Board of Finance

Regular Meeting
July 21, 2026 – 5:45 p.m.
Simsbury Town Hall – Main Meeting Room
933 Hopmeadow Street

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

AGENDA

Call to Order

Pledge of Allegiance

Public Audience

Presentation: CliftonLarsonAllen

Finance Director's Report (Pages 1-8)

Vacancy Sub-Committee Update

Agenda Items

a) Budget Planning Discussion
b) Revaluation Selection Appointment
c) Policy Review (Pages 9-84)

Review of Minutes

d) June 16, 2026 Regular Meeting Minutes (Pages 85-91)

Communications

e) PCard Agreement Example (Pages 92-93)
f) Capital Improvement Project Request Form (Page 94)
g) Simsbury Performing Arts Center Band Shell Expansion Project Update (Pages 95-98)

Adjourn

Board of Finance Meeting Schedule:
8/18/26, 9/15/26, 10/20/26, 11/17/26, 12/15/26, 1/12/27

Marc S. Nelson, MPA
Town Manager

Amy Meriwether
Director of Finance/Treasurer

FINANCE DEPARTMENT

MEMORANDUM

To: Board of Finance
From: Amy Meriwether, Finance Director/Treasurer
cc: Marc Nelson, Town Manager
Date: July 21, 2026
Subject: Finance Director's Report

Fiscal Year 2025/2026 Approved Supplemental Appropriations

Below is a listing of supplemental appropriations approved by the Board of Selectmen and the Board of Finance as of June 30, 2026:

- Aquarion Paving Funds - $196,000
- Eno Memorial Hall Parking Lot - $110,000
- 15 Sugar Loaf Cut Improvements - $100,000
- State of CT Early Voting - $17,467
- Public Works Crew Leader Truck - $63,100
- Simsbury Clubhouse Hot Water Heater - $10,000

Total Supplemental Appropriations - $496,567 or 0.39% of the FY25/26 adopted budget

Fiscal Year 2025/2026 Tax Abatements

Below is listing of approved abatements and fiscal impact for the period ending June 30, 2026:

Entity	Address	Assessment Reduction	Tax Reduction	Abatement Year
Solectran	690 Hopmeadow	1,696,881	56,031	5 of 10
Ensign Bickford	632 Hopmeadow	1,366,717	45,129	5 of 10
Totals		**3,063,598**	**101,160**	

Fiscal Year 2025/2026 Grants Applications and Awards

Below is a chart of all grant applications and their current status as of June 30, 2026:

Grant Application	Amount	Status
Enhanced Dial A Ride Grant	35,367	Awarded
Youth Service Bureau	32,272	Awarded
State of CT Early Voting Grant	17,467	Awarded
FY26 Greater Hartford Transit District Dial A Ride Grant	6,660	Awarded
Aging & Disability Commission's Souper Thursday	5,000	Awarded
Tai Ji Quan Moving for Better Balance Grant	2,880	Awarded
Simsbury Greater Together Community Grant - Souper Thursday Program	7,500	Denied
Connecticut Humanities Quick Grant	2,017	Denied
CRCOG LOTCIP Grant - County Rd/Hoskins Rd Intersection Improvements	1,300,000	Pending
CT DEEP 2025 Recreational Trails Grant	248,000	Pending

Fiscal Year 2025/2026 Savings Initiatives

Police Department

- Bullet Proof Vest Grant anticipated to yield savings of approximately $10,500
- Reduced the cost for uniform cleaning by approximately $10,000 moving to a uniform cleaning services instead of a monetary distribution.
- Most of the patrol fleet has been converted from combustion to hybrid cruisers and we continue to see a reduction in gallons of gas. Although overall department total gallon usage is not a true measure of savings due to combustion versus hybrid vehicles, it is an indicator. We have further data that shows a significant reduction in miles per gallon between the two types. The hybrids are getting on average 4-5 more miles per gallon and the idle times are drastically reduced with the hybrid vehicles. The police budget in FY26 is for 3 hybrids to replace the last of the combustion engines. We also plan to have the 2025 model cost and not the 2026 model cost.

Human Resources

- Transitioned retiree health benefits from Anthem to Retiree First. Monthly expenditures reduced from $25K/month to $17K/month.

Library

- Through partnerships, collaborations and the use of volunteers to present programs, the Library saved over $56,000 in program costs.
- The Library's membership in the CT Library Consortium (CLC) (annual dues of $971) saved the Library $54,170 in FY 2024/2025 with purchases made through CLC's negotiated contracts. (Data just made available)

Public Works

- New salt bids came out at the end of June which were considerably higher than the fiscal year 2025/2026 contract. Staff was able to pre-purchase salt using the 2025/2026 contract which resulted in $7,100 of savings.

Pooled Investments

The Town's pooled cash deposit balance as of June 30, 2026 was $5,041,905.03. As of month-end, the investment balances for all funds combined were as follows:

Type of Investment	Amount	Rate	Maturity Date
CT STIF	$ 10,784,727.65	3.72%	N/A
NW - Money Market	$ 10,094,082.30	3.76%	N/A
Liberty - Money Market	$ 17,921,569.83	3.70%	N/A
TOTAL:	**$ 38,800,379.78**		

Financial Summary as of June 30, 2026 (NOT FINAL – INFORMATIONAL POINT IN TIME ONLY)

Attached for review is the General Fund revenue and expenditure budget status report as of June 30, 2026. This financial information is not representative of final year-end results. It is preliminary and only represents a point in time.

GENERAL FUND REVENUE FINANCIAL COMPARISON

Description	FY2026 ORIGINAL BUDGET	FY2026 AMENDED BUDGET	FY2026 ACTUAL As of 6/30/26 (NOT FINAL)	$ Variance	% Recvd	6/30/2025 % Recvd (NOT FINAL)	Notes (Prior Year Comparison)
GENERAL GOVERNMENT							
TOWN MANAGER'S OFFICE	353,331	353,331	419,581	66,250	118.75%	109.77%	Increased funding for State owned property and telephone access grant funding
TOTAL GENERAL GOVERNMENT	**353,331**	**353,331**	**419,581**	**66,250**	**118.75%**	**109.77%**	
BOARDS & COMMISSIONS							
LAND USE COMMISSION	20,000	20,000	25,698	5,698	128.49%	115.31%	Increased payments in the current year
TOTAL BOARDS & COMMISSIONS	**20,000**	**20,000**	**25,698**	**5,698**	**128.49%**	**115.31%**	
TOWN CLERK							
TOWN CLERK	652,520	652,520	852,590	200,070	130.66%	93.52%	Increased payments in the current year for conveyance taxes
TOTAL TOWN CLERK	**652,520**	**652,520**	**852,590**	**200,070**	**130.66%**	**93.52%**	
INFORMATION TECHNOLOGY							
INFORMATION TECHNOLOGY	208,013	208,013	203,013	(5,000)	97.60%	100.00%	
TOTAL INFORMATION TECHNOLOGY	**208,013**	**208,013**	**203,013**	**(5,000)**	**97.60%**	**100.00%**	
FINANCE							
TAX DEPARTMENT	112,547,282	112,547,282	113,346,703	799,421	100.71%	101.15%	
FINANCE DEPARTMENT	2,325,945	2,325,945	2,983,288	657,343	128.26%	132.71%	Higher interest rates in the prior year
ASSESSOR'S OFFICE	6,000	6,000	4,526	(1,474)	75.44%	71.45%	
TOTAL FINANCE	**114,879,227**	**114,879,227**	**116,334,517**	**1,455,290**	**101.27%**	**101.87%**	
PLANNING & BUILDING							
BUILDING DEPARTMENT	900,000	900,000	1,394,723	494,723	154.97%	175.24%	September and October 2024 permit fees totaled $428,003 for larger projects
TOTAL PLANNING & BUILDING	**900,000**	**900,000**	**1,394,723**	**494,723**	**154.97%**	**175.24%**	
PUBLIC SAFETY							
POLICE DEPARTMENT	240,575	240,575	233,728	(6,847)	97.15%	104.01%	
ANIMAL CONTROL	100	100	285	185	285.00%	47.00%	Increased animal control fines in the current year
TOTAL PUBLIC SAFETY	**240,675**	**240,675**	**234,013**	**(6,662)**	**97.23%**	**103.89%**	
PUBLIC WORKS							
ENGINEERING	25,050	25,050	29,664	4,614	118.42%	136.92%	Increased fees in the prior year
ENO MEMORAL HALL	3,000	3,000	8,065	5,065	268.83%	480.00%	Increased building rentals in the prior year
HIGHWAY DEPARTMENT	3,250	3,250	-	(3,250)	0.00%	236.60%	Increased fees in the prior year
TOTAL PUBLIC WORKS	**31,300**	**31,300**	**37,729**	**6,429**	**120.54%**	**159.69%**	
COMMUNITY & SOCIAL SERVICES							
ELDERLY/HANDICAPPED TRANSPORT	42,037	42,037	36,867	(5,170)	87.70%	100.00%	Timing of DOT grant payment
TOTAL COMMUNITY & SOCIAL SERVICES	**42,037**	**42,037**	**36,867**	**(5,170)**	**87.70%**	**100.00%**	
LIBRARY							
LIBRARY	15,800	15,800	18,223	2,423	115.34%	88.47%	Total payments consistent year to year, budget decreased in the current year
TOTAL LIBRARY	**15,800**	**15,800**	**18,223**	**2,423**	**115.34%**	**88.47%**	

Description	FY2026 ORIGINAL BUDGET	FY2026 AMENDED BUDGET	FY2026 ACTUAL As of 6/30/26 (NOT FINAL)	$ Variance	% Recvd	6/30/2025 % Recvd (NOT FINAL)	Notes (Prior Year Comparison)
PARKS & RECREATION							
PARKS & RECREATION	225,215	225,215	225,215	(0)	100.00%	100.00%	
COMMUNITY GARDENS	5,200	5,200	4,069	(1,131)	78.25%	71.48%	
MEMORAL POOLS & FIELDS	11,500	11,500	16,923	5,423	147.16%	97.72%	Increased memorial pool receipts in the prior year
TOTAL PARKS & RECREATION	**241,915**	**241,915**	**246,207**	**4,292**	**101.77%**	**99.28%**	
EDUCATION							
BOARD OF EDUCATION	8,626,737	8,626,737	8,397,588	(229,149)	97.34%	102.46%	
TOTAL EDUCATION	**8,626,737**	**8,626,737**	**8,397,588**	**(229,149)**	**97.34%**	**102.09%**	
INSURANCE							
INSURANCE REFUNDS	-	-	58,304	58,304	#DIV/0!	#DIV/0!	Payment not budgeted for
TOTAL INSURANCE	**-**	**-**	**58,304**	**58,304**	**#DIV/0!**	**#DIV/0!**	
INTERGOVERNMENTAL							
TRANSFER IN - BELDEN TRUST	28,930	28,930	36,090	7,160	124.75%	100.00%	
TRANSFER IN - SOCIAL SERVCES SRF	180,000	180,000	180,000	-	100.00%	0.00%	
TRANSFER IN - SIMSBURY FARMS FUND	95,225	95,225	95,225	-	100.00%	0.00%	
TRANSFER IN - CAPITAL PROJECT FUNDS	182,128	182,128	182,128	-	100.00%	100.00%	
TRANSFER IN - CAPITAL RESERVE FUND	1,304,132	1,304,132	1,304,132	-	100.00%	100.00%	
TOTAL INTERGOVERNEMENTAL	**1,790,414**	**1,790,414**	**1,797,574**	**7,160**	**100.40%**	**64.99%**	
TOTAL GENERAL FUND REVENUES	**128,001,969**	**128,001,969**	**130,056,626**	**2,054,658**	**101.61%**	**102.12%**	

GENERAL FUND EXPENDITURE FINANCIAL COMPARISON

Description	FY2026 ORIGINAL BUDGET	FY2026 AMENDED BUDGET	FY2026 ACTUAL As of 6/30/26 (NOT FINAL)	$ Variance	% Spent	6/30/2025 % Spent (NOT FINAL)	Notes (Prior Year Comparison)
GENERAL GOVERNMENT							
TOWN MANAGER'S OFFICE	397,365	408,572	415,383	(6,811)	101.67%	94.86%	
HUMAN RESOURCES	305,473	311,931	255,544	56,387	81.92%	0.00%	New department in current year
HEALTH DEPARTMENT	190,890	190,890	187,148	3,743	98.04%	100.00%	
LEGAL SERVICES	171,000	171,000	151,958	19,042	88.86%	143.79%	Increased expenditures in the prior year from negotiations
GENERAL GOVERNMENT	175,346	175,346	149,830	25,516	85.45%	72.15%	Dues & subscriptions expenditures moved from Community Services budget and paid out
TOTAL GENERAL GOVERNMENT	**1,240,074**	**1,257,739**	**1,159,863**	**97,876**	**92.22%**	**100.23%**	
BOARDS & COMMISSIONS							
ECONOMIC DEVELOPMENT COMMISSION	93,150	93,150	92,500	650	99.30%	84.45%	Increased public agency support in the current year but budget was decreased
BOARD OF FINANCE	59,660	59,660	55,043	4,617	92.26%	96.36%	
LAND USE COMMISSION	14,650	14,650	10,789	3,861	73.64%	57.09%	Expenditure comparable from year to year, budget decreased
BEAUTIFICATION COMMITTEE	6,000	6,000	4,039	1,961	67.32%	54.44%	Increased expenditures in the current year for water
DEI COUNCIL	4,550	4,550	3,650	900	80.21%	353.50%	Increased expenditures in the prior year for contractual services
PUBLIC BUILDING COMMISSION	2,000	2,000	572	1,428	28.61%	31.51%	
AGING & DISABILITY COMMISSION	7,250	7,250	9,446	(2,196)	130.29%	120.00%	
POLICE COMMISSION	750	750	-	750	0.00%	4.00%	
PARKS & REC COMMISSION	750	750	142	608	18.87%	0.00%	No expenditures in the prior year
TOTAL BOARDS & COMMISSIONS	**188,760**	**188,760**	**176,181**	**12,579**	**93.34%**	**90.29%**	
SELECTMEN - COMMUNITY SERVICES							
COMMUNITY SERVICES	242,358	247,358	234,306	13,052	94.72%	85.69%	Dues & Subscriptions expenditures moved to General Government budget in the current year.
TOTAL SELECTMEN - COMMUNITY SERVICES	**242,358**	**247,358**	**234,306**	**13,052**	**94.72%**	**85.69%**	
PROBATE							
REGIONAL PROBATE COURT	13,874	13,874	13,205	669	95.18%	100.00%	
TOTAL PROBATE	**13,874**	**13,874**	**13,205**	**669**	**95.18%**	**100.00%**	
ELECTION ADMINSTRATION							
ELECTION ADMINISTRATION	183,783	183,783	175,394	8,389	95.44%	93.81%	
TOTAL ELECTION ADMINSTRATION	**183,783**	**183,783**	**175,394**	**8,389**	**95.44%**	**93.81%**	
TOWN CLERK							
TOWN CLERK	294,904	301,235	287,701	13,534	95.51%	94.52%	
TOTAL TOWN CLERK	**294,904**	**301,235**	**287,701**	**13,534**	**95.51%**	**94.52%**	
INFORMATION TECHNOLOGY							
INFORMATION TECHNOLOGY	547,615	555,926	500,531	55,395	90.04%	93.58%	
TOTAL INFORMATION TECHNOLOGY	**547,615**	**555,926**	**500,531**	**55,395**	**90.04%**	**93.58%**	
FINANCE							
FINANCE DEPARTMENT	639,191	668,061	656,237	11,824	98.23%	97.93%	

