

AGENDA

THIS DOCUMENT IS FOR INFORMATIONAL PURPOSES ONLY. FOR OFFICIAL DOCUMENTS, PLEASE CONTACT THE TOWN CLERK'S OFFICE

GLASTONBURY BOARD OF FINANCE MEETING

AGENDA OF REGULAR MEETING

Wednesday, September 18, 2019, 4:00 PM

Town Hall, 2155 Main Street, Glastonbury, CT - Meeting Room A

Board Members: Constantine Constantine; Chairman, Jared Soper; Vice Chairman, James McIntosh, Jennifer Sanford, Walter Cusson and James Zeller.

1. Public Comment Session (sign in sheet provided)
2. Action / Communication: Chris Kachmar from FIA
 - a. Fiduciary Governance Calendar for 2nd Quarter
 - i. Action: Ratify Investment Policy Statement
 - ii. Action: Appointment of Investment Sub Committee Members
 - b. Communication: Q2-2019 Portfolio Performance Review
 - c. Communication: Portfolio Update
3. Communication: OPEB Annual Contribution
4. Communication: Minutes – July 17, 2019
5. Action / Communication: Year-End Items
 - a. Communication: Preliminary Year End Review 2017-2018 After Year End Close
 - b. Communication & Action: Health Self Insurance Fund YE Contribution (and transfer)
 - c. Communication: Special Revenue Funds June 30, 2019 Reports
 - i. Sewer Operating and Sewer Sinking Funds
 - ii. Recreation Activities and Police Private Duty Funds
 - d. Communication: Review of Capital Outlay Carry Forwards
 - e. Action: Review and Approval of Encumbrance Carry Forwards
 - f. Communication: Review of Capital Projects to be Closed
 - g. Communication: Review of Intra-Department Transfers Under \$5,000
 - h. Action: Review and Approval of Intra-Department Transfers Over \$5,000
 - i. Action: FY18/19 Inter-Departmental Transfers.
6. Communication: Pension Report – July 2019
7. Communication: Month End Investments – July 2019
8. Communication: Financial Summary (Expenditure) for 2 months - August 2019
9. Communication: Education Reconciliation – July 2019
10. Communication: Capital Projects – August 2019
11. Communication: Self Insurance Reserve Fund – August 2019
12. Communication: Transfers Approved by Town Manager Since Last Meeting
 - a. Tax Department – 3rd Workstation at the Counter (\$1,100.00)
 - b. Purchasing Department – Temporary Help (\$4,600.00)
13. Action: Transfers over \$5,000
 - a. CIP - Library Space Planning Study (\$10,515.00)
 - b. CIP - Library Windows (\$8,624.32)
 - c. CIP - Elementary School A/C Repayment to General Fund
14. Communication: Bank Collateralization Report
15. Action: Land Acquisition
16. Board of Finance member Committee Reports, comments and remarks (no action to be taken)
17. Adjournment

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

BOF 9/18/19
Item # 2

September 11, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *GBT* Julie Twilley, Director of Finance & Administrative Services

RE: Retirement Income Plan Review - FIA

Attached please find Retirement Income Plan discussion materials from FIA for your review. The following topics and Action Items will be reviewed and discussed.

2nd Quarter: Practice & Policy Focus

- Investment review
- Investment policy statement review
- Legislative update

A. Section 1 - Fiduciary Governance Calendar for 2nd Quarter:

1. Action: Ratify Investment Policy Statement

- i. In accordance with the 2nd Quarter Fiduciary Governance Calendar, as created by Fiduciary Investment Advisors, FIA recommends that the Board of Finance review the Investment Policy Statement and re-ratify without changes
- ii. Draft Motion: *[The Board of Finance has reviewed the Retirement Income Plan Investment Policy Statement and moves to re-ratify the Statement without changes.]*

2. Action: Appointment of Investment Sub Committee Members

- i. In accordance with the Investment Policy Statement: The Board may designate a Pension Committee made up of two (2) members of the Board of Finance, the Town Manager and the Director of Finance to review plan performance, investment manager selection and any other items relevant to the performance and management of the Plan's assets and report back to the Board of Finance with recommendations, as necessary.
- ii. Draft Motion: *[The Board of Finance designates the following Board members to be on the Pension Committee: _____ and _____.]*

B. Section 2 & 3 - Q2-2019 Portfolio Performance Review (Communication)

C. Section 4 - Portfolio Update (Communication)

Attachment

C: Nina Cousins, Controller

DRAFT

(Red font represents BOF changes approved at the July 17, 2019 meeting)

RETIREMENT INCOME PLAN INVESTMENT POLICY STATEMENT SEPTEMBER 2019

BOF 9/18/19
Item # 2a.i

I. INTRODUCTION AND PURPOSE

The Town of Glastonbury Retirement Income Plan (the “Plan”) provides retirement benefits to those individuals eligible to receive them. The Investment Policy Statement (IPS) outlines the goals and investment objectives for the Plan. This IPS provides guidelines for managing the Plan, and outlines specific investment policies that will govern how those goals are to be achieved. The IPS:

- Describes the investment objectives of the Plan;
- Defines the responsibilities of the Board of Finance (“the Board”) and other parties responsible for the management of the Plan;
- Establishes investment guidelines regarding the selection of investment managers and diversification of assets;
- Specifies the criteria for evaluating the performance of the investment managers and of the Plan as a whole.

II. INVESTMENT OBJECTIVE

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

- Achieve a long term return that meets or exceeds the actuarial target of the plan;
- Maintain sufficient liquidity to meet the obligations of the Plan;
- Diversify the assets of the Plan in order to reduce risk;
- Achieve investment results over the long-term that compare favorably with those of other pension plans, professionally managed portfolios and appropriate market indexes;
- Prudently manage the inherent investment risks related to the achievement of investment objectives.

III. ASSIGNMENT OF RESPONSIBILITIES

Board of Finance – The Board of Finance is responsible for overseeing the assets of the Plan. To that end, the Board will:

- Establish and maintain the Plan’s investment policy, objectives and portfolio guidelines that will direct the investment of the Plan’s assets;
- Determine the Plan’s risk parameters and return evaluation;
- Provide specific interpretation of the investment policy;
- Select the investment vehicles; and,
- Monitor periodically the performance of the investments.

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 Plan’s long-term investment objectives.

The Board will meet periodically to carry out these responsibilities. The Board may designate a Pension Committee made up of two (2) members of the Board of Finance, the Town Manager and the Director of Finance to review plan performance, investment manager selection and any other items relevant to the performance and management of the Plan's assets and report back to the Board of Finance with recommendations, as necessary. The Board may engage the services of an investment consultant to aid in the management of the Plan's assets.

Investment Consultant –The investment consultant's role is that of a non-discretionary advisor to the Committee. The investment consultant will:

- Assist in the development and periodic review of the IPS and the Plan's asset allocation;
- Conduct investment manager and investment fund searches when necessary and make appropriate recommendations to the Board on manager selection;
- Monitor continually the performance of the managers/funds;
- Report plan performance to the Board at least quarterly;
- Meet with the Board semi-annually, or more often as deemed necessary; and,
- Communicate to the Board and/or members of the committee, as appropriate on other matters of relevance to the oversight of the Plan.

While the Town is not subject to ERISA, the investment consultant shall acknowledge in writing fiduciary responsibilities in keeping with generally accepted best practices for ERISA retirement plan oversight.

Custodian(s) – The Board will appoint a custodian, 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 Plan, 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 Plan (for example, to accommodate distribution needs).

IV. ASSET ALLOCATION

The asset allocation target ranges are set forth below. These ranges represent a long-term view to provide an optimal mix of investments to achieve the desired returns necessary to meet current and future liabilities, while at the same time mitigating fluctuations in the overall value of the investment portfolio.

Part A – for Defined Benefit Plan Assets excluding Part B Assets noted below:

Part A assets long-term target allocation is 60% equity, 35% fixed income, and 5% real estate. Market volatility may periodically cause the asset mix to fall outside the targeted range.

Target Asset Allocation Table

Asset Class	Min Weight	Max Weight
Money Market	0.0%	7.5%
Fixed Income	25.0%	40.0%
Domestic Equities	25.0%	45.0%
International Equities	10.0%	30.0%
Real Estate	0.0%	7.5%
Other	0.0%	7.5%

Part B – for Defined Benefit Plan Assets effective December 2, 2014 per Amendments 12 and 13 to the Town of Glastonbury Retirement Income Plan:

Part B assets will initially adhere to a target allocation of 60% fixed income and 40% equity, which may be modified over time as circumstances warrant.

Hybrid Plan Target Asset Allocation Table

Asset Class	Min Weight	Max Weight
Money Market	0.0%	5.0%
Fixed Income	50.0%	70.0%
Domestic Equities	20.0%	40.0%
International Equities	15.0%	35.0%
Real Estate	0.0%	7.5%
Other	0.0%	7.5%

The Board may consider and approve other investment strategies, including alternative investments, after recommendation by the investment consultant to the Board, and as appropriate, review and recommendation by the -committee.

V. REBALANCING

To ensure that the Plan adheres to its asset allocation strategy, the Board may, at its discretion, institute rebalancing, as necessary. Adjustments made by the Board should be made with consideration to recommendations of the investment consultant, turnover, transaction costs, and realized losses over the long-term. The necessity to rebalance will be reviewed periodically.

Any rebalancing within an asset class that changes the allocation for that class greater than seven percentage points requires review and approval by the Board. The Board may request a review and report of the committee, as applicable, prior to approval.

VI. SELECTION CRITERIA FOR INVESTMENT MANAGERS/FUNDS

Investment managers/funds retained by the Plan shall be chosen by the Board, upon recommendation of the investment consultant, using various criteria, including but not limited to the following:

- Past results, considered relative to appropriate indexes and other investments having similar investment objectives with consideration granted to consistency of performance and the level of risk taken to achieve results;
- Investment style and discipline of the investment manager;
- The manager’s investment style or approach and how well it complements other assets in the Plan;
- Level of experience, personnel turnover, financial resources, and staffing levels of the investment management firm or fund.

The Plan may utilize a multi-manager structure of complementary investment styles and asset classes to invest the Plan’s assets.

VII. TERMINATION OF AN INVESTMENT MANAGER OR FUND

An investment manager/fund may be terminated by the Board if one or more of the following has occurred:

The Board has lost confidence in the investment manager's/funds ability to:

- Achieve performance and risk objectives;
 - Comply with investment guidelines;
 - Comply with reporting requirements;
 - Maintain a stable organization and retain key investment professionals;
- Or for any other reason determined by the Board to be in the best interests of the Plan.

There are no hard and fast rules for investment manager/fund termination. However, if the investment manager/fund 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 investment manager/fund, within a reasonable time, may be grounds for termination.

Certain circumstances may require immediate termination of an investment manager. Upon recommendation of the investment consultant that such action is appropriate, the Pension Committee, as appointed in Section III of this policy, may authorize termination. All members of the Board of Finance will be advised of the consultant's recommendation and of the time and date the Pension Committee will meet to act upon the recommendation. Confirmation of such action will be scheduled for the next Board of Finance meeting.

VIII. SECURITIES GUIDELINES

The Plan's investments may include separately managed accounts and/or mutual funds/commingled funds 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 manager's policy statement of each of the Plan's separately managed accounts or in the prospectus/offering memorandum for each mutual fund/commingled fund/exchange traded funds in the portfolio.

With respect to mutual/commingled funds, the Board may consider and regularly evaluate the following to insure proper diversification and function for each of the funds:

- The mutual fund/commingled 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.
- The mutual fund/commingled pool selected 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.
- Each mutual fund/commingled pool will maintain proper asset allocation diversity and provide material information on a timely basis.

IX. 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 Plan. A copy of each investment manager's guidelines, and/or summary of proxy votes shall be provided to the Board upon request.

X. INVESTMENT MONITORING AND REPORTING

The Board will periodically review performance of the investments in the Plan. Performance monitoring is one of the mechanisms used to evaluate the selected investments, confirm that the criteria originally set for each investment is satisfied and that each investment continues to be appropriate for the Plan. 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 and the following indices may be used to monitor performance:

Asset Class	Benchmark Index
Money Market	Citigroup Three-Month Treasury Bill Index
Fixed Income	Barclays Aggregate Index & Citigroup World Government Bond Index
Domestic Equities	Russell 3000 Index
International Equities	MSCI ACWI ex-US Index
Real Estate	NCREIF
Other	CPI +5%

Additional indices may be added/used, as applicable to a specific type of investment or asset class. 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:

- Performance relative to benchmark performance over various time frames;
- Deterioration of risk-adjusted performance;
- Notable style drift/change in investment objective;
- Relative investment management fees;
- Significant organizational or manager change.

XI. APPROVAL

It is understood that this IPS is to be reviewed periodically by the Board 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.

Originally Adopted by Glastonbury Board of Finance on November 17, 2010.

[Last Revised and Adopted by Glastonbury Board of Finance on _____.]



FIDUCIARY
INVESTMENT ADVISORS

Strategic thinking. Customized solutions.

BOF 9/18/19
Item # 2a-c

Glastonbury Retirement Income Plan

September 2019 Meeting Materials

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

Table of Contents

Section 1

Q2 Fiduciary Governance Calendar (pg. 4)

Section 2

Q2 Capital Markets Overview (pg. 8)

Section 3

Q2 Portfolio Review (pg. 12)

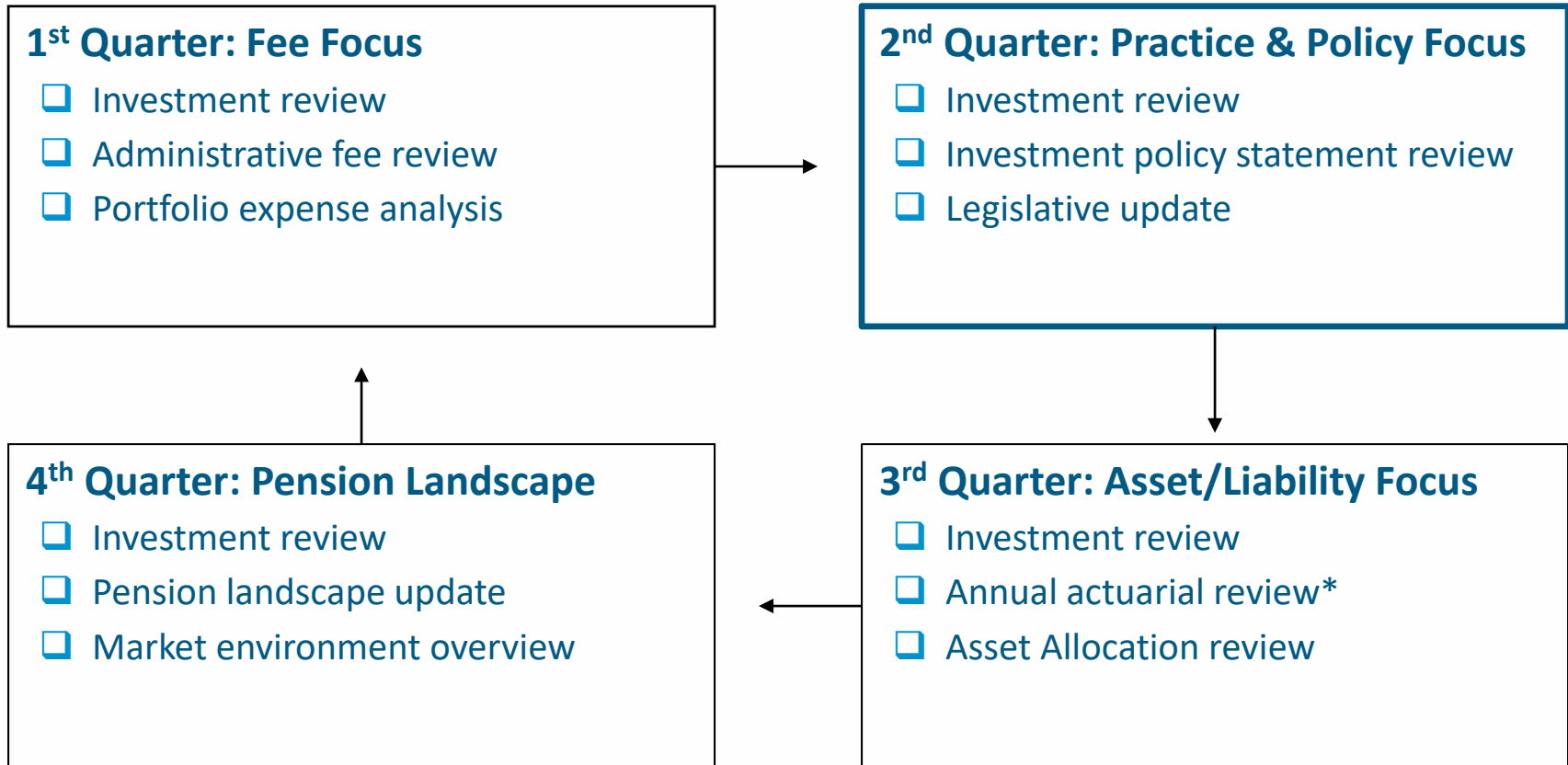
Section 4

August Flash Report (pg. 14)

Appendix

Portfolio Details (pg. 17)

Defined Benefit Fiduciary Governance Calendar



* Timing of actuarial and liability review dependent on client's individual plan and /or fiscal year and actuarial input.

Investment Policy Statement Considerations

An Investment Policy Statement provides the first step in establishing the FIDUCIARY TRAIL™.

