

Town of Simsbury Connecticut



Comprehensive Annual Financial Report

For The Fiscal Year Ended
June 30, 2018

Comprehensive Annual Financial Report

of the

TOWN OF SIMSBURY, CONNECTICUT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Department of Finance
Amy Meriwether
Director of Finance



Introductory Section

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COMPREHENSIVE ANNUAL FINANCIAL REPORT
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JUNE 30, 2018**

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Town of Simsbury

933 HOPMEADOW STREET

P.O. BOX 495

SIMSBURY, CONNECTICUT 06070

December 27, 2018

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

Connecticut State Statutes require that all municipal entities publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards accepted in the United States of America by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Town of Simsbury, Connecticut for the fiscal year ended June 30, 2018.

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

The Town's financial statements have been audited by Blum, Shapiro & Company, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Simsbury for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Simsbury financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

The Town of Simsbury was incorporated as Connecticut's twenty-first Town in May 1670. It has a land area of approximately 34.5 square miles and a population of approximately 24,952. Centrally located in the heart of the New York - Boston corridor, Simsbury is a most attractive and diverse suburban community. As a part of the beautiful Farmington Valley, Simsbury offers an unmatched quality of life with a traditional New England town atmosphere in a setting of rolling hills, the picturesque Farmington River and well-manicured properties. Simsbury is conveniently located 20 minutes northwest of Hartford and 20 minutes southwest of Bradley International Airport.

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

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

Annual Budget Process

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

Local Economy

The Town has a diverse local economy with retail, insurance, and manufacturing. It is host to several national corporations, a world class skating center and an outdoor performing arts center. Simsbury's approved Form Based Codes and Planned Area Development Zoning Regulations have encouraged the creation of economic development opportunities for mixed use, pedestrian-friendly, low impact communities. Such projects include Dorset Crossing, which has 48 units of special needs housing; Aspen Green located on Hopmeadow Street, which includes 181 residential units as well as commercial and retail units; and Mill Pond Crossing, which includes 20 luxury townhomes located on Mill Pond Lane. Additional projects underway include the property located at 200 Hopmeadow Street – former site of The Hartford's corporate offices, Highcroft off Powder Forest Drive with 272 rental residences made up of 224 apartments and 48 townhomes; Carson Way located off Stratton Brook Road with 74 single-family planned community homes; and the Ensign House located on the corner of Drake Hill and Hopmeadow Street, which will include a restaurant, office space and apartments. The Town planning boards also approved 88 residential units for Cambridge Crossing, the property along Hoskins Road, with twenty percent affordable housing. This project recently broke ground in the fall. Berkshire Bank on the Corner of Bushy Hill and Albany Turnpike has opened early this year. The diversity of the Town's grand list is reflected by the fact that the ten largest taxpayers only account for 6.2% of the grand list.

The Town's current unemployment rate is 2.8% compared to the State average of 4.4% and the national average of 4.0%.

Long-Term Financial Planning

The Town and Board of Education has a six year Capital Improvement Plan which totals approximately \$80.3 million, of which is estimated that \$60.2 million will be funded through debt and the remainder from grants and fund balance.

Relevant Financial Policies

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

- Capital and Non-Recurring Fund Policy Statement
- Investment Policy
- Pension Investment Policy and Investment Objectives
- Other Post Employment Benefit (OPEB) Trust Investment Policy
- GASB 34 - Capital Asset Policy
- Fund Balance Policy
- Debt Policy

The Town's debt policy establishes, as a long term objective, that debt retirement expenses (interest and principal) be at a rate of not more than 7% of the total annual budget. For the year ended June 30, 2018, the annual debt retirement expense percentage in relation to the total annual budget was 6.7% and therefore in compliance with the Town's debt policy.

Major Initiatives

At the April 5, 2018 Special Meeting of the Board of Finance, the Board approved the following major projects which were subsequently approved at Referendum:

- \$23,965,620 was approved and authorized to be funded through the issuance of bonds for phase 3 of the Henry James Middle School renovations.
- \$1,020,000 was approved and authorized to be funded via grants for multi-use trails Simsbury - Bloomfield
- \$900,000 was approved and authorized to be funded through the issuance of bonds for a boiler replacement at Latimer Lane School.
- \$850,000 was approved and authorized to be funded through the issuance of bonds for school security improvements.
- \$845,000 was approved and authorized to be funded via cash for highway pavement management.
- \$400,000 was approved and authorized to be funded through the issuance of bonds for district network infrastructure.
- \$275,000 was approved and authorized to be funded via cash for Greenway improvements.
- \$250,000 was approved and authorized to be funded via cash for sidewalk resurfacing.
- \$200,000 was approved and authorized to be funded via cash for the school facilities master plan/reconfiguration.
- \$180,000 was approved and authorized to be funded via cash for a new dump truck.
- \$175,000 was approved and authorized to be funded via cash for a Jet/Flusher truck.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for fiscal year ended June 30, 2017. This was the nineteenth consecutive year that we have received this prestigious award. In order to be awarded a Certificate of Achievement, the Town must publish an easily readable and efficiently organized comprehensive annual financial report. The report published satisfied both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. In addition, the accounting firm of Blum, Shapiro & Company, P.C., made substantial contributions in the development of this document. Due credit also should be given to the Town Manager, First Selectman, Board of Selectmen, Board of Education and the Board of Finance for their cooperation, assistance and support throughout the year in matters pertaining to the financial affairs of the Town.

Respectfully submitted,



Amy Meriwether
Director of Finance/Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

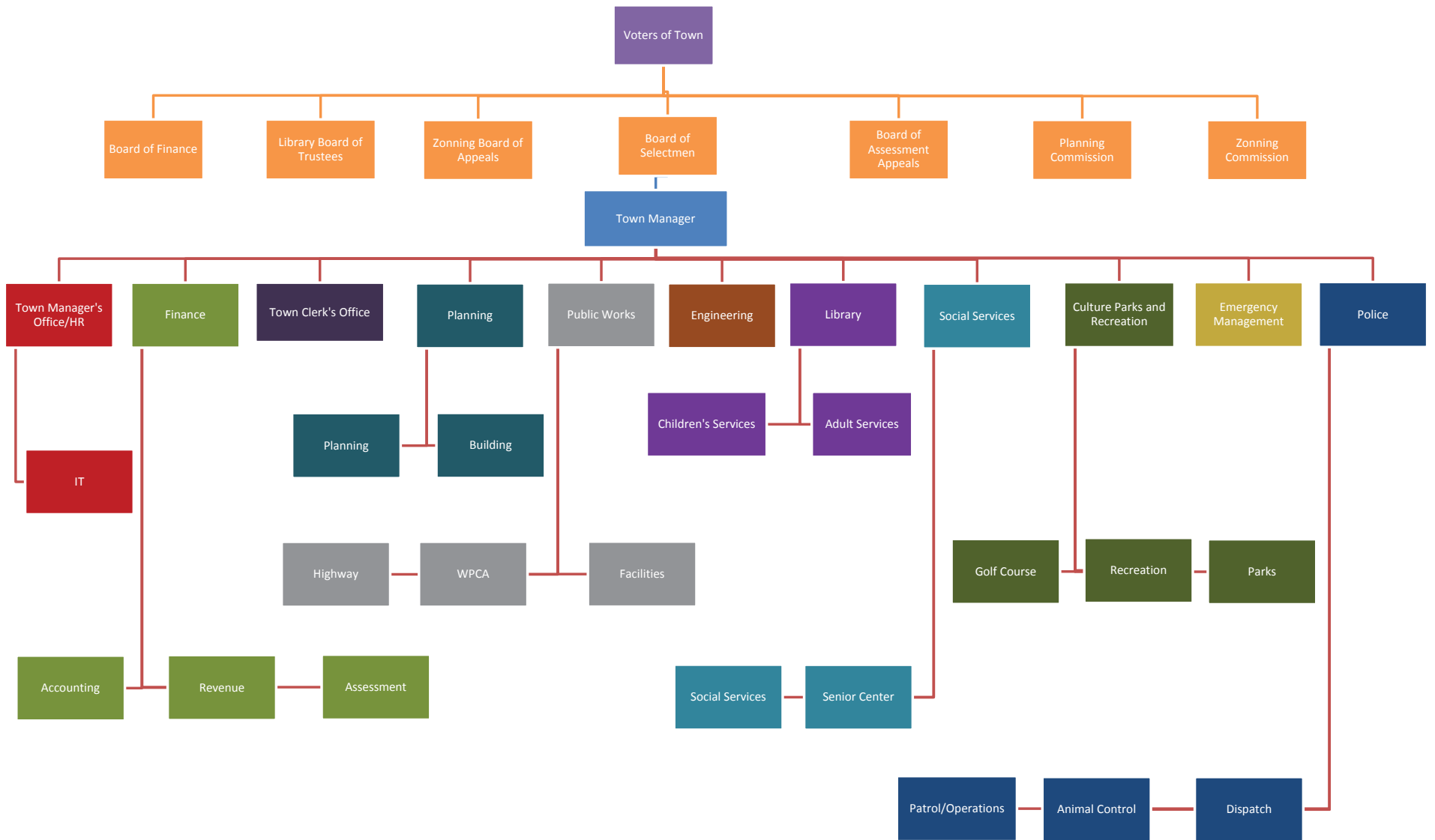
**Town of Simsbury
Connecticut**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



PRINCIPAL OFFICIALS

June 30, 2018

BOARD OF SELECTMEN

Eric Wellman, First Selectman
Chris M. Kelly, Deputy 1st Selectman
Sean P. Askham
Cheryl B. Cook
Mike R. Paine
Chris Peterson

BOARD OF EDUCATION

Tara Donohue Willerup, Chairman
Todd S. Burrick
Susan Salina
Jeffrey Tindall
Lydia A. Tedone
Thomas Frank
Jennifer Batchelar

BOARD OF FINANCE

Robert D. Pomeroy, Jr., Chairman
Linda J. Schofield, Vice Chairman
Derek R. Peterson
Moiria K. Wertheimer
Kevin Prell
Lisa Heavner

APPOINTED OFFICIALS

Matthew Curtis, Superintendent
Burke LaClair, School Business Manager
Amy Meriwether, Director of Finance/Treasurer
Ericka Butler, Town Clerk
Colleen O'Connor, Tax Collector
David Gardner, Assessor
Kevin J. Kowalski, Director of Civil Preparedness
Kristen Formanek, Social Service Director
Thomas Tyburski, Director of Culture, Parks & Recreation
James Rabbitt, Director of Planning
Mike Glidden, Conservation Officer
Henry Miga, Building Official
Jeff Shea, Town Engineer
Updike, Kelley & Spellacy, Town Attorney



Financial Section

Independent Auditors' Report

To the Board of Finance
Town of Simsbury, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of June 30, 2018 and the respective changes in financial position and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle and Restatements

As discussed in Note 6 to the financial statements, during the fiscal year ended June 30, 2018, the Town of Simsbury, Connecticut, adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The net position of the Town of Simsbury, Connecticut, has been restated to recognize the net Other Postemployment Benefit liability in accordance with GASB No. 75. In addition, the Town adopted GASB Statement No. 81, *Irrevocable Split-Interest Agreements*. The net position was restated to classify the trust fund properly. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Simsbury, Connecticut's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated January 26, 2018, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund and the aggregate remaining fund information. The accompanying General Fund budget schedules for the year ended June 30, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2017 financial statements. The accompanying General Fund budget schedules have been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the General Fund budget schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2018 on our consideration of the Town of Simsbury, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Simsbury, Connecticut's internal control over financial reporting and compliance.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
December 27, 2018

**TOWN OF SIMSBURY, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2018**

The management of the Town of Simsbury, Connecticut (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- At the end of the fiscal year the town's unassigned general fund balance was \$14,380,222 or 13.55% of General Fund expenditures.
- On a government-wide basis, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$110,826,358 for Governmental Activities.
- As of the close of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$26,852,985, a decrease of \$3,273,335 in comparison with the prior year.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund Financial Statements

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

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

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

The Town maintains 38 individual funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sewer Use Fund, BOE Programs Fund and the Capital Project Fund, all of which are considered to be major funds.

Data from the other 34 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 16 to 19 of this report.

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

The basic proprietary fund financial statements can be found on pages 20 to 22 of this report.

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

The basic fiduciary fund financial statements can be found on pages 23 to 24 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 to 70 of this report.

Required Supplementary Information

This report contains certain supplementary information concerning the Town's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 88 to 110 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town, assets exceeded liabilities by \$110,826,358 at the close of the most recent fiscal year.

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

NET POSITION – GOVERNMENTAL ACTIVITIES

	Governmental Activities	
	2018	2017 (as Restated)
Current assets	\$ 35,661,299	\$ 38,133,305
Capital assets, net of accumulated depreciation	136,365,558	133,259,314
Noncurrent assets	3,115,238	4,237,310
Total Assets	<u>175,142,095</u>	<u>175,629,929</u>
Deferred Outflow of Resources	<u>1,263,803</u>	<u>1,749,797</u>
Current liabilities	11,261,112	10,844,856
Noncurrent liabilities	51,453,186	57,071,839
Total Liabilities	<u>62,714,298</u>	<u>67,916,695</u>
Deferred Inflow of Resources	<u>2,865,242</u>	<u>1,953,671</u>
Net Position:		
Net investment in capital assets	104,065,426	98,938,703
Unrestricted	<u>6,760,932</u>	<u>8,570,657</u>
Total Net Position	<u>\$ 110,826,358</u>	<u>\$ 107,509,360</u>

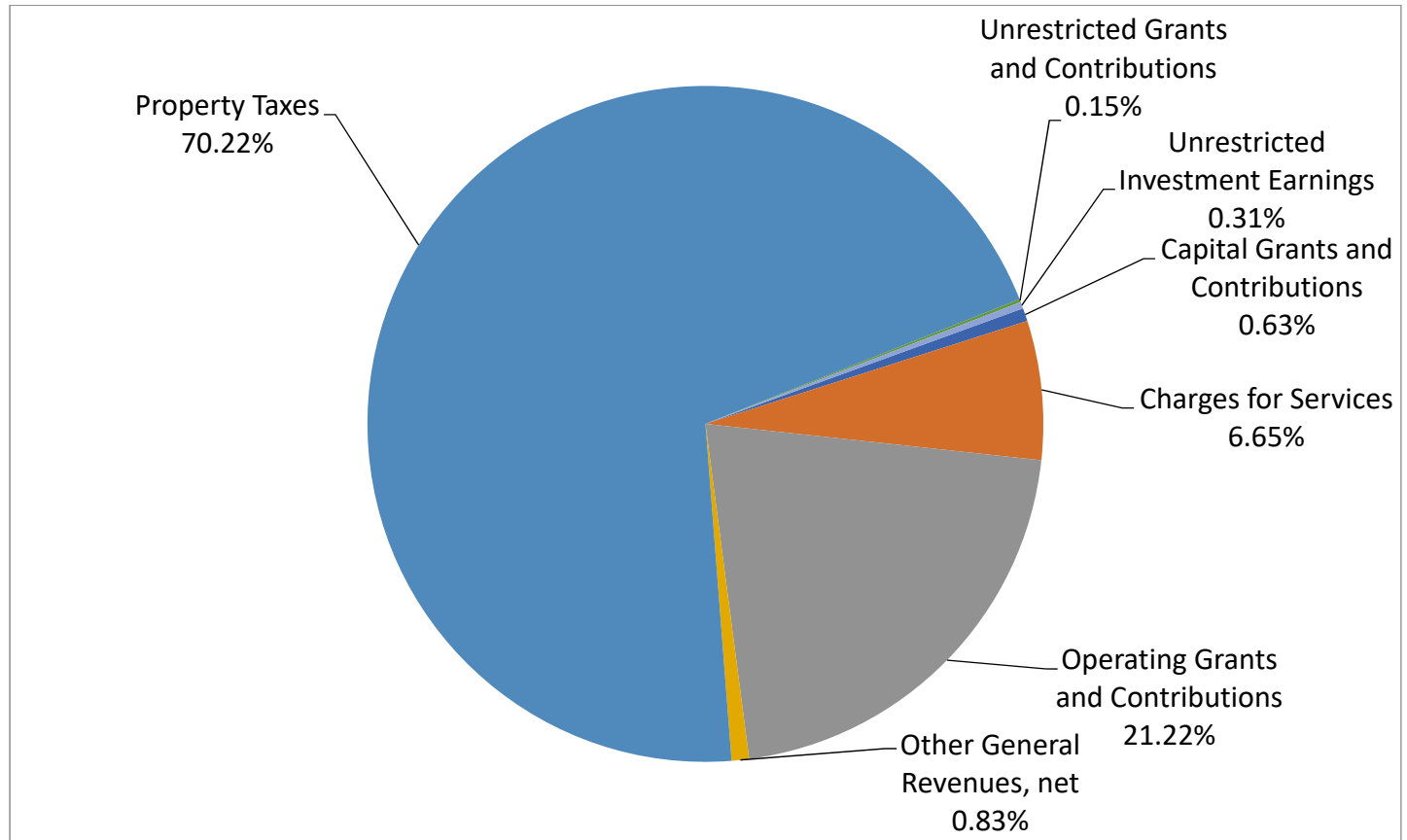
The government's net position increased by \$3,316,998 or 3.08% during the current fiscal year from \$107,509,360 at June 30, 2017 to \$110,826,358 at June 30, 2018. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, is \$6,760,932 at the end of this year compared to \$8,570,657 at the end of the prior year for a decrease of \$1,809,725.

CHANGES IN NET POSITION – GOVERNMENTAL ACTIVITIES

	Governmental Activities	
	2018	2017
Revenues:		
Program revenues:		
Charges for services	\$ 8,274,100	\$ 7,389,905
Operating grants and contributions	26,413,295	25,395,832
Capital grants and contributions	781,726	806,506
General revenues:		
Property taxes	87,415,877	85,768,365
Grants and contributions not restricted to specific purpose	187,541	195,890
Unrestricted investment earnings	387,674	120,444
Other general revenues, net	1,033,041	852,587
Total revenues	<u>124,493,254</u>	<u>120,529,529</u>
Program expenses:		
General government	2,634,618	2,851,855
Planning and development	1,660,834	1,363,689
Public safety	5,559,388	5,458,475
Facility management	8,530,110	13,455,187
Culture and recreation	5,862,399	5,696,882
Health and welfare	909,646	899,974
Education	95,466,144	92,918,242
Interest on long-term debt	553,117	854,362
Total expenses	<u>121,176,256</u>	<u>123,498,666</u>
Change in net position	3,316,998	(2,969,137)
Net Position - July 1	107,509,360	122,829,233
Restatement		<u>(12,350,736)</u>
Net Position - June 30	<u>\$ 110,826,358</u>	<u>\$ 107,509,360</u>

Total revenues were \$124,493,254 and \$120,529,529 for the years ended June 30, 2018 and 2017, respectively. Total cost of all programs and services were \$121,176,256, and \$123,498,666, respectively, for the years ended June 30, 2018 and 2017. Net position increased by \$3,316,998 for the year ended June 30, 2018, while net position decreased by \$2,969,137 for the year ended June 30, 2017.

Revenue by Source - Governmental Activities



Governmental Activities

Major revenue factors during the year include:

- Property taxes collected increased by \$1,647,512 or 1.92%.
- Charges for goods and services increased by \$884,195 or (12%). Illustrated below is a comparison between 2018 and 2017:

	<u>2018</u>	<u>2017</u>	<u>Variance</u>
General government	\$ 861,158	\$ 904,172	\$ (43,014)
Planning and development	20	2,202	(2,182)
Public safety	287,766	312,583	(24,817)
Facility management	4,450,358	3,557,914	892,444
Culture and recreation	1,694,672	1,733,275	(38,603)
Health and welfare	365	1,464	(1,099)
Education	979,761	878,295	101,466
	<u>\$ 8,274,100</u>	<u>\$ 7,389,905</u>	<u>\$ 884,195</u>

- Operating Grants and contributions increased by \$1,017,463:

	<u>2018</u>	<u>2017</u>	<u>Variance</u>
General government	\$ 586,655	\$ 1,023,774	\$ (437,119)
Planning and development	1,083,664	898,406	185,258
Public safety	5,593	54,129	(48,536)
Facility management	176,232	250,021	(73,789)
Culture and recreation	138,070	178,219	(40,149)
Health and welfare	192,154	204,394	(12,240)
Education	<u>24,230,927</u>	<u>22,786,889</u>	<u>1,444,038</u>
	<u>\$ 26,413,295</u>	<u>\$ 25,395,832</u>	<u>\$ 1,017,463</u>

- Capital grants and contributions decreased by \$24,780. Illustrated below is a breakdown comparison between 2018 and 2017:

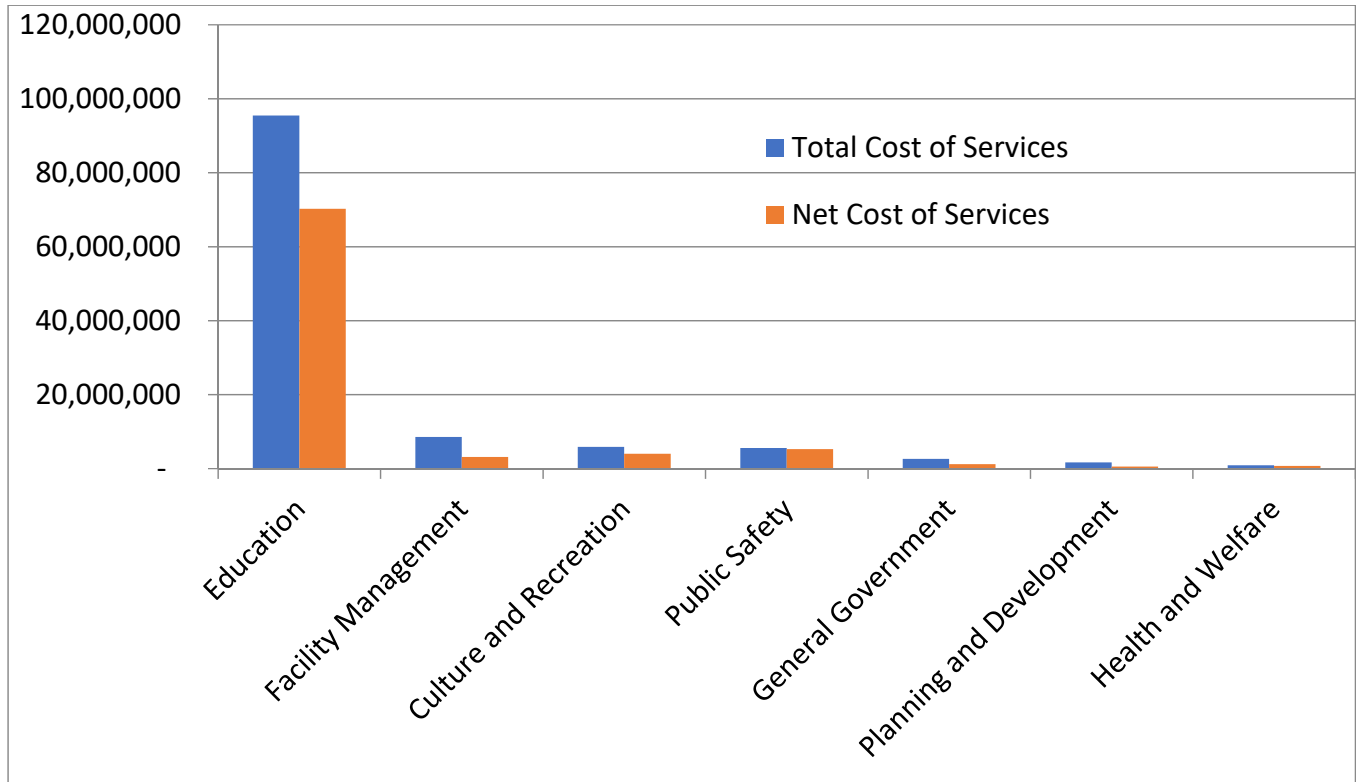
	<u>2018</u>	<u>2017</u>	<u>Variance</u>
General government	\$	\$	\$ -
Planning and development	30,495	350,000	(319,505)
Public safety			-
Facility management	751,231	383,902	367,329
Culture and recreation			-
Health and welfare			-
Education		<u>72,604</u>	<u>(72,604)</u>
	<u>\$ 781,726</u>	<u>\$ 806,506</u>	<u>\$ (24,780)</u>

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

GOVERNMENTAL ACTIVITIES
For the Year Ended June 30, 2018

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General government	\$ 2,634,618	\$ (1,186,805)
Planning and development	1,660,834	(546,655)
Public safety	5,559,388	(5,266,029)
Facility management	8,530,110	(3,152,289)
Culture and recreation	5,862,399	(4,029,657)
Health and welfare	909,646	(717,127)
Education	<u>95,466,144</u>	<u>(70,255,456)</u>
	<u>\$ 120,623,139</u>	<u>\$ (85,154,018)</u>

Expenses and Program Revenue - Governmental Activities



Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$26,852,985 representing a decrease of \$3,273,335 or 10.9% in comparison with the prior year. Of this total amount, \$90,689 is non-spendable, \$1,181,529 is restricted by governmental grants, \$9,890,284 is committed by the Simsbury Board of Finance (Budget-Making Authority), \$1,967,056 is assigned and \$13,723,427 is unassigned. The \$13,723,427 unassigned fund balance is available for spending at the Town's discretion. The total unassigned fund balance is based on a positive general fund balance in that amount.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$14,380,222, while total fund balance was \$16,794,113. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Of this total fund balance \$61,835 is non-spendable, \$1,967,056 is assigned, and \$385,000 is committed, with the balance being unassigned in the amount the \$14,380,222.

