Treasury Bill

# Performance Statistics

## Average Style Exposure

The chart below illustrates the Lipper Style Box exposure for the plan's funds that invest primarily in U.S. stocks. The purpose of the chart is to demonstrate the presence of coverage in all style boxes, from small cap to large cap and from growth to value.

Style Map(03/01/15 - 06/30/19)



- AllianceBern Discovery Value A
- ◆ BNY Mellon MidCap Index
- BNY Mellon S&P 500 Index
- Eaton Vance Atlanta Capital SMID-Cap A
- ▲ BNY Mellon Small Cap Stock Index
- ▼ MFS Value Fund R3
- T. Rowe Price Growth Stock R

## Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
General Account	Maintain	2Q 2019 - Commentary not available at time of report production.
BNY Mellon Bond Market Index Inv	Maintain	In accordance with its objective, the BNY Mellon Bond Market Index Fund sufficiently tracked its index during the quarter.
Western Asset Core Plus Bond FI	Maintain	2Q 2019 – The Western Asset Core Plus Bond Fund had a strong return during the quarter, outperforming the Bloomberg Barclays U.S. Aggregate Bond Index. The strategy benefited from both interest rate positioning and sector allocation. The portfolio’s longer than benchmark duration had a positive impact on relative results as interest rates fell during the period. Additionally, a preference for spread sectors, notably investment grade and high yield corporate bonds, emerging markets, and structured products, added to relative returns as spread sectors generally outperformed government bonds. The team at Western modestly trimmed the investment grade corporate bond exposure during the quarter on the back of strong performance and also added modestly to TIPS. The portfolio’s duration remains longer than the benchmark, ending the quarter at approximately 6.2 years.
Templeton Global Bond A	Maintain	2Q 2019 – The Templeton Global Bond Fund rose during the second quarter but underperformed its benchmark, the FTSE WGBI. Escalating trade tensions between the U.S. and China led to a broad resurgence in global risk aversion in the period causing sovereign bond yields around the world to notably decline. Amid this market environment, the fund’s negative duration exposure to U.S. Treasuries detracted from absolute performance as the yield on the 10-year note declined 40 basis points during the quarter to finish at its lowest level since November 2016. In addition, the portfolio’s net-negative position in the euro moderately detracted as the U.S. dollar depreciated against most foreign currencies. In contrast, the biggest contributor to absolute performance was the portfolio’s exposure to Brazilian duration as well as the Brazilian real. Looking forward, the team believes U.S. growth is likely to moderate from its 2018 pace but remain at or above potential in 2019, and they do not see economic conditions that indicate an imminent recession, or that justify rate cuts.
T. Rowe Price Retirement Balanced R	Maintain	2Q 2019 – The T. Rowe Price Retirement Balanced fund produced a positive absolute return during the second quarter, amid high levels of market volatility, particularly within the month of May. The Retirement Balanced Fund is a standalone product from the target date glide path and maintains a static allocation of approximately 40% equities and 60% bonds. Within fixed income, exposure to corporates and emerging markets debt was additive, as the demand for yield persisted.

## Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
MFS Value Fund R3	Maintain	2Q 2019 - The MFS Value Fund outperformed the Russell 1000 Value Index in the second quarter. After posting strong returns in the first quarter of 2019, the US equity market continued to climb during the second quarter: the S&P 500 Index reached an all-time high in late June and ended the first half of the year up 19%. Sector allocations were the primary driver of the Fund's outperformance this quarter due to an overweight position in financials and an underweight position in energy. Financials was the best performing sector in the benchmark during the quarter while energy was the worst. The price of crude oil was volatile throughout the quarter as concerns about global growth and increased US stockpiles weighed on the commodity. An overweight position in industrials also helped as the sector's performance has rebounded this year after a challenging 2018. Stock selection also contributed to results during the quarter led by holdings in the healthcare and technology sectors. Conversely, holdings in the consumer staples sector weighed on returns.
BNY Mellon S&P 500 Index	Maintain	In accordance with its objective, the BNY Mellon S&P 500 Index Fund sufficiently tracked its index during the quarter.
T. Rowe Price Growth Stock R	Maintain	2Q 2019 – The T. Rowe Price Growth Stock Fund generated a positive return during the second quarter but trailed the Russell 1000 Growth Index. Domestic equities ended a quarter of choppiness in positive territory, rallying in the concluding month on the back of a temporary halt to further tariff hikes, as well as indications of a more accommodative Fed in the back half of 2019. From a sector standpoint, technology continued to be a standout performer, while financials was also a top segment of the index. Growth continued its recent dominance over value, while high quality stocks, as rated by S&P, also outperformed. Against this backdrop, underperformance was largely the result of weakness in health care and financials, while strength in consumer discretionary was additive. Within health care, the portfolio was hindered by both an overweight stake and adverse stock picks. Biotech names in particular struggled as drug prices became a main topic of political rhetoric ahead of the 2020 election. The top detractor in the space was Intuitive Surgical. Financials was a challenge for the portfolio as well, with Charles Schwab coming under pressure given indications of a cut in rates negatively impacting their net interest margins. On the positive side, favorable picks within consumer discretionary added value, with notable strength in autos and multiline retail industries. Among top contributors from the group were stakes in Dollarama and Ferrari.
AllianceBern Discovery Value A	Maintain	2Q 2019 - The Alliance Bernstein Discovery Value Fund outperformed the Russell 2500 Value Index in the second quarter. The US equity market ended the quarter higher - posting the best first half since 1997. Small capitalization stocks underperformed large caps during the quarter while growth outpaced value across all size segments as concerns over slowing economic rewarded the style. Security selection was a contributor to the Fund's outperformance this quarter, while sector allocation detracted. Negative security selection in communication services and industrials was more than offset by positive security selection in consumer discretionary, financials and utilities. Regarding sector allocation, an overweight to technology contributed to returns but this was more than offset by overweights to energy and consumer staples, the two worst performing sectors in the benchmark this quarter.

## Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
BNY Mellon MidCap Index	Maintain	In accordance with its objective, the BNY Mellon Midcap Index Fund sufficiently tracked its index during the quarter.
Eaton Vance Atlanta Capital SMID-Cap A	Maintain	2Q 2019 – The Eaton Vance Atlanta Capital Smid Cap Fund produced a positive absolute return during the second quarter and outpaced the Russell 2500 Growth Index. Domestic equity markets endured a period of heightened volatility as the trade war with China continued to drive investor sentiment. Equities turned broadly negative during May after a back and forth raising of tariffs between the US and China, only to rally sharply in June as an agreement was reached to temporarily pause further import taxes while sides attempt to come to a resolution. June equity performance was further bolstered by signals the Federal Reserve will be cutting short term interest rates in the coming months as economic growth metrics appear to be slowing. The portfolio performed well in this environment, as it's focus on high quality companies (consistent earnings growers, as rated by S&P) was a tailwind amid the choppiness. Regarding attribution, outperformance was broad based across most sectors, with only real estate having a modestly negative impact. Notable areas of strength included favorable selection within technology, consumer discretionary and health care. Top contributors included stakes in Manhattan Associates, in tech, and Aramark, in consumer discretionary. In health care, an avoidance of unprofitable biotech names was beneficial, as these stocks generally lagged, hampered by political rhetoric around drug pricing that resurfaced in the period.
BNY Mellon Small Cap Stock Index	Maintain	In accordance with its objective, the BNY Mellon Small Cap Stock Index Fund sufficiently tracked its index during the quarter.
Hartford International Opportunities HLS IA	Maintain	2Q 2019 – The Hartford International Opportunities Fund rose during the second quarter and outperformed its benchmark, the MSCI ACW ex-US Index, as international equity markets in aggregate advanced for the period despite heightened levels of volatility. Non-U.S. stocks opened the quarter on a good note, only to give all the gains back in May as U.S./China trade negotiations deteriorated, and then rebounded again in June as trade tensions eased and dovish central bank rhetoric and policy bolstered global markets. The fund followed up its strong start to the year with another good quarter of outperformance that was driven by positive stock selection in the consumer discretionary and communication services sectors. The portfolio's positions in Ferrari, adidas, Cellnex Telecom, and China Tower were its top contributors for the quarter. These gains were partially offset by weak stock selection in the information technology and energy sectors, which were hampered by holdings in Hangzhou Hikvision and EnCana. In addition, sector allocation effects were modestly negative, which was primarily attributable to the portfolio's overweight to real estate. The Fund is sub-advised by Wellington Management.