- A well-written IPS is broad enough to allow flexibility, but detailed enough to provide appropriate oversight.
- The essential components of an effective IPS are outlined below:

Component	Included in Glastonbury's Investment Policy Statement?
Contains the detail to define, implement and manage a specific investment strategy.	Yes
Defines the duties and responsibilities of <u>all</u> parties involved.	Yes
Defines diversification and rebalancing guidelines consistent with the client's risk profile and time horizon.	Yes
Defines due diligence criteria for selecting investment options.	Yes
Defines monitoring criteria for investment options.	Yes

In the following pages, you will find the most recent IPS on file for the Town of Glastonbury Pension Fund. The body of the IPS and asset allocation table in Appendix A are as of November 2015. The IPS was reaffirmed by the Pension Board in October 2018. There are no recommendations for change at this point in time.

IPS Target Asset Allocation Table

Town Pension Plan

Previous Ranges

Asset Class	Min Weight	Max Weight
Money Market	0.0%	5.0%
Fixed Income	25.0%	40.0%
Domestic Equities	25.0%	40.0%
International Equities	15.0%	30.0%
Real Estate	0.0%	7.5%
Other	0.0%	7.5%

Current Ranges

Asset Class	Min Weight	Max Weight
Money Market	0.0%	7.5%
Fixed Income	25.0%	40.0%
Domestic Equities	25.0%	45.0%
International Equities	10.0%	30.0%
Real Estate	0.0%	7.5%
Other	0.0%	7.5%

Hybrid Plan

Asset Class	Min Weight	Max Weight
Money Market	0.0%	5.0%
Fixed Income	50.0%	70.0%
Domestic Equities	20.0%	40.0%
International Equities	15.0%	35.0%
Real Estate	0.0%	7.5%
Other	0.0%	7.5%

Legislative Update

In January 2019, the Society of Actuaries (SOA) published mortality tables specifically for U.S. public pension plans for the first time ever.

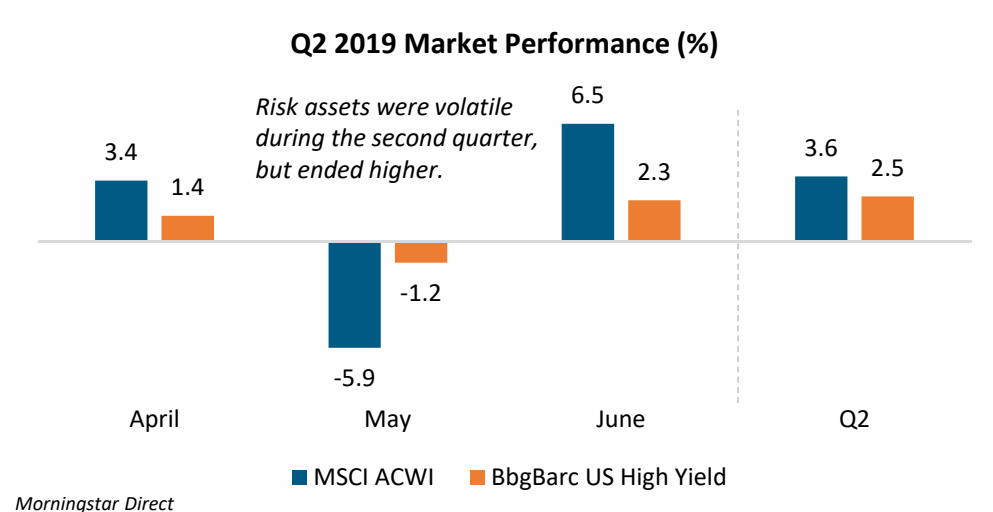
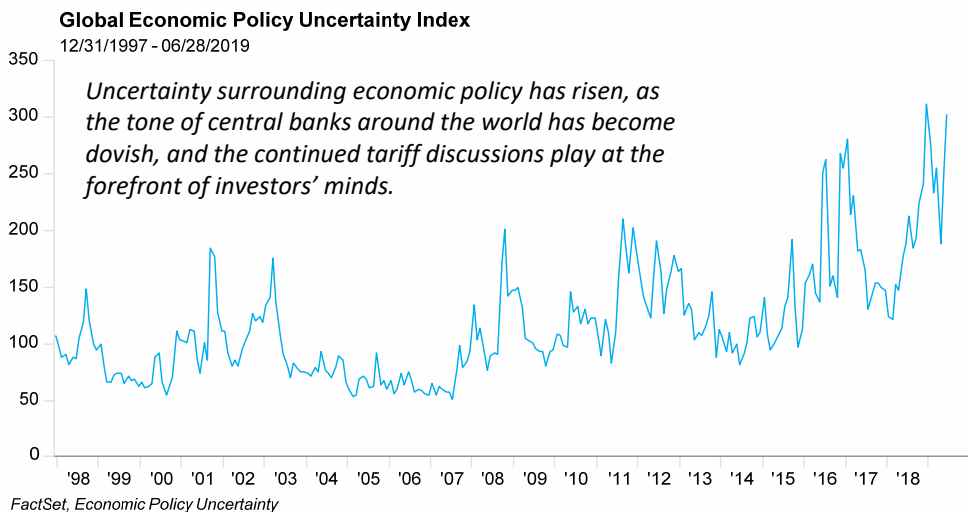
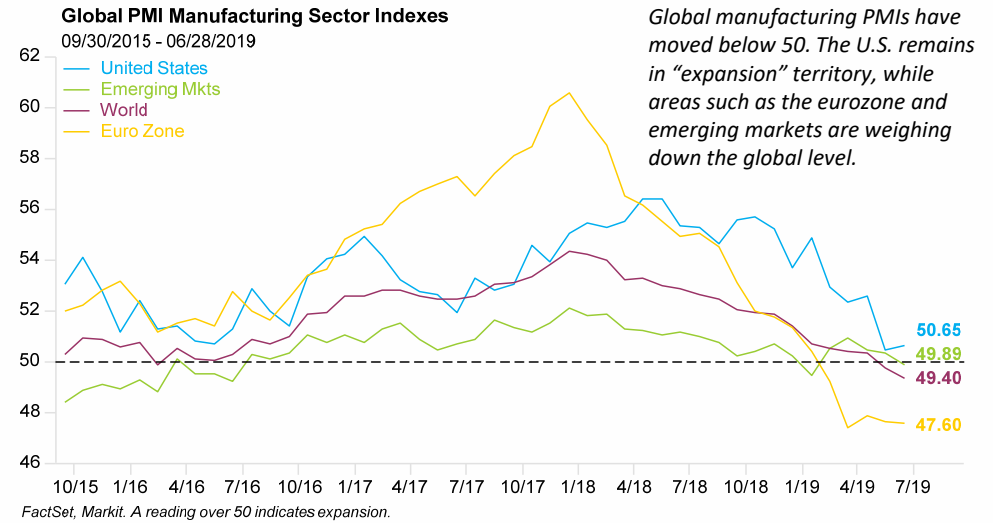
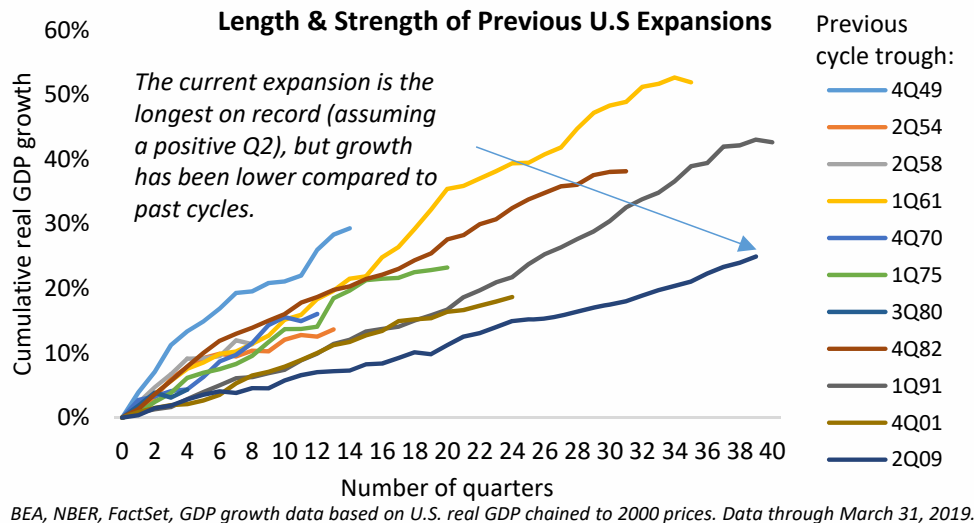
- The widely used RP-2014 mortality tables included data only from private pension plans so the SOA initiated a study of public plans only.
- The study was based on 46 million life-years of exposure data and 580,000 deaths from 78 public pension plans and 35 public pension systems in the U.S.
- New tables include individual mortality assumptions for teachers, public safety professionals, and general employees allowing plans the ability to use a variation tailored to their actual demographic experience.
- New tables reflect today's longer life expectancies, but the actual impact on each plan's liabilities will vary based on each plan's demographics.

Actuarial Standards of Practice No. 51 (ASOP 51), Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions

- Requires the actuary to identify risks that may reasonably be anticipated to significantly affect the pension plan's future financial condition, including investment risk, interest rate risk, asset/liability mismatch risk, longevity and other demographic risk, and contribution risk.
- Effective for measurement dates on or after November 1, 2018

Market Review

- The current U.S. expansion is now the longest on record, but its magnitude may shelter typical late cycle imbalances.
- Dovish central bank postures and trade policy headway buoyed markets despite mounting economic uncertainty.
- Markets ended the quarter higher, but it was not a linear path to the finish.



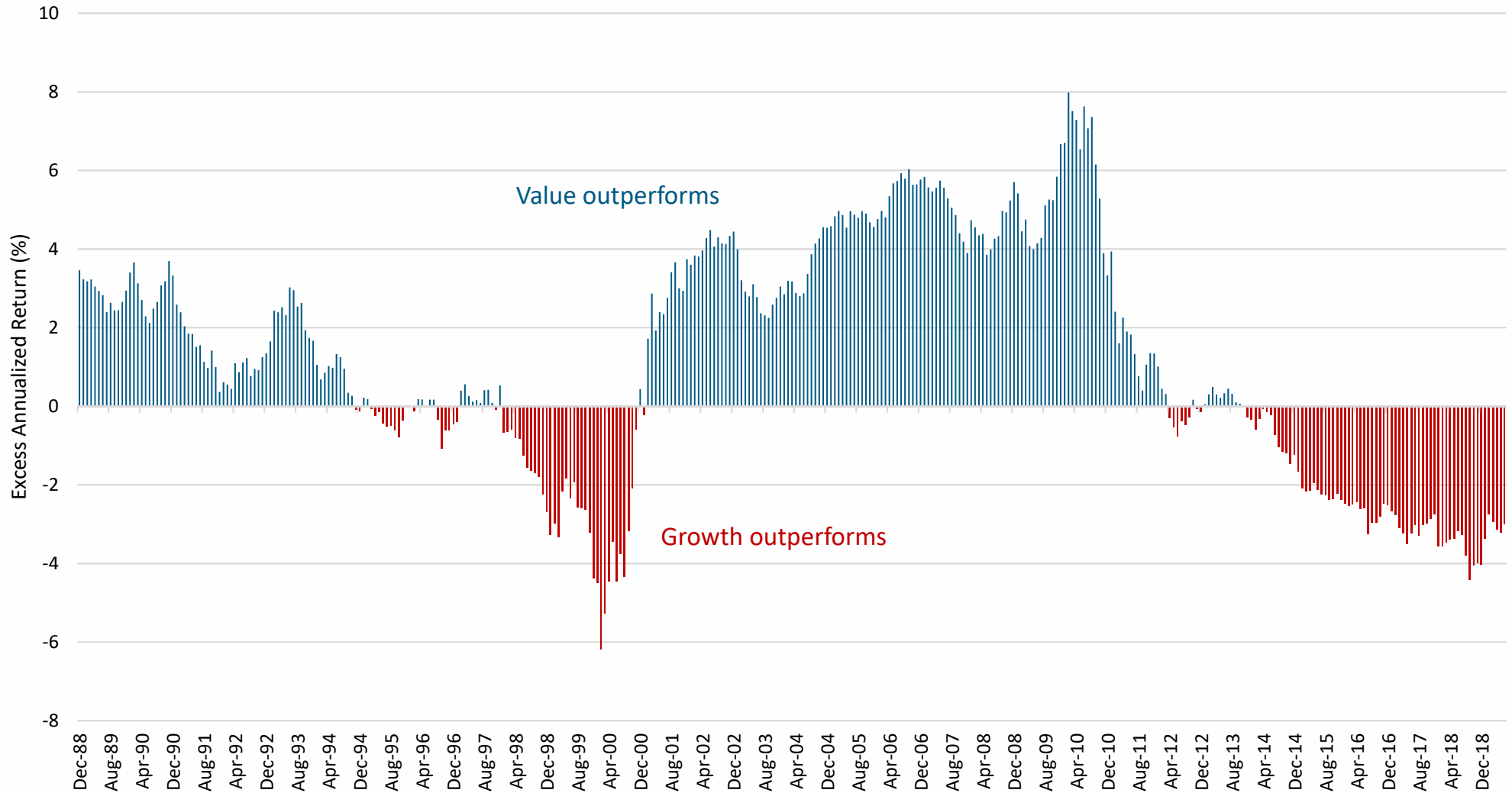
Index Results

U.S. EQUITY	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
S&P 500	4.3	18.5	10.4	14.2	10.7	14.7
Russell 1000	4.2	18.8	10.0	14.1	10.5	14.8
Russell 1000 Value	3.8	16.2	8.5	10.2	7.5	13.2
Russell 1000 Growth	4.6	21.5	11.6	18.1	13.4	16.3
Russell Mid Cap	4.1	21.3	7.8	12.2	8.6	15.2
Russell Mid Cap Value	3.2	18.0	3.7	8.9	6.7	14.6
Russell Mid Cap Growth	5.4	26.1	13.9	16.5	11.1	16.0
Russell 2000	2.1	17.0	(3.3)	12.3	7.1	13.4
Russell 2000 Value	1.4	13.5	(6.2)	9.8	5.4	12.4
Russell 2000 Growth	2.7	20.4	(0.5)	14.7	8.6	14.4
Russell 3000	4.1	18.7	9.0	14.0	10.2	14.7
FTSE NAREIT Equity REITs Index	1.2	17.8	11.2	4.2	7.9	15.5
INTERNATIONAL EQUITY	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
MSCI ACWI ex-US	3.0	13.6	1.3	9.4	2.2	6.5
MSCI EAFE	3.7	14.0	1.1	9.1	2.2	6.9
MSCI EAFE Value	1.5	9.6	(2.1)	8.5	0.1	5.5
MSCI EAFE Growth	5.7	18.5	4.2	9.7	4.4	8.2
MSCI EAFE Small Cap	1.7	12.5	(6.3)	9.1	4.4	9.7
MSCI EM (Emerging Markets)	0.6	10.6	1.2	10.7	2.5	5.8
FIXED INCOME	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Barclays U.S. Aggregate Bond	3.1	6.1	7.9	2.3	2.9	3.9
Barclays U.S. Gov/Credit Bond	3.5	6.9	8.5	2.4	3.1	4.1
Barclays Gov/Credit Long Bond	6.6	13.5	13.8	3.8	5.7	7.6
Barclays U.S. Corp High Yield	2.5	9.9	7.5	7.5	4.7	9.2
Barclays Municipal Bond	2.1	5.1	6.7	2.6	3.6	4.7
Barclays U.S. TIPS	2.9	6.2	4.8	2.1	1.8	3.6
BofA Merrill 3-Month T-Bill	0.6	1.2	2.3	1.4	0.9	0.5
NON-TRADITIONAL	QUARTER	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Bloomberg Commodity Index	(1.2)	5.1	(6.8)	(2.2)	(9.1)	(3.7)
HFRI Fund of Funds Index	1.6	6.3	1.3	4.3	2.2	3.2
NCREIF Property Index (3/31/2019)	1.8	1.8	6.8	7.1	9.1	8.5
CPI (3/31/2019)	0.6	0.6	1.9	2.2	1.5	1.8

Sources: Morningstar Direct, Standard & Poor's, Russell, FTSE, MSCI, Barclays Capital, BofA Merrill Lynch, Bloomberg, HFRI, NCREIF. Data as of 06/30/2019 unless otherwise noted.

