Board of Finance

Regular Meeting
September 15, 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: Fiducient Advisors (Pages 1-67)

Presentation: Economic Development Overview

Vacancy Sub-Committee Update

Finance Director's Report (Pages 68-74)

Agenda Items

a) Supplemental Appropriation – North Central Area Agency on Aging Grant (Pages 75-76)
b) Supplemental Appropriation – State Legislative Directed Grant (Page 77)
c) Policy Review (Pages 78-153)
d) Draft Board of Finance Annual Report Letter (Pages 154-157)

Review of Minutes

e) July 21, 2026 Regular Meeting Minutes (Pages 158-177)

Executive Session

f) Pursuant to §CGS 1-200(2) the Board of Finance and staff will meet to discuss strategy and negotiations with respect to collective bargaining for the units represented by the Simsbury School Administrators and Supervisors Association.

Adjourn

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

FIDUCIENT Advisors

Helping Clients Prosper

Town of Simsbury Retirement Plans

Board of Finance Meeting Materials - September 15, 2026

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DB & OPEB Plan Reviews

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Town of Simsbury Pension Plans

Total Performance Summary & Manager Summary

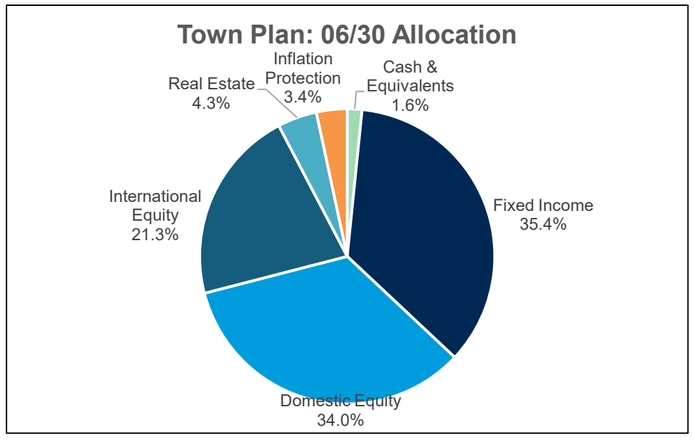
As of June 30, 2026

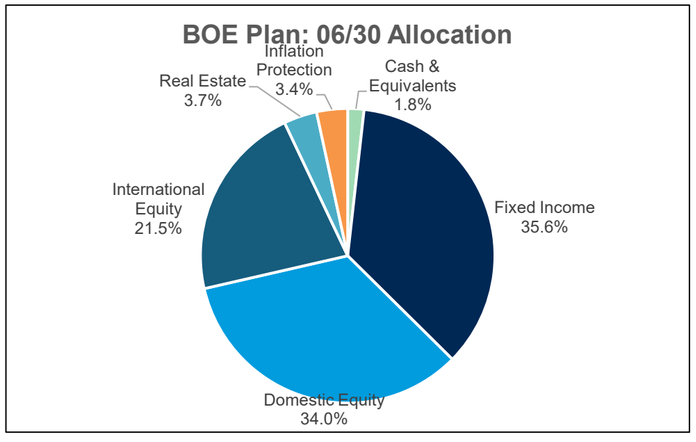
Trailing Performance Summary	QTR	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
Simsbury Town Plan	**7.8**	**6.9**	**14.0**	**11.3**	**5.5**	**7.7**	**7.8**	**7.4**
Blended Benchmark*	8.6	7.6	15.8	12.8	6.3	8.3	8.2	7.8
Simsbury BOE Plan	**7.8**	**6.9**	**14.0**	**11.5**	**5.6**	**7.8**	**7.9**	**7.4**
Blended Benchmark*	8.6	7.6	15.8	12.8	6.3	8.3	8.2	7.8
Simsbury Police Plan	**7.7**	**6.8**	**13.8**	**11.3**	**5.5**	**7.7**	**7.8**	**7.5**
Blended Benchmark*	8.6	7.6	15.8	12.8	6.3	8.3	8.2	7.8

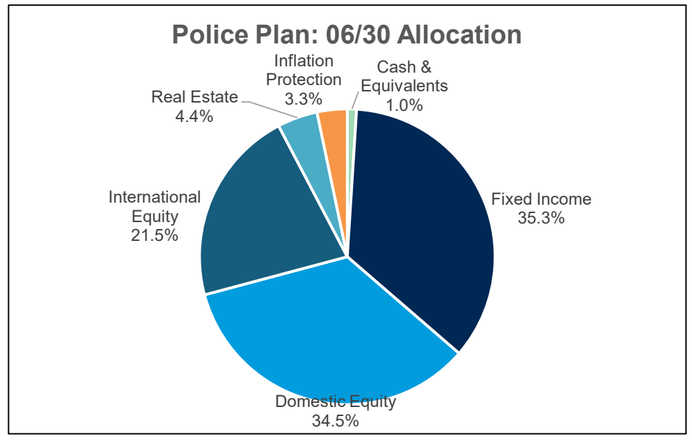
*Blended Benchmark as of 06/01/2024 is 37.50% Blmbg. U.S. Aggregate, 33.00% Russell 3000 Index, 18.50% MSCI AC World ex USA (Net), 2.50% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index.

Asset Allocation

Manager	Manager Status	Town Plan Asset Allocation ($)	Town Plan Asset Allocation (%)	BOE Plan Asset Allocation ($)	BOE Plan Asset Allocation (%)	Police Plan Asset Allocation ($)	Police Plan Asset Allocation (%)	Long Term Target Allocation (%)
Total Plan		**34,848,997**	**100.0**	**34,317,621**	**100.0**	**26,582,905**	**100.0**	**100.0**
Cash & Equivalents		**561,410**	**1.6**	**612,760**	**1.8**	**267,930**	**1.0**	**0.0**
AllSpring Govt Money Market Fund		561,410	1.6	612,760	1.8	267,930	1.0	0.0
Fixed Income		**12,331,392**	**35.4**	**12,223,958**	**35.6**	**9,392,806**	**35.3**	**37.5**
Dodge & Cox Income	Maintain	4,904,993	14.1	4,854,920	14.1	3,741,217	14.1	15.0
Hartford Total Return Bond R6	Maintain	4,912,961	14.1	4,843,196	14.1	3,737,034	14.1	15.0
BlackRock Strategic Income Opportunities K	Maintain	2,513,438	7.2	2,525,842	7.4	1,914,555	7.2	7.5
Domestic Equity		**11,843,261**	**34.0**	**11,671,809**	**34.0**	**9,173,291**	**34.5**	**33.0**
Vanguard Institutional Index I	Maintain	9,659,175	27.7	9,461,528	27.6	7,288,398	27.4	26.0
Neuberger Genesis Fund Class R6	Maintain	2,184,087	6.3	2,210,281	6.4	1,884,893	7.1	7.0
International Equity		**7,437,949**	**21.3**	**7,389,218**	**21.5**	**5,703,781**	**21.5**	**21.0**
Hartford International Opportunities R6	Maintain	6,547,873	18.8	6,514,035	19.0	5,036,985	18.9	18.5
Vanguard Emerging Markets Stock Adm	Maintain	890,076	2.6	875,183	2.6	666,796	2.5	2.5
Real Estate		**1,503,338**	**4.3**	**1,252,782**	**3.7**	**1,169,263**	**4.4**	**5.0**
Barings Core Property Fund LP	Watch	1,503,338	4.3	1,252,782	3.7	1,169,263	4.4	5.0
Real Assets		**1,171,647**	**3.4**	**1,167,094**	**3.4**	**875,835**	**3.3**	**3.5**
DWS RREEF Real Assets Fund R6	Maintain	1,171,647	3.4	1,167,094	3.4	875,835	3.3	3.5







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

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Town of Simsbury OPEB Plan

Total Performance Summary & Manager Summary

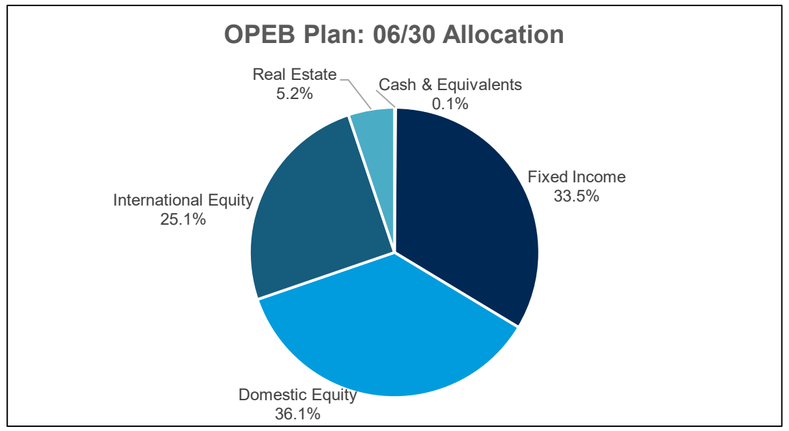
As of June 30, 2026

Trailing Performance Summary	QTR	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
Simsbury OPEB Plan	**8.8**	**8.7**	**16.9**	**13.3**	**6.7**	**8.8**	**8.4**	**6.8**
Blended Benchmark*	9.6	8.6	16.5	13.4	6.8	8.8	8.5	6.8

*Blended Benchmark as of 9/1/2024 is 17.5% Bloomberg Barclays U.S. Aggregate Index; 17.5% Bloomberg Barclays U.S. TIPS Index; 26% S&P 500 Index; 6% Russell Midcap Index; 3% Russell 2000 Index; 19% MSCI EAFE Index; 6% MSCI Emerging Markets Index; 5% Cohen Steers Realty Majors Index.

Asset Allocation

Manager	Manager Status	Town Plan Asset Allocation ($)	Town Plan Asset Allocation (%)	Long Term Target Allocation (%)
Total Plan		**31,354,080**	**100.0**	**100.0**
Cash & Equivalents		**38,699**	**0.1**	**0.0**
Money Market Fund		38,699	0.1	0.0
Fixed Income		**10,509,444**	**33.5**	**35.0**
iShares TIPS Bond ETF	Maintain	5,253,387	16.8	17.5
iShares Core U.S. Aggregate Bond ETF	Maintain	5,256,057	16.8	17.5
Domestic Equity		**11,319,040**	**36.1**	**35.0**
iShares Core S&P 500 ETF	Maintain	8,373,208	26.7	26.0
iShares Russell Midcap Index Fund	Maintain	1,937,389	6.2	6.0
iShares Russell 2000 ETF	Maintain	1,008,443	3.2	3.0
International Equity		**7,870,873**	**25.1**	**25.0**
iShares MSCI EAFE ETF	Maintain	5,812,729	18.5	19.0
iShares MSCI Emerging Markets ETF	Maintain	2,058,144	6.6	6.0
Real Estate		**1,616,024**	**5.2**	**5.0**
iShares Cohen & Steers REIT ETF	Maintain	1,616,024	5.2	5.0



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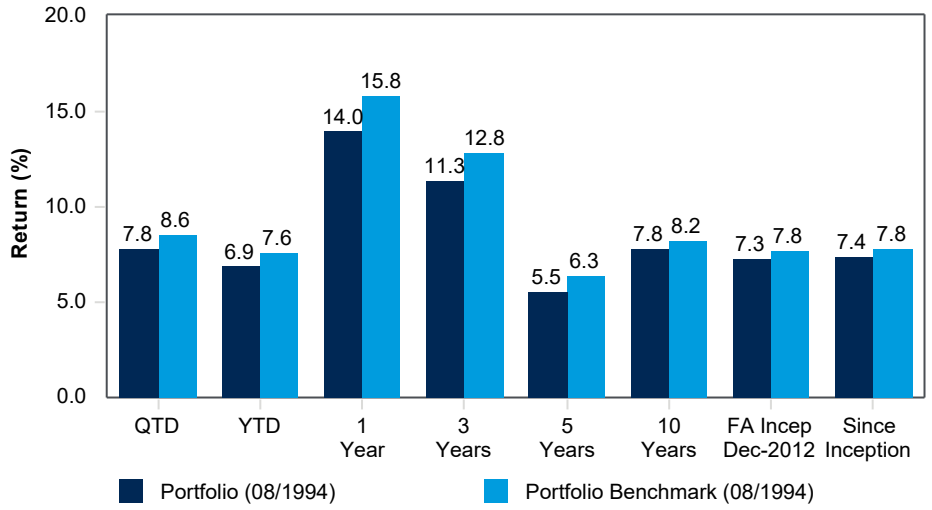
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Portfolio Dashboard

Town Plan

As of June 30, 2026

Historical Performance



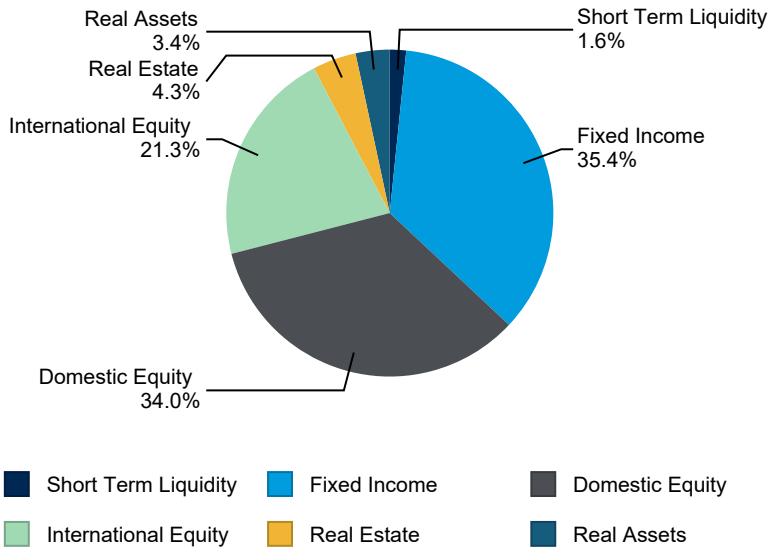
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Town Plan				
Beginning Market Value	32,880,218	33,937,965	31,366,237	4,896,705
Net Contributions	-568,362	-1,361,985	-914,887	-10,017,918
Gain/Loss	2,537,141	2,273,017	4,397,647	39,970,211
Ending Market Value	34,848,997	34,848,997	34,848,997	34,848,997

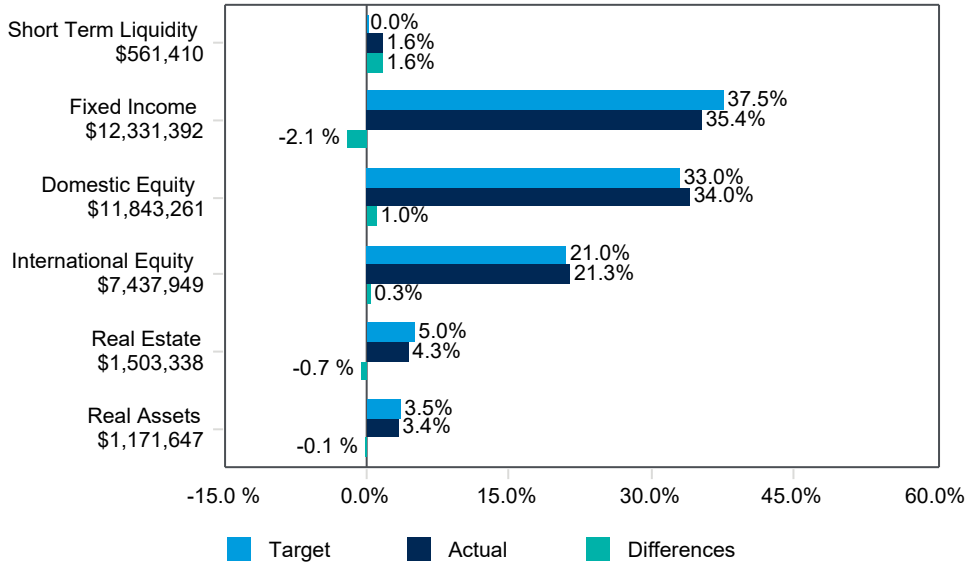
Current Benchmark Composition

From Date	To Date	
06/2024	Present	37.50% Blmbg. U.S. Aggregate, 33.00% Russell 3000 Index, 18.50% MSCI AC World ex USA (Net), 2.50% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



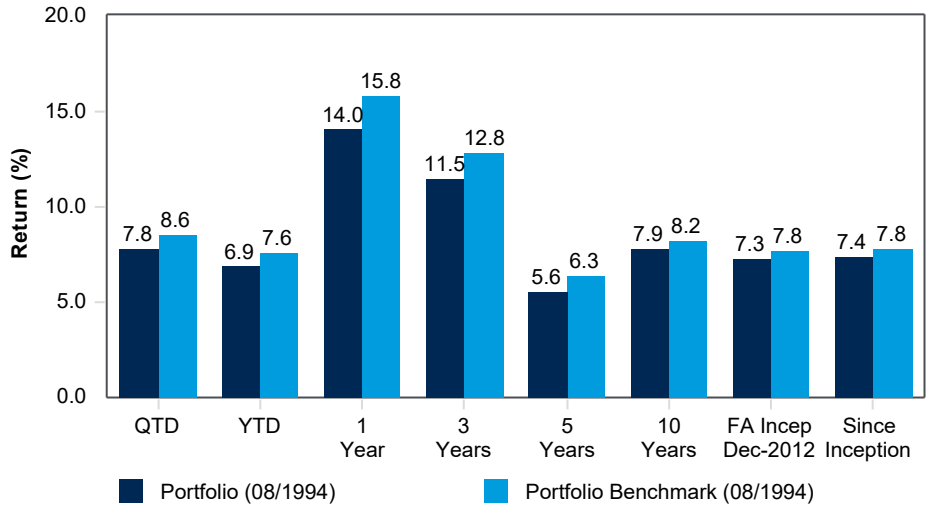
Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees.

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Portfolio Dashboard

Board of Education — **As of June 30, 2026**

Historical Performance



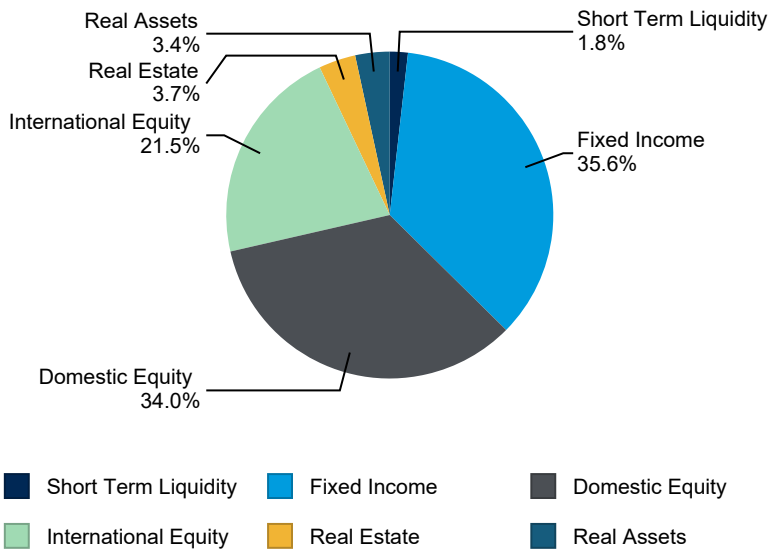
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Board of Education				
Beginning Market Value	32,481,977	33,434,563	31,162,161	3,743,350
Net Contributions	-682,287	-1,363,851	-1,202,408	-4,922,412
Gain/Loss	2,517,931	2,246,908	4,357,868	35,496,683
Ending Market Value	34,317,621	34,317,621	34,317,621	34,317,621

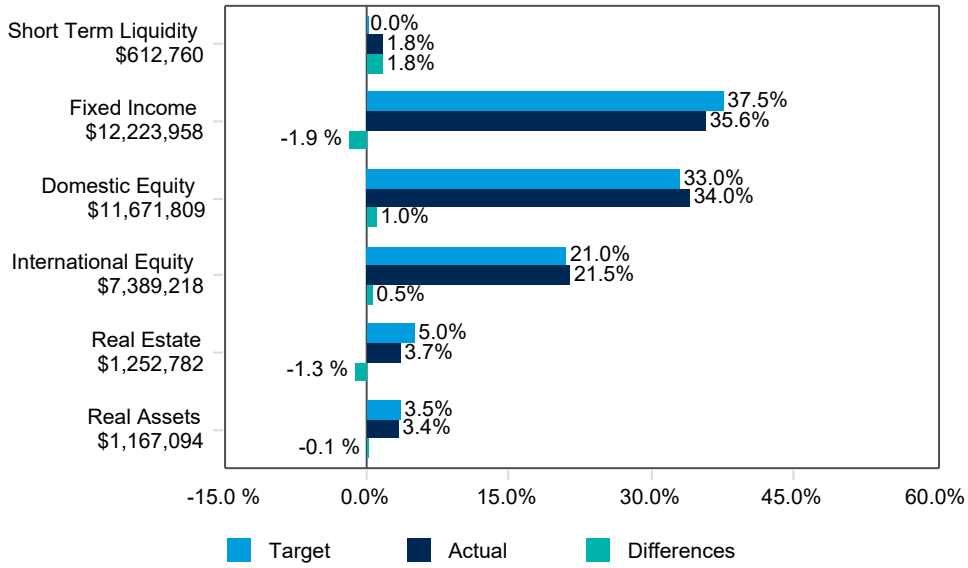
Current Benchmark Composition

From Date	To Date	
06/2024	Present	37.50% Blmbg. U.S. Aggregate, 33.00% Russell 3000 Index, 18.50% MSCI AC World ex USA (Net), 2.50% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



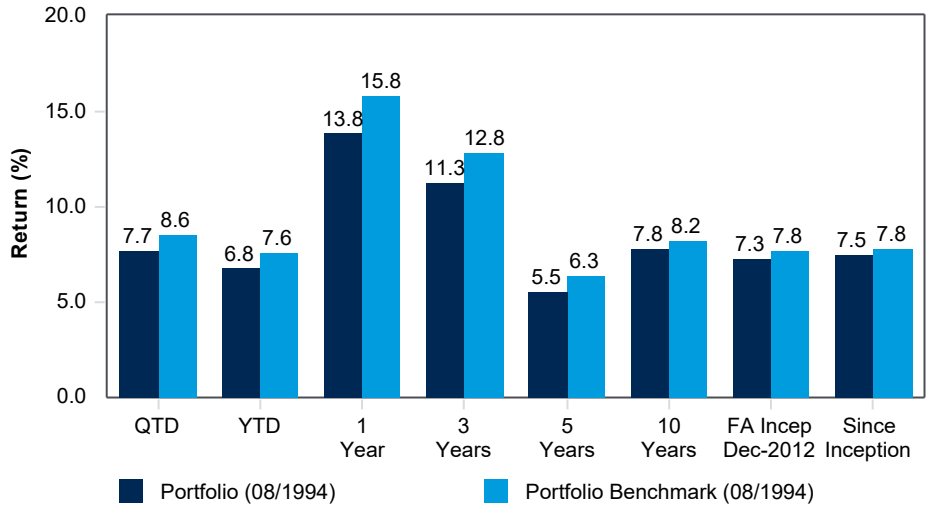
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Portfolio Dashboard

Police Plan — **As of June 30, 2026**

Historical Performance



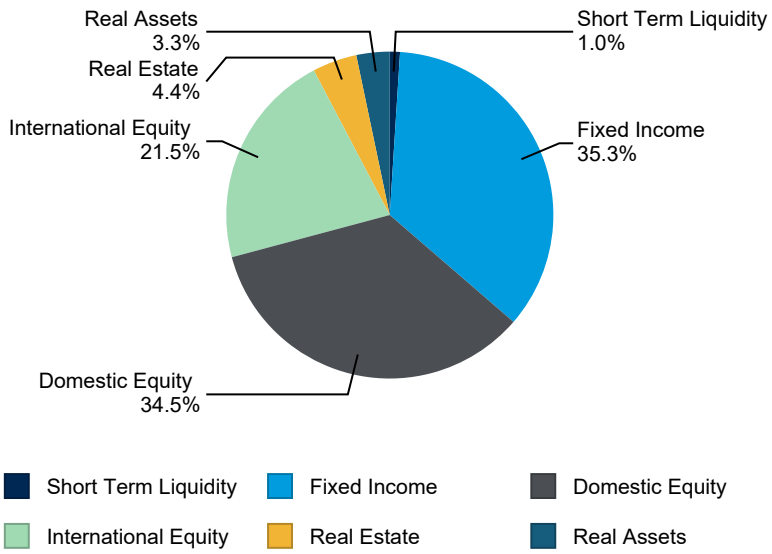
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Police Plan				
Beginning Market Value	25,014,782	25,625,128	23,488,605	3,402,802
Net Contributions	-354,994	-753,583	-204,159	-7,286,568
Gain/Loss	1,923,117	1,711,359	3,298,458	30,466,670
Ending Market Value	26,582,905	26,582,905	26,582,905	26,582,905

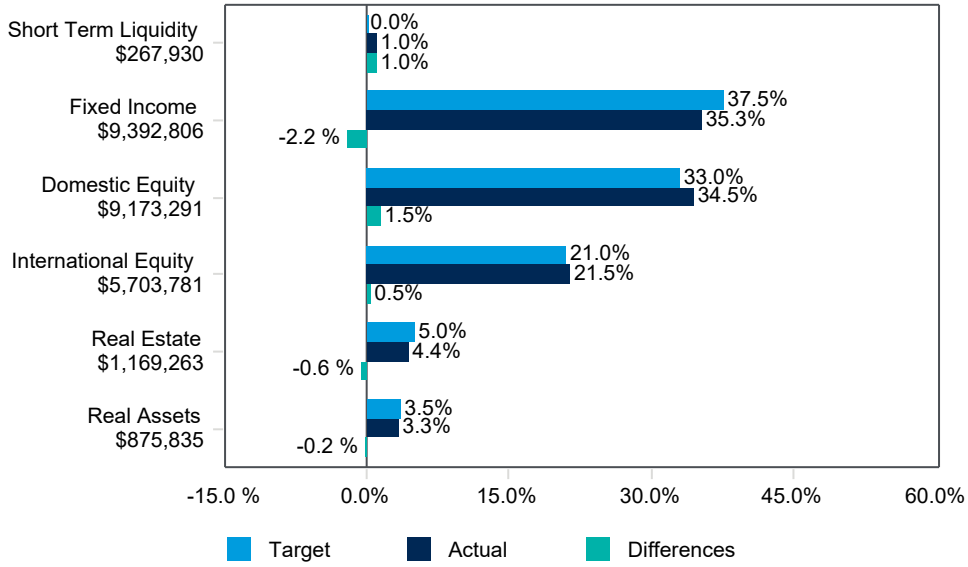
Current Benchmark Composition

From Date	To Date	
06/2024	Present	37.50% Blmbg. U.S. Aggregate, 33.00% Russell 3000 Index, 18.50% MSCI AC World ex USA (Net), 2.50% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index

Portfolio Allocation



Actual vs. Target Allocations



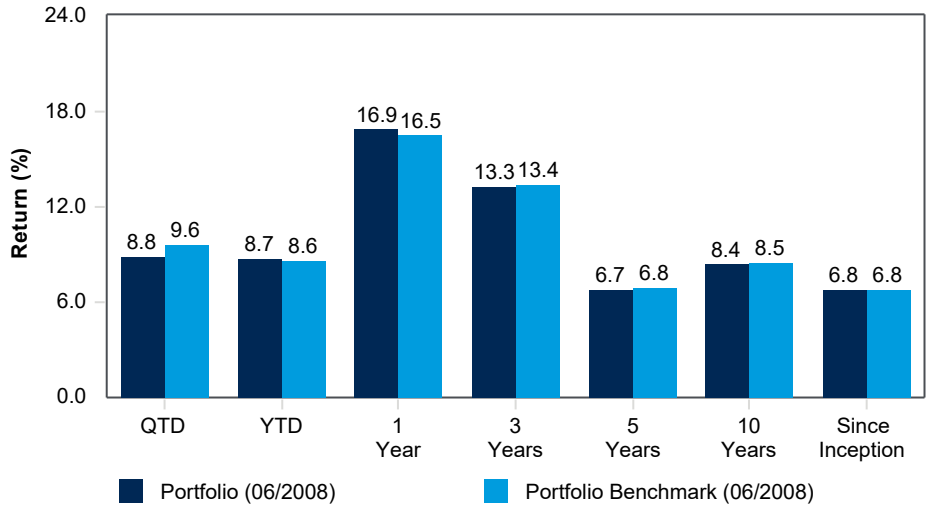
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Portfolio Dashboard

Simsbury OPEB | **As of June 30, 2026**

Historical Performance



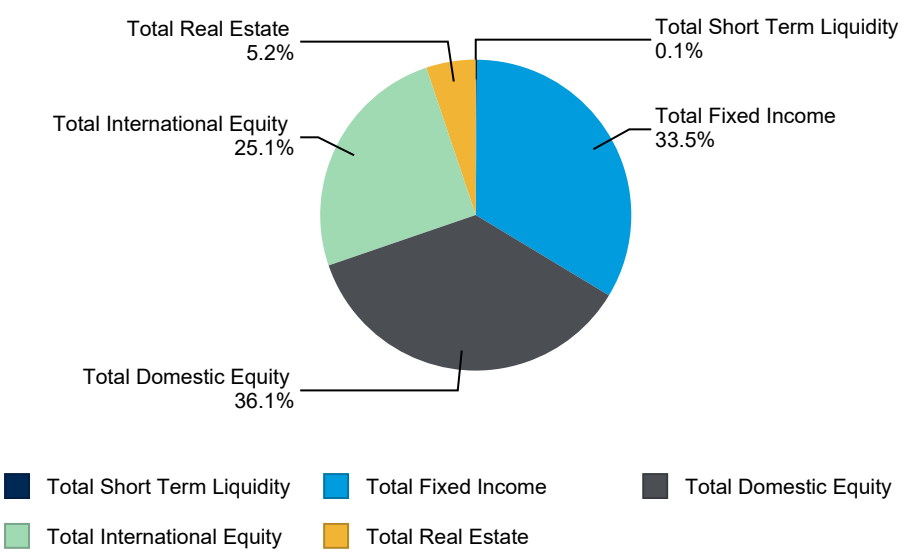
Summary of Cash Flows

	QTD	YTD	1 Year	Since Inception
Beginning Market Value	28,807,945	28,833,398	26,827,214	1,364,267
Net Contributions	-	-	-	10,385,959
Gain/Loss	2,546,135	2,520,682	4,526,866	19,603,854
Ending Market Value	31,354,080	31,354,080	31,354,080	31,354,080

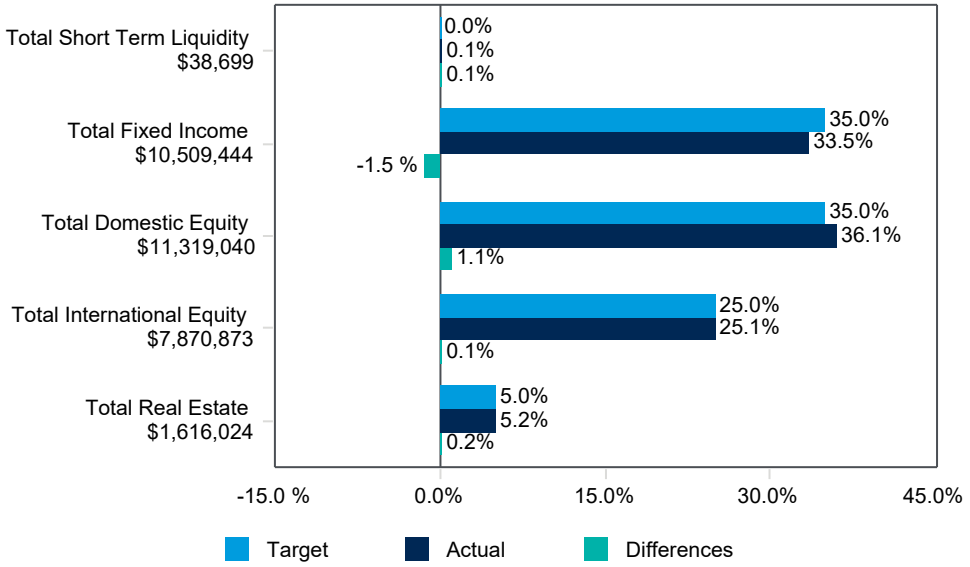
Current Benchmark Composition

From Date	To Date	
09/2024	Present	17.50% Blmbg. U.S. Aggregate, 17.50% Blmbg. U.S. TIPS, 26.00% S&P 500, 6.00% Russell Midcap Index, 3.00% Russell 2000 Index, 19.00% MSCI EAFE (Net), 6.00% MSCI Emerging Markets (Net), 5.00% Cohen Steers Realty Majors Index

Portfolio Allocation



Actual vs. Target Allocations



Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees.