## Manager Commentary

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As of June 30, 2019

Manager	Manager Status	Comments
T. Rowe Price Retirement Funds	Maintain	2Q 2019 – The T. Rowe Price Retirement Funds produced positive absolute returns across all vintages during the second quarter, and performed well relative to peers, but did modestly lag their composite indices for the period. Equity markets rose during the second quarter, but not without volatility. A tactical underweight to equities was a headwind during the quarter as the team still views stocks as less favorable currently due to valuations and the late stage of the economic cycle. Security selection was generally additive during the period, particularly within domestic large cap value, mid cap growth, and high yield. Bond markets generally produced positive returns as interest rates fell amid growing expectations for a rate cut in 2019. Within fixed income, the core bond holding modestly outpaced the Barclays Aggregate Index for the quarter, though some out of benchmark exposures to diversifying fixed income sectors weighed on relative performance. Real assets exposure was also a relative detractor as the asset class generally lagged equities, but the dedicated long-term U.S. Treasuries exposure was additive as interest rates fell.

The background of the slide is a light blue and white image. It features a close-up of a silver and black pen resting on a document. To the left, a portion of a white calculator is visible. To the right, the spiral binding of a notebook is seen. The document itself has a bar chart with several blue bars of varying heights. The overall aesthetic is professional and business-oriented.

## **Request for Information Analysis**

# Overview of Project



The purpose of this exercise is to assist The Town of Simsbury in gaining insight into the prevailing retirement plan recordkeeping and administrative services marketplace as the Committee compares its current provider (MassMutual) to other firms. As part of the project, an RFI questionnaire was distributed to the following retirement plan recordkeeping and administrative Service Providers:

1. MassMutual (incumbent)
2. Empower
3. Lincoln
4. Voya

*All information in this report has been provided by MassMutual, Empower, Lincoln and Voya. FIA is not responsible for any errors or omissions. For additional details, please refer to the various vendor responses to the Request for Information.*

# Comparison Matrix

## Expenses

Criteria	MassMutual	Empower	Lincoln	Voya
Plan Conversion Fees	Included	Included	Included	Included
Trustee Fees	Included	Included	Included	Included
<b>Revenue Requirement: <u>No</u> proprietary investment requirements*</b>	<b>Basis Point: 0.51% or \$249 per participant</b>	<b>Basis Point: 0.25% or \$138 per participant</b>	<b>Basis Point: 0.23% or \$101 per participant</b>	<b>Basis Point: 0.26% or \$147 per participant</b>
<b>Revenue Requirement: <u>With</u> proprietary investment requirements*</b>	<b>Scenario 1- Basis Point: 0.37% or \$181 per participant Scenario 2- Basis Point: 0.44% or \$215 per participant</b>	<b>Scenario 1- Basis Point: 0.21% or \$118 per participant Scenario 2- Basis Point: 0.16% or \$66 per participant</b>	<b>Basis Point: 0.19% or \$82 per participant</b>	<b>Basis Point: 0.16% or \$87 per participant</b>
Proprietary investment requirement(s)	Scenario 1- Guaranteed Interest Account (GIA) <sup>1</sup> Scenario 2- Separate Account Guaranteed Interest Contract (SAGIC) Diversified II <sup>2</sup>	Scenario 1- Putnam Stable Value Fund <sup>3</sup> Scenario 2- Guaranteed Interest Account <sup>3</sup>	Lincoln Stable Value Account	Voya Fixed Plus III Account
Proprietary Investment Crediting Rate	Scenario 1 <sup>1</sup> Scenario 2 <sup>2</sup>	Scenario 1- 2.43% Scenario 2- 1.45%	2.50%	2.00%
Ability to accommodate leveled pricing	Yes	Yes	Yes	Yes
Ability to apply revenue credit at investment level	Yes	Yes	Yes	Yes
Fee per day for Education	Included	\$500 per day	\$750 per day	\$1,000 per day

\*Pricing based off 249 total combined participants.

<sup>1</sup>For either the current or the enhanced platforms, the minimum GIA crediting rate of a five-year period would be: Year 1- 3.65%, Year 2-3.35%, Year 3- 3.15%, Year 4-2.85% and Year 5-2.50%.

<sup>2</sup>In regards to MassMutual's SAGIC Diversified product, the crediting rate is currently fluctuating between 3.61% to 3.75% for new business rates. The SAGIC Diversified option is only available on the enhanced platform.

<sup>3</sup>Assumes the investment will be the sole fixed option in the plan.

# Provider Comparison Matrix

## Expenses; Continued

Criteria	MassMutual	Empower	Lincoln	Voya
Non-discrimination tests (each)	√	N/A	√	N/A
Form 5500 preparation	√	N/A	N/A	N/A
Payroll deferral percentage tracking	√	√	√	√
Loan maintenance	√	\$50	\$25	\$25
Loan origination fee	√	\$75	\$75	\$75
In-service, non-hardship withdrawals	√	√	\$25	√
Hardship distribution	√	√	√	√
Terminated distributions	√	√	\$40	√
Hardship approval	√	√	√	√ <sup>1</sup>
QDRO processing	√	√	√	√
QDRO qualification	√	\$250	\$500	√
Return of excess contributions	√	√	√	√
Minimum required distributions	√	√	√	√
Ad hoc plan level reports	√	√	√	√
Sending checks/wires/ACH debits	√	Checks: \$15 ACH: \$15 Wire: \$15	√	Checks: √ ACH: √ Wire: \$50

√ = Included in price

<sup>1</sup>Only included in the price if Voya is the exclusive provider to the Town's Plan.

# Provider Comparison Matrix

## Expenses; Continued

Criteria	MassMutual	Empower	Lincoln	Voya
New Enrollments	√	√	√	√
Enrollment kits mailed to plan sponsor	√	√	√	√
Enrollment kits mailed to participant	√	√	\$4 per participant	Enrollment kits are not required with use of Voya Enroll, Voya's online enrollment application. <sup>1</sup>
Enrollment posters, payroll stuffers, flyers	√	√	√	√
Comprehensive enrollment outsourcing	√	√	√	√
Participant Advice	\$15 per participant per year (typically deducted from the participant's account)	√	√	√
Managed Accounts	0.50% annually per participant using this service	My Total Retirement: 0.25% - 0.65%	Morningstar Retirement Manager: 0.45% of all assets for participants who use this service	Morningstar Manage My Plan: 0.50%

√ = Included in price

<sup>1</sup>Voya Enroll includes all required participant disclosure material. Should the Town of Simsbury feel it is necessary to have enrollment kits distributed to employees, Voya will discuss options for allowing this to occur.