Description	FY2026 ORIGINAL BUDGET	FY2026 AMENDED BUDGET	FY2026 ACTUAL As of 6/30/26 (NOT FINAL)	$ Variance	% Spent	6/30/2025 % Spent (NOT FINAL)	Notes (Prior Year Comparison)
ASSESSOR'S OFFICE	411,988	420,043	382,899	37,144	91.16%	88.46%	
TAX DEPARTMENT	201,300	205,022	191,137	13,885	93.23%	90.52%	
TOTAL FINANCE	**1,252,479**	**1,293,126**	**1,230,273**	**62,853**	**95.14%**	**93.49%**	
PLANNING & BUILDING							
PLANNING DEPARTMENT	429,777	441,116	417,902	23,214	94.74%	92.17%	
BUILDING DEPARTMENT	333,502	340,496	347,626	(7,130)	102.09%	87.37%	Fully staffed in the current year
TOTAL PLANNING & BUILDING	**763,279**	**781,612**	**765,528**	**16,084**	**97.94%**	**90.11%**	
PUBLIC SAFETY							
POLICE DEPARTMENT	6,157,228	6,017,558	5,714,418	303,140	94.96%	95.51%	
DISPATCH	615,550	615,550	573,964	41,586	93.24%	97.51%	
ANIMAL CONTROL	80,166	82,084	58,096	23,988	70.78%	88.69%	Staff vacancy in the current year
EMERGENCY MANAGEMENT	73,012	73,012	73,043	(31)	100.04%	88.76%	Increased tech and program supply purchases in the current year offset by a decreased budget
TOTAL PUBLIC SAFETY	**6,925,956**	**6,788,204**	**6,419,520**	**368,684**	**94.57%**	**95.56%**	
PUBLIC WORKS							
HIGHWAY DEPARTMENT	3,223,578	3,434,167	3,462,498	(28,331)	100.82%	99.77%	
BUILDINGS & MAINTENANCE	576,848	589,665	576,720	12,945	97.80%	101.85%	
ENGINEERING	370,614	377,835	339,585	38,250	89.88%	92.20%	Increased use of consultant in the prior year
PUBLIC WORKS ADMINISTRATION	384,340	393,811	386,094	7,717	98.04%	92.50%	
TOWN OFFICE BUILDINGS	208,100	208,100	175,874	32,226	84.51%	107.03%	Budget increased, expenditures decreased compared to the prior year
LIBRARY	196,501	196,501	150,916	45,585	76.80%	93.06%	Budget increased, expenditures decreased compared to the prior year
ENO MEMORAL HALL	104,841	104,841	93,703	11,139	89.38%	94.33%	Budget increased, expenditures decreased compared to the prior year
OTHER BUILDINGS	49,343	49,343	40,156	9,187	81.38%	94.54%	Budget increased, expenditures consistent from year to year
LANDFILL	87,000	87,000	94,375	(7,375)	108.48%	91.64%	Increased household hazardous waste expenditures
TOTAL PUBLIC WORKS	**5,201,164**	**5,441,263**	**5,319,919**	**121,343**	**97.77%**	**98.70%**	
COMMUNITY & SOCIAL SERVICES							
SOCIAL SERVICES ADMINISTRATION	358,351	365,842	355,450	10,392	97.16%	97.17%	
SENIOR CENTER SERVICES	174,247	177,987	175,918	2,069	98.84%	93.19%	
TRANSPORTATION SERVICES	182,409	182,409	197,333	(14,924)	108.18%	102.16%	Increased Enhanced Dial A Ride payments in the current year
TOTAL COMMUNITY & SOCIAL SERVICES	**715,007**	**726,238**	**728,701**	**(2,463)**	**100.34%**	**97.43%**	
LIBRARY							
LIBRARY	1,824,821	1,863,583	1,812,645	50,938	97.27%	93.82%	
TOTAL LIBRARY	**1,824,821**	**1,863,583**	**1,812,645**	**50,938**	**97.27%**	**93.82%**	
PARKS & RECREATION							
PARKS & OPEN SPACE	1,156,841	1,178,392	1,153,614	24,778	97.90%	95.32%	
MEMORIAL POOL	95,225	95,225	120,795	(25,570)	126.85%	75.37%	Sewer use fees paid in July in the prior year, not yet in the current year
RECREATION ADMINISTRATION	77,648	82,964	76,743	6,221	92.50%	95.76%	
MEMORIAL FIELD	42,041	42,041	31,098	10,943	73.97%	81.85%	
TOTAL PARKS & RECREATION	**1,371,756**	**1,398,622**	**1,382,251**	**16,372**	**98.83%**	**93.61%**	

Description	FY2026 ORIGINAL BUDGET	FY2026 AMENDED BUDGET	FY2026 ACTUAL As of 6/30/26 (NOT FINAL)	$ Variance	% Spent	6/30/2025 % Spent (NOT FINAL)	Notes (Prior Year Comparison)
EDUCATION							
BOARD OF EDUCATION	88,823,111	88,823,111	88,717,627	105,484	99.88%	100.00%	
TOTAL EDUCATION	**88,823,111**	**88,823,111**	**88,717,627**	**105,484**	**99.88%**	**100.00%**	
EMPLOYEE BENEFITS							
EMPLOYEE BENEFITS	7,830,160	7,804,160	7,770,205	33,955	99.56%	99.47%	
TOTAL EMPLOYEE BENEFITS	**7,830,160**	**7,804,160**	**7,770,205**	**33,955**	**99.56%**	**99.47%**	
INSURANCE							
LIABILITY INSURANCE	519,523	534,523	561,228	(26,705)	105.00%	98.61%	Heart & hypertension settlement in the current year
TOTAL INSURANCE	**519,523**	**534,523**	**561,228**	**(26,705)**	**105.00%**	**98.61%**	
TRANSFERS							
TRANSFER OUT - SIMSBURY FARMS	151,715	151,715	151,715	-	100.00%	100.00%	
TRANSFER OUT - MSP SENIOR FUND	10,480	10,480	10,480	-	100.00%	100.00%	
TRANSFER OUT - YOUTH SERVICE BUREAU	8,000	8,000	8,000	-	100.00%	100.00%	
TRANSFER OUT - ATHLETICS FIELDS	2,250	2,250	2,250	-	100.00%	100.00%	
TRANSFER OUT - SIMSBURY CELEBRATES	5,300	5,300	5,300	-	100.00%	100.00%	
CONTINGENCY RESERVE	264,493	-	-	-	#DIV/0!	0.00%	
CONTINGENCY VACANCY	(350,000)	(350,000)	-	(350,000)	0.00%	0.00%	
TRANSFER OUT - CNR	416,250	416,250	416,250	-	100.00%	100.00%	
TOTAL TRANSFERS	**508,488**	**243,995**	**593,995**	**(350,000)**	**243.45%**	**243.45%**	
DEBT SERVICE							
PRINCIPAL	7,103,207	7,103,207	6,930,000	173,207	97.56%	102.03%	
INTEREST	2,451,650	2,451,650	2,229,625	222,025	90.94%	93.06%	
TOTAL DEBT SERVICE	**9,554,857**	**9,554,857**	**9,159,625**	**395,232**	**95.86%**	**99.79%**	
TOTAL GENERAL FUND EXPENDITURES	**128,001,969**	**128,001,969**	**127,008,700**	**993,269**	**99.22%**	**99.51%**	

Board of Finance
Agenda Item Submission

1. **Title of Submission:** Policy Review

2. **Date of Board Meeting:** July 21, 2026

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

4. **Action Requested of the Board of Finance:**
   Board of Finance review and approval in accordance with the updated policies attached to this document.

5. **Summary of Submission:**
   Policy review on a regular basis ensures the Town's policies remain effective and in compliance with best practice. The Board of Finance has gone through several policies over the last few years and made various updates. Attached is a complete indexing of all Finance policies for annual review by and potential update at the Board's discretion.

   Staff is requested Board of Finance review of the proposed updates for comment and feedback.

6. **Financial Impact**:
   None

7. **Description of Documents Included with Submission:**
   - Finance Policy Index
   - Board of Finance Rules of Procedure
   - Purchasing Policy and Ordinance
   - Capital Planning & Financing Policy
   - Debt Management Policy
   - Fund Balance Policy
   - Town Funds Investment Policy
   - Defined Benefit Plan Pension Investment Policy
   - Defined Contribution Plan Investment Policy
   - OPEB Trust Investment Policy
   - Board of Education Non-Lapsing Policy
   - Policy for Amending the Budget, Budgetary Transfers and Supplemental Appropriations
   - Structurally Balanced Budget Policy

Town of Simsbury
Finance Policy Index

Policy	Last Date of Revision	Last Date of Review
Board of Finance Rules of Procedure	May 2026	May 2026
Purchasing Policy & Ordinance	January 2021	September 2025
Capital Planning & Financing Policy	November 2025	November 2025
Debt Management Policy	March 2021	September 2025
Fund Balance Policy	November 2025	November 2025
Town Funds Investment Policy	August 2022	September 2025
Defined Benefit Plan Pension Investment Policy	October 2022	September 2025
Defined Contribution Plan Investment Policy	May 2021	September 2025
OPEB - Retiree Health Care Trust Investment Policy	September 2022	September 2025
BOE Non-Lapsing Policy	March 2015	September 2025
Budgetary Transfers & Supplemental Appropriations	September 2021	September 2025
Structurally Balanced Budget Policy	August 2022	September 2025

TOWN OF SIMSBURY
BOARD OF FINANCE RULES OF PROCEDURE
Adopted by the Board of Finance on January 21, 2020
Reviewed by the Board of Finance on September 25, 2024
Revised by the Board of Finance on September 16, 2025
Revised by the Board of Finance on May 19, 2026

BE IT RESOLVED, that the Board of Finance adopts the following rules of procedure:

1. The Board of Finance (Board) adopts Robert's Rules of Order as a general guide for the conduct of all regular and special meetings. Additionally, the Board will conduct its business in accordance with all other applicable rules and regulations including the Connecticut General Statutes and the Town Charter.

2. A biennial organizational meeting of the Board will be held on the first regularly scheduled meeting following the date on which newly elected Board members take the oath of office. The organizational meeting will be called to order by the Chairperson or the Vice-Chairperson, in that order of priority, provided one of these officers is still a member of the Board. If none ofthe Board officers from the preceding year is presently a member of the Board, any Board member present may call the meeting to order. A temporary Chairperson will be chosen by a majority of those members present. The temporary Chairperson will preside until a successor is elected. The newly elected Chairperson will take office upon election and preside over the elections of the Vice-Chairperson.

3. If such officers are not chosen within one month after the appointment or election of The Board because of a tie vote of the members, the two leading contenders may agree to be co-chairs, sharing responsibilities equally. If they do not agree to such co-chairmanship, the Board of Selectmen shall choose such officers from the membership of the Board, pursuant to C.G.S. Chapter 106, Sec. 7-342. If the Board of Selectmen also fails to elect such officers due to a tie vote of its members, the two leading contenders shall flip a coin to determine which shall be chair. The other shall be vice chair.

4. In the event of a mid-term vacancy in the position of either Chair or Vice-Chair, an election shall be held at the next regularly scheduled meeting to fill such vacancy. The duly published notice for such meeting shall include the election as the first agenda item. Following the protocol in items 2 & 3 above, a successor shall be elected.

5. At all meetings of the Board, four members shall constitute a quorum and the concurrence of three votes shall be necessary for the transaction of business.

6. When possible, the agenda along with relevant resource material will be distributed to the Board members three (3) to seven (7) days prior to the meeting. Items not specifically included on the agenda may be included by a 2/3 vote of those present and voting.

   From time to time, the Board may schedule special meetings or regular meetings devoted to a particular topic or topics. In accordance with Connecticut General Statutes, no items will be added to a special meeting agenda.

7. A member of the Board may have an item placed on the agenda by contacting the Chairperson at least (7) days prior to the meeting.

8. All Board of Finance regular and special meetings shall include a public audience period at the beginning of the meeting, providing any member of the public an opportunity to speak for three (3) minutes. Any resident so speaking shall identify him/herself by name and address and if he/she is representing a group or

organization, he/she may so state. The Chair may, at his or her discretion, recognize specific members of the public for participation on an agenda item under discussion, if he or she feels that member of the public has knowledge or input of value to the board.

9. Members of the Board may participate by telephone or similar electronic means when physically unable to attend.

10. The Board may, from time to time, vote to establish temporary subcommittees consisting of both Board members and non-board members, to investigate items, provide analysis and make recommendations to the board.

11. The Board shall review and re-adopt or revise all Board of Finance policies at least every 5 years.

12. In accordance with Chapter 14, Section 1-225 of the CGS, entitled Freedom of Information Act, the votes of each member of the Board of Finance shall be recorded in the minutes and made available to the public. A draft of the minutes shall be available to the public within 7 days. The minutes shall be posted on the town's website when available.

TOWN OF SIMSBURY
PURCHASING PROCEDURES AND GUIDELINES
Adopted by the Board of Finance on November 14, 2018
Revised by the Board of Finance on January 19, 2021
Revised by the Board of Finance on September 25, 2024
Revised by the Board of Finance on September 16, 2025

I. Purpose

The purpose of this policy is to ensure that the Town of Simsbury obtains the highest quality of desired goods and services at the most competitive price. Further, this policy aims to streamline the procurement process while maintaining adequate internal controls.

II. Applicability

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

III. Effective Date

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

IV. Policy

A. Purchasing Agent

The Finance Director or his/her designee shall serve as the purchasing agent for the Town of Simsbury. He/she shall be responsible for the procurement of all goods and services as outlined in Chapter A161 of the Code of the Town of Simsbury. The Town Manager or his/her designee shall also be responsible for signing all contracts awarded to a vendor.

B. Competitive Quotes/Bid Thresholds

All purchases between $10,000 - $25,000 shall have quotes solicited from at least two (2) vendors. Vendor quotes can be written or verbal.

Bids shall be issued for purchases in excess of $25,000 and require a formal written contract unless the Town can take advantage of a regional, state, local government or cooperative agency contract. This applies to annual orders (items purchased on volume basis) as well.

Bid bonds will be evaluated as part of the bid process. The department head, in conjunction with the Finance Director, will determine if the inclusion of a bid bond is in the best interest of the town.

A request for qualifications along with a request for proposal shall be issued for professional services (i.e. legal, engineering, architectural, etc.) contracts in excess of $50,000 unless the Town can take advantage of a regional, State or cooperative agency contract.

Bid procedures outlined herein can be waived at any time if it is deemed to be in the best interest of the Town of Simsbury by the Finance Director and the Town Manager. All waivers shall be reported to the Board of Selectmen at the next regularly scheduled meeting for review.

Federal Grant Requirement: Bids shall be issued for purchases in excess of $10,000 (or most recent update to the 2 CFR 200.318 – General Procurement Standards included in the Code of Federal Regulations)

Federal Grant Requirement: Statement of Responsibility – The Town is responsible, in accordance with good administrative practice and sound business judgement, for the settlement of all contractual and administrative issues arising out of procurements.

Federal Grant Requirement: If any prequalified list of persons, firms, or products are used in acquiring goods and services, they must be current and include enough qualified sources to ensure maximum open and free competition.

Federal Grant Requirement: All necessary affirmative steps must be taken to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

Federal Grant Requirement: An independent cost or price analysis must be performed in connection with every procurement action in excess of the Simplified Acquisition Threshold (currently set at $3,000)

C. Contracts and Credit Applications

All credit applications shall be completed and signed by only the Finance Director or his/her designee. All vendor contracts shall be completed and signed by the Town Manager or his/her designee.

It is the responsibility of the department head and Finance Director to ensure that contractors perform in accordance with the terms, conditions and specifications in their contracts or purchase orders.

D. Conflicts of Interest

A conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

Any conflict of interest must be disclosed in writing to the Finance Director. The conflict statement will be reviewed by the Finance Director as well as the Town Manager and a determination will be made as to whether to proceed with the respective vendor and formalized in writing.

If the conflict of interest resides with the Finance Director or Town Manager, the Deputy Town Manager will assist in the review and final determination as to whether to proceed with respective vendor.

Federal Grant Requirement: No employee, officer, or agent must participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest (as defined above).

E. Vendor Selection

The following considerations shall be evaluated during the process of vendor selection:

- The Town is encouraged to take advantage of the lowest possible price while obtaining the highest quality products and services.

- The Town shall ensure the selected vendor is able to provide the products/services in a timely manner.

- The acquisition of unnecessary or duplicative items must be avoided. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

- The Town is encouraged to use refurbished, excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

- The Town is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

- Contracts shall only be awarded to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

- Local Vendor Benefit – If any Simsbury based vendor responds to a bid notice and comes within 5% of the lowest bidder, all qualifications considered equal, the local based vendor will be allowed the opportunity to adjust their bid to match that of the lowest bidder.

- *Federal Grant Requirement:* The Town may use time and material type contracts only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk.

- *Federal Grant Requirement:* For all infrastructure projects after May 14, 2022, all iron, steel, manufactured products, and construction materials used in covered infrastructure projects are required to be produced in the United States in accordance with the Build America Buy America Act.

F. Grant Funded Purchases

All purchases utilizing grant funds shall follow the Town purchasing policies and procedures as established in this policy or as required by the grant agreement.

G. Emergency Purchases

An emergency purchase exists when the operation of a department would be seriously hampered; or in which life, limb or property may be endangered; or in which the health or welfare of the general public is seriously threatened; or a natural or man-made disaster has occurred.

If an emergency determination is made by the Town Manager or Finance Director it may be necessary to deviate from the formal purchasing process. Once the emergency situation has been rectified, all purchases made related to this emergency shall be formalized by the purchasing process as soon as possible.

If a contract is required as part of rectifying the emergency situation, consideration should be made to a short-term contract with limited authority whenever possible.

Chapter A161. Purchasing

§ A161-1. Purpose; objectives.

A. Be it resolved by the Board of Selectmen of the Town of Simsbury that in order to amplify Section 812 of the Town Charter and to provide a systematic and uniform standard of purchasing policies, the Board hereby adopts the following procedures which are incorporated into this chapter.

B. Purchasing objectives:

(1) To procure materials, supplies, equipment, public improvements, and services at the lowest cost while obtaining the highest quality products and services possible.

(2) To conduct purchasing without regard to political affiliation, race, color, creed, sex, age, religion, national origin, marital status, sexual orientation, genetic makeup, gender identity, military service and veteran's status, disability, or any other protected class, family relationship or business associations of vendors, contractors or consultants.

§ A161-2. Purchase orders required.

All proposed purchases shall be supported by a purchase order, signed by the issuing Department Head and the Finance Director or his/her agent. Oral approval may be given in emergencies but shall be followed immediately by a written purchase order.

Notwithstanding the provisions of this section, the Finance Director may allow budgeted agencies to use purchasing cards for purchases not exceeding $1,000, unless such agency receives written approval from the Finance Director to exceed such amount. No budgeted agency, or any official, employee or agent of a budgeted agency, shall incur any obligation using such a card, except in accordance with procedures established by the Finance Director.

§ A161-3. Annual orders.

Annual orders of items used on a volume basis, which exceed, in the aggregate, $10,000, shall follow the procedures outlined below.

§ A161-4. Verbal and written quotes.