Value vs. Growth

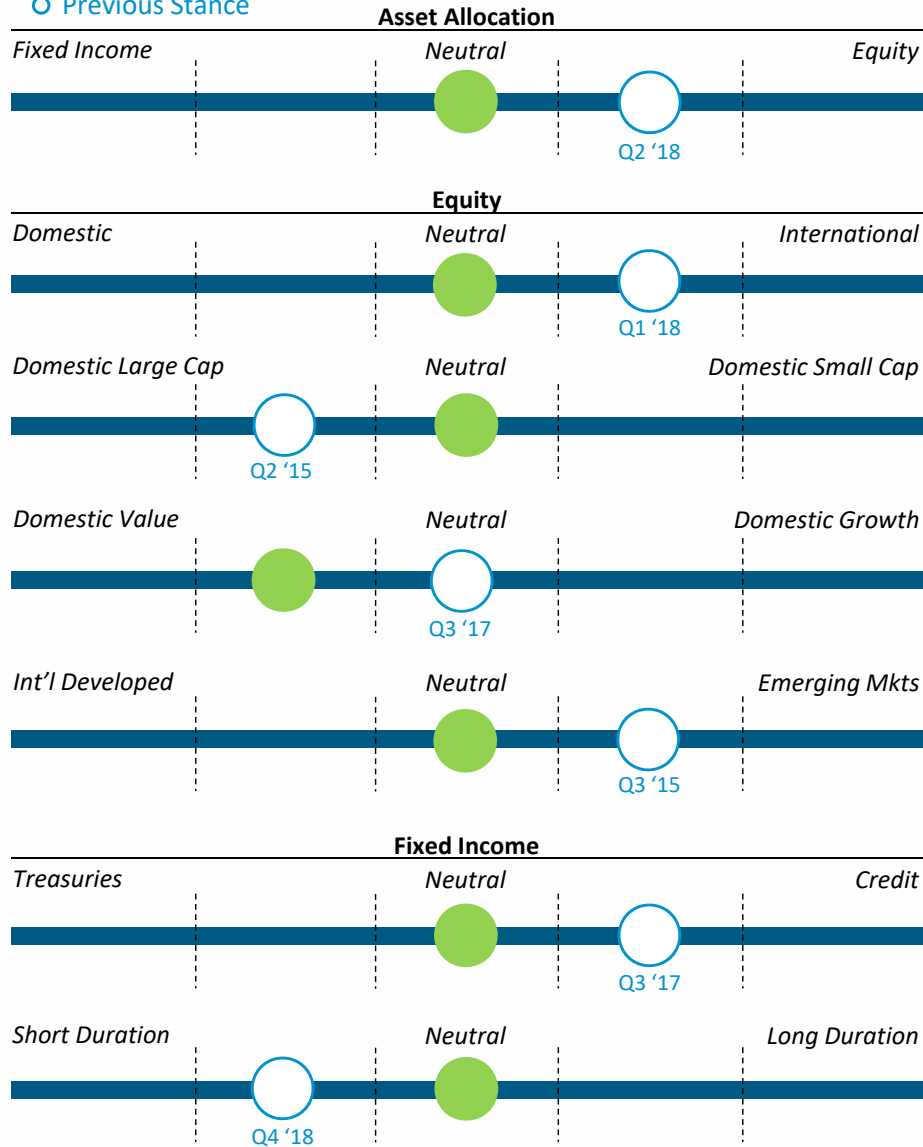
10-Year Rolling Excess Returns Russell 3000 Value vs. Russell 3000 Growth



MPI Stylus. Data from 1/1/1979 – 6/30/2019

Market Viewpoints

- Current Stance
- Previous Stance



Rationale

The advanced age of the economic cycle and somewhat elevated risk asset valuations lend credibility to the notion of balanced asset allocation expressions, combined with the recognition that capital market returns may continue to garner additional support from central banks' renewed commitment to stimulus.

Valuation advantages overseas are largely extinguished by a more tepid economic backdrop and foreign equity markets' more direct linkages to the somewhat constrained prospects for global trade. Higher valuations in the U.S. offset the more resilient economic profile in place domestically.

Return disparities across the capitalization spectrum are likely to continue to result from investors' fluctuating appetite for risk and developments on the economic and trade fronts. Late cycle, developments on these fronts are likely to be uneven and varied, which informs our neutral stance.

The relative valuation advantage and return shortfall associated with value investing persist, which continue to set the table, in our opinion, for a reversion back to style parity. This reversal has the potential to unfold in an accelerated manner should equity markets become unsettled.

The valuation profile between developed and emerging markets remains in balance, and we expect the entirety of foreign equity markets, on balance, to react in a somewhat similar vein to the matters of global economic prospects, trade negotiations, and central bank policy developments. As such, we remain inclined to our neutral stance.

Spreads ended the quarter slightly tighter than where they began the period, and credit continues to garner support from investors' bid for yield and durable corporate financial health. Late cycle dynamics remain in play, however, and investors will likely be well served elevating selectivity in the credit arena.

We expect rates to be largely range-bound over our forecast period. Central bankers' efforts to transmit policy stances with elevated transparency mitigates rate surprises on the front-end of the yield curve, and the murkier global economic picture (combined with the appetite that remains for what yield is available further out the curve) should keep longer rates in check.

These viewpoints represent FIA's general assessment of the highlighted capital markets comparisons over the next 18 months. These opinions are subject to modification as conditions in the markets or forecasting periods change. Clients should utilize these rankings in conjunction with other considerations that may be relevant to their particular circumstances.

Asset Allocation

As of June 30, 2019

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Plan	152,817,478	100.0	100.0	0.0
Short Term Liquidity	1,053,236	0.7	0.0	0.7
Wells Fargo Government Money Market	1,053,236	0.7	0.0	0.7
Fixed Income	49,430,620	32.3	32.5	-0.2
Metropolitan West Total Return Bond Pl	19,154,935	12.5	12.5	0.0
BlackRock Total Return K	19,234,394	12.6	12.5	0.1
Templeton Global Bond R6	11,041,292	7.2	7.5	-0.3
Domestic Equity	55,750,692	36.5	36.5	0.0
Vanguard Institutional Index	30,732,086	20.1	20.0	0.1
Touchstone Growth Opportunities Instl	11,437,847	7.5	8.3	-0.8
DFA US Vector Equity I	13,580,758	8.9	8.3	0.6
International Equity	29,617,487	19.4	20.0	-0.6
Vanguard International Growth Adm	10,384,984	6.8	6.8	0.0
Causeway International Value Instl	9,542,005	6.2	6.8	-0.5
Templeton Instl Foreign Smaller Companies Adv	3,731,807	2.4	2.5	-0.1
Cape Ann Global Developing Markets	5,958,692	3.9	4.0	-0.1
Real Estate	9,088,721	5.9	5.0	0.9
Barings Core Property Fund LP	9,088,721	5.9	5.0	0.9
Inflation Protection	7,876,721	5.2	6.0	-0.8
Vanguard Short-Term Inflation Protection Adm	3,098,369	2.0	2.0	0.0
Van Eck Global Hard Assets Inst	1,931,580	1.3	2.0	-0.7
Credit Suisse Commodity Return Instl	2,846,773	1.9	2.0	-0.1

Investments with a zero balance were held in the plan during the reporting period and will be removed once they no longer impact plan performance.
Asset Allocation weightings may not add up to 100% due to rounding.

Total Plan Performance Summary

As of June 30, 2019

Account Reconciliation

	QTR	YTD	Since Inception	Inception Date
Total Plan				01/01/2003
Beginning Market Value	150,591,918	140,579,864	75,547,799	
Net Contributions	-1,919,534	-3,941,260	2,703,278	
Total Gain/Loss	4,145,094	16,178,873	74,566,401	
Ending Market Value	152,817,478	152,817,478	152,817,478	

** Data displayed in Since Inception column is as of as start date of 1/1/2010. Historical market value and flow information prior to 1/1/2010 was not available from prior consultant.

The stated inception date of 1/1/2003 is the plan's performance inception date.

Blended Benchmark Composition

Allocation Mandate	Weight (%)
Blmbg. Barc. U.S. Aggregate Index	25.0
FTSE World Government Bond Index	7.5
Russell 3000 Index	36.5
MSCI AC World ex USA (Net)	20.0
NCREIF Fund Index - ODCE (net)	5.0
Short Term Inflation Protection Index	6.0

Trailing Performance Summary

	QTR	YTD	Jul-2018 To Jun-2019	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Plan	2.8	11.6	4.4	4.4	8.1	4.8	7.5	8.4	6.6	01/01/2003
Blended Benchmark	3.3	12.1	6.0	6.0	8.0	5.0	7.2	8.3	7.1	
Difference	-0.5	-0.5	-1.6	-1.6	0.1	-0.2	0.3	0.1	-0.5	

Calendar Year Performance Summary

	2018	2017	2016	2015	2014	2013	2012	2011
Total Plan	-6.1	15.9	7.1	-1.8	3.7	15.1	15.4	-0.5
Blended Benchmark	-5.3	14.9	7.4	-1.5	4.5	13.8	11.0	0.2
Difference	-0.8	1.0	-0.3	-0.3	-0.8	1.3	4.4	-0.7

Capital Markets Flash Report

August 2019

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

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

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

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

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

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

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

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

Asset Allocation

As of August 31, 2019

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Plan	157,683,377	100.0	100.0	0.0
Short Term Liquidity	6,883,019	4.4	0.5	3.9
Wells Fargo Government Money Market	6,883,019	4.4	0.5	3.9
Fixed Income	51,043,495	32.4	33.5	-1.1
Metropolitan West Total Return Bond Pl	20,060,793	12.7	13.0	-0.3
BlackRock Total Return K	20,116,605	12.8	13.0	-0.2
Templeton Global Bond R6	10,866,098	6.9	7.5	-0.6
Domestic Equity	57,454,273	36.4	40.0	-3.6
Vanguard Institutional Index	31,871,003	20.2	22.0	-1.8
Touchstone Growth Opportunities Instl	11,765,719	7.5	9.0	-1.5
DFA US Vector Equity I	13,817,550	8.8	9.0	-0.2
International Equity	26,844,826	17.0	16.0	1.0
Vanguard International Growth Adm	9,364,526	5.9	5.5	0.4
Causeway International Value Instl	8,659,483	5.5	5.5	0.0
Templeton Instl Foreign Smaller Companies Adv	3,373,064	2.1	2.0	0.1
Cape Ann Global Developing Markets	5,447,752	3.5	3.0	0.5
Real Estate	9,088,721	5.8	6.0	-0.2
Barings Core Property Fund LP	9,088,721	5.8	6.0	-0.2
Inflation Protection	6,369,043	4.0	4.0	0.0
Vanguard Short-Term Inflation Protection Adm	3,114,663	2.0	2.0	0.0
Credit Suisse Commodity Return Instl	1,536,373	1.0	1.0	0.0
iShares Gold Trust	1,718,007	1.1	1.0	0.1

Investments with a zero balance were held in the plan during the reporting period and will be removed once they no longer impact plan performance.
Asset Allocation weightings may not add up to 100% due to rounding.

Town of Glastonbury, CT Pension

Performance Update As Of August 31, 2019

Plan Performance

	Value	Performance(%)											
		1 Month	QTD	Jul-2019 To Aug-2019	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception *	Aug-2011 To Aug-2019	Inception Date
Total Plan	157,683,377	-1.3	-1.1	-1.1	10.5	1.2	6.7	4.4	6.8	7.4	6.5	6.3	01/01/2003
<i>Blended Benchmark</i>		<i>-0.4</i>	<i>-0.1</i>	<i>-0.1</i>	<i>11.9</i>	<i>3.6</i>	<i>7.0</i>	<i>4.8</i>	<i>6.8</i>	<i>7.4</i>	<i>7.0</i>	<i>6.2</i>	<i>01/01/2003</i>

Calendar Year Performance

	2018	2017	2016	2015	2014	2013	2012
Total Plan	-6.1	15.9	7.1	-1.8	3.7	15.1	15.4
<i>Blended Benchmark</i>	<i>-5.3</i>	<i>14.9</i>	<i>7.4</i>	<i>-1.5</i>	<i>4.5</i>	<i>13.8</i>	<i>11.0</i>

Allocation Mandate

	Weight (%)
Aug-2019	
90 Day U.S. Treasury Bill	0.5
Blmbg. Barc. U.S. Aggregate Index	26.0
FTSE World Government Bond Index	7.5
Russell 3000 Index	40.0
MSCI AC World ex USA (Net)	16.0
NCREIF Fund Index - ODCE (net)	6.0
Glatonbury Short Term Inflation Protection Benchmark	4.0

The Since Inception performance figure includes performance of prior consultant. FIA's performance inception date is 8/1/2011.

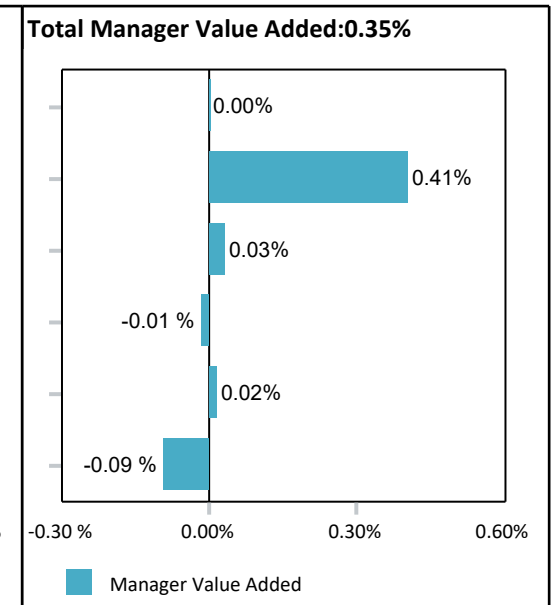
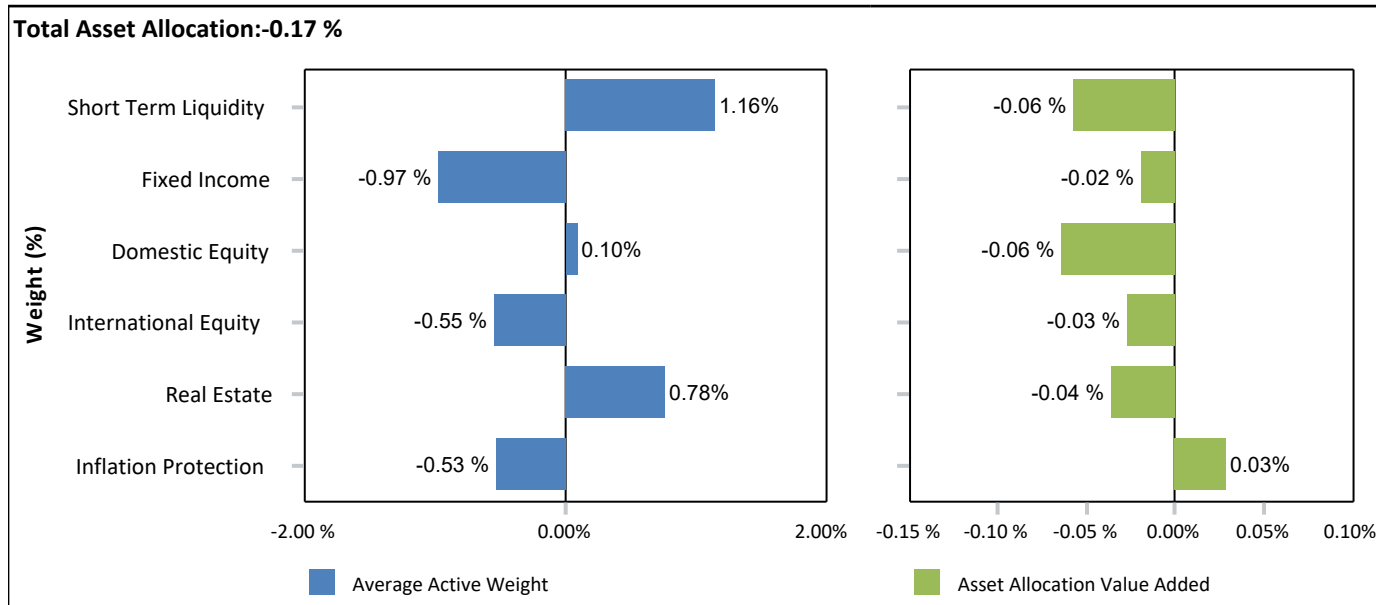
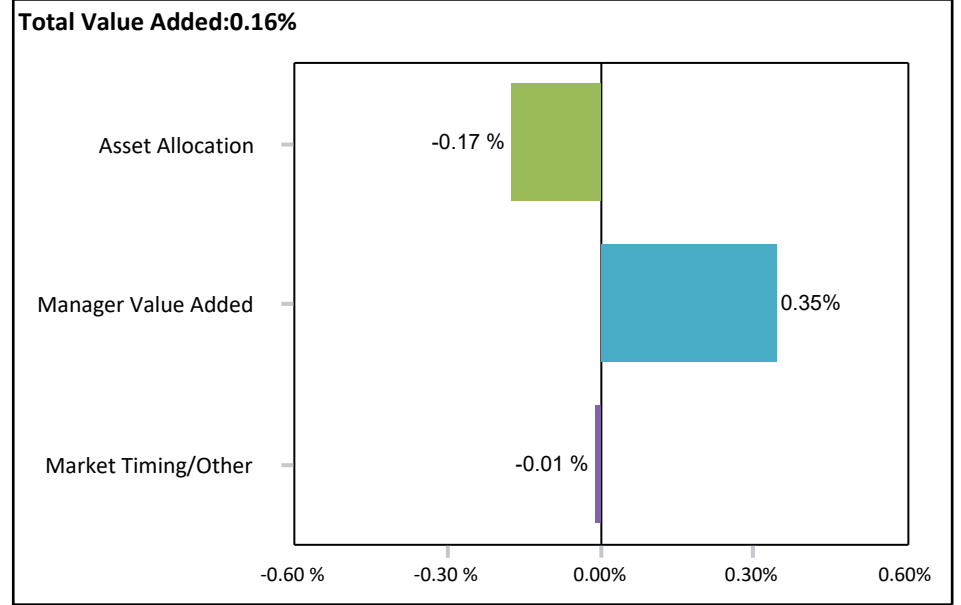
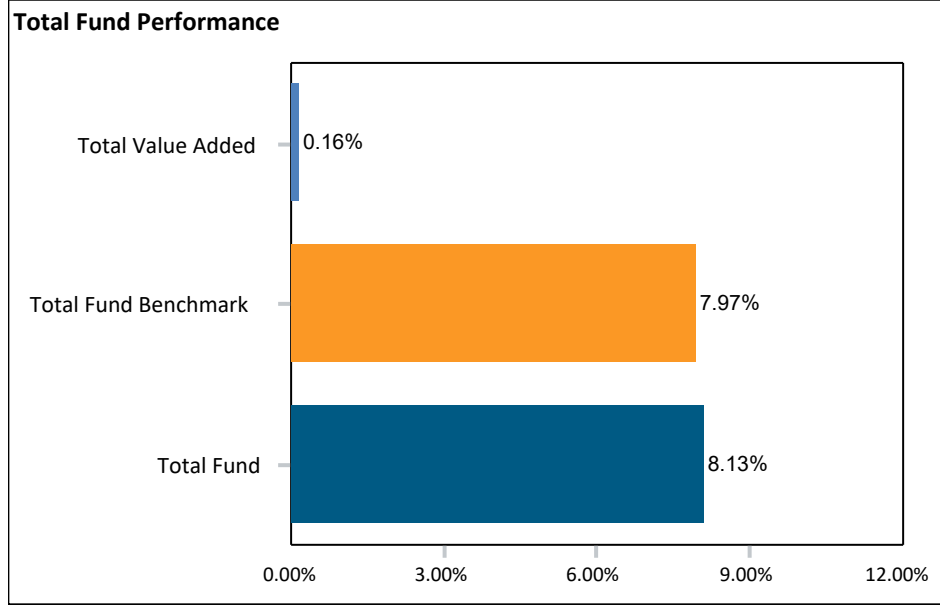
The allocation mandate represents the current benchmark composition for the portfolio. Please keep in mind that the investment objective may have changed over time.