The total fund balance of the Town's General Fund increased by \$2,579,178 during the current fiscal year and the unassigned fund balance increased by \$2,107,844. The assigned fund balance includes funds designated by the Board of Finance as part of an approved strategy to help mitigate the temporary loss of tax revenue during the redevelopment of the former Hartford Insurance property located at 200 Hopmeadow Street. Consistent with the Town's Reserve Policy, the Board of Finance assigned \$1,500,000 of reserves to offset the net property tax loss anticipated in fiscal years 2018-2020. It is anticipated that other developments and the redevelopment of the Hartford Site will more than make up for the tax loss by fiscal year 2020.

The Sewer Use Fund has a fund balance of \$4,937,857 at the end of the year, an increase of \$375,613 from the prior year. A portion of the fund balance is to be used to help pay the debt service on the Waste Water Treatment Plant \$26.8 million renovation and expansion capital project. This project was funded 100% by the State of Connecticut Clean Water Fund 2% Loan and Grant program. This project is completed and payments began on the 20-year, 2% loan program in September 2008. The loan will be repaid by future sewer user charges.

The Capital Project Fund has a negative fund balance of (\$656,295) at the end of the year, representing a decrease of \$6,117,020 over the prior year positive fund balance of \$5,460,725. Fund balance is expected to develop into a positive balance in fiscal year 2018/19 as a result of borrowing for capital projects during the 2018/19 fiscal year.

Other nonmajor governmental funds have a total fund balance of \$5,037,954, representing a decrease of \$133,718 from the prior year as illustrated.

Nonmajor Governmental Funds	2018	2017	Variance
Residential Rental Properties	\$ 303,322	\$ 259,871	\$ 43,451
Simsbury Farms Fund	31,826	30,679	1,147
General Government Program Fund	109,832	107,186	2,646
Public Safety Program Fund	357,799	401,109	(43,310)
Planning & Development Program Fund	366,022	342,222	23,800
Facilities Management Program Fund	1,114,151	1,073,993	40,158
Health & Welfare Program Fund	267,309	270,984	(3,675)
Culture & Recreation Program Fund	90,409	77,003	13,406
Sewer Assessment Fund	1,501,878	1,715,721	(213,843)
Cafeteria	145,144	156,951	(11,807)
State and Federal Education Grants			-
Capital and Nonrecurring Expenditures Fund	750,262	735,953	14,309
Total	<u>\$ 5,037,954</u>	<u>\$ 5,171,672</u>	<u>\$ (133,718)</u>

General Fund Budgetary Highlights

The original general fund budget including other financing sources and uses of \$96,604,171 was increased by \$9,776 to the final budget of \$96,613,947 due to year end supplemental appropriations.

Actual revenues were less than budgetary estimates by \$334,221, and expenditures were less than budgetary estimates by \$2,492,054.

Overall revenues exceeded expenditures on a budgetary basis by \$2,157,833.

Capital Asset and Debt Administration

Capital Assets - The Town's investment in capital assets (net of accumulated depreciation) for its governmental activities as of June 30, 2018 amounted to \$136,365,558. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net change in the Town's investment in capital assets for the current fiscal year was an increase of \$3,106,244.

CAPITAL ASSETS (net of depreciation) June 30, 2018

Land	\$ 10,175,191
Development rights	11,725,000
Construction in progress	6,546,189
Buildings and improvements	88,074,234
Land improvements	1,308,529
Equipment	5,065,156
Infrastructure	<u>13,471,259</u>
	<u>\$ 136,365,558</u>

Additional information on the Town's Capital Assets can be found in Note 3C on page 39 of this report.

Long-term Debt - At the end of the current fiscal year, the Town had total bonded debt outstanding of \$31,278,482, of which \$4,434,405 is due within one year. All of the debt is backed by the full faith and credit of the Town.

OUTSTANDING DEBT June 30, 2018

General obligation bonds	\$ 20,550,000
Loan payable - Clean Water Fund	10,676,307
Loan payable - State of Connecticut	<u>52,175</u>
	<u>\$ 31,278,482</u>

The Town's total debt decreased during the current fiscal year by \$5,173,327. This decrease was the result of paying down current debt. The Town did not issue any new debt in the current fiscal year.

The Town has an "Aaa" rating from Standard and Poor's and Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior years' tax collections. The current debt limitation for the Town is \$599,644,318 which is significantly more than the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 3E on pages 43 to 45 of this report.

Economic Factors and Next Year's Budgets and Rates

The Town's elected Board of Finance considered many factors when setting the fiscal year 2018/19 budget spending guideline and mill rate. Factors included the economy, consumer price index, comparative town data, and the State budget situation. The current unemployment rate for the Town of Simsbury as of November 2018 was 2.1%, which is a slight decrease from the prior year of 2.7%. This compares to the State's average unemployment rate of 4.1% and the national average rate of 3.7%.

Requests for Information

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



Basic Financial Statements

TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF NET POSITION
JUNE 30, 2018

	Governmental Activities
Assets:	
Current assets:	
Cash and cash equivalents	\$ 24,026,213
Investments	7,029,580
Accounts receivable	3,788,675
Due from fiduciary funds	12,673
Loans receivable	343,886
Inventories	25,340
Other assets	434,932
Total current assets	<u>35,661,299</u>
Noncurrent assets:	
Capital assets:	
Nondepreciable	28,446,380
Depreciable, net	107,919,178
Loans receivable	3,115,238
Total noncurrent assets	<u>139,480,796</u>
Total assets	<u>175,142,095</u>
Deferred Outflows of Resources:	
Deferred outflows related to pension	1,210,446
Deferred charge on refunding	53,357
Total deferred outflows of resources	<u>1,263,803</u>
Liabilities:	
Current liabilities:	
Accounts payable	2,956,174
Accrued interest payable	143,911
Unearned revenues	893,416
Bonds and loans payable	4,434,405
Compensated absences	944,209
Claims liability	1,883,997
Landfill closure	5,000
Total current liabilities	<u>11,261,112</u>
Noncurrent liabilities:	
Bonds and loans payable	28,432,639
Net pension liability	16,707,637
Net OPEB liability	5,960,826
Compensated absences	307,084
Landfill closure	45,000
Total noncurrent liabilities	<u>51,453,186</u>
Total liabilities	<u>62,714,298</u>
Deferred Inflows of Resources:	
Advance property tax collections	13
Advance sewer use collections	72,760
Deferred inflows related to scholarships	380,264
Deferred inflows related to pension	1,356,118
Deferred inflows related to OPEB	1,056,087
Total deferred inflows of resources	<u>2,865,242</u>
Net Position:	
Net investment in capital assets	104,065,426
Unrestricted	6,760,932
Total Net Position	<u><u>\$ 110,826,358</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018**

Function/Program Activities	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Position
					Governmental Activities
Primary Government:					
Governmental activities:					
General government	\$ 2,634,618	\$ 861,158	\$ 586,655	\$	\$ (1,186,805)
Planning and development	1,660,834	20	1,083,664	30,495	(546,655)
Public safety	5,559,388	287,766	5,593		(5,266,029)
Facility management	8,530,110	4,450,358	176,232	751,231	(3,152,289)
Culture and recreation	5,862,399	1,694,672	138,070		(4,029,657)
Health and welfare	909,646	365	192,154		(717,127)
Education	95,466,144	979,761	24,230,927		(70,255,456)
Interest on long-term debt	553,117				(553,117)
Total Governmental Activities	<u>\$ 121,176,256</u>	<u>\$ 8,274,100</u>	<u>\$ 26,413,295</u>	<u>\$ 781,726</u>	<u>(85,707,135)</u>
General Revenues:					
Property taxes, levied for general purposes					87,415,877
Grants and contributions not restricted to specific programs					187,541
Investment earnings					387,674
Other general revenues					1,033,041
Total general revenues					<u>89,024,133</u>
Change in net position					3,316,998
Net Position at Beginning of Year, as Restated					<u>107,509,360</u>
Net Position at End of Year					<u>\$ 110,826,358</u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 9,514,209	\$ 5,126,665	\$ 2,208,256	\$	\$ 5,400,211	\$ 22,249,341
Investments	6,147,266		882,314			7,029,580
Receivables	1,372,956	24,784	352,089	213,049	1,819,057	3,781,935
Due from other funds	2,410,249		12,673			2,422,922
Inventories					25,340	25,340
Other assets	61,835				3,514	65,349
Total Assets	\$ 19,506,515	\$ 5,151,449	\$ 3,455,332	\$ 213,049	\$ 7,248,122	\$ 35,574,467
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 1,564,290	\$ 140,832	\$ 12,834	\$ 781,973	\$ 395,713	\$ 2,895,642
Due to other funds			2,322,878	87,371		2,410,249
Due to other governments					54,284	54,284
Unearned revenue	22,949				870,467	893,416
Total liabilities	1,587,239	140,832	2,335,712	869,344	1,320,464	6,253,591
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	798,248					798,248
Unavailable revenue - property tax interest	326,902					326,902
Unavailable revenue - sewer assessments					867,965	867,965
Unavailable revenue - scholarship			380,264			380,264
Unavailable revenue - loans receivable					21,739	21,739
Advance sewer use collections		72,760				72,760
Advance property tax collections	13					13
Total deferred inflows of resources	1,125,163	72,760	380,264	-	889,704	2,467,891
Fund Balances:						
Nonspendable	61,835				28,854	90,689
Restricted			33,760		1,147,769	1,181,529
Committed	385,000	4,937,857	705,596		3,861,831	9,890,284
Assigned	1,967,056					1,967,056
Unassigned	14,380,222			(656,295)	(500)	13,723,427
Total fund balances	16,794,113	4,937,857	739,356	(656,295)	5,037,954	26,852,985
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 19,506,515	\$ 5,151,449	\$ 3,455,332	\$ 213,049	\$ 7,248,122	\$ 35,574,467

(Continued on next page)

TOWN OF SIMSBURY, CONNECTICUT
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2018

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

Fund balances - total governmental funds (Exhibit III)	\$ 26,852,985
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental capital assets	\$ 246,597,468	
Less accumulated depreciation	<u>(110,231,910)</u>	
Net capital assets		136,365,558

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

Loans receivable	3,480,863
Property tax receivables greater than 60 days	1,125,150
Sewer assessments receivable	867,965
Interest receivable on sewer use receivable	6,697
Deferred outflows related to pension	1,210,446

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.

256,253

Long-term liabilities, including deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds payable	(20,550,000)
Unamortized bond premium	(1,588,562)
Deferred charge on refunding	53,357
Clean Water Fund 2% loan	(10,676,307)
Notes payable	(52,175)
Interest payable on bonds	(143,911)
Compensated absences	(1,251,293)
Net pension liability	(16,707,637)
Net OPEB liability	(5,960,826)
Deferred inflows related to pension	(1,356,118)
Deferred inflows related to OPEB	(1,056,087)
Landfill liability	<u>(50,000)</u>

Net Position of Governmental Activities (Exhibit I)	<u>\$ 110,826,358</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Governmental Fund
Revenues:						
Property taxes	\$ 87,613,101	\$	\$	\$	\$	\$ 87,613,101
Intergovernmental	20,111,696	422,367	375,649	131,782	6,176,602	27,218,096
Investment income (loss)	323,153	2,581	57,541		4,163	387,438
Charges for goods and services	782,703				2,858,748	3,641,451
Licenses and permits	1,233,813					1,233,813
Rental of town-owned property	144,562					144,562
Local revenues	179,363			106,495		285,858
Assessments		3,049,278			145,265	3,194,543
Other		609,387	248,126	81,024	370,152	1,308,689
Total revenues	<u>110,388,391</u>	<u>4,083,613</u>	<u>681,316</u>	<u>319,301</u>	<u>9,554,930</u>	<u>125,027,551</u>
Expenditures:						
Current:						
General government	2,236,411				48,620	2,285,031
Planning and development	547,117				256,668	803,785
Public safety	4,659,219				213,134	4,872,353
Facility management	3,842,045	2,055,812			226,607	6,124,464
Culture and recreation	2,332,080				2,051,683	4,383,763
Health and welfare	628,647				200,393	829,040
Fringe benefits and insurances	5,101,590					5,101,590
Education	81,917,402		658,704		5,887,002	88,463,108
Capital outlay				7,659,895	1,623,905	9,283,800
Debt service:						
Principal payments	4,125,000	1,040,376			8,527	5,173,903
Interest and other	755,219	224,830				980,049
Total expenditures	<u>106,144,730</u>	<u>3,321,018</u>	<u>658,704</u>	<u>7,659,895</u>	<u>10,516,539</u>	<u>128,300,886</u>
Excess (Deficiency) of Revenues over Expenditures	<u>4,243,661</u>	<u>762,595</u>	<u>22,612</u>	<u>(7,340,594)</u>	<u>(961,609)</u>	<u>(3,273,335)</u>
Other Financing Sources (Uses):						
Transfers in	108,989	192,007		1,415,581	1,275,637	2,992,214
Transfers out	(1,773,472)	(578,989)		(192,007)	(447,746)	(2,992,214)
Total other financing sources (uses)	<u>(1,664,483)</u>	<u>(386,982)</u>	<u>-</u>	<u>1,223,574</u>	<u>827,891</u>	<u>-</u>
Net Change in Fund Balances	2,579,178	375,613	22,612	(6,117,020)	(133,718)	(3,273,335)
Fund Balances at Beginning of Year, as Restated	<u>14,214,935</u>	<u>4,562,244</u>	<u>716,744</u>	<u>5,460,725</u>	<u>5,171,672</u>	<u>30,126,320</u>
Fund Balances at End of Year	<u>\$ 16,794,113</u>	<u>\$ 4,937,857</u>	<u>\$ 739,356</u>	<u>\$ (656,295)</u>	<u>\$ 5,037,954</u>	<u>\$ 26,852,985</u>

(Continued on next page)

TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

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

Net change in fund balances - total governmental funds (Exhibit IV)	\$ (3,273,335)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	8,787,284
Depreciation expense	(5,681,040)

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

Property taxes collected after 60 days	(176,641)
Sewer assessment revenue	397,544
Loans receivable	(1,115,258)
Sewer use interest receivable	(20,583)

Deferred outflows related to pension	(436,658)
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The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Premium amortization	241,692
Accrued interest	235,160
Principal payments	5,173,327
Pension liability	2,719
OPEB liability	910,515

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

Amortization of deferred charge on refunding	(49,336)
Deferred inflows related to pension	97,619
Deferred inflows related to OPEB	(1,056,087)
Change in long-term compensated absences	58,344
Other - landfill	5,000

The net profit (loss) of the internal service funds is reported with governmental activities.	<u>(783,268)</u>
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Change in Net Position of Governmental Activities (Exhibit II)	<u>\$ 3,316,998</u>
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The accompanying notes are an integral part of the financial statements

TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2018

	<u>Governmental Activities</u>
	<u>Health Insurance Fund</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 1,776,872
Accounts receivable, net	40
Prepaid items	369,583
Total current assets	<u>2,146,495</u>
Liabilities:	
Current liabilities:	
Accounts payable and accrued items	6,245
Claims incurred but not reported	1,883,997
Total noncurrent liabilities	<u>1,890,242</u>
Net Position:	
Unrestricted	\$ <u><u>256,253</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Governmental Activities Health Insurance Fund
Operating Revenues:	
Charges for services	\$ 13,350,360
Other operating revenue	384,892
Total operating revenues	<u>13,735,252</u>
Operating Expenses:	
Claims incurred	13,659,834
Administration and stop loss insurance fees	858,686
Total operating expenses	<u>14,518,520</u>
Change in Net Position	(783,268)
Net Position at Beginning of Year	<u>1,039,521</u>
Net Position at End of Year	\$ <u><u>256,253</u></u>

The accompanying notes are an integral part of the financial statements

**TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Governmental Activities Health Insurance
Cash Flows from Operating Activities:	
Receipts from customers and users	\$ 13,735,252
Payments to employees	<u>(13,704,048)</u>
Net cash provided by (used in) operating activities	31,204
Cash Flows from Noncapital Financing Activities:	
Payments from (to) other funds	<u>(6,351)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	24,853
Cash and Cash Equivalents at Beginning of Year	<u>1,752,019</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 1,776,872</u></u>
Reconciliation of Operating (Income) Loss to Net Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ <u>(783,268)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Change in assets and liabilities:	
Decrease in accounts receivable	327
(Increase) decrease in prepaid items	(40,583)
Increase (decrease) in accounts payable	6,245
Increase (decrease) in claims payable	<u>848,483</u>
Total adjustments	<u>814,472</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ 31,204</u></u>

The accompanying notes are an integral part of the financial statements

TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2018

	Pension and Other Employee Benefit Trust Funds	Agency Funds
	<u> </u>	<u> </u>
Assets:		
Cash and cash equivalents	\$ 1,044,372	\$ 1,179,829
Investments, at fair value:		
Mutual funds	74,871,768	
Private equity funds	3,521,362	
Accounts receivable	<u>78,523</u>	
	<u>79,516,025</u>	
Total assets		<u>\$ 1,179,829</u>
Liabilities:		
Accounts payable	7,471	\$
Due to student groups and others		1,167,156
Due to other funds		<u>12,673</u>
	<u>7,471</u>	
Total liabilities		<u>\$ 1,179,829</u>
Net Position Restricted for Pension and Other Post Employee Benefits	<u>\$ 79,508,554</u>	

The accompanying notes are an integral part of the financial statements

TOWN OF SIMSBURY, CONNECTICUT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Pension and Other Employee Benefit Trust Funds
Additions:	
Contributions:	
Employer	\$ 3,802,690
Plan members	<u>1,024,509</u>
Total contributions	<u>4,827,199</u>
Investment earnings:	
Change in fair value of investments	3,192,771
Interest	<u>1,749,746</u>
Total investment gain (loss)	<u>4,942,517</u>
Less investment expenses:	
Investment management fees	<u>115,119</u>
Net investment gain (loss)	<u>4,827,398</u>
Total additions	<u>9,654,597</u>
Deductions:	
Benefits	4,952,576
Administrative expense	<u>70,016</u>
Total deductions	<u>5,022,592</u>
Net Change in Net Position	4,632,005
Net Position at Beginning of Year	<u>74,876,549</u>
Net Position at End of Year	<u><u>\$ 79,508,554</u></u>

The accompanying notes are an integral part of the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

The financial statements include all of the funds of the Town that meet the criteria for inclusion as set forth in Statement of Governmental Accounting Standards No. 61 issued by the Governmental Accounting Standards Board (GASB).

Accounting principles generally accepted in the United States of America (GAAP) require that the reporting entity include the primary government and its component units, entities for which the government is considered to be financially accountable, all organizations for which the primary government is financially accountable, and other organizations which by the nature and significance of their relationship with the primary government would cause the financial statements to be incomplete or misleading if excluded. Blended component units, although legally separate entities, are, in substance, part of the government's operations; therefore, data from these units are combined with data of the primary government. Based on these criteria, there are no component units requiring inclusion in these financial statements.

B. Basis of Presentation

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

Government-Wide and Fund Financial Statements

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds use the accrual basis of accounting but have no measurement focus since they report only assets and liabilities.

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

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

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

The Town reports the following major governmental funds:

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

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

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

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

Additionally, the Town reports the following fund types:

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

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

The *Agency Funds* account for monies held by the Town on behalf of students.

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

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

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. Unrestricted resources are used in the following order: committed, assigned then unassigned.

C. Cash Equivalents

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

D. Investments

Investments are stated at fair value.

E. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of donated commodities are stated at fair market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

F. Receivables and Payables

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

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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

Assets	Years
Infrastructure:	
Roadways	40
Roadways - resurfacing	20
Bridge culvert	30-50
Sanitary sewer interceptors	40-50
Walkway and path	15-30
Dams and storm water control	40-60
Structure	40-60
Site lighting	20
Land and Buildings:	
Land	-
Buildings	50
Improvements	10-25
Construction in progress	-
Vehicles and Equipment:	
Computer equipment	5
Contractor's equipment	10
Furniture and fixtures	20
Miscellaneous equipment	5-10
Vehicles	3-10

H. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pension and OPEB in the government-wide statement of net position. The Town also reports advance property tax collections, advance sewer use collections, and deferred inflows for scholarships in the government-wide statement of net position and in the governmental funds balance sheet. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees). Advance property tax collections and advance sewer use collections represent taxes and fees inherently associated with a future period. This amount is recognized during the period in which the revenue is associated. Scholarship funds are held at a third party for the irrevocable benefit of students. Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, property tax interest, sewer assessment and loans receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

I. Net Pension Liability

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

J. Net Other Post Employment (OPEB) Liability

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

K. Long-Term Obligations

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

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

L. Compensated Absences and Termination Benefits

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

M. Equity

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

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

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

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

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

**TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

Assigned Fund Balance

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

Unassigned Fund Balance

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

N. Property Taxes

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

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

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

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

O. Accounting Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

In accordance with the Town Charter, Chapter 9, Sections 901 through 911, the Town uses the following procedures in establishing the budgetary data included in the general-purpose financial statements:

No later than the 15th day of March, the Board of Education shall present its budget for the General Fund to the Board of Finance.

No later than the 30th day of March, the Board of Selectmen shall present to the Board of Finance a budget for all departments, offices or agencies of the Town except the Board of Education for the General Fund.

After various public hearings, the Board of Finance recommends the budget, as revised, for adoption at the Annual Town Meeting held on the first Tuesday in May. The Annual Town Meeting may reduce the annual budget or any portion thereof by two-thirds (2/3) vote of the voters in attendance, but shall not increase the annual budget or any portion thereof, as approved, or deemed to have been approved by the Board of Finance.

The Annual Town Meeting is then subject to an automatic referendum by all qualified voters of the Town. This referendum shall be held from 14 to 21 days following the conclusion of the Town Meeting. Any motion at a Town Meeting dealing with a referendum matter which reduces the amount of such referendum matter shall require a two-thirds (2/3) vote of those voters in attendance for passage. The Board of Finance, in cooperation with the First Selectman, shall revise the annual budget, or that portion thereof, which has been rejected at the referendum, as the case may be, and present it at a subsequent Town Meeting for discussion and an additional referendum for acceptance. If the budget remains unaccepted after such subsequent meeting and referendum, the budget adopted for the then current fiscal year shall be deemed to be the temporary budget for the forthcoming fiscal year and expenditures may be made on a month-to-month basis in accordance therewith, until such time as the referendum finally adopts a new budget.

Upon request of the Board of Selectmen, during the last six months of the fiscal year, the Board of Finance may, by resolution, transfer any unencumbered appropriation, balance or portion thereof from one department, commission, board or office to another, except for the Board of Education. No transfer shall be made from any appropriation for debt service and other statutory charges.

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

**TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

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

Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen. Summarizations of the amended General Fund budgets approved by the Board of Finance for the “budgetary” general and certain special revenue funds are presented in the required supplementary information. During the year, supplemental budgetary appropriations of \$9,776, of which \$2,500 were made from additional revenue and \$7,226 were made from General Fund unappropriated and unencumbered surplus.

B. Deficit Fund Equity

For the year ended June 30, 2018, the following funds had deficit fund balances:

Capital Project Fund	\$ 656,295
Internal Service Fund:	
PPO/HDHP/HMO	122,695

These amounts will be funded through future bonding, intergovernmental grants and general fund transfers.

3. DETAILED NOTES ON ALL FUNDS

A. Cash, Cash Equivalents and Investments

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

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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

Deposits

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$16,206,361 of the Town's bank balance of \$21,210,699 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 14,552,224
Uninsured and collateral held by the pledging bank's trust department, not in the Town's name	<u>1,654,137</u>
Total Amount Subject to Custodial Credit Risk	<u>\$ 16,206,361</u>

Cash Equivalents

At June 30, 2018, the Town's cash equivalents amounted to \$10,317,140. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. The pools all have maturities of less than one year.

	<u>Standard & Poor's</u>
State Short-Term Investment Fund (STIF)	AAAm
Morgan Stanley - Money Market	*

* Not rated

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Investments

As of June 30, 2018, the Town had the following investments:

Investment Type	Credit Rating	Fair Value	Investment Maturities		
			Less Than 1	1-10	More Than 10
U.S. Government Securities	Aa1	\$ 1,495,321	\$	\$ 1,495,321	\$
Certificates of deposit*	N/A	4,651,945	1,741,879	2,910,066	
Other investments:			\$ 1,741,879	\$ 4,405,387	\$ -
Mutual funds	N/A	75,754,082			
Private Equity Funds	N/A	3,521,362			
Total investments		\$ 85,422,710			

*Included in FDIC insurance.