Purchases in excess of $10,000 but less than $25,000 shall have documented via verbal or written quotes, whenever possible, from at least two vendors.

§ A161-5. Bids; contracts required.

A. Purchases or contracts expected to exceed $25,000 shall require formal sealed bids and the execution of a written contract between the, qualified bidder and the Town. Such sealed bids shall be opened in public at the time and place designated in the specifications. The Town may accept substitutes that meet the same criteria as outlined in the specifications. Requests for formal sealed bids shall be issued by the issuing department head, received by the date due and turned in to the Finance Director.

B. Purchases or contracts expected to exceed $25,000 shall be advertised at least 10 days prior to the bid opening on a website such as but not limited to the CT Department of Administrative Services website or the Town's official website as a means of a formal "invitation to bid."

C. An appropriate fee may be charged for a copy of plans and specifications, said fee, or portion thereof, to be refunded upon return of the plans and specifications within the designated period.

D. Bid bonds will be evaluated as part of the bid process. The Department Head, in conjunction with the Finance Director, will determine if the inclusion of a bid bond is in the best interest of the Town.

§ A161-6. Awarding of contract.

The Finance Director or his/her designee or Town Manager or his/her designee is authorized to award contracts.

§ A161-7. Signing of purchase orders or contract.

A. The Finance Director or his/her designee and/or Town Manager or his/her designee is authorized to sign all purchase orders. The Town Manager or his/her designee is authorized to sign all formal contracts approved under the appropriate procedure as stipulated herein.

B. Under an existing contract, any change order which increases the contract amount shall be subject to prior budgetary approval by the Finance Director and approved by the Town Manager or his/her designee, for any change in the scope of the project.

§ A161-8. Rejection of bids.

The board, person or agent having the authority to award may reject any or all bids, part of all bids or all bids for any one or more supplies or contractual services included in the proposed contract, or waive defects in same when the public interest will be served best thereby.

§ A161-9.1. Local vendor preference; Town-based business.

If any Simsbury based vendor responds to a bid notice and comes within 5% of the lowest bidder, all qualifications considered equal, the local based vendor will be allowed the opportunity to adjust their bid to match that of the lowest bidder.

§ A161-10. Exemption from bids.

A. Purchases made through or on the basis of regional, state, local government or cooperative agency bids shall be exempted from any bidding procedures.

B. A purchase may be made or contract awarded for a supply, service or construction item without a competitive bid when it is determined that there is only one source for the required supply, service or construction item.

C. The bid procedures outlined herein can be waived at any time if it is deemed to be in the best interest of the Town of Simsbury by the Finance Director and the Town Manager. All waivers shall be reported to the Board of Selectmen at the next regularly scheduled meeting for review.

§ A161-11. Professional services contracts.

Contracts for professional services (legal, engineering, architectural, etc.) in excess of $50,000 are required to go out for a request for qualifications (RFQ). Services under $50,000 shall not be governed by these regulations, but every effort shall be made to secure well-qualified professionals at the best terms possible for the Town.

§ A161-12. Emergencies.

A. In case of emergency the Finance Director may, or in the best interest of the Town, the Town Manager may, waive the procedures outlined herein.

B. Emergency situations shall be those in which the operation of a department would be seriously hampered; or in which life, limb or property may be endangered; or in which the health or welfare of the general public is seriously threatened; or a natural or man-made disaster has occurred

§ A161-13. When effective; revisions.

These bidding and purchasing regulations shall become effective as of November 14, 2018, and may be revised or amended from time to time by formal action of the Board of Selectmen.

§ A161-14. Board of Education transactions.

Separate procedures shall be established for Board of Education transactions.

§ A161-15. Conflict with Charter or state law.

In the event of any conflict between these procedures and the Charter of the Town of Simsbury or the Connecticut General Statutes, these procedures shall be construed to conform to the Charter or statutes, as the case may be.

§ A161-16. Review and adoption.

The procedures outlined herein shall be reviewed, amended, and adopted by the Board of Selectmen as needed. These procedures shall remain in effect until amended.

TOWN OF SIMSBURY
CAPITAL PLANNING & FINANCING POLICY
Adopted by the Board of Finance on November 18, 2025

[Replaces the Capital Asset Policy and the Capital and Capital Non-Recurring Policy]

I. Purpose

This policy outlines guidance for the planning, financing, review, coordination, and monitoring of capital assets and capital improvements to effectively maintain and update the Town's infrastructure.

This policy establishes general financing goals and the specific elements that comprise a long-range planning and financing strategy, including capital financing guidelines and the transfer of funds to and from the Capital Projects Funds, Capital and Non-Recurring Fund and Capital Reserve Fund.

The goals of this policy are to:

1. Make a strong commitment to the strategic management of the Town's capital planning and financial process
2. Maintain the Town's physical assets by providing funding in its operating and capital budgets to protect its capital investments
3. Promote financial stability and focus attention on the Town's long-term financial capacity to meet its needs
4. Emphasize preventive maintenance as a cost-effective approach to capital investment.
5. Maintain the Town's "AAA" credit rating and strategically utilize debt
6. Provide a framework for monitoring capital financing practices and results
7. Effectively communicate the Town's priorities and plans for undertaking capital projects to internal and external stakeholders

II. Capital Asset Definition

Capital assets are real or personal property that have a value equal to or greater than the capitalization threshold for the particular classification of asset and have an estimated life of greater than one year. The town has estimated capitalization thresholds and corresponding useful lives for each for each asset category as outlined below:

Asset Category	Threshold	Useful Life
Equipment	>$10,000	> 5 Years
Improvements	>$20,000	> 10 Years
Infrastructure	>$100,000	> 10 Years

Capital assets include, but are not necessarily limited to:

- Land/Land Improvements/Easements
- Buildings/Building Improvements
- Vehicles/Machinery/Equipment
- Art and historical treasures
- Infrastructure (new roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting)/Infrastructure Improvements
- Improvements to infrastructure
- Renovations to existing capital items that extend their useful lifespans, and increase usage or efficiency.
- Group purchases: Capital expenditures are best applied to individual items rather than to groups of similar items (e.g., desks and tables), unless the effect of doing so would be to eliminate a significant portion of total capital assets. For example, a large order of library books meant to outfit or expand a library facility may be aggregated for capitalization, but ongoing acquisitions to replace volumes and keep the collection up to date should not.

Road Improvements and Other Improvements

Resurfacing is considered to be road maintenance. Improvements that expand capacity are to be capitalized (ie changing a one lane road to two, or adding a turning lane or paving unimproved road)

Replacing a roof, carpeting, windows (unless the replacement has other benefits) are considered maintenance and should not be capitalized

If the improvement increases capacity, use or significantly increases the useful life, then it should be capitalized if it is over the threshold.

Non-Capital Expenditures

Certain expenditures may be placed in the capital budget that are not capitalized. Those items will be identified and labeled. Examples include:

- Major operational studies, including a study of organizational and management needs, or the preparation of a long-term need assessment for local services.
- Large non-recurring expenditures that increase capacity, use or significantly increase the useful life (like painting a bridge).
- Planning, engineering and design studies for capital projects.

III. Capital Asset Inventory

To support a systematic acquisition and replacement schedule, the Finance Director will annually update and maintain a detailed inventory of all capital assets, which shall include:

1. A description of the asset;

2. The year the asset was acquired or constructed and original cost;

3. Remaining useful lifespan;

4. Depreciated value of assets

The Town will conduct a regular physical inventory of assets no less frequently than once every five years.

IV. Recording of Assets

Assets will be recorded individually to the extent possible to ensure proper accountability and accurate depreciation, and to allow for specific identification for the recording of disposition.

Donated assets are to be recorded at the fair market value at the date of gift. Department heads are responsible for completing the fixed asset addition form for all assets donated above the capitalization and accountability thresholds.

V. Depreciable Lives

1. Depreciable lives should be based on actual expected use by the Town, not by tax lives or other general estimates.

2. Capital assets will be depreciated over their useful lives unless they are inexhaustible. An example of an inexhaustible asset includes land.

3. An attempt should be made to purchase assets in a manner that the depreciable lives coincide with the Town's capital replacement program for such assets.

4. Department heads should be consulted on the specialty equipment used by their departments for depreciable lives.

5. Useful life guidelines for the town:

    - Roads: 30-50 years
    - Sewer Lines and Water Lines: 50 years
    - Bridges/Large Culverts: 30-50 years
    - Dams: 50 Years
    - Buildings: 50-75 years
    - Fire Equipment: 20-25 years
    - Ambulances: 5 years
    - Vehicles: 5-15 years (Autos, Light Trucks, Heavy Trucks)
    - Machinery and Equipment: 5-10 years
    - Construction Equipment: 5 years

6. For construction-in-progress updates, the asset record from the previous year will be used until the asset is complete and transferred to the appropriate category.

VI. Depreciable Lives

On an annual basis the Finance Director will a complete listing of all capital assets to department heads. Department heads shall review the assets associated with their respective departments to ensure completeness noting any updates or disposals. All updates to the asset listing shall be documented and returned to the Finance Director.

Asset Impairments:

If an asset has suffered a significant impairment in function or useful life due to level of use, accident or other damage, the event with the estimated effect of the impairment and any intent to repair the asset to its original condition should be reported to the Finance Director.

VII. Multi-year Capital Improvement Plan (CIP)

The CIP is a forecast of major capital projects and acquisitions over a six-year period.

1. The purpose of the CIP is to provide for the timely replacement and rehabilitation of existing capital assets and the purchase of new assets; to coordinate community planning, fiscal capacity and physical development; to allow time for project design, financing, and the identification of sites and land purchases; to further economic

and community development; to maintain the Town's credit rating; and to facilitate intergovernmental agreements and private-public partnerships.

2. The CIP shall incorporate Government Financial Officers Association (GFOA) best practices and other information that may be required by the Board of Selectmen or Board of Finance. At a minimum, the CIP shall include a capital asset inventory summary by department, a status update of previously approved projects, prioritization of projects and estimated costs, future operating and maintenance costs associated with the project, funding sources, timetables for construction and completion, project justification, and a long-term financial plan in compliance with the Town's Debt Service Policy and other financial policies, as may be amended from time to time.

3. The capital plan shall be prepared and updated annually by the Town Manager and Finance Director and present programmatic needs and priorities for a six (6) year period.

4. The first year of the (6) six-year capital plan will be adopted annually by the Board of Selectmen and the Board of Finance as part of the budgeting process.

5. Only those projects that appear on the previous year's CIP for the ensuing year may be considered for approval. Notwithstanding the foregoing, upon an affirmative vote of no fewer than four (4) members of the Board of Selectmen projects other than those published in the CIP for the ensuing year may be considered for approval and included in the adopted budget if the need to fund the project is determined to be in the best interest of the Town.

6. The Town Manager and Finance Director shall recommend the optimum mix of financing sources for all capital projects, in conjunction with the adopted Debt Management Policy and other guidance from the Board of Finance, and to maintain the Town's AAA credit rating. The Finance Director shall project the future impact of financing capital projects including debt service and operating costs.

7. Whenever possible, capital costs should be financed with means other than borrowing. Borrowing shall be limited to infrastructure and facility improvement projects with an estimated life expectancy of at least 15 years at a cost of $250,000.

8. Capital projects financed through the issuance of general obligation bonds shall be financed for a period of ten (10) years unless specifically authorized by the Board of Finance and, when practical, for a period that does not exceed the useful life of the asset.

9. The Town's goal is to pay for maintenance out of the operating budget and to provide periodic replacement and renewal to keep its capital facilities and infrastructure systems in good repair to maximize the capital asset's useful life.

10. The Town will not construct or acquire a public facility if it is unable to adequately provide for the subsequent annual operating and maintenance costs of the facility.

11. Capital projects associated with the Simsbury Farms Special Revenue Fund and the Sewer Use Special Revenue Fund will be financed from user fees and retained earnings from those funds as deemed appropriate. Options for consideration will be discussed on a case by case basis.

12. Capital projects will be appropriated by individual projects, not in aggregate, unless otherwise authorized by the Board of Finance.

13. Under Conn. Gen. Stat. §8-24, the Planning Commission must annually review and approve the capital plan for consistency with the Plan of Conservation and Development.

VIII. Evaluation of Capital Projects

A. The Town Manager and Director of Finance will review capital project requests submitted by department heads in accordance with Town Charter §803 as part of the annual budget process and shall recommend proposed funding sources and options to the Board of Selectmen and Board of Finance.

B. At a minimum, the Town shall evaluate the following criteria to prioritize capital projects within the limited resources of the Town:

   a. Regulatory or legal requirements
   b. Public safety and risk mitigation for public health, safety, or property
   c. Asset preservation and management - Does a project extend the useful life of a capital asset, make better use of the asset, or replace an obsolete one.
   d. Supports adopted plans, goals, objectives, and policies
   e. Maintains or improves productivity or existing standard of service
   f. Financial considerations, including funding sources and impact to future debt service and operating costs
   g. Directly benefits the Town's economic base
   h. Provides new programs or assets that improve quality of life including, social, cultural, historic, economic, environmental, or aesthetic value.

i. Timing and coordination with other projects - Can the project be coordinated with other infrastructure to save money or reduce disruption.
j. Community need and demand – How many people will benefit from the project?

C. All requests should be further reviewed by the Board of Selectmen and staff using standardized evaluation criteria that generally follows the priority identification list below:

a. Mandated – Automatic Priority
- Is the project mandated by any local, state or federal law?

b. Safety – 20%
- What is the degree of seriousness of the safety issue that is being addressed through the proposed project?
- Does the project address a compliance and/or accessibility issue?

c. Asset Management/Maintenance – 20%
- Will this project defer future maintenance expenses?
- Will the project enhance the efficiency of an asset, or extend its life span?

d. Board of Selectmen/Town Manager Goal – 20%
- Does the project align with adopted Board of Selectmen and/or Town Manager goals?

e. Funding Source & Impact on Operating – 20%
- Does the project leverage external funding sources?
- Will the project reduce annual operating costs?

f. Master Plan – 10%
- Is the proposed project contained in one or more master plans?
- Has there been public discussion and citizen engagement around this project?

g. Quality of Life & Economic Vitality – 10%
- Does the project enhance the quality of life for a wide range of community members?
- Will the project attract new residents, businesses or visitors?
- Will the project help make Simsbury a desirable place to live and work?

IX. Specific Costs Items that are Chargeable to a Capital Project

Capital project costs should include all expenditures or items that are needed to put the capital asset being built or acquired into operating condition and can include, but not limited to:

- Planning, including architectural and engineering design
- Legal services related to the project

- Acquisition of land or property, including brokerage fees
- Preparation of land for construction and landscaping
- Easements
- Construction and materials
- Equipment and furnishings that are affixed to the project
- Initial inventory of movable furnishings and equipment
- Interest and other financing charges during construction
- Construction and monitoring costs
- Transportation costs to move equipment to its place of intended use
- Others as recommended by the Finance Director or the Board of Finance

X. Capital Financing

Financing sources for capital purchases include:

- General Fund
- Capital Reserve Fund
- Special revenue funds
- State and federal grants
- Fees
- Donations, gifts and philanthropy
- Borrowing
- Long-term capital leases
- Others, as recommended by the Finance Director

XI. Monitoring & Progress Reports

The Finance Director, Town Manager and department heads are responsible for monitoring and reporting on the progress and completion of capital projects. The Finance Director shall provide quarterly updates to the Board of Finance on all capital projects in a manner and form as determined by the Board of Finance.

XII. Reserve Fund for Capital and Non-Recurring Expenditures (Capital Reserve Fund)

The Town of Simsbury established a Capital Reserve Fund under Conn. Gen. Stat. §§7-359 to §7-368 for (1) capital and non-recurring expenditures, (2) costs associated with a property tax revaluation, and (3) costs associated with the presentation, amendment or adoption of the plan of conservation and development.

1. The Capital Reserves Fund may receive contributions from:

    i. Amounts authorized to be transferred thereto from the general fund cash surplus available at the end of any fiscal year;

ii. Amounts to be raised by the annual levy of a tax not exceeding four mills for the benefit of such fund; or

iii. Surplus cash funds already held in reserve and available for such capital or non-recurring expenditures.

2. The Capital Reserve fund is created to allow more flexibility and to serve as a future source of cash-for-capital financing. The fund is a part of the Town's capital financing strategy to use current revenues (PAYGO), when possible, to pay for capital equipment and the maintenance of facilities below the Town's general obligation bond issuance guidelines; to reduce borrowing on larger projects; and to provide a revenue source for emergency capital needs as described below.

3. It is a best practice to appropriate Capital Reserves during the annual budget approval process to ensure the top priorities of the Town are funded, for transparency purposes, and to avoid ad hoc decision-making outside the budget process.

Notwithstanding the foregoing and in limited circumstances:

i. If an unforeseen and urgent need arises, the delay of which may increase costs or cause other harm, the Board of Finance may approve a supplemental appropriation outside the annual budget process from the fund, upon the recommendation of the Board of Selectmen, under Town Charter, §809; and

ii. If an emergency arises, the Board of Finance may approve a supplement appropriation from the fund, upon the recommendation of the Board of Selectmen, under Town Charter §810. An emergency means any situation where municipal assistance is needed to save lives, protect property, public health, and safety, or to avert or lessen a disaster or catastrophe.

4. The Town shall endeavor to maintain a fund balance of at least $200,000. Any depletion below that amount should be restored in the ensuing budget cycle.