Appendix: Portfolio Details

Total Fund Attribution

Total Plan vs. Pension Attribution Benchmark
3 Years Ending June 30, 2019



Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of June 30, 2019

	QTR	YTD	Jul-2018 To Jun-2019	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Jun-2019	Inception Date
Total Plan	2.8	11.6	4.4	4.4	8.1	4.8	7.5	6.6	6.6	01/01/2003
<i>Blended Benchmark</i>	3.3	12.1	6.0	6.0	8.0	5.0	7.2	7.1	6.4	
Wells Fargo Government Money Market	0.6	1.1	2.1	2.1	1.2	0.8	0.6	0.5	0.5	08/01/2011
<i>90 Day U.S. Treasury Bill</i>	0.6	1.2	2.3	2.3	1.4	0.9	0.6	0.6	0.6	
Fixed Income	2.8	5.9	7.5	7.5	3.3	2.7	3.4	4.2	3.5	01/01/2010
<i>Fixed Income Benchmark</i>	3.2	5.9	7.3	7.3	2.0	2.5	2.2	3.6	2.5	
Metropolitan West Total Return Bond PI	3.3 (36)	6.5 (60)	8.2 (29)	8.2 (29)	2.7 (69)	3.0 (47)	3.7 (22)	4.1 (20)	4.1 (20)	08/01/2011
<i>Blmbg. Barc. U.S. Aggregate Index</i>	3.1	6.1	7.9	7.9	2.3	2.9	2.6	3.0	3.0	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	3.1	6.8	7.8	7.8	3.1	2.9	3.1	3.5	3.5	
BlackRock Total Return K	3.5 (22)	7.0 (42)	7.9 (44)	7.9 (44)	2.9 (62)	N/A	N/A	3.2 (47)	N/A	06/01/2015
<i>Blmbg. Barc. U.S. Aggregate Index</i>	3.1	6.1	7.9	7.9	2.3	N/A	N/A	2.9	N/A	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	3.1	6.8	7.8	7.8	3.1	N/A	N/A	3.1	N/A	
Templeton Global Bond R6	0.8 (100)	2.8 (99)	5.7 (69)	5.7 (69)	4.7 (7)	1.6 (45)	3.3 (15)	2.7 (35)	2.7 (35)	08/01/2011
<i>FTSE World Government Bond Index</i>	3.6	5.4	5.5	5.5	1.0	0.8	0.9	0.8	0.8	
IM Global Fixed Income (MF) Median	3.4	6.5	6.4	6.4	2.6	1.5	2.1	2.0	2.0	
Domestic Equity	4.2	19.1	7.6	7.6	14.1	9.5	13.7	13.0	12.5	01/01/2010
<i>Domestic Equity Benchmark</i>	4.1	18.7	9.0	9.0	14.0	10.2	13.8	13.1	13.0	
Vanguard Institutional Index	4.3 (10)	18.5 (4)	10.4 (13)	10.4 (13)	14.2 (7)	10.7 (3)	14.0 (3)	13.3 (4)	13.3 (4)	08/01/2011
<i>S&P 500 Index</i>	4.3	18.5	10.4	10.4	14.2	10.7	14.0	13.3	13.3	
IM S&P 500 Index (MF) Median	4.2	18.4	10.1	10.1	13.8	10.3	13.5	12.8	12.8	
Touchstone Growth Opportunities Instl	5.3 (43)	24.5 (33)	11.8 (41)	11.8 (41)	17.8 (35)	10.1 (60)	14.9 (37)	12.8 (51)	12.8 (51)	08/01/2011
<i>Russell 3000 Growth Index</i>	4.5	21.4	10.6	10.6	17.8	13.0	15.5	14.5	14.5	
IM U.S. Multi-Cap Growth Equity (MF) Median	4.9	22.2	10.3	10.3	16.3	11.0	14.2	12.8	12.8	
DFA US Vector Equity I	3.1 (55)	16.0 (44)	-1.6 (87)	-1.6 (87)	10.6 (37)	5.9 (55)	11.9 (32)	10.5 (39)	10.5 (39)	08/01/2011
<i>Russell 3000 Value Index</i>	3.7	16.0	7.3	7.3	10.2	7.3	12.0	11.3	11.3	
IM U.S. All Cap Value Equity (SA+CF+MF) Median	3.2	15.5	3.0	3.0	10.0	6.2	11.2	10.1	10.1	

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of June 30, 2019

	QTR	YTD	Jul-2018 To Jun-2019	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Jun-2019	Inception Date
International Equity	1.5	13.9	-1.9	-1.9	9.1	2.7	6.5	4.8	4.4	01/01/2010
<i>MSCI AC World ex USA (Net)</i>	3.0	13.6	1.3	1.3	9.4	2.2	6.4	4.5	3.7	
Vanguard International Growth Adm	3.2 (85)	18.6 (33)	-0.4 (84)	-0.4 (84)	15.4 (1)	6.8 (6)	10.4 (4)	7.4 (4)	7.4 (4)	08/01/2011
<i>MSCI AC World ex USA Growth (Net)</i>	4.4	17.2	2.6	2.6	9.8	4.0	7.5	4.7	4.7	
IM International Large Cap Growth Equity (MF) Median	4.4	17.8	2.1	2.1	9.6	3.1	6.9	4.7	4.7	
Causeway International Value Instl	0.1 (99)	10.4 (49)	-4.7 (40)	-4.7 (40)	N/A	N/A	N/A	-5.3 (47)	N/A	04/01/2018
<i>MSCI EAFE Value Index (Net)</i>	1.5	9.6	-2.1	-2.1	N/A	N/A	N/A	-3.8	N/A	
IM International Large Cap Value Equity (MF) Median	1.7	10.1	-5.4	-5.4	N/A	N/A	N/A	-5.7	N/A	
Templeton Instl Foreign Smaller Companies Adv	1.6 (57)	14.5 (3)	-4.7 (29)	-4.7 (29)	9.2 (14)	3.0 (24)	7.8 (45)	5.3 (44)	5.3 (44)	08/01/2011
<i>MSCI AC World ex USA Small Cap (Net)</i>	1.2	11.6	-5.9	-5.9	7.8	2.8	7.7	4.3	4.3	
IM International SMID Cap Core Equity (MF) Median	1.8	11.5	-7.6	-7.6	7.6	2.4	7.6	5.1	5.1	
Cape Ann Global Developing Markets	0.7 (74)	11.3 (63)	N/A	N/A	N/A	N/A	N/A	8.7 (54)	N/A	12/01/2018
MSCI Emerging Markets (Net) Index	0.6	10.6	N/A	N/A	N/A	N/A	N/A	7.7	N/A	
IM Emerging Markets Equity (MF) Median	1.6	12.2	N/A	N/A	N/A	N/A	N/A	8.9	N/A	
Real Estate	1.6	3.4	6.2	6.2	6.9	8.5	8.7	9.0	7.4	01/01/2010
<i>NCREIF Fund Index - ODCE (net)</i>	0.8	2.0	5.5	5.5	6.6	8.8	9.5	10.7	9.8	
Barings Core Property Fund LP	1.6	3.4	6.2	6.2	6.9	8.5	8.7	8.7	N/A	07/01/2012
<i>NCREIF Fund Index - ODCE (net)</i>	0.8	2.0	5.5	5.5	6.6	8.8	9.5	9.5	N/A	
Inflation Protection	-0.1	6.4	-7.8	-7.8	-1.4	-6.1	-2.9	-2.3	N/A	10/01/2011
<i>Short Term Inflation Protection Index</i>	-0.2	7.8	-5.6	-5.6	0.2	-4.7	-1.5	-1.0	N/A	
Vanguard Short-Term Inflation Protection Adm	1.6 (90)	3.3 (92)	3.1 (82)	3.1 (82)	1.6 (73)	0.9 (71)	N/A	1.0 (74)	N/A	10/01/2013
<i>Bloomberg Barclays US TIPS 0-5 Year Index</i>	1.6	3.3	3.2	3.2	1.6	0.9	N/A	1.1	N/A	
IM U.S. TIPS (MF) Median	2.5	5.8	4.1	4.1	1.8	1.1	N/A	1.4	N/A	

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of June 30, 2019

	QTR	YTD	Jul-2018 To Jun-2019	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Jun-2019	Inception Date
Van Eck Global Hard Assets Inst	-0.6 (59)	12.8 (59)	-19.3 (83)	-19.3 (83)	-4.1 (88)	-11.5 (87)	-3.8 (80)	-3.4 (80)	N/A	10/01/2011
<i>S&P North American Natural Resources Sector Index</i>	-2.2	12.8	-16.5	-16.5	-2.4	-9.1	-1.9	-0.9	N/A	
IM Global Natural Resources (MF) Median	-0.5	13.1	-10.9	-10.9	2.9	-6.3	0.4	1.0	N/A	
Credit Suisse Commodity Return Instl	-1.4 (43)	4.8 (64)	-7.1 (29)	-7.1 (29)	-2.3 (58)	-9.1 (50)	N/A	-7.1 (56)	N/A	10/01/2013
<i>Bloomberg Commodity Index Total Return</i>	-1.2	5.1	-6.8	-6.8	-2.2	-9.1	N/A	-7.1	N/A	
IM Commodities General (MF) Median	-1.7	5.5	-8.7	-8.7	-1.8	-9.1	N/A	-6.8	N/A	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Your performance may differ slightly if the fund was purchased during the previous month. Actual performance is captured at the total plan level.

Investment returns are derived from custodian valuations and may deviate slightly from fund level returns displayed in other pages in your report which can result in minor differences in universe rankings. Mutual fund performance may differ from the current share class historical performance due to share class exchanges.

Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
Fixed Income		
Metropolitan West Total Return Bond PI (MWTSX)	Maintain	2Q 2019 – The MetWest Total Return Bond Fund produced a positive return during the second quarter and performed in line with the Bloomberg Barclays U.S. Aggregate Bond Index. The Federal Reserve maintained its target rate level in June, but concerns of a slowing global economy have moved the market’s expectation for future rate cuts. The potential for rate cuts, as well as a subdued inflation outlook, put downward pressure on interest rates. Spread sectors performed reasonably well, with corporate bonds outpacing Treasuries. Duration positioning was modestly beneficial as the strategy began the quarter with a longer than benchmark duration posture. The team has moved to a neutral stance now given the move in interest rates. Sector allocation had a modestly negative impact due to the strategy’s defensive posture and underweight to corporate spread duration. Allocations to CMBS and non-agency MBS helped offset the corporate underweight. Issue selection had a positive impact due to strong results within financials and communications. The MetWest team continues to position the portfolio in a defensive posture, remaining underweight corporate spread duration and favoring up in quality securities.
BlackRock Total Return K (MPHQX)	Maintain	2Q 2019 – The BlackRock Total Return strategy produced a positive absolute return and outperformed the Bloomberg Barclays U.S. Aggregate Bond Index during the second quarter. Fixed income markets benefited from declining interest rates and tightening credit spreads. This was a favorable backdrop for the strategy due to a longer duration posture compared to the benchmark and a bias toward spread sectors over Treasuries. The portfolio’s overweight to investment grade corporates had a positive impact, as did investments in CMBS, emerging markets, high yield, and non-agency mortgages. An allocation to traditional MBS securities was a modest headwind as the sector underperformed similar duration Treasuries. The team trimmed some of the corporate bond and emerging market exposure during the quarter on the heels of strong performance. The portfolio remains overweight to spread sectors but has a bias toward higher quality securities. The duration of the portfolio ended the quarter at approximately 6.2 years.
Templeton Global Bond R6 (FBNRX)	Maintain	2Q 2019 – The Templeton Global Bond Fund rose during the second quarter but underperformed its benchmark, the FTSE WGBI. Escalating trade tensions between the U.S. and China led to a broad resurgence in global risk aversion in the period causing sovereign bond yields around the world to notably decline. Amid this market environment, the fund’s negative duration exposure to U.S. Treasuries detracted from absolute performance as the yield on the 10-year note declined 40 basis points during the quarter to finish at its lowest level since November 2016. In addition, the portfolio’s net-negative position in the euro moderately detracted as the U.S. dollar depreciated against most foreign currencies. In contrast, the biggest contributor to absolute performance was the portfolio’s exposure to Brazilian duration as well as the Brazilian real. Looking forward, the team believes U.S. growth is likely to moderate from its 2018 pace but remain at or above potential in 2019, and they do not see economic conditions that indicate an imminent recession, or that justify rate cuts.

Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
Domestic Equity		
Vanguard Institutional Index (VINIX)	Maintain	In accordance with its objective, the Vanguard Institutional Index Fund sufficiently tracked its index during the quarter.
Touchstone Growth Opportunities Instl (TGVVX)	Maintain	2Q 2019 – The Touchstone Growth Opportunities Fund (sub-advised by Westfield Capital) generated a positive return during the second quarter and outpaced the Russell 3000 Growth Index. Outperformance in the period was driven by favorable security selection, while allocation effects detracted. The strength in stock picks was broad based, as real estate was the only sector to have a negative impact, which was modest. From a sector standpoint, technology, industrials and health care were the sources of greatest relative value. Technology results were boosted most from positions within the payment processing industry. During the quarter, Total Systems Services was a top contributor in the space, rising sharply following the announcement it would merge with Global Payments. Elsewhere, within industrials, Ingersoll-Rand and IHS Markit were among top relative performers. Regarding sector weightings, the portfolio was hindered by overweight positions to energy and communication services and from underweighting real estate. The portfolio’s long-term trailing returns remain challenged versus the index and peers. Much of this underperformance is style driven, as Westfield’s GARP (Growth At A Reasonable Price) approach has been out of favor, with high growth and high momentum names significantly outperforming over the last several years. Calendar year 2016 continues to weigh on results, as defensive segments outperformed early and deep cyclicals late, both areas the portfolio tends to avoid.
DFA US Vector Equity I (DFVEX)	Maintain	2Q 2019 - The DFA US Vector Fund trailed the Russell 3000 Value Index in the second quarter. The Fund's value and size premiums were headwinds this quarter as value stocks outperformed growth stocks across all size segments and large caps outperformed small caps. The Fund's general exclusion of utilities and REITs were tailwinds as both sectors underperformed the broader market during the quarter. The Fund is trailing the benchmark over the past year due to style headwinds. The Fund's deeper value bias has been out of favor as the valuation dispersion between high and low valued stock approaches levels not seen since the Tech bubble. The fund focuses on the cheaper half of the relevant universe.
International Equity		
Vanguard International Growth Adm (VWILX)	Maintain	2Q 2019 – The Vanguard International Growth Fund rose during the second quarter but underperformed its benchmark, the MSCI ACWI ex-US Growth. International equity markets were mixed and volatile in the period as U.S./China trade tensions heightened in May sparking fears of their impact on the global economy followed by central banks adopting more dovish stances in response. Growth stocks continued to significantly outpace value stocks in this market environment resulting in the largest dispersion of returns between growth and value stocks over a six-month period since the internet bubble. The portfolio’s lagging returns relative to the growth benchmark were driven by weak stock selection, particularly within the communication services, consumer discretionary, and materials sectors where holdings in Baidu, Tesla, and Umicore were the top detractors. Conversely, the only notable contributor was healthcare led by a position in Illumina. The Fund is sub-advised by Baillie Gifford and Schroder Investment Management.

Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
Causeway International Value Instl (CIVIX)	Maintain	2Q 2019 – The Causeway International Value Fund rose modestly during the second quarter but underperformed its benchmark, the MSCI EAFE Value Index, as international equity markets in aggregate advanced in the period despite heightened volatility amid a breakdown in U.S./China trade negotiations and sluggish global growth. In this environment, value stocks continued to significantly lag their growth counterparts by a substantial margin. The fund struggled during the quarter due to weak stock selection, particularly among the portfolio’s holdings in the communication services, energy, industrials, and financials sectors. Positions in Baidu, EnCana, Rolls Royce, and Barclays were among the fund’s biggest detractors. Meanwhile, these losses were partially offset by the portfolio’s lack of exposure to the weak real estate sector as well as positive stock selection in the materials, consumer discretionary, and information technology sectors led by positions in Linde, Volkswagen, and SAP.
Templeton Instl Foreign Smaller Companies Adv (TFSCX)	Maintain	2Q 2019 – The TIF Foreign Smaller Companies strategy rose during the second quarter and outperformed its benchmark, the MSCI ACW ex-US Small Cap Index. As markets endured heightened levels of volatility in the period, non-U.S. small-caps significantly lagged their large-cap counterparts and value stocks continued to underperform growth stocks by a substantial margin. Amid this market environment, the strategy’s outperformance was driven primarily by strong stock selection, most notably within the financials and consumer discretionary sectors. From a regional perspective, the portfolio benefited most from its UK and Asia ex-Japan holdings. Conversely, stock selection in the consumer staples, healthcare, and real estate sectors detracted from returns, particularly within Japan, Latin America, and the Eurozone. In addition, sector allocation in aggregate had a negative impact on performance.
Cape Ann Global Developing Markets	Maintain	2Q 2019 - The Cape Ann Global Developing Markets strategy performed in line with its benchmark, the MSCI Emerging Markets Index, for the quarter. Strained US/China trade negotiations and a dramatic slowing in Chinese economic data tested the gains that global emerging markets had registered in the first quarter. Despite significant volatility, emerging markets ended the second quarter with a slight gain. At the strategy level, Cape Ann exhibited some defensive characteristics and held up better than the benchmark during the May sell off. Top contributors over the period include Brazilian investment bank BTG Pactual (+69 bps), National Bank of Greece (“NBG”) (+63 bps), Brazilian real estate developer MRV (+59 bps), Russian retailer X5 (+53 bps), and Russian mobile payments enabler Qiwi (+44 bps). In terms of detractors, Pakistan’s D.G Khan Cement (-42 bps), Brazilian IT provider Valid (-32 bps), Korean utility KEPCO (-24 bps), Chinese green energy utility Huadian Fuxin (-23 bps), and Chinese auto manufacturer Changan (-21 bps) were the largest negative contributors. The portfolio is trading at multiples close to historic lows while still compounding capital at attractive rates.

Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
Real Estate		
Barings Core Property Fund LP	Maintain	2Q 2019 – The Barings Core Property Fund posted a gross return of 1.79% (1.61% net) during the second quarter, comprised of 1.11% income and 0.68% of appreciation, which exceeded the returns of the NFI-ODCE Index. The Fund continues to utilize a more conservative use of leverage than the majority of peers comprising the index, which has worked as a performance headwind in the strong return environment since the GFC, but continues to fade as appreciation gains have moderated. Leverage was steady (LTV of 20.1%) during the quarter and core occupancy remains high at approximately 96%. The Portfolio remains overweight to the industrials sector, with the belief there is greater value relative to most other property sectors. The group was again a driver of outperformance, which experienced strong income growth and appreciation. Strength in the office portfolio was also additive, realizing 19% same-store NOI growth. The Fund’s underweighting of retail continues to be additive, in particular due to its avoidance of malls and power centers. The Fund disposed of three assets during the quarter: San Fernando Business Center, in New York/Northern New Jersey; Legacy at Pratt Park, in Seattle; and Bardin Road Phase, in Dallas-Ft. Worth, with proceeds totaling about \$288 million. There were no direct acquisitions in the period, but the Fund made a \$19.2 million mezzanine debt investment for an apartment asset that will be built in Nashville, TN.
Inflation Hedge		
Vanguard Short-Term Inflation Protection Adm (VTAPX)	Maintain	In accordance with its objective, the Vanguard Short Term Inflation Protected Securities Index Fund sufficiently tracked its index during the quarter.
Van Eck Global Hard Assets Inst (GHAIX)	Maintain	2Q 2019 – The Van Eck Global hard Assets Fund produced a negative return during the second quarter but outpaced its index. In aggregate, as measured by the S&P North American Natural Resources Index, resource equities fell in the period. Increased market volatility and impacts of trade war uncertainty led to some dispersion among the underlying sectors. Industrial metals faltered on continued demand concerns given uncertainty on how the US-China trade war will play out. Conversely, the trade speculation was a tailwind for precious metals, as investors sought out safe-haven assets with fears of slower global growth prospects. Energy equities traded lower as oil prices weakened in the period. Against this backdrop, portfolio outperformance was driven by sector allocations, while security selection had a negative impact. Specifically, the portfolio’s overweight to metals & mining companies was the greatest tailwind in the quarter, although the positive impact was mitigated given weak selection in the group. An overweight to agriculture was also beneficial as was an out-of-benchmark stake to semiconductors. In addition to the adverse stock picks among metals & mining companies, other areas of weakness included results in oil & gas services and industrial products. The portfolio’s overweight to E&P names was also a headwind in the quarter given the mentioned drop in oil prices.

Manager Commentary

As of June 30, 2019

Manager	Manager Status	Comments
Credit Suisse Commodity Return Instl (CRSOX)	Maintain	2Q 2019 – The Credit Suisse Enhanced Commodity Index declined during the second quarter and trailed the Bloomberg Commodity Index. As measured by the BCOM, commodities fell during the period with 14 of the 23 index constituents posting losses. Livestock, industrial metals and energy served as the worst performing segments, while precious metals and agriculture both finished the period higher. Within energy, natural gas fell by over 16%, while WTI and Brent Crude contracts also traded lower on surging supplies from the U.S. and concerns on the demand outlook. Within industrial metals, rising Zinc inventories pressured prices lower, while the group more broadly faltered on continued demand concerns given uncertainty on how the US-China trade war will play out. Conversely, the trade speculation was a tailwind for precious metals, as investors sought out safe-haven assets with fears of slower global growth prospects. At the portfolio level, underperformance was primarily due to forward curve positioning in Agriculture contracts. Both roll and curve-based commodity strategies detracted, while management of cash contributed. In addition, forward positioning in industrial metals was a positive contributor in the period.

Manager Performance Overview

As of August 31, 2019

	1 Month	QTD	Jul-2019 To Aug-2019	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Aug-2019	Inception Date
Total Plan	-1.3	-1.1	-1.1	10.5	1.2	6.7	4.4	6.8	6.5	6.3	01/01/2003
<i>Blended Benchmark</i>	-0.4	-0.1	-0.1	11.9	3.6	7.0	4.8	6.8	7.0	6.2	
Wells Fargo Government Money Market	0.2	0.4	0.4	1.5	2.2	1.3	0.9	0.6	0.5	0.5	08/01/2011
<i>90 Day U.S. Treasury Bill</i>	0.2	0.4	0.4	1.6	2.4	1.5	0.9	0.7	0.6	0.6	
Fixed Income	0.7	1.2	1.2	7.1	8.4	3.5	2.8	3.1	4.3	3.6	01/01/2010
<i>Fixed Income Benchmark</i>	2.6	2.7	2.7	8.8	9.8	2.8	2.9	2.4	3.8	2.8	
Metropolitan West Total Return Bond PI	2.6 (19)	2.7 (36)	2.7 (36)	9.4 (51)	10.4 (22)	3.4 (54)	3.4 (46)	3.6 (30)	4.3 (18)	4.3 (18)	08/01/2011
<i>Blmbg. Barc. U.S. Aggregate Index</i>	2.6	2.8	2.8	9.1	10.2	3.1	3.3	2.8	3.3	3.3	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	2.3	2.6	2.6	9.4	9.7	3.5	3.3	3.2	3.7	3.7	
BlackRock Total Return K	2.3 (46)	2.7 (43)	2.7 (43)	9.9 (34)	10.2 (32)	3.6 (46)	N/A	N/A	3.7 (46)	N/A	06/01/2015
<i>Blmbg. Barc. U.S. Aggregate Index</i>	2.6	2.8	2.8	9.1	10.2	3.1	3.3	2.8	3.4	3.3	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	2.3	2.6	2.6	9.4	9.7	3.5	3.3	3.2	3.6	3.7	
Templeton Global Bond R6	-5.5 (100)	-4.0 (100)	-4.0 (100)	-1.3 (100)	2.0 (100)	3.3 (34)	0.6 (91)	2.3 (38)	2.1 (55)	2.1 (55)	08/01/2011
<i>FTSE World Government Bond Index</i>	2.7	2.2	2.2	7.7	8.4	1.9	1.4	1.0	1.1	1.1	
IM Global Fixed Income (MF) Median	1.5	1.6	1.6	7.9	8.0	2.6	1.8	1.9	2.2	2.2	
Domestic Equity	-2.4	-1.0	-1.0	17.8	-0.4	12.1	8.8	12.9	12.6	12.1	01/01/2010
<i>Domestic Equity Benchmark</i>	-2.0	-0.6	-0.6	18.0	1.3	12.2	9.6	13.1	12.8	12.6	
Vanguard Institutional Index	-1.6 (21)	-0.2 (19)	-0.2 (19)	18.3 (8)	2.9 (14)	12.7 (7)	10.1 (4)	13.3 (3)	13.0 (4)	13.0 (4)	08/01/2011
<i>S&P 500 Index</i>	-1.6	-0.2	-0.2	18.3	2.9	12.7	10.1	13.4	13.0	13.0	
IM S&P 500 Index (MF) Median	-1.6	-0.2	-0.2	18.1	2.6	12.3	9.7	12.9	12.5	12.5	
Touchstone Growth Opportunities Instl	-1.5 (49)	0.0 (49)	0.0 (49)	24.5 (35)	3.5 (43)	15.9 (37)	9.7 (60)	13.9 (45)	12.5 (52)	12.5 (52)	08/01/2011
<i>Russell 3000 Growth Index</i>	-1.0	1.1	1.1	22.8	3.1	16.6	12.7	15.1	14.4	14.4	
IM U.S. Multi-Cap Growth Equity (MF) Median	-1.6	-0.1	-0.1	22.1	2.5	14.4	10.4	13.7	12.5	12.5	
DFA US Vector Equity I	-5.2 (78)	-3.9 (73)	-3.9 (73)	11.5 (60)	-10.4 (89)	7.1 (49)	5.0 (52)	10.7 (31)	9.7 (40)	9.7 (40)	08/01/2011
<i>Russell 3000 Value Index</i>	-3.1	-2.4	-2.4	13.3	-0.6	7.9	6.5	11.1	10.8	10.8	
IM U.S. All Cap Value Equity (SA+CF+MF) Median	-3.6	-2.7	-2.7	12.4	-4.6	7.0	5.0	10.0	9.3	9.3	

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of August 31, 2019

	1 Month	QTD	Jul-2019 To Aug-2019	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Aug-2019	Inception Date
International Equity	-4.0	-5.8	-5.8	7.3	-7.2	4.9	1.6	5.2	4.0	3.6	01/01/2010
<i>MSCI AC World ex USA (Net)</i>	-3.1	-4.3	-4.3	8.8	-3.3	5.9	1.4	5.2	3.9	3.1	
Vanguard International Growth Adm	-2.6 (84)	-4.2 (85)	-4.2 (85)	13.7 (61)	-4.5 (88)	10.9 (2)	5.9 (8)	9.3 (4)	6.7 (6)	6.7 (6)	08/01/2011
<i>MSCI AC World ex USA Growth (Net)</i>	-1.8	-2.0	-2.0	14.8	0.0	7.5	3.7	6.7	4.3	4.3	
IM International Large Cap Growth Equity (MF) Median	-1.5	-2.8	-2.8	14.6	-1.4	6.4	2.8	6.1	4.2	4.2	
Causeway International Value Instl	-3.9 (63)	-6.4 (61)	-6.4 (61)	3.3 (51)	-10.5 (63)	N/A	N/A	N/A	-9.1 (64)	N/A	04/01/2018
<i>MSCI EAFE Value Index (Net)</i>	-4.1	-6.3	-6.3	2.7	-7.4	3.8	-0.8	4.5	-7.6	2.6	
IM International Large Cap Value Equity (MF) Median	-3.3	-5.6	-5.6	3.8	-9.0	2.1	-1.5	3.6	-8.7	1.7	
Templeton Instl Foreign Smaller Companies Adv	-2.9 (48)	-4.2 (52)	-4.2 (52)	9.7 (2)	-6.6 (4)	5.4 (22)	2.4 (31)	6.6 (51)	4.6 (42)	4.6 (42)	08/01/2011
<i>MSCI AC World ex USA Small Cap (Net)</i>	-2.9	-3.5	-3.5	7.7	-9.0	4.7	2.3	6.6	3.8	3.8	
IM International SMID Cap Core Equity (MF) Median	-2.9	-4.1	-4.1	6.8	-10.7	4.4	1.8	6.6	4.3	4.3	
Cape Ann Global Developing Markets	-7.3 (99)	-8.6 (97)	-8.6 (97)	1.7 (89)	N/A	N/A	N/A	N/A	-0.7 (87)	N/A	12/01/2018
<i>MSCI Emerging Markets (Net) Index</i>	-4.9	-6.0	-6.0	3.9	-4.4	5.8	0.4	3.0	1.2	0.7	
IM Emerging Markets Equity (MF) Median	-3.7	-4.8	-4.8	6.6	-2.6	5.1	0.3	2.9	3.6	0.5	
Real Estate	0.0	0.0	0.0	3.4	6.2	6.9	8.5	8.7	8.9	7.3	01/01/2010
<i>NCREIF Fund Index - ODCE (net)</i>	0.0	0.0	0.0	2.0	5.5	6.6	8.8	9.5	10.5	9.6	
Barings Core Property Fund LP	0.0	0.0	0.0	3.4	6.2	6.9	8.5	8.7	8.5	N/A	07/01/2012
<i>NCREIF Fund Index - ODCE (net)</i>	0.0	0.0	0.0	2.0	5.5	6.6	8.8	9.5	9.3	9.6	
Inflation Protection	1.6	0.2	0.2	6.6	-3.7	-1.0	-5.7	-3.7	-2.2	N/A	10/01/2011
<i>Short Term Inflation Protection Index</i>	-2.3	-3.3	-3.3	4.3	-6.7	-0.2	-4.8	-2.7	-1.4	-3.1	
Vanguard Short-Term Inflation Protection Adm	0.5 (85)	0.5 (83)	0.5 (83)	3.9 (89)	3.4 (85)	1.9 (79)	1.0 (77)	N/A	1.1 (81)	N/A	10/01/2013
<i>Bloomberg Barclays US TIPS 0-5 Year Index</i>	0.5	0.5	0.5	3.9	3.4	1.9	1.1	0.8	1.1	0.9	
IM U.S. TIPS (MF) Median	1.7	2.0	2.0	8.0	5.8	2.4	1.5	0.8	1.7	1.5	

Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

Manager Performance Overview

As of August 31, 2019

	1 Month	QTD	Jul-2019 To Aug-2019	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Aug-2019	Inception Date
Credit Suisse Commodity Return Instl	-2.4 (49)	-3.3 (43)	-3.3 (43)	1.3 (69)	-6.6 (31)	-1.1 (60)	-8.7 (50)	N/A	-7.4 (55)	N/A	10/01/2013
<i>Bloomberg Commodity Index Total Return</i>	-2.3	-3.0	-3.0	1.9	-5.9	-0.9	-8.6	-8.1	-7.4	-8.3	
IM Commodities General (MF) Median	-2.5	-3.4	-3.4	2.3	-7.6	-0.5	-8.7	-7.9	-7.1	-8.2	
iShares Gold Trust	7.7 (23)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.7 (23)	N/A	08/01/2019
LBMA Gold Price PM	8.8	10.2	10.2	21.4	29.1	5.8	3.8	-0.9	8.8	-0.6	
IM Commodities Precious Metals (MF) Median	7.0	9.8	9.8	18.6	25.5	2.6	1.1	-4.1	7.0	-4.1	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Your performance may differ slightly if the fund was purchased during the previous month. Actual performance is captured at the total plan level.

Investment returns are derived from custodian valuations and may deviate slightly from fund level returns displayed in other pages in your report which can result in minor differences in universe rankings. Mutual fund performance may differ from the current share class historical performance due to share class exchanges. ETF returns by convention can be different from the product return.

Barings Core Property Fund is valued as of last quarter-end.

Investment Statistics – Descriptions

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

Data Source Acknowledgements, Links and Disclaimers

Bloomberg Barclays Global Indices, BLOOMBERG is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively “Bloomberg”). BARCLAYS is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, “Barclays”), used under license. Bloomberg Finance L.P. and its affiliates (collectively, “Bloomberg”) or Bloomberg’s licensors own all proprietary rights in the BLOOMBERG BARCLAYS INDICES. For more information please visit <https://www.bloomberg.com/professional/product/indices/bloomberg-barclays-indices/#/>

ICE® BofAML® Bond Indices, © Copyright 2018 Intercontinental Exchange, Inc. ICE® and ICE® BofAML® are registered trademarks owned by Intercontinental Exchange, Inc. For additional information please visit <https://www.theice.com/market-data/indices>

Credit Suisse, Copyright © 1997-2018 Credit Suisse Group AG and/or its affiliates. All rights reserved. For more information please visit https://research-doc.credit-suisse.com/docView?language=ENG&format=PDF&source_id=csplusresearchcp&document_id=807177640&serialid=RoryRQMgHsUxy1uzjtLu2wRwt4tICfpGXmKix%2Fws84%3D

FTSE Russell & FTSE Nareit Indices, © Copyright FTSE Russell 2018; “FTSE Russell” is a trading name of FTSE International Limited (“FTSE”) and Frank Russell Company (“Russell”) and their respective subsidiary undertakings, which are members of the London Stock Exchange Group plc group. Nareit is the exclusive registered trademark of the National Association of Real Estate Investment Trusts. All rights in the Indexes vest in FTSE and Nareit. For more information please visit <https://www.ftserussell.com/index-series/index-spotlights>

S&P Dow Jones Indices, Copyright © 2018 S&P Dow Jones Indices LLC, a division of S&P Global. All rights reserved. For more information please visit <https://us.spindices.com/index-literacy/>

MSCI Indices, © Copyright 2018 by MSCI Inc. All rights reserved. MSCI Inc. and all other service marks referred to herein are the exclusive property of MSCI and its affiliates. All MSCI indices are the exclusive property of MSCI and may not be used in any way without express written permission of MSCI. For more information please visit <https://www.msci.com/index-methodology>

NCREIF, Copyright © 2018 National Council of Real Estate Investment Fiduciaries. Redistribution of any NCREIF data is not permitted without express written from NCREIF. For more information please visit <https://www.ncreif.org/data-products/>

HFRI® Indices, © 2018 Hedge Fund Research, Inc – All rights reserved. All data and content on HFR Database products are for your informational and personal use only. For more information please visit <https://www.hedgefundresearch.com/hfri-index-methodology>

Disclaimer: The analysis in this report was prepared by Fiduciary Investment Advisors, LLC, utilizing data from third parties and other sources including but not limited to FIA computer software and selected information in the FIA database. Reasonable care has been taken to assure the accuracy of the data contained herein, and comments are objectively stated and are based on facts gathered in good faith. These reports do not constitute investment advice with respect to the purchase, sale or disposition of individual securities. FIA disclaims responsibility, financial or otherwise, for the accuracy or completeness of this report. This report and the information contained herein was prepared solely for the internal business use of our clients. This report is confidential and cannot be reproduced or redistributed to any party other than the intended recipients without the expressed consent of FIA. FIA does not intend to benefit any third-party recipient of its work product or create any legal duty from FIA consents to the release of its work product to such third party. FIA provides a copy of its SEC Form ADV Part II to clients without charge upon request.