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party. The State of Connecticut STIF Investments are 2a-7 like pools.

Credit Risk

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

Concentration of Credit Risk

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2018:

	June 30, 2018	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level:				
U.S. Government Securities	\$ 1,495,321	\$ 1,495,321	\$	\$
Mutual Funds	<u>75,754,082</u>	<u>75,613,482</u>	<u>140,600</u>	
Total investments measured at fair value	77,249,403	<u>\$ 77,108,803</u>	<u>\$ 140,600</u>	<u>\$ -</u>
Investments measured at net asset value (NAV):				
Cornerstone Patriot Fund LP	3,521,362			
Investments not included above:				
Certificates of deposit	<u>4,651,945</u>			
Total Investments	<u>\$ 85,422,710</u>			

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

Private equity funds - international are valued as described in the following schedule.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table.

	Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Cornerstone Patriot Fund LP	\$ 3,521,362	\$ -	Quarterly	30 days

Interest Rate Risk

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

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

B. Receivables

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

	<u>General</u>	<u>Sewer Use Fund</u>	<u>BOE Programs Fund</u>	<u>Capital Projects Fund</u>	<u>Other Funds</u>	<u>Total</u>
Receivables:						
Accounts	\$ 81,713	\$ 9,288	\$ 1,351	\$ 96,407	\$ 420,308	\$ 609,067
Property taxes	964,341					964,341
Interest receivable	326,902					326,902
Special assessments		15,496			867,964	883,460
Due from other governments			350,738	116,642	609,348	1,076,728
Total Receivables*	<u>\$ 1,372,956</u>	<u>\$ 24,784</u>	<u>\$ 352,089</u>	<u>\$ 213,049</u>	<u>\$ 1,897,620</u>	<u>\$ 3,860,498</u>

*Does not include \$6,700 of sewer interest receivable shown on the government wide financial statements.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

C. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,175,191	\$	\$	\$ 10,175,191
Development rights	11,725,000			11,725,000
Construction in progress	4,345,403	5,280,849	3,080,063	6,546,189
Total capital assets not being depreciated	<u>26,245,594</u>	<u>5,280,849</u>	<u>3,080,063</u>	<u>28,446,380</u>
Capital assets being depreciated:				
Buildings and improvements	140,191,544	4,513,595		144,705,139
Land improvements	7,569,637	14,250		7,583,887
Equipment	20,201,838	1,091,026	359,421	20,933,443
Infrastructure	43,960,992	967,627		44,928,619
Total capital assets being depreciated	<u>211,924,011</u>	<u>6,586,498</u>	<u>359,421</u>	<u>218,151,088</u>
Less accumulated depreciation for:				
Buildings and improvements	53,127,095	3,503,810		56,630,905
Land improvements	6,104,403	170,955		6,275,358
Equipment	15,187,463	1,040,245	359,421	15,868,287
Infrastructure	30,491,330	966,030		31,457,360
Total accumulated depreciation	<u>104,910,291</u>	<u>5,681,040</u>	<u>359,421</u>	<u>110,231,910</u>
Total capital assets being depreciated, net	<u>107,013,720</u>	<u>905,458</u>	<u>-</u>	<u>107,919,178</u>
Governmental Activities Capital Assets, Net	\$ <u>133,259,314</u>	\$ <u>6,186,307</u>	\$ <u>3,080,063</u>	\$ <u>136,365,558</u>

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

Governmental activities:	
General government	\$ 306,504
Education	2,481,623
Public safety	124,073
Facility management	2,014,449
Culture and recreation	703,872
Health and welfare	<u>50,519</u>
Total Depreciation Expense - Governmental Activities	\$ <u>5,681,040</u>

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Construction Commitments

The government has active construction projects as of June 30, 2018. The following is a summary of capital projects as of June 30, 2018:

<u>Project</u>	<u>Project Authorization</u>	<u>Spent to Date</u>
<u>Sewer Extension Projects:</u>		
Project 2010	\$ 260,000	\$ 162,221
Project 2013	272,320	266,377
Wolcott Pump Station	1,378,500	1,008,080
Sewer Main Extensions	156,000	56,880
Sewer Main Extensions	371,000	-
Hopmeadow/Center Area Sewer repairs	135,000	-
Sewer Main Extensions/Repairs - Massaco St.	104,000	83,593
Hopmeadow/Center Area Sewer Repairs	100,000	-
Oxidation Ditch Dissolved Oxygen Control	27,000	16,120
36 Drake Hill Rd Dike Analysis	75,000	-
Phosphorus Removal Analysis	150,000	-
Hayes Road Pump	45,000	20,004
Tariffville Area Sewer	100,000	-
WPC Plan update	100,000	-
<u>Town Projects:</u>		
Town Security Measures	77,600	46,384
Open Space - Betty Hudson Property	275,000	243,101
Center Area Charrette Infrastructure	540,000	279,884
Senior/Community Center Design	321,699	155,489
Town Teledata	125,000	122,627
Multi Use Trail Connections/Master Plan Updates	212,000	82,118
Bridge Improvements (Design-FY15)	115,000	48,319
Technology Infrastructure	635,395	495,359
Park Improvements	508,000	456,086
Weatogue Planning Route 10 and Code Prep	57,000	-
Municipal Building Renovations	50,000	35,787
Town Hall Site and Safety Improvements	45,000	11,120
Portable Generator / Generator Infrastructure	80,000	48,317
Project Planning Fund	28,000	9,800
Veterans Memorial (STEAP Grant)	680,495	412,978
Multi-Use Connections & Master Plan Updates	1,160,000	40,246
SF Golf Course Improvements	125,000	92,642
Greenway Improvements	240,000	237,475
Open Space Planning Improvements	540,000	49,567
Street Lighting Purchase / Lighting Improvements	937,322	872,936
Highway Pavement Management	2,500,000	2,395,571
Dam Evaluations and Repairs	220,000	78,220
Public Works Complex Infrastructure Improvements	450,000	184,093
Town Hall Site and Safety Improvements	385,000	-
Plan of Conservation & Development	165,000	86,830
Portable Generator Infrastructure	175,000	20,477
Land Use Studies	92,500	-
Storage Building	65,000	-

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

SF Rink/Pool Improvements	950,000	897,517
Park Improvements	311,000	277,153
Street Lighting Purchase / Lighting Improvements	400,000	-
Iron Horse Blvd Playgournd Renovation	298,000	234,510
Finance Security Upgrades	150,000	74,823
Eno Memorial Hall Renovations	300,000	2,577
Cold Storage Facility	380,000	-
Town Facilities Master Plan	400,000	8,640
Library Interior/Parking Renovations	584,500	13,040
Library Lower Level Improvements	906,048	83
Zoning Regulation Update	65,000	-
Bridge Improvements	805,000	-
Drainage Improvements	125,000	81,904
<u>Education Projects:</u>		
Boiler Replacement Squadron Line	850,000	740,125
HJMS Phase 1A	1,255,000	1,168,300
SHS Turf Field/Synthetic Track Maintenance	910,000	862,911
Squadron Line Main Office Project	1,050,000	867,602
District Network Infrastructure	200,000	186,257
Climate Control Phases 1 (FY16) & 2 (FY17)	3,100,000	2,171,928
Central School Roof Replacement	770,000	620,602
District Network Infrastructure	450,000	409,418
HJMS Renovation - Phase 2	1,950,000	1,751,859
SHS Tennis Court Replacement	740,000	523,786
<u>Capital Nonrecurring Projects:</u>		
Ceiling/Floor Replacement	195,000	144,092
Communications Equipment	20,000	17,848
Computer Software	34,000	34,000
HVAC Modifications	35,000	1,322
Machinery & Equipment	121,000	105,864
Plumbing Modifications	66,000	49,645
Mowers	33,000	9,900
Police Vehicles	269,000	280,273
Renovations - Exterior	194,000	122,993
Renovations - Interior	267,000	115,047
Road Improvements	600,974	479,038
School Buses	1,017,000	951,293
School Equipment	36,000	36,000
Street Signs	30,000	30,338
Tech & Program Equipment	33,000	7,227
Trucks	658,050	657,795
Total	\$ 34,637,403	\$ 22,054,413

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2018 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	BOE Programs Fund	\$ 2,322,878
General Fund	Capital Projects	87,371
BOE Programs Fund	Agency Funds	<u>12,673</u>
		<u>\$ 2,422,922</u>

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

Interfund transfers:

	<u>General Fund</u>	<u>Sewer Use Fund</u>	<u>Capital Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Transfers Out</u>
Transfer out:					
General Fund	\$	\$	\$ 497,835	\$ 1,275,637	\$ 1,773,472
Sewer Use Fund	108,989		470,000		578,989
Capital Project Fund		192,007			192,007
Nonmajor Governmental Funds			447,746		447,746
	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Total Transfers In	\$ <u>108,989</u>	\$ <u>192,007</u>	\$ <u>1,415,581</u>	\$ <u>1,275,637</u>	\$ <u>2,992,214</u>

Interfund transfers arose from transferring monies to fund operating activities.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

E. Long-Term Debt

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds and loans payable:					
General obligation bonds	\$ 24,675,000	\$	\$ 4,125,000	\$ 20,550,000	\$ 3,365,000
Premium on bonds issued	1,830,254		241,692	1,588,562	
Loans payable - Clean Water Fund	11,716,683		1,040,376	10,676,307	1,061,375
Loan payable - State of Connecticut	60,126		7,951	52,175	8,030
Total bonds and loans payable	38,282,063	-	5,415,019	32,867,044	4,434,405
Pension liability	16,710,356		2,719	16,707,637	
OPEB liability	* 6,871,341		910,515	5,960,826	
Compensated absences	1,309,637	919,887	978,231	1,251,293	944,209
Landfill closure	55,000		5,000	50,000	5,000
Total Governmental Activities Long-Term Liabilities	\$ <u>63,228,397</u>	\$ <u>919,887</u>	\$ <u>7,311,484</u>	\$ <u>56,836,800</u>	\$ <u>5,383,614</u>

*Note: Balance was restated for GASB 75, see footnote 6.

Compensated absences and other long-term liabilities are generally liquidated by the General Fund.

General Obligation Bonds

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

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

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Annual Principal</u>	<u>Principal Outstanding June 30, 2018</u>
Bonds payable:						
General Bonds	3/19/2013	5,555,000	1.50%	3/1/2023	550,000-560,000	\$ 2,755,000
General Bonds	6/30/2015	9,060,000	2.00-4.00%	7/15/2025	635,000-1,595,000	6,855,000
General Bonds	6/29/2017	10,940,000	2.00-5.00%	6/15/2027	1,215,000-1,220,000	10,940,000
Total Bonds Payable						\$ <u>20,550,000</u>

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 3,365,000	\$ 698,100	\$ 4,063,100
2020	3,360,000	581,175	3,941,175
2021	2,890,000	471,375	3,361,375
2022	2,400,000	372,800	2,772,800
2023	2,400,000	278,400	2,678,400
2024-2027	<u>6,135,000</u>	<u>354,850</u>	<u>6,489,850</u>
	<u>\$ 20,550,000</u>	<u>\$ 2,756,700</u>	<u>\$ 23,306,700</u>

Clean Water Fund Loan

The Town's Waste Water Treatment Plant \$26,840,083 renovation and expansion capital project was funded by the State of Connecticut Clean Water Fund 2% Loan and Grant program. The loan will be repaid by future sewer user charges.

Annual debt service requirements to maturity for the Clean Water Fund loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 1,061,375	\$ 203,832	\$ 1,265,207
2020	1,082,798	182,409	1,265,207
2021	1,104,654	160,553	1,265,207
2022	1,126,951	138,256	1,265,207
2023	1,149,698	115,509	1,265,207
2024-2028	<u>5,150,831</u>	<u>226,300</u>	<u>5,377,131</u>
	<u>\$ 10,676,307</u>	<u>\$ 1,026,859</u>	<u>\$ 11,703,166</u>

The Town has a corresponding receivable from participating municipalities for their portion of the Waste Water Treatment Plant renovation and expansion capital project. The total loan receivable at June 30, 2017 was \$3,459,124. Current year principal payments received by the Town totaled \$337,081.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Project Loan

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

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 8,030	\$ 492	\$ 8,522
2020	8,111	411	8,522
2021	8,192	330	8,522
2022	8,275	247	8,522
2023	8,358	164	8,522
2024-2028	<u>11,209</u>	<u>89</u>	<u>11,298</u>
	<u>\$ 52,175</u>	<u>\$ 1,733</u>	<u>\$ 53,908</u>

Authorized But Unissued Bonds

The total of authorized but unissued bonds (net of projected grants) at June 30, 2018 is \$12,906,597.

F. Fund Balance

The components of fund balance for the governmental funds at June 30, 2018 are as follows:

	General Fund	Major Special Revenue Funds Sewer Use Fund	BOE Programs Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Fund balances:						
Nonspendable:						
Inventory	\$	\$	\$	\$	25,340	\$ 25,340
Prepaid expenditures	61,835				3,514	65,349
Restricted for:						
Education trusts			33,760			33,760
Facilities management trusts					1,101,714	1,101,714
Health and welfare trusts					46,055	46,055
Committed to:						
Sewer use		4,937,857				4,937,857
Sewer assessment			705,596		1,501,878	2,207,474
Education	385,000				119,804	504,804
General government					413,154	413,154
Public safety					357,799	357,799
Recreation					119,221	119,221
Planning and development					366,022	366,022
Health and welfare					221,254	221,254
Facilities management					12,437	12,437
Capital projects					750,262	750,262
Assigned to:						
Property purchases	1,500,000					1,500,000
Education	389,117					389,117
Facilities management	77,939					77,939
Unassigned	<u>14,380,222</u>			<u>(656,295)</u>	<u>(500)</u>	<u>13,723,427</u>
Total Fund Balances	<u>\$ 16,794,113</u>	<u>\$ 4,937,857</u>	<u>\$ 739,356</u>	<u>\$ (656,295)</u>	<u>\$ 5,037,954</u>	<u>\$ 26,852,985</u>

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Significant encumbrances at June 30, 2018 contained in the above table in the assigned and committed categories are as follows:

	<u>Assigned</u>	<u>Committed</u>
General Fund	\$ 467,056	\$
Capital Projects Fund		18,433
Capital Nonrecurring Fund	<u> </u>	<u>56,039</u>
	<u>\$ 467,056</u>	<u>\$ 74,472</u>

4. EMPLOYEE RETIREMENT PLAN

A. Pension Trust Fund

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

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

Plan Description and Benefits Provided

General Government Pension Plan

All full-time employees, except police and Board of Education employees, are eligible to participate in the General Government Pension Plan. The Plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for normal retirement for plan participants are based on the average monthly compensation during the highest five consecutive years of service out of the last ten years of the participants' active employment. The plan permits early retirement for participants at age 55 with 5 years of credited service. Benefits for early retirement are based on credited service and final average earnings to date of actual retirement reduced by 1/3 of 1% for each month by which the participant's retirement date precedes his normal retirement date. The participants' annual benefit is 2% of final average earnings times credited service for union employees, and 2½% of final average earnings times credited service for unaffiliated employees. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

**TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

Police Pension Plan

All regular full-time employees of the Simsbury Police Department are eligible to participate in the Police Retirement Fund. The Plan provides retirement benefits as well as death benefits under two separate divisions. Division 000 participants are defined as those individuals who entered the plan on or after January 18, 1990, whereas Division 001 participants entered the plan prior to January 18, 1990. Pension benefits for normal retirement under the plan are based on average monthly compensation during the highest five consecutive years out of the last ten years. The participants' annual benefit is 2½% of final average earnings times credited service for Division 000, and 2% of final average earnings times credited service for Division 001. The Plan permits early retirement for participants at the earlier of 5 years early with 10 years of service or 20 years of credited service for Division 000, and at five years early with 10 years of credited service for Division 001. Benefits are based on credited service and final average earnings to date of actual retirement actuarially reduced for each month by which the participant's retirement date precedes his normal retirement date. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

Board of Education Pension Plan

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

At July 1, 2017, plan membership consisted of the following:

	General Government Plan	Police Plan	Board of Education Plan
Retirees and beneficiaries currently receiving benefits	95	32	116
Vested terminated employees	50	2	88
Active employees	99	36	150
Total Participants	<u>244</u>	<u>70</u>	<u>354</u>

Summary of Significant Accounting Policies

Basis of Accounting

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

Method Used to Value Investments

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

Contributions

General Government Plan

This plan provides for union employee contributions of 2% and for unaffiliated 5% of regular earnings for employees, hired prior to August 12, 2013, and 7% for unaffiliated hired after that date. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$920,889 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 12.93% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

Police Plan

Plan provisions require employee contributions of 6% of regular earnings for Division 000 and employee contributions of 3% of regular earnings for Division 001. The Town is required by Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$600,240 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 17.65% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

Board of Education Plan

This plan provides for employee contributions of 4% to 4.5% of regular earnings, based on the current individual collective bargaining contract. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,084,561 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 14.24% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Simsbury Board of Education.

Administrative costs of the plan are financed through investment earnings.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Plan Subcommittee by a majority vote of its members. It is the policy of the Retirement Plan Subcommittee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2018:

<u>Asset Class</u>	<u>Target</u>
U.S. Core Fixed Income	28.00 %
U.S. Equity Market	29.50
Foreign Developed Equity	22.50
Hedge FOF Diversified	10.00
Private Real Estate Property	5.00
Commodities	<u>5.00</u>
Total	<u><u>100.00 %</u></u>

Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

General Government	6.36%
Police	6.34%
Board of Education	6.32%

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

Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2018, were as follows:

	<u>General Government</u>	<u>Police</u>	<u>Board of Education</u>	<u>Total</u>
Total pension liability	\$ 31,124,049	\$ 20,242,699	\$ 29,435,168	\$ 80,801,916
Plan fiduciary net position	<u>24,431,309</u>	<u>17,126,638</u>	<u>22,536,332</u>	<u>64,094,279</u>
Net Pension Liability	<u>\$ 6,692,740</u>	<u>\$ 3,116,061</u>	<u>\$ 6,898,836</u>	<u>\$ 16,707,637</u>
Plan fiduciary net position as a percentage of the total liability	78.50 %	84.61 %	76.56 %	79.32 %

TOWN OF SIMSBURY, CONNECTICUT
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JUNE 30, 2018

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement:

	General Government	Police	Board of Education
Inflation	2.75%	2.75%	2.75%
Salary increases	3.5%	8.25%, for first 7 years and 3.00% thereafter	3.5%
Investment rate of return	7.0%, net of pension plan investment expense	7.0%, net of pension plan investment expense	7.0%, net of pension plan investment expense

Mortality rates were based on the RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale AA.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2012 - July 1, 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Real Rate of Return
U.S. Core Fixed Income	2.65 %
U.S. Equity Market	4.86
Foreign Developed Equity	5.79
Hedge FOF Diversified	1.97
Private Real Estate Property	3.85
Commodities	3.07

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

General Government

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2017	\$ 29,667,902	\$ 23,295,414	\$ 6,372,488
Changes for the year:			
Service cost	673,731		673,731
Interest on total pension liability	2,070,339		2,070,339
Effect of plan changes			-
Effect of economic/demographic gains or losses	269,122		269,122
Benefit payments	(1,557,045)	(1,557,045)	-
Employer contributions		920,889	(920,889)
Member contributions		302,656	(302,656)
Net investment income		1,491,838	(1,491,838)
Administrative expenses		(22,443)	22,443
Balances as of June 30, 2018	<u>\$ 31,124,049</u>	<u>\$ 24,431,309</u>	<u>\$ 6,692,740</u>

Police

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2017	\$ 19,539,296	\$ 16,266,199	\$ 3,273,097
Changes for the year:			
Service cost	530,370		530,370
Interest on total pension liability	1,370,121		1,370,121
Effect of economic/demographic gains or losses	(186,985)		(186,985)
Benefit payments	(1,010,103)	(1,010,103)	-
Employer contributions		600,240	(600,240)
Member contributions		244,113	(244,113)
Net investment income		1,039,142	(1,039,142)
Administrative expenses		(12,953)	12,953
Balances as of June 30, 2018	<u>\$ 20,242,699</u>	<u>\$ 17,126,638</u>	<u>\$ 3,116,061</u>

TOWN OF SIMSBURY, CONNECTICUT
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Board of Education

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of July 1, 2017	\$ 28,197,586	\$ 21,132,815	\$ 7,064,771
Changes for the year:			
Service cost	742,875		742,875
Interest on total pension liability	1,980,261		1,980,261
Effect of economic/demographic gains or losses	(161,126)		(161,126)
Benefit payments	(1,324,428)	(1,324,428)	-
Employer contributions		1,084,561	(1,084,561)
Member contributions		304,208	(304,208)
Net investment income		1,364,568	(1,364,568)
Administrative expenses		(25,392)	25,392
Balances as of June 30, 2018	\$ <u>29,435,168</u>	\$ <u>22,536,332</u>	\$ <u>6,898,836</u>

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

The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current (7.00%)	1% Increase (8.00%)
General Government	\$ 9,910,730	\$ 6,692,740	\$ 3,802,496
Police	5,629,499	3,116,061	1,378,811
Board of Education	10,129,040	6,898,836	4,466,228
Total	\$ <u>25,669,269</u>	\$ <u>16,707,637</u>	\$ <u>9,647,535</u>

TOWN OF SIMSBURY, CONNECTICUT
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the Town recognized pension expense of \$2,942,010. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

General Government

	General Government	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 539,556	\$ 103,754
Changes of assumptions		
Net difference between projected and actual earning on pension plan investments	<u>227,780</u>	<u></u>
Total	<u>\$ 767,336</u>	<u>\$ 103,754</u>

Police

	Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 82,258	\$ 916,835
Net difference between projected and actual earning on pension plan investments	<u>178,139</u>	<u></u>
Total	<u>\$ 260,397</u>	<u>\$ 916,835</u>

Board of Education

	Board of Education	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,205	\$ 335,529
Net difference between projected and actual earning on pension plan investments	<u>167,508</u>	<u></u>
Total	<u>\$ 182,713</u>	<u>\$ 335,529</u>

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

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

	General Government	Police	Board of Education
2018	\$ 423,637	\$ 82,472	\$ 37,664
2019	199,168	(63,609)	(23,557)
2020	(38,492)	(268,450)	(189,737)
2021	79,269	(111,453)	22,814
2022		(125,814)	
Thereafter		(169,584)	
	<u>\$ 663,582</u>	<u>\$ (656,438)</u>	<u>\$ (152,816)</u>

B. Teachers Retirement

Plan Description

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

Benefit Provisions

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

Normal Retirement

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

Early Retirement

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

Disability Retirement

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

**TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

Contributions

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

Employer (School Districts)

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

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

Employees

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

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

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

At June 30, 2018, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	\$	-
State's proportionate share of the net pension liability associated with the Town		<u>111,434,579</u>
Total	\$	<u>111,434,579</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. At June 30, 2018, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2018, the Town recognized pension expense and revenue of \$12,889,726 in Exhibit II for on-behalf amounts for the benefits provided by the State.

**TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	3.25-6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increased rates (5% for females and 8% for males) over age 80 for the period after service retirement and for dependent beneficiaries as well as for active members. The RPH-2014 Disabled Mortality Table projected to 2017 with Scale BB is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

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

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

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

TOWN OF SIMSBURY, CONNECTICUT
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The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Large Cap U.S. equities	21.0%	7.3%
Developed non-U.S. equities	18.0%	7.5%
Emerging markets (non-U.S.)	9.0%	8.6%
Core fixed income	7.0%	1.7%
Inflation linked bond fund	3.0%	1.3%
Emerging market bond	5.0%	4.8%
High yield bonds	5.0%	3.7%
Real estate	7.0%	5.9%
Private equity	11.0%	10.9%
Alternative investments	8.0%	0.7%
Liquidity fund	6.0%	0.4%
Total	100.0%	

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at www.ct.gov.

Other Information

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

C. Post Employment Healthcare Plan - Retiree Health Plan

Summary of Significant Accounting Policies

Basis of Accounting

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

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

Plan Description

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

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

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

At July 1, 2017, plan membership consisted of the following:

	Retiree Health Plan
Retired members	218
Spouses of retired members	27
Active plan members	<u>717</u>
Total Participants	<u><u>962</u></u>

Funding Policy

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

Town Employees

Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$139 and \$558 per month for retiree only coverage and between \$697 and \$1,116 per month for retiree and spouse coverage to age 65. Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$204 and \$816 per month for retiree only coverage and between \$1,020 and \$1,632 per month for retiree and spouse coverage to age 65. Eligible Town employees over age 65 have the option of joining the Town's fully-insured Anthem Medicare Supplement Plan. Retirees typically contribute 25% of the premium (\$124) per month for individual coverage and 100% of the premium (\$497) for spouse coverage.