5. If applicable and whenever possible, funds shall be invested in accordance with the Town's investment policy.

XIII. <u>The Capital Project Fund(s)</u>

A. Capital Project Fund(s) is established to account for the financial resources used for the acquisition of major pieces of equipment, vehicles in the fleet, studies (if related to a larger capital project), professional services, building improvements, land acquisitions, building

acquisitions or construction of major capital facilities and capital infrastructure improvements that cost at least $250,000.

B. This fund may receive contributions from the sale of town-owned buildings and property, transfers from the General Fund, proceeds from long and short-term debt, transfers from the Capital Reserve Fund and operating funds, special revenue funds, unexpended balances of completed capital projects in the Capital Projects Fund(s), grants, donations, or other sources as approved by the Board of Finance.

C. If applicable, and whenever possible, funds shall be invested in accordance with the Town's investment policy.

XIV. The Capital and Non-Recurring Fund

A. The Capital and Non-Recurring Fund is established to account for the financial resources used for the acquisition of small capital and non-recurring expenditures. Non-recurring means an expenditure that occurs no more frequently than once every five years.

B. Capital items and studies that exceed $10,000 but are less than $250,000 may be accounted for as expenditures in the Capital and Non-Recurring fund.

C. On an annual basis, the General Fund will fund the Capital and Non-Recurring Fund utilizing a charge-back method, referred to as the General Fund Traditional Payback (GF-TP). The GF-TP method will spread out the cost of the capital expenditures evenly over a five (5) year period. In the event items purchased from the Capital and Non-Recurring Fund hold a life cycle of less than five (5) years, those purchases will be financed over a period not to exceed their life cycle.

Unless otherwise authorized by the Board of Finance the annual maximum dollars that shall be budgeted for the GF-TP are:

$416,250 for the Board of Selectmen GF-TP
$550,300 for the Board of Education GF-TP

D. The Capital and Non-Recurring Fund will hold a reserve sufficient to maintain an overall positive balance.

E. This fund may receive contributions from the General fund, transfers from the Capital Reserve Fund, transfers from Special Revenue Funds, unexpended balances of completed capital projects in the Capital Projects Fund(s), grants and donations.

F. If applicable, and whenever possible funds shall be invested in accordance with the Town's investment policy.

XV. Accounting Guidelines

The following is a list of specific accounting practices related to capital transactions:

1. On the first day of the fiscal year, the General Fund appropriations to the Capital Projects Fund(s), Capital and Non-Recurring fund and Capital Reserve Fund will be transferred.

2. All capital projects are appropriated by individual projects and may not be exceeded without a supplemental appropriation. Notwithstanding the foregoing, for capital projects funded by cash in an amount below $250,000, anticipated budget transfers between projects can be overspent by $5,000, upon the approval of the Finance Director and confirmation that the total anticipated overages do not exceed anticipated savings from other projects. The transfer and close-out requests will go before the Board of Selectmen and Board of Finance at year-end for formal close-out.

3. On the first day of the fiscal year, the Capital Reserve Fund appropriations to the Capital Projects Fund(s) and the Capital and Non-Recurring Fund will be transferred.

4. All bond premiums will be deposited into the Capital Project Fund(s) and will be used to reduce debt service for the life of the bond unless otherwise authorized by the Board of Finance, upon the recommendation of the Board of Selectmen.

5. Proceeds from the sale of town-owned property may be deposited into the Capital Projects Fund, the Open Space Fund, or Capital Reserve Fund

6. Grant funds, including school construction progress payments, will be deposited into the Capital Projects Fund(s).

7. All debt service payments and debt issuance costs will be paid from the General Fund.

8. All capital project expenditures will be paid directly from the Capital Projects Fund(s).

9. Under Town Charter §812(g), appropriations for construction or for other permanent improvements, from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished or

abandoned, provided any such project shall be deemed to have been abandoned if three (3) fiscal years shall elapse without any expenditure from or encumbrances of the appropriations therefor. Any portion of an annual appropriation remaining unexpended and unencumbered at the close of the fiscal year shall lapse.

XVI. Capital Funding and Debt Service Stabilization

Debt is an important component of capital funding, but the cost of debt service can fluctuate – for example, when new bonds are issued, or when existing bonds are paid off and new borrowing as not yet begun. The Board of Finance is committed to maintaining stable levels of capital funding during such year-to-year swings in debt service costs.

A. Filling a Dip in Debt Service

When the cost of annual debt service declines temporarily, as in the example above, the Town may appropriate expenditures for capital projects that are funded through the tax levy. This "pay-as-you-go" approach allows consistency in the level of capital spending and avoids cuts to infrastructure investment. It also helps prevent a sharp drop in the tax levy that will be followed by a sharp rise when new debt is eventually issued.

B. Smoothing a Spike in Debt Service

When debt service temporarily rises above normal levels, the Board of Finance may authorize the use of designated capital reserves to offset the increase. This use of reserves shall be limited to no more than three consecutive fiscal years.

TOWN OF SIMSBURY
DEBT MANAGEMENT POLICY

Adopted by the Board of Finance on November 15, 1989
Revised by the Board of Selectmen on February 11, 2020 and March 22, 2021 and the Board of Finance on February 18, 2020 and March 16, 2021
Revised by the Board of Finance on September 25, 2024
Revised by the Board of Finance on September 16, 2025

I. Purpose

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

The primary objectives of this policy are to:

1. Establish conditions for the issuance of debt for the purpose of funding capital projects.

2. Plan for long and short-term issuance to finance the Town's capital program based on cash flow needs, sources of revenue, capital construction periods, available financing instruments and market conditions.

3. Minimize the Town's debt service and issuance costs.

4. Retain the highest credit rating and ensure financial integrity while providing a funding mechanism to meet the Town's capital needs.

5. Maintain full and complete financial disclosure and reporting.

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

II. Effective Date

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

III. Authority & Responsibility

A. *Borrowing Authority:* The Town shall have the power to incur indebtedness in accordance with Connecticut General Statutes subject to the provisions of the Simsbury

Town Charter. As stated in Chapter VIII, Section 813, the issuance of bonds and notes, except tax anticipation notes, shall be authorized by resolution of the Board of Selectmen. The issuance of notes, the term of which does not exceed one (1) year, may be authorized by the Board of Selectmen upon recommendation of the Board of Finance.

B. *Responsibility:* It shall be the responsibility of the Board of Selectmen, the Town Manager and the Finance Director to issue debt in compliance with the terms outlined in this policy and in compliance with the Town Charter and State and Federal law. The primary responsibility of debt management rests with the Finance Director. The Finance Director shall:

   a. Provide for the issuance of debt at the lowest possible cost and risk;

   b. Determine the available debt capacity;

   c. Provide for the issuance debt at appropriate intervals and in reasonable amounts as required to fund approved expenditures;

   d. Recommend to the Board of Selectmen the manner of sale of debt;

   e. Monitor opportunities to refund debt and recommend such refunding as appropriate;

   f. Comply with all Internal Revenue Service (IRS), Securities and Exchange Commission (SEC), and State and local rules and regulations governing the issuance of debt;

   g. Provide for the timely payment of principal and interest on all debt; ensure the that the fiscal agent receives funds for payment of debt service on or before the payment date;

   h. Provide for and participate in the preparation and review of offering documents;

   i. Provide annual disclosure information to established national information repositories and maintain compliance with disclosure statements as required by the state and national regulatory bodies;

   j. Distribute to appropriate repositories information regarding financial condition and affairs at such time and in the form required by law, regulation and general practice;

k. Provide for the distribution of pertinent information to rating agencies;

l. Maintain a current database of all outstanding debt; and

m. Apply and promote prudent fiscal practices;

n. Develop and maintain a capital finance model to evaluate the impact of capital program spending, operations and maintenance costs, and debt service on its financial condition.

IV. Policy

A. *Debt Retirement Objective* – As determined by the Board of Finance, debt retirement expenses (interest and principal) shall be at a rate of not more than 8% of the total annual general fund operating budget. Debt that is being funded outside of tax revenues (i.e. WPCA Sewer Use Fees) shall not be included within the 8% unless the fund responsible for the debt payments is financially unstable and it is anticipated that the Town will be called upon to make debt payments from the general fund.

B. *Compliance with Six-year Capital Improvement Plan (CIP)* - Capital Planning for Simsbury is required by the Town Charter, Section 803 and predicated on adoption by the Board of Selectmen of a six-year CIP. In general, with the exception of emergencies and mandates, this plan is the governing document for capital expenditures. The Town further recognizes that certain projects for which debt financing should be considered may arise in such a manner that they cannot be incorporated into the six-year CIP prior to financing, e.g., the coming to the market of a specific property the Town desires to acquire for open space purposes.

C. *Types of Permissible Debts* – whenever possible, the Town will first attempt to fund capital projects with state and federal grants or other revenues. When such funds are insufficient, the Town may use dedicated revenues from Special Revenue Funds, Capital Projects Funds, or General Fund revenues or reserves. If these are not appropriate or sufficient, the Town will use bond funding or long-term leases. The Board of Selectmen and the Board of Finance will evaluate debt-funding scenarios as part of the capital budget process using models developed by the Finance Director in order to prioritize future financing needs and to evaluate compliance with this policy. The Board of Finance will forward its recommendations to the Board of Selectmen.

a. ***General Obligation (G.O.) bonds*** may be issued to finance traditional public improvements for which other funding is unavailable or impractical. Long-term

bonds may be used to finance infrastructure or facility improvement projects with an estimated life expectancy of at least 15 years or cost at least $250,000.

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

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

c. ***Capital Lease Purchase Financing***, in contrast to a true lease, provides for the acquisition of the leased item. Lease purchase financing may be used for procuring assets that are too expensive to fund with current receipts in any one year, but with useful lives too short (less than 15 years) to finance with long-term debt. Generally, lease purchase financing will not be considered for the purchase or construction of assets with a life expectancy of less than five years. The Town will seek competitive pricing when practical.

d. ***Low Interest Loan*** – The use of federal and state aided low interest loans should be considered before consideration of issuing any other forms of debt. Low interest loans may also be considered from private banks as permitted by law.

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

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

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

The statutes also provide for certain exclusions of debt issued in anticipation of taxes, for the supply of water, supply of gas, supply of electricity, construction of subways, for

the construction of underground conduits for cables, wires, and pipes and for two or more of such purposes; for indebtedness issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or contract.

E. *Bond Structure* – Consideration should be given by the Board of Selectmen to each of the following:

   a. Providing cash in advance to meet project expenses

   b. Maximizing the credit rating potential and market acceptance of the bonds

   c. Minimizing net borrowing cost

   d. Minimizing the impact of debt service payments on annual cash flow

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

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

Debt Service Pattern – The preferred debt service method is level principal, however, new debt should be structured to coincide with the retirement of past debt to lessen the impact upon the mill rate and to keep debt service costs at or below 8% of the operating budget. Debt that is being funded outside of tax revenues (i.e. WPCA Sewer Use Fees) shall not be included within the 8% unless the fund responsible for the debt payments is financially unstable and it is anticipated that the Town will be called upon to make debt payments from the general fund. The Board of Finance will review the debt service percent of operating on an annual basis and formally set the target debt as percent of operating during the budget process.

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

Method of sale – Debt obligations are generally issued through competitive sale. When conditions are favorable for a competitive sale do not exist and when a negotiated sale will provide significant benefits to the Town that would not be achieved through a

competitive sale, the Board of Selectmen may elect to sell its debt obligations through a private or negotiated sale.

F. *Refunding Debt* – The Board of Selectmen will continually monitor its outstanding debt in relation to existing conditions in the debt market and will refund any outstanding debt when sufficient savings can be realized. The target threshold for net present value savings should be a minimum of 2%.

G. *Emergencies* - During emergency situations, the Town may issue debt to provide for emergency infrastructure repair or replacement if such repair or replacement as necessary for the immediate preservation of the public peace, health and safety as governed by the Town Charter.

V. Debt Affordability Measures

The Board of Finance, in connection with the budget approval process, will evaluate the Town's debt position. The following statistical measures to determine debt capacity will be used and evaluated in relation to rating agency standards and the Town's historical ratios to determine debt affordability:

1. Debt as a percentage of Net Taxable Grand List
2. Debt per capita
3. Debt to personal income
4. Debt to taxable property value
5. Debt as a percentage of General Fund expenditures
6. Simsbury debt in comparison to other comparable towns

VI. Professional Services

A. *Bond Counsel* - All debt issued by the Town will include a written opinion of bond counsel affirming that the Town is authorized to issue the proposed debt. The opinion shall include confirmation that the Town has met all Town and state requirements necessary for its issuance, a determination of the proposed debt's federal income tax status and other components necessary for the proposed debt.

B. *Municipal Advisor* - A Municipal Financial Advisor(s) will be used to assist in the issuance of the Town's debt. The Municipal Financial Advisor will provide the Town with objective advice and analysis on debt issuance. This includes, but is not limited to, analyzing debt capacity, projecting future debt impact and modeling of future debt issuance, monitoring market opportunities, structuring and pricing debt, and preparing official statements of disclosure.

C. *Underwriters* - An Underwriter(s) may be used for all debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing the negotiated or private placement debt and reselling the debt to investors.

D. *Fiscal Agent* - A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders.

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

TOWN OF SIMSBURY
FUND BALANCE POLICY
Adopted by the Board of Finance on October 21, 2014
Revised by the Board of Finance on September 15, 2020
Revised by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025
Revised by the Board of Finance on November 18, 2025

I. Policy Statement

Fund balance is an approximate measure of liquidity. Reserves are a cornerstone of financial flexibility and provide the Town of Simsbury with options to respond to unexpected issues and provide a buffer against fiscal challenges. This policy (the "Policy") is intended to provide for a fund balance which satisfies the cash flow and contingency needs of the Town while at the same time avoiding over taxation with an excessively large fund balance.

A positive fund balance serves three important functions:

1. Eliminates the need for short term borrowing to handle cash flow between the start of the fiscal year and receipt of revenue from taxes;

2. Serves as a contingency fund that enables the Town to respond to unanticipated emergencies or opportunities: and

3. Provides funds that can be used periodically to lower taxes to smooth out major fluctuations in the property tax rates.

Credit rating agencies determine the adequacy of the unreserved fund balance using a complex series of financial evaluations. The size of the fund balance is important, but not the only consideration in the Town's rating. Fund balance reserve levels of AAA rated communities will be reviewed and taken into consideration for determining the appropriate fund balance reserve level for the Town of Simsbury. Other important factors include the reliability of a government's revenue sources, economic conditions, community wealth factors, cash position, debt ratios, management performance, and fiscal decisions made by the legislative body.

II. Effective Date

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

III. Governmental Fund Type Definitions

1. ***General Fund*** (Operating budget, taxes, police, etc.) – All funds not reported in another fund.

2. ***Special Revenue Funds*** (Parks and Recreation, etc.) – Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt and capital projects. Restricted or committed revenues are the foundation for a special revenue fund.

3. ***Capital Project Funds*** (High School Renovations, etc.) – Used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

4. ***Permanent Funds*** (Pension Funds, etc.) – Used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs – that is for the benefit of the government or its citizenry. Permanent funds do NOT include private purpose trust funds.

IV. Fund Balance Definition

Fund Balance is the difference between the Town's current assets (cash, short-term investments, receivables) expected to be available to finance operations in the immediate future and its current liabilities.

Fund balance is initially characterized as being restricted and unrestricted. Unrestricted Fund Balance is calculated as follows:

Total Fund Balance
Less: Nonspendable fund balance
Less: Restricted fund balance
Unrestricted Fund Balance

Restricted Fund Balance Categories:

1. ***Nonspendable fund balance*** – Amounts that cannot be spent because they are (a) not in spendable form (such as inventory, prepaid items, long term portions of notes receivables) or (b) legally or contractually required to be maintained intact (such as the corpus of an endowment fund).

2. ***Restricted fund balance*** - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Unrestricted Fund Balance Categories:

1. ***Committed fund balance*** – Amounts constrained to specific purposes by the Town itself, using its highest level of decision-making authority; to be reported as committed,

amounts cannot be used for any other purposes unless the government takes the same highest-level action to remove or change the constraint.

2. ***Assigned fund balance*** – Amounts the Town intends to use for a specific purpose; intent can be expressed by the Town or by an official or body to which the Town delegates the authority. Appropriations of existing fund balances to future budgets are considered assigned fund balance. The Town shall not report an assignment that will result in deficit in Unassigned fund balance. Negative fund balances cannot be considered assigned. The body authorized to assign amounts to a specific purpose for purposes of this policy is the Board of Finance.

3. ***Unassigned fund balance*** – Amounts that are available for any purpose; these amounts are reported only in the general fund. In other governmental funds, if expenditures incurred exceeded the amounts restricted, committed or assigned it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the Town considers the restricted fund balance amount to have been spent first until exhausted and then any available unrestricted fund balance.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts are available, the Town considers the fund balance to be spent in the following order: committed, assigned, and then unassigned.

V. General Fund Guidelines

The Town Boards shall propose budgets that provide for an unrestricted general fund balance of a minimum of 16 % of the total operating general fund expenditures.