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 11, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *QBT* Julie Twilley, Director of Finance & Administrative Services

RE: Other Post Employment Benefit^(A) (OPEB) Annual Contribution

The FY2020 OPEB Contribution of \$776,711^(B) has been made to OPEB Fund, administered by Wells Fargo, and is currently invested in short term liquidity.

The following investment strategy is proposed to the Board of Finance for discussion. This would leave ~\$7k in short term liquidity for administrative fees and would bring the OPEB asset allocation more in-line with the newly revised Defined Benefit Retirement Plan Asset Allocation.

	DB Target	Other Post Employment Benefits (OPEB)				
		Prior to FY 2020 Contribution		Proposed Investment Strategy	Potential Asset Allocation Post Contribution ↓	
		%	\$		\$	%
Short Term Liquidity	0.5%	0.0%	\$ -	\$ 6,711	\$ 6,711	0.1%
Fixed Income	33.5%	31.1%	\$ 1,803,059	\$ 225,000	\$ 2,028,059	30.8%
Domestic Equity	40.0%	35.7%	\$ 2,068,399	\$ 545,000	\$ 2,613,399	39.7%
International Equity	16.0%	23.2%	\$ 1,344,640	\$ -	\$ 1,344,640	20.4%
Real Estate	6.0%	0.0%	\$ -	\$ -	\$ -	0.0%
Inflation Hedge	4.0%	10.1%	\$ 585,532	\$ -	\$ 585,532	8.9%
Total	100.0%	100.0%	\$ 5,801,630	\$ 776,711	\$ 6,578,341	100.0%

Note:

- (A) Other Post-Employment Benefits ("OPEB") refers to post-employment benefits other than pension benefits, including healthcare benefits regardless of the type of plan that provides them, and all other post-employment benefits provided separately from a pension plan, excluding benefits definite das termination benefits or offers.
- (B) Annual contribution made in July 2019 and includes: \$446k BOE, \$194k GPOA, \$132k Town and \$5k Housing Authority.

Cc: Nina R. Cousins, Controller

**GLASTONBURY BOARD OF FINANCE
REGULAR MEETING MINUTES
WEDNESDAY, JULY 17, 2019**

The Glastonbury Board of Finance with Finance Director, Julie Twilley, and Town Manager, Richard J. Johnson, in attendance, held a regular meeting at 4:00 p.m. in the Meeting Room A, 2155 Main Street, Glastonbury, Connecticut.

Also in attendance was Chris Kachmar from FIA.

Roll Call

Members

Mr. Constantine "Gus" Constantine, Chairman
Mr. Jared Soper, Vice Chairman
Mr. James McIntosh {called in}
Mr. Walter Cusson
Mr. James Zeller
Ms. Jennifer Sanford

1. **Public Comment Session (sign in sheet provided) none**

2. **Action / Communication: Chris Kachmar from FIA**

a. Action: Proposed Target Asset Allocation to adjust Inflation Hedge and International Equities

Mr. Kachmar reviewed the July 2019 BOF meeting materials, noting that he integrated all of the requests made at the last BOF meeting, such as trimming some of the international equities and eliminating the Van Eck global hard assets. Mr. Soper agreed with the general direction that Mr. Kachmar laid out and suggested a few changes. Listed below is a summary of Mr. Soper's remarks.

- The Town will need to change its investment policy guidelines.
- Mr. Soper agreed with moving the Inflation Hedge strategy from 6% to 4% and eliminating the Van Eck assets, but asked if there is a way to reduce the Credit Suisse fee of 1%, so that the Town can move towards hard assets as a protection strategy, as opposed to just a global overall commodity.
- Mr. Soper suggested moving the target of the Barings Core Property Fund from 5% to 6%.
- He suggested reducing International Equities from the 17.5% proposed to just 16%.
- He supported leaving the Domestic Equities target of 40%, but adding a midcap ETF, either Vanguard or iShares.
- The Vice Chairman noted that about \$800,000 a month is distributed to beneficiaries. He suggested keeping 4 months of the current deposit in cash, as well as an additional \$6 million in cash, which will then be allocated back to

various strategies over the next 6 months. Mr. Soper explained that keeping it in cash would yield almost the same return as bonds.

Motion by: Mr. Zeller

Seconded by: Mr. Soper

BE IT RESOLVED, that the Glastonbury Board of Finance hereby approves the change of the target allocation ranges to the following:

- Domestic Equities: 25.00% minimum weight to 45.00% maximum weight
- International Equities: 10.00% minimum weight to 30.00% maximum weight
- Money Market: 0% minimum weight to 7.50% maximum weight

Result: Motion passed unanimously (6-0-0).

Motion by: Mr. Soper

Seconded by: Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance hereby approves the asset allocation targets for each component as the following:

- Short Term Liquidity (cash): 0.5%
- Fixed Income (bonds): 33.5%
- Domestic Equities: 40%
- International Equities: 16%
- Inflation Protection: 4%

Result: Motion passed unanimously (6-0-0).

Motion by: Mr. Soper

Seconded by: Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance hereby approves the Real Estate asset allocation target of 6%.

Disc: Ms. Sanford explained that due to a conflict of interest, she cannot vote on this motion.

Result: Motion passed with one abstention (5-0-1).

b. Communication: Review of June Flash Report

Mr. Kachmar noted that the calendar year performance is up about 11%. He explained that he will go into further detail on this report during the next BOF meeting.

3. Communication: Minutes – June 19, 2019

Accepted as presented.

4. Communication: Pension Report – May 2019

Ms. Twilley reviewed the report dated June 17, 2019.

5. Communication: Month End Investments – May 2019

Ms. Twilley reviewed the report dated June 28, 2019.

6. Communication: Financial Summary (Revenue & Expenditure) for 12 months - June 2019

Ms. Twilley reviewed the report dated July 9, 2019. She noted that these numbers will change. Mr. Zeller asked if any more thought has been given to allocating a portion to healthcare. Mr. Johnson explained that if there is an opportunity to do something else, they will present it in September.

7. Communication: Education Reconciliation – May 2019

Ms. Twilley reviewed the report dated July 1, 2019.

8. Communication: Capital Projects – June 2019

Ms. Twilley reviewed the report dated July 9, 2019. Mr. Soper suggested delineating which capital projects are done on an annual basis and which are bigger, one-time projects. Mr. Zeller and Ms. Sanford agreed. Mr. Johnson said that he will look into it. Mr. Cusson asked about the status of the bike path from Western Boulevard. Mr. Johnson explained that all of the permits are in place and the easements have been executed, but they are waiting on the bid signoff from the DOT. Mr. Cusson also asked when Addison Road will be repaved and if it is covered under warranty. Mr. Johnson explained that there was a bad patch of pavement put down on one side, so the contractor agreed to do it over at no cost.

9. Communication: Self Insurance Reserve Fund – June 2019

Ms. Twilley reviewed the report dated July 2, 2019. Mr. Soper asked if the Town Manager has any timeframe as to when the Town Council will make a decision on which way to go. Mr. Johnson said sometime this fall.

10. Communication: Transfers Approved by Town Manager Since Last Meeting (None)

11. Action: Transfers over \$5,000 (None)

12. Communication: \$1.71m Bond Anticipation Note Sale

Ms. Twilley reviewed the report dated July 10, 2019.

13. Communication: Elderly Homeowners Tax Credit Update

Ms. Twilley reviewed the report dated June 19, 2019. Mr. Soper asked why it is biannual. Mr. Johnson said it is because of the state. Mr. Zeller expressed that it is a very good program but requested the grid to see the actual breakdown of how much it helps people.

14. Communication: Economic Development Report

Mr. Johnson reviewed the report dated July 11, 2019, noting that the Board had requested information detailing the economic development in Glastonbury. Mr. Zeller asked if there is any way to facilitate greater opportunities. Mr. Soper asked if a cost-benefit analysis could be conducted to see if the projects that the Town pursues are in their best financial interests.

15. Board of Finance member Committee Reports, comments and remarks (no action to be taken)

Mr. Constantine said that the PBC has not met yet. Mr. Soper announced that he will not run for another term at the BOF. As of August 31, 2019, he will step down as the Vice Chairman, but before doing so, he would like to nominate Ms. Sanford as his replacement. Mr. Soper will remain as a member of the BOF through the end of his term.

16. Action: Add Item 17 to the agenda

Motion by: Mr. Zeller

Seconded by: Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance hereby adds Item 17 to the agenda.

Result: Motion passed unanimously (6-0-0).

17. Action: Election of New Officer

Motion by: Mr. Soper

Seconded by: Mr. Zeller

BE IT RESOLVED, that the Glastonbury Board of Finance accepts the resignation of Mr. Jared Soper as Vice Chairman of the Glastonbury Board of Finance, effective August 31, 2019, and elects Ms. Jennifer Sanford as the new Vice Chairman.

Result: Motion passed unanimously (6-0-0).

18. Adjournment

Motion by: Mr. Soper

Seconded by: Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance moves to adjourn their meeting of July 17, 2019, at 5:48 p.m.

Result: Motion passed unanimously (6-0-0).

Respectfully submitted,

Lilly Torosyan

Lilly Torosyan

Recording Clerk

For anyone seeking more information about this meeting, a video on demand is available at www.glastonbury-ct.gov/video; click on Public Broadcast Video On Demand, and an audio recording is available in the Finance and Administrative Services Office.

TOWN OF GLASTONBURY

BOF 9/18/19
Item # 5a

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *JB* Julie Twilley, Director of Finance & Administrative Services

RE: Unaudited General Fund Revenues, Transfers and Expenditures for
Fiscal year Ended June 30, 2019

A summary of General Fund Results of Operations through fiscal year end June 30, 2019 is attached. Unaudited results for the twelve months ended June 30, 2019 show an Operating Gain of \$2.9m*. Note that year-end entries continue to be booked, and preliminary indications suggest a slight increase in the Operating Gain.

**This Operating Gain reflects an additional employer contribution to the Health Self Insurance Fund of \$292.7k. It does not reflect an additional transfer of \$120.3k to the Health Self Insurance Fund, which is pending BOF approval.*

Revenue Summary:

Revenues through June 30, 2019 total \$166.3m, largely comprised of tax revenue of \$151.0m and intergovernmental revenue of \$8.6m. This represents an increase of \$1.2m over budget and an increase of \$5.5m when compared to the previous year for the same period.

Key drivers of the favorable budget variance include:

- Tax Revenues collected were approximately \$0.6m more than budgeted, the majority of which related to the increase on the Current Levy and higher Supplemental Motor Vehicle collections.
- Intergovernmental Revenues received were \$0.3m higher than planned, driven by ECS Cost Sharing and State Stabilization Grant.
- Other Revenues exceeded budget by \$0.5m, driven by interest on investments.

Key drivers of the favorable year-over-year variance include:

- Tax Revenues collected were \$3.4m higher in the current year, driven by the Current Levy.
- A Transfer of \$1.4m was made to the General Fund from Capital Projects as part of the multi-year repayment plan for the Elementary School Air Conditioning Project.
- Intergovernmental Revenues received were \$0.5m higher than the prior year, driven by ECS Cost Sharing.

Expenditure Summary:

Expenditures and transfers out through June 30, 2019 total \$163.5m, which includes outstanding encumbrances and capital outlay carryforwards. This represents 99% of the Town's revised general fund budget of \$165.2m, or a \$1.7m favorable variance to budget. The budget variance is largely driven by vacancies within Youth & Family, Library, Police Department and Engineering, as well as favorable Casualty Insurance premiums and claims volume (i.e. fewer deductible payments). Expenditures and transfers out are \$1.9m higher than actual results from the prior year, which represents a 1.2% increase.

Revenues exceeded expenditures and transfers out as of June 30, 2019, resulting in an Operating Gain of \$2.9m. Based on these results, the unassigned fund balance totals \$27.3m and represents 17.4% of 2019 actual expenditures.

Cc: Nina R. Cousins, Controller

Town of Glastonbury
General Fund Results of Operations
FY2019 (Estimated) Compared to FY2018

	2019 (Estimated)	2018
Total Revenues	\$ 166,265,763	\$ 160,721,061
Total Expenditures	156,497,970	154,197,129
Transfers Out	6,850,219	7,422,115
Operating Gain (Loss)	<u>2,917,574</u>	<u>(898,183)</u>
Beginning Fund Balance	<u>25,757,528</u>	<u>26,655,711</u>
Ending Fund Balance	<u><u>28,675,102</u></u>	<u><u>25,757,528</u></u>
Fund Balance:		
Nonspendable	225,431	202,704
Assigned	1,193,863	1,678,597
Unassigned	27,255,809	23,876,227
Total	<u><u>\$ 28,675,102</u></u>	<u><u>\$ 25,757,528</u></u>
Unassigned Fund Balance as % of Expenditures	<u><u>17.4%</u></u>	<u><u>15.5%</u></u>
Next Year's Budgeted Revenue	\$ 166,007,626	\$ 162,350,789

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *QBT* Julie Twilley, Director of Finance & Administrative Services

RE: Year End Contribution to Health Self Insurance Fund

Additional funds are available to supplement the Health Self Insurance Fund. The first source does not require Board of Finance approval, whereas a potential transfer from Deductible and Casualty Accounts does require approval.

Communication: Annual Additional Employer Contribution:

Consistent with past practice, at year-end, the Employee Related Insurance accounts are reviewed and favorable actual to budget variances are used to fund an additional employer contribution to the Health Self Insurance Fund. Examples of favorable variances include vacancies for which a full-year of benefits were budgeted and other employee election benefit changes. An additional employer contribution, derived from these favorable variances for FY 2018/2019, has been made in the amount of \$292.7k.

For BOF Approval: Transfer from Deductible & Casualty Accounts:

Additional favorable actual to budget variances of \$120.3k could be transferred to the Employee Related Insurance account so that another employer contribution in the amount of \$120.3k could be made to the Health Self Insurance Fund. The favorable variances are available from the following:

- \$32.1k in Deductible Favorability
 - The Town had a good year with relatively few claims. As a result, out of a budget of \$60k for deductible expenses, a favorable variance of \$32,100 exists.
- \$88.2k in Casualty Insurance Favorability
 - At the time the FY 2018 – 2019 Budget was proposed, the Casualty Insurance rates were uncertain and a modest increase to the budget was projected. The actual renewal came in closer to flat, resulting in a favorable variance of \$88.2k.

As of the end of August, the Town's Health Self Insurance Fund had an \$87k deficit balance. If an additional contribution of \$120.3k is made, the resulting balance of the Town's Health Self Insurance Fund would be +\$33.3k.

Cc: Nina R. Cousins, Controller

TOWN OF GLASTONBURY
TRANSFER OF FUNDS

FUND	GENERAL FUND
SOURCE OF FUNDS	WITHIN DEPARTMENT
ACTION REQUIRED	TOWN MANAGER, BOARD OF FINANCE.

REASON FOR TRANSFER:

Additional funding is available to supplement the Health Self Insurance Fund. See related Memo.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
Insurance Pensions – Claims Serv & Retro Chgs (Deductibles)	01535-43640	\$32,100
Insurance Pensions – Casualty Insurance	01535-43632	\$88,200

TRANSFER TO	ACCOUNT CODE	AMOUNT
Insurance Pensions – Employee Related Insurance	01535-43633	\$120,300

Date 9-9-19

Town Manager



Date _____

Board of Finance

TOWN OF GLASTONBURY
ADMINISTRATIVE SERVICES - Financial Administration

BOF 9/18/19
Item # 5c.i

August 22, 2019

TO: Board of Finance
Water Pollution Control Authority

FROM: *JBT* Julie Twilley, Director of Finance & Administrative Services

RE: Sewer Operating and Sewer Sinking Funds – June 30, 2019

Attached are comparative financial statements for the Sewer Operating and Sewer Sinking Funds through the fiscal year ended June 30, 2019 and 2018.

SEWER OPERATING FUND

Results from Operations:

Revenues generated through June 30, 2019 total \$2.77m reflecting a slight decrease from the prior year of \$53k. This decrease is primarily due to lower sewer use, which was partially offset by higher interest on investments. The sewer use rate for the November 1, 2018 billing was \$3.05/ccf.

Expenditures and transfers out total \$2.98m through June 30, 2019 which is \$95k more than the prior year. The majority of the increase is related to higher Utilities/Communications, Repair and Maintenance, Pensions and Contractual Services Costs.

For the year ended June 30, 2019, there was a surplus of revenues and transfers in over expenditures of \$264k compared to \$344k in the prior year.

Balance Sheet:

Assets as of June 30, 2019 total \$3.0m and liabilities total \$189k. The total fund balance as of June 30, 2019 is \$2.8m, of which \$1.5m is committed for capital infrastructure and \$1.4m is committed for operations and debt service.