# Provider Comparison Matrix



Company Experience				
Criteria	MassMutual	Empower <sup>1</sup>	Lincoln	Voya <sup>1</sup>
Total Value of Defined Contribution Plan Assets record kept	\$138.4 billion	\$500.2 billion	\$67.1 billion	\$306.8 billion
Total Number of DC Plans Administered	27,743	38,421	24,028	49,363
Average Employee Size for DC Plans	94	220	63	103
Total # of DC Participants Administered	2.6 million	8.4 million	1.5 million	5.1 million
# of Plans \$1M – \$19M	Total: 11,824 457 Plans: 321	23,131	Total: 5,802 457 Plans: 314	16,321
% of Plans \$1M – \$19M	Total: 42.6% 457 Plans: 1.2%	60.2%	Total: 24.1% 457 Plans: 1.3%	33.1%
# of Plans \$20M – \$99M	Total: 695 457 Plans: 61	1,512	Total: 381 457 Plans: 21	654
% of Plans \$20M – \$99M	Total: 2.6% 457 Plans: 0.2%	3.9%	Total: 1.6% 457 Plans: 0.1%	1.3%
# of Plans in 100 – 999 Participant Range	Total: 2,905 457 Plans: 184	6,140	Total: 1,502 457 Plans: 119	3,656
% of Plans in 100 – 999 Participant Range	Total: 10.7% 457 Plans: 0.7%	16%	Total: 6.3% 457 Plans: 0.5%	7.4%
Retention Rate (last 5 years)	96%	93%	96%	97%
Average Client Tenure	12 years	10 years	7 years	14 years

<sup>1</sup>Municipality status is not tracked.

# Provider Comparison Matrix

## Investment Options

Criteria	MassMutual	Empower	Lincoln	Voya
Propriety Fund Requirement in fund line-up	No	No	No	No
Number of investments available	11,000	18,290	12,000	15,000
Non-Proprietary Fund Limitation in fund line-up	No	No	No	No
Do you offer non-proprietary stable value funds?	Yes	Yes	Yes	Yes
Do you offer Self-Directed Brokerage Accounts?	Yes	Yes	Yes	Yes
Do you provide initial adoption notice to participants?	Yes	Yes	Yes	Yes
Do you provide annual notice requirement?	Yes	Yes	Yes	Yes
Do you offer in-plan annuity solutions?	No	Yes	Yes	Yes



## Investment Statistics – Descriptions

Statistic	Description
<b>Active Return</b>	Arithmetic difference between the manager's return and the benchmark return over a specified period.
<b>Excess Return</b>	Arithmetic difference between the manager's return and the risk-free return over a specified period.
<b>Standard Deviation</b>	Represents the degree of variation, or dispersion, of a portfolio's return in relation to its mean return. It is a measure of volatility or investment risk.
<b>Downside Risk</b>	A measure of the standard deviation, or volatility, of a portfolio's negative returns in relation to the mean of the negative returns over a specified period. The higher the figure, the riskier the portfolio in negative performance environments.
<b>Sharpe Ratio</b>	Represents the excess return over the risk-free return divided by the standard deviation of the portfolio's return. The ratio shows how well a portfolio performs versus a risk-free investment. The higher the value, the better the portfolio's historical risk-adjusted performance.
<b>Tracking Error</b>	A measure of the standard deviation of a portfolio's excess return over the return of appropriate market benchmark. Tracking error measures how closely a portfolio follows or tracks the index to which it is benchmarked.
<b>Information Ratio</b>	A measure of a portfolio's active return over its benchmark divided by the tracking error. A higher ratio indicates a manager's ability to consistently add active return relative to a benchmark.
<b>Beta</b>	A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk. A beta of 1.0 implies a portfolio is perfectly correlated to the market.
<b>Alpha</b>	A measure of the portfolio's value added relative to a benchmark, given its level of systematic risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market, or a portfolio's non-systematic return.
<b>Consistency</b>	Also known as batting average, the percentage of quarters that a portfolio achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the portfolio's active performance.
<b>R-Squared</b>	Also known as the coefficient of determination, R-Squared ( $R^2$ ) represents the percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. A high $R^2$ means a higher correlation of the portfolio's performance to that of the appropriate benchmark.
<b>Up Market Capture</b>	The ratio of a portfolio's average return over the benchmark during periods of positive benchmark return. Higher values indicate better performance in positive markets compared to the benchmark.
<b>Down Market Capture</b>	The ratio of a portfolio's average return over the benchmark during periods of negative benchmark return. Lower values indicate better performance (and better protection of capital) in down markets compared to the benchmark.
<b>Style Map</b>	Using returns-based style analysis, the style map gauges the adherence of a portfolio to its style mandate. The trend of the style plots identifies style drift, or lack thereof.
<b>Private Equity Investments</b>	
<b>Internal Rate of Return (IRR)</b>	An annualized money weighted return used primarily to measure performance of private equity investments. It represents the discount rate that makes the present value of the since inception paid-in capital and distributions associated with an investment equal to zero.
<b>Investment Multiple (TVPI)</b>	Also known as the total value paid-in capital. Multiple is calculated by dividing the fund's cumulative distributions and net asset value by the paid-in capital. The TVPI shows an investor the fund's total value as a multiple of its cost basis since inception.
<b>Realization Multiple (DPI)</b>	Also known as the distributions to paid-in capital (DPI) multiple. This is calculated by dividing the cumulative distributions by paid-in capital. It represents how much of an investor's invested capital has been returned to investors. A fund has broken even when multiple is greater than 1.0.
<b>RVPI Multiple (RVPI)</b>	Calculated by dividing residual value, or net asset value, by paid-in capital including fees paid and other expenses incurred. It measures how much of the fund's return is unrealized and dependent on the market value of its investments.
<b>PIC Multiple (PIC)</b>	Calculated by dividing paid-in capital by committed capital. This ratio allows a potential investor to see the percentage of a fund's committed capital that has been drawn down to date.

## Data Source Acknowledgements, Links and Disclaimers

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# TOWN OF SIMSBURY

## BOARD OF FINANCE AGENDA SUBMISSION FORM

1. **Title of Submission:** Defined Contribution Pension Plan and Deferred Compensation Plan Request for Qualifications
2. **Date of Board Meeting:** September 17, 2019
3. **Individual or Entity Making the Submission:**  
Retirement Plan Sub-Committee
4. **Action Requested of the Board of Finance:**  
If the Board of Finance supports the Retirement Plan Sub-Committee's recommendation as outlined below, the following motion is in order:

*Move, effective September 17, 2019 to direct Fiduciary Investment Advisors (FIA) to conduct a formal Request for Qualifications for recordkeeping services for the defined contribution pension plan and the deferred compensation plan.*

5. **Summary of Submission:**  
At their regular meeting on February 6, 2019, the Retirement Plan Sub-Committee directed the Town's pension investment advisors, Fiduciary Investment Advisors (FIA), to conduct a request for information (RFI) for recordkeeping services for the Town's defined contribution plan. The intent of the RFI was to test the market for service charge cost savings.

The results of the RFI were presented to the Retirement Plan Sub-Committee at their regular meeting on May 1, 2019. Service charge questionnaires were sent to four providers: Mass Mutual, Empower, Lincoln and VOYA. The "Request for Information Analysis" presented to the Retirement Plan Sub-Committee is attached to this submission agenda. Based on the analysis, it appears the Town and participating employees would achieve cost savings if we were to change service providers.