In the event the fund balance is greater than 16% at the end of any fiscal year, the excess may be used in one or a combination of the following ways:

1. Transfer such excess to the Debt Service Fund for future debt payments.

2. Transfer such excess to the Debt Service Fund for future debt payments.

3. Transfer such excess to the Capital or the Capital Nonrecurring Fund for future capital projects.

4. Transfer such excess to the Pension and/or OPEB trust funds

5. Transfer such excess to Special Revenue funds to offset deficits or future costs

The following circumstances may justify maintaining a fund balance exceeding 16%

1. Transfer such excess to the Debt Service Fund for future debt payments.

2. Significant volatility in operating revenues or operating expenditures;

3. Potential drain on resources from other funds facing financial difficulties;

4. Exposure to natural disasters (e.g. hurricanes, public health crisis etc);

5. Reliance on a single corporate taxpayer or upon a group of corporate taxpayers in the same industry;

6. Rapidly growing budgets; or

7. Disparities in timing between revenue collections and expenditures.

Exigent circumstances may justify a "spend down" of the fund balance to under 16% Examples of such circumstances include:

1. Operating emergencies

2. Unanticipated budgetary shortfalls

The Board of Finance shall monitor and modify the minimum fund balance requirements based on these criteria. If at the end of a fiscal year, the unrestricted general fund balance is below fifteen percent of the total operating general fund expenditures for reasons other than the timing of receipt of disaster recovery funds that have been approved by the federal or state government (provided the town's receipt of such funds is reasonably expected to occur within three to six months), the Finance Director shall prepare and submit a plan for expenditure reductions and or revenue increases. The Board of Finance shall take action necessary to restore the unreserved, undesignated fund balance to acceptable levels within three years or the next budget cycle or a reasonable time period.

VI. Capital Fund Guidelines

It is the intent of the Town of Simsbury to set aside funds, when operations allow, for large capital projects to help minimize the debt service needs for these projects. The Capital Fund Reserve shall be in accordance with the CNR and Capital Policy as adopted on February 19, 2019, and may be amended from time to time.

VII. Internal Service Fund Guidelines

~~Reserve targets established for internal service funds shall ensure that the fund continues to provide service without interruption including self-insurance. The Town of Simsbury currently~~

~~maintains internal service funds for medical and dental activity. In accordance with best practice, the fund balance for these funds should always be at 20 – 25% of expected claims.~~

The Internal Service Fund shall be used to purchase health benefits, stop-loss insurance and pay the associated administrative costs of the health benefits plan. The insurance fund will also hold the appropriate incurred but not reported claims reserves (IBNR) and large claims fluctuation reserve.

The fund will hold 10% of expected claims for IBNR and target 15% of claims for large claim fluctuations.

Funds accumulated in the insurance fund will only be utilized for the purpose of providing health benefits for Simsbury employees, dependents, and retiree health benefits coverage, in accordance with collective bargaining agreements. Funds will not be utilized for any purpose other than providing health benefits to employees, their dependents, and retirees.

TOWN OF SIMSBURY
INVESTMENT POLICY
Adopted by the Board of Finance on October 21, 2014
Revised by the Board of Finance on July 19, 2022
Revised by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025

I. Policy Statement

It is the policy of the Town of Simsbury that the administration and investment of Town funds shall be handled with the highest public trust. Investments shall be made in a manner which will optimize both the safety of the principal invested and the return on investment. Policy limits and diversification of the portfolio are established to protect liquidity for daily cash flow needs. While achieving a higher rate of return is secondary to the requirements for safety and liquidity, there must be a balancing of the risk and return. All investments will be made in full compliance with Town Charter and Code, State of Connecticut statutes, and any applicable IRS requirements.

II. Scope

This Investment Policy (the "Policy") applies to the investment and management of all the funds under direct authority of the Town.

All Town cash will be pooled together for banking purposes regardless of which fund the cash belongs to, with the exception of certain funds where the Town is required to hold a separate bank account (ie certain grants require a separate bank account to receive funding). Investment income will be proportionately allocated to each fund where if the funds were not pooled, those contributing to the fund would receive an interest benefit by having their own bank account on a monthly basis based on their actual balances, and in accordance with generally accepted accounting principles. The following funds to be allocated interest include: General Fund, Sewer Use Fund, Sewer Assessment Fund, Residential Rental Property Fund, Probate, Health Insurance Fund and all Trust Funds.

III. Prudence

Investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived.

1. ***Prudent Person Standard*** - The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The Director of Finance and all those delegated investment authority under the Policy, when acting in accordance with the written procedures and

the Policy and in accordance with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio.

IV. Objectives

The objective of the Town's investment and cash management program is to ensure the safety, liquidity and yield on the funds available for investment. These objectives will ensure that all available funds are immediately and continuously invested at the most reasonable market rates obtainable at the time of investment. The Town will seek to attain market rates of return on its investments, consistent with constraints imposed by its primary objectives (as listed below), cash flow considerations and any laws that restrict the investment of public funds.

The primary objectives, in priority order, of the Town's investment action shall be:

1. ***Safety*** - Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital and protection of principal in the overall portfolio. This will be achieved by mitigating credit risk and interest rate risk.

    a. ***Credit Risk*** - The Town will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

        i. Limiting investments to the safest types of securities (highest quality, creditworthiness).

        ii. Diversifying the investment portfolio by maturity and issuer so that potential losses on individual securities will be minimized.

    b. ***Interest Rate Risk*** - The Town will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

        i. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

        ii. Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.

2. ***Liquidity*** - The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is assured through sufficient distribution of funds in highly liquid investments. The portfolio will be structured so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the

portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity).

3. ***Yield*** - The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above, however, reasonable yield must be balanced with minimizing risks. The investments authorized by this Policy are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

V. Investment Authority

The investment authority for the Town is established by Connecticut General Statutes. The Town Director of Finance will be responsible for the daily investment management decisions and activities. The Director of Finance, on a quarterly basis, will prepare a report of investment decisions in the Town investment fund. The Board of Finance or delegate will review these decisions for reasonableness and adherence to this Policy.

VI. Ethics & Conflict of Interest

Employees who have investment authority for the Town (specifically, the Director of Finance) shall refrain from personal business activity that could impair, or create the appearance of an impairment of, their ability to make impartial investment decisions. They shall disclose, as part of the annual audit disclosure process, any material financial interests in financial institutions that conduct business with the Town, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the Town's portfolio. Employees shall comply with all applicable laws, regulations, professional codes of responsibilities and Town policies. Employees and investment officials shall also refrain from undertaking personal investment transactions with the same individual with whom the business is conducted on behalf of the Town.

VII. Authorized & Suitable Investments

All investments shall be made in accordance with Connecticut General Statutes Sections 7-400-402. Only the following types of securities and transactions shall be eligible for use by the Town:

1. U.S. Treasury bills, notes and bonds.

2. Federal Agency debentures, discount notes, callable and step-up securities, with issued by the Government National Mortgage Association (GNMA), Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Banks (FFCB), and Federal Home Loan Mortgage Corporation (FHLMC) and any other agency of the United States Government.

3. Time Certificates of Deposit issued by a qualified public depository as defined in Connecticut General Statutes Section 36a-330 that are fully insured or collateralized.

4. Money Market Mutual Funds registered under the Investment Company Act of 1940 that (1) are "no- load" (meaning no commission or fee shall be charged on purchases or sales of shares); (2) maintain a constant daily net asset value per share of $1.00; (3) limit assets of the fund to the securities described in 1, 2 and 3 above and repurchase agreements collateralized by such securities; and (4) have a maximum stated maturity and weighted average maturity in accordance with Federal Securities Regulation 2a-7.

5. Investment Pools that (1) are "no-load" (meaning no commission or fee shall be charged on purchases or sales of shares; (2) maintain a constant daily net asset value per share of $1.00; (3) limit assets of the fund to the securities described in 1, 2 and 3 above and repurchase agreements collateralized by such securities; and (4) have a custodian that is a bank as defined by Connecticut General Statutes Section 36a- 2, or an out-of-state bank, as defined in said section, having one or more branches in Connecticut.

6. State Treasurer's Investment Fund (STIF).

VIII. Diversification

Invested funds shall be diversified to minimize risk or loss resulting from over-concentration of assets in a specific maturity or specific issuer. The asset allocation in the portfolio should, however, be flexible depending upon the outlook for the economy, the securities market, and the Town's anticipated cash flow needs.

IX. Maximum Maturities

To the extent possible, the Town will try to match its investments with anticipated cash flow requirements. The average weighted maturity of all investments exceeding 2 years shall not be more than 5 years and no more than 25% of the dollar value of those investments may exceed 5 years in duration.

X. Internal Controls

The Director of Finance shall insure that there are adequate internal controls for the Town's cash management processes and that they are fully document and adhered to. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, third-party misrepresentation, or imprudent actions by employees and officers of the Town. The internal control procedures shall be reviewed annually and approved by the Town's independent auditors.

XI. Performance Standards

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the Town's investment risk constraints and cash flow needs. The standard benchmark for determining whether market yields are being achieved for short to intermediate-term investment portfolios will be the yields of the State Treasurer's Investment Fund (STIF).

XII. Investment Policy Adoption

The Policy shall be adopted by the Town Board of Finance. The Policy shall be reviewed biannually by the Director of Finance and any modifications made thereto must be approved by the Town Board of Finance.

TOWN OF SIMSBURY
DEFINED BENEFIT PENSION PLANS
INVESTMENT POLICY

Adopted by the Retirement Plan Sub-Committee on November 2012
Revised by the Retirement Plan Sub-Committee on September 12, 2018
Adopted by the Board of Finance on July 30, 2019
Revised by the Board of Finance on September 15, 2020
Revised by the Board of Finance on October 18, 2022
Reviewed by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025

I. Introduction & Purpose

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

1. Describes the investment objectives of the Plans;

2. Defines the responsibilities of the Board of Finance, Retirement Plan Sub-Committee ("Committee") and other parties responsible for the management of the Plans;

3. Establishes investment guidelines regarding the selection of investment managers and diversification of assets;

4. Specifies the criteria for evaluating the performance of the investment managers and of the Plans as a whole.

II. Investment Objective

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

1. To achieve the stated actuarial target of the Plans;

2. To maintain sufficient liquidity to meet the obligations of the Plans;
3. To diversify the assets of the Plans in order to reduce risk;

4. To achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and of appropriate market indexes.

III. Assignment of Responsibilities

Board of Finance - In accordance with Simsbury's Town Charter, Section 808, "The Board of Finance shall supervise and maintain the Town pension and other post-employment benefit funds in accordance with rules and regulations contained in agreements between the Town employees and the Town of Simsbury and or the Board of Education regarding pension and other post-employment benefits. The Board of Finance shall, after consultation with the Board of Education and the Board of Selectmen, ensure the pension funds are prudently invested and shall also supervise and maintain the Retiree Benefit Fund established pursuant to the Town code of ordinances and designate the annual contribution to be made to insure said pension and post-employment funds. The investment and management of the assets of any such fund shall be in compliance with the prudent investor rule as set forth in Conn. Gen. Stat. Sections 45a-541 to 45a-541| inclusive of the General Statutes."

The Board of Finance shall:

1. Oversee compliance by the investment manager(s) with the investment policy;

2. Evaluate the performance of the investment manager(s) against specific investment objectives;

3. Approve fee schedules of the investment manager(s) based on contractual agreements;

4. Select the investment custodian(s); and,

5. Approve the continuation of business relationships with investment manager(s), custodian(s), and other vendors, if any.

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

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

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

Custodian – The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plans, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plans accounts (for example, to accommodate distribution needs).

IV. Asset Allocation

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

V. Rebalancing

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

VI. Selection Criteria for Investment Managers

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

1. Past results, considered relative to appropriate indexes and other investments having similar investment objectives. Consideration shall be given to both consistency of performance and the level of risk taken to achieve results;

2. The investment style and discipline of the investment manager;

3. How well the manager's investment style or approach complements other assets in the Plans;

4. Level of experience, personnel turnover, financial resources, and staffing levels of the investment management firm or fund.

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

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

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

VII. Security Guidelines

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

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

1. The mutual fund/co-mingled pool organizations selected should demonstrate: (a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.

2. The mutual fund/co-mingled pool used will generally have at least a full three-year track record, or its equivalent, and the individual fund/pool must have at least $25 million under management (or, as an organization, $100 million in the same strategy) at the time of selection.

3. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.

4. With respect to hedge fund-of-funds, in addition to meeting each of the three above-specified criteria, each fund-of-funds will include an appropriate number of hedge fund managers to be considered well diversified. Investment strategies in hedge fund-of-funds may generally include: long/short U.S. equity, global equity, derivatives, distressed debt and other fixed income strategies, currency exposure, arbitrage and event driven strategies, and additional strategies with low correlation to traditional asset classes.

VIII. Proxy Voting

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

IX. Investment Monitoring & Reporting

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

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

evaluation process, and focus the Board of Finance and Committee on potential areas of concern.

Watch list criteria may include the following:

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

X. Termination of Investment Manager or Fund

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

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

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

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

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

XI. Approval

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

Appendix A

Updated August 2020

Target Asset Allocation Table

Asset Class	Min Weight	Target Weight	Max Weight	Benchmark Index
Domestic Equities	21.5%	31.5%	41.5%	Russell 3000 Index
International Equities	17.5%	27.5%	37.5%	MSCI ACWI ex-U.S. Index; MSCI EAFE Small Cap Index; MSCI Emerging Markets Index.
Fixed Income	22.5%	32.5%	42.5%	Barclays Capital Aggregate Index; Citigroup World Government Bond Index
Real Estate	0.0%	5.0%	7.5%	NCREIF Index
Inflation Protection	0.0%	3.5%	7.0%	Bloomberg Commodity Index Total Return, Bloomberg Barclays US TIPS 0-5 Yr Index

TOWN OF SIMSBURY
DEFINED CONTRIBUTION PENSION PLANS
INVESTMENT POLICY

Adopted by the Retirement Plan Sub-Committee in 2014
Adopted by the Board of Finance on May 18, 2021
Reviewed by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025

I. Plan Description

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

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

II. Purpose of the Investment Policy

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

1. Defines the Plan's investment objectives

2. Defines the roles of those responsible for the Plan's investments

3. Describes the criteria and procedures for selecting investment categories and investment options

4. Establishes investment performance measurement standards and monitoring procedures

5. Describes methods for addressing investments that fail to satisfy established objectives

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

III. Investment Objective

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

1. The menu of investment options should represent a broad range that allows for participant choice among various asset classes and investment styles.

2. Investment options should have varying degrees of risk and potential for return.

3. Investment options should have returns that are competitive in the marketplace when compared to appropriate benchmarks.

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

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

IV. Assignment of Responsibilities

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

1. The Town of Simsbury Retirement Plan Sub-Committee, (the "Committee") which is responsible for:

    a. Recommending the Investment Policy Statement

    b. Recommending investment options

    c. Periodically evaluating the Plan's investment performance and recommending investment option changes

2. The Town of Simsbury Board of Finance, (the "Board") which is responsible for:

    a. Approving and maintaining the Investment Policy Statement

    b. Selecting investment options

c. Periodically evaluating the Plan's investment performance and selecting investment option changes

d. Approving the continuation of business relationships with investment managers, custodians, and other vendors, if any

3. The Plan's Administrator is responsible for day to day administration of the plan in accordance with paragraph 2 above. The Town Manager or his/her designee is responsible for serving as the Plan's Administrator.

4. The Plan's Trustee, who is responsible for holding and investing plan assets in accordance with the terms of the Trust Agreement. The Finance Director or his/her designee is responsible for serving as the Plan's Trustee.

5. The Investment Managers of the Plan options, who are responsible for making reasonable investment decisions consistent with the stated approach as described by prospectus and reporting investment results on a regular basis.

6. The Plan Record keeper, who is responsible for maintaining and updating individual account balances as well as information regarding plan contributions, withdrawals and distributions.

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

V. Selection of Investments

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

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

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

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

1. Be a bank, insurance company, mutual fund company, or investment adviser registered under the Registered Investment Advisers Act of 1940.

2. Be operating in good standing with regulators and clients.

3. Provide qualitative and quantitative information on the history of the firm, its investment philosophy and approach, and other relevant information.

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

1. Results compared to an appropriate, style-specific benchmark and peer group.

2. Adherence to stated investment objective.

3. Fees compared to similar investments in the marketplace.

4. Availability of relevant information in a timely fashion.

VI. Investment Monitoring & Reporting

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

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

Watch list criteria may include the following:

1. Results versus benchmark over a specified period of time

2. Deterioration of risk-adjusted performance

3. Notable style drift / change in investment objective
4. Expense ratio versus category average

5. Significant organizational or manager change

VII. Termination of an Investment Option

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

1. Achieve investment objectives,

2. Comply with investment guidelines,

3. Comply with reporting requirements, or

4. Maintain a stable organization and retain key relevant investment professionals.

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

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

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

1. Remove and replace (map assets) to an alternative comparable option,

2. Freeze assets in the terminated option and direct new assets to a replacement option,

3. Phase out the option over a specific time period,

4. Remove the option and do not provide a replacement option, or

5. A reasonable solution that may be determined at the time of termination.

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

VIII. Participant Education & Communication

The Plan will communicate to employees that:

1. They control their own investments,

2. Investment changes are permitted on a daily basis and may be subject to individual investment option requirements,

3. Educational materials allowing employees to make informed decisions are readily available.

IX. Coordination with the Plan Document

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

X. Approval

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

TOWN OF SIMSBURY
OPEB TRUST
INVESTMENT POLICY
Adopted by the Board of Finance in September 2022
Reviewed by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025

I. Introduction & Purpose

The Town of Simsbury OPEB Trust (the "Trust") has been established to provide post-employment retirement benefits to those individuals eligible to receive them. This policy statement outlines the goals and investment objectives for the Trust. This document is also intended to provide guidelines for managing the Trust, and to outline specific investment policies that will govern how those goals are to be achieved. This statement:

1. Describes the investment objectives of the Trust;

2. Describes an appropriate risk posture for the investment of the Trust's assets;

3. Defines the responsibilities of the Board of Finance (the "Board") and other parties responsible for the management of the Trust;

4. Establishes investment guidelines regarding the selection of investment managers and diversification of assets;

5. Specifies the criteria for evaluating the performance of the investment managers and of the Trust as a whole.

II. Investment Objectives

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

1. To achieve the stated actuarial target of the Trust;

2. To maintain sufficient liquidity to meet the obligations of the Trust;

3. To diversify the assets of the Trust in order to reduce risk;
4. To achieve investment results over the long-term that compare favorably with those of other municipal investment pools, professionally managed portfolios and appropriate market indexes.