SEWER SINKING FUND

Results from Operations:

Revenues generated through June 30, 2019 total \$634k reflecting an increase of \$424k compared to the prior fiscal year. The increase is attributable to higher sewer assessment connection principal and interest on investments. Investment income generated by this Fund was transferred to the Sewer Operating Fund to offset Clean Water Fund payments to the State.

In addition, the current year saw a lower unrealized loss on investments. Investments (i.e. laddered CDs held for up to seven years) are shown at fair market value. In general, when interest rates are rising, unrealized losses are recognized. Note that CDs are held to maturity. An actual loss would only occur if the CDs were sold prior to their maturity date. The reduction in the unrealized loss on investments is related to the interest rate environment in FY2019 relative to that of FY2018.

There are no reported expenditures through June 30, 2019. Transfers from the Sewer Sinking Project Fund of \$75k pertained to capital projects that were closed out and the related funds returned to the Sewer Sinking Fund. Transfers to the Sewer Sinking Project Fund of \$1.7m pertained to the Cider Mill Pump Station Project.

Balance Sheet:

The balance sheet as of June 30, 2019 reflects total assets of \$12.7m. Liabilities consist of deferred revenues of \$541k, and Sewer Replacement Escrows of \$109k. As of June 30, 2019 Fund Balance Committed for Capital Infrastructure is \$12.1m, a decrease of \$1.3m from the prior year, largely driven by the Cider Mill Pump Station Project transfer.

Cc: Richard J. Johnson, Town Manager
Michael Bisi, Superintendent / Sanitation
Daniel Pennington, Manager of Physical Services
Nina Cousins, Controller

Town of Glastonbury
Sewer Sinking and Sewer Operating Funds
Balance Sheet
June 30, 2018 and 2019
(Unaudited)

	Sewer Sinking		Sewer Operating	
	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>
Assets:				
Cash and temporary Investments	\$13,408,388	\$12,081,219	\$2,628,161	\$2,973,001
Accounts receivable:				
Connection charges	481,906	540,882	-	-
Assessments and use charges	-	-	54,078	41,775
Delinquent use charges	-	-	-	24,528
Accrued revenue	19,147	16,691	4,815	-
Developer's sewer replacement escrow	91,033	109,406	-	-
Prepaid expenses	-	-	-	-
Total assets	<u><u>\$14,000,474</u></u>	<u><u>\$12,748,198</u></u>	<u><u>\$2,687,054</u></u>	<u><u>\$3,039,305</u></u>
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 52,253	\$ 75,784
Wages payable	-	-	24,362	46,457
Deferred revenue	480,382	540,882	24,939	66,304
Sewer replacement escrow	91,033	109,406	-	915
Total liabilities	<u>571,415</u>	<u>650,288</u>	<u>101,554</u>	<u>189,460</u>
Fund balance:				
Committed for capital infrastructure	13,429,059	12,097,910	1,469,782	1,469,782
Committed for operations and debt service	-	-	1,115,718	1,380,063
Total fund balance	<u>13,429,059</u>	<u>12,097,910</u>	<u>2,585,500</u>	<u>2,849,845</u>
Total liabilities and fund balance	<u><u>\$14,000,474</u></u>	<u><u>\$12,748,198</u></u>	<u><u>2,687,054</u></u>	<u><u>\$3,039,305</u></u>

Town of Glastonbury
Sewer Sinking and Sewer Operating Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Years Ended June 30, 2018 and 2019
(Unaudited)

	Sewer Sinking		Sewer Operating	
	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019
Revenues:				
Interest on investments	\$235,796	\$304,010	\$32,697	\$58,930
Unrealized investment income (loss)	(201,208)	(31,368)	-	-
Lien fees	72	120	7,783	4,673
Sewer use—current	-	-	2,651,622	2,621,005
Sewer use--delinquent	-	-	52,657	28,659
Connection principal	141,595	325,272	-	-
Connection interest	33,429	33,856	-	-
Interest on delinquent use fees	-	-	43,373	33,890
State grants	-	-	7,009	2,643
Septic tank charges	-	-	18,337	16,789
Miscellaneous	-	1,713	6,141	45
Total revenues	<u>209,684</u>	<u>633,603</u>	<u>2,819,619</u>	<u>2,766,633</u>
Expenditures:				
Wages full-time	-	-	641,840	616,242
Wages part-time	-	-	-	10,707
Wages other	-	-	41,431	56,054
Office supplies	-	-	2,284	2,598
Operating supplies	-	-	20,226	22,967
Repair and maintenance supplies	-	-	21,732	45,263
Training and dues	-	-	897	1,759
Contractual services	-	-	285,657	305,504
Employee related insurance	-	-	168,419	149,754
Pensions	-	-	208,005	231,241
Data processing	-	-	2,771	2,200
Vehicle maintenance	-	-	3,047	3,396
Equipment maintenance	-	-	20,243	30,261
Facilities maintenance	-	-	19,146	10,315
Printing and reproduction	-	-	510	902
Uniforms	-	-	2,704	3,088
Utilities/communications	-	-	287,722	331,668
Office equipment and furniture	-	-	3,517	5,261
Machinery and equipment	-	-	7,325	-
Road/Sewer Projects	-	-	-	3,440
Debt sewers	-	-	1,148,679	1,148,679
Total expenditures	<u>-</u>	<u>-</u>	<u>2,886,155</u>	<u>2,981,298</u>
Transfers:				
From General Fund	-	-	175,000	175,000
From Sewer Sinking Fund	-	-	235,796	304,010
From Sewer Sinking Project Fund	-	75,258	-	-
To Sewer Operating Fund	(235,796)	(304,010)	-	-
To Sewer Sinking Projects Fund	(2,500)	(1,736,000)	-	-
Total transfers in	<u>(238,296)</u>	<u>(1,964,752)</u>	<u>410,796</u>	<u>479,010</u>
Excess (deficiency) of revenues and transfers in over expenditures	(28,612)	(1,331,149)	344,260	264,345
Fund balance, July 1	<u>13,457,671</u>	<u>13,429,059</u>	<u>2,241,240</u>	<u>2,585,500</u>
Fund balance, June 30	<u>\$13,429,059</u>	<u>\$12,097,910</u>	<u>\$2,585,500</u>	<u>\$2,849,845</u>

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 12, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *JBT* Julie Twilley, Director of Finance & Administrative Services

RE: Recreation Activities and Police Private Duty Funds – June 30, 2019

Attached are comparative financial statements for the Recreation Activities and Police Private Duty Funds through June 30, 2019 and 2018.

RECREATION ACTIVITIES FUND

At June 30, 2019, the Recreation Activities Fund revenues exceeded expenditures by \$94k, compared to \$93k in the prior year.

Revenues (Program Fees) through June 30, 2019 totaled \$1.4m, an increase of \$120k. This increase was driven by the following factors: the summer of 2019 ran the full number of weeks for camps/swim lessons, whereas the summer of 2018 had one fewer weeks as a result of schools getting out later due to make-up days for snow storms, increased capacity of Camp Discovery and new program offerings.

Expenditures through June 30, 2019 totaled \$1.3m, an increase of \$119k. The change was driven largely by an increase in Part-Time Wages of \$100k and Program Expenditures of \$18k, which was driven by an increase in staffing for Camp Discovery to accommodate increased enrollment, as well as movement of the Kangaroo Kids program to the Rec Activities Fund.

Note that the Fund Balance, as of June 30, is higher than other periods of the year due to timing of revenues and expenditures. Summer camp revenues are collected during the spring, whereas expenditures for these camps are largely incurred in July and August.

POLICE PRIVATE DUTY FUND

This fund accounts for revenues and expenditures associated with private duty services provided to businesses or other organizations. At June 30, 2019, expenditures exceeded revenues by \$130k and the fund balance was \$399k. Note that quite often, a deficit balance is initially shown at year-end due to the timing delay between when payroll expenditures are booked versus when the associated revenue is collected from third parties.

Of the \$234k reported as pension expense in FY2019, \$209k was allocated towards the Town's recommended pension contribution.

Cc: Richard J. Johnson, Town Manager
Marshall Porter, Chief of Police
Lisa Zerio, Director of Parks & Recreation
Nina Cousins, Controller

**Town of Glastonbury
Recreation Activities and Police Private Duty
Balance Sheet
June 30, 2018 and 2019
(Unaudited)**

	Recreation Activities		Police Private Duty	
	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019
ASSETS				
Cash and temporary investments	\$ 1,104,409	\$ 1,216,018	\$ 417,148	\$ 401,502
Prepaid expenses	5,080	8,605	-	-
Extra duty services receivable	-	-	122,759	120,237
Accrued revenue receivable	-	-	-	-
Total assets	<u>\$ 1,109,489</u>	<u>\$ 1,224,623</u>	<u>\$ 539,907</u>	<u>\$ 521,739</u>
LIABILITIES & FUND BALANCE				
Liabilities:				
Accounts payable	\$ 36,715	\$ 60,152	\$ -	\$ -
Wages payable	\$ 55,195	\$ 52,760	\$ 8,072	\$ 2,881
Deferred extra duty services	-	-	3,093	120,237
Total liabilities	<u>91,910</u>	<u>112,912</u>	<u>11,165</u>	<u>123,118</u>
Fund balance:				
Nonspendable	5,080	8,605	-	-
Assigned	1,012,499	1,103,106	528,742	398,621
Total fund balance	<u>1,017,579</u>	<u>1,111,711</u>	<u>528,742</u>	<u>398,621</u>
Total liabilities and fund balance	<u>\$ 1,109,489</u>	<u>\$ 1,224,623</u>	<u>\$ 539,907</u>	<u>\$ 521,739</u>

**Town of Glastonbury
Recreation Activities and Police Private Duty
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2018 and 2019
(Unaudited)**

	Recreation Activities		Police Private Duty	
	June 30, 2018	June 30, 2019	June 30, 2018	June 30, 2019
Revenues:				
Program fees	\$ 1,290,827	\$ 1,410,470	\$ -	\$ -
Unrealized investment income (loss)				
Police private duty	-	-	612,584	466,239
Total revenues	1,290,827	1,410,470	612,584	466,239
Expenditures and transfers out:				
Wages	633,371	733,596	344,011	346,096
Contractual services	434,965	428,158	-	-
Employee related insurance	3,922	3,166	-	16,021
Pensions	46,595	54,630	250,845	234,243
Programs	78,828	96,788	-	-
Machinery and equipment	-	-	-	-
Total expenditures	1,197,681	1,316,338	594,856	596,360
Transfers out:				
To General Fund	-	-	-	-
Total transfers out	-	-	-	-
Total expenditures and transfers out	1,197,681	1,316,338	594,856	596,360
Excess (deficiency) of revenues over expenditures and transfers out	93,146	94,132	17,728	(130,121)
Fund balance, July 1	924,433	1,017,579	511,014	528,742
Fund balance, June 30	\$ 1,017,579	\$ 1,111,711	\$ 528,742	\$ 398,621

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: **GBT** Julie Twilley, Director of Finance & Administrative Services

RE: Capital Outlay Carry Forward

Pursuant to the Town Charter, I have authorized the Controller to carry forward available funding for capital items that were not ordered or committed by June 30, 2019. The Charter allows for these items to be carried forward for up to three years to assure that the work will be completed in accordance with its original intent.

The following funds will be carried forward into FY2019/2020:

Department	Amount	Comment
Fire		
Office Equipment & Furniture	\$ 4,600	Overhead Projector for Training at Co. 1
Building Inspection		
Office Equipment & Furniture	\$ 17,000	Building Inspection Permitting Software System
Police		
Vehicles & Trucks	\$ 22,625	PD Vehicle
Improvements (Land & Building)	\$ 14,564	PD Animal Control Shelter Drain Repair Completion
Machinery & Equipment	\$ 4,748	PD Medical Supplies
TOTAL	\$ 63,536	

Cc: Nina R. Cousins, Controller

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *GBT* Julie Twilley, Director of Finance & Administrative Services

RE: Encumbrance Carry Forward

Attached for Board of Finance review and action is the June 30, 2019 outstanding encumbrance list which represents obligations for goods and services not received by June 30, 2019. These encumbrances are recommended to be carried forward to the 2019/2020 fiscal year appropriations from Fund Balance.

Please recommend re-appropriation to the Town Council as follows:

BE IT RESOLVED that the Board of Finance recommends to the Town Council the approval of the FY18/19 carry forward of encumbrances totaling \$195,000.79 for the General Fund and \$21,080.00 for the Sewer Operating Fund, as appropriations from Fund Balance.

Attachment

C: Nina Cousins, Controller

Town of Glastonbury
Encumbrance Carry Forward from FY19 to FY20
Goods and Services Ordered But Not Received by June 30, 2019

Department	PO No.	Vendor	Amount	Description
GENERAL FUND				
Accounting	59016	RTB Inc.	18,612.50	Document Management System Implementation
Financial Administration	63026	Tyler Technologies	19,240.00	Tyler Technologies Modules (Payroll/HR)
Fire	63027	Red Thread Spaces LLC	3,302.00	Office Furniture
Health	63138	B. Weyland Smith Consulting	7,990.00	Public Health Block Grant
Parks and Recreation	58871	Winterberry Irrigation LLC	5,940.50	Irrigation Upgrades
	63055	Big Belly Solar Inc.	5,194.50	Trash Compactor for Center Green
Police	62720	Telrepc	32,790.00	PD SUV Computer/Equipment
	62978	New England Traffic Solutions	3,446.25	PD Speed Sign
	63078	Lenco Industries	14,356.00	PD SWAT van windows
Refuse Disposal	63030	Cooper Tank LLC	11,600.00	45 Cubic Yard Compaction Container
	62277	TRC Environmental	10,061.37	Bulky Waste Closeout Evaluation
Facilities Maintenance	63063	Automated Building Systems Inc.	15,735.00	Server Upgrade for HVAC System
Town Manager	63035	Granicus Inc.	12,000.00	Town Website Redesign / Accessibility Work
	63045	Blum Shapiro	6,900.00	IT Security Assessment
	62619	Wellspeak Dugas & Kane	3,000.00	Appraisal
Town Council	63045	Blum Shapiro	22,000.00	IT Security Assessment
Probate Services	62987	Red Thread Spaces LLC	2,832.67	Probate Two Cabinets
Total General Fund			<u>195,000.79</u>	
SEWER OPERATING FUND				
	63048	Jensen Machine	1,430.00	Matson Hill Pump Station - Pump Shaft
	63566	Jensen Machine	1,205.00	High St Pump Station – Pump Shaft
	63069	Grundfos	17,038.00	High St Pump Station – Pump Casing
	63042	Beacon Light	1,407.00	High St Pump Station Variable Freq. Drive Motor Starter
Total Sewer Operating Fund			<u>21,080.00</u>	

Board of Finance Clerk

Date

Town Council Clerk

Date

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *QBT* Julie Twilley, Director of Finance & Administrative Services

RE: Capital Projects to be Closed

After reviewing the status of capital projects with the project administrators and the Town Manager, we have determined the following projects are complete and will be closed as of June 30, 2019. The remaining balances for the following projects total \$233,838.38, which will be transferred back to the Capital Reserve Fund.

- Griswold House St. Intersection
- Main Street Traffic Signal
- Multi-Town Dispatch Center
- Carpet Replacement – Schools
- School Communications

In addition, a review of the Hebron Avenue / House Street Improvement capital project was performed. While this project will remain open and some funding will remain for outstanding invoices and future needs, \$273,185.00 will be transferred back to the Capital Reserve Fund as of June 30, 2019.

Cc: Nina Cousins

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *QBT* Julie Twilley, Director of Finance & Administrative Services

RE: Fiscal Year End June 30, 2019 Intra-Department Transfers Under \$5,000

Fiscal Year 2018/2019 Intra-Department Transfers **under** \$5,000 totaling \$68,131.00 are attached for your review. These do not require Board of Finance approval.