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Asset Allocation

Town Plan

As of June 30, 2026

	Asset Allocation ($)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Town Plan	**34,848,997**	**100.0**	**100.0**	**0.0**
Short Term Liquidity	**561,410**	**1.6**	**0.0**	**1.6**
AllSpring Govt Money Market Fund	561,410	1.6	0.0	1.6
Fixed Income	**12,331,392**	**35.4**	**37.5**	**-2.1**
Dodge & Cox Income	4,904,993	14.1	15.0	-0.9
Hartford Total Return Bond R6	4,912,961	14.1	15.0	-0.9
BlackRock Strategic Income Opportunities K	2,513,438	7.2	7.5	-0.3
Domestic Equity	**11,843,261**	**34.0**	**33.0**	**1.0**
Vanguard Institutional Index I	9,659,175	27.7	26.0	1.7
Neuberger Genesis Fund Class R6	2,184,087	6.3	7.0	-0.7
International Equity	**7,437,949**	**21.3**	**21.0**	**0.3**
Hartford International Opportunities R6	6,547,873	18.8	18.5	0.3
Vanguard Emerging Markets Stock Adm	890,076	2.6	2.5	0.1
Real Estate	**1,503,338**	**4.3**	**5.0**	**-0.7**
Barings Core Property Fund LP	1,503,338	4.3	5.0	-0.7
Real Assets	**1,171,647**	**3.4**	**3.5**	**-0.1**
DWS RREEF Real Assets Fund R6	1,171,647	3.4	3.5	-0.1

9

Simsbury OPEB
Proposed Portfolio Changes

Manager/Fund Name	Mandate/Style	Vehicle	Symbol	Liquidity	Investment Expense*	Current Allocation	Proposed Allocation
Cash							
Bank Sweep	Cash & Cash Equivalents	Sweep	N/A	Daily		0.0%	0.0%
Total Cash						**0.0%**	**0.0%**
Fixed Income							
iShares Tips Bond ETF	TIPS	ETF	TIP	Daily	0.18%	17.5%	4.5%
iShares Core U.S. Aggregate Bond ETF	Core	ETF	AGG	Daily	0.03%	17.5%	
Fidelity® US Bond Index	Core	Mutual Fund	FXNAX	Daily	0.025%		30.5%
Total Fixed Income						**35.0%**	**35.0%**
Domestic Equity							
iShares Core S&P 500 ETF	Large Cap (Passive)	ETF	IVV	Daily	0.03%	26.0%	
iShares Russell Mid-Cap ETF	Mid Cap (Passive)	ETF	IWR	Daily	0.19%	6.0%	
iShares Russell 2000 ETF	Small Cap (Passive)	ETF	IWM	Daily	0.19%	3.0%	
Fidelity® 500 Index	Large Cap (Passive)	Mutual Fund	FXAIX	Daily	0.015%		25.5%
Fidelity® Mid Cap Index	Mid Cap (Passive)	Mutual Fund	FSMDX	Daily	0.025%		7.5%
Fidelity® Small Cap Index	Small Cap (Passive)	Mutual Fund	FSSNX	Daily	0.025%		5.0%
Total Domestic Equity						**35.0%**	**38.0%**
International Equity							
iShares MSCI EAFE ETF	International Blend	ETF	EFA	Daily	0.32%	19.0%	
iShares MSCI Emerging Markets ETF	Emerging Markets Blend	ETF	EEM	Daily	0.72%	6.0%	
Fidelity® International Index	International Blend	Mutual Fund	FSPSX	Daily	0.035%		15.5%
Fidelity® Emerging Markets Idx	Emerging Markets Blend	Mutual Fund	FPADX	Daily	0.075%		7.0%
Total International Equity						**25.0%**	**22.5%**
Real Estate							
iShares Cohen & Steers REIT ETF	Domestic REITs (Passive)	ETF	ICF	Daily	0.33%	5.0%	
Fidelity Real Estate Index	Domestic REITs (Passive)	Mutual Fund	FSRNX	Daily	0.07%		4.5%
Total Real Estate						**5.0%**	**4.5%**
Portfolio Totals						**100.0%**	**100.0%**
Weighted Average Investment Expense						**0.18%**	**0.04%**

**Investment Expense for Mutual Funds represents the net expense ratio sourced from Morningstar*

***Fiducient Advisors has been engaged as a plan consultant by retirement plans sponsored by various investment management companies, including Cohen & Steers Capital. All fees paid to Fiducient Advisors are for investment consulting services only. Use of this investment manager by a client is based solely on merit; Fiducient Advisors does not receive any additional compensation*

Investment Policy Statement

A well-written Investment Policy Statement serves as the blueprint for the management of the investment program. As such, there are certain criteria that are required in an IPS, and other criteria that may or may not be included based on the organization's circumstances:

Important elements of an IPS to consider:	
Investment objective(s)	✓
Assignment of responsibilities	✓
Asset allocation framework	✓
Rebalancing guidelines	✓
Selection and monitoring criteria for investment strategies	✓
Termination guidelines for investment strategies	✓

In the appendix, you will find the most recent IPS on file for the Simsbury OPEB.

- The body of the IPS is as of May 2017, and the asset allocation table in Appendix A is as of May 2017.
- The IPS was most recently reviewed/approved by the Investment Committee in September 2022.

Appendix A

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%~~ 38.0%	45.0%	S&P 500 Index, Russell Midcap Index, Russell 2000 Index
International Equities	15.0%	~~25.0%~~ 22.5%	35.0%	MSCI EAFE Index, MSCI Emerging Markets Index
Real Estate	0.0%	~~5.0%~~ 4.5%	10.0%	FTSE EPRA/NAREIT Developed ex U.S. Index, Cohen Steers Realty Majors Index

Fiduciary Governance Calendar



Fiduciary Trail® Fiduciary Lockbox®

[1] Plan Sponsors should prudently select *and* monitor participant advice and managed accounts providers.

Investment Menu Review and Trends

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Investment Menu Design[1] – Town of Simsbury

Illustrated below is a "Gap" analysis exercise. A Gap analysis is designed to help identify possible areas of opportunity within a plan's investment menu, while at the same time reducing overlap and potential confusion. Proper diversification among the broader asset classes is important as it provides participants the ability to construct an appropriately allocated portfolio based on their specific risk and return needs. The number of participants invested in each fund is shown below the fund name.

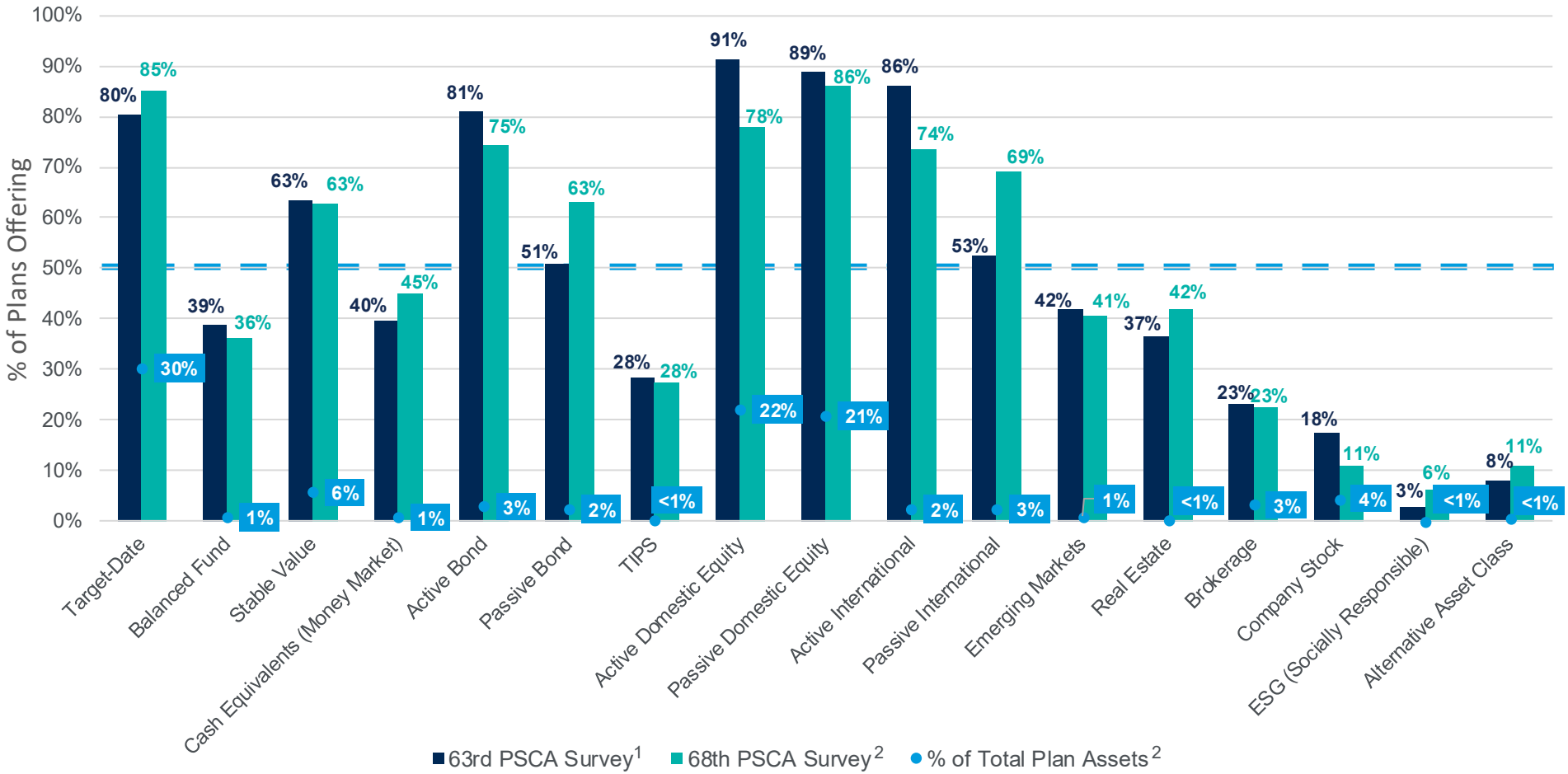
Multi Asset	Capital Preservation	Fixed Income	Domestic Equity			Global / International	Other
			Large Value	**Large Blend**	**Large Growth**		
T. Rowe Price Retirement* **457: 119 BOE: 149 401(a): 73**	MissionSquare PLUS R10 **457: 45 BOE: 48 401(a): 3**	Fidelity US Bond Idx **457: 14 BOE: 5 401(a): 3** Dodge & Cox Income X **457: 21 BOE: 0 401(a): 2**	Fidelity Large Cap Value Idx **457: 7 BOE: 0 401(a): 1** MFS Value R6 **457: 34 BOE: 5 401(a): 1**	Fidelity 500 Idx **457: 59 BOE: 14 401(a): 9**	Fidelity Large Cap Growth Idx Instl Prem **457: 16 BOE: 3 401(a): 5** T. Rowe Price Growth Stock I **457: 40 BOE: 12 401(a): 1**	Fidelity Total International Idx **457: 12 BOE: 2 401(a): 2** Hartford International Opportunities R6 **457: 26 BOE: 8 401(a): 2**	
			Mid Value	**Small/Mid Blend**	**Mid Growth**		
			Fidelity Mid Cap Value Idx **457: 7 BOE: 1 401(a): 2** Vanguard Explorer Value Inv **457: 24 BOE: 7 401(a): 3**	Fidelity Extended Market Idx **457: 22 BOE: 10 401(a): 3**	Fidelity Mid Cap Growth Idx **457: 8 BOE: 0 401(a): 2** Eaton Vance Atlanta Capital SMID-Cap Fund R6 **457: 25 BOE: 6 401(a): 2**		
			Small Value		**Small Growth**		
			Fidelity Small Cap Value Idx **457: 8 BOE: 0 401(a): 1**		Fidelity Small Cap Growth Idx **457: 6 BOE: 0 401(a): 1**		

[1] Source: MissionSquare Managed Accounts
457 Plan: 5
BOE Plan: 0
401(a) Plan: 1
Number of participants as of 3/31/26
457 Plan: 168
BOE Plan: 198
401(a) Plan: 77

*Indicates the current Qualified Default Investment Alternative (QDIA)

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Investment Menu Benchmarking



[1]Source: PSCA 63rd Annual Survey of Profit Sharing and 401(k) Plans; Reflecting 2019 Plan Experience.
[2]Source: PSCA 68th Annual Survey of Profit Sharing and 401(k) Plans; Reflecting 2024 Plan Experience.

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QDIA Analysis

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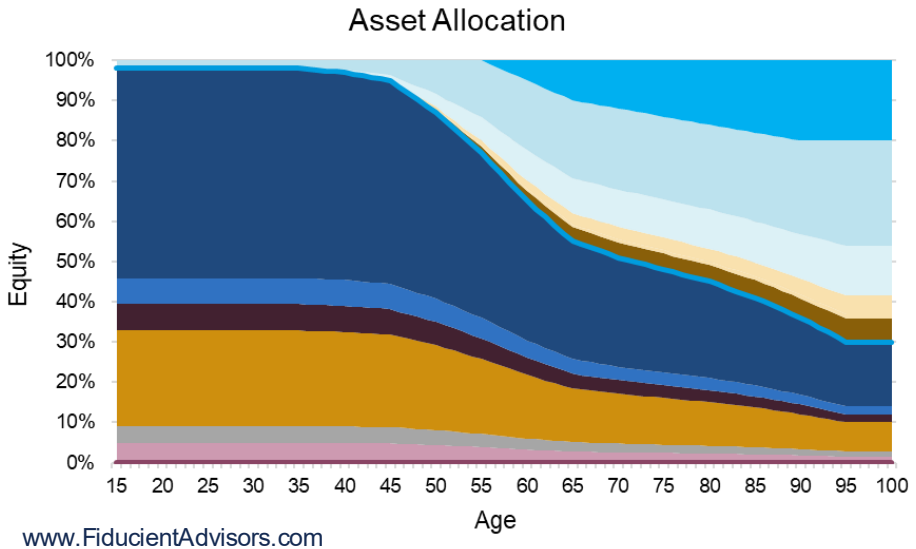
T. Rowe Price Retirement Funds

Strategy Overview:

- Launched in 2002, this strategy is run by lead PM Wyatt Lee, but final decisions are made by the T. Rowe Price Asset Allocation Committee.
- Utilizing internal T. Rowe Price strategies, the glide path is allocated primarily with active strategies.
- Portfolios are chosen based on desired asset class exposure, not the portfolio manager's assessment of a strategy's team and abilities.
- Tactical allocations can be made up to +/- 5% from the glide path. The team tends to look for allocation changes that are based on a 12 - 18 month timeframe.
- Terminal equity point is 30 years after retirement.
- The strategy can be accessed through both mutual funds and collective trusts.
- The strategy is available in five-year increments (2005 – 2065).

Updates:

- In June 2023, T. Rowe announced the addition of two underlying building blocks: US Hedged Equity and Dynamic Credit, both with the intent or dampening volatility of the portfolios where held. These strategies are only added to the glide path for vintages 10 years before retirement and into retirement
- In September 2021, T. Rowe announced the addition of the U.S. Structured Research Equity strategy as a building block.
- In May 2020, T. Rowe Price began to implement a change to the strategic glide path for its Retirement Funds, maintaining higher equity exposures across certain parts of the glide path.



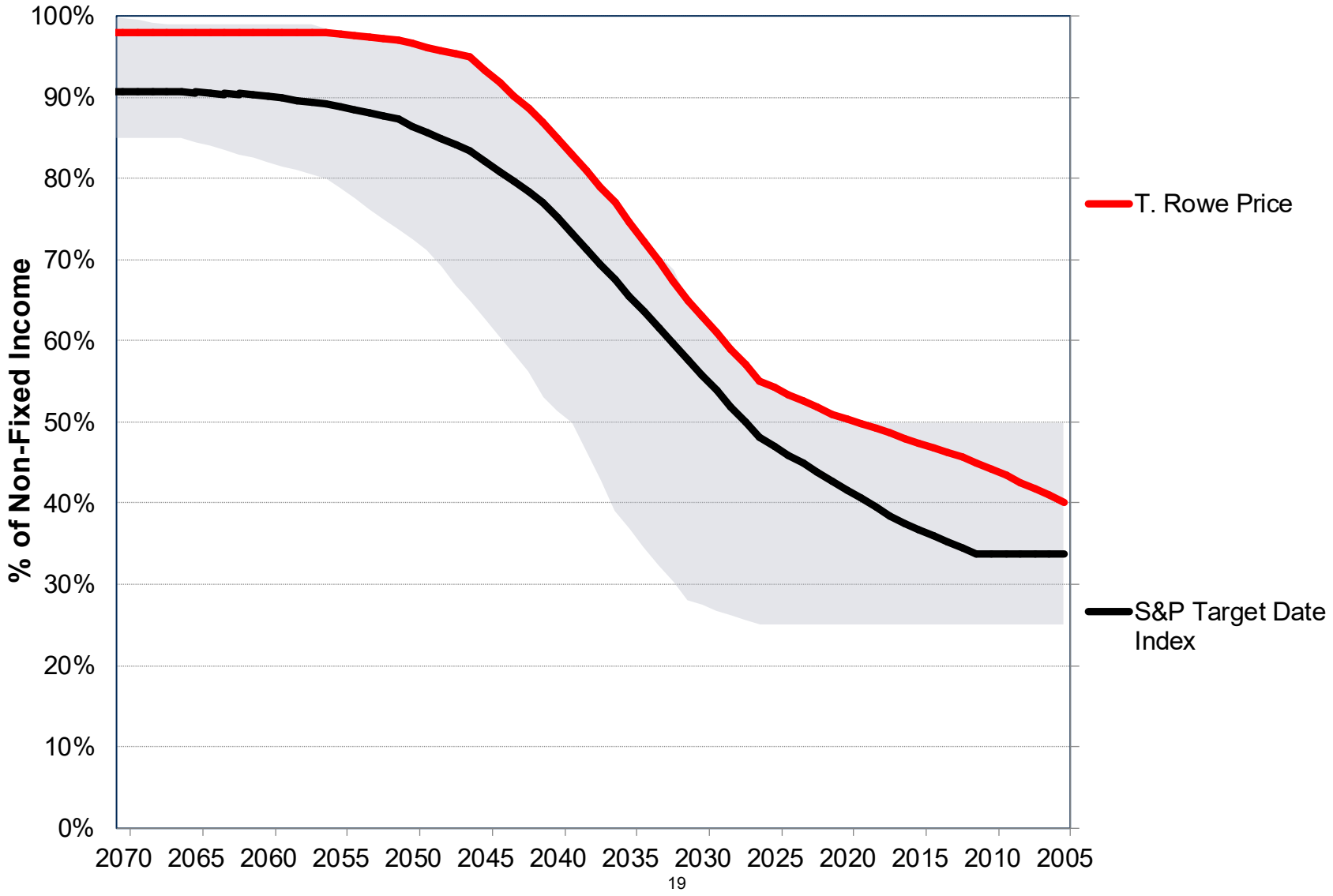
Inflation Risk Asset Classes	Implementation
TIPS	Passive Intermediate
Real Estate	Active Domestic
Commodities	Active

Longevity Risk Asset Classes	Implementation
Large Cap Equities	Active/Passive Value, Core, Growth
Mid Cap Equities	Active Core, Growth
Small Cap Equities	Active Core, Growth
Non-U.S. Equities	Active Value, Core, Growth
Emerging Markets Equities	Active Growth, Value
High Yield Bond	Active Domestic, Floating Rate
Emerging Markets Bond	Active

Market Risk Asset Classes	Implementation
Investment Grade Fixed Income	Active Short, Active/Passive Intermediate
Non-U.S. Fixed Income	Passive Intermediate
Cash	Cash, Govt. Money Market

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Glide Path Comparisons



Second Quarter 2026 Plan Summary

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Asset Allocation

Simsbury DC

As of June 30, 2026

	Jun-2026		Mar-2026		Dec-2025		Sep-2025	
	($)	%	($)	%	($)	%	($)	%
T. Rowe Price Retirement 2005 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2010 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2015 I Class	252,746	1.1	237,099	1.2	238,265	1.1	234,312	1.1
T. Rowe Price Retirement 2020 I Class	267,898	1.2	250,494	1.2	252,702	1.2	321,155	1.5
T. Rowe Price Retirement 2025 I Class	5,028	0.0	143	0.0	144	0.0	19,665	0.1
T. Rowe Price Retirement 2030 I Class	1,383,799	6.2	1,261,993	6.2	1,274,434	6.1	1,227,413	5.9
T. Rowe Price Retirement 2035 I Class	300,340	1.3	262,484	1.3	251,610	1.2	119,552	0.6
T. Rowe Price Retirement 2040 I Class	992,799	4.4	872,725	4.3	854,690	4.1	868,794	4.2
T. Rowe Price Retirement 2045 I Class	235,860	1.1	205,058	1.0	44,385	0.2	42,575	0.2
T. Rowe Price Retirement 2050 I Class	1,512,506	6.8	1,360,706	6.7	1,363,644	6.5	1,308,529	6.3
T. Rowe Price Retirement 2055 I Class	31,493	0.1	25,521	0.1	23,171	0.1	22,014	0.1
T. Rowe Price Retirement 2060 I Class	184,832	0.8	146,065	0.7	131,681	0.6	115,183	0.6
Target Date Funds	**5,167,302**	**23.1**	**4,622,288**	**22.7**	**4,434,725**	**21.3**	**4,279,192**	**20.5**
MissionSquare PLUS Fund R10	3,832,271	17.1	3,803,626	18.7	3,709,408	17.8	3,746,818	18.0
Stable Value / Money Market Funds	**3,832,271**	**17.1**	**3,803,626**	**18.7**	**3,709,408**	**17.8**	**3,746,818**	**18.0**
Fidelity US Bond Index	207,954	0.9	194,465	1.0	190,128	0.9	183,367	0.9
Dodge & Cox Income X	346,374	1.5	347,454	1.7	331,766	1.6	320,057	1.5
Fixed Income Funds	**554,328**	**2.5**	**541,919**	**2.7**	**521,893**	**2.5**	**503,424**	**2.4**
Fidelity Large Cap Value Index	96,162	0.4	74,104	0.4	53,068	0.3	54,465	0.3
MFS Value Fund R6	1,016,551	4.5	977,631	4.8	957,049	4.6	1,099,045	5.3
Fidelity 500 Index	6,644,803	29.7	5,768,722	28.4	6,156,628	29.6	6,161,681	29.5
Fidelity Large Cap Growth Index	362,066	1.6	360,038	1.8	384,693	1.8	327,143	1.6
T. Rowe Price Growth Stock I	2,159,724	9.6	1,888,671	9.3	2,196,924	10.6	2,189,515	10.5
Fidelity Mid Cap Value Index	80,144	0.4	29,102	0.1	49,758	0.2	45,878	0.2
Vanguard Explorer Value Inv	723,364	3.2	605,215	3.0	583,298	2.8	558,953	2.7
Fidelity Extended Market Index	186,827	0.8	169,414	0.8	169,229	0.8	218,898	1.0
Fidelity Mid Cap Growth Index	51,527	0.2	48,694	0.2	53,127	0.3	109,036	0.5
Eaton Vance Atlanta Capital SMID-Cap R6	604,829	2.7	606,823	3.0	692,108	3.3	759,937	3.6
Fidelity Small Cap Value Index	74,801	0.3	75,610	0.4	62,734	0.3	58,407	0.3
Fidelity Small Cap Growth Index	12,394	0.1	13,851	0.1	14,002	0.1	10,989	0.1
Domestic Equity Funds	**12,013,192**	**53.7**	**10,617,875**	**52.2**	**11,372,617**	**54.6**	**11,593,947**	**55.6**
Fidelity Total International Index	363,124	1.6	319,007	1.6	343,614	1.7	340,209	1.6
Hartford International Opportunities R6	451,168	2.0	423,591	2.1	438,950	2.1	400,976	1.9
International Equity Funds	**814,292**	**3.6**	**742,598**	**3.7**	**782,563**	**3.8**	**741,185**	**3.6**
Town of Simsbury 457 Plan	**22,381,385**	**100.0**	**20,328,306**	**100.0**	**20,821,207**	**100.0**	**20,864,567**	**100.0**

Source: MissionSquare

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Asset Allocation

Simsbury DC

As of June 30, 2026

	Jun-2026		Mar-2026		Dec-2025		Sep-2025	
	($)	%	($)	%	($)	%	($)	%
T. Rowe Price Retirement 2005 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2010 I Class	5,879	0.2	5,337	0.2	5,185	0.2	4,898	0.2
T. Rowe Price Retirement 2015 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2020 I Class	30,903	1.1	24,903	1.0	21,457	0.9	16,929	0.7
T. Rowe Price Retirement 2025 I Class	135,377	4.8	126,412	5.0	121,405	4.9	115,840	4.9
T. Rowe Price Retirement 2030 I Class	194,473	6.9	169,966	6.7	161,527	6.5	146,688	6.2
T. Rowe Price Retirement 2035 I Class	266,463	9.4	222,576	8.8	207,184	8.3	185,281	7.9
T. Rowe Price Retirement 2040 I Class	288,492	10.2	247,400	9.7	252,455	10.1	243,446	10.3
T. Rowe Price Retirement 2045 I Class	171,225	6.1	139,500	5.5	129,740	5.2	114,087	4.9
T. Rowe Price Retirement 2050 I Class	129,574	4.6	124,265	4.9	123,050	4.9	118,278	5.0
T. Rowe Price Retirement 2055 I Class	40,169	1.4	30,413	1.2	26,366	1.1	28,468	1.2
T. Rowe Price Retirement 2060 I Class	65,722	2.3	51,938	2.0	51,148	2.1	47,192	2.0
Target Date Funds	**1,328,276**	**46.9**	**1,142,710**	**45.0**	**1,099,517**	**44.1**	**1,021,105**	**43.4**
MissionSquare PLUS Fund R10	773,701	27.3	800,098	31.5	771,061	30.9	737,283	31.3
Stable Value / Money Market Funds	**773,701**	**27.3**	**800,098**	**31.5**	**771,061**	**30.9**	**737,283**	**31.3**
Fidelity US Bond Index	19,181	0.7	18,537	0.7	18,082	0.7	17,382	0.7
Dodge & Cox Income X	-	0.0	-	0.0	-	0.0	-	0.0
Fixed Income Funds	**19,181**	**0.7**	**18,537**	**0.7**	**18,082**	**0.7**	**17,382**	**0.7**
Fidelity Large Cap Value Index	-	0.0	-	0.0	-	0.0	-	0.0
MFS Value Fund R6	18,975	0.7	17,556	0.7	17,058	0.7	16,324	0.7
Fidelity 500 Index	203,687	7.2	174,634	6.9	180,437	7.2	165,601	7.0
Fidelity Large Cap Growth Index	137,041	4.8	87,600	3.4	96,256	3.9	94,276	4.0
T. Rowe Price Growth Stock I	116,359	4.1	111,401	4.4	123,297	4.9	119,823	5.1
Fidelity Mid Cap Value Index	1,830	0.1	1,614	0.1	1,558	0.1	1,536	0.1
Vanguard Explorer Value Inv	28,137	1.0	23,409	0.9	22,345	0.9	21,466	0.9
Fidelity Extended Market Index	109,804	3.9	82,282	3.2	81,808	3.3	79,863	3.4
Fidelity Mid Cap Growth Index	-	0.0	-	0.0	-	0.0	-	0.0
Eaton Vance Atlanta Capital SMID-Cap R6	27,352	1.0	25,324	1.0	25,966	1.0	25,379	1.1
Fidelity Small Cap Value Index	-	0.0	-	0.0	-	0.0	-	0.0
Fidelity Small Cap Growth Index	-	0.0	-	0.0	-	0.0	-	0.0
Domestic Equity Funds	**643,183**	**22.7**	**523,821**	**20.6**	**548,725**	**22.0**	**524,268**	**22.3**
Fidelity Total International Index	6,974	0.2	6,153	0.2	5,983	0.2	5,646	0.2
Hartford International Opportunities R6	57,829	2.0	50,509	2.0	49,990	2.0	46,496	2.0
International Equity Funds	**64,803**	**2.3**	**56,661**	**2.2**	**55,973**	**2.2**	**52,142**	**2.2**
Simsbury BOE MissionSquare Plan	**2,829,144**	**100.0**	**2,541,827**	**100.0**	**2,493,356**	**100.0**	**2,352,180**	**100.0**

Source: MissionSquare

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Asset Allocation

Simsbury DC

As of June 30, 2026

	Jun-2026		Mar-2026		Dec-2025		Sep-2025	
	($)	%	($)	%	($)	%	($)	%
T. Rowe Price Retirement 2005 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2010 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2015 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2020 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2025 I Class	-	0.0	-	0.0	-	0.0	-	0.0
T. Rowe Price Retirement 2030 I Class	283,674	9.5	248,494	9.7	268,060	10.3	248,909	10.3
T. Rowe Price Retirement 2035 I Class	32,871	1.1	25,515	1.0	49,582	1.9	41,467	1.7
T. Rowe Price Retirement 2040 I Class	657,879	22.1	578,706	22.6	571,143	21.9	543,267	22.4
T. Rowe Price Retirement 2045 I Class	85,780	2.9	73,474	2.9	67,655	2.6	59,245	2.4
T. Rowe Price Retirement 2050 I Class	714,754	24.0	619,985	24.2	778,586	29.9	736,557	30.4
T. Rowe Price Retirement 2055 I Class	132,535	4.5	111,852	4.4	106,745	4.1	88,510	3.7
T. Rowe Price Retirement 2060 I Class	578,529	19.4	482,937	18.9	383,876	14.7	347,591	14.4
Target Date Funds	**2,486,020**	**83.5**	**2,140,963**	**83.6**	**2,225,648**	**85.3**	**2,065,545**	**85.3**
MissionSquare PLUS Fund R10	62,183	2.1	61,348	2.4	14,667	0.6	13,570	0.6
Stable Value / Money Market Funds	**62,183**	**2.1**	**61,348**	**2.4**	**14,667**	**0.6**	**13,570**	**0.6**
Fidelity US Bond Index	11,228	0.4	8,913	0.3	8,210	0.3	7,488	0.3
Dodge & Cox Income X	5,787	0.2	5,099	0.2	4,417	0.2	2,366	0.1
Fixed Income Funds	**17,015**	**0.6**	**14,012**	**0.5**	**12,627**	**0.5**	**9,855**	**0.4**
Fidelity Large Cap Value Index	6,772	0.2	4,455	0.2	4,458	0.2	6,845	0.3
MFS Value Fund R6	1,618	0.1	1,490	0.1	1,493	0.1	-	0.0
Fidelity 500 Index	139,145	4.7	111,148	4.3	118,490	4.5	108,673	4.5
Fidelity Large Cap Growth Index	108,254	3.6	92,225	3.6	96,084	3.7	91,498	3.8
T. Rowe Price Growth Stock I	1,636	0.1	1,379	0.1	1,401	0.1	-	0.0
Fidelity Mid Cap Value Index	4,433	0.1	5,230	0.2	7,927	0.3	7,165	0.3
Vanguard Explorer Value Inv	20,086	0.7	14,941	0.6	13,941	0.5	11,536	0.5
Fidelity Extended Market Index	34,805	1.2	28,015	1.1	27,425	1.1	27,737	1.1
Fidelity Mid Cap Growth Index	5,579	0.2	5,809	0.2	5,704	0.2	4,081	0.2
Eaton Vance Atlanta Capital SMID-Cap R6	11,689	0.4	10,538	0.4	10,599	0.4	8,746	0.4
Fidelity Small Cap Value Index	8,580	0.3	8,749	0.3	5,897	0.2	5,640	0.2
Fidelity Small Cap Growth Index	1,772	0.1	2,704	0.1	2,822	0.1	2,895	0.1
Domestic Equity Funds	**344,369**	**11.6**	**286,683**	**11.2**	**296,242**	**11.4**	**274,815**	**11.3**
Fidelity Total International Index	42,527	1.4	36,245	1.4	41,934	1.6	46,373	1.9
Hartford International Opportunities R6	25,036	0.8	20,333	0.8	17,137	0.7	11,599	0.5
International Equity Funds	**67,563**	**2.3**	**56,577**	**2.2**	**59,071**	**2.3**	**57,973**	**2.4**
Simsbury 401(a) MissionSquare Plan	**2,977,150**	**100.0**	**2,559,583**	**100.0**	**2,608,256**	**100.0**	**2,421,758**	**100.0**