The Retirement Plan Sub-Committee is recommending to the Board of Finance that the Town conduct a Request for Proposals for recordkeeping services for the defined contribution pension plan. FIA would charge a fee of \$10,000 to conduct a formal Request for Qualifications. This fee includes the following services:

- Meeting with Town of Simsbury to discuss preparation of the Request for Proposal (RFP)
- Prepare the RFQ for Town of Simsbury
- Distribute approved Town of Simsbury RFQ to all incumbent providers (MassMutual) and multiple additional providers
- Review and analyze all RFQ responses – prepare written detailed and summary analysis
- Meet with Town of Simsbury to discuss results
- Participate with Town of Simsbury in vendor interview meetings and assist in selection of final vendor
- Assist with implementation

The above information was originally presented to the Board of Finance at their special meeting on July 30, 2019. The Board of Finance requested additional information related to the project including participant counts, estimated participant savings and inquiry to Mass Mutual as to whether they would allow participant forfeiture funds to be utilized to conduct the RFQ. Below is a breakdown of the requested information by the Board of Finance:

- ✓ # of participants in the 401a plan – 96
- ✓ # of participants in the 457 plan – 151
- ✓ Total Plan Participants – 247

Based on the information presented by FIA, participants pay the least fees when there are proprietary investment requirements. Below is a breakdown of all firms and their lowest fees with proprietary investment requirements and represents the LEAST amount of savings for combined participants.

MassMutual (Current Provider): \$181 per participant or \$44,707/year for all Plan Participants

Empower: \$66 per participant or \$16,302/year for all Plan Participants; Savings of \$28,405/year

Lincoln: \$82 per participant or \$20,254/year for all Plan Participants; Savings of \$24,453/year

Voya: \$87 per participant or \$21,489/year for all Plan Participants; Savings of \$23,218/year

Lastly, FIA has reached out to MassMutual regarding the ability to utilize Town's forfeiture account as a means to fund the RFQ process. MassMutual has confirmed they would allow the funds included in the Town's forfeiture account to pay for the RFQ process. The Town's forfeiture account currently holds approximately \$40,000 in assets.

#### **6. Financial Impact:**

General Fund expenditures would increase by \$10,000 in FY19/20 if the Board of Finance chooses to utilize Town funds to have FIA conduct the RFQ. Possible funding sources for the additional expense include: FY18/19 Year End savings or FY19/20 Budget savings due to the elimination of the Teacher's Retirement Board proposed contribution as initially included in the State budget.

There would be no impact on the General Fund budget if the Board of Finance chooses to use the Town's forfeiture account funds. The Town's forfeiture account assets would decrease from approximately \$40,000 to \$30,000.

There would be no impact on the General Fund budget if the Board of Finance chooses to have staff perform the RFQ in house. However, there would be a timing delay of as to when the project could be started due to staff capacity. Expected project start date would be January 2020.

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

- Request for Information Analysis provided by Fiduciary Investment Advisors

The background of the slide features a blurred image of a dark-colored pen with silver accents resting on a white spiral-bound notebook. The notebook is open to a page containing a table with several columns and rows of text, which is also out of focus. The overall color palette is light and professional, with a soft blue tint.

## **Request for Information Analysis**

# Overview of Project



The purpose of this exercise is to assist The Town of Simsbury in gaining insight into the prevailing retirement plan recordkeeping and administrative services marketplace as the Committee compares its current provider (MassMutual) to other firms. As part of the project, an RFI questionnaire was distributed to the following retirement plan recordkeeping and administrative Service Providers:

1. MassMutual (incumbent)
2. Empower
3. Lincoln
4. Voya

*All information in this report has been provided by MassMutual, Empower, Lincoln and Voya. FIA is not responsible for any errors or omissions. For additional details, please refer to the various vendor responses to the Request for Information.*

# Comparison Matrix



## Expenses

Criteria	MassMutual	Empower	Lincoln	Voya
Plan Conversion Fees	Included	Included	Included	Included
Trustee Fees	Included	Included	Included	Included
<b>Revenue Requirement: <u>No</u> proprietary investment requirements*</b>	<b>Basis Point: 0.51% or \$249 per participant</b>	<b>Basis Point: 0.25% or \$138 per participant</b>	<b>Basis Point: 0.23% or \$101 per participant</b>	<b>Basis Point: 0.26% or \$147 per participant</b>
<b>Revenue Requirement: <u>With</u> proprietary investment requirements*</b>	<b>Scenario 1- Basis Point: 0.37% or \$181 per participant Scenario 2- Basis Point: 0.44% or \$215 per participant</b>	<b>Scenario 1- Basis Point: 0.21% or \$118 per participant Scenario 2- Basis Point: 0.16% or \$66 per participant</b>	<b>Basis Point: 0.19% or \$82 per participant</b>	<b>Basis Point: 0.16% or \$87 per participant</b>
Proprietary investment requirement(s)	Scenario 1- Guaranteed Interest Account (GIA) <sup>1</sup> Scenario 2- Separate Account Guaranteed Interest Contract (SAGIC) Diversified II <sup>2</sup>	Scenario 1- Putnam Stable Value Fund <sup>3</sup> Scenario 2- Guaranteed Interest Account <sup>3</sup>	Lincoln Stable Value Account	Voya Fixed Plus III Account
Proprietary Investment Crediting Rate <sup>4</sup>	Scenario 1 <sup>1</sup> Scenario 2 <sup>2</sup>	Scenario 1- 2.43% Scenario 2- 1.45%	2.50%	2.00%
Ability to accommodate leveled pricing	Yes	Yes	Yes	Yes
Ability to apply revenue credit at investment level	Yes	Yes	Yes	Yes
Fee per day for Education	Included	\$500 per day	\$750 per day	\$1,000 per day

\*Pricing based off 249 total combined participants.

<sup>1</sup>For either the current or the enhanced platforms, the minimum GIA crediting rate of a five-year period would be: Year 1- 3.65%, Year 2-3.35%, Year 3- 3.15%, Year 4-2.85% and Year 5-2.50%.

<sup>2</sup>In regards to MassMutual's SAGIC Diversified product, the crediting rate is currently fluctuating between 3.61% to 3.75% for new business rates. The SAGIC Diversified option is only available on the enhanced platform.

<sup>3</sup>Assumes the investment will be the sole fixed option in the plan.

<sup>4</sup>Minimum rates for MassMutual: 1.00%, Lincoln: 1.70% and Voya: 1.00%. Currently discussing minimum rates with Empower for their proprietary products.

# Provider Comparison Matrix



## Expenses; Continued

Criteria	MassMutual	Empower	Lincoln	Voya
Non-discrimination tests (each)	√	N/A	√	N/A
Form 5500 preparation	√	N/A	N/A	N/A
Payroll deferral percentage tracking	√	√	√	√
Loan maintenance	√	\$50	\$25	\$25
Loan origination fee	√	\$75	\$75	\$75
In-service, non-hardship withdrawals	√	√	\$25	√
Hardship distribution	√	√	√	√
Terminated distributions	√	√	\$40	√
Hardship approval	√	√	√	√ <sup>1</sup>
QDRO processing	√	√	√	√
QDRO qualification	√	\$250	\$500	√
Return of excess contributions	√	√	√	√
Minimum required distributions	√	√	√	√
Ad hoc plan level reports	√	√	√	√
Sending checks/wires/ACH debits	√	Checks: \$15 ACH: \$15 Wire: \$15	√	Checks: √ ACH: √ Wire: \$50

√ = Included in price

<sup>1</sup>Only included in the price if Voya is the exclusive provider to the Town's Plan.