III. Assignment of Responsibilities

Board of Finance – The Board of Finance is charged with the responsibility of overseeing the assets of the Trust. To that end, the Board's responsibilities include: establishing and maintaining the Trust's investment policy, objectives and portfolio guidelines with respect to asset allocation, risk parameters, and return evaluation and for specific interpretation of said investment policy, as well as selecting the investment vehicles, and periodically monitoring the performance of investments. The Board, however, may establish rules or other resolutions governing its investment policy and may delegate to the board members or agents the authority to act. The Board will meet periodically. The Board shall discharge its duties with the care, skill, prudence and diligence appropriate to the circumstances then prevailing. The Board recognizes that some risk must be assumed to achieve the Trust's long-term investment objectives.

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

Custodian – The Custodian is responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Trust, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Trust (for example, to accommodate payments to eligible Trust participants).

IV. Asset Allocation

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

V. Rebalancing

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

VI. Selection Criteria for Investment Managers

Investment managers/funds retained by the Trust shall be chosen using the following criteria:

1. Past performance, considered relative to other investments having similar investment objectives with consideration granted to both consistency of performance and the level of risk taken to achieve results;

2. The investment style and discipline of the investment manager;

3. How well the manager's investment style or approach complements other assets in the Trust;

4. Level of experience, personnel turnover, financial resources, and staffing levels of the investment management firm or fund;

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

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

VII. Security Guidelines

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

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

1. The mutual fund/co-mingled pool organizations selected should demonstrate: (a) a clearly defined investment philosophy; (b) a consistent investment process; (c) an experienced and stable organization; and (d) cost-effectiveness.
2. The mutual fund/co-mingled pool used will generally have at least a full three-year track record, or its equivalent, and the individual fund/pool must have at least $25 million under management (or, as an organization, $100 million in the same strategy) at the time of selection.

3. Each mutual fund/co-mingled pool will be regularly evaluated for proper diversity and each will provide material information on a timely basis.

VIII. Proxy Voting

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

IX. Investment Monitoring & Reporting

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

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

Watch list criteria may include the following:

1. Performance relative to benchmark performance over various time frames;

2. Deterioration of risk-adjusted performance;

3. Notable style drift / change in investment objective;

4. High manager fees relative to peers;

5. Significant organizational or manager change.

X. Termination of an Investment Manager

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

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

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

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

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

XI. Approval

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

Appendix A

Target Asset Allocation Table

Updated August 2020

Target Asset Allocation Table

Asset Class	Min Weight	Target Weight	Max Weight	Benchmark Indices
Fixed Income	25.0%	35.0%	45.0%	Bloomberg Barclays Aggregate Index, Bloomberg Barclays U.S. TIPS Index
Domestic Equities	25.0%	35.0%	45.0%	S&P 500 Index, Russell Midcap Index, Russell 2000 Index
International Equities	15.0%	25.0%	35.0%	MSCI EAFE Index, MSCI Emerging Markets Index
Real Estate	0.0%	5.0%	10.0%	FTSE EPRA/NAREIT Developed ex U.S. Index, Cohen Steers Realty Majors Index

TOWN OF SIMSBURY
BOARD OF EDUCATION
NON-LAPSING FUND POLICY
Adopted by the Board of Finance on March 17, 2015
Revised by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025

I. Policy

THE TOWN OF SIMSBURY hereby resolves to establish a non-lapsing account for the deposit of unexpended education funds.

WHEREAS, pursuant to Connecticut General Statutes §10-248a, for the fiscal year ended June 30, 2015, and each fiscal year thereafter, the authority making appropriations for the school district for a town may deposit into a non-lapsing account any unexpended funds from the prior fiscal year from the budgeted appropriation for education for the town, provided such amount does not exceed one per cent of the total budgeted appropriation for education for such prior fiscal year; and

WHEREAS, the Simsbury Board of Education may, from time to time, have such unexpended funds in a fiscal year and, approve the deposit of all or a portion of such unexpended funds into such non-lapsing account, up to the amount authorized by state law; then

BE IT RESOLVED, that the Simsbury Board of Finance hereby establishes the Unexpended Education Funds Account (the "Account") which shall be a non-lapsing account established pursuant to Connecticut General Statutes §10-248a, and by this resolution the Simsbury Board of Finance hereby directs the Town of Simsbury Department of Finance to open and maintain said Account in accordance with the directives of the Simsbury's Town Counsel. Authorization of expenditures from such account shall be approved by the Board of Education.

TOWN OF SIMSBURY
POLICY FOR AMENDING THE BUDGET,
BUDGETARY TRANSFERS AND
SUPPLEMENTAL APPROPRIATIONS
Adopted by the Board of Finance on September 25, 2024
Reviewed by the Board of Finance on September 16, 2025

I. Introduction & Purpose

It is the purpose of this policy to (i) outline the process and the circumstances in which the budgets of the Town of Simsbury may be amended by supplemental appropriation and (ii) to clarify the legal authority for transfers within or between funds, departments, boards, commissions, offices, and capital projects.

II. Appropriations

An appropriation is the legal authority to spend up to a certain amount during a defined budget period. Any amount that is appropriated may be expended or encumbered. Unless there is an exception by state law or town charter, no money can be paid out unless it has been appropriated. See Conn. Gen. Stat. Sec. 7-348; Town Charter, Sec. 812(d).

Once funds have been appropriated, officers of the Town and/or Board of Education may not reassign resources from one appropriation to another, nor may they exceed the amount of any appropriation without additional legal authorization as permitted by Charter or state statutes.

Unless there is a legal exception, all expenditures from the general fund (current expenses), from capital project funds, from some special revenue funds, and from other funds require appropriations. Where the requirement for an appropriation is unclear under the governing authorities, it is a best practice to budget for and approve an appropriation.

Simsbury' s appropriations are made by department within the General Fund, at the fund level for other funds, and at the individual project level for capital improvement plan (CIP) projects and capital non-recurring projects (CNR).

In accordance with the Simsbury Town Charter and Chapter 106 of the Connecticut General Statutes, all appropriations must be approved by means of the following processes before funds may be expended by management: Annual Budget and Referendum – Charter Chapter VIII and Sec. 406; Supplemental Appropriations – Charter Sec. 809; Emergency Appropriations – Charter Sec. 810; Power of Initiative – Charter Sec. 409; and Transfer of Appropriations – Charter Sec. 812(f).

Appropriations by Fund

The following funds require appropriations:

1. *General Fund – Department Level*

   Appropriations for expenditures in the General Fund that appear in the Board of Selectmen's operating budget are authorized by "department." Appendix A hereto contains a list of the departments that are subject to appropriations. This list may be modified by the Board of Finance during the annual budget process and the departments as modified become the legal designations of departments for that fiscal year.

   The appropriation for the Board of Education operating budget is approved as a whole. In other words, the Board of Education is considered its own "department," distinct and separate from the town, and the appropriation is a bottom-line appropriation: "the money appropriated for the maintenance of public schools shall be expended by and in the discretion of the board of education." See Conn. Gen. Stat. Sec. 10-222.

2. *Capital Funds – Project Basis*

   Appropriations of expenditures from the Capital Projects Fund (CIP), the Capital Non-Recurring Fund (CNR), and the Capital Reserves Fund are authorized for specified individual projects.

3. *Special Revenue Funds – Fund Level Appropriations Required*

   A special revenue fund is a fund that is restricted, committed or assigned for a specific type of activity. These accounting restrictions do not eliminate budget requirements for a lawful appropriation. Expenditures from special revenue funds may be made only if the funds have been appropriated by the Town, unless there is a legal exception in the Charter or state law.

   Examples of Special Revenue Funds that do not require appropriations are:

   - Social Worker Contingency Fund
   - Social Services Program Fund
   - Senior Center Program Fund
   - Library Program Fund
   - Dog Park Fund
   - Field Recreation Fund

- Simsbury Celebrates Fund
- Simsbury 350th Anniversary Fund
- Sewer Assessment Fund
- Flex Spending Fund
- Board of Education Program Fund
- Board of Education Grants Fund
- Board of Education Student Activities Fund
- Board of Education Cafeteria Fund
- Police Private Duty Fund
- Others as required by law or as approved by the Board of Finance

New, Amended or other Special Revenue funds not listed in this policy require an appropriation unless specifically excluded by law or Town Charter.

4. *Board of Education Non-Lapsing Fund*

The Board of Education Non-Lapsing Fund is governed by Conn. Gen. Stat. Sec. 10-248a which excludes this fund from appropriation requirements. Pursuant to Sec. 10-248a, expenditures from this fund "shall be authorized by the local board of Education," which in Simsbury is the Simsbury Board of Education.

Appropriations for Gifts, Donations and Grants

Expenditures of funds received as gifts, donations, and grants, (with the exception of certain grants, donations and gifts to the Board of Education and the Library Board of Trustees, as explained in this policy), require appropriations before they may be made, unless there is statutory exception.

Notwithstanding the foregoing, it is the policy of the Board of Finance that gifts, donations, and grants which (i) have been made for a restricted, specific purpose, and (ii) are under $20,000, may be expended without a prior appropriation in the year in which it is received, but only if three conditions are met:

1. the gift, donation or grant does not require a town match; and

2. the expenditure of the gift, donation or grant will not necessitate new or future operating costs; and

3. aggregate expenditures for such purpose shall not exceed $125,000 in any 6-month period

Where the foregoing conditions have been met, the Board of Board of Finance will vote at year-end for a pro forma supplemental appropriation and close-out.

Any portion of a restricted specific purpose gift, donation, or grant that will be spent in a fiscal year following the year in which it was received should be included as a resource in the regular budget for that future year, and the expenditure must be appropriated.

Expenditure of an undesignated general purpose gift, grant, or donation that exceeds budgeted appropriations may be made only after adoption of a supplemental appropriation.

Notwithstanding the foregoing, gifts and donations to the Board of Education shall be governed by Conn. Gen. Stat. Sec. 10-237(c). Gifts and donations to the Library shall be governed by Conn. Gen. Stat. Sec. 11-33.

Reimbursements for Special Education

When the state reimburses a town for special education expenditures, that are attributable to expenses beyond the Board of Education's itemized budget estimate, the Town Treasurer is required to credit the Board of Education's expenditure account and do not require supplemental appropriations. The obligation to credit the Board of Education expenditure account is limited to the amount by which the expenditures exceed the education budgeted estimates of expenditures. See Conn. Gen. Stat. Sec. 10-76g(b).

Credits to the Board of Education Expenditure Account

Credits to the Board of Education do not require supplemental appropriations. Such examples include:

1. When the Board of Education receives funds from students or parents due to lost, damaged or stolen textbooks, library materials or other material or equipment, or

2. When the district receives insurance proceeds for such lost or damaged educational materials, the town is required to credit such funds.

3. Amounts received by a local Board of Education from outside groups in payment for custodial and other related costs involving the use of facilities are deemed appropriated to the BOE, although such appropriation is net of any expense incurred by the town in providing such custodial services.

See Conn. Gen. Stat. Sec. 10-222a

Transparency, Budgeting and Reporting

For public transparency and accountability, it is policy of the Board of Finance to budget for each fund, whether or not an appropriation is required, whenever reasonable estimates of future spending are available.

The Board of Finance will comprehensively review all town and education expenditures and revenues in quarterly reports prepared by the Director of Finance.

The Board will review consolidated town department and education expenditures and revenues in monthly reports.

III. Supplemental Appropriations and Transfers

A supplemental appropriation authorizes expenditures in the current fiscal year that are not included in the annual budget. Supplemental appropriations may be made for a department, board, commission, office, fund, capital CIP project or CNR project, either to respond to an unexpected event or development, or to increase an existing appropriation.

All supplemental appropriations must be recommended by a majority of the Board of Selectmen and approved by resolution of the Board of Finance.

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

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

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

Notwithstanding the foregoing, supplemental appropriations may also be approved by citizen initiative pursuant to Section 409.

See Town Charter, Sec. 809 and 409

Common supplemental appropriations and transfers include, but are not limited to:

Fiscal Year-End Encumbrances, Supplemental Appropriations and Transfers: The Board of Finance usually acts in September/October to re-appropriate funds from the previous year's ending balance for projects or obligations that were approved but not completed during the year (carry-forward encumbrances), to fund a new project that cannot reasonably wait until the next budget cycle, or as a transfer to the Capital Reserve Fund or other funds.

Mid-Year transfers: The Board of Selectmen may recommend to the Board of Finance a supplemental appropriation for unbudgeted projected overages and may request that such supplemental appropriation be funded by transfers from savings in other budgeted appropriations or from reserves.

Grants or unanticipated revenues: The Board of Selectmen may recommend to the Board of Finance a supplemental appropriation where there is unanticipated, non-property tax revenue from a source that could not have been reasonably anticipated or budgeted, such as grants, gifts, donations or implementation of a new fee.

Budgeted contingency for settled negotiated contracts that are to be transferred from the contingency line item to departmental line items after contract settlement are not considered supplemental departmental appropriations, but require Board of Finance approval to transfer from contingency to departmental budgets. These transfers may be requested upon the settlement of contracts or at year-end clean-up.

Emergency Appropriations

For the purpose of meeting a public emergency threatening the lives of citizens, emergency appropriations, the total amount of which shall not exceed fifty percent (50%) of undesignated fund balance for the then-current fiscal year, may be made (i) upon the recommendation of at least four (4) members of the Board of Selectmen and (ii) upon an affirmative vote of no fewer than four (4) members of the Board of Finance.

In the absence of sufficient general fund resources to meet such appropriations, additional means of financing shall be provided in such manner, consistent with the provisions of the General Statutes and of this Charter, as may be determined by the Board of Finance.

See Town Charter, Sec. 810

Note: The emergency appropriations policy as expressed in this document supersedes and conflicting language in other Town documents.

Supplemental Appropriations for the Board of Education

Supplemental appropriations for the Board of Education operating budget are also subject to the terms of Conn. Gen. Stat. Sec. 10-222.

"If any occasion arises whereby additional funds are needed by… [the Board of Education], the chair [of the Board of Education] shall notify the board of finance… and shall submit a request for additional funds in the same manner as provided for departments, boards or agencies of the municipality and no additional funds shall be expended unless such supplemental appropriation shall be granted and no supplemental expenditures shall be made in excess of those granted by the appropriating authority."

General Considerations

Supplemental appropriations for special projects/activities that are not funded by a grant, gift, or donation shall be kept to a minimum and may be considered only (i) when the project or activity to be funded could not have been reasonably anticipated for inclusion in the current fiscal year's budget; (ii) if a delay in the requested expenditure would cause harm or cause the town to incur greater costs; (iii) or if some other urgent need is presented.

Supplemental appropriations funded by grants, gifts or donations may be routinely approved at any time during the fiscal. Such appropriations may also be included in consent agendas if they are for $20,000 or less and there is: (1) no town match required and (2) the expenditure will not result in an increase to the town's operating costs.

IV. Appropriation Lapses

In accordance with Town Charter, Section 812(g), appropriations for construction or other permanent improvements, from whatever source derived, shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided, however, that any such project shall be deemed to have been abandoned if three (3) fiscal years shall elapse without any expenditure from or encumbrances of the appropriation therefor.

Any portion of an annual appropriation remaining unexpended and unencumbered at the close of the fiscal year shall lapse and be returned to the fund from which it was appropriated.

V. Transfers *within* a Department

The Board of Selectmen has the authority to approve line-item transfers within a department, provided that the total expenditure of a particular department does not exceed the amount that has previously been appropriated for the whole department.

Notwithstanding the foregoing, transfers between commissions, boards, and offices within a department require Board of Selectmen recommendation and Board of Finance approval. See Town Charter, Section 812(f).

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

The Board of Finance reviews transfers made within departments using quarterly reports prepared by the Director of Finance.

VI. Transfers *Between* Department's, Commissions, Boards or Offices

Pursuant to Town Charter, Section 812 (f) and Conn. Gen. Stat., Sec. 7-347, and subject to the conditions identified below, upon the request of the Board of Selectmen during the last six (6) months of a fiscal year, the Board of Finance may, by resolution, transfer any unencumbered appropriation, balance, or portion thereof, from one department, commission, board, or office to another.

Notwithstanding the foregoing, no transfer shall be made from any appropriation for debt service or other statutory charges.

Notwithstanding the foregoing, this provision shall not apply to the Board of Education.

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

1. The purpose for which the transferred funds are to be expended remains unchanged; or

2. The purpose for which the funds were initially appropriated no longer exists; or

3. The proposed transfer is from a fund in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation approved at referendum.