Source: MissionSquare

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Manager Performance

Simsbury DC

As of June 30, 2026

Rank

= 1-50 percentile
= 51-75 percentile
= 76-100 percentile

	Performance(%)						Fund & Cat Median Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
T. Rowe Price Retirement 2005 I Class	**5.8**	**5.5**	**11.2**	**10.2**	**4.7**	**6.4**	**0.340**	**Maintain**
T. Rowe Price Retirement 2005 Index	*6.2*	*5.3*	*11.6*	*10.7*	*5.3*	*6.7*	-	
Target-Date Retirement Median	4.9	4.7	9.9	8.9	3.9	5.2	0.660	
T. Rowe Price Retirement 2005 I Class Rank	14	9	16	9	8	4	-	
T. Rowe Price Retirement 2010 I Class	**6.3**	**5.9**	**12.0**	**10.7**	**5.0**	**6.8**	**0.340**	**Maintain**
T. Rowe Price Retirement 2010 Index	*6.7*	*5.7*	*12.3*	*11.2*	*5.6*	*7.2*	-	
Target-Date 2000-2010 Median	5.0	4.8	9.9	9.0	4.1	6.0	0.530	
T. Rowe Price Retirement 2010 I Class Rank	3	1	3	3	12	1	-	
T. Rowe Price Retirement 2015 I Class	**6.6**	**6.2**	**12.5**	**11.0**	**5.2**	**7.4**	**0.340**	**Maintain**
T. Rowe Price Retirement 2015 Index	*7.1*	*6.0*	*12.9*	*11.6*	*5.9*	*7.7*	-	
Target-Date 2015 Median	5.7	5.3	10.9	9.7	4.4	6.5	0.570	
T. Rowe Price Retirement 2015 I Class Rank	3	18	6	3	12	1	-	
T. Rowe Price Retirement 2020 I Class	**7.0**	**6.4**	**13.1**	**11.4**	**5.5**	**8.0**	**0.360**	**Maintain**
T. Rowe Price Retirement 2020 Index	*7.5*	*6.3*	*13.5*	*12.0*	*6.1*	*8.3*	-	
Target-Date 2020 Median	6.3	5.9	12.3	10.5	4.8	7.0	0.650	
T. Rowe Price Retirement 2020 I Class Rank	24	29	23	9	11	1	-	
T. Rowe Price Retirement 2025 I Class	**7.4**	**6.8**	**13.8**	**12.0**	**5.7**	**8.7**	**0.370**	**Maintain**
T. Rowe Price Retirement 2025 Index	*8.0*	*6.7*	*14.2*	*12.6*	*6.5*	*9.1*	-	
Target-Date 2025 Median	6.9	6.2	13.0	11.3	5.2	7.8	0.600	
T. Rowe Price Retirement 2025 I Class Rank	36	36	37	23	18	1	-	
T. Rowe Price Retirement 2030 I Class	**8.5**	**7.8**	**15.6**	**13.3**	**6.4**	**9.6**	**0.390**	**Maintain**
T. Rowe Price Retirement 2030 Index	*9.2*	*7.7*	*16.2*	*14.0*	*7.4*	*10.1*	-	
Target-Date 2030 Median	7.8	6.8	13.8	12.4	5.8	8.4	0.670	
T. Rowe Price Retirement 2030 I Class Rank	35	26	31	14	19	2	-	

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

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Manager Performance

Simsbury DC | **As of June 30, 2026**

	Performance(%)						Fund & Cat Median Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
T. Rowe Price Retirement 2035 I Class	**10.0**	**9.2**	**18.1**	**14.9**	**7.4**	**10.6**	**0.410**	**Maintain**
T. Rowe Price Retirement 2035 Index	*10.8*	*9.0*	*18.8*	*15.7*	*8.6*	*11.1*	-	
Target-Date 2035 Median	9.4	8.1	16.3	14.2	7.0	9.6	0.640	
T. Rowe Price Retirement 2035 I Class Rank	31	24	26	16	29	9	-	
T. Rowe Price Retirement 2040 I Class	**11.2**	**10.2**	**20.1**	**16.3**	**8.1**	**11.4**	**0.420**	**Maintain**
T. Rowe Price Retirement 2040 Index	*12.1*	*10.1*	*20.9*	*17.2*	*9.6*	*12.0*	-	
Target-Date 2040 Median	11.0	9.4	18.7	15.8	8.1	10.5	0.700	
T. Rowe Price Retirement 2040 I Class Rank	45	30	31	35	47	15	-	
T. Rowe Price Retirement 2045 I Class	**12.1**	**11.1**	**21.6**	**17.3**	**8.8**	**11.9**	**0.430**	**Maintain**
T. Rowe Price Retirement 2045 Index	*13.2*	*11.0*	*22.6*	*18.3*	*10.3*	*12.6*	-	
Target-Date 2045 Median	12.1	10.5	20.7	17.1	8.9	11.1	0.650	
T. Rowe Price Retirement 2045 I Class Rank	49	32	31	41	54	14	-	
T. Rowe Price Retirement 2050 I Class	**12.5**	**11.4**	**22.2**	**17.6**	**9.0**	**12.0**	**0.440**	**Maintain**
T. Rowe Price Retirement 2050 Index	*13.5*	*11.3*	*23.1*	*18.6*	*10.5*	*12.7*	-	
Target-Date 2050 Median	12.9	11.1	22.1	17.8	9.3	11.4	0.690	
T. Rowe Price Retirement 2050 I Class Rank	63	43	50	56	57	17	-	
T. Rowe Price Retirement 2055 I Class	**12.6**	**11.5**	**22.4**	**17.7**	**9.0**	**12.0**	**0.450**	**Maintain**
T. Rowe Price Retirement 2055 Index	*13.7*	*11.4*	*23.4*	*18.8*	*10.6*	*12.8*	-	
Target-Date 2055 Median	13.4	11.4	22.6	18.0	9.5	11.5	0.650	
T. Rowe Price Retirement 2055 I Class Rank	74	45	55	58	58	21	-	
T. Rowe Price Retirement 2060 I Class	**12.6**	**11.5**	**22.3**	**17.7**	**9.1**	**12.0**	**0.460**	**Maintain**
T. Rowe Price Retirement 2060 Index	*13.7*	*11.4*	*23.4*	*18.8*	*10.6*	*12.8*	-	
Target-Date 2060 Median	13.5	11.5	22.8	18.0	9.5	11.7	0.650	
T. Rowe Price Retirement 2060 I Class Rank	77	50	61	62	61	28	-	
Target Date Funds	-	-	-	-	-	-		

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

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Manager Performance

Simsbury DC

As of June 30, 2026

Rank

= 1-50 percentile
= 51-75 percentile
= 76-100 percentile

	Performance(%)						Fund & Cat Median Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
MissionSquare PLUS Fund R10	**0.8**	**1.6**	**3.2**	**3.1**	**2.7**	**2.4**	**0.530**	**Maintain**
Morningstar US CIT Stable Value Index	*0.8*	*1.6*	*3.2*	*3.1*	*2.7*	*2.4*	-	
Stable Value / Money Market Funds	-	-	-	-	-	-		
Fidelity US Bond Index	**0.7**	**0.7**	**3.8**	**4.1**	**0.1**	**1.5**	**0.025**	**Maintain**
Blmbg. U.S. Aggregate	*0.7*	*0.6*	*3.8*	*4.2*	*0.1*	*1.5*	-	
Intermediate Core Bond Median	0.7	0.6	3.7	4.2	0.0	1.6	0.520	
Fidelity US Bond Index Rank	60	33	42	53	46	58	-	
Dodge & Cox Income X	**0.8**	**0.9**	**4.8**	**5.3**	**1.4**	**3.0**	**0.330**	**Maintain**
Blmbg. U.S. Aggregate	*0.7*	*0.6*	*3.8*	*4.2*	*0.1*	*1.5*	-	
Intermediate Core-Plus Bond Median	1.0	0.8	4.0	4.7	0.3	2.0	0.650	
Dodge & Cox Income X Rank	79	39	11	17	7	7	-	
Fixed Income Funds	-	-	-	-	-	-		
Fidelity Large Cap Value Index	**13.8**	**16.2**	**27.0**	**17.8**	**11.2**	**11.5**	**0.035**	**Maintain**
Russell 1000 Value Index	*13.8*	*16.2*	*27.1*	*17.8*	*11.2*	*11.5*	-	
Large Value Median	10.3	10.7	20.9	15.9	10.5	11.5	0.810	
Fidelity Large Cap Value Index Rank	17	16	17	27	36	48	-	
MFS Value Fund R6	**6.0**	**7.1**	**13.6**	**13.0**	**8.7**	**10.4**	**0.440**	**Watch**
Russell 1000 Value Index	*13.8*	*16.2*	*27.1*	*17.8*	*11.2*	*11.5*	-	
Large Value Median	10.3	10.7	20.9	15.9	10.5	11.5	0.810	
MFS Value Fund R6 Rank	84	82	89	86	85	78	-	

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Manager Performance

Simsbury DC

As of June 30, 2026

	Performance(%)						Fund & Cat Median Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
Fidelity 500 Index	**15.2**	**10.2**	**22.3**	**20.6**	**13.4**	**15.5**	**0.015**	**Maintain**
S&P 500	*15.2*	*10.2*	*22.3*	*20.6*	*13.4*	*15.5*	-	
Large Blend Median	14.6	9.6	20.5	19.3	12.0	14.4	0.740	
Fidelity 500 Index Rank	36	36	29	25	20	14	-	
Fidelity Large Cap Growth Index	**16.7**	**5.3**	**17.7**	**22.6**	**13.7**	**18.5**	**0.035**	**Maintain**
Russell 1000 Growth Index	*16.7*	*5.3*	*17.7*	*22.6*	*13.7*	*18.6*	-	
Large Growth Median	17.4	6.4	15.8	20.9	10.5	16.3	0.890	
Fidelity Large Cap Growth Index Rank	55	61	40	35	16	15	-	
T. Rowe Price Growth Stock I	**16.8**	**3.7**	**13.8**	**19.6**	**7.1**	**15.4**	**0.520**	**Watch**
Russell 1000 Growth Index	*16.7*	*5.3*	*17.7*	*22.6*	*13.7*	*18.6*	-	
Large Growth Median	17.4	6.4	15.8	20.9	10.5	16.3	0.890	
T. Rowe Price Growth Stock I Rank	55	74	61	64	84	69	-	
Fidelity Mid Cap Value Index	**13.4**	**17.6**	**26.6**	**16.5**	**9.4**	**-**	**0.050**	**Maintain**
Russell Midcap Value Index	*13.4*	*17.6*	*26.6*	*16.5*	*9.5*	-	-	
Mid-Cap Value Median	11.1	13.4	21.5	13.8	9.0	-	0.910	
Fidelity Mid Cap Value Index Rank	34	22	29	29	43	-	-	
Vanguard Explorer Value Inv	**17.7**	**20.9**	**33.9**	**17.3**	**9.1**	**10.9**	**0.540**	**Maintain**
Russell 2500 Value Index	*18.5*	*24.2*	*38.5*	*19.4*	*10.3*	*11.3*	-	
Small Value Median	16.6	20.8	32.5	15.4	8.5	10.5	1.090	
Vanguard Explorer Value Inv Rank	37	49	47	33	39	35	-	
Mid-Cap Value Median	11.1	13.4	21.5	13.8	9.0	10.3	0.910	
Vanguard Explorer Value Inv Rank	8	11	13	26	49	34	-	
Fidelity Extended Market Index	**19.8**	**18.3**	**29.0**	**19.7**	**6.7**	**12.6**	**0.035**	**Maintain**
Dow Jones U.S. Completion Total Stock Market Indx	*19.8*	*18.3*	*28.9*	*19.5*	*6.6*	*12.5*	-	
Small Blend Median	19.9	22.0	34.0	16.3	7.8	11.3	1.000	
Fidelity Extended Market Index Rank	51	74	74	17	71	17	-	
Mid-Cap Blend Median	14.3	16.0	22.8	15.2	8.6	11.1	0.860	
Fidelity Extended Market Index Rank	15	32	22	15	79	17	-	

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Manager Performance

Simsbury DC

As of June 30, 2026

	Performance(%)						Fund & Cat Median Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
Fidelity Mid Cap Growth Index	**14.5**	**7.2**	**6.2**	**15.5**	**6.0**	**-**	**0.050**	**Maintain**
Russell Midcap Growth Index	*14.5*	*7.3*	*6.2*	*15.6*	*6.0*	-	-	
Mid-Cap Growth Median	17.7	11.7	11.7	14.0	3.8	-	1.010	
Fidelity Mid Cap Growth Index Rank	72	75	77	36	28	-	-	
Eaton Vance Atlanta Capital SMID-Cap R6	**5.0**	**-0.1**	**-4.3**	**5.2**	**3.6**	**9.7**	**0.810**	**Maintain**
Russell 2500 Growth Index	*24.0*	*19.7*	*32.9*	*16.4*	*5.0*	*12.6*	-	
Small Growth Median	24.8	22.2	33.6	16.1	4.7	12.1	1.130	
Eaton Vance Atlanta Capital SMID-Cap R6 Rank	100	99	99	96	62	85	-	
Mid-Cap Growth Median	17.7	11.7	11.7	14.0	3.8	12.0	1.010	
Eaton Vance Atlanta Capital SMID-Cap R6 Rank	95	93	92	89	52	84	-	
Fidelity Small Cap Value Index	**17.1**	**22.9**	**42.9**	**18.8**	**8.3**	**-**	**0.050**	**Maintain**
Russell 2000 Value Index	*17.2*	*23.0*	*43.0*	*18.7*	*8.2*	-	-	
Small Value Median	16.6	20.8	32.5	15.4	8.5	-	1.090	
Fidelity Small Cap Value Index Rank	45	32	12	20	54	-	-	
Fidelity Small Cap Growth Index	**25.7**	**22.2**	**38.8**	**18.5**	**5.7**	**-**	**0.050**	**Maintain**
Russell 2000 Growth Index	*25.7*	*22.2*	*38.7*	*18.4*	*5.6*	-	-	
Small Growth Median	24.8	22.2	33.6	16.1	4.7	-	1.130	
Fidelity Small Cap Growth Index Rank	48	50	36	31	40	-	-	
Domestic Equity Funds	-	-	-	-	-	-		

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Manager Performance

Simsbury DC

As of June 30, 2026

	Performance(%)						Fund & Cat Median Exp Ratio	Manager Status
	QTD	YTD	1 Year	3 Years	5 Years	10 Years		
Fidelity Total International Index	**12.1**	**14.1**	**27.3**	**18.8**	**8.7**	**9.9**	**0.060**	**Maintain**
MSCI AC World ex USA IMI (Net)	*13.8*	*13.1*	*26.6*	*18.5*	*8.4*	*9.8*	-	
Foreign Large Blend Median	10.5	10.4	21.4	16.7	8.4	9.6	0.890	
Fidelity Total International Index Rank	30	21	21	26	44	38	-	
Hartford International Opportunities R6	**12.0**	**11.0**	**22.1**	**17.5**	**8.0**	**9.6**	**0.690**	**Maintain**
MSCI AC World ex USA (Net)	*14.5*	*13.7*	*27.7*	*18.8*	*8.8*	*9.9*	-	
Foreign Large Blend Median	10.5	10.4	21.4	16.7	8.4	9.6	0.890	
Hartford International Opportunities R6 Rank	31	46	46	39	60	49	-	
International Equity Funds	-	-	-	-	-	-		

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Calendar Year Performance

Simsbury DC **As of June 30, 2026**

Rank
= 1-50 percentile
= 51-75 percentile
= 76-100 percentile

	Performance(%)										
	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
T. Rowe Price Retirement 2005 I Class	**5.5**	**11.5**	**8.2**	**12.0**	**-13.7**	**8.1**	**11.2**	**15.1**	**-3.3**	**10.7**	**6.7**
T. Rowe Price Retirement 2005 Index	*5.3*	*12.4*	*8.7*	*12.8*	*-13.5*	*8.1*	*12.0*	*14.9*	*-2.6*	*10.1*	*5.8*
Target-Date Retirement Median	4.7	10.5	6.6	10.5	-12.8	5.8	9.1	12.9	-3.4	8.5	5.0
T. Rowe Price Retirement 2005 I Class Rank	9	29	9	6	63	13	11	16	44	15	9
T. Rowe Price Retirement 2010 I Class	**5.9**	**11.9**	**8.7**	**12.5**	**-14.0**	**8.7**	**11.9**	**16.2**	**-3.6**	**11.7**	**7.1**
T. Rowe Price Retirement 2010 Index	*5.7*	*13.0*	*9.1*	*13.4*	*-13.9*	*9.0*	*12.6*	*16.0*	*-3.0*	*11.2*	*6.3*
Target-Date 2000-2010 Median	4.8	11.2	6.6	9.8	-12.7	5.6	10.4	13.9	-3.4	10.3	6.2
T. Rowe Price Retirement 2010 I Class Rank	1	20	3	4	92	10	4	2	63	10	12
T. Rowe Price Retirement 2015 I Class	**6.2**	**12.3**	**9.0**	**12.9**	**-14.2**	**9.5**	**12.6**	**17.4**	**-4.2**	**13.3**	**7.3**
T. Rowe Price Retirement 2015 Index	*6.0*	*13.4*	*9.5*	*13.9*	*-14.2*	*9.7*	*13.1*	*17.4*	*-3.6*	*12.9*	*6.9*
Target-Date 2015 Median	5.3	12.0	6.8	10.9	-13.7	7.9	11.2	15.3	-3.9	11.5	6.5
T. Rowe Price Retirement 2015 I Class Rank	18	39	5	5	64	17	7	3	63	12	13
T. Rowe Price Retirement 2020 I Class	**6.4**	**12.7**	**9.3**	**13.5**	**-14.7**	**10.5**	**13.2**	**19.4**	**-4.9**	**15.7**	**7.4**
T. Rowe Price Retirement 2020 Index	*6.3*	*13.8*	*9.9*	*14.5*	*-14.6*	*10.6*	*13.5*	*19.4*	*-4.4*	*14.9*	*7.5*
Target-Date 2020 Median	5.9	13.0	7.5	11.7	-14.5	8.6	11.0	16.2	-4.5	12.9	6.5
T. Rowe Price Retirement 2020 I Class Rank	29	54	5	4	62	9	15	2	62	2	15
T. Rowe Price Retirement 2025 I Class	**6.8**	**13.1**	**9.9**	**14.6**	**-15.7**	**11.9**	**14.7**	**20.9**	**-5.6**	**17.7**	**7.5**
T. Rowe Price Retirement 2025 Index	*6.7*	*14.4*	*10.5*	*15.6*	*-15.4*	*12.3*	*14.6*	*21.4*	*-5.0*	*16.7*	*8.2*
Target-Date 2025 Median	6.2	13.3	8.2	12.6	-15.5	9.8	12.5	18.3	-5.4	15.0	7.0
T. Rowe Price Retirement 2025 I Class Rank	36	59	2	3	59	8	7	2	58	1	22
T. Rowe Price Retirement 2030 I Class	**7.8**	**14.6**	**10.9**	**16.3**	**-17.0**	**13.6**	**15.9**	**22.5**	**-6.3**	**19.4**	**7.7**
T. Rowe Price Retirement 2030 Index	*7.7*	*16.0*	*11.6*	*17.5*	*-16.4*	*14.2*	*15.6*	*23.1*	*-5.7*	*18.3*	*8.8*
Target-Date 2030 Median	6.8	14.5	9.5	14.5	-16.4	11.5	13.1	20.4	-6.5	17.0	7.3
T. Rowe Price Retirement 2030 I Class Rank	26	47	7	5	76	10	6	6	45	3	41

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Calendar Year Performance

Simsbury DC

As of June 30, 2026

	Performance(%)										
	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
T. Rowe Price Retirement 2035 I Class	**9.2**	**16.3**	**12.2**	**18.2**	**-18.0**	**15.1**	**17.0**	**23.7**	**-6.9**	**20.9**	**7.6**
T. Rowe Price Retirement 2035 Index	*9.0*	*17.9*	*12.9*	*19.4*	*-17.1*	*16.1*	*16.5*	*24.5*	*-6.2*	*19.6*	*9.2*
Target-Date 2035 Median	8.1	16.0	11.2	16.4	-17.1	13.9	14.1	22.3	-7.3	18.7	7.8
T. Rowe Price Retirement 2035 I Class Rank	24	45	12	4	80	18	11	17	39	9	57
T. Rowe Price Retirement 2040 I Class	**10.2**	**17.6**	**13.4**	**19.6**	**-18.9**	**16.3**	**18.1**	**24.7**	**-7.3**	**22.0**	**7.6**
T. Rowe Price Retirement 2040 Index	*10.1*	*19.4*	*14.3*	*21.0*	*-17.7*	*17.7*	*17.2*	*25.5*	*-6.6*	*20.6*	*9.6*
Target-Date 2040 Median	9.4	17.6	12.8	18.1	-17.9	15.8	14.7	23.6	-8.0	19.9	8.0
T. Rowe Price Retirement 2040 I Class Rank	30	49	24	12	86	29	11	19	31	5	61
T. Rowe Price Retirement 2045 I Class	**11.1**	**18.7**	**14.2**	**20.5**	**-19.1**	**17.2**	**18.7**	**25.4**	**-7.6**	**22.4**	**7.7**
T. Rowe Price Retirement 2045 Index	*11.0*	*20.6*	*15.2*	*21.9*	*-17.9*	*18.8*	*17.6*	*26.3*	*-7.0*	*21.0*	*9.7*
Target-Date 2045 Median	10.5	18.8	13.9	19.3	-18.2	16.7	15.4	24.6	-8.3	20.7	8.2
T. Rowe Price Retirement 2045 I Class Rank	32	53	35	13	88	37	9	27	30	6	64
T. Rowe Price Retirement 2050 I Class	**11.4**	**19.1**	**14.4**	**20.8**	**-19.2**	**17.4**	**18.7**	**25.3**	**-7.6**	**22.4**	**7.7**
T. Rowe Price Retirement 2050 Index	*11.3*	*21.0*	*15.5*	*22.2*	*-18.0*	*18.9*	*17.6*	*26.3*	*-7.0*	*21.0*	*9.7*
Target-Date 2050 Median	11.1	19.5	14.2	19.9	-18.3	17.0	15.6	24.7	-8.6	20.8	8.2
T. Rowe Price Retirement 2050 I Class Rank	43	59	44	16	81	39	9	32	23	9	65
T. Rowe Price Retirement 2055 I Class	**11.5**	**19.2**	**14.6**	**20.8**	**-19.2**	**17.3**	**18.5**	**25.4**	**-7.6**	**22.3**	**7.7**
T. Rowe Price Retirement 2055 Index	*11.4*	*21.1*	*15.6*	*22.4*	*-18.0*	*18.9*	*17.6*	*26.3*	*-7.0*	*21.0*	*9.7*
Target-Date 2055 Median	11.4	19.9	14.3	20.0	-18.4	17.2	15.7	24.9	-8.6	21.1	8.2
T. Rowe Price Retirement 2055 I Class Rank	45	67	45	25	78	46	10	34	25	11	64
T. Rowe Price Retirement 2060 I Class	**11.5**	**19.2**	**14.5**	**20.9**	**-19.3**	**17.4**	**18.5**	**25.4**	**-7.6**	**22.3**	**7.6**
T. Rowe Price Retirement 2060 Index	*11.4*	*21.1*	*15.6*	*22.4*	*-18.0*	*18.9*	*17.6*	*26.3*	*-7.0*	*21.0*	*9.7*
Target-Date 2060 Median	11.5	19.9	14.4	20.1	-18.4	17.3	15.8	25.1	-8.7	21.3	7.9
T. Rowe Price Retirement 2060 I Class Rank	50	67	47	26	79	47	12	41	24	16	60

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Calendar Year Performance

Simsbury DC

As of June 30, 2026

Rank

= 1-50 percentile
= 51-75 percentile
= 76-100 percentile

	Performance(%)										
	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
MissionSquare PLUS Fund R10	**1.6**	**3.1**	**3.0**	**2.8**	**2.0**	**1.9**	**2.2**	**2.5**	**2.3**	**2.1**	**2.0**
Morningstar US CIT Stable Value Index	*1.6*	*3.1*	*3.0*	*2.9*	*1.9*	*1.7*	*2.2*	*2.5*	*2.2*	*2.0*	*1.8*
Fidelity US Bond Index	**0.7**	**7.1**	**1.3**	**5.5**	**-13.0**	**-1.8**	**7.8**	**8.5**	**0.0**	**3.5**	**2.5**
Blmbg. U.S. Aggregate	*0.6*	*7.3*	*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*
Intermediate Core Bond Median	0.6	7.1	1.5	5.6	-13.4	-1.6	7.9	8.5	-0.4	3.5	2.6
Fidelity US Bond Index Rank	33	52	63	55	28	65	52	52	26	47	58
Dodge & Cox Income X	**0.9**	**8.4**	**2.3**	**7.8**	**-10.8**	**-0.9**	**9.5**	**9.7**	**-0.3**	**4.4**	**5.6**
Blmbg. U.S. Aggregate	*0.6*	*7.3*	*1.3*	*5.5*	*-13.0*	*-1.5*	*7.5*	*8.7*	*0.0*	*3.5*	*2.6*
Intermediate Core-Plus Bond Median	0.8	7.4	2.2	6.3	-13.8	-0.8	8.3	9.3	-0.9	4.3	4.0
Dodge & Cox Income X Rank	39	8	43	8	7	55	22	33	27	47	16
Fidelity Large Cap Value Index	**16.2**	**15.9**	**14.4**	**11.5**	**-7.6**	**25.1**	**2.9**	**26.5**	**-8.3**	**13.8**	**-**
Russell 1000 Value Index	*16.2*	*15.9*	*14.4*	*11.5*	*-7.5*	*25.2*	*2.8*	*26.5*	*-8.3*	*13.7*	-
Large Value Median	10.7	15.4	14.5	11.3	-5.7	26.0	3.0	25.6	-8.7	16.3	-
Fidelity Large Cap Value Index Rank	16	44	52	48	67	61	52	38	44	78	-
MFS Value Fund R6	**7.1**	**13.3**	**12.0**	**8.3**	**-5.8**	**25.6**	**4.0**	**30.2**	**-9.8**	**17.9**	**14.3**
Russell 1000 Value Index	*16.2*	*15.9*	*14.4*	*11.5*	*-7.5*	*25.2*	*2.8*	*26.5*	*-8.3*	*13.7*	*17.3*
Large Value Median	10.7	15.4	14.5	11.3	-5.7	26.0	3.0	25.6	-8.7	16.3	14.2
MFS Value Fund R6 Rank	82	72	72	76	52	56	42	10	67	33	49
Fidelity 500 Index	**10.2**	**17.9**	**25.0**	**26.3**	**-18.1**	**28.7**	**18.4**	**31.5**	**-4.4**	**21.8**	**12.0**
S&P 500	*10.2*	*17.9*	*25.0*	*26.3*	*-18.1*	*28.7*	*18.4*	*31.5*	*-4.4*	*21.8*	*12.0*
Large Blend Median	9.6	16.5	23.3	24.6	-18.2	26.6	17.6	30.0	-5.6	21.2	10.3
Fidelity 500 Index Rank	36	24	26	25	49	22	40	24	24	34	25
Fidelity Large Cap Growth Index	**5.3**	**18.5**	**33.3**	**42.8**	**-29.2**	**27.6**	**38.4**	**36.4**	**-1.6**	**30.1**	**-**
Russell 1000 Growth Index	*5.3*	*18.6*	*33.4*	*42.7*	*-29.1*	*27.6*	*38.5*	*36.4*	*-1.5*	*30.2*	-
Large Growth Median	6.4	15.6	29.8	39.4	-31.2	22.0	36.0	33.0	-1.4	29.1	-
Fidelity Large Cap Growth Index Rank	61	25	30	31	34	16	40	21	53	41	-

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

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Calendar Year Performance

Simsbury DC

As of June 30, 2026

	Performance(%)										
	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
T. Rowe Price Growth Stock I	**3.7**	**15.8**	**29.8**	**45.4**	**-40.1**	**20.2**	**37.1**	**31.0**	**-0.9**	**33.8**	**1.6**
Russell 1000 Growth Index	*5.3*	*18.6*	*33.4*	*42.7*	*-29.1*	*27.6*	*38.5*	*36.4*	*-1.5*	*30.2*	*7.1*
Large Growth Median	6.4	15.6	29.8	39.4	-31.2	22.0	36.0	33.0	-1.4	29.1	2.5
T. Rowe Price Growth Stock I Rank	74	49	51	20	91	60	46	69	44	18	59
Fidelity Mid Cap Value Index	**17.6**	**11.0**	**13.0**	**12.8**	**-12.1**	**28.2**	**4.7**	**-**	**-**	**-**	**-**
Russell Midcap Value Index	*17.6*	*11.0*	*13.1*	*12.7*	*-12.0*	*28.3*	*5.0*	-	-	-	-
Mid-Cap Value Median	13.4	9.9	11.3	12.0	-7.9	28.6	2.8	-	-	-	-
Fidelity Mid Cap Value Index Rank	22	41	34	42	85	57	37	-	-	-	-
Vanguard Explorer Value Inv	**20.9**	**7.4**	**14.4**	**15.3**	**-14.1**	**28.4**	**3.3**	**26.9**	**-13.0**	**13.3**	**20.7**
Russell 2500 Value Index	*24.2*	*12.7*	*11.0*	*16.0*	*-13.1*	*27.8*	*4.9*	*23.6*	*-12.4*	*10.4*	*25.2*
Small Value Median	20.8	6.8	9.2	15.6	-11.4	30.6	3.4	22.2	-14.9	9.6	25.1
Vanguard Explorer Value Inv Rank	49	45	9	52	78	59	52	15	31	16	78
Mid-Cap Value Median	13.4	9.9	11.3	12.0	-7.9	28.6	2.8	26.8	-13.4	13.7	17.1
Vanguard Explorer Value Inv Rank	11	66	18	32	92	53	47	49	45	58	28
Fidelity Extended Market Index	**18.3**	**11.4**	**17.0**	**25.4**	**-26.4**	**12.4**	**32.2**	**28.0**	**-9.4**	**18.2**	**16.1**
Dow Jones U.S. Completion Total Stock Market Indx	*18.3*	*11.3*	*16.9*	*25.0*	*-26.5*	*12.4*	*32.2*	*27.9*	*-9.6*	*18.1*	*15.7*
Small Blend Median	22.0	8.3	11.0	16.4	-16.7	22.9	12.7	24.7	-12.1	13.2	20.5
Fidelity Extended Market Index Rank	74	29	10	3	99	99	1	19	22	11	81
Mid-Cap Blend Median	16.0	7.9	13.7	16.1	-14.6	24.4	12.7	27.3	-11.2	16.0	14.9
Fidelity Extended Market Index Rank	32	26	18	8	98	99	2	44	34	31	40
Fidelity Mid Cap Growth Index	**7.2**	**8.6**	**22.0**	**25.8**	**-26.7**	**12.7**	**34.8**	**-**	**-**	**-**	**-**
Russell Midcap Growth Index	*7.3*	*8.7*	*22.1*	*25.9*	*-26.7*	*12.7*	*35.6*	-	-	-	-
Mid-Cap Growth Median	11.7	5.8	15.3	20.7	-28.5	11.8	36.1	-	-	-	-
Fidelity Mid Cap Growth Index Rank	75	32	25	16	35	44	56	-	-	-	-
Eaton Vance Atlanta Capital SMID-Cap R6	**-0.1**	**-5.6**	**13.7**	**14.1**	**-8.8**	**22.3**	**11.3**	**34.6**	**-5.3**	**24.8**	**11.4**
Russell 2500 Growth Index	*19.7*	*10.3*	*13.9*	*18.9*	*-26.2*	*5.0*	*40.5*	*32.7*	*-7.5*	*24.5*	*9.7*
Small Growth Median	22.2	8.9	13.8	16.4	-28.2	9.4	37.6	28.5	-5.1	22.1	9.9
Eaton Vance Atlanta Capital SMID-Cap R6 Rank	99	93	52	67	1	12	98	24	52	37	41
Mid-Cap Growth Median	11.7	5.8	15.3	20.7	-28.5	11.8	36.1	33.6	-5.5	24.8	5.0
Eaton Vance Atlanta Capital SMID-Cap R6 Rank	93	95	60	90	2	9	100	43	47	50	13