# Provider Comparison Matrix



## Expenses; Continued

Criteria	MassMutual	Empower	Lincoln	Voya
New Enrollments	√	√	√	√
Enrollment kits mailed to plan sponsor	√	√	√	√
Enrollment kits mailed to participant	√	√	\$4 per participant	Enrollment kits are not required with use of Voya Enroll, Voya's online enrollment application. <sup>1</sup>
Enrollment posters, payroll stuffers, flyers	√	√	√	√
Comprehensive enrollment outsourcing	√	√	√	√
Participant Advice	\$15 per participant per year (typically deducted from the participant's account)	√	√	√
Managed Accounts	0.50% annually per participant using this service	My Total Retirement: 0.25% - 0.65%	Morningstar Retirement Manager: 0.45% of all assets for participants who use this service	Morningstar Manage My Plan: 0.50%

√ = Included in price

<sup>1</sup>Voya Enroll includes all required participant disclosure material. Should the Town of Simsbury feel it is necessary to have enrollment kits distributed to employees, Voya will discuss options for allowing this to occur.

# Provider Comparison Matrix



Company Experience				
Criteria	MassMutual	Empower <sup>1</sup>	Lincoln	Voya <sup>1</sup>
Total Value of Defined Contribution Plan Assets record kept	\$138.4 billion	\$500.2 billion	\$67.1 billion	\$306.8 billion
Total Number of DC Plans Administered	27,743	38,421	24,028	49,363
Average Employee Size for DC Plans	94	220	63	103
Total # of DC Participants Administered	2.6 million	8.4 million	1.5 million	5.1 million
# of Plans \$1M – \$19M	Total: 11,824 457 Plans: 321	23,131	Total: 5,802 457 Plans: 314	16,321
% of Plans \$1M – \$19M	Total: 42.6% 457 Plans: 1.2%	60.2%	Total: 24.1% 457 Plans: 1.3%	33.1%
# of Plans \$20M – \$99M	Total: 695 457 Plans: 61	1,512	Total: 381 457 Plans: 21	654
% of Plans \$20M – \$99M	Total: 2.6% 457 Plans: 0.2%	3.9%	Total: 1.6% 457 Plans: 0.1%	1.3%
# of Plans in 100 – 999 Participant Range	Total: 2,905 457 Plans: 184	6,140	Total: 1,502 457 Plans: 119	3,656
% of Plans in 100 – 999 Participant Range	Total: 10.7% 457 Plans: 0.7%	16%	Total: 6.3% 457 Plans: 0.5%	7.4%
Retention Rate (last 5 years)	96%	93%	96%	97%
Average Client Tenure	12 years	10 years	7 years	14 years

<sup>1</sup>Municipality status is not tracked.

# Provider Comparison Matrix



Investment Options				
Criteria	MassMutual	Empower	Lincoln	Voya
Propriety Fund Requirement in fund line-up	No	No	No	No
Number of investments available	11,000	18,290	12,000	15,000
Non-Proprietary Fund Limitation in fund line-up	No	No	No	No
Do you offer non-proprietary stable value funds?	Yes	Yes	Yes	Yes
Do you offer Self-Directed Brokerage Accounts?	Yes	Yes	Yes	Yes
Do you provide initial adoption notice to participants?	Yes	Yes	Yes	Yes
Do you provide annual notice requirement?	Yes	Yes	Yes	Yes
Do you offer in-plan annuity solutions?	No	Yes	Yes	Yes



# TOWN OF SIMSBURY

## BOARD OF FINANCE AGENDA SUBMISSION FORM

1. **Title of Submission:** Tax Abatement Process Improvement Recommendations
2. **Date of Board Meeting:** September 17, 2019
3. **Individual or Entity Making the Submission:**  
Lisa Heavner and Rob Pomeroy
4. **Action Requested of the Board of Finance:**  
If the Board of Finance supports the recommendation as outlined in the Tax Abatement Memorandum as provided by Lisa Heavner and Rob Pomeroy, the following motion is in order:  
  
*Move, effective September 17, 2019 to forward a finalized version of the tax abatement process improvement recommendations to the Business Development Incentive Committee and Board of Selectmen for review and consideration.*
5. **Summary of Submission:**  
Board of Finance members have expressed an interest in updating the policy and procedures surrounding the tax abatement process. A memorandum of process improvement recommendations has been prepared by Lisa Heavner and Rob Pomeroy for the Board's consideration and discussion.
6. **Financial Impact:**  
None
7. **Description of Documents Included with Submission:**
  - Tax Abatement Memorandum

To: Board of Finance  
From: Lisa Heavner and Rob Pomeroy  
Date: August 24, 2019  
Re: Simsbury Abatement Program

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Below, please find recommendations to improve the Town of Simsbury's business incentive program for business abatements. The memorandum is divided into four parts:

- I. Background Information on Tax Abatements and Best Practices**
- II. Specific Recommendations for Simsbury's Abatement Program**
- III. Alternatives to Tax Abatements**
- IV. References used for Best Practice Analysis**

## **I. Background Information on Tax Abatements and Best Practices**

Purpose of Taxation: The discussion about abatements starts with a look at the purpose of taxes. Taxes pay for the good and services residents need or want. Taxes generally fund those areas where it doesn't make sense for individuals or businesses to pursue or invest in because of the scope of the project or because no profit is possible/generated – e.g. Education, public safety, roads, libraries and preserving and maintaining open space and parkland.

When municipalities tax, they generally adhere to four basic principles:

1. *Fairness*: each person or business should pay their fair share
2. *Market efficiency*: the market, not government, should be picking business winners and losers
3. *Simplicity*: town should avoid discretionary layers or loopholes that increase administrative costs
4. *Integrity*: towns should avoid discretionary ad hoc abatement awards

Sometimes, however, towns elect to deviate from these principles for good reasons. An example might be to give seniors an abatement when they qualify with income/asset limits or to all public safety volunteers in recognition of their service. These are nondiscretionary abatement awards based on identified qualification limits/parameters. Most residents are supportive of these types of abatements because they are the right thing to do, they know they may one day be in a similar position or need the services.

When a town elects to give some businesses a tax advantage over other businesses in an ad hoc manner based on the discretion of elected officials, the discussion gets a little murkier and those decisions should be made with caution. Giving one business an advantage over another may violate the fairness, market efficiency, simplicity and integrity principles of taxes, so towns should engage in a rigorous multi-step process before granting the award including:

- **Risk Analysis** – *Is this business a viable and credible business?*
- **“But for” analysis:** *Is the incentive necessary to induce the business to come or invest?*
- **Cost Benefit Analysis-** *Will the benefits to the Town outweigh the costs?*
- **Metrics Analysis** – *Does the agreement contain sufficient performance requirements to ensure the town receives what was promised?*
- **Transparency** – *Has the town used a fair and open process?*

Risk Analysis: When a business requests an abatement, the first step is a risk analysis of the business requesting the abatement – *Is this a viable and credible business?* The analysis should include an evaluation of the following:

- Does this business have a credible business plan?
- Is the business proposal adequately financed?
- Does the business have reputable investors?
- Will the business be using untested technology?
- Can the business model can be successful when abatement runs out?

“But for” Analysis: If the company is viable and credible, the next question to ask is whether “but for” the abatement the company would not have come or invested in the town. Research shows that most companies ask for an abatement *after* they have made their decision or that taxes are such a comparative minor cost that property taxes are not actually determinative in the decision-making process. ***Incentives should only be used if they are actually incentivizing a business to do what it would not have otherwise done.*** When a town awards an incentive to a company that has already decided to invest or to a company where the taxes are such a small part of its costs that taxes are not determinative, the town is giving a gift and not, in fact, incentivizing at all.