VII. Transfers *Between* Funds

With the exception of the Board of Education Non-Lapsing Fund, all transfers between funds require the recommendation of the Board of Selectmen and approval of the Board of Finance.

Transfers to or from the Board of Education Non-Lapsing Fund require only the approval of the Board of Education, provided (1) such deposited amount does not exceed two percent of the total budgeted appropriation for education for such prior fiscal year, (2) each expenditure from such account shall be made only for educational purposes, and (3) each such expenditure shall be authorized by the local board of education. See Conn. Gen. Stat. Sec. 10-248a.

VIII. Transfers *Between* Capital (CIP) and Capital Non-Recurring (CNR) Projects

No individual capital CIP project or CNR project may exceed its project appropriation without a supplemental appropriation. All transfers between capital CIP projects and CNR projects, and all transfers from other funds to such projects, require prior recommendation of the Board of Selectmen and prior approval of the Board of Finance, provided, however, that this requirement shall not apply to minor CNR project overages as described below.

As a matter of Board of Finance policy and consistent with the Capital and Capital Non-Recurring Fund Policy, and for CNR projects only, anticipated budget transfers between projects may be overspent within $5,000 so long as the total anticipated overages do not exceed anticipated savings from other projects. The transfer and close out requests will go before the Board of Selectmen and Board of Finance at year-end for formal close-out.

APPENDIX A
DEPARTMENTS

For purposes of this policy, departments are identified below, unless modified by the Board of Finance during the annual budget approval.

- Town Manager, General Government, Legal, Health
- Boards and Commissions
- Election Administration
- Probate
- Information Technology
- Police, Dispatch, Animal Control, Emergency Services
- Community & Social Services
- Employee Benefits
- Debt Service
- Board of Selectmen – Community Services
- Parks & Recreation
- Town Clerk
- Finance, Tax, Assessment
- Planning & Building
- Public Works, Engineering, Transfer Station
- Library
- Insurance
- Transfers

APPENDIX B
DEFINITION OF FUNDS

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

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

Board of Education Program Fund - 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.

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 Funds - include the following program funds:

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

Public Safety Funds - includes the following program funds:

- **Narcotics Task Force** - to account for state grants for narcotic enforcement.
- **Police Dare Program** - to account for state grants for narcotic education.
- **Local Law Enforcement Block Grant** - to account for local law enforcement block grant from the State of Connecticut Office of Policy and Management and the United States Department of Justice. Expenditures are for public safety equipment not otherwise budgeted for in the public safety operating budget.
- **Police Vehicles** - to account for revenues associated with the sale of police vehicles and funding from the General Fund budget to be used for the purchase of new police vehicles.

- **Police Special Duty** - to account for revenues and expenditures for police officers special duty for outside organizations.
- **Police Community Services Fund** - to account for police grants, donations, charges for fingerprint services and programs including: Project Lifesaver, Self-Defense Classes, Police Cadets, and Heroes & Hounds.

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

Facilities Management Funds - includes the following program funds:

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

Health and Welfare Funds - includes the following program funds:

- **Social Workers Contingency** - to account for donations and gifts and associated expenses related for the well-being of town citizens in need of assistance.
- **Clean Energy Task Force** - to account for grants and donations to be expended per the charge of the Clean Energy Task Force.
- **Expanded Dial-A-Ride** - to account for grant and expenditures related to an expanded dial-a-ride service to the elderly and disabled residents of program.
- **Senior Center** - to account for donations and expenses related to senior center programs.
- **Youth Services** - to account for grant and expenditures related to youth services.
- **Julia Darling** - 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** - 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 and Recreation Program Funds - includes the following program funds:

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

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

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

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

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

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

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

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

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

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

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

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

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

Board of Education Non-Lapsing Fund (Unexpended Education Funds Account) – authorized by Conn. Gen. Stat. Sec. 10-248a, as amended in 2024, the fund is established to receive funds deposited from the Board of Education from the prior fiscal year from the budgeted appropriation for education.

TOWN OF SIMSBURY
STRUCTURALLY BALANCED BUDGET POLICY
Adopted by the Board of Finance on August 16, 2022
Reviewed by the Board of Finance on September 25, 2024
Revised by the Board of Finance on September 16, 2025

I. Introduction & Purpose

The Town of Simsbury is required by law to have a balanced budget. However, the law does not distinguish between a budget that is balanced using short-term fixes and a budget that is structurally balanced for the long term. A true, structurally balanced budget is one that is designed to achieve balance for multiple years into the future. By adopting a budget policy based on the principles of structural balance, the Town of Simsbury seeks to establish a strong financial foundation for our community for years to come.

The Town of Simsbury will adopt structurally balanced budgets in which predicted or estimated recurring revenues equal or exceed predicted or estimated recurring expenditures. The budgets will use realistic revenue estimates. No debt will be issued to fund operating expenditures.

II. Policy

A structurally balanced budget has three important qualities.

1. Ongoing expenses should be covered by ongoing revenues. Ongoing revenues are revenues that can reasonably be expected to continue year to year, with some degree of predictability. Property taxes are an example of recurring revenue. Other examples include recurring State or Federal Grants, such as the Educational Cost Sharing grant, Town Aid Road grant, Municipal Revenue Sharing grant, etc.

   Ongoing expenses that can be expected to continue year to year, in amounts necessary to maintain current levels of service. Staff salaries, benefits, materials and services, and asset maintenance costs are common examples of recurring expenditures.

2. One-time or short- term revenues are used to fund only one-time or short-term expenses. Examples of this might be either a grant with a term limit that does not recur year-to-year or a settlement from a lawsuit.

3. Town have adequate reserves as a hedge against risk. This serves as a “bottom line measure” to help determine the extent to which structural balance goals are being achieved. Simsbury will maintain General Fund Balance reserves of no less than 16% of the operating budget in accordance with the Fund Balance Policy adopted by the

Board of Finance.

The Town of Simsbury policies adopted by the Board of Finance to support a structurally balanced budget are posted on the Town of Simsbury Finance Department website, which include:

- Investment Policies
- Investment Policy Statement OPEB
- Non-Lapsing Account for the Board of Education
- Capital and CNR Policy
- Defined Benefit Pension Plan Investment Policy
- Fund Balance Policy
- Debt Management Policy
- Defined Contribution Plan Investment Policy
- Policy for Amending the Budget, Budgetary Transfers and Supplemental Appropriations

Town of Simsbury
Board of Finance
Regular Meeting Minutes
June 16, 2026

Present:
Members in attendance: Lisa Heavner, Regina Pynn, Art Wallace, Mike Doyle, and Bert Helfand.

Others in attendance included: Kelsey Chamberlain, Deputy Finance Director; Marc Nelson, Town Manager; Wendy Mackstutis, First Selectman; Diana Yeisley, Selectman; Tom Tyburski, Director of Culture, Parks, and Recreation; Karin Stewart, Chief (SVAA); Russell Regenauer, EMT (SVAA); Brian Clancy, President (SVAA); and Chris Kelly, Vice President (SVAA).

Call to Order:
Ms. Heavner called the meeting to order at 5:45 p.m.in the Main Meeting Room in the Simsbury Town Hall.

Pledge of Allegiance:
Everyone stood for the Pledge of Allegiance.

Mr. Helfand made a motion to amend the agenda to add item (c) for a supplemental appropriation in the amount of $10,000 for the purchase of a hot water heater for the Simsbury Farms Golf Clubhouse. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

Public Audience:
None

Presentation: Simsbury Volunteer Ambulance Association:
Ms. Heavner said that Simsbury Volunteer Ambulance Association (SVAA) reached out during the budget process to request a presentation to the Board of Finance on their financial and service model.

Ms. Stewart walked through the financial model for SVAA. She said that the rates are set by the State of CT, and reviewed the 2025 rates for different types of transports. The rates dictate the amounts that SVAA can bill to Medicaid, Medicare, and private insurance. Ms. Stewart reviewed a sample breakdown of rates, which typically results in an amount that is uncollectable. Members asked about the breakdown of the transports between Medicare, Medicaid, private pay, and uninsured. SVAA indicated that just over half are either private pay or uninsured.

Mr. Wallace asked about how actual costs compare with the billable rates; Mr. Regenauer noted that the Town and SVAA came together around the staffing of the second ambulance because the costs associated with this unit are fully not covered by additional calls. He said that the established rates do not cover "preparedness," which is what the Town is interested in.

Ms. Stewart reviewed historical 911 dispatches, noting how variable the call volume is and therefore how difficult it is to predict. Ms. Heavner asked what SVAA's level of reserves is. Mr. Regenauer said that the operating budget is approximately $1.6 million and the reserves are around $50,000. He said the want to build this up to about $300,000 which would be 20-25% of the operating expenses.

Mr. Regenauer reviewed SVAA's revenue forecasting methodology, which uses factors such as dispatch

volume growth rate, SVAA response rate, percentage of calls transported, percentage of billing allowed and collected, expense growth rate, and revenue growth rate. For 2026, SVAA is projecting 1,850 transports, which could be 100 higher or lower depending on the deviation.

Mr. Wallace noted that SVAA has fixed costs and a variable revenue source. Mr. Regenauer confirmed and also noted that SVAA has very little control over the revenue source. Mr. Wallace asked if any of the costs could become more variable; Mr. Regenauer said that approximately 80% of the costs are wages. Ms. Stewart said there are 22 employees, six of which are full-time and the rest are per diem. Discussion ensued regarding the staffing model and the costs related to staffing regardless of call volume.

Ms. Heavner asked about projected increases in personnel costs. Mr. Regenauer said that this reflects a need to remain competitive in the market. He said that SVAA essentially commits to running one and a half ambulances per day, and that is a sunk cost in terms of labor. Mr. Wallace noted that SVAA covers about 80 percent of its expenses with its revenue, even though it only collects 50 percent of what it bills. Mr. Regenauer said that if SVAA could collect on everything that they are permitted to by the state, they would be in a position of making a profit. Mr. Doyle noted that SVAA only gets paid if they have a transport, even if they treat someone. Ms. Stewart said that Medicare treats them like a transport service, and that only recently have they been able to bill for a "treat in place." However, it is difficult to enforce payment on those types of calls. Ms. Heavner asked if Social Services could assist with those types of calls; Ms. Stewart said they are notified and help after the fact.

Mr. Nelson said that there is no billing for the idle time that an ambulance may spend at a hospital, as well as the time to travel back to town. He said we are starting to pay more attention to "release time," mutual aid time, and other relevant data points.

Mr. Regenauer returned to the forecasting model, noting that while revenue is project at $1.3 million for 2026, a reduction in call volume can significantly impact that. Ms. Heavner said that we could consider a loan system. Mr. Regenauer said that they can also address cash flow issues through a bank loan. Ms. Heavner asked about SVAA's fundraising levels. Mr. Regenauer said that SVAA received its last COVID relief funding in 2025 for payroll retention.

Mr. Regenauer presented a slide on Town funding which includes a need for assistance in the amount of approximately $360,000 2027-2028, approximately $200,000 in 2028-2029, and approximately $200,000 in 2029-2030 plus a contribution to an ambulance replacement. Discussion ensued regarding the break-even point for the second ambulance; Mr. Regenauer said we would need six or seven more transports per day. He also noted that the mutual calls out and mutual aid calls in last year were both approximately 250.

Mr. Wallace asked about the coverage ratio for staffing. Mr. Regenauer said that mutual aid is required for approximately 250 calls per year and that if we removed the second ambulance, that number would increase by approximately 700. He said a typical shift is twelve hours. In this industry, it would be difficult to deviate from that norm. Ms. Pynn asked how the Town and Board of Education benefit from SVAA's services. Ms. Stewart said SVAA provides standby services at the concerts, which is a paid service. Mr. Regenauer said they do offer classes for a small fee, and seeks grants when possible.

Ms. Stewart and Mr. Regenauer reviewed demographic data related to calls, as well as response time data. They noted that mutual aid represents 9 percent of call volume, and discussion ensued regarding the increased response time related to mutual aid calls.

Ms. Heavner requested a cost per capita. Mr. Kelly said that he is still working on finalizing his analysis,

but that it ranges statewide from $2.35 to $85 per capita. He said Simsbury is at $6.53 per capita and referenced some surrounding towns' data points. He said he is finalizing the data and will share the research when completed.

Finance Director's Report (Pages 1-8):

Ms. Chamberlain said that there is nothing new regarding supplemental appropriations on the report, but that there will be supplemental appropriations on the agenda tonight.

Ms. Heavner asked about the federal funds that were recently applied for. Mr. Nelson said that we did apply for Congressionally Directed Spending for Eno Hall, the splash pad, and berm at WPCA. So far we have only heard back on the Eno request, which was denied.

Ms. Chamberlain said we are waiting to hear back on the CRCOG LOTCIP grant and DEEP grant, with notifications expected at the end of the summer or early fall.

In regards to savings initiatives, Ms. Chamberlain noted the bullet proof vest grant under the Police Department, which saved approximately $10,000. She said that Human Resources is now using Retiree First, which reduces monthly costs from $25,000 to $17,000.

Ms. Chamberlain said that the fraud risk assessment has been forwarded to department heads and relevant staff and that we are working on the implementation of the recommendations. Ms. Heavner requested a copy of the assessment.

Regarding the investments, Ms. Chamberlain said that we closed a CD in early June and have no open CDs currently. She said we will review new CDs in the new fiscal year.

In regards to revenues, Ms. Chamberlain directed the Board to page 4, noting that we received $340,000 for delinquent payments. Ms. Heavner asked how many years the delinquencies cover, and Mr. Nelson said staff would check on this.

In regards to expenditures, Ms. Chamberlain said we are projected to come in under budget by $1.47 million and that we do not anticipate major changes between now and the end of the fiscal year. Ms. Heavner noted that approximately $400,000 of the savings is related to debt service costs, and another portion is due to the vacancy factor.

Ms. Heavner asked if there is anything to report on health insurance. Mr. Nelson said there is nothing new to report.

Ms. Heavner asked for an update on the vehicle policy. Mr. Nelson said it is still in progress and that we are incorporating the Police Department's policy into this comprehensive policy.

Ms. Heavner asked about the Town's purchasing card (PCard) policy. Mr. Nelson said we have a strong policy. Ms. Chamberlain said that approximately 35-40 Town and Board of Education employees have a PCard. Ms. Heavner asked for a copy of the policy.

Vacancy Sub-Committee Update:

Ms. Heavner said that she shared a letter from Sarah Nielsen of the Main Street Partnership regarding a history of how this group was started and what they are working on. Ms. Heavner asked Mr. Nelson to share information regarding the scope of the problem of these vacancies, and potential tax revenue from

filling the spaces. Mr. Nelson said that the committee is likely to issue a report with actionable items in the next couple of months. He said three goals of the group are to: identify spaces for adaptive reuse; identify what programs or incentives could assist in development or expansion; and review permit processes for potential improvements. He said the committee meets every couple of weeks and is researching what other towns are doing as well.

Mr. Nelson said that our total commercial properties make up $230 million of assessed value, which represents $7.7 million in potential tax revenue. He said that 10-20 properties are vacant, and we can expect some properties could drop in value by 50 percent. Even the occupied properties are less stable in terms of occupancy. He said we are analyzing the use of these properties through their income and expense statements. Mr. Nelson said that we do not want to assume a wide scale risk to commercial properties in the next revaluation, but that certain properties are at a certain level of risk; this is what we are trying to quantify in terms of risk level. He said that this figure is probably 5-7% of the $7.7 million.

Mr. Nelson said that that we are planning to go out to bid for the revaluation company and that the recommendation will likely be to have one company for commercial and one for everything else. Discussion ensued regarding improvements to the revaluation process and consistency with national standards.

Mr. Nelson said that we expect a larger number of appeals to the Board of Assessment appeals during the next revaluation. He said one member of the Board of Selectmen suggested having any appeals over $1 million not be heard by the BAA, and have the property owners go straight to the appellate court instead. Ms. Pynn spoke to her experience on the BAA, sharing that the BAA and Town Assessor have always collaborated on how to best support the Town. She said that oftentimes, the larger property owners intend to take it to court and therefore treat the BAA as just a necessary step in the process. She said the BAA needs better data in their decision making, and determination should be made as to whether spending more time on these complex cases actually saves the town money. Mr. Nelson said that the full Board of Selectmen needs to weigh in on a potential policy on this. Ms. Pynn said that open communication with the BAA on this topic would be welcome.

Ms. Pynn inquired about why the commercial properties being discussed did not include industrial space. Mr. Nelson said it is because it is a smaller subset and does not have a big impact across the entire grand list. Ms. Heavner noted that commercial vacancy is currently seeing a bigger problem than industrial. Ms. Pynn noted she has an industrial background and there is a lot of innovation in this field that could be helpful. Mr. Nelson noted he will include the industrial data.

Ms. Pynn noted that boards have received feedback that the development created within town has created transportation. Is transportation review within the scope of the sub-committee? Nelson stated it is not within the Main Street Partnership's scope of work but should be reviewed internally.

Mr. Helfand inquired if there were any specific business sectors that have a demand for commercial space. Mr. Nelson said he believes it would be healthcare due to competition and services demand.

Ms. Heavner requested the "Vacancy Sub-Committee Update" remain a standing agenda item going forward.

Agenda Items:

a) Supplemental Appropriation – AARP Community Challenge Flagship Grant (Page 9)

The Board discussed a request to approve a supplemental appropriation in the amount of $14,000 for the purchase of Mobi Mats to improve accessibility at various Town facilities. The funding for the purchase is provided through an AARP Community Challenge Grant, and any unspent grant funds at the end of Fiscal Year 2026 will be carried forward into Fiscal Year 2027.