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

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Calendar Year Performance

Simsbury DC **As of June 30, 2026**

	Performance(%)										
	YTD	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Fidelity Small Cap Value Index	**22.9**	**12.7**	**8.2**	**14.7**	**-14.4**	**28.1**	**4.5**	**-**	**-**	**-**	**-**
Russell 2000 Value Index	*23.0*	*12.6*	*8.1*	*14.6*	*-14.5*	*28.3*	*4.6*	-	-	-	-
Small Value Median	20.8	6.8	9.2	15.6	-11.4	30.6	3.4	-	-	-	-
Fidelity Small Cap Value Index Rank	32	13	61	57	79	62	41	-	-	-	-
Fidelity Small Cap Growth Index	**22.2**	**13.0**	**15.3**	**18.9**	**-26.2**	**2.8**	**34.4**	**-**	**-**	**-**	**-**
Russell 2000 Growth Index	*22.2*	*13.0*	*15.2*	*18.7*	*-26.4*	*2.8*	*34.6*	-	-	-	-
Small Growth Median	22.2	8.9	13.8	16.4	-28.2	9.4	37.6	-	-	-	-
Fidelity Small Cap Growth Index Rank	50	22	39	31	37	80	59	-	-	-	-
Fidelity Total International Index	**14.1**	**32.6**	**5.0**	**15.5**	**-16.3**	**8.5**	**11.1**	**21.5**	**-14.4**	**27.6**	**-**
MSCI AC World ex USA IMI (Net)	*13.1*	*32.0*	*5.2*	*15.6*	*-16.6*	*8.5*	*11.1*	*21.6*	*-14.8*	*27.8*	-
Foreign Large Blend Median	10.4	31.2	4.6	16.3	-15.9	10.3	9.7	22.1	-14.9	25.5	-
Fidelity Total International Index Rank	21	35	45	63	55	68	41	61	42	25	-
Hartford International Opportunities R6	**11.0**	**30.3**	**8.5**	**11.9**	**-17.9**	**7.7**	**20.8**	**26.1**	**-18.6**	**24.8**	**1.2**
MSCI AC World ex USA (Net)	*13.7*	*32.4*	*5.5*	*15.6*	*-16.0*	*7.8*	*10.7*	*21.5*	*-14.2*	*27.2*	*4.5*
Foreign Large Blend Median	10.4	31.2	4.6	16.3	-15.9	10.3	9.7	22.1	-14.9	25.5	0.8
Hartford International Opportunities R6 Rank	46	57	11	91	71	74	9	19	86	64	44

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

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

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Manager Status Commentary

Simsbury DC

As of June 30, 2026

Manager	Recommendation	Comments
T. Rowe Price Retirement I Class Target Date Funds	Maintain	
MissionSquare PLUS Fund R10	Maintain	
Fidelity US Bond Index	Maintain	
Dodge & Cox Income X	Maintain	
Fidelity Large Cap Value Index	Maintain	
MFS Value Fund R6	Watch 2Q 2026	The MFS Value Fund has been moved to Watch following the retirement of long-tenured Portfolio Manager Nevin Chitkara in May 2026. Mr. Chitkara brought 35 years of investing experience, including nearly three decades at MFS, and was a key contributor to the strategy since joining in 2006. Portfolio management responsibilities have transitioned to Katie Cannan and newly appointed Co-Portfolio Manager Tom Crowley. Ms. Cannan brings over five years of direct portfolio management experience on the strategy and provides important continuity, having worked closely with Mr. Chitkara. The transition appears consistent with MFS's long-standing succession planning philosophy, which emphasizes internal promotions and leverages its deep analyst bench.
Fidelity 500 Index	Maintain	
Fidelity Large Cap Growth Index	Maintain	
T. Rowe Price Growth Stock I	Watch 3Q 2025	T. Rowe Price Growth Stock has been moved to "Watch" in Q3 2025 after the departure of Lead PM Joe Fath. Jim Stillwagon has been co-PM on the strategy since January 1, 2025, and has taken over Lead PM responsibilities effective August 1, 2025. Mr. Stillwagon will be supported by Associate PM Eric DeVilbiss.
Fidelity Mid Cap Value Index	Maintain	
Vanguard Explorer Value Inv	Maintain	
Fidelity Extended Market Index	Maintain	
Fidelity Mid Cap Growth Index	Maintain	
Eaton Vance Atlanta Capital SMID-Cap R6	Maintain	
Fidelity Small Cap Value Index	Maintain	
Fidelity Small Cap Growth Index	Maintain	
Fidelity Total International Index	Maintain	
Hartford International Opportunities R6	Maintain	

Commentary produced upon change of status.

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FLASH Memo – MFS Value

Subject: MFS Value – Portfolio Manager Retirement
Previous Status: Maintain
Current Status: Watch
Effective Date: Q2 2026

Overview

The MFS Value Fund has been moved to Watch following the retirement of long-tenured Portfolio Manager Nevin Chitkara in May 2026. Mr. Chitkara brought 35 years of investing experience, including nearly three decades at MFS, and was a key contributor to the strategy since joining in 2006. His departure represents a notable leadership transition for the Fund.

Portfolio management responsibilities have transitioned to Katie Cannan and newly appointed Co-Portfolio Manager Tom Crowley. Ms. Cannan brings over five years of direct portfolio management experience on the strategy and provides important continuity, having worked closely with Mr. Chitkara. Mr. Crowley, while new to a lead portfolio management role, has spent more than a decade at MFS, covering capital goods and consumer staples sectors, areas that have historically been meaningful contributors to the portfolio. Both investors have developed within MFS's research-driven, quality-oriented investment framework and are well-versed in the firm's quality first disciplined approach.

The transition appears consistent with MFS's long-standing succession planning philosophy, which emphasizes internal promotions and leverages its deep analyst bench. Historically, the firm has demonstrated an ability to execute smooth portfolio manager transitions under this model, supported by a collaborative investment culture and well-defined process.

Recommendation

While the succession plan is in line with prior MFS transitions and benefits from internal continuity, the departure of a highly experienced and long-tenured portfolio manager warrants a period of closer monitoring. In particular, uncertainty remains around Mr. Crowley's ability to translate his research experience into consistent portfolio-level decision making, especially within a diversified strategy of this scale. At the same time, Ms. Cannan's familiarity with the strategy, coupled with the firm's established investment process and depth of resources, provides a degree of stability that mitigates near-term concerns. Given these dynamics, we recommend moving the Fund to **Watch** to monitor performance consistency, portfolio construction decisions under the new leadership structure, and the team's ability to sustain the strategy's historical investment approach and outcomes.

FLASH Memo – T. Rowe Price Growth Stock

Subject: T. Rowe Price Growth Stock –Portfolio Manager Change
Previous Status: Maintain
Current Status: Watch
Effective Date: Q3 2025

Overview

T. Rowe Price announced that Joe Fath, portfolio manager for the T. Rowe Price Growth Stock strategy, left the firm effective August 1st, 2025. Prior to this announcement, it was communicated that Mr. Fath would move into a new role within T. Rowe Price with their private equity team in September 2025. However, Mr. Fath decided to leave the firm to pursue another opportunity, which accelerated his departure date. Mr. Fath has been the portfolio manager on the strategy for eleven years and is replaced by Jim Stillwagon. Eric DeVilbliss, who has been on the portfolio since 2020, remains in his role as associate portfolio manager.

Mr. Stillwagon has most recently served as the sector leader of media and telecommunication, as well as portfolio manager of the T. Rowe Price Communications & Technology fund, which has approximately 74% overlap with the T. Rowe Price Growth Stock strategy. Mr. Stillwagon joined Mr. Fath as portfolio manager on January 1st, 2025.

Recommendation

While the departure of Mr. Fath occurred earlier than expectations, succession planning was already in place. Mr. Stillwagon's experience with the T. Rowe Price Communication & Technology fund allows him to more seamlessly take over responsibilities, given the large overlap between the two strategies. Mr. DeVilbliss provides continuity given his five years of experience on the team. While we do not anticipate any material changes to the process, this marks a change in leadership for the strategy which we will monitor closely. At this time, we have placed the T. Rowe Price Growth Stock strategy on Watch status.

FIDUCIENT Advisors

Simsbury OPEB
Investment Analysis
August 2026

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DEFINITION OF KEY METRICS

- **Alpha**
  The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.

- **Batting Average**
  Batting average is a measure of a manager's consistency. It is calculated as the ratio between the number of periods that a manager outperforms a benchmark and the total number of periods observed. For example, a batting average of 0.60 implies that a manager outperformed its benchmark 6 out of 10 time periods.

- **Beta**
  This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, that a low fund beta does not imply that the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).

- **Information Ratio**
  The information ratio is a measure of the excess return per volatility of that excess return. This value is determined by taking the annualized excess return over a benchmark and dividing it by the standard deviation of excess return.

- **R-Squared**
  This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates that very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by the market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.

- **Return**
  Time-weighted average annual returns for the time period indicated.

- **Sharpe Ratio**
  The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk.

- **Volatility (or Standard Deviation)**
  Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning that there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.

- **Tracking Error**
  Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.

U.S. Core Fixed Income

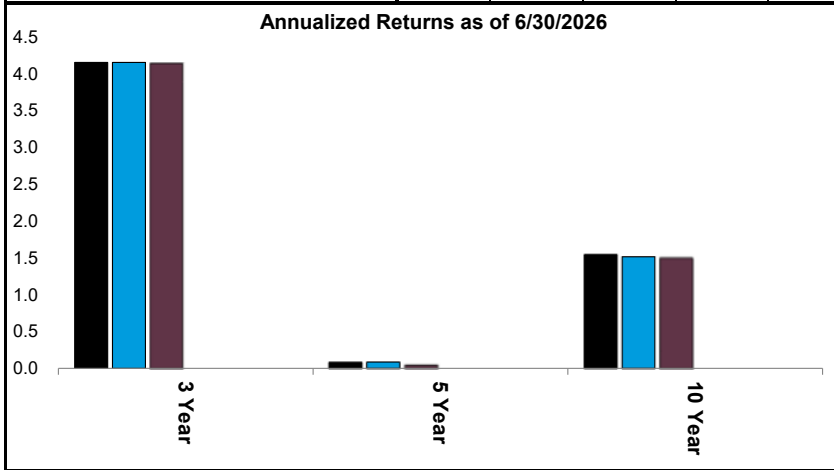
Fund / Manager	iShares Core US Aggregate Bond ETF	Fidelity U.S. Bond Index
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (15)	Team (12.2)
Net Assets ($ Millions)	$138,822	$69,165
Firm	- Blackrock was founded in 1988 and is headquartered in New York, NY. - The firm is 100% publicly held.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned. - The firm has a diverse offering of strategies that span equities, fixed income, alternatives and multi-asset.
Team	- The strategy is managed by James Mauro and Karen Uyehara.	- The strategy is managed by Brandon C Bettencourt and Richard Munclinger.
Philosophy/Process	- The fund seeks to provide broad exposure to U.S. investment-grade bonds through a low-cost index-based solution. - The portfolio tracks the Bloomberg U.S. Aggregate Bond Index.	- Fidelity seeks to provide a low-cost index-based solution to investors looking to gain broad exposure to U.S. investment-grade bonds. - The portfolio seeks to track the Bloomberg U.S. Aggregate Bond Index.
Portfolio Construction	- Advanced sampling techniques are utilized to replicate the returns of the index and minimize tracking error. - The fund primarily invests in the securities in the benchmark but may use derivatives to gain similar exposure and/or manage short-term liquidity.	- The portfolio is constructed using statistical sampling techniques based on duration, maturity, interest rate sensitivity, security structure, and credit quality to attempt to replicate the returns of the index using a smaller number of securities. - The fund will be primarily invested in the securities in the benchmark but may use derivatives to a limited extent to gain exposure to these securities.
Expense Ratio	0.03	0.03

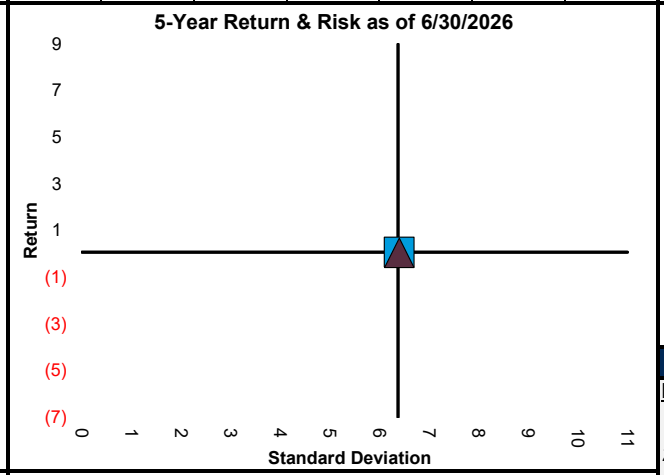
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U.S. Core Fixed Income
Return, Standard Deviation and Peer Group Comparisons

6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
Bloomberg U.S. Aggregate	**3.8**	**4.2**	**0.1**	**1.2**	**1.5**	**0.6**	**7.3**	**1.3**	**5.5**	**(13.0)**	**(1.5)**	**7.5**	**3.0**	**5.6**	**6.4**	**5.7**	**5.1**
iShares Core US Aggregate Bond ETF	3.8	4.2	0.1	1.2	1.5	0.7	7.2	1.4	5.6	(13.1)	(1.7)	7.4	3.0	5.5	6.4	5.7	5.0
Fidelity U.S. Bond Index	3.8	4.1	0.1	1.2	1.5	0.7	7.1	1.3	5.5	(13.0)	(1.8)	7.8	3.0	5.5	6.4	5.7	5.1





■/+ Index (Bloomberg U.S. Aggregate)

■ iShares Core US Aggregate Bond ETF

▲ Fidelity U.S. Bond Index

Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
Bloomberg U.S. Aggregate	**43**	**51**	**41**	**48**	**51**	**58**	**36**	**72**	**61**	**30**	**44**	**56**
iShares Core US Aggregate Bond ETF	42	51	41	51	55	43	44	62	54	31	52	61
Fidelity U.S. Bond Index	46	57	46	50	57	40	54	65	58	31	65	46

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	4.4	4.9	0.7	1.8	2.1	1.0	7.9	2.7	6.8	(9.9)	(0.5)	9.6
25th Percentile	4.0	4.6	0.3	1.6	1.9	0.8	7.5	2.0	6.3	(12.9)	(1.1)	8.7
50th Percentile	**3.7**	**4.2**	**0.0**	**1.2**	**1.6**	**0.7**	**7.2**	**1.5**	**5.6**	**(13.4)**	**(1.6)**	**7.7**
75th Percentile	3.4	4.0	(0.2)	1.0	1.4	0.5	6.8	1.2	5.4	(14.0)	(1.9)	7.1
90th Percentile	3.0	3.6	(0.5)	0.7	1.0	0.3	6.4	0.8	4.9	(14.8)	(2.2)	5.9
Top/Bottom Quartile spread	*+0.6*	*+0.6*	*+0.5*	*+0.5*	*+0.5*	*+0.3*	*+0.6*	*+0.8*	*+0.9*	*+1.1*	*+0.8*	*+1.6*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) iShares (22%)	*1) iShares (100%)*
2) Fidelity (21%)	*2) Fidelity (100%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) iShares (0.0)	*1) iShares (1.00)*
2) Fidelity (0.0)	*2) Fidelity (1.00)*
Low Vol (5 Yrs)	Low-to-High Expense
1) iShares (6.4)	*1) iShares (0.03)*
2) Fidelity (6.4)	*2) Fidelity (0.03)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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FIDUCIENT Advisors

U.S. Core Fixed Income
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

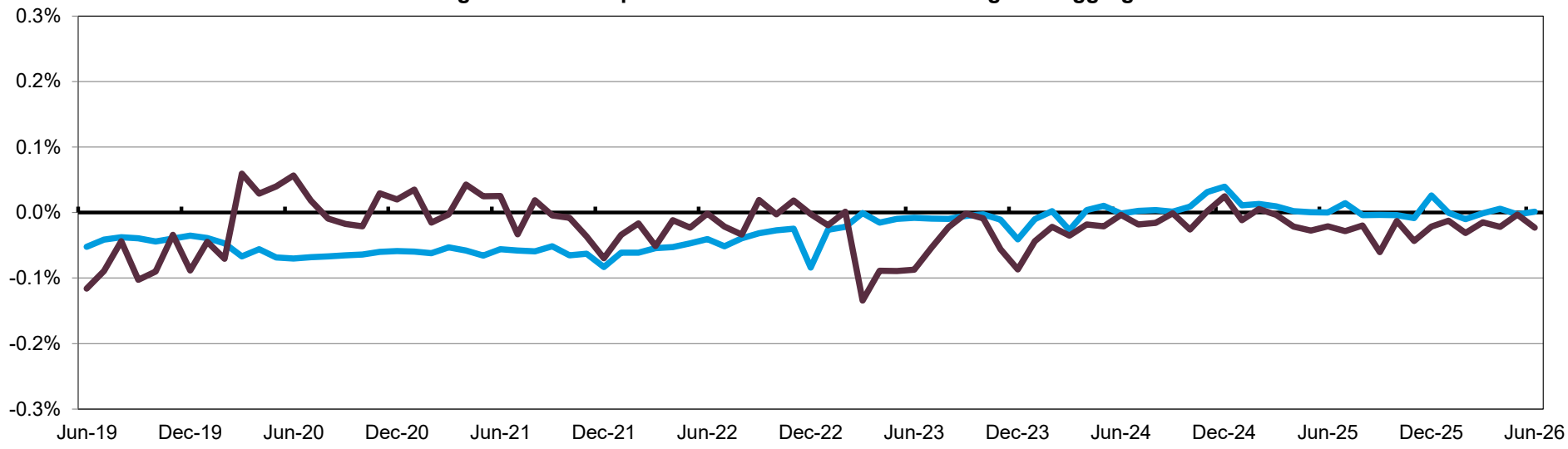
Managers vs. Bloomberg U.S. Aggregate	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	8/2020 - 10/2022	8/2016 - 11/2016	9/2017 - 10/2018
Bloomberg U.S. Aggregate	**1 / 1**	**1**	**0**	**(0.16)**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**(0.55)**	**0 / 0**	**100%**	**100%**	**-17.2%**	**-3.3%**	**-2.5%**
iShares Core US Aggregate Bond ETF	1 / 1	1.00	(0.0)	(0.17)	0.1 / -0.22	100%	100%	1 / 1	1.00	(0.0)	(0.55)	0.2 / 0.02	100%	100%	-17.2%	-3.3%	-2.5%
Fidelity U.S. Bond Index	1 / 1	1.00	(0.0)	(0.17)	0.3 / -0.17	100%	101%	1 / 1	1.00	(0.0)	(0.56)	0.2 / -0.13	100%	100%	-17.3%	-3.5%	-2.5%

Managers vs. Bloomberg U.S. Aggregate	Monthly, 12-month and 36-month batting averages vs. Bloomberg U.S. Aggregate for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares Core US Aggregate Bond ETF	120	42%	109	28%	85	22%	Jun-16
Fidelity U.S. Bond Index	120	50%	109	32%	85	21%	Jun-16

Graph Legend

iShares Core US Aggregate Bond ETF
Fidelity U.S. Bond Index

Rolling 36-Month Outperformance Versus the Bloomberg U.S. Aggregate



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U.S. Large Cap Core

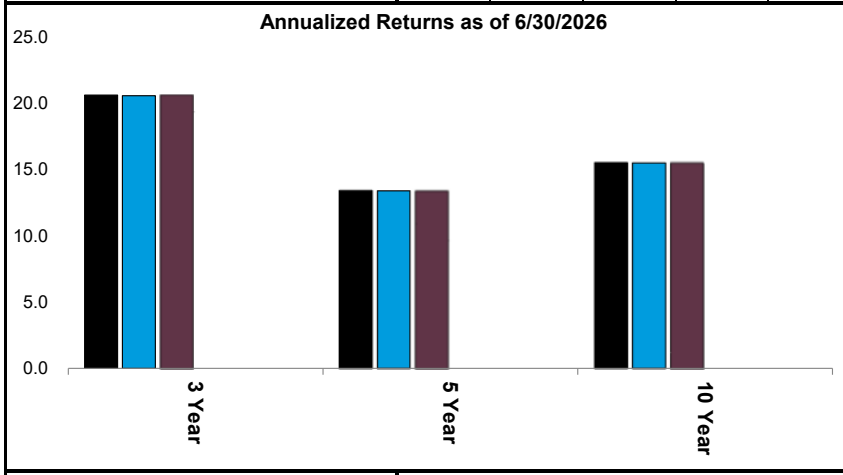
Fund / Manager	iShares Core S&P 500 ETF	Fidelity 500 Index
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (13.9)	Team (17.5)
Net Assets ($ Millions)	$892,338	$827,509
Firm	- Blackrock was founded in 1988 and is headquartered in New York, NY. - The firm is 100% publicly held.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned. - The firm has a diverse offering of strategies that span equities, fixed income, alternatives and multi-asset.
Team	- The strategy is team managed.	- The strategy is sub-advised by Geode Capital Management.
Philosophy/Process	- The fund seeks to provide exposure to domestic large cap equities via a low-cost, index-based solution. - The portfolio tracks the S&P 500 Index.	- Fidelity seeks to provide a low-cost index-based solution to investors looking to gain broad exposure to U.S. large cap stocks. - The portfolio seeks to track the S&P 500 Index.
Portfolio Construction	- The strategy uses a passive approach that uses a full replication strategy to manage the fund.	- The portfolio is constructed using full replication techniques to best match index returns.
Expense Ratio	0.03	0.02

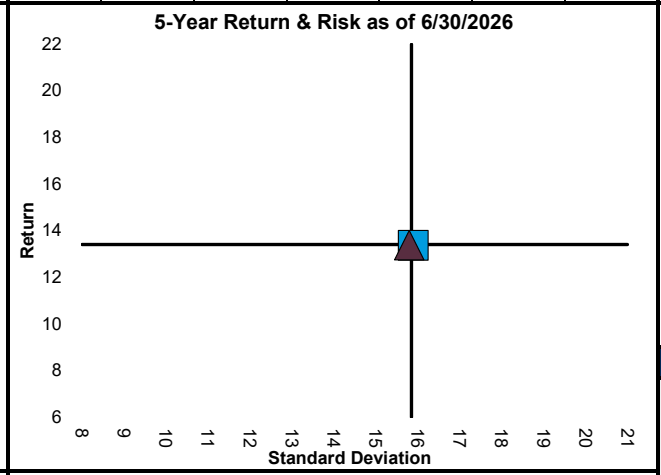
43

U.S. Large Cap Core
Return, Standard Deviation and Peer Group Comparisons

6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
S&P 500	**22.3**	**20.6**	**13.4**	**16.1**	**15.5**	**10.2**	**17.9**	**25.0**	**26.3**	**(18.1)**	**28.7**	**18.4**	**13.1**	**13.1**	**15.9**	**16.6**	**15.4**
iShares Core S&P 500 ETF	22.3	20.6	13.4	16.0	15.5	10.2	17.8	25.0	26.3	(18.1)	28.7	18.4	13.1	13.1	15.9	16.6	15.4
Fidelity 500 Index	22.3	20.6	13.4	16.1	15.5	10.2	17.9	25.0	26.3	(18.1)	28.7	18.4	13.1	13.0	15.8	16.6	15.4





■/+ Index (S&P 500)

■ iShares Core S&P 500 ETF

▲ Fidelity 500 Index

Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
S&P 500	**32**	**24**	**18**	**18**	**15**	**41**	**22**	**23**	**28**	**47**	**23**	**44**
iShares Core S&P 500 ETF	33	25	19	20	17	42	23	24	29	48	24	45
Fidelity 500 Index	33	25	18	18	16	41	23	23	28	47	23	44

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	27.6	22.2	14.4	16.7	15.9	15.3	19.8	26.8	29.1	(10.9)	30.6	24.2
25th Percentile	23.1	20.6	13.2	15.9	15.3	11.5	17.8	24.9	26.5	(14.9)	28.6	20.8
50th Percentile	**21.4**	**19.4**	**12.1**	**15.0**	**14.4**	**9.9**	**16.5**	**23.2**	**24.8**	**(18.2)**	**26.9**	**18.1**
75th Percentile	16.6	16.3	10.0	13.2	12.9	7.1	13.3	18.8	20.8	(19.7)	25.0	13.9
90th Percentile	9.4	12.4	7.8	11.2	11.5	2.6	9.7	13.7	14.9	(21.6)	22.1	10.7
Top/Bottom Quartile spread	*+6.5*	*+4.3*	*+3.2*	*+2.8*	*+2.4*	*+4.4*	*+4.5*	*+6.2*	*+5.7*	*+4.7*	*+3.7*	*+6.9*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) Fidelity (0%)	*1) Fidelity (100%)*
2) iShares (0%)	*2) iShares (100%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) Fidelity (0.0)	*1) Fidelity (1.00)*
2) iShares (0.0)	*2) iShares (1.00)*
Low Vol (5 Yrs)	Low-to-High Expense
1) Fidelity (15.8)	*1) Fidelity (0.02)*
2) iShares (15.9)	*2) iShares (0.03)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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U.S. Large Cap Core
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

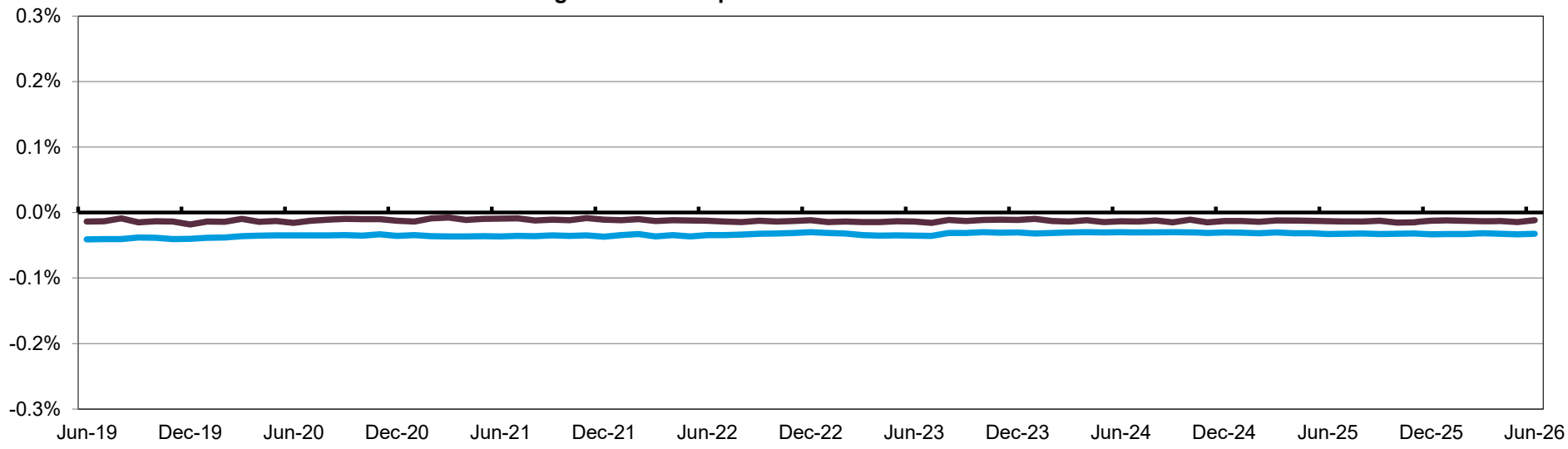
Managers vs. S&P 500	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	1/2022 - 9/2022	1/2020 - 3/2020	10/2018 - 12/2018
S&P 500	**1 / 1**	**1**	**0**	**0.86**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**0.62**	**0 / 0**	**100%**	**100%**	**-23.9%**	**-19.6%**	**-13.5%**
iShares Core S&P 500 ETF	1 / 1	1.00	(0.0)	0.85	0 / -5.12	100%	100%	1 / 1	1.00	(0.0)	0.61	0 / -5.99	100%	100%	-23.9%	-19.6%	-13.5%
Fidelity 500 Index	1 / 1	1.00	(0.0)	0.85	0 / -1.05	100%	100%	1 / 1	1.00	(0.0)	0.62	0 / -1.43	100%	100%	-23.9%	-19.6%	-13.5%

Managers vs. S&P 500	Monthly, 12-month and 36-month batting averages vs. S&P 500 for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares Core S&P 500 ETF	120	7%	109	0%	85	0%	Jun-16
Fidelity 500 Index	120	40%	109	3%	85	0%	Jun-16

Graph Legend

iShares Core S&P 500 ETF
Fidelity 500 Index

Rolling 36-Month Outperformance Versus the S&P 500



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U.S. Mid Cap Core

Fund / Manager	iShares Russell Mid-Cap ETF	Fidelity Mid Cap Index
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (13.9)	Team (14.8)
Net Assets ($ Millions)	$57,102	$53,226
Firm	- Blackrock was founded in 1988 and is headquartered in New York, NY. - The firm is 100% publicly held.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned. - The firm has a diverse offering of strategies that span equities, fixed income, alternatives and multi-asset.
Team	- The fund is team managed. - Jennifer Hsui, Peter Sietsema, Matt Waldron and Steven White handle the day-to-day responsibilities of the fund.	- The strategy is sub-advised by Geode Capital Management.
Philosophy/Process	- The fund seeks to provide exposure to domestic mid cap equities via a low-cost, index-based solution. - The portfolio tracks the Russell Midcap Index.	- Fidelity seeks to provide a low-cost index-based solution to investors looking to gain broad exposure to U.S. mid cap stocks. - The portfolio seeks to track the Russell Midcap Index.
Portfolio Construction	- The fund utilizes a full replication approach to indexing, but may utilize statistical sampling when cost efficient. - The fund may use futures and other derivatives to manage short-term liquidity and/or as substitutes for comparable market positions in the securities in the index.	- The portfolio is constructed using full replication techniques to best match index returns.
Expense Ratio	0.18	0.03