Cost Benefit Analysis: If the town determines that an incentive really is necessary, the next step is to conduct a cost benefit analysis (CBA). Do the benefits of the incentive outweigh the costs? Towns should evaluate direct and indirect costs like:

- Will the business add tax revenue?
- Will the new business or investment result in increased costs to town: e.g. education, infrastructure, public safety, social services
- Will there be indirect cost increases like: congestion, pollution, environmental impact?
- Are there displacement costs to other businesses? (e.g. is the town favoring a new business over an existing business in the same sector with the abatement award)

- Are multiplier jobs created?
- How many new employees will be hired?
- What are the wages of the new employees?

**Metrics Analysis:** If the town decides it is advantageous to award an abatement, the town needs to ensure there are adequate performance measurements, metrics and evaluations to hold the business and town officials accountable for the award. Examples might include:

- Claw-back provisions if construction, hiring or wage targets are not met
- Independent verification of wage, employment, and construction value through site visits, independent audits, or payroll.
- Timeline targets for construction and hiring.

**Transparency:** Finally, an important nod to transparency. Because the granting of business abatements involves an ad hoc determination by elected officials, it is important that the process be fair and transparent to avoid/diminish accusations of favoritism. Transparency can be accomplished, for example by:

- Placing abatement information and awards on the website in one easily accessible location.
- Accounting for abatements as part of the budgeting process
- Allowing interested stakeholders time to evaluate proposals and give comment

## **II. Specific Recommendations for Simsbury's Abatement Program**

Recommendations are listed by category: measurement, accountability, transparency, language clarifications, and policy considerations.

### **Measurement Recommendations:**

- Town should provide an independent Economic and Fiscal Impact Analysis,<sup>1</sup> including cost-benefits<sup>2</sup> with multipliers, before the award of the abatement (e.g. revenue, education, public safety, infrastructure). Quality of life enhancements/costs should be evaluated as part of this process (e.g. noise, pollution, congestion, environmental impact, aesthetics). Redistribution costs should also be part of the analysis (identify stakeholders paying more due to the

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<sup>1</sup> Bartle, Joh, Hildreth, W. Bartley, Marlow, Justin, *Management Policies in Local Government and Finance – Sixth Ed.* (ICMA 2020), p. 338. Bartle references IMPLAN ([reic.uwcc.wisc.edu/implan/](http://reic.uwcc.wisc.edu/implan/)) or REMI ([remi.com/](http://remi.com/)) for large scale projects or simple spreadsheet models like those found in Harry F. Campbell and Richard P.C. Brown, *Benefit-Cost Analysis* (Cambridge University Press, 2003). Other tools include: InformAnalytics (<http://informanalytics.org>), Impact DataSource (<http://impactdatasource.com>) and The Triple Bottom Line tool (<http://tbltool.org>)

<sup>2</sup> GFOA Tax Abatement Transparency – Best Practice: <https://www.gfoa.org/tax-abatement-transparency>

- subsidy – e.g. a displaced or reduced business due to competition from the subsidized property, or seniors paying more because a business is paying less).
- Town should develop a high-quality evaluation of the tax incentive to measure the actual economic impact at the conclusion of the abatement and report its conclusions.

Accountability Recommendations:

- Require performance contracts and regular reporting by the applicant on compliance with provisions on employment and wages, construction, schedule/timing and any other performance measures. Annual reporting and verification through independent sources should be used (e.g. town site inspections, payroll, audits).<sup>3</sup> Failure to comply with performance provisions should be subject to a claw-back of the abatement at the discretion of the Board of Selectmen, with back taxes required to be paid.
- Require staff to conduct a risk assessment of the investment proposed (e.g. investor’s track record, other financial backers, whether project involves new and untested technology).
- Require staff/applicant to demonstrate that the tax abatement was *necessary* to retain/recruit the business. (“but for” analysis) Do not award a larger tax abatement than necessary.
- Add a section: “The Board of Selectmen may require the recipient of a tax abatement to report in person on its progress in bringing the full project and agreements to completion during the term of the agreement.” (Bloomfield Incentive Policy)

Transparency Recommendations:

- Dedicate a portion of the town website to tax abatement information so the public can easily find and compare awards and review documents. (abatement information in agendas and minutes is not sufficiently transparent).<sup>4</sup>
- Add a representative from the Board of Education to the Business Development Committee as the loss of revenue may adversely impact the school budget.
- Allow the representatives of the BDC time to consult publicly with their board members (BOF, EDC, and BOE) before the meeting of the BDC.
- Require the abatements be accounted for in the budget process. GFOA Best Practice<sup>5</sup>

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<sup>3</sup> Town Press releases highlighted the creation of new jobs as a benefit of the abatement for Ensign Bickford, but the Town Manager confirmed at the July 2019 Board of Finance meeting that job creation was not part of the abatement and that job creation would not be measured, reported or evaluated. Failure to meet projections would not result in a claw-back of the abatement.

<sup>4</sup> Maciag, Mike, *When it Comes to Tax Incentives, How Transparent is Your City?* Governing, 13 Mar. 2017. [www.governing.com/topics/finance/gov-economic-development-incentives-good-jobs-first.html](http://www.governing.com/topics/finance/gov-economic-development-incentives-good-jobs-first.html)

<sup>5</sup> GFOA Tax Abatement Transparency – Best Practice: <https://www.gfoa.org/tax-abatement-transparency>



- Include a sunset provision of the abatement, requiring that it be renewable by a deliberative political decision rather than by default.

Language Clarification Recommendations:

- Highlight that not all businesses that ask for an abatement will receive one.
- Highlight that abatements are only given to the increased value of the project, not existing/current taxes paid.
- Expand application- applicant should describe its products and services in detail including sales volume and revenues.
- Expand application - require businesses to disclose any government current and/or past *contracts* or subsidies in *dollar amounts* (local, state or federal) and any prior bankruptcies.
- Expand application on leased properties: If the end user of a proposed facility is a lessee, the tax benefits created by the abatement must be clearly reflected in the lease as accruing to the end user and the lease must be at least for the term of the abatement *plus four (4) years*. (Demonstrates the business intends to stay beyond the abatement period).

Policy Considerations:

- Add a limit on the number or total value of incentives.
- The Town should work with surrounding municipalities to develop Anti-Poaching Agreements/Anti-Piracy Rules to avoid a race to the bottom in competition for businesses.
- Decline abatements to businesses re-locating from a neighboring town to avoid regional economic strife.
- Add a sustainable design preference – Consideration shall be given when a new building or addition is designed to incorporate alternative energy and green technology above and beyond best management practices.
- Limit tax abatements to mobile facilities that export goods or services out of the region and/or to assist with historical preservation to avoid pitting new businesses against existing.
- Limit the total abatement amount to no more than 50% of the total new taxes during the fixed period (shared cost)
- Set a limit on the public investment (tax expenditure) for each new job.

### **III. Alternatives to Tax Abatements**

“The Ultimate purpose of local development policy is to foster a stable economy that is sustainable over the long term.”<sup>6</sup> Abatements are only one strategy towns have available to them to attract and retain economic development. While this memorandum focuses on abatements, it is important not to lose sight of the fact that there are other strategies, some of which may be more optimal. Options include:

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<sup>6</sup> Bartle, p. 325.

- ***Keeping the overall tax burden low***
- Streamlining permitting and zoning processes
- Investing in quality of life assets like schools, public safety, roads, parks and recreational areas, bicycle paths, performing arts centers. (ICMA refers to this as a creative class strategy)
- Business retention - conducting business surveys, business visitations, coordinating with the Chamber of Commerce and Main Street
- Providing online services
- Making infrastructure improvements (e.g. fiber optics, high speed internet, utility capacity)
- Offering workforce/business education and programming (e.g. Simsbury Library's Business Resource Center)
- Developing incubators
- Providing affordable housing
- Partnering with other local governments
- Tax Increment Financing (TIFs). (Not likely a good fit for Simsbury)<sup>7</sup>

#### **IV. References used for Best Practice Recommendations**

Bartle, John, Hildreth, W. Bartley, Marlow, Justin, *Management Policies in Local Government Finance – Sixth Edition*, (ICMA Print 2020).