Board of Education Employees

Retired Board of Education employees under 65 or not eligible for Medicare, can receive coverage through the same CIGNA plans available to active employees. Retiree monthly contributions for retiree only plans and retiree and spouse plans are between \$508 and \$794 and \$1,017 and \$1,584, respectively. Retired BOE employees over 65 and eligible for Medicare Part A and B may participate in the Board's fully insured Anthem Medicare Supplement Plan with a monthly contribution of \$470.

For the year ended June 30, 2018, plan members contributed \$173,532 for their share of premium payments. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan of \$1,197,000 were made in accordance with actuarially determined requirements.

Investments

Investment Policy

The Investment Policy Statement of the Other Post Employment Benefits Trust outlines the goals and investment objectives for the Trust and is intended to provide guidelines for managing the Trust and to outline specific investment policies that will govern how these goals will be achieved. The Investment Policy Statement is established and may be amended by a majority vote of the members of the Retirement Plan Subcommittee. It is the policy of the Retirement Plan Subcommittee to pursue and investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of asset classes. The Investment Policy Statement discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The current recommended asset allocation outlined in the Investment Policy Statement is weighted toward domestic equities and fixed income, with a slightly lower weight placed on international equities and real estate funds. The Investment Policy Statement was last updated in May 2017.

Rate of Return

For the year ended June 30, 2018, the annual money-weighted rate of return on investments, net of investment expense, was 7.52%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Net OPEB Liability of the Town

The Town's net OPEB liability was measured as of June 30, 2018. The components of the net OPEB liability of the Town at June 30, 2018, were as follows:

Total OPEB liability	\$	21,375,101
Plan fiduciary net position		<u>15,414,275</u>
Net OPEB Liability	\$	<u><u>5,960,826</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability		72.11%

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2017, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	8.25% for first 7 years and 3.00% thereafter for Police, 3.50% for all others
Investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	5.28% for 2017, decreasing 4.40% per year to over 71 years

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2008-July 1, 2012.

TOWN OF SIMSBURY, CONNECTICUT
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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Core Fixed income	22.50 %	2.65 %
U.S. Inflation-Indexed Bonds	22.50	1.81
U.S. Large Caps	22.50	4.57
U.S. Small Caps	2.50	5.81
U.S. Mid Caps	5.00	5.10
Foreign Developed Equity	15.00	5.79
Emerging Markets Equity	5.00	8.12
U.S. REITs	2.50	5.07
Non-U.S. REITS	2.50	6.44

Discount Rate

The discount rate used to measure the total OPEB liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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Changes in the Net OPEB Liability

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of July 1, 2017	\$ 21,053,462	\$ 14,182,121	\$ 6,871,341
Changes for the year:			
Service cost	823,820		823,820
Interest on total OPEB liability	1,509,026		1,509,026
Effect of plan changes			-
Effect of economic/demographic gains or losses	(949,698)		(949,698)
Effect of assumptions changes or inputs	(509)		(509)
Benefit payments	(1,061,000)	(1,061,000)	-
Employer contributions		1,197,000	(1,197,000)
Member contributions		173,532	(173,532)
Net investment income		931,850	(931,850)
Administrative expenses		(9,228)	9,228
Balances as of June 30, 2018	<u>\$ 21,375,101</u>	<u>\$ 15,414,275</u>	<u>\$ 5,960,826</u>

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current discount rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net OPEB Liability	\$ 8,553,937	\$ 5,960,826	\$ 3,765,396

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4.28% decreasing to 3.40%) or 1 percentage point higher (6.28% decreasing to 5.40%) than the current healthcare cost trend rates:

	1% Decrease (4.28% decreasing to 3.40%)	Healthcare Cost Trend Rates (5.28% decreasing to 4.40%)	1% Increase (6.28% decreasing to 5.40%)
Net OPEB Liability	\$ 3,370,995	\$ 5,960,826	\$ 9,128,549

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the Town recognized OPEB expense of \$1,342,573. At June 30, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 999,954
Changes of assumptions		442
Net difference between projected and actual earning on pension plan investments		<u>55,691</u>
Total	\$ <u>-</u>	\$ <u>1,056,087</u>

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

Year Ending June 30,

2019	\$ 165,498
2020	165,498
2021	165,498
2022	165,497
2023	151,575
Thereafter	<u>242,521</u>
	\$ <u>1,056,087</u>

The combining Statement of Net Position and the Combining Statement of Revenues, Expenses and Changes in Net Position for the Pension and Other Employee Benefit Trust Funds are as follows:

TOWN OF SIMSBURY, CONNECTICUT
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Combining Statement of Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Post Employment Benefit Trust Fund	Trust Funds Total
Assets:					
Cash	\$ 192,032	\$ 178,045	\$ 196,223	\$ 478,072	\$ 1,044,372
Investments	24,154,452	16,979,570	22,315,434	14,943,674	78,393,130
Due from other funds	55,091				55,091
Accounts receivable	29,734	24,114	24,675		78,523
Total assets	<u>24,431,309</u>	<u>17,181,729</u>	<u>22,536,332</u>	<u>15,421,746</u>	<u>79,571,116</u>
Liabilities:					
Accounts payable				7,471	7,471
Due to other funds		55,091			55,091
Total liabilities		<u>55,091</u>		<u>7,471</u>	<u>62,562</u>
Net Position of Pension and Other Post Employment Benefits	\$ <u>24,431,309</u>	\$ <u>17,126,638</u>	\$ <u>22,536,332</u>	\$ <u>15,414,275</u>	\$ <u>79,508,554</u>

Combining Statement of Revenues, Expenses and Changes in Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Post Employment Benefit Trust Fund	Trust Funds Total
Additions:					
Contributions:					
Employer	\$ 920,889	\$ 600,240	\$ 1,084,561	\$ 1,197,000	\$ 3,802,690
Employee	302,656	244,113	304,208	173,532	1,024,509
Total contributions	<u>1,223,545</u>	<u>844,353</u>	<u>1,388,769</u>	<u>1,370,532</u>	<u>4,827,199</u>
Investment income:					
Change in fair value of investments	981,240	681,531	900,340	629,660	3,192,771
Interest and dividends	540,730	384,584	491,994	332,438	1,749,746
Total investment income	<u>1,521,970</u>	<u>1,066,115</u>	<u>1,392,334</u>	<u>962,098</u>	<u>4,942,517</u>
Less investment expenses:					
Custodian fees	(30,132)	(26,973)	(27,766)	(30,248)	(115,119)
Net investment gain	<u>1,491,838</u>	<u>1,039,142</u>	<u>1,364,568</u>	<u>931,850</u>	<u>4,827,398</u>
Total additions	<u>2,715,383</u>	<u>1,883,495</u>	<u>2,753,337</u>	<u>2,302,382</u>	<u>9,654,597</u>
Deductions:					
Benefits	1,557,045	1,010,103	1,324,428	1,061,000	4,952,576
Administration	22,443	12,953	25,392	9,228	70,016
Total deductions	<u>1,579,488</u>	<u>1,023,056</u>	<u>1,349,820</u>	<u>1,070,228</u>	<u>5,022,592</u>
Change in Net Position	1,135,895	860,439	1,403,517	1,232,154	4,632,005
Net Position at Beginning of Year	<u>23,295,414</u>	<u>16,266,199</u>	<u>21,132,815</u>	<u>14,182,121</u>	<u>74,876,549</u>
Net Position at End of Year	\$ <u>24,431,309</u>	\$ <u>17,126,638</u>	\$ <u>22,536,332</u>	\$ <u>15,414,275</u>	\$ <u>79,508,554</u>

D. Other Post Employment Benefit - Connecticut State Teachers Retirement Plan

Plan Description

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

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

Benefit Provisions

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits). There are three choices for coverage under the CTRB Sponsored Medicare Supplemental Plans. The choices and 2017 calendar year premiums charged for each choice are shown in the table below:

• Medicare Supplement with Prescriptions	\$ 92
• Medicare Supplement with Prescriptions and Dental	136
• Medicare Supplement with Prescriptions, Dental, Vision & Hearing	141

Those participants electing vision, hearing and/or dental are required by the System's funding policy to pay the full cost of coverage for these benefits, and no liability is assumed by the plan for these benefits.

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$110 monthly subsidy or participate in the TRB-Sponsored Medicare Supplemental Plans, as long as they do not remarry.

Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of credited service

Disability Retirement

No service requirement if incurred in the performance of duty, and 5 years of Credited Service in Connecticut if not incurred in the performance of duty.

Termination of Employment

Ten or more years of Credited Service.

Contributions

State of Connecticut

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

Employer (School Districts)

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

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

Employees

Each member is required to contribute 1.25% of their annual salary up to \$500,000. Contributions in excess of \$500,000 will be credited to the Retiree Health Insurance Plan.

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

At June 30, 2018, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the State pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related State support and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>28,681,978</u>
Total	\$ <u>28,681,978</u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2016. At June 30, 2018, the Town has no proportionate share of the net OPEB liability.

For the year ended June 30, 2018, the Town recognized OPEB expense and revenue of \$1,329,268 in Exhibit II for on-behalf amounts for the benefits provided by the State.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Health care costs trend rate	7.25% decreasing to 5.00% by 2022
Salary increases	3.25-6.50%, including inflation
Investment rate of return	3.56%, net of OPEB plan investment expense, including inflation
Year fund net position will be depleted	2018

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale, and further adjusted to grade in increases (5% for females and 8% for males) over age 80. For disabled retirees, mortality rates were based on the RPH-2014 Disabled Mortality Table projected to 2017 using the BB improvement scale.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 - June 30, 2015.

**TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 74 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.04%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.56%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rate and that contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members. No future State contributions were assumed to be made. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2018 and, as a result, the Municipal Bond Index Rate was used in the determination.

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

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

Other Information

Additional information is included in the required supplementary information section of the financial statements. A schedule of contributions is not presented as the Town has no obligation to contribute to the plan. Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Comprehensive Annual Financial Report at www.ct.gov.

5. OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2018.

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees. The Town retains the risk of up to a maximum of \$250,000 per claim. Commercial insurance covers any individual claim in excess of \$10,000. During 2018, total claims expense of \$13,659,834 was incurred, which represent claims processed and an estimate for claims incurred but not reported as of June 30, 2018.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2018 of \$1,883,997.

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

A schedule of changes in the claims liability for the years ended June 30, 2018 and 2017 is presented below:

		Liability	Current Year	Claim	Liability
		July 1,	Claims and	Payments	June 30,
			Changes in		
			Estimates		
2016-17	\$	935,773	\$ 12,472,676	\$ 12,372,935	\$ 1,035,514
2017-18		1,035,514	13,659,834	12,811,351	1,883,997

B. Contingent Liabilities

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

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

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

C. Landfill Postclosure Care Costs

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

The landfill closing costs of \$50,000 reported as a liability in the government-wide financial statements represent an estimate of the postclosure costs to be incurred by the Town over the next 10 fiscal years for mandatory ground water testing based on a study conducted by an independent consultant. It is estimated that the Town will incur a \$5,000 annual cost over the next 10 fiscal years. This estimate is subject to changes that may result from inflation, technological changes or regulatory changes.

TOWN OF SIMSBURY, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018

6. PRIOR PERIOD ADJUSTMENTS AND RESTATEMENTS


The following restatements were recorded to the beginning net position of the governmental activities as a result of implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* and the restatement of the BOE Programs fund as are result of managements adoption of GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, in the current year:

Government-Wide Financial Statements

	<u>Net Position</u>	<u>Net OPEB Asset (Liability)</u>	<u>Deferred Inflows</u>
Balance as previously reported June 30, 2017	\$ 119,860,096	\$ 5,099,131	\$ 1,573,406
Restatement of BOE Programs Fund	(380,264)		380,264
Eliminate Net OPEB Asset reported per GASB No. 45	(5,099,131)	(5,099,131)	
Record Net OPEB Liability per GASB No. 75	<u>(6,871,341)</u>	<u>(6,871,341)</u>	
Net Position - Balance July 1, 2017, as Restated	<u>\$ 107,509,360</u>	<u>\$ (6,871,341)</u>	<u>\$ 1,953,670</u>

Governmental Funds - BOE Programs Fund

	<u>Net Position</u>	<u>Deferred Inflows</u>
Balance as previously reported June 30, 2017	\$ 1,097,008	\$
Restatement of BOE Programs Fund	<u>(380,264)</u>	<u>380,264</u>
Balance July 1, 2017, as Restated	<u>\$ 716,744</u>	<u>\$ 380,264</u>



Required Supplementary Information

TOWN OF SIMSBURY, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2017

	2018					2017
	Budgeted Amounts		Actual Amounts	Variance with		Actual Amounts
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)		(Budgetary Basis)
Property Taxes:						
Current year taxes	\$ 85,704,819	\$ 86,747,432	\$ 86,747,432	\$ -	\$	85,043,868
Prior year's taxes	401,547	479,313	479,313	-		336,406
Interest and lien fees	300,000	386,356	386,356	-		258,647
Total property taxes	86,406,366	87,613,101	87,613,101	-		85,638,921
Intergovernmental Revenues:						
State of Connecticut:						
Office of Policy and Management:						
Property tax relief:						
Car tax reimbursement	1,237,000			-		
Disabled	1,400	1,386	1,386	-		1,266
Property tax relief - elderly	70,248			-		64,492
Additional veterans	5,000	5,785	5,785	-		5,884
Department of Education:						
Education equalization grant	5,119,367	5,290,146	5,290,146	-		6,040,455
Adult education	12,604	13,154	13,154	-		13,928
Nonpublic schools - transportation		15,213	15,213	-		15,465
Miscellaneous:						
State-owned property	83,170	2,339	2,339	-		2,555
Telephone access line grant	55,000	44,656	44,656	-		55,458
Solid waste				-		2,206
Pequot casino revenue	29,418	28,478	28,478	-		28,478
Municipal revenue sharing		202,098	202,098	-		887,375
Municipal grant in aid		77,648	77,648	-		
Library grant		4,000	4,000	-		
Elderly/Handicapped transportation	6,000	4,740	4,740	-		6,686
Other	2,000		8,990	8,990		
Housing Authority in lieu of taxes	20,640	23,555	23,555	-		20,640
Board of Education tuition regular	30,000	50,514	50,514	-		48,582
PILOT - Westminster School	120,000	120,000	120,000	-		120,000
Total intergovernmental revenues	6,791,847	5,883,712	5,892,702	8,990		7,313,470
Investment income	175,000	323,153	323,153	-		45,381
Charges for Goods and Services:						
Central administration miscellaneous				-		11,235
Conveyance tax receipts	360,000	445,166	445,166	-		476,026
Town clerk recording fees	140,000	109,553	109,553	-		128,535
Town clerk farmland preservation fees	5,500	2,598	2,598	-		2,819
Town clerk miscellaneous	60,000	57,365	57,365	-		54,377
Tax collector - fire district supplies, etc.	6,500	6,500	6,500	-		6,500
Police department - emergency reporting	36,563	37,318	37,318	-		36,241
Police department miscellaneous	4,000	8,142	8,142	-		4,253
Animal control				-		1,281
Engineering department fees	350	375	375	-		328
Facilities management				-		1,510
Library fines and fees	44,000	39,803	39,803	-		3,419
Library miscellaneous			45	45		
War Memorial pool	2,800	1,560	1,560	-		1,464
Board of Education miscellaneous	7,500	70,906	70,906	-		37,158
Community gardens	2,500	2,675	2,675	-		2,691
Total charges for goods and services	669,713	781,961	782,006	45		767,837

(Continued on next page)

**TOWN OF SIMSBURY, CONNECTICUT
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2017**

	2018				2017	
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Actual Amounts (Budgetary Basis)	
	Original	Final				
Fines and forfeitures:						
Library fines and fees	\$ 2,000	\$ 2,036	\$ 2,037	\$ 1	\$ 41,510	
Land use court fines				-	1,750	
Court fees	1,000			-		
False alarms fines	10,000	6,295	6,295	-	5,100	
Traffic tickets	4,000	4,035	4,036	1	2,724	
Animal control fines	500	760	760	-	1,241	
Total fines and forfeitures	17,500	13,126	13,128	2	52,325	
Rental of Town-Owned Property:						
Eno Memorial Hall	1,000	11,310	11,310	-	3,610	
Education - school rentals	45,000	48,401	48,402	1	46,242	
Simsbury performing arts center		2,500	2,500	-	46,242	
Library administration	3,000	2,350	2,350	-	2,450	
World skate	80,000	80,000	80,000	-	80,000	
Total rental of town-owned property	129,000	144,561	144,562	1	178,544	
Licenses and Permits:						
Sporting licenses	200	142	142	-	596	
Dog licenses	13,000	15,436	15,436	-	14,793	
Land use commission	30,000	24,225	24,225	-	73,888	
Police department fees	8,000	6,715	6,715	-	9,985	
Building department fees	755,000	1,187,295	1,187,295	-	360,457	
Total licenses and permits	806,200	1,233,813	1,233,813	-	459,719	
Other Local Revenues:						
Tax department insufficient funds		260	260	-		
Sale of property		28,500	28,500	-		
Town clerk insufficient funds		100	100	-		
Other revenues		23		(23)	320	
Central administration miscellaneous		8,989		(8,989)		
Highway department miscellaneous		4,424	4,425	1		
Building department miscellaneous			20	20		
Eno Hall miscellaneous		225	225	-		
Prior year encumbrances		45		(45)	23,168	
Insurance refunds		67,190	67,190	-	28,832	
Board of Education insufficient funds		40	40	-		
Scrap metal recycling		67,512	67,512	-		
Total other local revenues	-	177,308	168,272	(9,036)	52,320	
Total Revenues	94,995,626	96,170,735	96,170,737	2	94,508,517	
Other Financing Sources:						
Appropriations from fund balance	1,500,000	334,223		(334,223)		
Transfers from other funds:						
Capital projects				-	160,001	
Sewer use fund	108,545	108,989	108,989	-	104,094	
Total other financing sources	1,608,545	443,212	108,989	(334,223)	264,095	
Total Revenues and Other Financing Sources	\$ 96,604,171	\$ 96,613,947	96,279,726	\$ (334,221)	\$ 94,772,612	
Budgetary revenues are different than GAAP revenues because:						
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted						
			12,889,726			
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted						
			1,329,268			
Encumbrances outstanding at June 30, 2017, cancelled during the year ended June 30, 2018						
			(1,340)			
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds Exhibit IV						
			\$ 110,497,380			

**TOWN OF SIMSBURY, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2017**

	2018					2017
	Budgeted Amounts		Actual Amounts	Variance with		Actual Amounts
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)		(Budgetary Basis)
General Government:						
Central administration	\$ 453,560	\$ 490,273	\$ 490,273	\$ -	\$	425,779
Administration services	74,400	76,669	76,669	-		54,689
Community services	61,248	57,848	57,848	-		103,852
Land use commission	25,600	12,525	12,525	-		20,058
Economic development commission	46,200	45,379	45,379	-		54,542
Historic district commission	1,575	578	578	-		555
Public building committee	1,345	1,377	1,377	-		1,338
Beautification	4,715	3,405	3,405	-		4,702
Tourism committee	745	1	1	-		6,868
Elections	101,896	95,594	95,594	-		99,848
Legal	155,167	229,611	229,611	-		175,924
Town clerk	221,178	215,659	215,659	-		221,862
Probate court	2,104	4,380	4,380	-		2,104
Total general government	1,149,733	1,233,299	1,233,299	-		1,172,121
Financial Services:						
Board of Finance	6,720	5,186	5,186	-		11,289
Finance department	370,926	364,447	364,447	-		303,250
Tax collector	171,257	176,730	176,730	-		170,779
Assessors	254,160	240,309	240,309	-		248,262
Information technology	178,360	178,840	178,840	-		159,056
Auditors	37,600	37,600	37,600	-		36,600
Total financial services	1,019,023	1,003,112	1,003,112	-		929,236
Planning and Development:						
Director of community development	185,292	181,240	181,240	-		175,563
Planning department	168,419	166,668	166,668	-		159,189
Building department	285,652	199,209	199,209	-		188,505
Total planning and development	639,363	547,117	547,117	-		523,257
Public Safety:						
Police	4,666,086	4,586,167	4,586,167	-		4,438,057
Animal control officer	66,909	66,494	66,494	-		64,550
Civil preparedness	6,685	6,558	6,558	-		5,173
Total public safety	4,739,680	4,659,219	4,659,219	-		4,507,780
Public Works:						
Engineering	261,649	279,890	279,890	-		202,769
Public Works Administration	269,906	264,594	264,594	-		235,710
Buildings and Grounds	458,763	463,066	463,066	-		421,568
Town Offices	146,330	162,201	159,383	2,818		143,521
Eno Hall Memorial	77,493	79,450	79,450	-		76,994
Miscellaneous Building	32,400	29,699	24,650	5,049		20,909
Highway - Labor & Equipment	1,732,194	1,727,310	1,720,511	6,799		1,702,158
Highway - Facilities & Programs	828,550	837,399	822,377	15,022		1,029,731
Landfill	70,000	71,586	69,850	1,736		81,458
Total public works	3,877,285	3,915,195	3,883,771	31,424		3,914,818

(Continued on next page)

**TOWN OF SIMSBURY, CONNECTICUT
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018 WITH COMPARATIVE ACTUAL AMOUNTS
FOR THE YEAR ENDED JUNE 30, 2017**

	2018				2017
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final	(Budgetary Basis)	Positive (Negative)	(Budgetary Basis)
Culture and Recreation:					
Recreation - Administration	\$ 50,688	\$ 58,042	\$ 58,042	\$ -	\$ 56,467
Recreation - Memorial Pool	28,692	28,470	28,470	-	27,923
Parks & Open Space - Maintenance	646,019	670,472	668,712	1,760	648,073
Parks & Open Space - Memorial Field	28,190	23,232	23,232	-	26,403
Parks & Open Space - Memorial Pool	23,966	25,036	25,036	-	30,887
Library - Administration	563,498	563,742	563,742	-	556,735
Library - Adult & Young Adult	526,110	532,219	532,219	-	540,078
Library - Building & Grounds	127,500	127,359	127,359	-	145,047
Library - Children Services	331,507	303,508	303,508	-	290,670
Total culture and recreation	2,326,170	2,332,080	2,330,320	1,760	2,322,283
Health and Welfare:					
Health department	130,262	130,262	130,262	-	125,869
Social services administration	206,826	205,787	205,787	-	204,478
Elderly services outreach	24,408	24,187	24,187	-	24,288
Senior center	145,444	144,879	144,879	-	137,612
Transportation	121,217	123,532	123,532	-	115,362
Total health and welfare	628,157	628,647	628,647	-	607,609
Fringe Benefits and Insurance:					
Social Security	834,000	855,951	855,951	-	835,662
Town general liability insurance	497,442	513,080	513,080	-	475,422
Employee group insurance	2,505,631	2,382,756	2,382,756	-	2,190,155
Unemployment reserve	5,000	5,924	5,924	-	6,375
Pensions	1,327,625	1,343,879	1,343,879	-	1,363,852
Total fringe benefits and insurance	5,169,698	5,101,590	5,101,590	-	4,871,466
Board of Education	67,574,870	67,546,746	67,546,746	-	66,865,285
Non-Public Schools Budget:					
Non-public schools	544,266	534,381	534,381	-	537,651
Debt Service:					
Principal	4,125,000	4,125,000	4,125,000	-	5,150,000
Interest	786,990	755,219	755,219	-	488,175
Operating Transfer				-	962,653
Total debt service	4,911,990	4,880,219	4,880,219	-	6,600,828
Other Financing Uses:					
Contingency reserve	2,584,501	2,458,870		2,458,870	
Transfer to capital fund	1,369,435	1,474,435	1,474,435	-	
Transfers to other funds	70,000	299,037	299,037	-	1,262,707
Total other financing uses	4,023,936	4,232,342	1,773,472	2,458,870	1,262,707
Total Expenditures and Other Financing Uses	\$ 96,604,171	\$ 96,613,947	94,121,893	\$ 2,492,054	\$ 94,115,041
Budgetary expenditures are different than GAAP expenditures because:					
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement Pension System for Town teachers are not budgeted			12,889,726		
State of Connecticut on-behalf contributions to the Connecticut State Teachers' Retirement OPEB System for Town teachers are not budgeted			1,329,268		
Encumbrances outstanding at June 30, 2017, liquidated during the year ended June 30, 2018			39,583		
Encumbrances outstanding at June 30, 2018			(462,268)		
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV			\$ 107,918,202		

TOWN OF SIMSBURY, CONNECTICUT
SEWER USE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND OTHER FINANCING SOURCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018