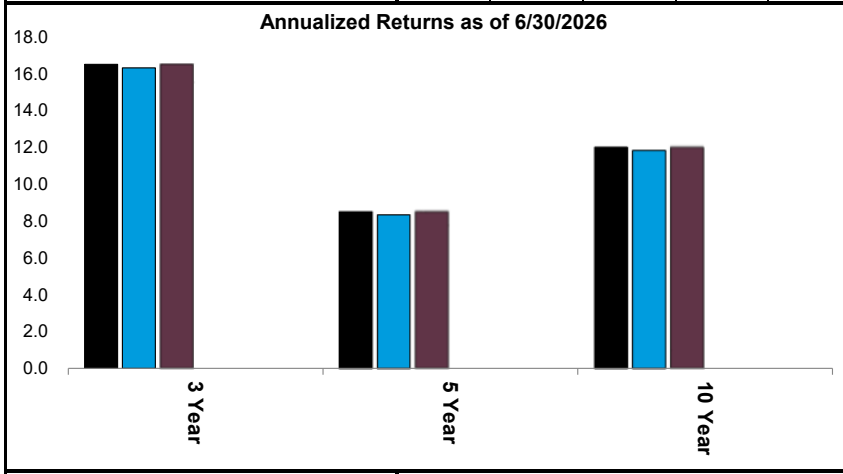
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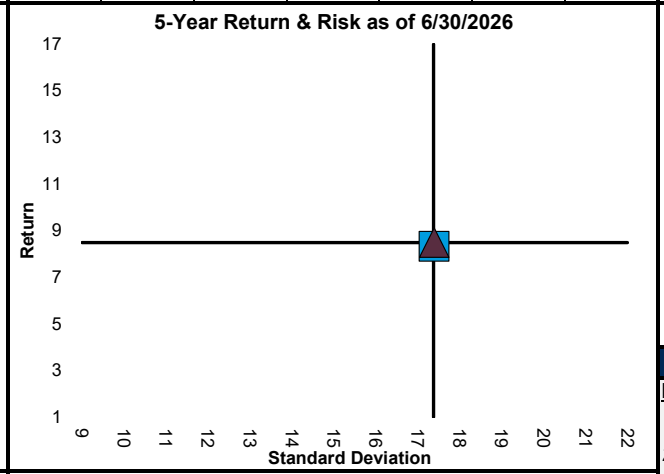
FIDUCIENT Advisors

U.S. Mid Cap Core
Return, Standard Deviation and Peer Group Comparisons

6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
Russell Midcap	**21.6**	**16.5**	**8.5**	**11.9**	**12.0**	**15.3**	**10.6**	**15.3**	**17.2**	**(17.3)**	**22.6**	**17.1**	**10.6**	**15.0**	**17.4**	**19.0**	**17.5**
iShares Russell Mid-Cap ETF	21.5	16.3	8.3	11.8	11.8	15.2	10.4	15.1	17.1	(17.4)	22.4	16.9	10.6	15.0	17.4	19.0	17.5
Fidelity Mid Cap Index	21.6	16.5	8.5	11.9	12.0	15.3	10.6	15.3	17.2	(17.3)	22.6	17.1	10.6	15.0	17.4	19.0	17.5





■/+ Index (Russell Midcap)

■ iShares Russell Mid-Cap ETF

▲ Fidelity Mid Cap Index

Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
Russell Midcap	**59**	**38**	**57**	**37**	**30**	**55**	**33**	**34**	**38**	**76**	**67**	**25**
iShares Russell Mid-Cap ETF	60	41	61	47	35	58	35	38	40	77	69	28
Fidelity Mid Cap Index	59	38	57	37	30	55	33	34	38	76	67	24

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	40.1	21.3	12.1	14.6	13.9	24.1	16.8	20.9	25.2	(8.7)	30.1	26.5
25th Percentile	28.7	18.6	9.9	12.8	12.3	19.0	11.8	16.7	19.4	(12.1)	27.2	17.1
50th Percentile	**23.1**	**15.4**	**8.8**	**11.7**	**11.4**	**16.1**	**8.7**	**13.9**	**16.3**	**(14.2)**	**24.5**	**13.4**
75th Percentile	16.7	13.0	7.2	10.3	10.6	11.0	6.0	10.7	13.7	(17.3)	21.3	8.8
90th Percentile	8.1	8.9	5.3	8.5	9.4	5.7	1.6	8.6	11.4	(21.9)	16.6	5.7
Top/Bottom Quartile spread	*+12.0*	*+5.6*	*+2.7*	*+2.5*	*+1.8*	*+8.0*	*+5.8*	*+6.1*	*+5.6*	*+5.2*	*+5.9*	*+8.3*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) Fidelity (58%)	*1) Fidelity (100%)*
2) iShares (0%)	*2) iShares (100%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) Fidelity (0.0)	*1) iShares (1.00)*
2) iShares (-0.2)	*2) Fidelity (1.00)*
Low Vol (5 Yrs)	Low-to-High Expense
1) iShares (17.4)	*1) Fidelity (0.03)*
2) Fidelity (17.4)	*2) iShares (0.18)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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U.S. Mid Cap Core
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

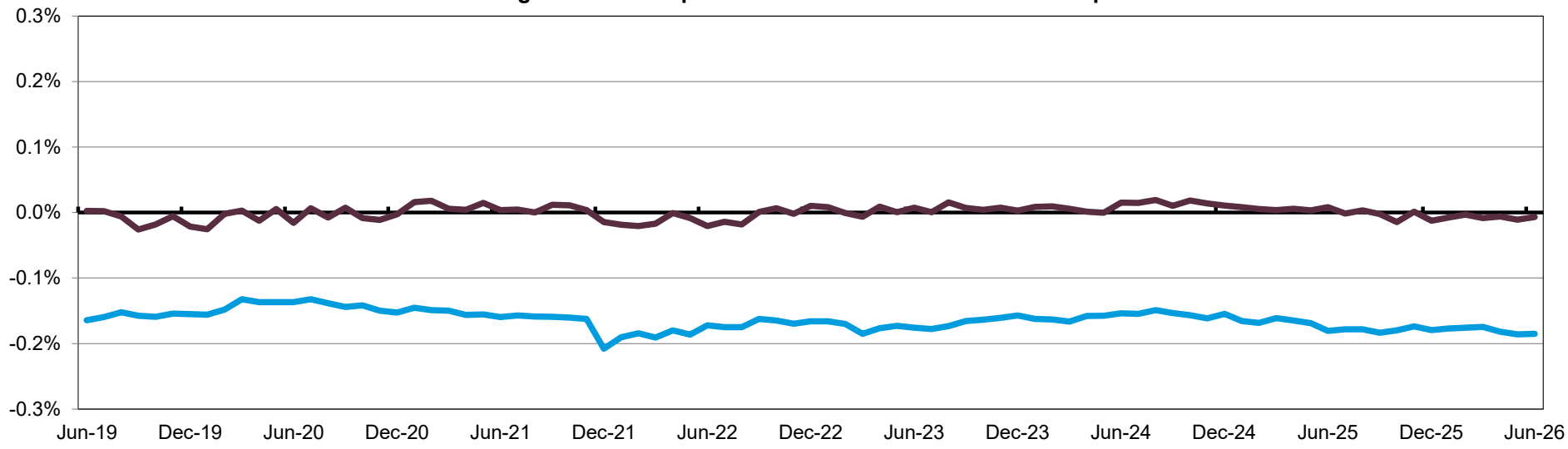
Managers vs. Russell Midcap	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	1/2020 - 3/2020	1/2022 - 9/2022	9/2018 - 12/2018
Russell Midcap	**1 / 1**	**1**	**0**	**0.55**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**0.28**	**0 / 0**	**100%**	**100%**	**-27.1%**	**-24.3%**	**-15.9%**
iShares Russell Mid-Cap ETF	1 / 1	1.00	(0.2)	0.54	0 / -4.95	100%	100%	1 / 1	1.00	(0.2)	0.27	0 / -8.11	100%	100%	-27.1%	-24.3%	-15.9%
Fidelity Mid Cap Index	1 / 1	1.00	0.0	0.55	0.1 / -0.06	100%	100%	1 / 1	1.00		0.28	0 / 0.03	100%	100%	-27.0%	-24.3%	-15.9%

Managers vs. Russell Midcap	Monthly, 12-month and 36-month batting averages vs. Russell Midcap for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares Russell Mid-Cap ETF	120	3%	109	0%	85	0%	Jun-16
Fidelity Mid Cap Index	120	53%	109	42%	85	58%	Jun-16

Graph Legend

iShares Russell Mid-Cap ETF
Fidelity Mid Cap Index

Rolling 36-Month Outperformance Versus the Russell Midcap



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U.S. Small Cap Core

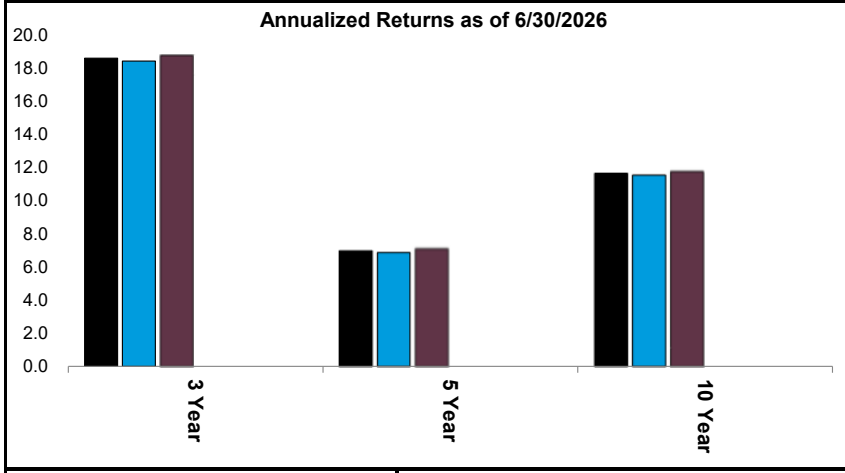
Fund / Manager	iShares Russell 2000 ETF	Fidelity Small Cap Index
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (13.9)	Team (14.8)
Net Assets ($ Millions)	$82,070	$34,923
Firm	- Blackrock was founded in 1988 and is headquartered in New York, NY. - The firm is 100% publicly held.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned. - The firm has a diverse offering of strategies that span equities, fixed income, alternatives and multi-asset.
Team	- The fund is team managed. - Alan Mason, Jennifer Hsui, Amy Whitelaw and Suzanna Henige handle the day-to-day responsibilities of the fund.	- The strategy is sub-advised by Geode Capital Management.
Philosophy/Process	- The fund seeks to provide exposure to domestic mid cap equities via a low-cost, index-based solution. - The portfolio tracks the Russell 2000 Index.	- Fidelity seeks to provide a low-cost index-based solution to investors looking to gain broad exposure to U.S. small cap stocks. - The portfolio seeks to track the Russell 2000 Index.
Portfolio Construction	- The fund utilizes a full replication approach to indexing, but may utilize statistical sampling when cost efficient. - The fund may use futures and other derivatives to manage short-term liquidity and/or as substitutes for comparable market positions in the securities in the index.	- The portfolio is constructed using full replication techniques to best match index returns.
Expense Ratio	0.19	0.03

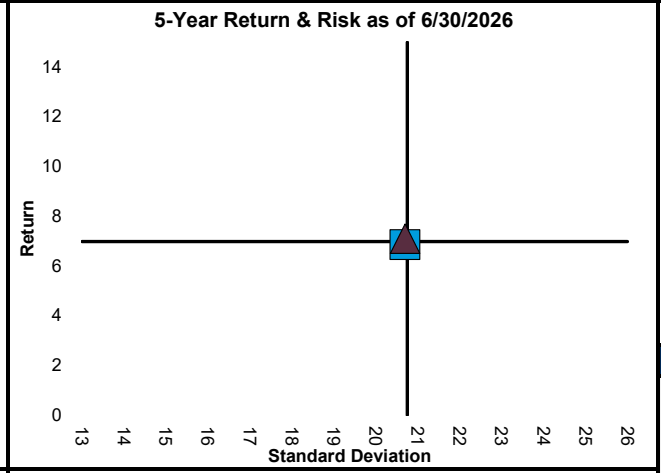
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U.S. Small Cap Core
Return, Standard Deviation and Peer Group Comparisons

6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
Russell 2000	**40.8**	**18.6**	**7.0**	**11.3**	**11.6**	**22.6**	**12.8**	**11.5**	**16.9**	**(20.4)**	**14.8**	**20.0**	**14.7**	**20.0**	**20.8**	**22.3**	**20.8**
iShares Russell 2000 ETF	40.6	18.4	6.9	11.2	11.5	22.5	12.7	11.4	16.8	(20.5)	14.6	19.9	14.7	20.0	20.7	22.3	20.8
Fidelity Small Cap Index	40.9	18.7	7.1	11.4	11.7	22.6	12.9	11.7	17.1	(20.3)	14.7	20.0	14.7	20.0	20.7	22.3	20.8







Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
Russell 2000	**23**	**26**	**70**	**55**	**40**	**44**	**16**	**42**	**50**	**86**	**89**	**22**
iShares Russell 2000 ETF	25	29	73	59	43	46	18	46	53	86	92	22
Fidelity Small Cap Index	21	24	67	51	35	43	14	39	47	82	90	22

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	45.0	21.4	11.6	14.5	13.6	28.5	14.1	16.7	21.5	(10.2)	31.0	23.6
25th Percentile	40.6	18.7	9.3	12.8	12.3	24.6	11.8	13.5	19.0	(13.5)	28.0	19.7
50th Percentile	**34.3**	**16.4**	**7.9**	**11.5**	**11.4**	**22.0**	**8.3**	**11.1**	**17.0**	**(16.5)**	**24.1**	**13.5**
75th Percentile	28.3	14.1	6.7	10.3	10.2	17.9	5.0	9.0	14.7	(19.2)	19.5	9.4
90th Percentile	19.1	11.2	5.3	9.0	9.1	13.9	1.3	6.8	11.0	(20.7)	14.7	3.6
Top/Bottom Quartile spread	*+12.3*	*+4.6*	*+2.6*	*+2.5*	*+2.0*	*+6.6*	*+6.9*	*+4.5*	*+4.3*	*+5.7*	*+8.5*	*+10.2*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) Fidelity (100%)	*1) Fidelity (100%)*
2) iShares (0%)	*2) iShares (100%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) Fidelity (0.1)	*1) iShares (1.00)*
2) iShares (-0.1)	*2) Fidelity (1.00)*
Low Vol (5 Yrs)	Low-to-High Expense
1) iShares (20.7)	*1) Fidelity (0.03)*
2) Fidelity (20.7)	*2) iShares (0.19)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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FIDUCIENT Advisors

U.S. Small Cap Core
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

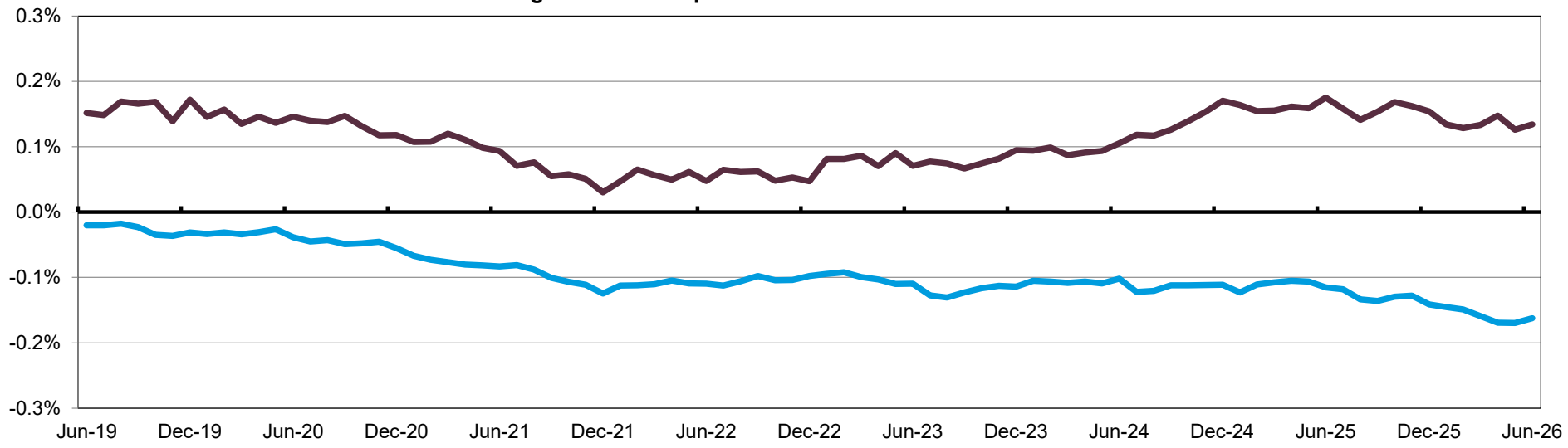
Managers vs. Russell 2000	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	9/2018 - 3/2020	7/2021 - 9/2022	12/2024 - 4/2025
Russell 2000	**1 / 1**	**1**	**0**	**0.45**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**0.16**	**0 / 0**	**100%**	**100%**	**-32.2%**	**-26.8%**	**-18.9%**
iShares Russell 2000 ETF	1 / 1	1.00	(0.1)	0.44	0 / -1.88	100%	100%	1 / 1	1.00	(0.1)	0.16	0.1 / -2.36	100%	100%	-32.2%	-26.9%	-18.9%
Fidelity Small Cap Index	1 / 1	1.00	0.1	0.45	0.1 / 1.43	100%	100%	1 / 1	1.00	0.1	0.17	0.1 / 1.48	100%	100%	-32.0%	-26.8%	-18.8%

Managers vs. Russell 2000	Monthly, 12-month and 36-month batting averages vs. Russell 2000 for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares Russell 2000 ETF	120	28%	109	6%	85	0%	Jun-16
Fidelity Small Cap Index	120	62%	109	88%	85	100%	Jun-16

Graph Legend

iShares Russell 2000 ETF
Fidelity Small Cap Index

Rolling 36-Month Outperformance Versus the Russell 2000



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International Large Cap Core (EAFE)

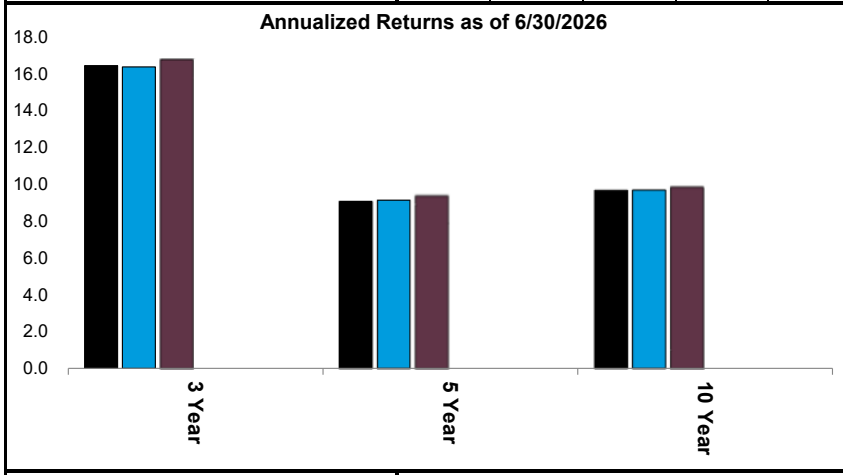
Fund / Manager	iShares MSCI EAFE ETF	Fidelity International Index
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (13.6)	Team (17.5)
Net Assets ($ Millions)	$77,433	$84,557
Firm	- Blackrock was founded in 1988 and is headquartered in New York, NY. - The firm is 100% publicly held.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned. - The firm has a diverse offering of strategies that span equities, fixed income, alternatives and multi-asset.
Team	- The strategy is managed by a team of portfolio managers.	- The strategy is sub-advised by Geode Capital Management.
Philosophy/Process	- The fund provides exposure to large and mid cap securities across developed markets, excluding the United States and Canada. - The fund tracks the MSCI EAFE Index.	- Fidelity seeks to provide a low-cost index-based solution to investors looking to gain broad exposure to foreign developed market stocks. - The portfolio seeks to track the MSCI EAFE Index.
Portfolio Construction	- A representative sampling strategy is utilized to manage the fund in order to reduce tracking error. Securities selected are expected to have similar characteristics as those of the underlying index, such as market capitalization, industry weightings, return variability and yield. - The fund primarily invests in the securities in the benchmark but may use derivatives to gain similar exposure and/or manage short-term liquidity.	- The portfolio is constructed using statistical sampling techniques based on such factors as capitalization, industry exposures, dividend yield, price/earnings ratio, price/book ratio, earnings growth, country weightings and the effect of foreign taxes to attempt to replicate the returns of the index using a smaller number of securities. - The fund will invest in depository receipts representing securities included in the index when appropriate.
Expense Ratio	0.32	0.04

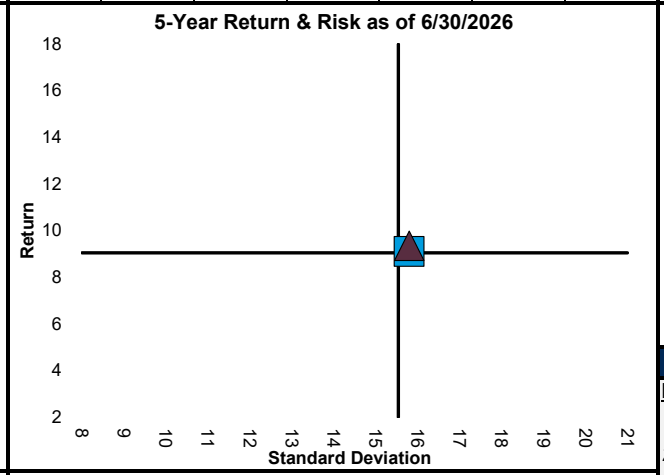
52

International Large Cap Core (EAFE)
Return, Standard Deviation and Peer Group Comparisons

6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
MSCI EAFE Index	**20.2**	**16.4**	**9.0**	**9.9**	**9.7**	**9.4**	**31.2**	**3.8**	**18.2**	**(14.5)**	**11.3**	**7.8**	**15.5**	**13.5**	**15.5**	**16.5**	**15.0**
iShares MSCI EAFE ETF	20.1	16.4	9.1	9.9	9.7	10.1	31.4	3.4	18.1	(14.3)	11.2	7.9	13.5	12.8	15.8	16.7	15.2
Fidelity International Index	20.5	16.7	9.4	10.2	9.8	10.1	32.0	3.7	18.3	(14.2)	11.5	8.2	13.5	12.8	15.8	16.7	15.2





■/+ Index (MSCI EAFE Index)

■ iShares MSCI EAFE ETF

▲ Fidelity International Index

Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
MSCI EAFE Index	**58**	**57**	**39**	**52**	**50**	**68**	**49**	**63**	**27**	**32**	**42**	**71**
iShares MSCI EAFE ETF	60	58	36	51	50	55	46	72	31	29	43	69
Fidelity International Index	55	50	27	40	42	54	41	65	25	27	37	64

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	28.8	20.1	11.0	12.0	11.1	15.1	37.7	8.3	19.9	(11.5)	13.9	19.2
25th Percentile	26.5	18.8	9.6	10.9	10.3	13.5	33.5	6.3	18.3	(14.1)	12.5	13.3
50th Percentile	**21.3**	**16.7**	**8.6**	**10.0**	**9.7**	**10.2**	**31.2**	**4.8**	**17.1**	**(15.7)**	**10.9**	**9.6**
75th Percentile	18.3	15.2	7.1	9.2	8.8	8.8	27.1	3.3	15.1	(17.8)	8.2	7.5
90th Percentile	12.6	12.8	5.9	7.7	7.6	5.6	23.0	1.3	12.8	(20.6)	6.0	4.6
Top/Bottom Quartile spread	*+8.2*	*+3.7*	*+2.6*	*+1.7*	*+1.5*	*+4.8*	*+6.4*	*+3.0*	*+3.2*	*+3.6*	*+4.3*	*+5.8*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) Fidelity (79%)	*1) Fidelity (101%)*
2) iShares (45%)	*2) iShares (101%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) Fidelity (0.3)	*1) Fidelity (1.00)*
2) iShares (0.1)	*2) iShares (1.00)*
Low Vol (5 Yrs)	Low-to-High Expense
1) iShares (15.8)	*1) Fidelity (0.04)*
2) Fidelity (15.8)	*2) iShares (0.32)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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International Large Cap Core (EAFE)
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

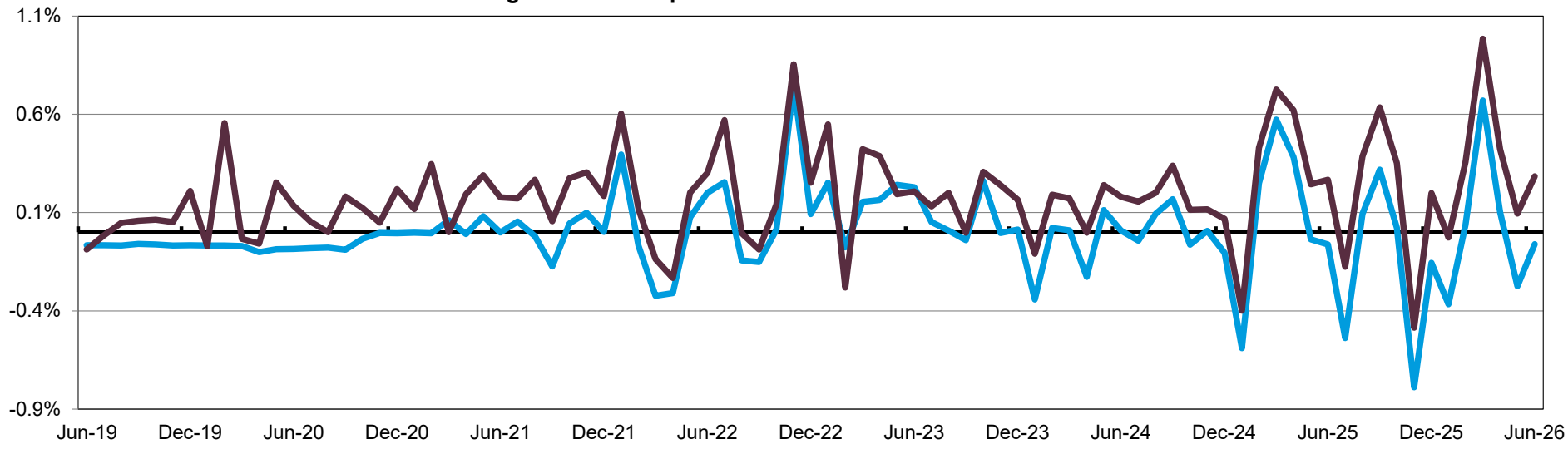
Managers vs. MSCI EAFE Index	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	9/2021 - 9/2022	1/2020 - 3/2020	2/2018 - 12/2018
MSCI EAFE Index	**1 / 1**	**1**	**0**	**0.49**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**0.35**	**0 / 0**	**100%**	**100%**	**-27.3%**	**-22.8%**	**-17.9%**
iShares MSCI EAFE ETF	0.99 / 0.98	1.00	0.0	0.48	1.9 / 0.01	101%	101%	0.98 / 0.97	1.00	0.1	0.35	2.7 / 0.02	102%	101%	-27.6%	-22.9%	-17.9%
Fidelity International Index	0.99 / 0.98	1.00	0.2	0.49	2.1 / 0.08	101%	100%	0.99 / 0.97	1.00	0.3	0.36	2.6 / 0.12	102%	101%	-27.7%	-23.0%	-17.8%

Managers vs. MSCI EAFE Index	Monthly, 12-month and 36-month batting averages vs. MSCI EAFE Index for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares MSCI EAFE ETF	120	39%	109	39%	85	45%	Jun-16
Fidelity International Index	120	50%	109	64%	85	79%	Jun-16

Graph Legend

iShares MSCI EAFE ETF
Fidelity International Index

Rolling 36-Month Outperformance Versus the MSCI EAFE Index



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Emerging Markets Core Equity

Fund / Manager	iShares MSCI Emerging Markets ETF	Fidelity Emerging Markets Idx
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (13.6)	Team (14.8)
Net Assets ($ Millions)	$28,937	$15,666
Firm	- Incumbent.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned.
Team	- Incumbent.	The strategy is sub-advised by Geode Capital Management.
Philosophy/Process	- Incumbent.	- Fidelity seeks to provide a low-cost index-based solution to investors looking to gain broad exposure to emerging market equities. - The portfolio seeks to track the MSCI Emerging Markets Index.
Portfolio Construction	- Incumbent.	- The portfolio is constructed using statistical sampling techniques to best match index returns.
Expense Ratio	0.72	0.08

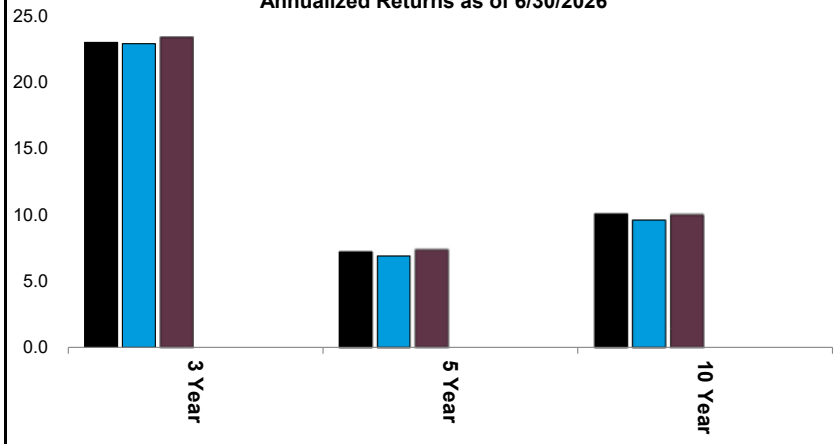
55

Emerging Markets Core Equity
Return, Standard Deviation and Peer Group Comparisons

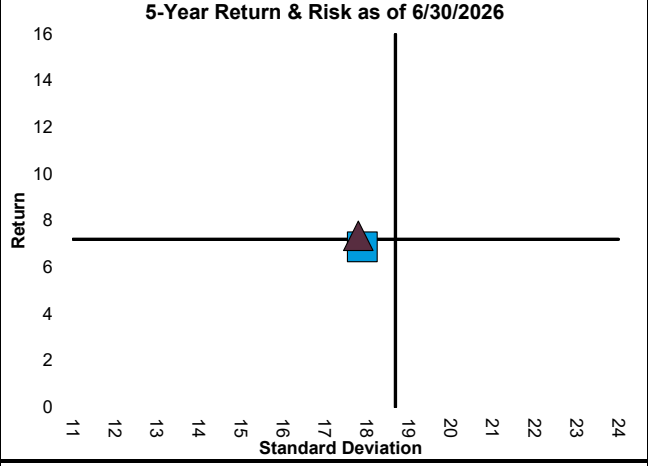
6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
MSCI Emerging Markets	**43.5**	**23.0**	**7.2**	**9.8**	**10.1**	**23.8**	**33.6**	**7.5**	**9.8**	**(20.1)**	**(2.5)**	**18.3**	**24.5**	**17.9**	**18.7**	**18.8**	**17.4**
iShares MSCI Emerging Markets ETF	45.1	22.9	6.9	9.4	9.6	25.7	33.3	6.9	8.9	(20.5)	(3.7)	17.6	20.1	15.9	17.9	18.3	17.0
Fidelity Emerging Markets Idx	46.0	23.3	7.4	9.8	10.0	26.2	33.9	6.8	9.5	(20.1)	(3.0)	17.8	19.7	15.7	17.8	18.2	17.0