Ms. Yeisley provided background on the grant application process and explained that the need for Mobi Mats was identified to improve accessibility for residents with mobility challenges. The mats will allow individuals using wheelchairs, walkers, and other mobility devices to access areas that may otherwise be difficult to navigate, including fields and event spaces. It was noted that the mats are portable, will not remain permanently installed, and will be deployed and removed after each event.

The mats will be owned by the Town and coordinated for use among various facilities. Members noted the importance of establishing appropriate procedures for deployment, transportation, storage, and staff training to ensure safe use. Discussion ensued.

Ms. Heavner inquired about the lifespan of the mats. Ms. Yeisley noted the lifespan to be approximately 25 years or more and confirmed that the grant funding includes related costs such as delivery and associated equipment.

Ms. Pynn made a motion, effective June 16, 2026 to approve a fiscal year 2026 budget supplemental appropriation in the amount of $14,000 for the purchase of Mobi Mats to improve access to various town facilities and to approve a supplemental appropriation for fiscal year 2027 budget for the expenditure of the remaining dollars from the original $14,000 that is unspent in fiscal year 2026. Mr. Helfand seconded the motion. All were in favor and the motion passed unanimously.

b) Capital Planning Discussion for July

The Board discussed capital planning priorities, long-term funding strategies, and the structure and presentation of the Town's capital budget.

Ms. Heavner noted this is not a discussion about capital budgeting but rather what topics they would like to discuss at their July meeting.

Mr. Nelson lead the discussion by stating the there needs to be a clear prioritization framework for capital projects. Another item that is important to the team is the guidance that the Board of Finance has still in place regarding the debt limit of $5M per year or $10M bi-annually. He understood this to be temporary guidance to smooth debt and would like guidance on when and if this restriction will be lifted. Lastly, the status of the Squadron Line project.

Mr. Nelson discussed the need for clarity related to the cash component for capital planning during the budget process. He noted that the cash for capital has been coming from year-end savings from surpluses. He has concerns that as the town budgets more tightly, the surplus will continue to decline and use of cash will be diminished. He would like to see the cash competent shifted into the operating budget prior to the diminishment of the surpluses. He will leave this to the Boards to drive the discussion on this issue and not something he plans to bring to the table in July as it is not a priority of management.

Ms. Heavner requested for the next budget cycle they discuss having a "cash for capital" line item in the budget which will provide a target balance for management to utilize during the budget process. She also would like to see a contribution to cash for capital as there is a dip in debt service.

Ms. Heavner would also like to review the capital projects submission sheets and make sure they are completed consistently and all information is being provided.

Ms. Heavner requested an updated budget model showing the impact of the Squadron Line project the same year as the revaluation. She would like this in advance of the next meeting.

Discussion ensued regarding debt service, upcoming capital needs, prioritization between the Town and Board of Education projects and major long-term projects.

Ms. Heaver noted that the Squadron Line project is a 20-year commitment and there are competing priorities that we are aware of including roof replacements, major equipment etc. Ms. Heavner has requested a 20-year plan for major capital.

c) Supplemental Appropriation – Hot Water Heater for the Simsbury Farms Golf Clubhouse

Mr. Helfand made a motion to reorder the agenda and discuss agenda item (c) before the Vacancy Sub-Committee Update. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

This item was discussed prior to the Vacancy Sub-Committee Update.

Mr. Tyburski said that the clubhouse was built in 2002 and that the original equipment is still there. He said there was discoloration in the water, and some leaking from the hot water heater. He said it is inspected annually, so this is a recent problem and it is just at the end of its useful life. Mr. Tyburski said that the original quotes came in between $33,000-$48,000 but we learned that the existing unit is larger than we need. We received four quotes under $10,000 for a unit that is sized for our needs. Mr. Tyburski said that we hope to get the work done this week. Ms. Heavner said there is plenty of money in the Simsbury Farms reserve to cover this.

Mr. Doyle made a motion, effective June 16, 2026 to approve a supplemental appropriation in the amount of up to $10,000 for the purchase of a new hot water heating system at the Simsbury Farms Golf Clubhouse to be funded with fund balance from the Simsbury Farms special revenue fund. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

Review of Minutes:

d) May 19, 2026 Regular Meeting Minutes (Pages 10-28)

Mr. Helfand made a motion, effective June 16, 2026 to approve the minutes of the May 19, 2026 Regular Meeting. There was no formal second to the motion. All were in favor and the motion passed unanimously.

Communications:

e) Fixed Asset Disposition Policy (Pages 29-34)

Ms. Heavner said that they had requested a copy of the capital asset disposition policy. She said for the public that this policy does not include the disposition of real property or open space it is for fixed assets such as vehicles or equipment. She said this is their way of ensuring public assets are disposed through a process that protects public value.

Ms. Heavner would like a disclaimer included in the policy that this policy does not include disposition related to town owned land or open space. Mr. Nelson said he will add this to the policy. She would also like language added related to grant funded assets and technology disposals and data destruction. Mr. Doyle noted that the technology task force has already completed a policy for technology disposals and data destruction. Ms. Heavner would like this reference added to the policy.

f) Assessment Taxable and Exemptions State Reports: M-13 & M13a (Pages 35-42)

Ms. Heavner noted these reports are filed annually with (Office of Policy & Management) OPM that summarizes the grand list by category. She specifically noted the commercial and industrial rates as it related to their earlier conversation.

g) Simsbury Performing Arts Center Band Shell Expansion Project Update (Pages 43-61)

Mr. Wallace inquired about the value of the contingency in the amount $184,555. There are change orders included in the submitted materials and he wasn't sure if those should be subtracted. Mr. Nelson said he will have Tom Roy send an email to the Board of Finance clarifying the amount of contingency to be left over as well as the completion timeline.

h) Board of Education Tecton Presentation (Pages 62-74)

Ms. Heavner noted this is the first look of the potential Squadron Line project and they wanted to make sure all information is out there as early as possible.

Adjourn:

Mr. Wallace made a motion to adjourn the Regular Meeting of the Board of Finance at 8:25 p.m. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,
Melissa Appleby
Budget Director

Meriwether Amy

From: [redacted]
Sent: Thursday, October 23, 2025 2:25 PM
To: Meriwether Amy
Subject: Re: PCard is Here!

Hi Amy,

I have read and understood the town policies regarding my purchasing card. I agree to the terms set forth within the policies.

Kindly,
[redacted]

From: Meriwether Amy <ameriwether@simsbury-ct.gov>
Sent: Thursday, October 23, 2025 2:22 PM
To: [redacted]
Subject: PCard is Here!

Hi [redacted]
Your pcard has arrived! Can you read through the below and respond with your agreement?
Below are basic policies and guidelines that you need to agree to in order to obtain your purchasing card. Please read through the below items and if agreeable, respond to this email letting me know you are in agreement. Your response to this email will solidify that you are officially on notice as to your responsibilities.
Purchasing Card Policies and Guidelines:

1. Cards can be used for Town/School business only. Prohibited purchases include: alcoholic beverages, cash advances, personal purchases and any other items prohibited by Board policy. The Finance Department will audit card usage and the cardholder will be personally liable for any unauthorized use that occurs with the purchasing card.
2. Town/School funds are being committed each time the purchasing card is used. It is your responsibility to track your spending and ensure you are not exceeding your budget limits.
3. No employee other than the person to whom the purchasing card is issued is authorized to use the assigned purchasing card.
4. Cardholders should protect against fraudulent usage, including but not limited to keeping your purchasing card in a secure place.
5. **Original itemized** receipts must be retained for each transaction. Each user will be required to review their purchasing card transactions on a monthly basis and submit expenditure reports along with the original itemized receipts. All reports are due by the 10th of each month. If the monthly reports are not submitted on time your card will be turned off immediately.
6. Returned items that produce a credit should have receipt documentation showing the credit.
7. If there are any charges on your purchasing card that you would like to dispute you must call JP Morgan at 888-297-0768 and notify the Finance Director as soon as possible.
8. Any shipments made utilizing the purchasing cards shall be made to a Town/School building address. No shipments shall be made to an employee's personal address under any circumstances.
9. If your card is lost or stolen, you need to call the following JP Morgan (800-316-5056) and notify the Finance Director immediately.
10. If you are responsible for an employee that it is possession of a purchasing card, it is your responsibility to notify Finance immediately upon their termination so the card can be turned off.

11. Card privileges may be rescinded at any time at the discretion of the Finance Director if policies and/or procedures are not followed by the cardholder.

Please let me know if you have any questions!
Amy

Amy Meriwether
Finance Director/Treasurer
Town of Simsbury
Simsbury Board of Education
933 Hopmeadow Street
Simsbury, CT 06070

P: (860) 658-3282
F: (860) 658-3206
E: ameriwether@simsbury-ct.gov

All E-mails are for official Town business only and privacy should not be assumed. E-mails are public documents unless subject matter is protected by State or Federal Laws.

CAPITAL REQUEST FORM

Department:	**Project Title:**	**Expected Life:**
Description of Project:		
Project Justification:		

PROJECTED CAPITAL COSTS

	Estimated Expenditures by Fiscal Year						
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	SIX-YEAR TOTAL
A. Planning & Engineering							$0
B. Architects							$0
C. Land and Right of Way							$0
D. Construction							$0
E. Equipment							$0
F. Other Costs							$0
G. Bonding Costs							$0
H. Contingency							$0
TOTAL PROJECT COSTS	$0	$0	$0	$0	$0	$0	$0

PROJECTED REVENUES

Funding Source	Estimated Revenue by Fiscal Year						
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	SIX-YEAR TOTAL
A. Bonds							$0
B. General Fund Cash							$0
C. Operating Transfer							$0
D. Capital Reserve Fund							$0
E. Grants							$0
F. Other - ***please specify here***							$0
TOTAL REVENUE	$0	$0	$0	$0	$0	$0	$0

PROJECTED OPERATING COSTS

	Estimated Operating Costs by Fiscal Year						
	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	SIX-YEAR TOTAL
A. Personnel							
Salary							$0
Benefits							$0
Personnel Sub-Total	$0	$0	$0	$0	$0	$0	$0
B. Contractual							$0
C. Commodities							$0
TOTAL OPERATING COSTS	$0	$0	$0	$0	$0	$0	$0

Marc S. Nelson, MPA
Town Manager

Thomas J. Roy, PE
Director of Public Works
Town Engineer

DEPARTMENT OF PUBLIC WORKS

MEMORANDUM

To: Marc Nelson – Town Manager
From: Thomas J. Roy, PE, CEM – Director of Public Works/Town Engineer
CC: Amy Meriwether – Director of Finance; Adam Kessler – Deputy Town Engineer
Date: July 17, 2026
Subject: SMPAC Band Shell Expansion – Update from Public Building Committee

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Attached is the packet for the Performing Arts Center project from the Public Building Committee (PBC) meeting on Monday, July 13, 2026. The project is substantially complete and has been utilized for the Hartford Symphony Concerts as of July 3rd. The costs to date are $2,357,589. The Town is withholding a retainage of $170,647 from the contractor, and the remaining contingency is currently $173,565 (5.5%).

During the meeting, the PBC reviewed the following:

1. PCO 27 – Additional Handrail for the front of the building, cited by the Building Official during our final inspection. This PCO would add $7,278.00 to the project. **Action – Denied.** *The belief is the Town will be able to manage an independent contractor to perform this work at a lower overall cost.*

2. PCO 28 – Fire Hydrant Credit and Additional Water Pipe/Fittings (No Cost Change). PCO includes a credit for the incorrect fire hydrant that is offset due to additional pipe and fittings required for the fire service. **Action – Approved.**

3. The following items were identified as being required for the project and will be completed outside of the contract with Millennium builders. The PBC approved the following items with a total allowance of $43,761:

• Additional Handrail	$ 7,278.00
• Camera Server Enclosure & UPS	$ 1,370.00
• Window Treatments	$ 3,175.06
• Fire Department Lock Box	$ 289.00
• Repairs to Existing Lighting Protection	$ 3,000.00
• Lightning Protection - New Building	$ 14,000.00
• Lockset Core Replacement	$ 5,000.00
• Bathroom Access Control	$ 9,649.00

The attached packet includes the documentation for each PCO, quote, and invoice.

Attachment: SMPAC Report June 2026.pdf

Town of Simsbury

66 TOWN FOREST ROAD, WEST SIMSBURY, CONNECTICUT 06092

~ Department of Public Works ~

Memorandum: **Project Summary**
SMPAC Band Shell Expansion

To: **Richard Derr - Public Building Committee**

CC: **Tom Roy, Director of Public Works & Town Engineer**

From: **Adam Kessler, Deputy Town Engineer**

Date: **July 9, 2026**

The following report represents the status of the Simsbury Meadows Performing Arts Center (SMPAC) Band Shell Expansion project as of July 9, 2026.

Project Team:
Architect – Colliers Design and Engineering
Contractor – Millennium Builders
Materials Testing & Inspection – Tri State Materials Testing Lab

Project Budget Report:
Approved funding is $3,070,881 with funding from the Town, SMPAC donation, and DECD Urban Act Grant. The design plans and specifications were procured by SMPAC, donated to the Town for bid, and is now recognized as part of the donation amount by SMPAC. Costs to date include grant administration, bid related expenditures, Town efforts to address soils, construction administration, testing, and construction.

Project costs paid to date are **$2,357.589** and the Town is withholding a retainage of $170,647 from the contractor. Remaining contingency is currently **$173,565 (5.5%)**.

Construction Budget Report:
Millennium Builders original contract amount was $2,516,000. To date there are (7) change orders approved with a total value of $213,636.25 resulting in a current contract amount of **$2,729,636.25**.

Additional expenditures to consider following the certificate of occupancy include replacement of sewer pumps and controls (original to building), server closet (materials only), and window treatments. These items are not critical to the certificate of occupancy and will not involve Millennium Builders. Costs to be provided at a later date.

Potential Change Order / Additional Costs:
PCO 27 – Additional Handrail (ADD $7,278.00)

Building Official requested an additional handrail at the exterior entrance stairs. Town Staff declined this PCO due to excessive cost and will seek an alternative contractor to provide the additional handrail.

PCO 28 – Fire Hydrant Credit and Additional Water Pipe/Fittings (No Cost Change)
Credit for the incorrect fire hydrant and additional costs for piping/fittings related to the fire service. This resulted in a no cost change order.

Camera Server Enclosure & UPS – EAS (ADD $1,370)
Enclosure will be wall mounted and contain the server and UPS in a secure cabinet. This option was selected based on cost and size. The alternative is a closet built into the corner of the backstage area.

Window Treatments – Budget Blinds of Simsbury (ADD 3,175.06)
The project received a credit of $6,000 for window treatments (PCO #07). SMPAC selected window treatments via Budget Blinds of Simsbury for nearly half the cost.

Simsbury Fire Dept. Lock Box – EAS (ADD $289)
Lock box as required by Simsbury Fire Department.

Repair Lightning Protection System – NE Lightning Protection, LLC (ADD $5,500)
Two downleads were impacted by the project and noted as "by others" on the drawings. The proposal from NE Lightning Protection, LLC will install new downleads to ground posts. Limited scope third-party certification is required by the Building Department.

Expand Lightning Protection System – NE Lightning Protection, LLC (ADD $16,000)
This work expands the existing system to the new roof. Third-party certification is required by the Building Department.

Town Locksets Cores – Material Only (ADD $5,000)
To avoid delay to the schedule, the project installed construction cores with the anticipation of changing lockets to the Town standard at a later date following substantial completion. This expense covers the material and assumes up to 18 doors will receive new lock sets with additional keys. Installation will be performed by Town DPW staff.

Access Control for Public Bathrooms – Three-Way Communications (ADD $9,649)
This work will add access control and scheduler to the three exterior public restrooms. This will allow the Town to maintain schedule for when the bathroom are usable.

Schedule:
Certificate of Occupancy was received on June 30, 2026. The project is substantially complete with minor items remaining for Millennium Builders.

Three-Way Communications will begin the exterior cameras and new server installation on 7/14.

Critical Items:
None.

Action Items:
a. PCO 27 – Additional Handrail. This PCO will add $7,278.00 to the project.
Recommend discussion.

b. PCO 28 – Hydrant Credit and Piping/Fitting Add. This PCO will is at no cost to the project and demonstrates the hydrant credit offsets the cost of the additional pipe/fittings related to a field change for the fire service.
Recommend approval.

c. Camera Server Enclosure & UPS. Cost to the project is $1,370 and has been procured based on schedule and product availability.
Recommend approval.

d. Window Treatments by Budget Blinds. Cost to the project is $3,175.06 and has been procured based on schedule and cost.
Recommend approval.

e. Simsbury Fire Dept. Lock Box by EAS. Cost to the project is $289 and has been procured based on schedule.
Recommend approval.

f. Lightning Protection System Repair by NE Lightning Protection LLC. Cost to the project is $3,000.
Recommend approval.

g. Lightning Protection System Expansion by NE Lightning Protection LLC. Cost to the project is $14,000.
Recommend discussion.

h. Lockset Core Replacement to Town Standard. Budget cost to the project is not-to-exceed $5,000.
Recommend discussion.

i. Access Control for Public Bathroom – Three-Way Communications. Cost to the project is $9,649.
Recommend discussion.

j. Pay Application No. 8 - $265,345.97. Work Through June 30, 2026. *See Attached.*
Recommend approval.