	Sewer Use Fund			Variance with Final Budget Positive Negative
	Budget		Actual	
	Original	Final		
Revenues:				
Intergovernmental revenues	\$ 409,927	\$ 409,927	\$ 409,927	\$ -
Investment income			2,581	2,581
Charges for goods and services	400,000	400,000	580,208	180,208
Miscellaneous			1,702	1,702
Grants			12,441	12,441
Assessment interest and liens			27,803	27,803
Assessments	2,744,045	2,744,045	3,049,278	305,233
Total revenues	3,553,972	3,553,972	4,083,940	529,968
Expenditures:				
Current:				
Facility management	2,179,776	2,179,776	2,047,145	(132,631)
Debt service	1,265,207	1,265,207	1,265,207	-
Total expenditures	3,444,983	3,444,983	3,312,352	(132,631)
Excess of Revenues over Expenditures	108,989	108,989	771,588	662,599
Other Financing Sources (Uses):				
Appropriation of fund balance		30,794		(30,794)
Transfers from other funds			192,008	192,008
Transfers to other funds	(108,989)	(108,989)	(578,989)	(470,000)
Net other financing uses	(108,989)	(78,195)	(386,981)	(308,786)
Excess (Deficiency) of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	\$ -	\$ 30,794	384,607	\$ 353,813
Fund Balances at Beginning of Year			4,553,250	
Fund Balances at End of Year			\$ 4,937,857	

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
GENERAL GOVERNMENT
LAST FIVE FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 673,731	\$ 668,192	\$ 651,746	\$ 607,101	\$ 605,889
Interest	2,070,339	1,939,574	1,864,604	1,793,949	1,718,093
Changes of benefit terms		291,643		(16,733)	
Differences between expected and actual experience	269,122	509,974	(259,385)	99,498	(1,191)
Benefit payments, including refunds of member contributions	<u>(1,557,045)</u>	<u>(1,536,992)</u>	<u>(1,296,608)</u>	<u>(1,321,430)</u>	<u>(1,157,072)</u>
Net change in total pension liability	1,456,147	1,872,391	960,357	1,162,385	1,165,719
Total pension liability - beginning	<u>29,667,902</u>	<u>27,795,511</u>	<u>26,835,154</u>	<u>25,672,769</u>	<u>24,507,050</u>
Total pension liability - ending	<u>31,124,049</u>	<u>29,667,902</u>	<u>27,795,511</u>	<u>26,835,154</u>	<u>25,672,769</u>
Plan fiduciary net position:					
Contributions - employer	920,889	877,664	1,023,393	1,013,590	985,741
Contributions - member	302,656	295,408	445,994	223,536	175,834
Net investment income	1,491,838	2,563,793	(20,390)	417,241	2,628,574
Benefit payments	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)	(1,105,875)
Refunds of member contributions					(51,197)
Administrative expense	<u>(22,443)</u>	<u>(34,812)</u>	<u>(37,476)</u>	<u>(35,251)</u>	<u>(32,427)</u>
Net change in plan fiduciary net position	1,135,895	2,165,061	114,913	297,686	2,600,650
Plan fiduciary net position - beginning	<u>23,295,414</u>	<u>21,130,353</u>	<u>21,015,440</u>	<u>20,717,754</u>	<u>18,117,104</u>
Plan fiduciary net position - ending	<u>24,431,309</u>	<u>23,295,414</u>	<u>21,130,353</u>	<u>21,015,440</u>	<u>20,717,754</u>
Town's Net Pension Liability - Ending	<u>\$ 6,692,740</u>	<u>\$ 6,372,488</u>	<u>\$ 6,665,158</u>	<u>\$ 5,819,714</u>	<u>\$ 4,955,015</u>
Plan fiduciary net position as a percentage of the total pension liability	78.50%	78.52%	76.02%	78.31%	80.70%
Covered payroll	\$ 7,124,309	\$ 6,870,896	\$ 6,476,467	\$ 6,477,000	\$ 6,491,000
Town's net pension liability as a percentage of covered payroll	93.94%	92.75%	102.91%	89.85%	76.34%

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

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
POLICE
LAST FIVE FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 530,370	\$ 530,838	\$ 484,804	\$ 449,735	\$ 434,196
Interest	1,370,121	1,374,437	1,327,012	1,261,868	1,169,501
Changes of benefit terms				266,580	
Differences between expected and actual experience	(186,985)	(944,755)	132,622	(91,391)	1,025,203
Benefit payments, including refunds of member contributions	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)	(1,914,868)
Net change in total pension liability	703,403	(72,425)	889,542	793,945	714,032
Total pension liability - beginning	19,539,296	19,611,721	18,722,179	17,928,234	17,214,202
Total pension liability - ending	<u>20,242,699</u>	<u>19,539,296</u>	<u>19,611,721</u>	<u>18,722,179</u>	<u>17,928,234</u>
Plan fiduciary net position:					
Contributions - employer	600,240	677,434	727,009	633,000	562,763
Contributions - member	244,113	239,130	196,550	190,966	152,656
Net investment income (loss)	1,039,142	1,774,219	(11,573)	295,997	1,966,976
Benefit payments	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)	(946,618)
Refunds of member contributions					(968,250)
Administrative expense	(12,953)	(24,396)	(24,051)	(33,374)	(32,865)
Net change in plan fiduciary net position	860,439	1,633,442	(166,961)	(6,258)	734,662
Plan fiduciary net position - beginning	16,266,199	14,632,757	14,799,718	14,805,976	14,071,314
Plan fiduciary net position - ending	<u>17,126,638</u>	<u>16,266,199</u>	<u>14,632,757</u>	<u>14,799,718</u>	<u>14,805,976</u>
Town's Net Pension Liability - Ending	<u>\$ 3,116,061</u>	<u>\$ 3,273,097</u>	<u>\$ 4,978,964</u>	<u>\$ 3,922,461</u>	<u>\$ 3,122,258</u>
Plan fiduciary net position as a percentage of the total pension liability	84.61%	83.25%	74.61%	79.05%	82.64%
Covered payroll	\$ 3,400,310	\$ 3,143,684	\$ 2,918,053	\$ 2,866,000	\$ 2,772,281
Town's net pension liability as a percentage of covered payroll	91.64%	104.12%	170.63%	136.86%	112.24%

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

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
BOARD OF EDUCATION
LAST FIVE FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:					
Service cost	\$ 742,875	\$ 781,880	\$ 792,518	\$ 720,226	\$ 723,982
Interest	1,980,261	1,903,998	1,815,018	1,745,104	1,635,060
Changes of benefit terms			(29,091)	(32,802)	
Differences between expected and actual experience	(161,126)	(274,621)	(445,038)	319,281	(19,757)
Benefit payments, including refunds of member contributions	<u>(1,324,428)</u>	<u>(1,242,519)</u>	<u>(1,125,306)</u>	<u>(1,147,085)</u>	<u>(1,096,023)</u>
Net change in total pension liability	1,237,582	1,168,738	1,008,101	1,604,724	1,243,262
Total pension liability - beginning	<u>28,197,586</u>	<u>27,028,848</u>	<u>26,020,747</u>	<u>24,416,023</u>	<u>23,172,761</u>
Total pension liability - ending	<u>29,435,168</u>	<u>28,197,586</u>	<u>27,028,848</u>	<u>26,020,747</u>	<u>24,416,023</u>
Plan fiduciary net position:					
Contributions - employer	1,084,561	1,112,035	1,288,982	1,236,631	1,231,124
Contributions - member	304,208	348,561	324,788	283,432	240,312
Net investment income	1,364,568	2,322,363	21,997	337,905	2,157,488
Benefit payments	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)	(1,056,810)
Refunds of member contributions					(39,213)
Administrative expense	<u>(25,392)</u>	<u>(37,728)</u>	<u>(18,799)</u>	<u>(26,200)</u>	<u>(29,131)</u>
Net change in plan fiduciary net position	1,403,517	2,502,712	491,662	684,683	2,503,770
Plan fiduciary net position - beginning	<u>21,132,815</u>	<u>18,630,103</u>	<u>18,138,441</u>	<u>17,453,758</u>	<u>14,949,988</u>
Plan fiduciary net position - ending	<u>22,536,332</u>	<u>21,132,815</u>	<u>18,630,103</u>	<u>18,138,441</u>	<u>17,453,758</u>
Town's Net Pension Liability - Ending	<u>\$ 6,898,836</u>	<u>\$ 7,064,771</u>	<u>\$ 8,398,745</u>	<u>\$ 7,882,306</u>	<u>\$ 6,962,265</u>
Plan fiduciary net position as a percentage of the total pension liability	76.56%	74.95%	68.93%	69.71%	71.53%
Covered payroll	\$ 7,614,963	\$ 7,766,728	\$ 7,864,597	\$ 7,916,000	\$ 7,911,823
Town's net pension liability as a percentage of covered payroll	90.60%	90.96%	106.79%	99.57%	87.86%

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

**TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PENSION - GENERAL GOVERNMENT
LAST TEN FISCAL YEARS**

	2009	2010	2011	2012	2013	2014	2015	2015	2017	2018
Actuarially determined contribution	\$ 544,651	\$ 586,140	\$ 759,126	\$ 722,519	\$ 714,779	\$ 985,089	\$ 1,013,590	\$ 888,277	\$ 877,663	\$ 920,889
Contributions in relation to the actuarially determined contribution	<u>544,651</u>	<u>586,140</u>	<u>759,126</u>	<u>722,519</u>	<u>779,972</u>	<u>985,089</u>	<u>1,013,590</u>	<u>1,023,393</u>	<u>877,664</u>	<u>920,889</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(65,193)</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(135,116)</u>	\$ <u>(1)</u>	\$ <u>-</u>
Covered payroll	\$ 5,656,359	\$ 6,277,067	\$ 6,279,542	\$ 6,131,794	\$ 5,797,979	\$ 6,490,784	\$ 6,477,448	\$ 6,476,467	\$ 6,870,896	\$ 7,124,309
Contributions as a percentage of covered payroll	9.63%	9.34%	12.09%	11.78%	13.45%	15.18%	15.65%	15.80%	12.77%	12.93%

Notes to Schedule:

Valuation date July 1, 2017
Measurement date June 30, 2018
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	16 years
Amortization growth rate	3.50%
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	7.00%
Retirement age	Rates based on age
Turnover	Rates based on service

Mortality RP-2000 Mortality for Employees, Healthy Annuitants and Disabled Annuitants with generational projection per Scale AA

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 381,438	\$ 393,136	\$ 505,605	\$ 497,614	\$ 465,641	\$ 562,233	\$ 632,679	\$ 631,023	\$ 677,434	\$ 600,240
Contributions in relation to the actuarially determined contribution	<u>381,438</u>	<u>393,136</u>	<u>505,605</u>	<u>497,614</u>	<u>508,111</u>	<u>562,233</u>	<u>633,000</u>	<u>727,009</u>	<u>677,434</u>	<u>600,240</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(42,470)</u>	\$ <u>-</u>	\$ <u>(321)</u>	\$ <u>(95,986)</u>	\$ <u>-</u>	\$ <u>-</u>
Covered payroll	\$ 2,533,739	\$ 2,598,719	\$ 2,643,805	\$ 2,615,838	\$ 2,362,484	\$ 2,772,281	\$ 2,866,183	\$ 2,918,053	\$ 3,143,684	\$ 3,400,310
Contributions as a percentage of covered payroll	15.05%	15.13%	19.12%	19.02%	21.51%	20.28%	22.09%	24.91%	21.55%	17.65%

Notes to Schedule:

Valuation date July 1, 2017
Measurement date June 30, 2018
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry age normal
Amortization method Level percentage of payroll, closed
Remaining amortization period 16 years
Amortization growth rate 3.50%
Asset valuation method 5-year non-asymptotic
Inflation 2.75%
Salary increases 8.25% for the first 7 years and 3.00% thereafter
Investment rate of return 7.00%
Retirement age 20% per year starting at Normal Retirement Date; 100% at age 62

Mortality RP-2000 Mortality for Employees, Healthy Annuitants and Disabled Annuitants with generational projection per Scale AA

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially determined contribution	\$ 705,973	\$ 706,849	\$ 876,860	\$ 910,571	\$ 1,012,381	\$ 1,231,124	\$ 1,236,631	\$ 1,110,353	\$ 1,112,035	\$ 1,084,561
Contributions in relation to the actuarially determined contribution	<u>706,020</u>	<u>706,849</u>	<u>876,860</u>	<u>1,030,571</u>	<u>1,104,718</u>	<u>1,231,124</u>	<u>1,236,631</u>	<u>1,288,982</u>	<u>1,112,035</u>	<u>1,084,561</u>
Contribution Deficiency (Excess)	<u>\$ (47)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (120,000)</u>	<u>\$ (92,337)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (178,629)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 6,362,430	\$ 6,984,577	\$ 7,421,437	\$ 7,686,831	\$ 7,740,314	\$ 7,911,823	\$ 7,916,465	\$ 7,864,597	\$ 7,766,728	\$ 7,614,963
Contributions as a percentage of covered payroll	11.10%	10.12%	11.82%	13.41%	14.27%	15.56%	15.62%	16.39%	14.32%	14.24%

Notes to Schedule:

Valuation date July 1, 2017
Measurement date June 30, 2018
Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	16 years
Amortization growth rate	3.50%
Asset valuation method	5-year non-asymptotic
Inflation	2.75%
Salary increases	3.50%
Investment rate of return	7.00%
Retirement age	Rates based on age
Turnover	Rates based on service

Mortality RP-2000 Mortality for Employees, Healthy Annuitants and Disabled Annuitants with generational projection per Scale AA

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense					
General Government Pension Plan	6.36%	12.09%	(0.10%)	1.97%	14.35%
Police Pension Plan	6.34%	12.00%	(0.08%)	1.98%	14.30%
Board of Education Pension Plan	6.32%	12.07%	0.12%	1.86%	14.02%

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

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the Town	<u>111,434,579</u>	<u>117,564,334</u>	<u>92,706,902</u>	<u>85,688,952</u>
Total	<u>\$ 111,434,579</u>	<u>\$ 117,564,334</u>	<u>\$ 92,706,902</u>	<u>\$ 85,688,952</u>
Town's covered payroll	\$ 34,259,016	\$ 33,773,614	\$ 32,597,004	\$ 32,231,978
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	55.93%	52.26%	59.50%	61.51%

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

Notes to Schedule:

Changes in benefit terms
Changes of assumptions

None

During 2016, rates of withdrawal, disability, retirement, mortality and assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2015.

During 2011, rates of withdrawal, retirement and assumed rates of salary increases were adjusted to reflect actual and anticipated experience. These assumptions were recommended as part of the Experience Study for the System for the five-year period ended June 30, 2010.

Actuarial cost method
Amortization method
Remaining amortization period
Asset valuation method
Investment rate of return

Entry age
Level percent of salary, closed
20.4 years
4-year smoothed market
8.50%, net of investment related expense

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

	<u>2018</u>	<u>2017</u>
Total OPEB liability:		
Service cost	\$ 823,820	\$ 797,888
Interest	1,509,026	1,424,684
Changes of benefit terms		
Differences between expected and actual experience	(949,698)	
Changes of assumptions	(509)	
Benefit payments	<u>(1,061,000)</u>	<u>(1,228,579)</u>
Net change in total OPEB liability	321,639	993,993
Total OPEB liability - beginning	<u>21,053,462</u>	<u>20,059,469</u>
Total OPEB liability - ending	<u>21,375,101</u>	<u>21,053,462</u>
Plan fiduciary net position:		
Contributions - employer	1,197,000	1,310,930
Contributions - member	173,532	174,237
Net investment income	931,850	1,180,640
Benefit payments	(1,061,000)	(1,228,579)
Administrative expense	<u>(9,228)</u>	
Net change in plan fiduciary net position	1,232,154	1,437,228
Plan fiduciary net position - beginning	<u>14,182,121</u>	<u>12,744,893</u>
Plan fiduciary net position - ending	<u>15,414,275</u>	<u>14,182,121</u>
Net OPEB Liability - Ending	<u>\$ 5,960,826</u>	<u>\$ 6,871,341</u>
Plan fiduciary net position as a percentage of the total OPEB liability	72.11%	67.36%
Covered payroll	\$ 45,238,019	\$ 45,238,019
Net OPEB liability as a percentage of covered payroll	13.18%	15.19%

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

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution (1)	\$ 1,670,800	\$ 1,766,300	\$ 1,611,000	\$ 1,705,000	\$ 1,613,000	\$ 1,825,000	\$ 1,880,000	\$ 1,047,953	\$ 1,073,307	\$ 1,182,000
Contributions in relation to the actuarially determined contribution	<u>1,726,500</u>	<u>1,894,900</u>	<u>1,895,100</u>	<u>1,705,000</u>	<u>2,393,362</u>	<u>1,980,158</u>	<u>4,880,000</u>	<u>1,195,883</u>	<u>1,310,930</u>	<u>1,197,000</u>
Contribution Deficiency (Excess)	\$ <u>(55,700)</u>	\$ <u>(128,600)</u>	\$ <u>(284,100)</u>	\$ <u>-</u>	\$ <u>(780,362)</u>	\$ <u>(155,158)</u>	\$ <u>(3,000,000)</u>	\$ <u>(147,930)</u>	\$ <u>(237,623)</u>	\$ <u>(15,000)</u>
Covered payroll	\$	\$	\$	\$	\$	\$ 44,132,000	\$ 44,132,000	\$ 44,570,517	\$ 45,238,019	\$ 45,238,019
Contributions as a percentage of covered payroll	NA	NA	NA	NA	NA	4.49%	11.06%	2.68%	2.90%	2.65%

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

Notes to Schedule:

Valuation date: July 1, 2017

Measurement date: June 30, 2018

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Projected Unit Credit
Amortization method	Level percent
Amortization period	18 years
Asset valuation method	Closed
Inflation	2.75%
Healthcare cost trend rates	5.28-4.40% over 71 years
Salary increases	8.25% for first 7 years and 3.00% thereafter for Police, 3.5% for all others
Investment rate of return	7.00%, net of pension plan investment expense, including inflation
Mortality	RP-2000 Combined Healthy and Disabled Mortality, Male and Female, with generational projection per Scale AA

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

	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	7.52%	9.44%

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


TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHERS RETIREMENT PLAN
LAST FISCAL YEAR*

	<u>2018</u>
Town's proportion of the net OPEB liability	0.00%
Town's proportionate share of the net OPEB liability	\$ -
State's proportionate share of the net OPEB liability associated with the Town	<u>28,681,978</u>
Total	<u>\$ 28,681,978</u>
Town's covered payroll	\$ 34,259,016
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	1.79%

Notes to Schedule

Changes in benefit terms	None
Changes of assumptions	<p>The discount rate was increased from 3.01% to 3.56% to reflect the change in the Municipal Bond Index Rate.</p> <p>Changes were made to the assumed initial per capita health care costs, rates of health care inflation used to project the per capita costs, and the rates of Plan participation based upon recent experience and current expectations.</p> <p>As a result of the experience study for the five-year period ended June 30, 2015, the payroll growth rate assumption was decreased from 3.75% to 3.25% to reflect the decrease in the rate of inflation and the decrease in the rate of real wage increase. Last, the salary growth assumption, the payroll growth rate, the rates of withdrawal, the rates of retirement, the rates of mortality, and the rates of disability incidence were adjusted based upon the experience study's findings and their adoption by the Board.</p>
Actuarial cost method	Entry age
Amortization method	Level percent of payroll
Remaining amortization period	30 years, open
Asset valuation method	Market value of assets
Investment rate of return	4.25%, net of investment related expense including price inflation

* This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.



Supplemental, Combining and Individual Fund Statements and Schedules



Major Governmental Funds

Major Governmental Funds

General Fund

To account for the general operations of the Town, except those required to be accounted for in another fund.

Sewer Use Fund

To account for sewer user fees and sewer plant operations.

BOE Programs Fund

To account for BOE programs, including scholarship activity.

Capital Project Fund

The Capital Project Fund is used to account for financial resources used for the acquisition or construction of major capital facilities.

TOWN OF SIMSBURY, CONNECTICUT
COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2018

	General Fund	BOE Non-Lapsing Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 9,129,209	\$ 385,000	\$ 9,514,209
Investments	6,147,266		6,147,266
Receivables	1,372,956		1,372,956
Due from other funds	2,410,249		2,410,249
Other assets	61,835		61,835
Total Assets	<u>\$ 19,121,515</u>	<u>\$ 385,000</u>	<u>\$ 19,506,515</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 1,564,290	\$	\$ 1,564,290
Unearned revenue	22,949		22,949
Total liabilities	<u>1,587,239</u>	<u>-</u>	<u>1,587,239</u>
Deferred Inflows of Resources:			
Unavailable revenue - property taxes	798,248		798,248
Unavailable revenue - property tax interest	326,902		326,902
Advance property tax collections	13		13
Total deferred inflows of resources	<u>1,125,163</u>	<u>-</u>	<u>1,125,163</u>
Fund Balances:			
Nonspendable	61,835		61,835
Committed		385,000	385,000
Assigned	1,967,056		1,967,056
Unassigned	14,380,222		14,380,222
Total fund balances	<u>16,409,113</u>	<u>385,000</u>	<u>16,794,113</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 19,121,515</u>	<u>\$ 385,000</u>	<u>\$ 19,506,515</u>

TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	BOE Non-Lapsing Fund	Eliminations	Total
Revenues:				
Property taxes	\$ 87,613,101	\$	\$	\$ 87,613,101
Intergovernmental	20,111,696			20,111,696
Investment loss	323,153			323,153
Charges for goods and services	782,703			782,703
Licenses and permits	1,233,813			1,233,813
Rental of town-owned property	144,562			144,562
Local revenues	179,363			179,363
Assessments				-
Other				-
Total revenues	<u>110,388,391</u>	<u>-</u>	<u>-</u>	<u>110,388,391</u>
Expenditures:				
Current:				
General government	2,236,411			2,236,411
Planning and development	547,117			547,117
Public safety	4,659,219			4,659,219
Facility management	3,842,045			3,842,045
Culture and recreation	2,332,080			2,332,080
Health and welfare	628,647			628,647
Fringe benefits and insurances	5,101,590			5,101,590
Education	81,917,402			81,917,402
Debt service:				
Principal payments	4,125,000			4,125,000
Interest and other	755,219			755,219
Total expenditures	<u>106,144,730</u>	<u>-</u>	<u>-</u>	<u>106,144,730</u>
Excess of Revenues over Expenditures	<u>4,243,661</u>	<u>-</u>	<u>-</u>	<u>4,243,661</u>
Other Financing Sources (Uses):				
Transfers in	108,989			108,989
Transfers out	(1,773,472)			(1,773,472)
Total other financing sources (uses)	<u>(1,664,483)</u>	<u>-</u>	<u>-</u>	<u>(1,664,483)</u>
Net Change in Fund Balances	2,579,178	-	-	2,579,178
Fund Balances at Beginning of Year	<u>13,829,935</u>	<u>385,000</u>	<u>-</u>	<u>14,214,935</u>
Fund Balances at End of Year	<u>\$ 16,409,113</u>	<u>\$ 385,000</u>	<u>\$ -</u>	<u>\$ 16,794,113</u>

**TOWN OF SIMSBURY, CONNECTICUT
GENERAL FUND
SCHEDULE OF BOARD OF EDUCATION EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Original Appropriation</u>	<u>Amended Appropriation</u>	<u>Actual Expenditures and Encumbrances</u>	<u>Variance Favorable (Unfavorable)</u>
General control	\$ 2,038,135	\$ 2,038,135	\$ 2,034,161	\$ 3,974
Instruction	42,326,832	42,326,832	42,217,202	109,630
Health services	680,266	680,266	675,156	5,110
Transportation	2,681,009	2,681,009	2,615,783	65,226
Operation of school plant	4,492,777	4,492,777	4,544,460	(51,683)
Maintenance of schools	1,234,442	1,234,442	1,412,502	(178,060)
Employee pension and insurance	12,226,634	12,226,634	12,177,650	48,984
Food services	8,305	8,305	8,305	-
Student activities	673,086	673,086	657,997	15,089
Community service	34,563	34,563	28,857	5,706
New and replaced equipment	314,101	314,101	314,897	(796)
Tuition to other schools	1,415,020	1,415,020	1,410,076	4,944
Nonpublic schools	<u>544,266</u>	<u>544,266</u>	<u>534,381</u>	<u>9,885</u>
Subtotal	68,669,436	68,669,436	68,631,427	38,009
Transfers to CNR Funds	<u>(550,300)</u>	<u>(550,300)</u>	<u>(550,300)</u>	<u>-</u>
Total Expenditures	\$ <u><u>68,119,136</u></u>	\$ <u><u>68,119,136</u></u>	\$ <u><u>68,081,127</u></u>	\$ <u><u>38,009</u></u>

TOWN OF SIMSBURY, CONNECTICUT
CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2018