Annualized Returns as of 6/30/2026



5-Year Return & Risk as of 6/30/2026



■/+ Index (MSCI Emerging Markets)

■ iShares MSCI Emerging Markets ETF

▲ Fidelity Emerging Markets Idx

Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
MSCI Emerging Markets	**50**	**42**	**47**	**46**	**39**	**56**	**36**	**35**	**67**	**46**	**69**	**40**
iShares MSCI Emerging Markets ETF	44	43	53	57	50	46	38	43	75	50	78	45
Fidelity Emerging Markets Idx	39	39	43	46	40	42	32	46	69	46	73	43

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	61.8	27.5	10.7	12.5	11.5	37.5	39.6	12.4	21.2	(12.9)	12.1	34.1
25th Percentile	51.9	24.9	8.9	11.0	10.6	29.8	35.1	8.7	16.1	(16.5)	6.1	23.6
50th Percentile	**43.5**	**22.1**	**7.1**	**9.7**	**9.6**	**25.1**	**31.3**	**6.5**	**11.7**	**(20.5)**	**0.4**	**17.1**
75th Percentile	30.3	17.9	4.9	8.1	8.3	17.8	26.1	3.4	8.9	(24.3)	(3.3)	10.5
90th Percentile	16.7	13.3	1.9	6.3	6.7	8.4	18.9	(0.4)	6.2	(28.4)	(8.2)	2.2
Top/Bottom Quartile spread	*+21.6*	*+7.0*	*+4.0*	*+2.9*	*+2.3*	*+12.0*	*+9.0*	*+5.2*	*+7.2*	*+7.8*	*+9.4*	*+13.1*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) Fidelity (20%)	*1) Fidelity (96%)*
2) iShares (1%)	*2) iShares (97%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) Fidelity (0.4)	*1) Fidelity (0.94)*
2) iShares (-0.1)	*2) iShares (0.95)*
Low Vol (5 Yrs)	Low-to-High Expense
1) Fidelity (17.8)	*1) Fidelity (0.08)*
2) iShares (17.9)	*2) iShares (0.72)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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FIDUCIENT Advisors

Emerging Markets Core Equity
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

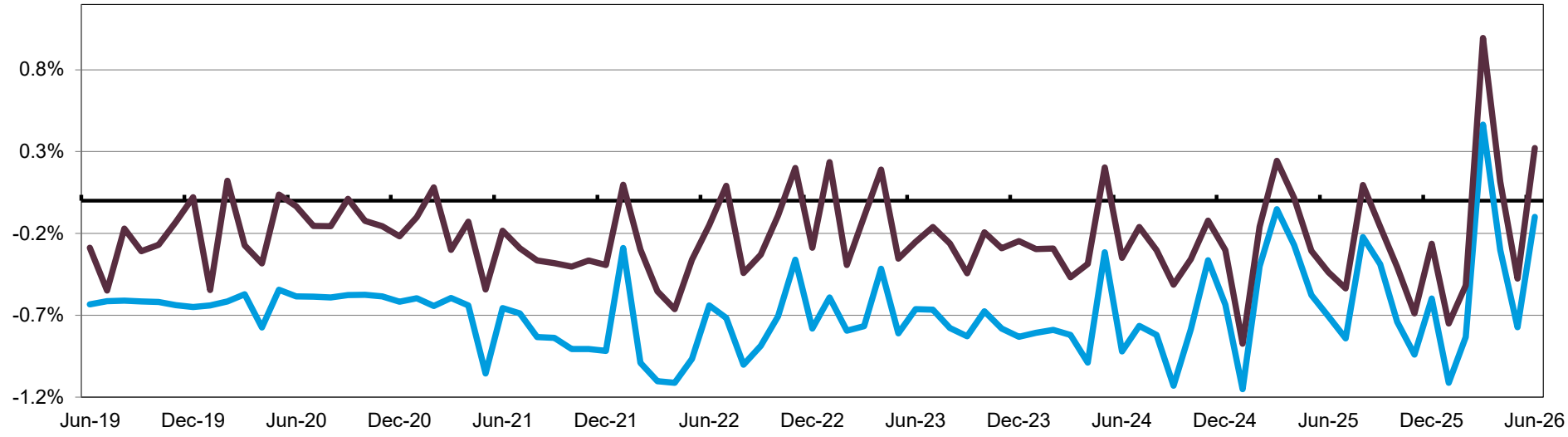
Managers vs. MSCI Emerging Markets	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	7/2021 - 10/2022	2/2018 - 3/2020	3/2026 - 3/2026
MSCI Emerging Markets	**1 / 1**	**1**	**0**	**0.44**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**0.19**	**0 / 0**	**100%**	**100%**	**-36.0%**	**-28.7%**	**-13.1%**
iShares MSCI Emerging Markets ETF	0.99 / 0.98	0.97	(0.2)	0.43	2.2 / -0.23	97%	99%	0.99 / 0.98	0.95	(0.1)	0.18	3 / -0.11	95%	97%	-36.7%	-29.5%	-10.0%
Fidelity Emerging Markets Idx	0.99 / 0.98	0.96	0.2	0.45	2.5 / -0.03	97%	98%	0.99 / 0.97	0.94	0.4	0.21	3.1 / 0.05	96%	96%	-36.1%	-28.9%	-9.5%

Managers vs. MSCI Emerging Markets	Monthly, 12-month and 36-month batting averages vs. MSCI Emerging Markets for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares MSCI Emerging Markets ETF	120	24%	109	13%	85	1%	Jun-16
Fidelity Emerging Markets Idx	120	43%	109	39%	85	20%	Jun-16

Graph Legend

iShares MSCI Emerging Markets ETF
Fidelity Emerging Markets Idx

Rolling 36-Month Outperformance Versus the MSCI Emerging Markets



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Domestic REITs

Fund / Manager	iShares Select U.S. REIT ETF	Fidelity Real Estate Index
Status	Maintain	Maintain
Manager (Tenure in Years)	Team (13.8)	Team (14.8)
Net Assets ($ Millions)	$2,064	$3,183
Firm	- Incumbent.	- Fidelity Investments is based in Boston, MA and was founded in 1946. - The firm is privately held, 51% employee-owned and 49% family owned. - The firm has a diverse offering of strategies that span equities, fixed income, alternatives and multi-asset.
Team	- Incumbent.	- Geode Capital Management has sub-advised this strategy since the product's 2011 inception.
Philosophy/Process	- Incumbent.	- The strategy seeks to broadly represent U.S. equity REITs and other real estate-related investments by replicating the MSCI US IMI Real Estate 25/25 Index.
Portfolio Construction	- Incumbent.	- The portfolio is constructed using full replication techniques to best match index returns. - The fund tracked the Dow Jones U.S. Select Real Estate Securities Index prior to January 2021.
Expense Ratio	0.32	0.07

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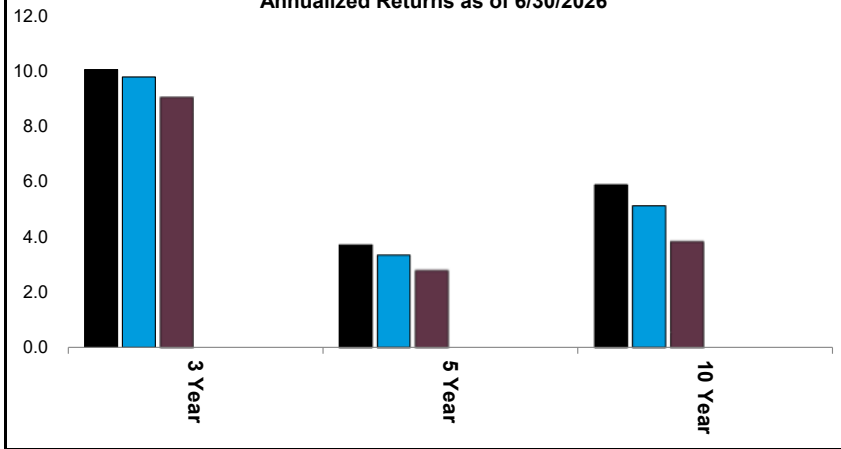
FIDUCIENT Advisors

Domestic REITs
Return, Standard Deviation and Peer Group Comparisons

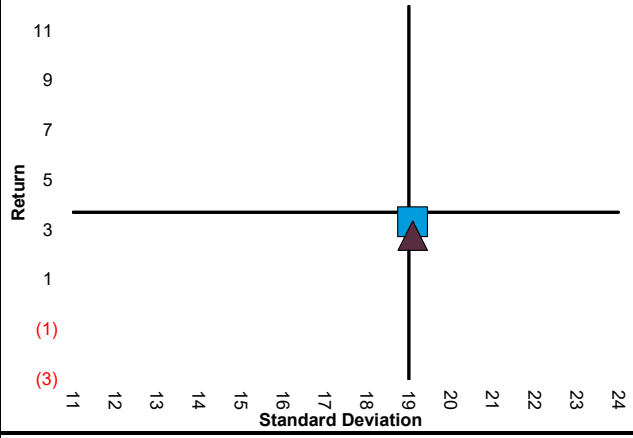
6/30/2026

Manager or Index	Annual Returns (%) as of 6/30/2026					Calendar Year Returns (%)							Volatility (%) as of 6/30/2026				
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020	1 Year	3 Year	5 Year	7 Year	10 Year
FTSE Nareit All Equity REITs	**15.4**	**10.1**	**3.7**	**5.9**	**5.9**	**14.9**	**2.3**	**4.9**	**11.4**	**(24.9)**	**41.3**	**(5.1)**	**14.5**	**16.7**	**19.0**	**19.0**	**17.3**
iShares Select U.S. REIT ETF	13.6	9.8	3.3	5.3	5.1	14.3	1.9	5.3	10.4	(26.1)	44.0	(5.4)	14.9	16.6	19.1	18.7	17.1
Fidelity Real Estate Index	12.1	9.0	2.8	3.9	3.8	10.9	3.0	5.0	11.9	(26.1)	40.7	(11.3)	13.6	16.7	19.1	19.9	18.1

Annualized Returns as of 6/30/2026



5-Year Return & Risk as of 6/30/2026



■/+ Index (FTSE Nareit All Equity REITs)

■ iShares Select U.S. REIT ETF

▲ Fidelity Real Estate Index

Manager or Index	Peer Group Rankings as of 6/30/2026					Calendar Year Peer Group Rank						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
FTSE Nareit All Equity REITs	**32**	**33**	**39**	**40**	**32**	**34**	**49**	**64**	**62**	**26**	**52**	**49**
iShares Select U.S. REIT ETF	53	42	52	60	57	43	53	52	81	54	25	54
Fidelity Real Estate Index	78	62	70	88	88	82	31	60	47	56	60	90

Peer Group Range	Peer Group Spreads as of 6/30/2026					Calendar Year Peer Group Spreads						
	1 Year	3 Year	5 Year	7 Year	10 Year	2026 YTD	2025	2024	2023	2022	2021	2020
10th Percentile	20.9	12.0	5.4	7.1	6.6	17.4	4.9	10.9	15.1	(22.8)	47.7	(0.4)
25th Percentile	16.6	10.8	4.4	6.5	6.0	15.6	3.1	7.9	13.3	(24.9)	44.0	(3.1)
50th Percentile	**13.9**	**9.3**	**3.4**	**5.6**	**5.3**	**13.8**	**2.2**	**5.3**	**11.9**	**(26.1)**	**41.5**	**(5.3)**
75th Percentile	12.2	8.5	2.7	4.9	4.5	11.9	(0.2)	4.2	10.6	(27.4)	39.4	(8.0)
90th Percentile	10.4	7.0	2.0	3.6	3.7	10.3	(2.4)	1.8	9.6	(28.7)	26.9	(11.3)
Top/Bottom Quartile spread	*+4.4*	*+2.2*	*+1.8*	*+1.5*	*+1.6*	*+3.7*	*+3.3*	*+3.6*	*+2.6*	*+2.4*	*+4.6*	*+4.9*

Differentiators

Batting Average^	Loss Protection (5 Yrs)
1) iShares (18%)	*1) iShares (100%)*
2) Fidelity (16%)	*2) Fidelity (102%)*
High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)
1) iShares (-0.4)	*1) iShares (1.00)*
2) Fidelity (-0.9)	*2) Fidelity (1.00)*
Low Vol (5 Yrs)	Low-to-High Expense
1) iShares (19.1)	*1) Fidelity (0.07)*
2) Fidelity (19.1)	*2) iShares (0.32)*

^The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

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FIDUCIENT Advisors

Domestic REITs
MPT and Other Quantitative Risk and Return Metrics

6/30/2026

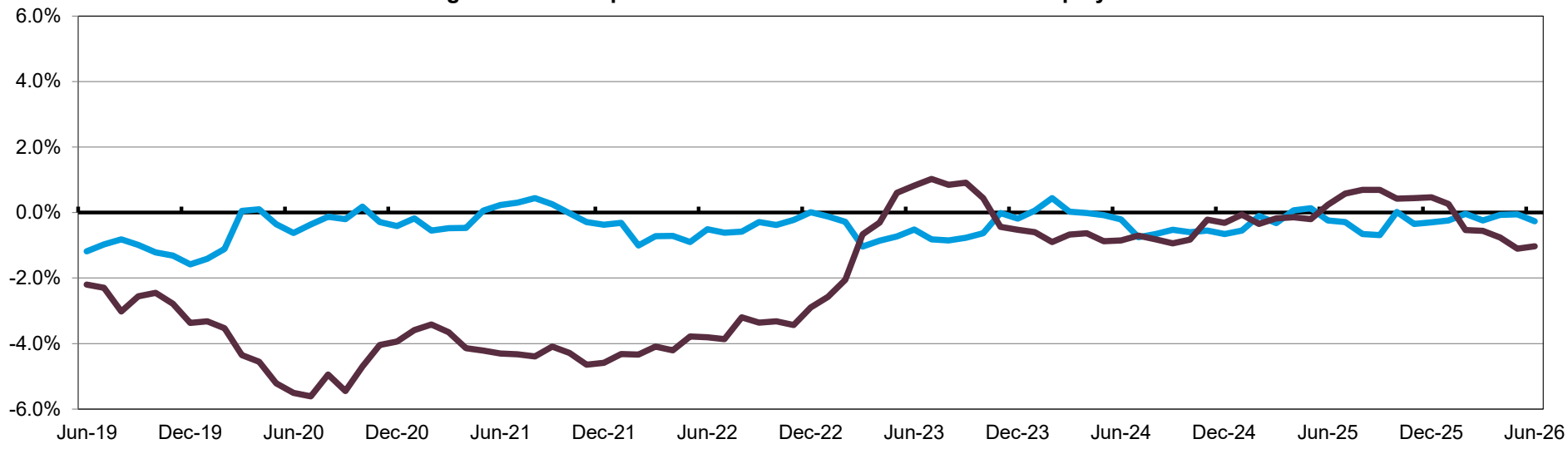
Managers vs. FTSE Nareit All Equity REITs	Past 10-Year Metrics as of 6/30/2026							Past 5-Year Metrics as of 6/30/2026							Max Drawdowns (10 yrs)		
	Correl / R^2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R2	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	1/2022 - 10/2023	2/2020 - 3/2020	8/2016 - 11/2016
FTSE Nareit All Equity REITs	**1 / 1**	**1**	**0**	**0.20**	**0 / 0**	**100%**	**100%**	**1 / 1**	**1**	**0**	**0.01**	**0 / 0**	**100%**	**100%**	**-31.4%**	**-24.4%**	**-11.9%**
iShares Select U.S. REIT ETF	0.99 / 0.99	0.98	(0.7)	0.16	2 / -0.37	95%	99%	1 / 0.99	1.00	(0.4)	(0.01)	1.9 / -0.2	98%	100%	-32.8%	-22.2%	-13.0%
Fidelity Real Estate Index	0.99 / 0.98	1.03	(2.2)	0.08	2.7 / -0.77	95%	104%	1 / 0.99	1.00	(0.9)	(0.04)	1.7 / -0.53	98%	102%	-32.5%	-28.8%	-11.8%

Managers vs. FTSE Nareit All Equity REITs	Monthly, 12-month and 36-month batting averages vs. FTSE Nareit All Equity REITs for 10 Years (or manager inception date)						
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date
iShares Select U.S. REIT ETF	120	50%	109	37%	85	18%	Jun-16
Fidelity Real Estate Index	120	46%	109	31%	85	16%	Jun-16

Graph Legend

iShares Select U.S. REIT ETF
Fidelity Real Estate Index

Rolling 36-Month Outperformance Versus the FTSE Nareit All Equity REITs



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Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@fiducient.com.

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of $1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float- adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
    - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index,15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
    - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
    - **Principal Diversified Real Assets:** 35% BBgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
    - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of $50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Blomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.

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- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with $100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded- funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared**: This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta**: This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse that the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.

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- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing it by the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment**: Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where FA overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.

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Custodian reports are the reports that govern the account. There will be different account values between Fiducient Advisors' reports and the custodian reports based on whether the report utilizes trade date or settlement date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Morningstar. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) $1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be $5,228 in the first year, and cumulative effects of $30,342 over five years and $73,826 over ten years. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.

MATERIAL RISKS & LIMITATIONS

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.
-Liability Driven Investing (LDI) Assets

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.
-Short Term Liquidity

Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impact by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the riskof default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrow.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from you custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact FA or your custodian immediately.

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Town of Simsbury Pension Plans

Total Performance Summary & Manager Summary

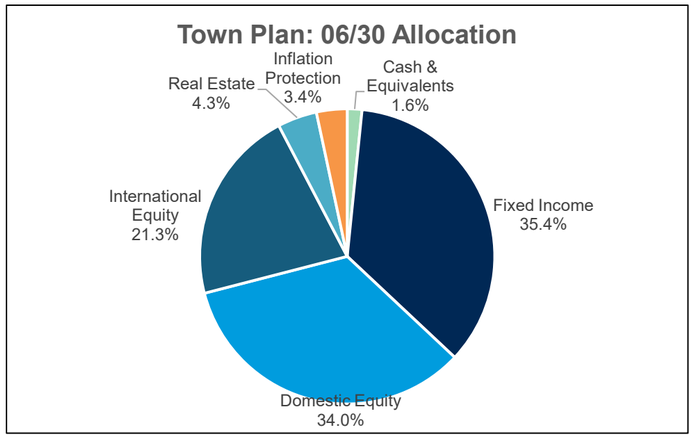
As of June 30, 2026

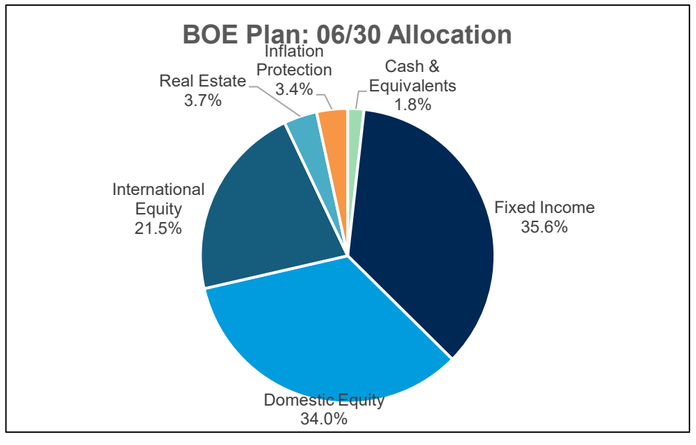
Trailing Performance Summary	QTR	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
Simsbury Town Plan	**7.8**	**6.9**	**14.0**	**11.3**	**5.5**	**7.7**	**7.8**	**7.4**
Blended Benchmark*	8.6	7.6	15.8	12.8	6.3	8.3	8.2	7.8
Simsbury BOE Plan	**7.8**	**6.9**	**14.0**	**11.5**	**5.6**	**7.8**	**7.9**	**7.4**
Blended Benchmark*	8.6	7.6	15.8	12.8	6.3	8.3	8.2	7.8
Simsbury Police Plan	**7.7**	**6.8**	**13.8**	**11.3**	**5.5**	**7.7**	**7.8**	**7.5**
Blended Benchmark*	8.6	7.6	15.8	12.8	6.3	8.3	8.2	7.8

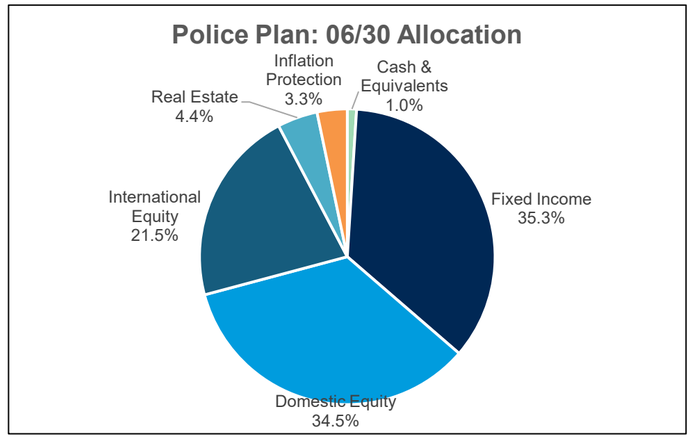
*Blended Benchmark as of 06/01/2024 is 37.50% Blmbg. U.S. Aggregate, 33.00% Russell 3000 Index, 18.50% MSCI AC World ex USA (Net), 2.50% MSCI Emerging Markets (Net), 5.00% NCREIF Fund Index - ODCE (net), 3.50% Diversified Real Asset Blended Index.

Asset Allocation

Manager	Manager Status	Town Plan Asset Allocation ($)	Town Plan Asset Allocation (%)	BOE Plan Asset Allocation ($)	BOE Plan Asset Allocation (%)	Police Plan Asset Allocation ($)	Police Plan Asset Allocation (%)	Long Term Target Allocation (%)
Total Plan		**34,848,997**	**100.0**	**34,317,621**	**100.0**	**26,582,905**	**100.0**	**100.0**
Cash & Equivalents		**561,410**	**1.6**	**612,760**	**1.8**	**267,930**	**1.0**	**0.0**
AllSpring Govt Money Market Fund		561,410	1.6	612,760	1.8	267,930	1.0	0.0
Fixed Income		**12,331,392**	**35.4**	**12,223,958**	**35.6**	**9,392,806**	**35.3**	**37.5**
Dodge & Cox Income	Maintain	4,904,993	14.1	4,854,920	14.1	3,741,217	14.1	15.0
Hartford Total Return Bond R6	Maintain	4,912,961	14.1	4,843,196	14.1	3,737,034	14.1	15.0
BlackRock Strategic Income Opportunities K	Maintain	2,513,438	7.2	2,525,842	7.4	1,914,555	7.2	7.5
Domestic Equity		**11,843,261**	**34.0**	**11,671,809**	**34.0**	**9,173,291**	**34.5**	**33.0**
Vanguard Institutional Index I	Maintain	9,659,175	27.7	9,461,528	27.6	7,288,398	27.4	26.0
Neuberger Genesis Fund Class R6	Maintain	2,184,087	6.3	2,210,281	6.4	1,884,893	7.1	7.0
International Equity		**7,437,949**	**21.3**	**7,389,218**	**21.5**	**5,703,781**	**21.5**	**21.0**
Hartford International Opportunities R6	Maintain	6,547,873	18.8	6,514,035	19.0	5,036,985	18.9	18.5
Vanguard Emerging Markets Stock Adm	Maintain	890,076	2.6	875,183	2.6	666,796	2.5	2.5
Real Estate		**1,503,338**	**4.3**	**1,252,782**	**3.7**	**1,169,263**	**4.4**	**5.0**
Barings Core Property Fund LP	Watch	1,503,338	4.3	1,252,782	3.7	1,169,263	4.4	5.0
Real Assets		**1,171,647**	**3.4**	**1,167,094**	**3.4**	**875,835**	**3.3**	**3.5**
DWS RREEF Real Assets Fund R6	Maintain	1,171,647	3.4	1,167,094	3.4	875,835	3.3	3.5







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

Town of Simsbury OPEB Plan

Total Performance Summary & Manager Summary

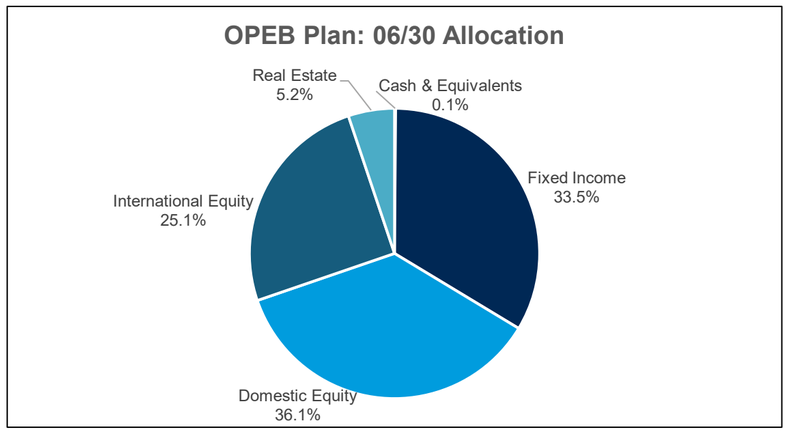
As of June 30, 2026

Trailing Performance Summary	QTR	YTD	1-Year	3-Year	5-Year	7-Year	10-Year	Since Inception
Simsbury OPEB Plan	**8.8**	**8.7**	**16.9**	**13.3**	**6.7**	**8.8**	**8.4**	**6.8**
Blended Benchmark*	9.6	8.6	16.5	13.4	6.8	8.8	8.5	6.8

*Blended Benchmark as of 9/1/2024 is 17.5% Bloomberg Barclays U.S. Aggregate Index; 17.5% Bloomberg Barclays U.S. TIPS Index; 26% S&P 500 Index; 6% Russell Midcap Index; 3% Russell 2000 Index; 19% MSCI EAFE Index; 6% MSCI Emerging Markets Index; 5% Cohen Steers Realty Majors Index.

Asset Allocation

Manager	Manager Status	Town Plan Asset Allocation ($)	Town Plan Asset Allocation (%)	Long Term Target Allocation (%)
Total Plan		**31,354,080**	**100.0**	**100.0**
Cash & Equivalents		**38,699**	**0.1**	**0.0**
Money Market Fund		38,699	0.1	0.0
Fixed Income		**10,509,444**	**33.5**	**35.0**
iShares TIPS Bond ETF	Maintain	5,253,387	16.8	17.5
iShares Core U.S. Aggregate Bond ETF	Maintain	5,256,057	16.8	17.5
Domestic Equity		**11,319,040**	**36.1**	**35.0**
iShares Core S&P 500 ETF	Maintain	8,373,208	26.7	26.0
iShares Russell Midcap Index Fund	Maintain	1,937,389	6.2	6.0
iShares Russell 2000 ETF	Maintain	1,008,443	3.2	3.0
International Equity		**7,870,873**	**25.1**	**25.0**
iShares MSCI EAFE ETF	Maintain	5,812,729	18.5	19.0
iShares MSCI Emerging Markets ETF	Maintain	2,058,144	6.6	6.0
Real Estate		**1,616,024**	**5.2**	**5.0**
iShares Cohen & Steers REIT ETF	Maintain	1,616,024	5.2	5.0



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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: September 15, 2026
Subject: Finance Director's Report

Fiscal Year 2026/2027 Approved Supplemental Appropriations

None to date.

Fiscal Year 2026/2027 Tax Abatements

Below is listing of approved abatements and fiscal impact for the period ending June 30, 2027:

Entity	Address	Assessment Reduction	Tax Reduction	Abatement Year
Solectran	690 Hopmeadow	1,497,248	50,412	6 of 10
Ensign Bickford	632 Hopmeadow	1,205,927	40,604	6 of 10
Totals		**2,703,175**	**91,016**	

Fiscal Year 2026/2027 Grants Applications and Awards

Below is a chart of all grant applications and their current status as of September 9, 2026:

Grant Application	Amount	Status
CRCOG LOTCIP Grant - County Rd/Hoskins Rd Intersection Improvements	1,300,000	Awarded
State of CT Early Voting Grant	17,492	Awarded
Tai Ji Quan Moving for Better Balance Grant	2,800	Awarded

CT DEEP 2025 Recreational Trails Grant	248,000	Denied
Greyfield Revitalization Program Grant	175,000	Pending
Community Energy Boost Grant	5,000	Pending
Simsbury Community Fund Grant	3,925	Pending

Pooled Investments

The Town's pooled cash deposit balance as of August 31, 2026 was $5,616,668.47. As of month-end, the investment balances for all funds combined were as follows:

Type of Investment	Amount	Rate	Maturity Date
CT STIF	$ 10,853,283.99	3.74%	N/A
NW - Money Market	$ 10,159,018.07	3.80%	N/A
Liberty - Money Market	$ 20,760,393.04	3.70%	N/A
Liberty – 3 Month CD	$ 15,047,671.23	4.00%	11/1/2026
Liberty – 6 Month CD	$ 20,062,449.32	3.93%	1/30/2027
Liberty – 9 Month CD	$ 10,030,430.14	3.83%	5/4/2027
TOTAL:	**$ 86,913,245.79**		

Financial Summary as of August 31, 2026

Attached for review is the General Fund revenue and expenditure budget status report as of August 31, 2026.