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<sup>7</sup> Bartle notes that it is illogical to use TIFs for extremely healthy business districts. (Bartle, p. 323). Tax Increment Financing (TIF) involves the establishment of a TIF district “where any subsequent growth in aggregate property tax revenues, whether as a result of new construction or of rising values of existing properties, is ‘captured’ by the district and used for investments within it.” Bartle, p. 333. “But because TIF diverts tax revenues from the general fund to the TIF authority, opportunity costs may be substantial. If a TIF district captures more than a small amount of total tax base growth, the community will have to choose between reducing services or raising taxes citywide. Moreover, the relationship between TIF districts and other taxing jurisdictions such as school or other special districts, often raises equity issues, as potential revenues are diverted from these entities, as well as from the general revenue fund budget-toward what is typically a business district.” Bartle, p. 334.

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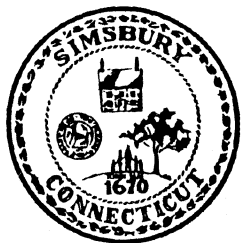
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# Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

## MEMORANDUM

**To:** Board of Finance  
**From:** Melissa Appleby, Deputy Town Manager; Rick Bazzano, IT Manager  
**Cc:** Maria Capriola, Town Manager; Amy Meriwether, Finance Director  
**Date:** September 19, 2019  
**Subject:** Cyber Security Initiatives

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At your July 30, 2019 meeting, you requested an update on the Town's cyber security efforts. The following is an overview of initiatives related to cyber security that have been implemented in the last two years:

### Policies

- *Acceptable Use* (adopted by the Board of Selectmen on November 27, 2017): Addresses network access, use of email and internet, management of electronic files, and other matters that seek to protect the security of Town information.
- *Incident Response Procedure* (internal operating procedure effective May 15, 2018): Defines roles and responsibilities in the event of a serious cyber incident, and establishes a procedure for responding to cyber threats to the organization. Applies to both the Town and Board of Education. As of July 2019, this includes reporting to the intelligence-gathering center known as the Connecticut Intelligence Center Unit (CTIC), a team of federal, state and local partners.
- *Remote Access* (adopted by the Board of Selectmen on January 29, 2019): Outlines the requirements for securing remote access to the Town's internal network and systems by employees, consultants, and third party vendors. This includes the approval process for authorizing remote access users, and parameters for approved devices.

### Infrastructure

IT has installed "next generation" firewalls at Town Hall (2017) and the Simsbury Public Library (2018). These firewalls are better equipped than traditional firewalls to detect and block attacks. Key features include: tracking and blocking malware; logging and monitoring data traffic and user activity; intrusion prevention; and automatic system updates ("patching").

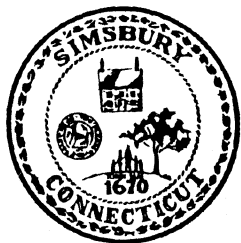
In addition, the Town completes network vulnerability assessments on a quarterly basis with the Multi-State Information Sharing & Analysis Center (MS-ISAC), a non-profit organization designated by the Department of Homeland Security as the key cyber security resource for state and local governments.

**Training**

In June 2017, the Town and Board of Education contracted with a company called KnowBe4 to provide employee training to minimize the likelihood of a successful cyber-attack. This training focuses on strengthening our “human firewall” through training modules and testing employees with phishing emails. All Town employees with computer access and Board of Education employees at the central office are enrolled in the program. Since July 2017, we have completed 7 training campaigns and 5 phishing campaigns. Our “phish prone rate” has substantially decreased since the inception of this program; in June 2017 was 22.8%, and in September 2019 it was down to 3.1%. According to KnowBe4, the industry average for governmental agencies is 14.9%.

**Insurance**

CIRMA, the Town’s liability-auto-property insurer, provides cyber liability insurance at no additional cost to its members. This includes, but is not limited to, certain coverages for data breaches, business interruption, ransomware, and social engineering financial fraud.



# Town of Simsbury

933 HOPMEADOW STREET ~ SIMSBURY, CONNECTICUT 06070

**To:** Board of Finance  
**From:** Amy Meriwether, Finance Director/Treasurer  
**CC:** Maria Capriola, Town Manager  
**Date:** September 17, 2019  
**Re:** Finance Director's Report

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## **Grants and Donations**

Below is a listing of grants/donations approved by the Board of Selectmen in July and August 2019:

- FY2019/2020 Youth Services Bureau Grant and Enhanced Grant – State grants that provide funding for various programs, services and activities for Simsbury youth and their families. Grant application is for \$14,000 with potential additional Enhanced Grant funding up to \$10,900. The Youth Services Bureau Grant requires a local town match of \$8,000. The town match has been budgeted for in the Social Services budget for FY2019/2020.
- Stop & Shop Donation - \$3,414.60 to assist with food programs for residents in need. Funds will be utilized for the Cheese Day and Food Closet programs.
- CROCG Active Transportation Grant – Up to \$20,000 for small-scale projects/quick turnaround projects that help advance active transportation and promote active living. Simsbury is proposing a traffic calming demonstration project that will use roundabouts and land narrowing to help reduce vehicular speeds on David Drive. The project would involve installing three temporary roundabouts at the three “T” intersections along the roadway, employing signage, line striping and planters with mums or other seasonal plants to create the roundabouts and lane narrowing.

## **FY2019/2020 Fund Balance Appropriation**

At the Board of Finance post budget referendum meeting on May 14, 2019, the Board of Finance voted to utilize \$420,000 of fund balance reserves in FY2019/2020 to create mill rate relief for the FY2019/2020 adopted budget. The budget that was approved at referendum did not anticipate the use of fund balance to create mill rate relief, but rather, a change in the tax collection assumption rate from 98.5% to 99%. Therefore, the use of fund balance is considered a supplemental appropriation and needed the Board of Selectmen's formal approval.

At their regular meeting on August 12, 2019, the Board of Selectmen reviewed the supplemental appropriation request but decided not to take any action. Included in the FY2019/2020 budget was an appropriation for funding Teacher's Retirement as proposed by the State. However, legislation did not pass, and the Town is no longer responsible for this contribution. Based on this updated information, it is unlikely that the additional appropriation is going to be necessary, therefore, the Board of Selectmen decided not to appropriate the funds from fund balance as of present. If the funds are needed as FY2019/2020 progresses, they will reconvene and make the formal appropriation of fund balance.

### **Pension Plans Accrued Liability Update**

The Town was recently informed that the mortality tables related to the Town's pension plans have been updated. The updated mortality tables show that governmental employees are living longer. This adds to the Town's pension liability as the payments to retirees will be paid out for a longer period. Our actuaries have estimated a 5% increase to the accrued liabilities of the General Government and Board of Education pension plans.

The Police Pension plan utilizes a separate mortality table that showed minimal change and therefore, there is expected to be minimal change in the accrued liability for the Police Pension Plan.

Milliman, the Town's actuaries, will provide additional information in the coming months as we gear up for FY2020/2021 budget planning which will be the first year of impact.