	Fund Number	Appropriations			Expenditures				Encumbrances 6/30/2018	Uncommitted Balance June 30, 2018
		Balance June 30, 2017	Current Year	Balance June 30, 2018	Balance June 30, 2017	Current Year	Payments on Prior Year Encumbrances	Balance June 30, 2018		
Sewer extension projects:										
Project 2010	319	\$ 260,000	\$	\$ 260,000	\$ 154,395	\$ 7,826	\$	\$ 162,221	\$	\$ 97,779
Project 2013	315	272,320		272,320	196,657	69,720		266,377		5,943
Farmington River Design	320	300,000		300,000	215,542	27,786		243,328		56,672
Wolcott Pump Station	321	1,378,500		1,378,500	994,313	13,767		1,008,080		370,420
Tunxis Pump Station 5/10	337	670,000		670,000	612,762			612,762		57,238
Longview SCADA Control and Pump Upgrade	389	65,000		65,000	35,279			35,279		29,721
Sewer Main Extensions	390	156,000		156,000	23,034	33,846		56,880		99,120
Inline Grinder and Screen Replacement FY15	391	260,000		260,000	237,024			237,024		22,976
Sewer Main Extensions	513	371,000		371,000	-			-		371,000
Inline Grinder and Screen Replacement FY16	514	260,000		260,000	234,600			234,600		25,400
Hopmeadow/Center Area Sewer repairs	515	135,000		135,000	-			-		135,000
Sewer Main Extensions/Repairs - Massaco St.	540	104,000		104,000	-	83,593		83,593		20,407
Hopmeadow/Center Area Sewer Repairs	541	100,000		100,000	-			-		100,000
Oxidation Ditch Dissolved Oxygen Control	543	27,000		27,000	16,120			16,120		10,880
36 Drake Hill Rd Dike Analysis	558		75,000	75,000				-		75,000
Phosphorus Removal Analysis	559		150,000	150,000				-		150,000
Hayes Road Pump	560		45,000	45,000		20,004		20,004		24,996
Tariffville Area Sewer	561		100,000	100,000				-		100,000
WPC Plan update	562		100,000	100,000				-		100,000
Town projects:										
Town Security Measures	281	77,600		77,600	46,384			46,384	6,525	24,691
Open Space - Betty Hudson Property	336	275,000		275,000	239,804	3,297		243,101		31,899
West ST/Owens Brook/Greenway	341	359,659		359,659	353,619	6,040		359,659		-
Town Hall Flat Roof Replacement	351	234,489		234,489	225,166	9,323		234,489		-
Center Area Charrette Infrastructure	340	540,000		540,000	259,192	20,692		279,884		260,116
Senior/Community Center Design	346	321,699		321,699	121,154	34,335		155,489		166,210
Town office renovation	353				77,393	24,230		101,623		(101,623)
Town Teledata	355	125,000		125,000	107,393	15,234		122,627		2,373
Multi Use Trail Connections/Master Plan Updates	383	212,000		212,000	76,779	5,339		82,118		129,882
SF Golf Course Improvements	384	125,000		125,000	93,971	31,029		125,000		-
Bridge Improvements (Design-FY15)	385	115,000		115,000		48,319		48,319		66,681
Technology Infrastructure	387	635,395		635,395	495,152	208		495,360		140,035
SF Rink/Pool Improvements	501	1,100,000		1,100,000	1,039,188	60,812		1,100,000		-
Park Improvements	502	508,000		508,000	450,586	5,500		456,086	2,000	49,914
Open Space Planning and Improvements	503	145,000		145,000	28,657	116,254		144,911		89
Weatogue Planning Route 10 and Code Prep	504	57,000		57,000				-		57,000
Municipal Building Renovations	506	50,000		50,000		35,787		35,787	3,100	11,113
Dam Evaluations and Repairs	507	30,000		30,000	29,483	517		30,000		-
Public Works Complex Infrastructure Improvements	508	280,000		280,000	277,704	2,296		280,000		-
Town Hall Site and Safety Improvements	509	45,000		45,000		11,120		11,120		33,880
Portable Generator / Generator Infrastructure	510	80,000		80,000	48,317			48,317		31,683

(Continued on next page)

TOWN OF SIMSBURY, CONNECTICUT
CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018

	Fund Number	Appropriations			Expenditures				Encumbrances 6/30/2018	Uncommitted Balance June 30, 2018
		Balance June 30, 2017	Current Year	Balance June 30, 2018	Balance June 30, 2017	Current Year	Payments on	Balance June 30, 2018		
							Prior Year Encumbrances			
Project Planning Fund	511	\$ 28,000	\$	\$ 28,000	\$ 9,800	\$	\$	\$ 9,800	\$	\$ 18,200
Various Drainage Improvements	512	175,000		175,000	77,413	97,587		175,000		-
Veterans Memorial (STEAP Grant)	522	680,495		680,495	404,541	8,437		412,978		267,517
Multi-Use Connections & Master Plan Updates	523	1,160,000		1,160,000		40,246		40,246		1,119,754
SF Golf Course Improvements	524	125,000		125,000	83,402	9,240		92,642		32,358
Greenway Improvements	525	240,000		240,000	183,135	54,340		237,475	2,525	-
Open Space Planning Improvements	526	400,000	140,000	540,000		49,567		49,567		490,433
Street Lighting Purchase / Lighting Improvements	527	865,000	72,322	937,322	659,723	213,213		872,936		64,386
Highway Pavement Management	528	2,500,000		2,500,000	1,373,901	1,021,670		2,395,571		104,429
Dam Evaluations and Repairs	529	145,000	75,000	220,000		78,220		78,220		141,780
Public Works Complex Infrastructure Improvements	530	450,000		450,000	180,993	3,100		184,093		265,907
Town Hall Site and Safety Improvements	531	385,000		385,000				-		385,000
Plan of Conservation & Development	532	130,000	35,000	165,000	76,080	10,750		86,830		78,170
Portable Generator Infrastructure	533	175,000		175,000	7,754	12,723		20,477		154,523
Window Replacement	535	44,000		44,000	8,228	33,991		42,219		1,781
Land Use Studies	536	92,500		92,500				-		92,500
Storage Building	544	65,000		65,000				-		65,000
SF Rink/Pool Improvements	547		950,000	950,000		897,517		897,517		52,483
Park Improvements	548		311,000	311,000		277,153		277,153	6,935	26,912
Street Lighting Purchase / Lighting Improvements	549		400,000	400,000				-		400,000
Iron Horse Blvd Playground Renovation	550		298,000	298,000		234,510		234,510		63,490
Finance Security Upgrades	551		150,000	150,000		74,823		74,823		75,177
Eno Memorial Hall Renovations	552		300,000	300,000		2,577		2,577		297,423
Cold Storage Facility	553		380,000	380,000				-		380,000
Town Facilities Master Plan	554		400,000	400,000		8,640		8,640		391,360
Library Interior/Parking Renovations	555		584,500	584,500		13,040		13,040		571,460
Library Lower Level Improvements	556		906,048	906,048		83		83		905,965
Zoning Regulation Update	557		65,000	65,000				-		65,000
Bridge Improvements	564		805,000	805,000				-		805,000
Drainage Improvements	565		125,000	125,000		81,904		81,904		43,096
Education projects:										
District Network Infrastructure 5/12	364	1,824,885	-	1,824,885	1,944,435			1,944,435		(119,550)
Boiler Replacement Squadron Line	377	850,000		850,000	740,125	-		740,125		109,875
HJMS Phase 1A	393	1,255,000		1,255,000	1,168,300	-		1,168,300		86,700
SHS Turf Field/Synthetic Track Maintenance	394	910,000		910,000	830,316	32,596		862,912		47,088
Squadron Line Main Office Project	395	1,050,000		1,050,000	867,602			867,602		182,398
District Network Infrastructure	519	200,000		200,000	186,257			186,257		13,743
Climate Control Phases 1 (FY16) & 2 (FY17)	520	3,100,000		3,100,000	589,445	1,582,483		2,171,928		928,072
Central School Roof Replacement	521	770,000		770,000	620,603			620,603		149,397
District Network Infrastructure	545	450,000		450,000	186,828	222,591		409,419		40,581
HJMS Renovation - Phase 2	546	1,950,000		1,950,000	363,625	1,388,235		1,751,860	1,000	197,140
SHS Tennis Court Replacement	563		740,000	740,000		523,785		523,785	5,398	210,817
Totals		\$ 29,737,458	\$ 7,206,870	\$ 36,944,693	\$ 17,295,090	\$ 7,659,895	\$ -	\$ 24,955,350	\$ 70,764	\$ 12,005,141

**TOWN OF SIMSBURY, CONNECTICUT
CAPITAL AND NONRECURRING EXPENDITURES FUND
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS
FOR THE YEAR ENDED JUNE 30, 2018**

	Fund Number	Appropriations			Expenditures				Encumbrances 6/30/2018	Designated for Specific Projects June 30, 2018
		Balance July 1, 2017	Current Year	Balance 6/30/2018	Balance July 1, 2017	Current Year	Payments on Prior Year Encumbrances	Balance 6/30/2018		
Street Signs	308	\$ 10,000	\$	\$ 10,000	\$ 10,000	\$	\$	\$ 10,000	\$	-
Sidewalk Improvements	308	100,124		100,124	100,124			100,124		-
Trucks	308	38,000		38,000	38,000			38,000		-
Trucks	308	44,749		44,749	44,749			44,749		-
Roadside Mower	308	99,988		99,988	99,988			99,988		-
Road Improvements	308	161,441		161,441	161,441			161,441		-
Vehicles	308	12,900		12,900	12,900			12,900		-
Tech & Program Equipment	308	28,729		28,729	28,729			28,729		-
Interior Building Renovation	308	116,947		116,947	116,947			116,947		-
Heating Modifications	308	53,164		53,164	53,164			53,164		-
Vehicles	308	49,684		49,684	49,684			49,684		-
Buses	308	170,000		170,000	170,000			170,000		-
Equipment	308	32,002		32,002	32,002			32,002		-
Ceiling/Floor Replacement	308	92,767		92,767	92,767			92,767		-
Transfer Out	308		74,110	74,110				-		74,110
Computer Equipment	302	13,000		13,000	13,000			13,000		-
Tech & Program Equipment	302	13,310		13,310	13,310			13,310		-
Renovations - Interior	302	195,000		195,000	195,000			195,000		-
Renovations - Exterior	302	10,000		10,000	6,450			6,450		3,550
Modifications - Plumbing	302	10,000		10,000	8,460			8,460		1,540
Ceiling/Floor Replacement	302	126,000		126,000	125,999			125,999		1
School Buses	302	170,000		170,000	170,000			170,000		-
School Equipment	302	9,000		9,000	9,000			9,000		-
Building Improvements	302	404,909		404,909	42,812	10,191		53,003		351,906
Tech & Program Equipment	302	25,000		25,000	24,546			24,546		454
Trucks	302	130,000		130,000	129,900			129,900		100
Road Improvements	302	157,471		157,471	157,471			157,471		-
Trucks	302	58,000		58,000	60,003			60,003		(2,003)
Pickup Trucks	302	38,000		38,000	37,194			37,194		806
Machinery & Equipment	302	53,500		53,500	53,436			53,436		64
Transfer Out	302				268,421			268,421		(268,421)
Computer Software	303	19,000		19,000	19,000			19,000		-
Computer Equipment	303	10,000		10,000	9,853			9,853		147
Tech & Program Equipment	303	34,746		34,746	34,741			34,741		5
Computer Software	303	45,000		45,000	45,000			45,000		-
Pick Up Truck	303	25,000		25,000	25,000			25,000		-
Renovations - Interior	303	162,500		162,500	157,090	750		157,840		4,660
Renovations - Exterior	303	51,000		51,000	51,000			51,000		-
Modifications - Plumbing	303	10,000		10,000	10,000			10,000		-
Ceiling/Floor Replacement	303	56,000		56,000	55,930			55,930		70
Trucks	303	46,000		46,000	46,000			46,000		-
School Buses	303	245,000		245,000	245,000			245,000		-
HVAC/Boilers	303	10,000		10,000	8,954			8,954		1,046
Modifications - HVAC	303	60,000		60,000	65,774			65,774		(5,774)
HVAC/Boilers	303	6,500		6,500	5,077			5,077		1,423
Road Improvements	303	180,360		180,360	180,360			180,360		-
Road Improvements	303	45,000		45,000	45,000			45,000		-
Trailer	303	8,500		8,500	8,422			8,422		78
Renovations - Exterior	303	10,000		10,000	7,319			7,319		2,681

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**TOWN OF SIMSBURY, CONNECTICUT
CAPITAL AND NONRECURRING EXPENDITURES FUND
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Fund Number	Appropriations			Expenditures				Encumbrances 6/30/2018	Designated for Specific Projects June 30, 2018
		Balance July 1, 2017	Current Year	Balance 6/30/2018	Balance July 1, 2017	Current Year	Payments on Prior Year Encumbrances	Balance 6/30/2018		
Pick Up Truck	303	\$ 32,500	\$	\$ 32,500	\$ 32,340	\$	\$	\$ 32,340	\$	\$ 160
Park Improvements	303	10,000		10,000	10,560			10,560		(560)
Ceiling/Floor Replacement	303	23,000		23,000	23,000			23,000		-
Machinery & Equipment	303	38,000		38,000	3,456			3,456		34,544
Mowers	303	39,000		39,000	74,845			74,845		(35,845)
Police Vehicles	304	87,000		87,000	87,000			87,000		-
Tech & Program Equipment	304	2,800		2,800	3,740			3,740		(940)
Machinery & Equipment	304	14,500		14,500	18,007			18,007		(3,507)
Trucks	304	140,000		140,000	144,070			144,070		(4,070)
Road Improvements	304	155,184		155,184	155,184			155,184		-
Machinery & Equipment	304	5,250		5,250	5,250			5,250		-
Machinery & Equipment	304	88,000		88,000	87,823			87,823		177
Machinery & Equipment	304	75,000		75,000	74,999			74,999		1
Machinery & Equipment	304	3,700		3,700	3,937			3,937		(237)
Renovations - Interior	304	132,500		132,500	132,600			132,600		(100)
Renovations - Exterior	304	66,000		66,000	66,001			66,001		(1)
Modifications - Plumbing	304	23,000		23,000	15,960			15,960		7,040
Ceiling/Floor Replacement	304	46,000		46,000	46,000			46,000		-
Trucks	304	32,000		32,000	32,000			32,000		-
School Buses	304	174,000		174,000	174,000			174,000		-
School Equipment	304	97,000		97,000	93,397			93,397		3,603
Computer Software	304	34,000		34,000	31,984	2,016		34,000		-
Police Vehicles	304	87,000		87,000	87,000			87,000		-
Seasonal Labor	304				3,105			3,105		(3,105)
Social Security/FICA	304				238			238		(238)
Machinery & Equipment	304	40,000		40,000	16,579	8,660		25,239		14,761
Trucks	304	226,500		226,500	227,900			227,900		(1,400)
Street Signs	304	30,000		30,000	30,338			30,338		(338)
Road Improvements	304	154,713		154,713	156,663			156,663		(1,950)
Trucks	304	26,300		26,300	22,501			22,501		3,799
Machinery & Equipment	304	56,000		56,000	55,625			55,625		375
Renovations - Interior	304	87,500		87,500	73,594		13,387	86,981		519
Renovations - Exterior	304	38,000		38,000	38,000			38,000		-
Modifications - Plumbing	304	31,000		31,000	24,645		4,090	28,735		2,265
Ceiling/Floor Replacement	304	75,000		75,000	75,000			75,000		-
School Buses	304	303,000		303,000	303,000			303,000		-
School Equipment	304	36,000		36,000	36,000			36,000		-
Communications Equipment	305	20,000		20,000	17,848			17,848		2,152
Police Vehicles	305	87,000		87,000	87,000			87,000		-
Renovations - Interior	305	70,000		70,000	16,110	16,220		32,330		37,670
Renovations - Exterior	305	98,000		98,000	31,595	52,237	1,162	84,994		13,006
Modifications - Plumbing	305	25,000		25,000		25,000		25,000		-
Ceiling/Floor Replacement	305	80,000		80,000	5,467	27,736	35,890	69,093	46,788	(35,881)
School Buses	305	362,000		362,000	206,229	56,009	99,762	362,000		-
Trucks	305	181,500		181,500	180,754			180,754		746
Road Improvements	305	157,504		157,504	157,504			157,504		-
Trucks	305	32,000		32,000			35,100	35,100		(3,100)
Tech & Program Equipment	305	8,000		8,000	7,227			7,227		773
Mowers	305	13,000		13,000	9,900			9,900		3,100

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**TOWN OF SIMSBURY, CONNECTICUT
CAPITAL AND NONRECURRING EXPENDITURES FUND
SCHEDULE OF EXPENDITURES COMPARED WITH APPROPRIATIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2018**

	Fund Number	Appropriations			Expenditures				Encumbrances 6/30/2018	Designated for Specific Projects June 30, 2018
		Balance July 1, 2017	Current Year	Balance 6/30/2018	Balance July 1, 2017	Current Year	Payments on Prior Year Encumbrances	Balance 6/30/2018		
Renovations - Interior	306	\$	\$ 49,500	\$ 49,500	\$	\$ 1,678	\$	1,678	\$	\$ 47,822
Tech & Program Equipment	306		12,500	12,500				-		12,500
Trucks	306		36,750	36,750		36,540		36,540		210
HVAC Modifications	306		35,000	35,000		1,322		1,322	8,429	25,249
Trucks	306		155,000	155,000		155,000		155,000		-
Road Improvements	306		288,757	288,757		164,871		164,871		123,886
Police Vehicles	306		95,000	95,000		106,273		106,273		(11,273)
Tech & Program Equipment	306		12,500	12,500						12,500
Machinery & Equipment	306		25,000	25,000		25,000		25,000		-
Mowers	306		20,000	20,000						20,000
Renovations - Interior	306		60,000	60,000		7,446		7,446		52,554
Renovations - Exterior	306		58,000	58,000						58,000
Modifications - Plumbing	306		10,000	10,000						10,000
Ceiling/Floor Replacement	306		40,000	40,000					822	39,178
School Buses	306		352,000	352,000		286,293		286,293		65,707
Assessor Revaluation	301	2,723,534		2,723,534	818,374	4,987	103,552	926,913		1,796,621
Modifications - Security	281	177,000		177,000	116,536	60,464		177,000		-
		<u>9,992,276</u>	<u>\$ 1,324,117</u>	<u>\$ 11,402,955</u>	<u>\$ 7,465,902</u>	<u>\$ 1,048,693</u>	<u>\$ 292,943</u>	<u>\$ 8,894,100</u>	<u>\$ 142,601</u>	<u>\$ 2,539,378</u>



Nonmajor Governmental Funds

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

General Government Program Fund - includes the following programs:

- **Preservation of Historic Documents** - to account for, in the Town Clerk's office, additional revenues collected, grant revenues received and expenditures to preserve land records pursuant to Public Act No. 00-146.
- **LOCIP** - to account for document fees collected by Town Clerk's office to be used for expenditures that qualify under the State Local Capital Improvement (LOCIP) grants.
- **Preserve America** - to account for funds received from Federal Preserve America Program, State of Connecticut, Commission on Culture & Tourism and Simsbury Main Street Partnership. Expenditures will be made to pay for program activities associated with Preserve America Marketing Grant.
- **Ellsworth Fund** - to be used for the beautification of the main streets of the Town of Simsbury, particularly Hopmeadow Street and/or expenses relating to the Planning Commission.

Public Safety Program Fund - includes the following programs:

- **Narcotics Task Force** - to account for state grants for narcotic enforcement.
- **Police Dare Program** - to account for state grants for narcotic education.
- **Local Law Enforcement Block Grant** - to account for local law enforcement block grant from the State of Connecticut Office of Policy and Management and the United States Department of Justice. Expenditures are for public safety equipment not otherwise budgeted for in the public safety operating budget.
- **Police Vehicles** - to account for revenues associated with the sale of police vehicles and funding from the General Fund budget to be used for the purchase of new police vehicles.
- **Police Special Duty** - to account for revenues and expenditures for police officers special duty for outside organizations.
- **DUI Enforcement** - to account for revenues and expenditures for DUI check points funded by a DUI enforcement grant passed through the Connecticut Department of Transportation.

Planning & Development Program Fund - to account for all financial resources of the community development block grant, the greenway project, the Simsbury meadow bandshell, the small cities community development block grant, the plan of conservation & development and the town center.

Facilities Management Program Fund - includes the following programs:

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

Health & Welfare Program Fund - includes the following programs:

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

Culture & Recreation Program Fund - includes the following program:

- **Library** - to account for donations, memorial gifts and miscellaneous grants and expenses related to the operations of the library.
- **Dog Park** - to account for donations and expenses related to the operations of the dog park.

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

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

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

Capital Project Funds

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

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

**TOWN OF SIMSBURY, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

EXHIBIT B-1

	Special Revenue Funds					
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Planning & Development Program Fund	Facilities Management Program Fund
ASSETS						
Cash and cash equivalents	\$ 304,299	\$ 128,781	\$ 112,664	\$ 332,532	\$ 366,022	\$ 1,123,653
Receivables:						
Accounts				27,970	21,739	
Special assessments						
Due from other governments					495,534	
Inventories						
Prepaid expenditures		2,064				
Total Assets	<u>\$ 304,299</u>	<u>\$ 130,845</u>	<u>\$ 112,664</u>	<u>\$ 360,502</u>	<u>\$ 883,295</u>	<u>\$ 1,123,653</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 977	\$ 99,019	\$ 2,832	\$ 2,703	\$ 2,202	\$ 6,974
Due to other governments						
Unearned revenue					493,332	2,528
Total liabilities	<u>977</u>	<u>99,019</u>	<u>2,832</u>	<u>2,703</u>	<u>495,534</u>	<u>9,502</u>
Deferred inflows of resources:						
Unavailable revenue - special assessments					21,739	
Unavailable revenue - loans receivable					21,739	
Total deferred inflows of resources					<u>21,739</u>	
Fund balances:						
Nonspendable		2,064				
Restricted						1,101,714
Committed	303,322	29,762	109,832	357,799	366,022	12,437
Unassigned						
Total fund balances	<u>303,322</u>	<u>31,826</u>	<u>109,832</u>	<u>357,799</u>	<u>366,022</u>	<u>1,114,151</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 304,299</u>	<u>\$ 130,845</u>	<u>\$ 112,664</u>	<u>\$ 360,502</u>	<u>\$ 883,295</u>	<u>\$ 1,123,653</u>

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**TOWN OF SIMSBURY, CONNECTICUT
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

EXHIBIT B-1

	Special Revenue Funds						
	Health & Welfare Program Fund	Culture & Recreation Program Fund	Sewer Assessment Fund	Cafeteria	State and Federal Education Grants	Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 289,586	\$ 93,407	\$ 1,501,879	\$ 161,406	\$ 102,365	\$ 883,617	\$ 5,400,211
Receivables:							
Accounts				316		291,720	341,745
Special assessments			867,964				867,964
Due from other governments				52,647	61,167		609,348
Inventories				25,340			25,340
Prepaid expenditures		950			500		3,514
Total Assets	<u>\$ 289,586</u>	<u>\$ 94,357</u>	<u>\$ 2,369,843</u>	<u>\$ 239,709</u>	<u>\$ 164,032</u>	<u>\$ 1,175,337</u>	<u>\$ 7,248,122</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 15,929	\$ 3,948	\$	\$ 94,565	\$ 75,486	\$ 91,078	\$ 395,713
Due to other governments					54,284		54,284
Unearned revenue	6,348				34,262	333,997	870,467
Total liabilities	<u>22,277</u>	<u>3,948</u>	<u>-</u>	<u>94,565</u>	<u>164,032</u>	<u>425,075</u>	<u>1,320,464</u>
Deferred inflows of resources:							
Unavailable revenue - special assessments			867,965				867,965
Unavailable revenue - loans receivable							21,739
Total deferred inflows of resources			<u>867,965</u>				<u>889,704</u>
Fund balances:							
Nonspendable		950		25,340	500		28,854
Restricted	46,055						1,147,769
Committed	221,254	89,459	1,501,878	119,804		750,262	3,861,831
Unassigned					(500)		(500)
Total fund balances	<u>267,309</u>	<u>90,409</u>	<u>1,501,878</u>	<u>145,144</u>	<u>-</u>	<u>750,262</u>	<u>5,037,954</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 289,586</u>	<u>\$ 94,357</u>	<u>\$ 2,369,843</u>	<u>\$ 239,709</u>	<u>\$ 164,032</u>	<u>\$ 1,175,337</u>	<u>\$ 7,248,122</u>

TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds					
	Residential Rental Properties	Simsbury Farms Fund	General Government Program Fund	Public Safety Program Fund	Planning & Development Program Fund	Facilities Management Program Fund
Revenues:						
Intergovernmental	\$	\$	\$ 3,820	\$ 1,489	\$ 280,468	\$ 374,059
Charges for goods and services	73,298	1,650,157	47,358	226,142		
Investment income (loss)			88			173
Assessments						
Other		41,979		4,729		90,946
Total revenues	<u>73,298</u>	<u>1,692,136</u>	<u>51,266</u>	<u>232,360</u>	<u>280,468</u>	<u>465,178</u>
Expenditures:						
Current operating:						
General government			48,620			
Planning and development					256,668	
Public safety				213,134		
Facility management	21,320					205,287
Culture and recreation		1,990,026				
Health and welfare						
Education						
Capital outlay				62,536		219,733
Debt service	8,527					
Total expenditures	<u>29,847</u>	<u>1,990,026</u>	<u>48,620</u>	<u>275,670</u>	<u>256,668</u>	<u>425,020</u>
Excess (Deficiency) of Revenues over Expenditures	<u>43,451</u>	<u>(297,890)</u>	<u>2,646</u>	<u>(43,310)</u>	<u>23,800</u>	<u>40,158</u>
Other Financing Sources:						
Transfers in		299,037				
Transfers out						-
Total other financing sources	<u>-</u>	<u>299,037</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	43,451	1,147	2,646	(43,310)	23,800	40,158
Fund Balances at Beginning of Year	<u>259,871</u>	<u>30,679</u>	<u>107,186</u>	<u>401,109</u>	<u>342,222</u>	<u>1,073,993</u>
Fund Balances at End of Year	<u>\$ 303,322</u>	<u>\$ 31,826</u>	<u>\$ 109,832</u>	<u>\$ 357,799</u>	<u>\$ 366,022</u>	<u>\$ 1,114,151</u>

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TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Special Revenue Funds						
	Health & Welfare Program Fund	Culture & Recreation Program Fund	Sewer Assessment Fund	Cafeteria	State and Federal Education Grants	Capital and Nonrecurring Expenditures Fund	Total Nonmajor Governmental Funds
Revenues:							
Intergovernmental	\$ 47,501	\$	\$	\$ 290,950	\$ 4,722,224	\$ 456,091	\$ 6,176,602
Charges for goods and services				861,793			2,858,748
Investment income (loss)			3,902				4,163
Assessments			145,265				145,265
Other	149,217	75,063	7,990	228			370,152
Total revenues	<u>196,718</u>	<u>75,063</u>	<u>157,157</u>	<u>1,152,971</u>	<u>4,722,224</u>	<u>456,091</u>	<u>9,554,930</u>
Expenditures:							
Current operating:							
General government							48,620
Planning and development							256,668
Public safety							213,134
Facility management							226,607
Culture and recreation		61,657					2,051,683
Health and welfare	200,393						200,393
Education				1,164,778	4,722,224		5,887,002
Capital outlay						1,341,636	1,623,905
Debt service							8,527
Total expenditures	<u>200,393</u>	<u>61,657</u>	<u>-</u>	<u>1,164,778</u>	<u>4,722,224</u>	<u>1,341,636</u>	<u>10,516,539</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(3,675)</u>	<u>13,406</u>	<u>157,157</u>	<u>(11,807)</u>	<u>-</u>	<u>(885,545)</u>	<u>(961,609)</u>
Other Financing Sources:							
Transfers in						976,600	1,275,637
Transfers out			(371,000)			(76,746)	(447,746)
Total other financing sources	<u>-</u>	<u>-</u>	<u>(371,000)</u>	<u>-</u>	<u>-</u>	<u>899,854</u>	<u>827,891</u>
Net Change in Fund Balances	(3,675)	13,406	(213,843)	(11,807)	-	14,309	(133,718)
Fund Balances at Beginning of Year	<u>270,984</u>	<u>77,003</u>	<u>1,715,721</u>	<u>156,951</u>		<u>735,953</u>	<u>5,171,672</u>
Fund Balances at End of Year	<u>\$ 267,309</u>	<u>\$ 90,409</u>	<u>\$ 1,501,878</u>	<u>\$ 145,144</u>	<u>\$ -</u>	<u>\$ 750,262</u>	<u>\$ 5,037,954</u>

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Residential Rental Properties				Simsbury Farms Fund			
	Budget		Actual	Variance with Final Budget Positive (Negative)	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Charges for goods and services	\$	\$	\$	\$ -	\$ 1,828,000	\$ 1,828,000	\$ 1,652,179	\$ (175,821)
Rental of town-owned property	36,423	36,423	73,298	36,875	26,500	26,500	28,113	1,613
Misc				-			11,844	11,844
Total revenues	<u>36,423</u>	<u>36,423</u>	<u>73,298</u>	<u>36,875</u>	<u>1,854,500</u>	<u>1,854,500</u>	<u>1,692,136</u>	<u>(162,364)</u>
Expenditures:								
Current:								
Facility management	27,900	27,900	21,320	6,580				-
Culture and recreation				-	1,981,983	1,981,983	1,990,026	(8,043)
Capital outlay				-				-
Debt service	8,523	8,523	8,527	(4)				-
Total expenditures	<u>36,423</u>	<u>36,423</u>	<u>29,847</u>	<u>6,576</u>	<u>1,981,983</u>	<u>1,981,983</u>	<u>1,990,026</u>	<u>(8,043)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-</u>	<u>-</u>	<u>43,451</u>	<u>43,451</u>	<u>(127,483)</u>	<u>(127,483)</u>	<u>(297,890)</u>	<u>(170,407)</u>
Other Financing Sources:								
Transfers from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>299,037</u>	<u>(199,037)</u>
Excess of Revenues and Other Financing Sources over Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>43,451</u>	<u>\$ 43,451</u>	<u>\$ (27,483)</u>	<u>\$ (27,483)</u>	<u>1,147</u>	<u>\$ (369,444)</u>
Fund Balances at Beginning of Year			<u>259,871</u>				<u>30,679</u>	
Fund Balances at End of Year			<u>\$ 303,322</u>				<u>\$ 31,826</u>	



Internal Service Funds

Internal Service Funds

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

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

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

TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2018

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 1,378,934	\$ 397,938	\$ 1,776,872
Accounts receivable, net	40		40
Prepaid items	369,583		369,583
Total current assets	<u>1,748,557</u>	<u>397,938</u>	<u>2,146,495</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued items	6,245		6,245
Claim incurred but not reported	<u>1,865,007</u>	<u>18,990</u>	<u>1,883,997</u>
Total liabilities	<u>1,871,252</u>	<u>18,990</u>	<u>1,890,242</u>
Net Position:			
Unrestricted	\$ <u>(122,695)</u>	\$ <u>378,948</u>	\$ <u>256,253</u>

**TOWN OF SIMSBURY, CONNECTICUT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN NET POSITION - PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018**

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
Operating Revenues:			
Charges for services	\$ 12,871,463	\$ 478,897	\$ 13,350,360
Other operating revenue	384,892		384,892
Total operating revenues	<u>13,256,355</u>	<u>478,897</u>	<u>13,735,252</u>
Operating Expenses:			
Claims incurred	13,248,752	411,082	13,659,834
Administration and stop loss insurance fees	858,686		858,686
Total operating expenses	<u>14,107,438</u>	<u>411,082</u>	<u>14,518,520</u>
Operating Income (Loss)	(851,083)	67,815	(783,268)
Net Position at Beginning of Year	<u>728,388</u>	<u>311,133</u>	<u>1,039,521</u>
Net Position at End of Year	<u>\$ (122,695)</u>	<u>\$ 378,948</u>	<u>\$ 256,253</u>

TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Governmental Activities		
	Internal Service Funds		
	PPO/HDHP/HMO	Dental	Total
Cash Flows from Operating Activities:			
Receipts from customers and users	\$ 13,256,355	\$ 478,897	\$ 13,735,252
Payments to employees	(13,252,771)	(451,277)	(13,704,048)
Net cash provided by (used in) operating activities	3,584	27,620	31,204
Cash Flows from Noncapital Financing Activities:			
Payments from (to) other funds	(6,351)		(6,351)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,767)	27,620	24,853
Cash and Cash Equivalents at Beginning of Year	1,381,701	370,318	1,752,019
Cash and Cash Equivalents at End of Year	\$ 1,378,934	\$ 397,938	\$ 1,776,872
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ (851,083)	\$ 67,815	\$ (783,268)
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	327		327
(Increase) decrease in prepaid items	(40,583)		(40,583)
Increase (decrease) in accounts payable	6,245		6,245
Increase (decrease) in claims payable	888,678	(40,195)	848,483
Total adjustments	854,667	(40,195)	814,472
Net Cash Provided by (Used in) Operating Activities	\$ 3,584	\$ 27,620	\$ 31,204



Fiduciary Funds

Fiduciary Funds

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

Trust Funds:

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

Agency Funds:

- ❑ **School Activity** - to account for the various student activities and clubs.
- ❑ **Department of Continuing Education** – to account for activities of continuing education programs
- ❑ **Simsbury Enrichment & Extended Day** - to account for enrichment and extended day activities
- ❑ **Flex Spending** - allows employees to use payroll deductions to fund an individual flex spending account for dependent care or medical expenses. Reimbursements are paid from the account by a third-party administrator in accordance with IRS regulations.

TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY NET POSITION - TRUST FUNDS
JUNE 30, 2018

	Pension Trust Funds	Other Post Employment Benefit Trust Fund	Total
Assets:			
Cash and cash equivalents	\$ 566,300	\$ 478,072	\$ 1,044,372
Investments, at fair value:			
Mutual funds	59,928,094	14,943,674	74,871,768
Private equity funds	3,521,362		3,521,362
Accounts receivable	<u>78,523</u>		<u>78,523</u>
 Total Assets	 64,094,279	 15,421,746	 79,516,025
Liabilities:			
Accounts payable		<u>7,471</u>	<u>7,471</u>
 Net Position	 \$ <u><u>64,094,279</u></u>	 \$ <u><u>15,414,275</u></u>	 \$ <u><u>79,508,554</u></u>

TOWN OF SIMSBURY, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Pension Trust Funds	Other Post Employment Benefit Trust Fund	Total
Additions:			
Contributions:			
Employer	\$ 2,605,690	\$ 1,197,000	\$ 3,802,690
Plan members	850,977	173,532	1,024,509
Total contributions	<u>3,456,667</u>	<u>1,370,532</u>	<u>4,827,199</u>
Investment earnings:			
Net change in fair value of investments	2,563,111	629,660	3,192,771
Interest	<u>1,417,308</u>	<u>332,438</u>	<u>1,749,746</u>
Total investment gain	3,980,419	962,098	4,942,517
Less investment expenses:			
Investment management fees	<u>84,871</u>	<u>30,248</u>	<u>115,119</u>
Net investment gain	<u>3,895,548</u>	<u>931,850</u>	<u>4,827,398</u>
Total additions	<u>7,352,215</u>	<u>2,302,382</u>	<u>9,654,597</u>
Deductions:			
Benefits	3,891,576	1,061,000	4,952,576
Administrative expense	<u>60,788</u>	<u>9,228</u>	<u>70,016</u>
Total deductions	<u>3,952,364</u>	<u>1,070,228</u>	<u>5,022,592</u>
Net Change in Net Position	3,399,851	1,232,154	4,632,005
Net Position at Beginning of Year	<u>60,694,428</u>	<u>14,182,121</u>	<u>74,876,549</u>
Net Position at End of Year	<u>\$ 64,094,279</u>	<u>\$ 15,414,275</u>	<u>\$ 79,508,554</u>

TOWN OF SIMSBURY, CONNECTICUT
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018

	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018
School Activity Fund				
Assets:				
Cash and short-term investments	\$ <u>444,223</u>	\$ <u>1,629,959</u>	\$ <u>1,576,589</u>	\$ <u>497,593</u>
Liabilities:				
Due to student groups	\$ <u>419,547</u>	\$ <u>1,629,959</u>	\$ <u>1,564,586</u>	\$ <u>484,920</u>
Due to other funds	<u>24,676</u>		<u>12,003</u>	<u>12,673</u>
Total Liabilities	\$ <u>444,223</u>	\$ <u>1,629,959</u>	\$ <u>1,576,589</u>	\$ <u>497,593</u>
Department of Continuing Education				
Assets:				
Cash and short-term investments	\$ <u>505,806</u>	\$ <u>956,776</u>	\$ <u>876,177</u>	\$ <u>586,405</u>
Liabilities:				
Due to student groups	\$ <u>505,806</u>	\$ <u>956,776</u>	\$ <u>876,177</u>	\$ <u>586,405</u>
Simsbury Enrichment & Extended Day				
Assets:				
Cash and short-term investments	\$ <u>63,506</u>	\$ <u>741,192</u>	\$ <u>746,660</u>	\$ <u>58,038</u>
Liabilities:				
Due to student groups	\$ <u>63,506</u>	\$ <u>741,192</u>	\$ <u>746,660</u>	\$ <u>58,038</u>
Flex Spending Fund				
Assets:				
Cash and short-term investments	\$ <u>41,177</u>	\$ <u>112,625</u>	\$ <u>116,009</u>	\$ <u>37,793</u>
Liabilities:				
Due to employees	\$ <u>41,177</u>	\$ <u>112,625</u>	\$ <u>116,009</u>	\$ <u>37,793</u>
Total				
Assets:				
Cash and short-term investments	\$ <u>1,054,712</u>	\$ <u>3,440,552</u>	\$ <u>3,315,435</u>	\$ <u>1,179,829</u>
Liabilities:				
Due to student groups and others	\$ <u>1,030,036</u>	\$ <u>3,440,552</u>	\$ <u>3,303,432</u>	\$ <u>1,167,156</u>
Due to other funds	<u>24,676</u>		<u>12,003</u>	<u>12,673</u>
Total Liabilities	\$ <u>1,054,712</u>	\$ <u>3,440,552</u>	\$ <u>3,315,435</u>	\$ <u>1,179,829</u>



Other Schedules

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2018

Grand List Year	Balance July 1, 2017	Current Levy	Lawful Corrections		Transfers to Suspense	Adjusted Taxes	Collections	Interest	Liens	Other Fees	Balance June 30, 2018	
			Additions	Deductions								
2016	\$	\$ 86,450,747	\$ 1,013,145	\$ 214,090	\$	\$ 87,249,802	\$ 86,727,571	\$ 129,344	\$ 888	\$ 8,527	\$ 522,231	
2015		474,316	3,880	26,955	62,528	388,713	188,948	53,671	548	12,253	199,765	
2014		171,834	11,751	5,213	117	178,255	109,682	40,212	432	2,579	68,573	
2013		114,332	3,779	2,174	293	115,644	58,858	33,354	240	742	56,786	
2012		92,751	1,733	2,384	267	91,833	46,519	36,417	168	849	45,314	
2011		63,828	930	2,836	237	61,685	39,309	39,832	168	1,393	22,376	
2010		43,340		2,790		40,550	27,878	32,668	168		12,672	
2009		15,596	441	2,762		13,275	915	4,873	24	32	12,360	
2008		13,014	643	2,721		10,936	3,473	5,401	24	139	7,463	
2007		11,305	741	2,676		9,370	2,533	1,106	24	76	6,837	
2006		7,852	278	2,101	369	5,660	648	1,214			5,012	
2005		7,209	427	2,761		4,875	425	877		39	4,450	
2004		2,881	164	2,870		175	1			5	174	
2003		2,783		2,616		167					167	
2002 and prior		4,949		4,788		161					161	
	\$	1,025,990	\$ 86,450,747	\$ 1,037,912	\$ 279,737	\$ 63,811	\$ 88,171,101	\$ 87,206,760	\$ 378,969	\$ 2,684	\$ 26,634	\$ 964,341

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF CHANGES IN SEWER USER CHARGES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2018

Grand List Year	Balance July 1, 2017	Current Year Charges	Adjustments	Collections	Balance June 30, 2018
2017	\$	\$ 2,987,884	\$ 69,230	\$ 3,045,486	\$ 11,628
2016	15,286		(670)	11,612	3,004
2015	6,734			5,870	864
2014	2,921			2,921	-
2013	1,343		(670)	673	-
2012	1,005		(670)	335	-
2011	975		(650)	325	-
2010	640		(640)		-
2009	640		(640)		-
2008	640		(640)		-
2007	620		(620)		-
2006	580		(580)		-
2005	400		(400)		-
2004	400		(400)		-
2003 & prior	1,018		(1,018)		-
Totals	\$ <u>33,202</u>	\$ <u>2,987,884</u>	\$ <u>61,632</u>	\$ <u>3,067,222</u>	\$ <u>15,496</u>

TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF CHANGES IN SEWER ASSESSMENT RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2018

Phases	Balance July 1, 2017	Additions	Principal	Interest	Lien Fees	Refunds	Balance June 30, 2018
II	\$ 24,073	\$	\$	\$	\$	\$	\$ 24,073
III	23,548		10,715	715	24		12,833
V	3,323						3,323
VI	2,938			350			2,938
IX	25,789		937		24		24,852
X	35,960		8,461	1,031			27,499
XI	41,385		2,317	284			39,068
XII	251,594		35,942	4,201			215,652
XIV	61,811		5,257	1,110		48	56,602
XV		537,829	76,704				461,125
	<u>\$ 470,421</u>	<u>\$ 537,829</u>	<u>\$ 140,333</u>	<u>\$ 7,691</u>	<u>\$ 48</u>	<u>\$ 48</u>	<u>\$ 867,965</u>

**TOWN OF SIMSBURY, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
FOR THE YEAR ENDED JUNE 30, 2018**

Revenue from taxation for the year ended June 30, 2017:

Taxes	\$ 85,344,182
Interest and lien fees	<u>254,800</u>
Total	85,598,982
Reimbursed for:	
Tax relief for elderly	<u>64,492</u>
Base	\$ <u><u>85,663,474</u></u>

	<u>General Purpose</u>	<u>Schools</u>	<u>Sewers</u>	<u>Urban Renewal</u>
Debt limitation:				
2-1/4 times base	\$ 192,742,817	\$	\$	\$
4-1/2 times base		385,485,633		
3-3/4 times base			321,238,028	
3-1/4 times base				278,406,291
Total debt limitation	<u>192,742,817</u>	<u>385,485,633</u>	<u>321,238,028</u>	<u>278,406,291</u>
Indebtedness:				
Bonds and loans payable	16,187,083	4,415,092	10,676,307	
Bonds authorized and unissued	<u>8,320,764</u>	<u>4,585,833</u>		
Total indebtedness	<u>24,507,847</u>	<u>9,000,925</u>	<u>10,676,307</u>	<u>-</u>
Debt Limitation in Excess of Outstanding and Authorized Debt	\$ <u><u>168,234,970</u></u>	\$ <u><u>376,484,708</u></u>	\$ <u><u>310,561,721</u></u>	\$ <u><u>278,406,291</u></u>
Total capacity of borrowing (7 times base)		\$ 599,644,318		
Total present indebtedness		<u>44,185,079</u>		
Margin for Additional Borrowing		\$ <u><u>555,459,239</u></u>		



Statistical Section

Statistical Section

This part of the Town of Simsbury, Connecticut's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents	Page
Financial Trends	111-114
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.	
Revenue Capacity	115-117
These schedules contain information to help the reader assess the Town's most significant local revenue source, property taxes	
Debt Capacity	118-120
These schedules present information to help the reader assess the afford- ability of the Town's current level of outstanding debt and the Town's ability to issue additional debt in the future.	
Demographic and Economic Information	121-122
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.	
Operating Information	123-125
These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.	

TABLE 1

TOWN OF SIMSBURY, CONNECTICUT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
Net investment in capital assets	\$ 79,465,301	\$ 83,683,437	\$ 85,759,693	\$ 93,769,918	\$ 93,069,141	\$ 97,320,295	\$ 100,313,724	\$ 103,429,189	\$ 98,938,703	\$ 104,065,426
Unrestricted	<u>20,119,401</u>	<u>22,700,437</u>	<u>24,577,560</u>	<u>28,322,298</u>	<u>36,628,027</u>	<u>21,526,646</u>	<u>20,323,545</u>	<u>19,400,044</u>	<u>8,236,636</u>	<u>6,760,932</u>
Total Governmental Activities Net Position	<u>\$ 99,584,702</u>	<u>\$ 106,383,874</u>	<u>\$ 110,337,253</u>	<u>\$ 122,092,216</u>	<u>\$ 129,697,168</u>	<u>\$ 118,846,941</u>	<u>\$ 120,637,269</u>	<u>\$ 122,829,233</u>	<u>\$ 107,175,339</u>	<u>\$ 110,826,358</u>

* Restated for GASB 68

** Restated for GASB 75

**TOWN OF SIMSBURY, CONNECTICUT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
General government	\$ 3,062,056	\$ 2,842,450	\$ 2,497,684	\$ 6,305,823	\$ 2,343,479	\$ 2,205,896	\$ 1,977,419	\$ 2,786,959	\$ 2,851,855	\$ 2,634,618
Planning and development	1,843,702	1,552,148	1,793,475	1,079,098	960,662	596,042	1,173,028	617,505	1,363,689	1,660,834
Public safety	6,046,297	6,191,312	6,339,007	5,891,335	5,492,049	5,007,354	5,887,147	5,437,865	5,458,475	5,559,388
Facility management	8,081,543	8,254,369	8,687,612	8,719,270	8,934,586	8,266,613	9,017,445	10,847,069	13,455,187	8,530,110
Culture and recreation	5,018,286	5,163,162	8,306,430	5,309,507	5,203,432	5,137,622	5,150,210	5,204,380	5,696,882	5,862,399
Health and welfare	868,396	887,619	857,664	846,075	864,456	868,466	919,341	915,881	899,974	909,646
Board of Education	68,363,256	72,654,089	71,194,609	76,276,064	77,356,625	84,666,310	83,402,825	84,996,362	92,918,242	95,466,144
Debit service interest	1,722,911	1,525,754	1,514,343	1,212,643	1,199,014	1,019,312	797,900	645,311	854,362	553,117
Total Governmental Activities Expenses	<u>95,006,447</u>	<u>99,070,903</u>	<u>101,190,824</u>	<u>105,639,815</u>	<u>102,354,303</u>	<u>107,767,615</u>	<u>108,325,315</u>	<u>111,451,332</u>	<u>123,498,666</u>	<u>121,176,256</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	688,041	809,490	958,295	805,502	799,556	760,330	762,490	882,767	904,172	861,158
Planning and development	369,448	421,092	131,545	171,782	146,655	169,606	19,617	739,107	2,202	20
Public safety	264,779	366,510	321,284	279,202	278,247	311,044	254,006	276,530	312,583	287,766
Facility management	3,566,041	3,317,857	2,938,812	3,091,335	3,427,181	3,452,650	3,369,838	4,096,938	3,557,914	4,450,358
Culture and recreation	2,033,644	2,062,964	1,783,573	1,771,554	1,710,717	1,748,704	1,797,383	1,907,459	1,733,275	1,694,672
Health and welfare	182,981	172,778	16,366	19,691	14,335	8,675	2,320	2,876	1,464	365
Board of Education	5,835,826	1,536,343	1,558,283	1,477,515	1,263,693	1,139,274	1,160,212	869,848	878,295	979,761
Operating grants and contributions:										
General government	747,425	300,352	21,500	120,009	1,075,530	334,574	215,448	213,374	1,023,774	586,655
Planning and development	259,341	79,055		2,116,232	282,497	110,020	135,176	361,630	898,406	1,083,664
Public safety	1,621	128,765	98,309	29,856	31,083	12,173	34,435	29,229	54,129	5,593
Facility management	1,439,409	694,959	769,341	3,016,919	262,172	193,969	226,135	212,271	250,021	176,232
Culture and recreation			47,358	189,748	74,989	624,762	135,523	108,773	178,219	138,070
Health and welfare	53,504	50,367	229,442	189,658	248,981	237,750	209,240	236,228	204,394	192,154
Board of Education	8,413,878	14,331,851	14,171,150	15,801,559	16,125,579	17,681,269	15,783,990	17,177,726	22,786,889	24,230,927
Capital grants and contributions:										
General government		287,080								
Planning and development	1,120,342	1,027,750							350,000	30,495
Facility management		414,127		341,709	499,380	541,351	888,334	767,121	383,902	751,231
Culture and recreation	289,664	280,797	330,514		691,666					
Health and welfare		40,000	1,024,843							
Board of Education	1,169,220	626,844		958,286	451,140		64,872	17,128	72,604	
Total Governmental Activities Revenues	<u>26,435,164</u>	<u>26,948,981</u>	<u>24,400,615</u>	<u>30,380,557</u>	<u>27,383,401</u>	<u>27,326,151</u>	<u>25,059,019</u>	<u>27,899,005</u>	<u>33,592,243</u>	<u>35,469,121</u>
Total Governmental Activities Net Expense	<u>(68,571,283)</u>	<u>(72,121,922)</u>	<u>(76,790,209)</u>	<u>(75,259,258)</u>	<u>(74,970,902)</u>	<u>(80,441,464)</u>	<u>(83,266,296)</u>	<u>(83,552,327)</u>	<u>(89,906,423)</u>	<u>(85,707,135)</u>
General Revenues and Other:										
Changes in Net Position:										
Governmental activities:										
Property taxes	77,301,151	78,380,041	79,637,302	80,468,335	81,741,250	83,574,205	84,031,217	84,703,120	85,768,365	87,415,877
Grants and contributions not restricted to specific programs	396,487	396,805	491,076	332,042	315,020	333,164	307,788	197,363	195,890	187,541
Unrestricted investment earnings	281,164	144,248	215,881	120,712	54,591	71,233	(22,010)	336,375	120,444	387,674
Other general revenues, net			399,329	409,960	464,993	957,675	739,629	507,433	852,587	1,033,041
Total Primary Government	<u>77,978,802</u>	<u>78,921,094</u>	<u>80,743,588</u>	<u>81,331,049</u>	<u>82,575,854</u>	<u>84,936,277</u>	<u>85,056,624</u>	<u>85,744,291</u>	<u>86,937,286</u>	<u>89,024,133</u>
Change in Net Position:										
Total Governmental Activities	<u>\$ 9,407,519</u>	<u>\$ 6,799,172</u>	<u>\$ 3,953,379</u>	<u>\$ 6,071,791</u>	<u>\$ 7,604,952</u>	<u>\$ 4,494,813</u>	<u>\$ 1,790,328</u>	<u>\$ 2,191,964</u>	<u>\$ (2,969,137)</u>	<u>\$ 3,316,998</u>