GENERAL FUND REVENUE FINANCIAL COMPARISON

Description	FY2027 ORIGINAL BUDGET	FY2027 AMENDED BUDGET	FY2027 ACTUAL As of 8/31/26	$ Variance	% Recvd	8/31/2025 % Recvd	FY2027 PROJECTED As of 8/31/26	Notes (Prior Year Comparison)
GENERAL GOVERNMENT								
TOWN MANAGER'S OFFICE	331,705	331,705	150,000	(181,705)	45.22%	39.06%	331,705	Increased World Skate payments in the current year
TOTAL GENERAL GOVERNMENT	**331,705**	**331,705**	**150,000**	**(181,705)**	**45.22%**	**39.06%**	**331,705**	
BOARDS & COMMISSIONS								
LAND USE COMMISSION	20,000	20,000	2,017	(17,983)	10.09%	0.00%	20,000	No payments at this time in the prior year
TOTAL BOARDS & COMMISSIONS	**20,000**	**20,000**	**2,017**	**(17,983)**	**10.09%**	**0.00%**	**20,000**	
TOWN CLERK								
TOWN CLERK	677,900	677,900	241,424	(436,476)	35.61%	28.52%	677,900	Increased conveyance tax payments in the current year
TOTAL TOWN CLERK	**677,900**	**677,900**	**241,424**	**(436,476)**	**35.61%**	**28.52%**	**677,900**	
INFORMATION TECHNOLOGY								
INFORMATION TECHNOLOGY	123,989	123,989	5,000	(118,989)	4.03%	0.00%	123,989	
TOTAL INFORMATION TECHNOLOGY	**123,989**	**123,989**	**5,000**	**(118,989)**	**4.03%**	**0.00%**	**123,989**	
FINANCE								
TAX DEPARTMENT	115,604,686	115,604,686	63,210,492	(52,394,194)	54.68%	53.72%	115,604,686	
FINANCE DEPARTMENT	2,134,162	2,134,162	537,180	(1,596,982)	25.17%	13.32%	2,134,162	Increased investment income in the current year along with a decreased investment income budget
ASSESSOR'S OFFICE	3,500	3,500	-	(3,500)	0.00%	0.00%	3,500	
TOTAL FINANCE	**117,742,348**	**117,742,348**	**63,747,672**	**(53,994,676)**	**54.14%**	**52.90%**	**117,742,348**	
PLANNING & BUILDING								
BUILDING DEPARTMENT	905,000	905,000	198,203	(706,797)	21.90%	18.90%	905,000	
TOTAL PLANNING & BUILDING	**905,000**	**905,000**	**198,203**	**(706,797)**	**21.90%**	**18.90%**	**905,000**	
PUBLIC SAFETY								
POLICE DEPARTMENT	310,854	310,854	2,414	(308,440)	0.78%	1.85%	310,854	
ANIMAL CONTROL	200	200	15	(185)	7.50%	150.00%	200	Three adoption fees in the prior year, non-recurring in the current year
TOTAL PUBLIC SAFETY	**311,054**	**311,054**	**2,429**	**(308,625)**	**0.78%**	**1.91%**	**311,054**	
PUBLIC WORKS								
ENGINEERING	30,000	30,000	825	(29,175)	2.75%	0.00%	30,000	
ENO MEMORAL HALL	6,000	6,000	438	(5,563)	7.29%	78.33%	6,000	Large rental fee in August of the prior year
HIGHWAY DEPARTMENT	3,250	3,250	-	(3,250)	0.00%	49.07%	3,250	Sale of steel in the prior year
TOTAL PUBLIC WORKS	**39,250**	**39,250**	**1,263**	**(37,988)**	**3.22%**	**12.60%**	**39,250**	
COMMUNITY & SOCIAL SERVICES								
ELDERLY/HANDICAPPED TRANSPORT	42,037	42,037	17,683	(24,354)	42.07%	0.00%	42,037	Timing of first grant payment receipt in the current year
TOTAL COMMUNITY & SOCIAL SERVICES	**42,037**	**42,037**	**17,683**	**(24,354)**	**42.07%**	**0.00%**	**42,037**	
LIBRARY								
LIBRARY	15,800	15,800	2,927	(12,873)	18.53%	6.04%	15,800	Increased library fees compared to the prior year
TOTAL LIBRARY	**15,800**	**15,800**	**2,927**	**(12,873)**	**18.53%**	**6.04%**	**15,800**	
PARKS & RECREATION								
PARKS & RECREATION	261,029	261,029	-	(261,029)	0.00%	0.00%	261,029	
COMMUNITY GARDENS	5,200	5,200	-	(5,200)	0.00%	0.00%	5,200	
MEMORAL POOLS & FIELDS	-	-	-	-	#DIV/0!	32.77%	-	Pool revenue being posted to Simsbury Farms Fund in current year
TOTAL PARKS & RECREATION	**266,229**	**266,229**	**-**	**(266,229)**	**0.00%**	**1.56%**	**266,229**	

Description	FY2027 ORIGINAL BUDGET	FY2027 AMENDED BUDGET	FY2027 ACTUAL As of 8/31/26	$ Variance	% Recvd	8/31/2025 % Recvd	FY2027 PROJECTED As of 8/31/26	Notes (Prior Year Comparison)
EDUCATION								
BOARD OF EDUCATION	8,859,849	8,859,849	4,904	(8,854,945)	0.06%	0.00%	8,859,849	
TOTAL EDUCATION	**8,859,849**	**8,859,849**	**4,904**	**(8,854,945)**	**0.06%**	**0.00%**	**8,859,849**	
INSURANCE								
INSURANCE REFUNDS	50,000	50,000	-	(50,000)	0.00%	100.00%	50,000	Equity distribution received in August the prior year
TOTAL INSURANCE	**50,000**	**50,000**	**-**	**(50,000)**	**0.00%**	**100.00%**	**50,000**	
INTERGOVERNMENTAL								
TRANSFER IN - BELDEN TRUST	34,930	34,930	55,286	20,356	158.28%	100.00%	34,930	After budget adoption, the Belden Trust agreed to additional funding for the Dial A Ride program
TRANSFER IN - SOCIAL SERVCES SRF	60,000	60,000	60,000	-	100.00%	100.00%	60,000	
TRANSFER IN - SIMSBURY FARMS FUND	85,456	85,456	85,456	-	100.00%	100.00%	85,456	
TRANSFER IN - CAPITAL PROJECT FUNDS	132,598	132,598	132,598	0	100.00%	100.00%	132,598	
TRANSFER IN - CAPITAL RESERVE FUND	1,031,300	1,031,300	1,031,300	-	100.00%	100.00%	1,031,300	
TOTAL INTERGOVERNEMENTAL	**1,344,284**	**1,344,284**	**1,364,640**	**20,356**	**101.51%**	**100.00%**	**1,344,284**	
TOTAL GENERAL FUND REVENUES	**130,729,445**	**130,729,445**	**65,738,162**	**(64,991,283)**	**50.29%**	**49.32%**	**130,729,445**	

GENERAL FUND EXPENDITURE FINANCIAL COMPARISON

Description	FY2027 ORIGINAL BUDGET	FY2027 AMENDED BUDGET	FY2027 ACTUAL As of 8/31/26	$ Variance	% Spent	8/31/2025 % Spent	FY2027 PROJECTED As of 8/31/26	Notes (Prior Year Comparison)
GENERAL GOVERNMENT								
TOWN MANAGER'S OFFICE	447,545	447,545	63,939	383,606	14.29%	16.05%	447,545	
HUMAN RESOURCES	353,035	353,035	54,489	298,546	15.43%	13.54%	353,035	
HEALTH DEPARTMENT	195,979	195,979	97,990	97,990	50.00%	49.02%	195,979	
LEGAL SERVICES	176,000	176,000	38,578	137,422	21.92%	15.57%	176,000	
GENERAL GOVERNMENT	173,183	173,183	32,606	140,577	18.83%	20.38%	173,183	
TOTAL GENERAL GOVERNMENT	**1,345,742**	**1,345,742**	**287,602**	**1,058,140**	**21.37%**	**21.05%**	**1,345,742**	
BOARDS & COMMISSIONS								
ECONOMIC DEVELOPMENT COMMISSION	90,650	90,650	70,000	20,650	77.22%	77.83%	90,650	
BOARD OF FINANCE	60,160	60,160	17,920	42,240	29.79%	28.05%	60,160	
LAND USE COMMISSION	16,364	16,364	1,612	14,752	9.85%	4.79%	16,364	
BEAUTIFICATION COMMITTEE	6,000	6,000	38	5,962	0.63%	4.28%	6,000	
DEI COUNCIL	4,550	4,550	-	4,550	0.00%	0.00%	4,550	
PUBLIC BUILDING COMMISSION	2,000	2,000	93	1,907	4.65%	0.00%	2,000	
AGING & DISABILITY COMMISSION	7,750	7,750	1,802	5,948	23.25%	18.81%	7,750	
POLICE COMMISSION	750	750	-	750	0.00%	0.00%	750	
PARKS & REC COMMISSION	750	750	-	750	0.00%	0.00%	750	
TOTAL BOARDS & COMMISSIONS	**188,974**	**188,974**	**91,465**	**97,509**	**48.40%**	**48.50%**	**188,974**	
SELECTMEN - COMMUNITY SERVICES								
COMMUNITY SERVICES	58,842	58,842	14,514	44,328	24.67%	28.94%	58,842	
TOTAL SELECTMEN - COMMUNITY SERVICES	**58,842**	**58,842**	**14,514**	**44,328**	**24.67%**	**28.94%**	**58,842**	
PROBATE								
REGIONAL PROBATE COURT	13,831	13,831	13,831	-	100.00%	0.00%	13,831	
TOTAL PROBATE	**13,831**	**13,831**	**13,831**	**-**	**100.00%**	**0.00%**	**13,831**	
ELECTION ADMINSTRATION								
ELECTION ADMINISTRATION	227,888	227,888	38,737	189,151	17.00%	7.20%	227,888	August voting in the current year
TOTAL ELECTION ADMINSTRATION	**227,888**	**227,888**	**38,737**	**189,151**	**17.00%**	**7.20%**	**227,888**	
TOWN CLERK								
TOWN CLERK	317,722	317,722	41,980	275,742	13.21%	13.39%	317,722	
TOTAL TOWN CLERK	**317,722**	**317,722**	**41,980**	**275,742**	**13.21%**	**13.39%**	**317,722**	
INFORMATION TECHNOLOGY								
INFORMATION TECHNOLOGY	679,615	679,615	120,185	559,430	17.68%	16.41%	679,615	
TOTAL INFORMATION TECHNOLOGY	**679,615**	**679,615**	**120,185**	**559,430**	**17.68%**	**16.41%**	**679,615**	
FINANCE								
FINANCE DEPARTMENT	691,773	691,773	128,794	562,979	18.62%	18.26%	691,773	
ASSESSOR'S OFFICE	429,087	429,087	70,728	358,359	16.48%	17.40%	429,087	
TAX DEPARTMENT	222,591	222,591	48,132	174,459	21.62%	16.98%	222,591	Part time position increased to full time in the current year
TOTAL FINANCE	**1,343,451**	**1,343,451**	**247,655**	**1,095,796**	**18.43%**	**17.77%**	**1,343,451**	
PLANNING & BUILDING								
PLANNING DEPARTMENT	462,419	462,419	60,967	401,452	13.18%	14.46%	462,419	
BUILDING DEPARTMENT	340,873	340,873	48,420	292,453	14.20%	13.11%	340,873	
TOTAL PLANNING & BUILDING	**803,292**	**803,292**	**109,387**	**693,905**	**13.62%**	**13.87%**	**803,292**	

Description	FY2027 ORIGINAL BUDGET	FY2027 AMENDED BUDGET	FY2027 ACTUAL As of 8/31/26	$ Variance	% Spent	8/31/2025 % Spent	FY2027 PROJECTED As of 8/31/26	Notes (Prior Year Comparison)
PUBLIC SAFETY								
POLICE DEPARTMENT	5,941,783	5,941,783	1,050,681	4,891,102	17.68%	17.77%	5,941,783	
DISPATCH	701,405	701,405	81,703	619,702	11.65%	14.38%	701,405	
ANIMAL CONTROL	88,034	88,034	11,565	76,469	13.14%	13.86%	88,034	
EMERGENCY MANAGEMENT	224,082	224,082	104,501	119,581	46.64%	51.72%	224,082	
TOTAL PUBLIC SAFETY	**6,955,304**	**6,955,304**	**1,248,450**	**5,706,854**	**17.95%**	**17.78%**	**6,955,304**	
PUBLIC WORKS								
HIGHWAY DEPARTMENT	3,328,432	3,328,432	395,746	2,932,686	11.89%	20.69%	3,328,432	Plow truck capital expenditure removed from the budget in the current year. Less spending on road improvements this year compared to the same time last year
BUILDINGS & MAINTENANCE	633,236	633,236	88,268	544,968	13.94%	14.35%	633,236	
ENGINEERING	399,655	399,655	40,842	358,813	10.22%	10.73%	399,655	
PUBLIC WORKS ADMINISTRATION	403,732	403,732	60,191	343,541	14.91%	15.98%	403,732	
TOWN OFFICE BUILDINGS	226,678	226,678	42,561	184,117	18.78%	7.83%	226,678	Increased equipment maintenance expenditures in the current year for duct repair
LIBRARY	187,139	187,139	15,883	171,256	8.49%	11.17%	187,139	Increased facilities maintenance expenditures in the prior year related to the building HVAC
ENO MEMORAL HALL	119,068	119,068	6,405	112,663	5.38%	10.80%	119,068	Increased building improvements and equipment maintenance expenditures in the prior year
OTHER BUILDINGS	44,688	44,688	5,119	39,569	11.46%	13.41%	44,688	
LANDFILL	87,000	87,000	25,037	61,963	28.78%	28.74%	87,000	
TOTAL PUBLIC WORKS	**5,429,628**	**5,429,628**	**680,051**	**4,749,577**	**12.52%**	**17.92%**	**5,429,628**	
COMMUNITY & SOCIAL SERVICES								
SOCIAL SERVICES ADMINISTRATION	368,139	368,139	58,476	309,662	15.88%	14.53%	368,139	
SENIOR CENTER SERVICES	183,368	183,368	26,355	157,013	14.37%	14.59%	183,368	
TRANSPORTATION SERVICES	200,000	200,000	22,033	177,967	11.02%	8.28%	200,000	
TOTAL COMMUNITY & SOCIAL SERVICES	**751,507**	**751,507**	**106,864**	**644,642**	**14.22%**	**12.95%**	**751,507**	
LIBRARY								
LIBRARY	1,874,245	1,874,245	310,331	1,563,914	16.56%	19.69%	1,874,245	
TOTAL LIBRARY	**1,874,245**	**1,874,245**	**310,331**	**1,563,914**	**16.56%**	**19.69%**	**1,874,245**	
PARKS & RECREATION								
PARKS & OPEN SPACE	1,249,347	1,249,347	178,799	1,070,548	14.31%	14.29%	1,249,347	
MEMORIAL POOL	85,456	85,456	3,781	81,675	4.42%	37.22%	85,456	Payroll expenditures posted to the Simsbury Farms fund in error. Reviewing for corrected allocation, will be updated for next month.
RECREATION ADMINISTRATION	81,115	81,115	14,601	66,514	18.00%	16.55%	81,115	
MEMORIAL FIELD	49,425	49,425	8,486	40,939	17.17%	34.15%	49,425	Additional seasonal help in the prior year
TOTAL PARKS & RECREATION	**1,465,343**	**1,465,343**	**205,668**	**1,259,675**	**14.04%**	**16.62%**	**1,465,343**	
EDUCATION								
BOARD OF EDUCATION	91,543,244	91,543,244	7,051,832	84,491,412	7.70%	6.84%	91,543,244	
TOTAL EDUCATION	**91,543,244**	**91,543,244**	**7,051,832**	**84,491,412**	**7.70%**	**6.84%**	**91,543,244**	
EMPLOYEE BENEFITS								
EMPLOYEE BENEFITS	7,713,419	7,713,419	3,859,740	3,853,679	50.04%	45.53%	7,713,419	
TOTAL EMPLOYEE BENEFITS	**7,713,419**	**7,713,419**	**3,859,740**	**3,853,679**	**50.04%**	**45.53%**	**7,713,419**	
INSURANCE								
LIABILITY INSURANCE	543,127	543,127	169,055	374,072	31.13%	32.29%	543,127	
TOTAL INSURANCE	**543,127**	**543,127**	**169,055**	**374,072**	**31.13%**	**32.29%**	**543,127**	
TRANSFERS								
TRANSFER OUT - SIMSBURY FARMS	151,715	151,715	151,715	-	100.00%	100.00%	151,715	

Description	FY2027 ORIGINAL BUDGET	FY2027 AMENDED BUDGET	FY2027 ACTUAL As of 8/31/26	$ Variance	% Spent	8/31/2025 % Spent	FY2027 PROJECTED As of 8/31/26	Notes (Prior Year Comparison)
TRANSFER OUT - MSP SENIOR FUND	10,480	10,480	10,480	-	100.00%	100.00%	10,480	
TRANSFER OUT - YOUTH SERVICE BUREAU	8,000	8,000	8,000	-	100.00%	100.00%	8,000	
TRANSFER OUT - ATHLETICS FIELDS	2,250	2,250	2,250	-	100.00%	100.00%	2,250	
TRANSFER OUT - SIMSBURY CELEBRATES	5,300	5,300	5,300	-	100.00%	100.00%	5,300	
CONTINGENCY RESERVE	86,001	86,001	-	86,001	0.00%	0.00%	86,001	
CONTINGENCY VACANCY	(270,000)	(270,000)	-	(270,000)	0.00%	0.00%	(270,000)	
TRANSFER OUT - CNR	416,250	416,250	416,250	-	100.00%	100.00%	416,250	
TOTAL TRANSFERS	**409,996**	**409,996**	**593,995**	**(183,999)**	**144.88%**	**116.82%**	**409,996**	
DEBT SERVICE								
PRINCIPAL	6,925,000	6,925,000	640,000	6,285,000	9.24%	9.01%	6,925,000	
INTEREST	2,139,275	2,139,275	473,113	1,666,163	22.12%	15.37%	2,139,275	Timing of debt payments
TOTAL DEBT SERVICE	**9,064,275**	**9,064,275**	**1,113,113**	**7,951,163**	**12.28%**	**10.64%**	**9,064,275**	
TOTAL GENERAL FUND EXPENDITURES	**130,729,445**	**130,729,445**	**16,304,455**	**114,424,989**	**12.47%**	**11.84%**	**130,729,445**	

Board of Finance
Agenda Item Submission

1. **Title of Submission:** Supplemental Appropriation – North Central Area Agency on Aging Older Americans Act Title III Grant for the Souper Thursday Program

2. **Date of Board Meeting:** September 15, 2026

3. **Individual or Entity Making the Submission:**
   Marc Nelson, Town Manager

4. **Action Requested of the Board of Finance:**
   If the Board of Finance supports the supplemental appropriation in the amount of $5,000 for the Aging and Disability Commission's Souper Thursday program, the following motion is in order:

   "Move, effective September 15, 2026, to approve a supplemental appropriation in the amount of $5,000 for the Aging and Disability Commission's Souper Thursday program."

5. **Summary of Submission:**
   At the request of Selectman Yeisley the Town submitted a $5,000 grant application to the North Central Area Agency on Aging (NCAAA) for funding to assist with the Aging and Disability Commission's Souper Thursday program. The Souper Thursday program provides luncheons throughout the year where soup, sandwiches, desserts, coffee, tea, and soft drinks are available at no cost to Simsbury seniors. Attendees receive a nutritious meal while connecting socially with others. This social connection allows residents to forge new friendships to combat isolation and loneliness in our seniors.

   The Commission is planning to host six luncheons from the October 2026 thru September 2027 grant period and serve between 80 – 100 seniors at each luncheon.

   This grant reviewed and approved by the Board of Selectmen at their meeting on February 23, 2026 and ultimately awarded on July 21, 2026.

6. **Financial Impact**:
   Grant awarded for $5,000 with no match requirement.

7. **Description of Documents Included with Submission:**
   - NCAAA Grant Award Letter

NORTH CENTRAL
AREA AGENCY ON AGING

151 New Park Avenue, Box 75, Hartford, CT 06106
Phone: 860-724-6443/800-994-9422
Fax: 860-251-6107
Website: www.ncaaact.org

July 21, 2026

Marc Nelson, Town Manager
Town of Simsbury
933 Hopmeadow Street
Simsbury, CT 06070

Dear Mr. Nelson:

Please accept this letter as formal notification that the Board of Directors of the North Central Area Agency on Aging, Inc. has approved an award of $5,000 in Title III Older Americans Act funds for 2027 to the Town of Simsbury's Souper Thursday Project. This award covers the project period of October 1, 2026, through September 30, 2027.

This award is contingent upon the availability of funds and your organization's compliance with all conditions and assurances outlined in the Request for Proposal (RFP). In addition, quarterly fiscal reports, a year-end program service report, and all required monitoring reports must be completed and submitted in accordance with program requirements.

A formal Notification of Award will be sent separately, along with the Quarterly Fiscal Reporting form. The Year-End Program Service Report form will be provided at the end of the project period.

If you have any questions or need additional information, please feel free to contact me at 860-724-6443 ext. 246 or crystal.bailey@ncaaact.org.

Congratulations on your award! We appreciate your commitment to serving older adults in our community and look forward to working with you during the upcoming grant period.

Sincerely,

Crystal Bailey

Crystal Bailey
Director of Grants

CC: Tom Fitzgerald, Deputy Town Manager

Board of Finance
Agenda Item Submission

1. **Title of Submission:** Supplemental Appropriation – State Legislative Directed Grants for Apple Barn Renovation, Eno Memorial Hall Upgrades, and Library Teen Space

2. **Date of Board Meeting:** September 15, 2026

3. **Individual or Entity Making the Submission:**
Marc Nelson, Town Manager

4. **Action Requested of the Board of Finance:**
If the Board of Finance supports supplemental appropriations in the amount of $300,000 for the Apple Barn renovation, $150,000 for Eno Memorial Hall upgrades and $350,000 for Library Teen Space, the following motion is in order:

"Move, effective September 15, 2026, to approve the following supplemental appropriations: $300,000 for the Apple Barn renovation, $150,000 for Eno Memorial Hall upgrades and $350,000 for Library Teen Space."

5. **Summary of Submission:**
During the 2016 State budget process, Senator Honig and Representative Osborne secured the following Legislative Directed Grants: $300,000 for Apple Barn renovation, $150,000 for Eno Memorial Hall upgrades and $350,000 for Library Teen Space. All funding needs to be expended by June 30, 2027. The Apple Barn and Eno Hall grants will be administered through the State of CT Department of Economic and Community Development, and the Library Teen Space grant will be administered through the CT State Library.

Applications for how the funds will be used need to be submitted by October 2, 2026, to ensure use conforms with the legislative intent of the funds.

This grant is being reviewed by the Board of Selectmen at their meeting on September 14, 2026. Staff will confirm status of Board of Selectmen approval at the Board of Finance meeting.

6. **Financial Impact**:
Grants awarded as noted above with no matching requirements.

7. **Description of Documents Included with Submission:**
None

Board of Finance
Agenda Item Submission

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

2. **Date of Board Meeting:** September 15, 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 and potential update at the Board's discretion.

   Staff are requesting 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	Page #
Board of Finance Rules of Procedure	May 2026	May 2026	80-81
Purchasing Policy & Ordinance	January 2021	September 2025	82-88
Capital Planning & Financing Policy	November 2025	November 2025	89-100
Debt Management Policy	March 2021	September 2025	104-107
Fund Balance Policy	November 2025	November 2025	108-112
Town Funds Investment Policy	August 2022	September 2025	113-117
Defined Benefit Plan Pension Investment Policy	October 2022	September 2025	118-125
Defined Contribution Plan Investment Policy	May 2021	September 2025	126-131
OPEB - Retiree Health Care Trust Investment Policy	September 2022	September 2025	132-137
BOE Non-Lapsing Policy	March 2015	September 2025	138
Budgetary Transfers & Supplemental Appropriations	September 2021	September 2025	139-151
Structurally Balanced Budget Policy	August 2022	September 2025	152-153

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%~~ 38.0%	45.0%	S&P 500 Index, Russell Midcap Index, Russell 2000 Index
International Equities	15.0%	~~25.0%~~ 22.5%	35.0%	MSCI EAFE Index, MSCI Emerging Markets Index
Real Estate	0.0%	~~5.0%~~ 4.5%	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 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

Board of Finance
Agenda Item Submission

1. **Title of Submission:** Draft Board of Finance Annual Report Letter

2. **Date of Board Meeting:** September 15, 2026

3. **Individual or Entity Making the Submission:**
   Lisa Heavner, Board of Finance Chair

4. **Action Requested of the Board of Finance:**
   Review and provide comments are suggested revisions.

5. **Summary of Submission:**
   A draft of the Board of Finance letter for inclusion in the Town's Annual Report has been prepared for the Board's review and discussion. Board members are requested to identify any updates, revisions, or additional information they would like incorporated into the final version prior to publication in the Town's Annual Report.

   Financial Impact:

   None

6. **Description of Documents Included with Submission:**
   - Draft Board of Finance Annual Report Letter

DRAFT - FY 2026 Annual Report Board of Finance Letter

We are pleased to present the 164th annual report of the Town of Simsbury. This report provides the town's citizens, taxpayers, and other stakeholders with important financial information, as well as a description of the significant events and accomplishments of the fiscal year July 1, 2025, to June 30, 2026.

More detailed financial information can be found in the FY 2026 Annual Comprehensive Financial Report.

In September, Standard & Poor's reaffirmed Simsbury's AAA credit rating, citing the town's affluent residential economy, consistently strong financial performance, low fixed costs, prudent financial policies, and a seasoned management team.

In this past year, Simsbury continued its historic record of producing balanced or surplus financial operations and employing annual pay-as you-go capital transfers from the General Fund. At year-end, conservative budgeting and better-than-anticipated revenue performance generated a surplus of $xx million. The surplus resulted, in part, from increased interest income ($xxx,xxx) and better-than-expected tax collections ($xxx,xxx) that exceeded our budget projections, as well as expenses coming in under budget by $xxx,xxx, due primarily to police employee vacancy rates.

We are pleased to report that Simsbury allocated $xxxx of this surplus to pay for future capital projects. That decision will offset future taxes while maintaining reserves at a level that is consistent with our long-standing policy (i.e., 16% of revenues).

DRAFT

At the annual referendum, voters approved a budget of $128,001,969, requiring a mill rate of 34.16 for real estate and personal property taxes. This represented a tax increase of 2.55% over the previous year (inclusive of the Fire District mill rate). The budget preserved Simsbury's hallmark strengths – excellent schools, an outstanding quality of life, and efficient town services. It funded investments in public safety, well maintained roads, a vibrant library and senior center, beautiful parks and open spaces, and a wide range of community programs, keeping Simsbury a great place to live, invest and retire.

Significant capital investments included highway and school district paving, school security improvements, Eno Hall entrance improvements, work on the Tariffville connection to the East Coast Greenway, sidewalk reconstruction, and installation of a septage receiving station. The town also completed the renovation of 2 Farms Village, a three-story office building (the former Simscroft building) that has been repurposed to expand Simsbury Public Schools' special education facilities and house the district's New Path Program.

Additionally, at a special referendum on January 24, 2026, Simsbury voters approved a supplemental $388,000 appropriation to cover cost increases for the Simsbury Meadows Performing Arts Center's "Next Act" bandshell addition.

Simsbury has continued to prepare for the future by proactively investing in our infrastructure, open space, and educational programs. As you read this report, you will learn about these actions and how they enhance our town.

We are grateful to the dedicated members of our community who serve on local boards and commissions and for the support of town staff in preparing this 164th annual report.

Sincerely,

Members of the Board of Finance

Lisa Heavner, Chair
Michael Doyle
Regina Pynn
Lalitha Shivaswamy, Vice Chair
Robert Helfand
Arthur Wallace

Board of Finance FY 2026 Key Performance indicators (KPIs)

KPIs	Topic	2022-23	2023-24 Revaluation	2024-25	2025-26
Budget, Inflation, & Taxes	Board of Selectmen (BOS) Budget Increase	6.10%	5.35%	3.45%	2.56%
	Board of Education (BOE) Budget Increase	3.47%	6.70%	4.46%	
	Debt Service Increase	17.11%	1.78%	3.11%	18.71%
	Social Security Cost of Living (COLA)	5.90%	8.70%	3.20%	2.50%
	Consumer Price Index (Jan.)	7.50%	6.40%	3.10%	3.00%
	Grand List Growth	3.75%	2.45%	0.06%	-0.51%
	Tax Increase	0%	5.18%	4.68%	2.55%
	Mill Rate	38.63	31.82	33.31	34.16
Policies	Unassigned Fund Balance	15.72%	16.11%	16.31%	
	Contribution to Capital Reserves	$2,557,500	$3,900,000	$2,800,000	
	Credit Rating (S&P)	AAA	AAA	AAA	AAA
	Pension Investment Assumption	6.50%	6.50%	6.50%	6.50%
	Fully Funded Retirement ADC	Yes	Yes	Yes	Yes
	Tax Collection Assumption Rate	98.50%	98.50%	98.50%	98.50%
	Per Capita Debt	$1,230	$1,840	$2,080	
	Debt Service as a % of Operating	6.67%	6.42%	6.56%	7.46%
Per Capita and Per Pupil Costs	Net Per Pupil Spending	$18,813	$19,877	$20,984	
	Net BOE Per Capita Spending	$3,064	3,269	$3,361	$3,503
	Net BOS Per Capita Spending	$1,062	$1,119	$1,139	$1,168
	Population	24,953	24,953	25,353	25,353
	Enrollment	4,064	4,104	4,061	
Capital	Capital Non-Recurring (CNR) as a % of Operating	2.27%	2.09%	2.55%	
	Capital Improvement Program (CIP) as a % of Operating	10.89%	9.26%	9.56%	
	Total Capital as a % of Operating	13.16%	11.35%	12.11%	
	Bonding as a % of Operating	5.69%	4.60%	3.94%	
	Pay-go as a % of Operating	7.74%	6.76%	5.62%	

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Town of Simsbury
Board of Finance
Regular Meeting Minutes
July 21, 2026

Present:
Members in attendance: Lisa Heavner, Lalitha Shivaswamy, Regina Pynn, Bert Helfand, and Mike Doyle (by Zoom).

Others in attendance included: Amy Meriwether, Finance Director; Marc Nelson, Town Manager; David Flint, Principal Auditor (CliftonLarsonAllen)

Call to Order:
Ms. Heavner called the meeting to order at 5:46 p.m.in the Main Meeting Room in the Simsbury Town Hall.

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

Public Audience:
Joan Coe, 26 Whitcomb Drive, spoke about priority-based budgeting, using artificial intelligence to increase efficiencies, a need for school restructuring, the condition of the tennis courts at Henry James Memorial School, plans for Memorial Pool, the maintenance costs associated with the expansion at the Simsbury Performing Arts Center, and other matters.

Lori Boyko, 15 Oakhurst Road, spoke about her analysis on the Library expenditures, which includes nearly $100,000 in expenses covered by the Friends of the Simsbury Public Library. She expressed concerns over how the funding from the Friends is budgeted and accounted for, and advocated for transparency in this spending.

Presentation: CliftonLarsonAllen:
Ms. Heavner introduced the Town's principal auditor from CliftonLarsonAllen (CLA), David Flint.

Mr. Flint said that CLA specializes in serving municipalities, and works with 90 different municipalities in Connecticut. He said that there are three main things that they do: a state single audit, a federal single audit, and a financial statement audit. He said they provide compliance reports regarding the expenditures for both state and federal grants, and the primary task is the financial statement audit. He said that the auditors are primarily ensuring that those financial statements are free from any material misstatements. Mr. Flint said that this differs from a forensic audit which is designed to detect fraud. He said they incorporate procedures could potentially detect fraud, but they are just trying to make sure that the financial statements are free and clear from material misstatements. He said that every audit area is given a risk level of low, medium or high, and then based on the particular risk assessment, they will dig into individual area.

Ms. Heavner asked how this differs from a performance audit. Mr. Flint said they are normally only called to perform a forensic audit when fraud is suspected, and that involves a deep dive into something specific. He said a financial audit focuses on a sampling since it would be unreasonable to look at every transaction over the course of the year. He said a performance audit looks at a broader area, such as controls, procedures, and processes. Mr. Flint said an example of this is a general fund that has had deficits for three years in a row; this would not necessarily come up in the audit, as they are not looking at the actual performance of

the general fund. He said they are just making sure that it is recorded properly in order to make financial decisions.

Dr. Shivaswamy asked whether municipal audits include a "going concern" assessment similar to corporate audits. Mr. Flint confirmed that going concern evaluations are performed for municipal audits when warranted. He noted that municipalities are generally unlikely to face bankruptcy so going concern issues are more commonly encountered with smaller quasi-governmental entities, such as housing authorities and utility companies.

Mr. Flint said that the engagement letter is intended to facilitate communication between the auditors and the Board. Board members were encouraged to raise any questions, concerns, or areas they believe warrant additional attention. He noted that final audit fieldwork is scheduled for November, with the audit due by December 31.

Mr. Flint said that a standard significant risk noted in all of their audits is management override of controls. He said that even well-designed internal controls become ineffective if management overrides them. He also said that any prior-year audit findings that remain unresolved would also be identified as significant risks. Ms. Meriwether noted that if Board members have any concerns, they can bring them up outside of this meeting format. Mr. Flint said that fraud interviews are conducted as part of the audit process, and that interviews provide individuals with an opportunity to confidentially discuss any concerns they may have. He said that interview participants vary from year to year but always include one member of the Board, the Finance Director, and selected Town employees. Ms. Heavner reminded Board members that they may contact the auditors at any time during the audit process using the contact information provided in the engagement letter.

Dr. Shivaswamy asked about the Board's role in overseeing internal controls. Mr. Flint clarified that the Board serves as "those charged with governance," while responsibility for internal controls is distributed throughout various levels of the organization. He said that the auditors ensure that internal controls have appropriate segregation of duties, with more than one individual involved in key control activities.

Dr. Shivaswamy asked what the Board of Finance should be looking at in regards to internal controls and the audit. Mr. Flint said that the Board of Finance is generally not expected to review detailed internal control procedures directly, and recommended that the Board conduct periodic fraud risk assessments as part of its governance responsibilities. Ms. Heavner noted that the Town completed a fraud risk assessment the previous year and recently drafted related policies, which will be shared with the auditors.