**Simsbury Board of Finance  
TOWN OF SIMSBURY  
SPECIAL MEETING MINUTES  
Tuesday, July 30, 2019 at 5:45 P.M.  
Simsbury Town Hall - Main Meeting Room  
933 Hopmeadow Street, Simsbury, Connecticut**

**PRESENT:** Lisa Heavner, Derek Peterson, Robert Pomeroy, Kevin Prell, Moira Wertheimer

**ALSO PRESENT:** Maria Capriola, Town Manager; Burke LaClair, Schools Business Manager; Amy Meriwether, Director of Finance/Treasurer; Neil Sullivan, Director of Personnel; and other interested parties.

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

Chairman Pomeroy called the meeting to order at 5:47 P.M.

**2. Pledge of Allegiance**

All present stood for the Pledge of Allegiance.

**3. Approval of Minutes - May 14, 2019**

**MOTION:** Mr. Prell made a motion to approve the May 14, 2019 Regular & Post Budget Referendum Meeting Minutes. Ms. Heavner seconded the motion. All were in favor and the motion passed unanimously.

**4. Finance Director's Report**

Ms. Meriwether referenced the updated listing of grants and donations from April through June, noting the Elderly and Disabled Demand Responsive Transportation Grant of \$34,051 to support senior and disabled transportation. Regarding the Ensign-Bickford Tax Abatement, she noted the recommendation from the Business Development Incentive Committee and approval from the Board of Selectmen (BOS). She referenced the Approved Abatement Schedule in her report, noting the total abatement amount over a ten-year period is \$374,344. She added that staff was notified earlier this year that Wells Fargo and Simsbury Bank were to be acquired. Wells Fargo sold their Institutional Retirement & Trust division to Principal Financial Group. Simsbury Bank is being acquired by Liberty Bank. Both acquisitions are expected to be finalized in the third quarter of 2019. Staff has been in contact with representatives from both banks and have been assured there will be no impact on operations. She reported the FY19 bond issuance in the amount of \$8,365,000 has been completed. She noted the schedule of projects being funded is in her report. She reported funding was secured at a coupon rate between 4-5% throughout the life of the bonds, which totals \$2,083,908 in gross interest to be paid out over the life of the bond. She noted the Town was able to achieve a bond premium of \$1,249,778, bringing the true interest cost down to \$834,130, or 1.64%. Ms. Meriwether reported that during the bond issuance process the Town's credit rating was maintained at the AAA bond rating. A copy of that report is in the meeting packet. Regarding the Ensign-Bickford tax abatement, Mr. Pomeroy noted he is an advocate of improving this process and reported he voted "no." Ms. Capriola noted the challenges with the process, adding she is now requiring staff reports and asked Board

of Finance (BOF) members to send thoughts or suggestions to her. There was discussion about the collective amount of abatements. Ms. Heavner thanked Mr. Pomeroy and noted she supported his vote. She echoed his comments about the need to improve the process. Further discussion followed. Mr. Pomeroy congratulated the staff, Town and BOF for the AAA bond rating, adding it is a collective report card.

#### **5. Defined Contribution Pension Plan and Deferred Compensation Plan Request for Qualifications**

Ms. Meriwether noted the Retirement Plan Sub-Committee asked Fiduciary Investment Advisors (FIA) in February to conduct a request for information (RFI) for record keeping services for the Town's defined contribution plan, in order to test the market for service charge cost savings. FIA found potential savings in the RFI results. Because of this potential savings the Retirement Plan Sub-Committee has requested that a full Request for Qualifications (RFQ) be issued. She then referred to the Request for Information Analysis report prepared by FIA, noting a comparison between the current provider, MassMutual, and three other providers, Empower, Lincoln and Voya. Discussion ensued. Ms. Capriola recommended issuing an RFQ. Ms. Heavner advocated waiting to move forward until the books for the year are closed. It was agreed this will be tabled until the September meeting.

#### **6. Proposed Defined Benefit Plan Investment Policy**

Ms. Meriwether noted the Retirement Plan Sub-Committee updated and approved the Defined Benefit Plan Investment Policy after review by FIA. She noted it has been updated to include the responsibilities and authority of the BOF.

**MOTION:** Mr. Prell made motion to adopt the Defined Benefit Plan Investment Policy as revised and presented. Ms. Wertheimer seconded the motion. All were in favor and the motion passed unanimously.

#### **7. Recommended Appointment to the Retirement Plan Sub-Committee**

Ms. Meriwether noted the Personnel Sub-Committee and BOS have recommended Thomas Potter for the Retirement Plan Sub-Committee. Mr. Peterson remarked he personally knows Mr. Potter and his qualifications and highly recommends him. Ms. Capriola reported the Personnel Sub-Committee interviewed seven candidates for this appointment. It was noted the BOF should have the opportunity to interview candidates in the future.

**MOTION:** Ms. Wertheimer made a motion to appoint Thomas Potter to the Retirement Plan Sub-Committee. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

#### **8. Draft Debt Policy**

Ms. Meriwether noted the last time the BOF adopted a debt policy was in 1989. She added it was determined the charter language notes the BOS has purview of the debt policy. At this meeting staff is requesting feedback from the BOF on the updated policy provided in the meeting packet. The draft policy along with BOF recommendations will be forwarded on to the BOS at its next meeting. Mr. Pomeroy suggested the BOF update its policy and noted Ms. Heavner has been working on that. Ms. Heavner agreed there should be a BOF policy. Ms. Meriwether

confirmed that the Town's bond consultant, Phoenix Advisors, has reviewed the policy and is supportive of the policy as written. Mr. Pomeroy noted he supports Ms. Heavner's draft of a BOF Debt Policy. Discussion followed and it was agreed that counsel should be invited to attend the September meeting for further discussion. Mr. Pomeroy asked that BOF members look at Ms. Heavner's proposed policy and make comments back to him and Ms. Heavner within a week. He added there is general agreement to send that to counsel for review. Ms. Heavner clarified that the BOF is authorized not to exceed debt service at 6.7%.

### **9. State Budget Discussion**

Ms. Meriwether reported the State of Connecticut has adopted its FY20 - FY21 biennial budget and provided a breakdown of grant estimates for the Town of Simsbury for FY20 as compared to Simsbury's FY20 adopted budget. Specific to the General Fund, the Town is expecting revenues in excess of budgetary estimates of \$6,200. In addition, the adopted State budget did not include payments by municipalities to the Teacher's Retirement Fund as previously anticipated. Because Simsbury included the Teacher's Retirement Fund contribution in budgetary estimates of \$304,466, Simsbury is expected to have a total of \$314,790 in excess revenues for FY20 based on the adopted State budget. Of this \$314,790 the General Fund is expected to benefit from \$310,666 of the anticipated excess revenues. Discussion followed. Mr. Pomeroy noted a full discussion on this is needed during the two BOF meetings before the Tri-Board meeting. He also noted one of the agenda items should be collection rate and whether or not to continue the practice of assuming a rate lower than the actual experience.

### **10. Communications**

- SAS114 Audit Communication Letter

Ms. Meriwether referenced the letter from BlumShapiro entitled, "Memo - Communication with those charged with governance" in the meeting packet for review, noting it outlines the Town's and auditor's responsibilities. Ms. Heavner requested an update in the next few months on cybersecurity, regarding where the Town is and what steps are needed.

- S&P Bond Rating Report

Ms. Heavner expressed congratulations on the Town's AAA bond rating.

### **11. Adjourn**

**MOTION:** Ms. Wertheimer, Mr. Peterson second, to adjourn at 6:38 P.M.; unanimously approved

The BOF went into a non-noticed meeting regarding BOE collective bargaining negotiations which ended at 7:12 P.M.

Respectfully submitted,

Karen Haberlin  
Commission Clerk



The Government Finance Officers Association  
of the United States and Canada

*presents this*

## AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Department**  
Town of Simsbury, Connecticut



*The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morrill*

Date August 28, 2019