TABLE 3

TOWN OF SIMSBURY, CONNECTICUT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Nonspendable	\$	\$	\$	\$	\$ 19,665	\$	\$	\$	\$ 14,663	\$ 61,835
Restricted	248,601	161,737	3,765	121,950	365,516	2,368				
Committed		290,000	324,311	267,341	400,120		639,000	427,598	385,000	385,000
Assigned	215,567	120,965	351,346	510,907	374,590	21,309	183,461	1,787,133	1,542,894	1,967,056
Unassigned	<u>8,000,965</u>	<u>8,679,564</u>	<u>9,577,204</u>	<u>9,696,310</u>	<u>10,840,687</u>	<u>11,611,521</u>	<u>11,870,091</u>	<u>11,247,572</u>	<u>12,272,378</u>	<u>14,380,222</u>
Total General Fund	<u>\$ 8,465,133</u>	<u>\$ 9,252,266</u>	<u>\$ 10,256,626</u>	<u>\$ 10,596,508</u>	<u>\$ 12,000,578</u>	<u>\$ 11,635,198</u>	<u>\$ 12,692,552</u>	<u>\$ 13,462,303</u>	<u>\$ 14,214,935</u>	<u>\$ 16,794,113</u>
All other governmental funds:										
Nonspendable	\$ 31,522	\$ 42,047	\$ 34,420	\$ 39,195	\$ 55,708	\$ 37,169	\$ 26,056	\$ 30,304	\$ 26,621	\$ 28,854
Restricted	841,806	998,223	1,009,517	1,256,034	1,387,975	1,724,023	1,454,961	1,599,957	1,341,471	1,181,529
Committed	248,601		2,234,192	8,012,674	11,181,861	10,317,052	12,701,558	10,145,328	14,923,557	9,505,284
Assigned	8,791,641	10,238,407	11,328,104	5,329,235						
Unassigned	<u>(175,476)</u>			<u>(5,539,929)</u>	<u>(255,602)</u>			<u>(705,063)</u>		<u>(656,795)</u>
Total All Other Governmental Funds	<u>\$ 9,738,094</u>	<u>\$ 11,278,677</u>	<u>\$ 14,606,233</u>	<u>\$ 9,097,209</u>	<u>\$ 12,369,942</u>	<u>\$ 12,078,244</u>	<u>\$ 14,182,575</u>	<u>\$ 11,070,526</u>	<u>\$ 16,291,649</u>	<u>\$ 10,058,872</u>

TABLE 4

**TOWN OF SIMSBURY, CONNECTICUT
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - GOVERNMENTAL FUNDS
LAST TEN YEARS
(Accrual Basis of Accounting)**

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Property taxes	\$ 77,284,675	\$ 78,212,280	\$ 79,548,406	\$ 80,548,378	\$ 81,850,788	\$ 83,460,141	\$ 83,958,850	\$ 84,535,118	\$ 85,638,921	\$ 87,613,101
Intergovernmental	18,695,408	18,417,973	15,798,207	23,037,449	19,910,015	19,289,241	17,879,660	19,293,730	26,100,771	27,218,096
Investment income (loss)	281,164	119,737	215,881	120,712	54,591	71,233	(22,010)	333,675	119,016	387,438
Charges for goods and services	3,854,100	4,458,581	4,345,779	4,165,901	3,970,212	3,826,011	3,766,179	3,738,193	3,637,248	3,641,451
Licenses and permits	363,346	425,563	279,740	527,210	546,348	708,824	675,091	1,175,709	459,719	1,233,813
Rental of town-owned property	3,816	4,161	2,748	595	163,356	171,087	151,472	137,767	132,302	144,562
Local revenues	365,735	355,767	447,574	409,679	103,093	577,789	69,800	78,642	238,217	285,858
Assessments	2,722,367	2,606,135	2,588,450	2,541,036	2,857,375	2,737,195	2,688,513	2,908,891	3,128,191	3,194,543
Other	787,707	803,687	759,832	739,684	918,044	1,577,753	1,173,651	859,538	1,277,022	1,308,689
Total revenues	104,358,318	105,403,884	103,986,617	112,090,644	110,373,822	112,419,274	110,341,206	113,061,263	120,731,407	125,027,551
Expenditures:										
Current:										
General government	2,239,167	2,003,567	1,913,540	5,674,412	1,964,048	2,199,199	2,205,494	2,245,328	2,210,896	2,285,031
Planning and development	1,517,056	1,213,872	807,450	3,177,802	844,237	704,150	491,362	551,342	1,276,962	803,785
Public safety	4,177,971	4,162,967	4,156,758	4,208,408	4,426,304	4,440,427	4,366,285	4,558,452	4,735,609	4,872,353
Facility management	5,408,842	5,543,118	5,893,233	5,975,632	5,671,060	5,862,713	5,727,133	5,690,540	5,855,240	6,124,464
Culture and recreation	4,005,692	3,959,615	4,177,239	4,165,021	4,047,226	4,263,907	4,091,607	4,210,600	4,330,256	4,383,763
Health and welfare	749,436	756,353	721,978	702,936	727,795	786,278	858,548	818,821	809,168	829,040
Fringe benefits and insurance	4,399,255	4,351,456	4,675,137	4,372,802	4,675,479	4,833,766	5,080,534	4,602,175	4,871,466	5,101,590
Education	68,976,132	71,467,509	71,649,955	73,986,774	75,661,224	78,987,017	76,446,257	78,891,667	85,375,951	88,463,108
Special projects	306,883	15,000								
Capital outlay	6,941,175	6,835,862	3,375,755	7,701,678	6,180,583	3,440,988	6,725,454	6,925,221	10,500,504	9,283,800
Debit service:										
Principal	6,527,597	5,709,008	5,753,087	5,871,345	5,879,971	6,453,974	6,533,165	6,043,138	6,178,314	5,173,903
Interest	1,950,348	1,678,746	1,573,248	1,508,161	1,257,711	1,103,933	947,530	866,277	864,972	980,049
Total expenditures	107,199,554	107,697,073	104,697,380	117,344,971	111,335,638	113,076,352	113,473,369	115,403,561	127,009,338	128,300,886
Excess (Deficiency) of Revenues over Expenditures	(2,841,236)	(2,293,189)	(710,763)	(5,254,327)	(961,816)	(657,078)	(3,132,163)	(2,342,298)	(6,277,931)	(3,273,335)
Other Financing Sources:										
Proceeds from capital lease										
Proceeds from sales of bonds		4,869,506	5,000,000	5,191,969	5,638,019		9,768,488		12,251,686	
Payments to escrow agents				(5,106,184)			(3,474,640)			
Proceeds from loans			42,679							
Total other financing sources	-	4,869,506	5,042,679	85,785	5,638,019	-	6,293,848	-	12,251,686	-
Net Change in Fund Balances	(2,841,236)	2,576,317	4,331,916	(5,168,542)	4,676,203	(657,078)	3,161,685	(2,342,298)	5,973,755	(3,273,335)
Fund Balance at Beginning of Year	20,795,862	17,954,626	20,530,943	24,862,859	19,694,317	24,370,520	23,713,442	26,875,127	24,152,565	30,126,320
Fund Balance at End of Year	\$ 17,954,626	\$ 20,530,943	\$ 24,862,859	\$ 19,694,317	\$ 24,370,520	\$ 23,713,442	\$ 26,875,127	\$ 24,532,829	\$ 30,126,320	\$ 26,852,985
Debt Service as a Percentage to Noncapital Expenditures	8.46%	7.32%	7.26%	6.50%	6.63%	6.92%	6.91%	6.91%	5.79%	5.15%

*Restated

TABLE 5

TOWN OF SIMSBURY, CONNECTICUT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(in Thousands of Dollars)

Fiscal Year	Real Property		All Land	Motor Vehicles	Personal Property	Tax Exempt Real Property Excluded	Total Taxable Assessed Value	Mill Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property								
2009	\$ 1,991,069	\$ 295,774	\$ 16,918	\$ 176,222	\$ 117,587	\$ 276,266	\$ 2,597,570	29.60	\$ 3,971,248	65.4 %
2010	1,999,922	296,264	24,478	165,121	111,801	280,231	2,597,586	30.10	3,674,499	70.7
2011	2,006,469	298,680	23,539	166,125	104,650	286,585	2,599,462	30.55	3,717,024	69.9
2012	2,009,423	300,156	21,457	171,793	96,697	298,661	2,599,526	30.86	3,617,413	71.9
2013	2,012,384	301,240	21,030	182,668	82,147	289,240	2,599,468	31.37	3,505,330	74.2
2014	1,697,766	260,396	17,465	179,800	79,240	301,195	2,234,667	37.29	3,481,281	64.2
2015	1,708,581	259,276	16,637	179,800	79,240	304,761	2,251,625	37.14	3,577,008	62.9
2016	1,714,665	258,610	15,617	184,456	95,823	300,668	2,268,971	37.00	3,586,050	63.3
2017	1,731,800	253,823	24,984	184,785	97,023	324,211	2,292,415	37.12	3,600,147	63.7
2018	1,749,693	224,283	29,170	190,931	83,777	331,443	2,277,854	38.76	3,670,051	62.1

Source: Town of Simsbury Assessor and State of Connecticut, Office of Policy and Management.

Note: The estimated actual taxable value is the Equalized Net Grand List as determined by the State of Connecticut, Office of Policy and Management. Properties in town are reassessed every five years per state statute. The last completed revaluation was for the fiscal year ended June 30, 2014. For the fiscal year ended 2014, the estimated actual taxable value is the sum of the real estate assessments divided 63.5%, plus the motor vehicle and personal property assessments divided by 70%.

TABLE 6

**TOWN OF SIMSBURY, CONNECTICUT
PRINCIPAL TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List	Taxable Assessed Value	Rank	Percentage of Gross Taxable Assessed Grand List
Connecticut Light & Power	\$ 29,781,190	1	1.31 %	\$ 15,415,300	6	0.59 %
E and A/I and I and G Commons LP	23,450,000	2	1.03	36,496,980	1	1.41
Executive Risk Indemnity Inc.	17,247,680	3	0.76	21,036,020	4	0.81
Eastpointe Dorset Crossing Owner LLC	15,155,000	4	0.67			
Hoffman Enterprises Limited Partnership	10,613,400	4	0.47			
Highcroft Simsbury LLC	9,995,200	6	0.44			
Mill Commons LLC	9,185,620	7	0.40			
Simsbury Commons North E&A LLC	8,864,800	8	0.39	10,012,980	7	0.39
Woodgreen Simsbury LLC	8,464,400	9	0.37			
Simsbury Hopmeadow Street LLC	7,973,970	10	0.35	16,300,479	5	0.63
Simsbury Assoc. Limited Partnership				29,865,500	2	1.15
Hartford Life and Accident Ins. Company				28,662,010	3	1.10
Powder Forest Homes LLC				9,072,437	8	0.35
McLean George P Estate				8,468,690	9	0.33
Ensign-Bickford Realty Corporation				7,889,930	10	0.30
	<u>\$ 140,731,260</u>		<u>6.18 %</u>	<u>\$ 183,220,326</u>		<u>7.05 %</u>

Source: Town Assessor's office

TABLE 7

TOWN OF SIMSBURY, CONNECTICUT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(In Thousands)

Fiscal Year	Taxes		Collected within the			Collections in Subsequent Years	Total				
	Levied for the Fiscal Year	Fiscal Year of the Levy	Fiscal Year of the Levy		Collections to Date						
			Amount	Percentage of Levy	Amount		Percentage of Levy				
2009	\$	76,960	\$	76,505	\$	99.41 %	\$	447	\$	76,952	99.99 %
2010		78,145		77,567		99.26		569		78,135	99.99
2011		79,341		78,850		99.38		477		79,327	99.98
2012		80,215		79,748		99.42		452		80,199	99.98
2013		81,566		81,090		99.42		452		81,542	99.97
2014		83,294		82,961		99.60		288		83,249	99.95
2015		83,747		83,403		99.59		288		83,691	99.93
2016		84,404		83,955		99.47		385		84,339	99.92
2017		85,482		85,008		99.45		275		85,283	99.77
2018		87,250		86,728		99.40				86,728	99.40

Source: Town Tax Collector office and Finance office

TABLE 8

**TOWN OF SIMSBURY, CONNECTICUT
RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET GENERAL BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt				Percentage of Actual Taxable Value of Property (1)	Percentage of Personal Income (2)	Per Capita				
	General Obligation Bonds		Clean Water Fund Loan	Total Primary Government							
	General Purpose	Schools									
2009	\$	11,435,616	\$	22,341,000	\$	19,331,886	\$	53,108,502	1.34%	1.34%	2.29
2010		11,792,263		21,975,000		18,445,218		52,212,481	1.42%	1.32%	2.25
2011		14,349,499		19,550,000		17,540,653		51,440,152	1.40%	1.30%	2.22
2012		12,168,024		16,815,000		16,617,830		45,600,854	1.23%	1.15%	1.95
2013		14,833,377		14,795,000		15,676,381		45,304,758	1.25%	1.14%	1.93
2014		12,448,221		11,800,279		14,715,929		38,964,429	1.11%	0.90%	1.66
2015		17,271,364		8,722,936		13,736,091		39,730,391	1.11%	0.90%	1.65
2016		13,807,003		5,888,215		12,736,475		32,431,693	0.88%	0.58%	1.30
2017		19,798,083		6,707,171		11,716,683		38,221,937	0.88%	0.58%	1.30
2018		17,382,173		4,756,389		10,676,307		32,814,869	0.89%	0.61%	1.32

(1) See Table 5 for taxable property value data.

(2) See Table 11 for personal income and population data.

TABLE 9

**TOWN OF SIMSBURY, CONNECTICUT
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year	Town of Simsbury General Fund			Simsbury Fire District	Total
	Operating Millage	Debt Service Millage *	Total Town Millage	Millage **	
2009	27.42	2.18	29.60	1.05	30.65
2010	27.96	2.14	30.10	1.05	31.15
2011	28.22	2.33	30.55	1.03	31.58
2012	28.54	2.32	30.86	1.02	31.88
2013	29.21	2.16	31.37	1.03	32.40
2014	34.69	2.60	37.29	1.22	38.51
2015	34.62	2.52	37.14	1.19	38.33
2016	34.89	2.23	37.12	1.19	38.31
2017	34.52	2.60	37.12	1.23	38.35
2018	36.35	2.41	38.76	1.23	39.99

* Debt service millage based on debt expenditures to total appropriations.

** The Simsbury Fire District has no debt

TABLE 10

**TOWN OF SIMSBURY, CONNECTICUT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 529,348,036	\$ 543,238,654	\$ 550,545,555	\$ 560,196,175	\$ 564,044,593	\$ 573,743,814	\$ 585,105,962	\$ 587,668,774	\$ 592,572,134	\$ 599,644,318
Total net debt applicable to limit	62,661,314	65,228,306	51,560,382	56,811,356	48,887,461	47,507,359	40,378,199	40,073,073	46,245,721	44,185,079
Legal Debt Margin	<u>\$ 466,686,722</u>	<u>\$ 478,010,348</u>	<u>\$ 498,985,173</u>	<u>\$ 503,384,819</u>	<u>\$ 515,157,132</u>	<u>\$ 526,236,455</u>	<u>\$ 544,727,763</u>	<u>\$ 547,595,701</u>	<u>\$ 546,326,413</u>	<u>\$ 555,459,239</u>
Total net debt applicable to the limit as a percentage of debt limit	11.84%	12.01%	9.37%	10.14%	8.67%	8.28%	6.90%	6.82%	7.80%	7.37%

Note: The State of Connecticut General Statutes require that in no event shall the total debt of the Town exceed seven (7) times the annual receipts from taxation. The calculation of the 2018 debt limit can be found on Schedule 4 of this report.

**TOWN OF SIMSBURY, CONNECTICUT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Education Level in Years of Schooling (1)							Unemployment Rate (3)
		Personal Income (Thousands of Dollars) (1)	Per Capita Personal Income (1)	Median Age (1)	Percentage of		School Enrollment (2)		
					High School Graduate or Higher	Bachelor's Degree or Higher			
2009	23,234	\$ 922,622	\$ 39,710	39.6	94.5	61.4	4,908	5.5 %	
2010	23,234	922,622	39,710	39.6	94.5	61.4	4,838	6.2	
2011	23,234	922,622	39,710	39.6	94.5	61.4	4,731	6.1	
2012	23,438	930,723	39,710	41.0	96.9	60.0	4,657	6.6	
2013	23,498	933,106	39,710	41.0	96.9	60.0	4,501	5.4	
2014	23,535	1,018,570	43,279	43.3	95.7	62.7	4,330	4.8	
2015	23,535	1,018,571	43,279	43.0	96.9	60.0	4,254	3.2	
2016	24,348	1,328,013	54,543	43.8	97.5	65.3	4,133	3.6	
2017	23,844	1,271,577	53,329	44.3	97.5	65.0	4,110	3.2	
2018	24,952	1,351,825	54,177	44.8	97.1	64.7	4,039	2.8	

Sources: Population, personal income, median age and education level provided by Town of Simsbury

(1) U. S. Census Bureau, American Community Survey (ACS), 5-Year Estimates.

(2) Simsbury, Board of Education.

(3) State of Connecticut, Department of Labor.

**TOWN OF SIMSBURY, CONNECTICUT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

	2018			2009		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
Simsbury Board of Education	641	1	2.57 %	666	2	5.64 %
McLean Home Care	500-999	2	2.00-4.00	463	3	3.92
Ensign-Bickford Companies	500-999	3	2.00-4.00	232	5	1.96
Wings Media Group	500-999	4	2.00-4.00			
Everest Global Svc	500-999	5	2.00-4.00			
Chubb	250-499	6	1.00-2.00	400	4	3.39
Hoffman Auto Group	250-499	7	1.00-2.00	144	8	1.22
The Hartford Life Insurance Co				3,000	1	25.41
Super Stop & Shop				170	6	1.44
Town of Simsbury				149	7	1.26
Michell of Simsbury				101	9	0.86
Hopmeadow Country Club				100	10	0.85
	<u>3141-5635</u>		<u>12.57-22.57 %</u>	<u>5,425</u>		<u>45.95 %</u>

Source: 2018 data: Connecticut Department of Labor and Connecticut Economic Resources Center, Inc.
Only 1-7 available, next category is employers with 100-249 employees, and there are a total of 19
in this category

2009 data: FY2008/09 Audit Report

TABLE 13

TOWN OF SIMSBURY, CONNECTICUT
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General government:										
Central administration	5.0	5.0	5.5	5.5	5.5	4.0	4.0	5.0	5.0	5.0
Finance	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Tax collector	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Assessor's	3.0	3.0	3.0	3.0	2.5	2.0	2.0	3.0	3.0	3.0
Town clerk	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Data Processing	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Public safety:										
Officers	38.0	38.0	38.0	36.0	36.0	36.0	35.0	35.0	35.0	36.0
Civilians	11.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Planning and development:										
Community development	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building	3.5	2.5	2.5	2.5	2.5	2.0	2.0	2.0	2.0	2.0
Engineering	2.8	2.8	1.8	1.5	1.5	1.0	1.0	2.0	2.0	3.0
Facilities management:										
Public works	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Buildings & maintenance	7.3	7.3	7.3	7.3	7.3	6.0	6.0	6.0	6.0	6.0
Highway	20.0	20.0	20.0	19.0	19.0	19.0	18.0	19.0	19.0	19.0
Sewer treatment plant	11.0	11.0	11.0	11.0	11.0	11.0	11.0	10.0	10.0	10.0
Social services	4.5	4.5	3.5	3.5	3.5	3.0	3.0	4.0	4.0	4.0
Public libraries***	17.8	17.8	17.8	17.8	17.3	13.0	13.0	14.0	14.0	14.0
Parks and recreation	17.0	17.0	17.0	17.0	17.0	15.0	15.0	17.0	17.0	18.0
Board of Education:										
Certified	387.8	391.6	390.2	390.9	400.7	401.0	405.0	399.0	408.0	416.0
Non-certified	253.6	262.3	259.5	252.2	247.8	248.0	249.0	271.0	247.0	250.0
Total	<u>799.3</u>	<u>809.8</u>	<u>804.1</u>	<u>793.2</u>	<u>797.6</u>	<u>788.0</u>	<u>791.0</u>	<u>814.0</u>	<u>799.0</u>	<u>813.0</u>

Source: Town of Simsbury and Simsbury Board of Education

TABLE 14

TOWN OF SIMSBURY, CONNECTICUT
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<u>General Government</u>										
Birth certificates issued	202	181	202	164	171	162	172	159	180	191
Death certificates issued	208	185	168	215	196	195	196	230	207	169
Marriage licenses issued	257	269	241	303	281	305	274	265	259	222
<u>Boards and Agencies</u>										
Registered voters	17,557	16,404	16,103	15,773	15,859	15,997	16,411	16,899	16,236	16,601
<u>Planning and Development</u>										
Building permits issued	784	719	877	861	676	681	766	573	575	483
Building department fees	1,168,936	369,966	1,121,573	606,216	651,959	497,889	485,902	247,760	394,080	334,404
Value of building permits (in thousand of dollars)	64,174	24,055	64,448	42,281	35,637	31,908	34,851	15,193	15,415	21,760
<u>Public Safety</u>										
Part I crimes	147	173	147	151	169	189	188	136	151	214
Motor vehicle accidents	548	622	584	615	651	510	625	723	661	724
Medical calls	1,708	1,659	1,669	1,559	1,544	1,430	1,444	1,370	1,300	1,216
Motor vehicle enforcement	3,367	3,767	3,985	3,757	2,980	3,167	3,940	4,394	4,740	5,242
Alarm responses	870	801	915	865	789	810	879	840	837	866
Total incidents	35,148	37,122	33,912	32,183	31,256	36,171	33,311	29,890	28,139	28,055
<u>Facility Management</u>										
Miles of roads maintained	164	164	164	164	164	164	164	163	163	163
<u>Public Libraries</u>										
Volumes in collection	131,738	136,436	150,553	152,567	147,540	153,179	152,592	154,307	145,078	156,000
Items circulated	363,437	376,364	389,691	396,836	426,575	461,477	477,650	479,791	462,232	461,113
Attendance	372,334	381,907	375,523	361,357	314,928	254,745	249,750	256,060	268,100	256,000
Events	1,528	1,447	1,631	1,573	1,100	1,010	1,117	1,061	954	708
<u>Human Services</u>										
Dial-a-ride passengers	8,105	8,576	9,275	9,704	9,405	9,768	10,525	9,352	7,848	8,625
Dial-a-ride traveled miles	42,851	44,864	46,195	49,066	48,799	50,342	52,537	47,827	43,014	45,101
<u>Education</u>										
Elementary schools	5	5	5	5	5	5	5	5	5	5
Middle schools	1	1	1	1	1	1	1	1	1	1
High schools	1	1	1	1	1	1	1	1	1	1

TABLE 15

TOWN OF SIMSBURY, CONNECTICUT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	FISCAL YEAR									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<u>Facility Management</u>										
Miles of town roads	164	164	164	164	164	164	164	163	163	163
Miles of sidewalks	8	8	8	8	8	8	8	8	8	8
Sanitary sewers (miles)	81	81	81	81	81	81	81	81	81	81
Storm sewers (miles)	55	55	55	55	55	55	55	55	55	55
Treatment capacity (thousands of gallons)	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800
<u>Parks and Recreation</u>										
Acreage	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815	5,815
Neighborhood parks	11	11	11	11	11	11	11	11	11	11
Playgrounds (including schools)	12	12	12	12	12	12	12	12	12	12
Swimming pools	6	6	6	6	6	6	6	6	6	6
Ice skating facilities	1	1	1	1	1	1	1	1	1	1
Public golf course	1	1	1	1	1	1	1	1	1	1
Tennis courts	17	17	17	17	17	17	17	17	17	17
Baseball fields	14	14	14	14	14	14	14	14	14	14
Basketball courts	2	2	2	2	2	2	2	2	2	2
Soccer fields	21	21	21	21	21	21	21	21	21	21
Football fields	2	2	2	2	2	2	2	2	2	2
<u>Health and Welfare</u>										
Community center	1	1	1	1	1	1	1	1	1	1
Dial-a-ride buses	2	2	2	2	2	2	2	2	2	2

Source(s): Various Town Departments