Ms. Meriwether provided some examples of what the auditors review in regards to internal controls; she said that the Board's role in that is if there is a deficiency and whether it is then corrected. Ms. Heavner reviewed the Board's role in reviewing Town policies, with the asset disposition policy serving as an example of governance-level oversight.

Dr. Shivaswamy asked whether issues identified during a standard financial statement audit could lead to a forensic audit. Mr. Flint said that while a financial statement audit is not a forensic audit, it is possible for the audit to identify issues that warrant additional investigation. He said that would be brought to the Board's attention and the Board could determine whether a forensic audit is necessary to focus on a specific area.

Ms. Heavner requested that the auditor's annual management letter be redistributed to all Board members for reference. She asked for prompt notification if the audit is expected to be delayed beyond the December 31 deadline. Ms. Heavner discussed the possibility of conducting periodic performance audits of specific

departments. Mr. Flint said they have a business risk services group that performs that type of work. He said that they could provide a proposal and cost estimate for this work.

In response to a question raised during public comment regarding the Library Board of Trustees, Ms. Heavner noted that the Library Board operates under a separate state statute with distinct legal requirements and procedures. The auditor confirmed that these statutory requirements are considered as part of the audit process. She said that Connecticut's statutory framework can be complex and that the Town relies on professional expertise to ensure compliance.

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

Prior to the Finance Director's report, Ms. Heavner announced that the Town had been awarded a $5,000 North Central Area Agency on Aging grant to support the Souper Thursday event and congratulated the Aging and Disability Committee, staff, and all those involved in securing the grant.

Ms. Heavner said that a revised draft of the Town's take-home vehicle policy had been distributed for review. Mr. Nelson reported that comments received, including feedback regarding applicable state policies, were being incorporated into the next draft. Ms. Pynn asked if it is more cost effective to take Town vehicles for out of state travel rather than renting a vehicle. Mr. Nelson said it is typically more cost effective to use Town vehicles. Ms. Pynn asked if there is an inventory of Town vehicles; Mr. Nelson confirmed that there is.

Ms. Heavner asked if we keep track of how many vehicles comparable communities have. Mr. Nelson said that we are generally consistent with those of neighboring communities. Ms. Heavner suggested adding language requiring employees with assigned take-home vehicles to return those vehicles to Town property, or another approved secure location, during extended absences or vacations.

Ms. Heavner noted that the Town's updated fraud risk policies were circulated earlier in the day, and thanked staff for the extensive work involved in developing the policies. She also said that they received an update from Ms. Meriwether on the Town's health reserve fund. She said that while quarterly reports are typically not presented in July, an update was requested because of the significant changes in reserve levels. She said that health reserves are currently estimated at approximately 31% and that limited reserve funding may be available for use in the next budget cycle. She said that the Board will consider a proposed policy regarding the use of reserves later in the meeting.

Ms. Heavner said that a new law was passed, Public Act 26-1, which establishes additional budget reporting requirements for boards of education. She asked staff to research and provide additional information on what this would look like to ensure compliance with both state requirements and the Town Charter.

Ms. Heavner asked Mr. Nelson for an update on vacancy rates. Mr. Nelson said that it is early in the fiscal year, and vacancy levels remain within budget. He said that they are making progress in filling a long-vacant Information Technology position. He said there are currently five non-Police vacancies.

Ms. Meriwether said that she added the most recent supplemental appropriation of $10,000 for the Simsbury Farms Clubhouse hot water heater had been incorporated into the fiscal year totals. She said that total supplemental appropriations for the year were reported at just under $500,000, representing approximately 0.39% of the annual budget, which remains well below the 3% threshold requiring referendum approval.

Ms. Meriwether said that on page 3 under pooled investments, all of the certificates of deposit (CDs) had been cashed out. She noted that we have all of our teacher balloon payments and debt service payments

during this time. She said that we are still getting a rate of approximately 3.7%, and that we plan to reinvest in CDs following the July tax collection cycle into three-, six-, and nine-month CDs.

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Ms. Heavner also reviewed the use of capital reserves, noting that reserves should be used primarily for non-recurring capital expenditures rather than ongoing operating expenses. She reviewed the category of General Fund Operating transfer, which is for recurring capital projects that originate within departmental operating budgets and are transferred to the capital fund. She also reviewed the General Fund Traditional Payback, which is an annual transfer of $416,250 used for non-recurring capital projects. Ms. Heavner introduced a new category of General Fund Capital Transfer, which would be a pay-as-you-go funding source.

Ms. Heavner reviewed the capital thresholds outlined in the Town policies, and discussed a potential new category for capital items that do not reach the threshold. Discussion ensued in regards to this potential category, including how it differs from true capital, the funding source, etc. Ms. Pynn noted that any new terminology should avoid implying the items are capital assets and suggested selecting a clearer label. Ms. Heavner noted that Glastonbury calls this type of capital "capital outlay." Further discussion ensued regarding how technology assets and software fit into the capital categorization. Ms. Heavner said that software is typically in the operating budget while hardware is often treated as capital.

Ms. Heavner recommended including a consolidated summary table identifying capital projects by funding source to distinguish between tax-supported capital, capital reserve-funded projects, and other funding sources. She also recommended identifying recurring capital items temporarily funded by capital reserves so they can be tracked and eventually returned to tax-supported funding.

Ms. Heavner discussed expanding the CIP to include a longer planning horizon, particularly in anticipation of the proposed Squadron Line project. She said it is important to identify major future capital needs, such as roofs, HVAC systems, athletic fields, and other large infrastructure projects, to avoid multiple large projects occurring simultaneously. Ms. Pynn noted that the Town's existing capital policy identifies roof replacement as maintenance unless the replacement provides additional improvements or benefits. Ms. Heavner said that the distinction between maintenance and capital improvements would need further clarification within the policy. Ms. Meriwether clarified that the roof would be capitalized if we are replacing the entire thing.

Ms. Heavner reviewed a proposed capital funding prioritization framework. She said that the proposed funding source for recurring capital is the general fund, followed by the traditional payback and capital reserves. She said that capital reserves should be used only as a last resort, and that the budget should clearly identify projects by capital reserves, with the intent of returning to tax-supported funding as Grand List growth permits. Ms. Heavner noted the funding sources for non-recurring capital, including: the traditional payback; a new proposed category of General Fund Capital Transfer; special revenue

funds, such as the Simsbury Farms fund; one-time grants and donations; capital reserves; and bonding for projects over $250,000.

Ms. Heavner reviewed a flow chart illustrating how various funding sources move into the capital budget.

Ms. Heavner presented an alternative method of tracking, which would consolidate departmental capital transfers into a single transfer rather than listing separate transfers within each departmental budget. Under this approach, distinctions between traditional payback and other cash-funded projects would be made within the Capital Budget rather than individual department budgets.

Mr. Nelson said that keeping the items within the individual departments allows the Town Manager and Board of Selectmen to evaluate the needs of each department and prioritize accordingly within the context of overall organizational needs.

Mr. Nelson requested clearer definitions of recurring versus non-recurring capital expenditures. For example, he questioned whether regularly scheduled fleet replacement, such as purchasing one police cruiser each year, should be considered non-recurring because even though the expenditure occurs annually, the specific asset changes. He noted that the enabling legislation for CNR funding is intended to provide municipalities with a mechanism to spread the cost of one-time capital purchases over multiple years, and that if we are continuing with the traditional payback method of funding, it needs to be used for items that are clearly non-recurring. Discussion ensued regarding how we define recurring versus non-recurring; there was agreement that the traditional payback funding of $416,250 should be used only for non-recurring items.

Mr. Nelson noted that we need to balance the goal of increasing cash funding for capital projects with the competing objective of providing mill rate relief. Ms. Heavner said that this depends on the Board of Selectmen goals for tax increases. Mr. Nelson discussed the potential to implement guardrails that would protect cash for capital so that it is not the first item cut to achieve mill rate relief.

Ms. Heavner asked staff to come up with recommendations regarding the target for tax-supported capital funding; how to categorize technology; and how to define recurring versus non-recurring.

The Board reviewed the current capital project sheet form used during the budget process. Ms. Heavner suggested adding projected start and completion dates; priority ranking; identification of whether projects are recurring or non-recurring; classification of projects (replacement, renovation, expansion, acquisition, etc.); total project cost, including prior appropriations; cost per square foot for new construction projects; whether an item is new or a replacement.

Ms. Meriwether walked through the budget modeling, and reviewed the assumptions included in the model. She noted that this model is conservative in that it does not account for growth in non-tax revenues. She said that the only projected revenue increase currently included is the anticipated state reimbursement related to the motor vehicle tax cap. Ms. Heavner said that we should do some scenario testing to adjust the projected expenditure increases, non-tax revenue changes, state aid, etc.

Ms. Meriwether reviewed the assumptions incorporated into the upcoming revaluation year, which is FY29. She said that we are anticipating a 25% increase in the Grand List. She noted that this increase will reduce the mill rate, but that will eliminate our eligibility for the state motor vehicle tax reimbursement. She said that while the mill rate decreases after revaluation, higher property

assessments can still result in higher taxes bills for residents. Mr. Helfand said that assessment increases are unlikely to be distributed evenly among residential and commercial properties and that individual taxpayer impacts may differ significantly.

Ms. Meriwether reviewed the capital financing portion of the budget model. She provided an example of a potential $60 million project, showing how this would impact debt service. Ms. Heavner asked for an update on when existing debt service for Henry James and Latimer will fall off. Ms. Meriwether said that for Henry James, the first bond issuance is scheduled to be fully retired in FY35 and the second issuance is scheduled to mature in FY36. She said that we are paying approximately $2.2 million in debt service for the Latimer project in FY27.

Ms. Meriwether reviewed the capital financing graph, which shows whether our debt is within our policy or not. Under the scenario presented, the potential Squadron project shows on the CIP in FY32 and the impact to the budget begins in FY36/FY37. Ms. Heavner noted the importance of building additional cash-for-capital capacity before this major project hits. Ms. Heavner said that we need to consider whether we want to absorb a large increase in one year or spread it over time, and we also need to consider how we time this with revaluation. Discussion ensued regarding how we can control expenditures within this context.

Ms. Heavner asked if we can show the Town's total outstanding principal debt within the model. Ms. Meriwether pointed to the section of the model that displays this data, including principal and interest. She noted that debt service differs from the Town's outstanding principal balance at any given point in time. Ms. Heavner asked if we could obtain benchmark data and show how we compare to other municipalities in regards to debt per capita, debt as a percentage of Grand List, etc. Ms. Meriwether said that we can work with our bond advisor on this.

Ms. Heavner said that we need to further discuss how capital reserves can be used to support the funding of capital projects. She noted that earlier versions of the financial model illustrated strategies for gradually increasing cash-for-capital funding using reserve balances. Ms. Meriwether walked through an analysis of how capital reserves may be used within the overall budget model. Discussion ensued regarding the target for tax-supported capital; there was consensus for this amount to be 2% of the operating budget.

b) Revaluation Selection Appointment.

Ms. Heavner requested one volunteer to serve on the committee responsible for selecting the Town's next revaluation contractor, with one alternate. Ms. Heavner said that this would include being involved in the RFP and selection process. Ms. Meriwether said that the RFP will be released in the next few weeks. The participant would be expected to read the proposals and participate on the interview panel. Dr. Shivaswamy volunteered to be the primary representative and Ms. Pynn agreed to be the alternate. Mr. Doyle volunteered to serve as third back-up.

Mr. Helfand made a motion, effective July 21, 2026 to appoint Dr. Shivaswamy as the Board of Finance representative on the committee to select the revaluation authority, with the alternates being Regina Pynn, Mike Doyle, and Bert Helfand. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

c) Policy Review (Pages 9-84)

Members agreed to defer review of the policy revisions until the August meeting to allow additional time for review. Ms. Meriwether said that she sent redlined versions of the proposed policy revisions

with the meeting packet. Ms. Pynn and Dr. Shivaswamy noted that it would be helpful to have a shared document, such as a Google document, to facilitate comments and revisions. Ms. Heavner noted that members may add comments to a shared document, but deliberation and discussion of proposed changes must occur during a public meeting to comply with open meeting requirements.

Mr. Helfand made a motion to table the policy review until the August 2026 meeting. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

Review of Minutes:

d) June 16, 2026 Regular Meeting Minutes (Pages 85-91)
Ms. Heavner said that she circulated revised minutes before the meeting.

Mr. Helfand made a motion, effective July 21, 2026 to approve the revised minutes of the June 16, 2026 Regular Meeting as presented. Ms. Pynn seconded the motion. The motion passed 4-0-1, with Mr. Helfand, Ms. Heavner, Ms. Pynn and Mr. Doyle in favor, and Dr. Shivaswamy abstaining.

Communications:

e) PCard Agreement Example (Pages 92-93)
Ms. Heavner thanked Mr. Nelson for the purchasing card (P-Card) example provided by staff. She noted that neither the First Selectman nor the Town Manager has a Town P-Card.

f) Capital Improvement Project Request Form (Page 94)

g) Simsbury Performing Arts Center Band Shell Expansion Project Update (Pages 95-98)

Adjourn:
Dr. Shivaswamy made a motion to adjourn the Regular Meeting of the Board of Finance at 8:43 p.m. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,
Melissa Appleby
Budget Director

Town of Simsbury
Board of Finance Regular Meeting Minutes July 21, 2026
Lisa Heavner Edits

Present:
Members in attendance: Lisa Heavner, Lalitha Shivaswamy, Regina Pynn, Bert Helfand, and Mike Doyle (by Zoom).
Others in attendance included: Amy Meriwether, Finance Director; Marc Nelson, Town Manager; David Flint, Principal Auditor (CliftonLarsonAllen)

Call to Order:
Ms. Heavner called the meeting to order at 5:46 p.m.in the Main Meeting Room in the Simsbury Town Hall.

Pledge of Allegiance:

Everyone stood for the Pledge of Allegiance.

Public Audience:

Joan Coe, 26 Whitcomb Drive, spoke about priority-based budgeting, using artificial intelligence to increase efficiencies, a need for school restructuring, the condition of the tennis courts at Henry James Memorial School, plans for Memorial Pool, the maintenance costs associated with the expansion at the Simsbury Performing Arts Center, and other matters.

Lori Boyko, 15 Oakhurst Road, spoke about her analysis on the Library expenditures, which includes nearly $100,000 in expenses covered by the Friends of the Simsbury Public Library. She expressed concerns over how the funding from the Friends is budgeted and accounted for, and advocated for transparency in this spending.

Presentation: CliftonLarsonAllen:

Ms. Heavner introduced the Town's principal auditor from CliftonLarsonAllen (CLA), David Flint.
Mr. Flint said that CLA specializes in serving municipalities, and works with 90 different municipalities in Connecticut. He said that there are three main things that they do: a state single audit, a federal single audit, and a financial statement audit. He said they provide compliance reports regarding the expenditures for both state and federal grants, and the primary task is the financial statement audit. He said that the auditors are primarily ensuring that those financial statements are free from any material misstatements. Mr. Flint said that this differs from a forensic audit which is designed to detect fraud. He said they incorporate procedures could potentially detect fraud, but they are just trying to make sure that the financial statements are free and clear from material misstatements. He said that every audit area is given a risk level of low, medium or high, and then based on the particular risk assessment, they will dig into individual area.

Ms. Heavner asked how this differs from a performance audit. Mr. Flint said they are normally only called to perform a forensic audit when fraud is suspected, and that involves a deep dive into something specific. He said a financial audit focuses on a sampling since it would be unreasonable to look at every transaction over the course of the year. He said a performance audit looks at a broader area, such as controls, procedures, and processes. Mr. Flint said an example of this is a general fund that has had deficits for three years in a row; this would not necessarily come up in the audit, as they are not looking at the actual performance of the general fund. He said they are just making sure that results are ~~it is~~ recorded properly in order to make financial decisions.

Dr. Shivaswamy asked whether municipal audits include a "going concern" assessment similar to corporate audits. Mr. Flint confirmed that going concern evaluations are performed for municipal audits when warranted. He noted that municipalities are generally unlikely to face bankruptcy so going concern issues are more commonly encountered with smaller quasi-governmental entities, such as housing authorities and utility companies.

Mr. Flint said that the engagement letter is intended to facilitate communication between the auditors and the Board. Board members were encouraged to raise any questions, concerns, or areas they believe warrant additional attention. He noted that final audit fieldwork is scheduled for November, with the audit due by December 31.

Mr. Flint said that a standard significant risk noted in all of their audits is management override of controls. He said that even well-designed internal controls become ineffective if management overrides them. He also said that any prior-year audit findings that remain unresolved would also be identified as significant risks. Ms. Meriwether noted that if Board members have any concerns, they can bring them up outside of this meeting format. Mr. Flint said that fraud interviews are conducted as part of the audit process, and that interviews provide individuals with an opportunity to confidentially discuss any concerns they may have. He said that interview participants vary from year to year but always include one member of the Board, the Finance Director, and selected Town employees. Ms. Heavner reminded Board members that they may contact the auditors at any time during the audit process using the contact information provided in the engagement letter.

Dr. Shivaswamy asked about the Board's role in overseeing internal controls. Mr. Flint clarified that the Board serves as "those charged with governance," while responsibility for internal controls is distributed throughout various levels of the organization. He said that the auditors ensure that internal controls have appropriate segregation of duties, with more than one individual involved in key control activities. Dr. Shivaswamy asked what the Board of Finance should be looking at ~~in regards to~~in regard to internal controls and the audit. Mr. Flint said that the Board of Finance is generally not expected to review detailed internal control procedures directly, and recommended that the Board conduct periodic fraud risk assessments as part of its governance responsibilities. Ms. Heavner noted that the Town completed a fraud risk assessment the previous year and recently drafted related policies, which will be shared with the auditors.

Ms. Meriwether provided some examples of what the auditors review ~~in regards to~~in regard to internal controls; she said that the Board's role in that is if there is a deficiency and whether it is then corrected.

Ms. Heavner noted~~reviewed~~ the Board's role in reviewing Town policies, with review of t~~t~~he asset disposition policy serving as an example of governance-level oversight.

Dr. Shivaswamy asked whether issues identified during a standard financial statement audit could lead to a forensic audit. Mr. Flint said that while a financial statement audit is not a forensic audit, it is possible for the audit to identify issues that warrant additional investigation. He said that would be brought to the Board's attention and the Board could determine whether a forensic audit is necessary to focus on a specific area.

Ms. Heavner requested that the auditor's annual management letter be redistributed to all Board members for reference. She asked that ~~for~~ Mr. Flint to come back before the Board ~~prompt notification~~ if the audit is expected to be delayed beyond the December 31 deadline. Ms. Heavner discussed the possibility of conducting periodic performance audits of specific departments. Mr. Flint said they have a business risk services group that performs that type of work. He said that they could provide a proposal and cost estimate for this work.

In response to a question raised during public comment regarding the Library Board of Trustees, Ms. Heavner noted that the Library Board operates under a separate state statute with distinct legal requirements and procedures. The auditor confirmed that these statutory requirements are considered as part of the audit process. She said that Connecticut's statutory framework can be complex and that the Town relies on professional expertise to ensure compliance.

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

Prior to the Finance Director's report, Ms. Heavner announced that the Town had been awarded a $5,000 North Central Area Agency on Aging grant to support the Souper Thursday event and congratulated the Aging and Disability Committee, staff, and all those involved in securing the grant.

Ms. Heavner said that a revised draft of the Town's take-home vehicle policy had been distributed for review. Mr. Nelson reported that comments received, including feedback regarding applicable state policies, were being incorporated into the next draft. Ms. Pynn asked if it is more cost effective to take Town vehicles for out of state travel rather than renting a vehicle. Mr. Nelson said it is typically more cost effective to use Town vehicles. Ms. Pynn asked if there is an inventory of Town vehicles; Mr. Nelson confirmed that there is.

Ms. Heavner asked if we keep track of how many vehicles comparable communities have. Mr. Nelson said that we are generally consistent with those of neighboring communities. Ms. Heavner suggested adding language requiring employees with assigned take-home vehicles to return those vehicles to Town property, or another approved secure location, during extended absences or vacations.

Ms. Heavner noted that the Town's updated fraud risk policies were circulated earlier in the day, and thanked staff for the extensive work involved in developing the policies. She also said that they received an update from Ms. Meriwether on the Town's health reserve fund. She said that while quarterly reports are typically not presented in July, an update was requested because of the significant changes in reserve

levels. She said that health reserves are currently estimated at approximately 31% and that limited reserve funding may be available for use in the next budget cycle. She said that the Board will consider a proposed policy regarding the use of reserves later in the meeting.

Ms. Heavner said that a new law was passed, Public Act 26-1, which establishes additional budget reporting requirements for boards of education. She asked staff to research and provide additional information on what this would look like to ensure compliance with both state requirements and the Town Charter.

Ms. Heavner asked Mr. Nelson for an update on vacancy rates. Mr. Nelson said that it is early in the fiscal year, and vacancy levels remain within budget. He said that they are making progress in filling a long-vacant Information Technology position. He said there are currently five non-Police vacancies.

Ms. Meriwether said that she added the most recent supplemental appropriation of $10,000 for the Simsbury Farms Clubhouse hot water heater had been incorporated into the fiscal year totals. She said that total supplemental appropriations for the year were reported at just under $500,000, representing approximately 0.39% of the annual budget, which remains well below the 3% threshold requiring referendum approval.

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tax-supported capital as finances permit and for using ~~She noted a point in the memo regarding the use of~~ Town Aid Road grant funding ~~, which is a proposed goal to use that funding source~~ for Public Works non-recurring purchases as opposed to a offsetting bonding costs. Mr. Nelson noted that transition may take several budgets to implement.

Ms. Heavner also reviewed the use of capital reserves, noting that reserves should be used primarily for non-recurring capital expenditures rather than ongoing operating expenses. She reviewed the category of General Fund Operating transfer, which is for recurring capital projects that originate within departmental operating budgets and are transferred to the capital fund. She also reviewed the General Fund Traditional Payback, which is an annual transfer of $416,250 used for non-recurring capital projects. Ms. Heavner introduced a new category of General Fund Capital Transfer, which would be a pay-as-you-go funding source, as finances permit. Ms. Heavner noted this was like the traditional payback program for non-recurring capital except that there is no payback provision. Mr. Helfand added that this would not be prefunded.~~.~~

Ms. Heavner reviewed the capital thresholds outlined in the Town policies, and discussed a potential new category ~~category~~ for capital items that do not reach the threshold. Discussion ensued ~~in regards to~~in regard to this potential category, including how it differs from true capital, the funding source, etc. Ms. Pynn noted that any new terminology should avoid implying the items are capital assets and suggested selecting a clearer label. Ms. Heavner noted that Glastonbury calls this type of capital "capital outlay." Further discussion ensued regarding how technology assets and software fit into the capital categorization. Ms. Heavner said that software is typically in the operating budget while hardware is often treated as capital. Mr. Nelson clarified that this category would not be included in the 2.5% target because those items do not meet the definition of capital. Ms. Pynn noted that some of the Town's other policies are inconsistent and Ms. Meriwether indicated she would propose edits to make the policies consistent.

Ms. Heavner recommended including a consolidated summary table identifying capital projects by funding source to distinguish between tax-supported capital, capital reserve-funded projects, and other funding sources. She also recommended identifying recurring capital items temporarily funded by capital reserves so they can be tracked and eventually returned to tax-supported funding.

Ms. Heavner discussed expanding the CIP to include a longer planning horizon, particularly in anticipation of the proposed Squadron Line project. She said it is important to identify major future capital needs, such as roofs, HVAC systems, athletic fields, and other large infrastructure projects, to avoid multiple large projects occurring simultaneously. Ms. Pynn noted that the Town's existing capital policy identifies roof replacement as maintenance unless the replacement provides additional improvements or benefits. Ms. Heavner said that the distinction between maintenance and capital improvements would need further clarification within the policy. Ms. Meriwether clarified that the roof would be capitalized if we are replacing the entire thing.

Ms. Heavner reviewed a proposed capital funding prioritization framework. She said that the proposed funding source for recurring capital is the general fund, followed by Town Aid Road (TAR) ~~the~~

~~traditional payback~~ and capital reserves. She said that capital reserves should be used only as a last resort, and that the budget should clearly identify projects by capital reserves, with the intent of returning to tax-supported funding as Grand List growth permits. Ms. Heavner noted the funding sources for non-recurring capital, including: the traditional payback; a new proposed category of General Fund Capital Transfer; special revenue funds, such as the Simsbury Farms fund; one-time grants and donations; capital reserves; and bonding for projects over $250,000.

Ms. Heavner reviewed a flow chart illustrating how various funding sources move into the capital budget.

Ms. Heavner presented an alternative method of tracking, which would consolidate departmental capital transfers into a single transfer rather than listing separate transfers within each departmental budget. Under this approach, distinctions between traditional payback and other cash-funded projects would be made within the Capital Budget rather than individual department budgets.

Mr. Nelson said that keeping the items within the individual departments allows the Town Manager and Board of Selectmen to evaluate the needs of each department and prioritize accordingly within the context of overall organizational needs.

Mr. Nelson requested clarification on recurring versus non-recurring. The Board discussed the state law definition of non-recurring and Mr. Helfand noted that capital items that represent a predictable cost of operating the town and providing services should be paid for with taxes when finances permit. All agreed with Mr. Helfand's summary.

Mr. Nelson requested clearer definitions of recurring versus non-recurring capital expenditures. For example, he questioned whether regularly scheduled fleet replacement, such as purchasing one police cruiser each year, should be considered non-recurring because even though the expenditure occurs annually, the specific asset changes. He noted that the enabling legislation for CNR funding is intended to provide municipalities with a mechanism to spread the cost of one-time capital purchases over multiple years, and that if we are continuing with the traditional payback method of funding, it needs to be used for items that are clearly non-recurring. Discussion ensued regarding how we define recurring versus non-recurring; there was agreement that the traditional payback funding of $416,250 should be used only for non-recurring items.

Mr. Nelson noted that we need to balance the goal of increasing cash funding for capital projects with the competing objective of providing mill rate relief. Ms. Heavner said that this depends on the Board of Selectmen goals for tax increases. Mr. Nelson discussed the potential to implement guardrails that would protect cash for capital so that it is not the first item cut to achieve mill rate relief.

Ms. Heavner asked staff to come up with recommendations regarding the target for tax-supported capital funding; how to categorize technology; ~~and~~ how to define recurring versus non-recurring; and what name the Town should use for capital below the thresholds.

The Board reviewed the current capital project sheet form used during the budget process. Ms. Heavner suggested adding projected start and completion dates; priority ranking; identification of whether projects

are recurring or non-recurring; classification of projects (replacement, renovation, expansion, acquisition, etc.); total project cost, including prior appropriations; cost per square foot for new construction projects; whether an item is new or a replacement.

Ms. Meriwether walked through the budget modeling, and reviewed the assumptions included in the model. She noted that this model is conservative in that it does not account for growth in non-tax revenues. She said that the only projected revenue increase currently included is the anticipated state reimbursement related to the motor vehicle tax cap. Ms. Heavner said that we should do some scenario testing to adjust the projected expenditure increases, non-tax revenue changes, state aid, etc.

Ms. Meriwether reviewed the assumptions incorporated into the upcoming revaluation year, which is FY29. She said that we are anticipating a 25% increase in the Grand List. She noted that this increase will reduce the mill rate, but that will eliminate our eligibility for the state motor vehicle tax reimbursement. She said that while the mill rate decreases after revaluation, higher property assessments can still result in higher taxes bills for residents. Mr. Helfand said that assessment increases are unlikely to be distributed evenly among residential and commercial properties and that individual taxpayer impacts may differ significantly.

Ms. Meriwether reviewed the capital financing portion of the budget model. She provided an example of a potential $60 million project, showing how this would impact debt service. Ms. Heavner asked for an update on when existing debt service for Henry James and Latimer will fall off. Ms. Meriwether said that for Henry James, the first bond issuance is scheduled to be fully retired in FY35 and the second issuance is scheduled to mature in FY36. She said that we are paying approximately $2.2 million in debt service for the Latimer project in FY27.

Ms. Meriwether reviewed the capital financing graph, which shows whether our debt is within our policy or not. Under the scenario presented, the potential Squadron project shows on the CIP in FY32 and the impact to the budget begins in FY36/FY37. Ms. Heavner noted the importance of building additional cash-for-capital capacity before this major project hits. Ms. Heavner said that we need to consider whether we want to absorb a large increase in one year or spread it over time, and we also need to consider how we time this with revaluation. Discussion ensued regarding how we can control expenditures within this context.

Ms. Heavner asked if we can show the Town's total outstanding principal debt within the model. Ms. Meriwether pointed to the section of the model that displays this data, including principal and interest. She noted that debt service differs from the Town's outstanding principal balance at any given point in time. Ms. Heavner asked if we could obtain benchmark data and show how we compare to other municipalities ~~in regards to~~in regard to debt per capita, debt as a percentage of Grand List, etc. Ms. Meriwether said that we can work with our bond advisor on this.

Ms. Heavner said that we need to further discuss how capital reserves can be used to support the funding of capital projects. She noted that earlier versions of the financial model illustrated strategies for gradually increasing cash-for-capital funding using reserve balances. Ms. Meriwether walked through an analysis of

how capital reserves may be used within the overall budget model. Discussion ensued regarding the target for tax-supported capital; there was consensus for this amount to be 2% of the operating budget.

b) Revaluation Selection Appointment.

Ms. Heavner requested one volunteer to serve on the committee responsible for selecting the Town's next revaluation contractor, with one alternate. Ms. Heavner said that this would include being involved in the RFP and selection process. Ms. Meriwether said that the RFP will be released in the next few weeks. The participant would be expected to read the proposals and participate on the interview panel. Dr. Shivaswamy volunteered to be the primary representative and Ms. Pynn agreed to be the alternate. Mr. Doyle volunteered to serve as third back-up.

Mr. Helfand made a motion, effective July 21, ~~2026~~2026, to appoint Dr. Shivaswamy as the Board of Finance representative on the committee to select the revaluation authority, with the alternates being Regina Pynn, Mike Doyle, and Bert Helfand. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

c) Policy Review (Pages 9-84)
Members agreed to defer review of the policy revisions until the August meeting to allow additional time for review. Ms. Meriwether said that she sent redlined versions of the proposed policy revisions with the meeting packet. Ms. Pynn and Dr. Shivaswamy noted that it would be helpful to have a shared document, such as a Google document, to facilitate comments and revisions. Ms. Heavner noted that members may add comments to a shared document, but deliberation and discussion of proposed changes must occur during a public meeting to comply with open meeting requirements.

Mr. Helfand made a motion to table the policy review until the August 2026 meeting. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.

Review of Minutes:

d) June 16, 2026 Regular Meeting Minutes (Pages 85-91)
Ms. Heavner said that she circulated revised minutes before the meeting.
Mr. Helfand made a motion, effective July 21, ~~2026~~2026, to approve the revised minutes of the June 16, 2026 Regular Meeting as presented. Ms. Pynn seconded the motion. The motion passed 4-0-1, with Mr. Helfand, Ms. Heavner, Ms. Pynn and Mr. Doyle in favor, and Dr. Shivaswamy abstaining.

Communications:

e) P-Card Agreement Example (Pages 92-93)
Ms. Heavner thanked Mr. Nelson for the purchasing card (P-Card) example provided by staff. She noted that neither the First Selectman nor the Town Manager has a Town P-Card.

f) Capital Improvement Project Request Form (Page 94)

g) Simsbury Performing Arts Center Band Shell Expansion Project Update (Pages 95-98)

Adjourn:
Dr. Shivaswamy made a motion to adjourn the Regular Meeting of the Board of Finance at 8:43 p.m. Ms. Pynn seconded the motion. All were in favor and the motion passed unanimously.
Respectfully submitted, Melissa Appleby Budget Director