Attachment

C: Nina Cousins, Controller

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - UNDER \$5,000

FROM	TO
GENERAL GOVERNMENT	
Town Council	
01111 40430 Wages Part-time	01111 40440 Wages Other
\$ 642	\$ 642
Town Manager	
01113 40440 Wages Other	01113 40430 Wages Part-time
\$ 2,075	\$ 2,023
	01113 42540 Office Supplies
\$ 2,075	\$ 52
	\$ 2,075
Human Resources	
01114 43660 Professional Services	01114 40440 Wages Other
\$ 3,331	\$ 217
	01114 42540 Office Supplies
\$ 3,331	\$ 3,114
	\$ 3,331
01114 42580 Training & Dues	01114 43650 Printing/ Reproduction
\$ 4,608	\$ 248
	01114 43670 Programs
\$ 4,608	\$ 4,360
	\$ 4,608
Facilities Maintenance	
05082 43644 Equipment Maintenance	05082 42550 Operating Supplies
\$ 1,003	\$ 732
	05082 44730 Machinery & Equipment
\$ 1,003	\$ 271
	\$ 1,003

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - UNDER \$5,000

FROM			TO		
COMMUNITY DEVELOPMENT					
Community Development					
01215	43634	Pensions	\$	2,290	
					01215 40410 Wages Full-Time \$ 1,990
					01215 42540 Office Supplies \$ 300
			<u>\$</u>	<u>2,290</u>	<u>\$ 2,290</u>
Building Inspection					
01217	43635	Data Processing	\$	1,361	
					01217 42540 Office Supplies \$ 1,286
					01217 43650 Printing/ Reproduction \$ 75
			<u>\$</u>	<u>1,361</u>	<u>\$ 1,361</u>
Fire Marshal					
01240	40430	Wages Part-time	\$	3,956	
					01240 40410 Wages Full-Time \$ 66
					01240 40440 Wages Other \$ 2,968
					01240 42540 Office Supplies \$ 43
					01240 43633 Employee Related Ins \$ 878
					01240 43680 Uniforms \$ 1
			<u>\$</u>	<u>3,956</u>	<u>\$ 3,956</u>
Health					
01257	43660	Professional Services	\$	2,898	
					01257 42550 Operating Supplies \$ 23
					01257 43633 Employee Related Ins \$ 2,875
			<u>\$</u>	<u>2,898</u>	<u>\$ 2,898</u>

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - UNDER \$5,000

FROM				TO			
ADMINISTRATIVE SERVICES							
Financial Administration							
01519	40410	Wages Full Time	\$ 2,001	01519	40430	Wages Part-time	\$ 3,887
01519	40440	Wages Other	\$ 2,308	01519	42540	Office Supplies	\$ 749
01519	42550	Operating Supplies	\$ 415	01519	43644	Equipment Maintenance	\$ 88
			<u>\$ 4,724</u>				<u>\$ 4,724</u>
01519	43650	Printing/ Reproduction	<u>\$ 988</u>	01519	43649	Legal / Advertising	<u>\$ 988</u>
Accounting							
01521	42580	Training & Dues	\$ 4,248	01521	40410	Wages Full-Time	\$ 1,121
			<u>\$ 4,248</u>	01521	40440	Wages Other	\$ 858
				01521	43633	Employee Related Ins	\$ 2,269
							<u>\$ 4,248</u>
Property Assessment							
01523	40440	Wages Other	<u>\$ 1,867</u>	01523	40410	Wages Full-Time	<u>\$ 1,867</u>
Revenue Collection							
01525	43650	Printing/ Reproduction	<u>\$ 1,091</u>	01525	43633	Employee Related Ins	<u>\$ 1,091</u>
Town Clerk							
01527	40410	Wages Full-Time	\$ 1,140	01527	42540	Office Supplies	\$ 437
			<u>\$ 1,140</u>	01527	43644	Equipment Maintenance	\$ 352
				01527	43660	Professional Services	\$ 351
							<u>\$ 1,140</u>
Voter Registration							
01529	42580	Training & Dues	\$ 208	01529	40430	Wages Part-time	\$ 71
01529	43634	Pensions	\$ 2,095	01529	42540	Office Supplies	\$ 3,963
01529	43650	Printing/ Reproduction	\$ 1,763	01529	44710	Office Equip/Furniture	\$ 32
			<u>\$ 4,066</u>				<u>\$ 4,066</u>

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - UNDER \$5,000

FROM				TO			
PUBLIC SAFETY							
Police							
02037	40410	Wages Full-Time	\$ 2,285	02037	40430	Wages Part-time	\$ 2,285
02037	43680	Uniforms	\$ 742	02037	43646	Facilities Maintenance	\$ 742
			<u>\$ 3,027</u>				<u>\$ 3,027</u>
Volunteer Ambulance							
02038	43646	Facilities Maintenance	<u>\$ 151</u>	02038	43690	Utilities/Communications	<u>\$ 151</u>
Fire							
02039	43635	Data Processing	\$ 3,744	02039	42580	Training & Dues	\$ 139
				02039	43634	Pensions	\$ 2,843
				02039	43690	Utilities/Communications	\$ 762
			<u>\$ 3,744</u>				<u>\$ 3,744</u>
Civil Preparedness							
02041	42540	Office Supplies	<u>\$ 127</u>	02041	43690	Utilities/Communications	<u>\$ 127</u>
PHYSICAL SERVICES							
Engineering							
03043	40410	Wages Full-Time	\$ 3,890	03043	40440	Wages Other	\$ 3,890
03043	43650	Printing/ Reproduction	\$ 223	03043	42540	Office Supplies	\$ 223
			<u>\$ 4,113</u>				<u>\$ 4,113</u>
Highway							
03045	44730	Machinery & Equipment	<u>\$ 3,027</u>	03045	40430	Wages Part-time	<u>\$ 3,027</u>
03045	44740	Improvements Land & Bldgs	<u>\$ 2,064</u>	03045	43634	Pensions	<u>\$ 2,064</u>

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - UNDER \$5,000

FROM	TO
SANITATION	
Refuse Disposal	
03253 40440 Wages Other \$ 3,455	03253 40410 Wages Full-Time \$ 2,502
03253 43644 Equipment Maintenance \$ 603	03253 43630 Contractual Services \$ 334
03253 43690 Utilities/Communications \$ 367	03253 43633 Employee Related Ins \$ 1,394
\$ 4,425	\$ 4,425
 HUMAN SERVICES	
Youth and Family Services	
04065 43660 Professional Services \$ 2,113	04065 43670 Programs \$ 2,113
\$ 2,113	\$ 2,113
 LEISURE CULTURE	
Parks/Recreation	
05073 42560 Repair & Maintenance Supply \$ 3,387	05073 43630 Contractual Services \$ 3,387
\$ 3,387	\$ 3,387
 Welles Turner Library	
05077 43650 Printing/ Reproduction \$ 1,665	05077 42540 Office Supplies \$ 37
	05077 43630 Contractual Services \$ 94
	05077 43646 Facilities Maintenance \$ 1,534
\$ 1,665	\$ 1,665
 TOTAL INTRADEPARTMENTAL TRANSFERS UNDER \$5,000	
\$ 68,131	\$ 68,131


 Town Manager

9-11-19
 Date

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *JBT* Julie Twilley, Director of Finance & Administrative Services

RE: Fiscal Year End June 30, 2019 Intra-Department Transfers Over \$5,000

Fiscal Year 2018/2019 Intra-Department Transfers **over** \$5,000 totaling \$994,469 are attached for your review and approval. These transfers require Board of Finance approval.

SUGGESTED RESOLUTION:

The Board of Finance approves the June 30, 2019 intra-department transfers over \$5,000 in the amount of \$994,469.

Attachment

C: Nina Cousins, Controller

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - OVER \$5,000

FROM			TO			EXPLANATION FOR TRANSFERS	
GENERAL GOVERNMENT							
Town Manager			Town Manager				
01113	43649	Legal / Advertising	\$	7,182	01113 40410 Wages Full-Time	\$ 12,128	Budget to actual variance
01113	43650	Printing/ Reproduction	\$	8,248	01113 43639 TECHNOLOGY USE CHARGES	\$ 6,162	Town Website redesign/accessibility work
01113	43660	Professional Services	\$	2,860			
Human Resources			Facilities Maintenance				
01114	40430	Wages Part-time	\$	12,856	05082 40430 Wages Part-time	\$ 38,141	Increased support of events at RCC and Boathouse
01114	43649	Legal / Advertising	\$	4,783	05082 43633 Employee Related Ins	\$ 16,958	Employee election change
Facilities Maintenance			05082 43690 Utilities/Communications			\$ 15,186	Electrical contract term ended; new rates negotiated
05082	40410	Wages Full-Time	\$	16,374			
05082	40440	Wages Other	\$	8,051			
05082	42540	Office Supplies	\$	225			
05082	42580	Training & Dues	\$	69			
05082	43630	Contractual Services	\$	1,304			
05082	43634	Pensions	\$	2,145			
05082	43635	Data Processing	\$	2			
05082	43639	TECHNOLOGY USE CHARGES	\$	1			
05082	43642	Vehicle Maintenance	\$	6,431			
05082	43644	Equipment Maintenance	\$	200			
05082	43646	Facilities Maintenance	\$	15,341			
05082	43650	Printing/ Reproduction	\$	350			
05082	43680	Uniforms	\$	1,847			
05082	44710	Office Equip/Furniture	\$	13			
05082	44740	Improvements (Land & Bldg.)	\$	293			
			\$	<u>88,575</u>		<u>\$ 88,575</u>	
COMMUNITY DEVELOPMENT							
Community Development			Community Development				
01215	40430	Wages Part-time	\$	5,428	01215 43633 Employee Related Ins	\$ 5,480	Employee election change
01215	43650	Printing/ Reproduction	\$	52			
Building Inspection			Building Inspection				
01217	40410	Wages Full-Time	\$	14,712	01217 40430 Wages Part-time	\$ 7,197	Backfill of full-time vacancies
01217	42580	Training & Dues	\$	126	01217 43633 Employee Related Ins	\$ 7,641	Employee election change
			\$	<u>20,318</u>		<u>\$ 20,318</u>	


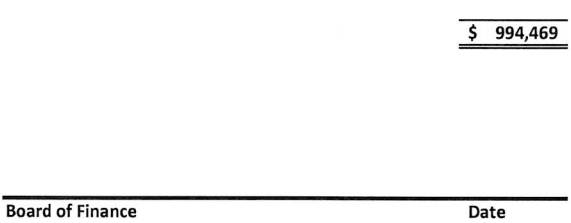
TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - OVER \$5,000

FROM			TO			EXPLANATION FOR TRANSFERS
ADMINISTRATIVE SERVICES						
Financial Administration			Financial Administration			
01519	42550	Operating Supplies	\$	32	01519 43633 Employee Related Ins	\$ 19,910 Employee election change
01519	42580	Training & Dues	\$	1,475		
01519	43634	Pensions	\$	3,482	Voter Registration	
01519	43635	Data Processing	\$	1,571	01529 40440 Wages Other	\$ 2,674 Increase in voter turnout and associated work
01519	43639	TECHNOLOGY USE CHARGES	\$	840		
01519	43650	Printing/ Reproduction	\$	851	Legal Services	
01519	43660	Professional Services	\$	475	01531 43630 Contractual Services	\$ 46,179 Budget to actual variance
01519	43690	Utilities/Communications	\$	490	01531 43663 Tn Atty Primary	\$ 43,442 Budget to actual variance
01519	44710	Office Equip & Furn	\$	889		
Property Assessment			Insurance/Pensions			
01523	42580	Training & Dues	\$	2,016	01535 43634 Pensions	\$ 14,226 Budget to actual variance
01523	43660	Professional Services	\$	9,805		
Revenue Collection						
01525	40410	Wages Full-Time	\$	6,656		
01525	42540	Office Supplies	\$	1,752		
01525	42580	Training & Dues	\$	1,255		
01525	43630	Contractual Services	\$	17,976		
Town Clerk						
01527	40410	Wages Full-Time	\$	2,436		
Voter Registration						
01529	42580	Training & Dues	\$	51		
01529	43644	Equipment Maintenance	\$	187		
Legal Services						
01531	43661	Tn Atty Prior	\$	25,000		
01531	43662	TnAtty PrYr Alternate	\$	13,675		
01531	43664	Tn Atty Labor	\$	11,911		
Probate Services						
01533	42540	Office Supplies	\$	3,182		
01533	42550	Operating Supplies	\$	6,735		
01533	43635	Data Processing	\$	512		
01533	44710	Office Equip/Furniture	\$	967		
Insurance/Pensions						
01535	42580	Training & Dues	\$	2,700		
01535	43660	Professional Services	\$	9,510		
			\$	<u>126,431</u>		\$ <u>126,431</u>

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - OVER \$5,000

FROM				TO				EXPLANATION FOR TRANSFERS
PUBLIC SAFETY								
Police				Police				
02037	40410	Wages Full-Time	\$ 212,145	02037	40440	Wages Other	\$ 212,145	DUI grant; Increased Town paving duty
02037	43635	Data Processing	\$ 21,069	02037	43633	Employee Related Ins	\$ 8,686	Employee election change
02037	43642	Vehicle Maintenance	\$ 704	02037	43634	Pensions	\$ 32,112	Related to increased FICA & Medicare (Wages Other)
02037	43644	Equipment Maintenance	\$ 19,025					
Fire				Fire				
02039	40430	Wages Part-time	\$ 13,554	02039	43630	Contractual Services	\$ 6,578	Increase in cost of OSHA required physicals for firefighters
02039	42550	Operating Supplies	\$ 1,675	02039	43642	Vehicle Maintenance	\$ 8,651	Two fire engines required extensive repairs to motors
			<u>\$ 268,172</u>				<u>\$ 268,172</u>	
PHYSICAL SERVICES								
Engineering				Engineering				
03043	43635	Data Processing	\$ 5,939	03043	43633	Employee Related Ins	\$ 16,188	Employee election change
03043	43660	Professional Services	\$ 10,249					
Highway				Highway				
03045	42510	Drainage Materials	\$ 11,365	03045	40410	Wages Full-Time	\$ 7,782	Budget to actual variance
03045	42520	Grounds/Roadside Material	\$ 16,744	03045	40440	Wages Other	\$ 66,466	Winter storms
03045	42530	Highway Materials	\$ 56,764	03045	43642	Vehicle Maintenance	\$ 65,751	Emergency storm repairs and paving preparation
03045	42540	Office Supplies	\$ 1,195	03045	43690	Utilities/Communications	\$ 9,858	Electrical contract term ended; new rates negotiated
03045	42550	Operating Supplies	\$ 4,651					
03045	42565	Snow/ Ice Materials	\$ 942	Fleet Maintenance				
03045	42570	Traffic Control Supplies	\$ 2,410	03047	40440	Wages Other	\$ 13,570	Winter storms
03045	42580	Training & Dues	\$ 2,766	03047	43690	Utilities/Communications	\$ 10,338	Electrical contract term ended; new rates negotiated
03045	43630	Contractual Services	\$ 18,849					
03045	43635	Data Processing	\$ 450					
03045	43644	Equipment Maintenance	\$ 1,739					
03045	43650	Printing/ Reproduction	\$ 750					
03045	43680	Uniforms	\$ 2,881					
03045	44710	Office Equip/Furniture	\$ 156					
03045	44720	Vehicles & Trucks	\$ 295					
03045	44730	Machinery & Equipment	\$ 6					
03045	44740	Improvements Land & Bldgs	\$ 641					
Fleet Maintenance								
03047	40410	Wages Full-Time	\$ 13,294					
03047	40430	Wages Part-time	\$ 10,614					
03047	42550	Operating Supplies	\$ 1,582					
03047	42580	Training & Dues	\$ 4,368					
03047	43630	Contractual Services	\$ 21,303					
			<u>\$ 189,953</u>				<u>\$ 189,953</u>	

TOWN OF GLASTONBURY
FY2019 YEAR-END TRANSFERS WITHIN DEPARTMENTS - OVER \$5,000

FROM				TO				EXPLANATION FOR TRANSFERS	
HUMAN SERVICES									
Senior & Community Services				Senior & Community Services					
04067	40440	Wages Other	\$ 3,969	04067	40410	Wages Full-Time	\$ 7,732	Employee separations	
04067	42540	Office Supplies	\$ 2,790	04067	40430	Wages Part-time	\$ 14,529	Increased usage; PT wage review and adjustment	
04067	42580	Training & Dues	\$ 4,369	04067	43633	Employee Related Ins	\$ 9,236	Employee election change	
04067	43642	Vehicle Maintenance	\$ 2,034						
04067	43644	Equipment Maintenance	\$ 10,150						
04067	43670	Programs	\$ 8,185						
			<u>\$ 31,497</u>				<u>\$ 31,497</u>		
LEISURE CULTURE									
Parks/Recreation				Parks/Recreation					
05073	40430	Wages Part-time	\$ 23,266	05073	40410	Wages Full-Time	\$ 14,723	Employee separations	
05073	40440	Wages Other	\$ 14,757	05073	43642	Vehicle Maintenance	\$ 23,300	Increase in outside repairs/parts for mowers and skid steers	
			<u>\$ 38,023</u>				<u>\$ 38,023</u>		
DEBT AND TRANSFERS									
Debt Service				Debt Service					
06085	45765	Debt Sewers	\$ 175,000	06089	49992	To Capital Projects Fund	\$ 56,500	Administrative-debt service transfer	
06085	45767	Debt Temporary Notes	\$ 56,500	06089	49996	To Sewer Operating	\$ 175,000	Administrative-debt service transfer	
			<u>\$ 231,500</u>				<u>\$ 231,500</u>		
TOTAL INTRADEPARTMENTAL TRANSFERS OVER \$5,000			<u>\$ 994,469</u>				<u>\$ 994,469</u>		
									
Town Manager			Date	Board of Finance			Date		

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *JBT* Julie Twilley, Director of Finance & Administrative Services

RE: Fiscal Year End June 30, 2019 Inter-Department Year-End Transfers

Fiscal Year 2018/2019 Inter-Department Transfers totaling \$18,233 are attached for your review and approval. These transfers require Board of Finance and Town Council approval.

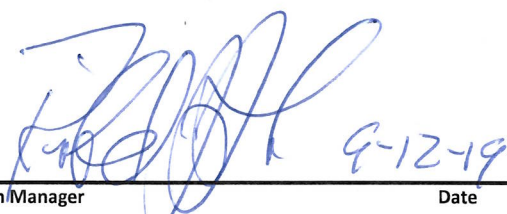
SUGGESTED RESOLUTION:

The Board of Finance approves the June 30, 2019 inter-department transfers in the amount of \$18,233.

Attachment

C: Nina Cousins, Controller

**TOWN OF GLASTONBURY
FY2019 YEAR-END INTERDEPARTMENTAL TRANSFERS**

FROM				TO				EXPLANATION FOR TRANSFERS	
SANITATION				SANITATION					
Refuse Disposal				Refuse Disposal					
03253	42540	Office Supplies	188.00	03253	40430	Wages Part-time	7,491.00	Transferred out funds for compactor container	
03253	42550	Operating Supplies	436.00	03253	43642	Vehicle Maintenance	10,742.00	Unanticipated repairs on satellite recycling containers	
03253	42560	Repair & Maintenance Supply	407.00						
03253	42580	Training & Dues	2,336.00						
03253	43634	Pensions	861.00						
03253	43635	Data Processing	314.00						
03253	43680	Uniforms	330.00						
03253	44730	Machinery & Equipment	2,400.00						
HUMAN SERVICES									
Youth and Family Services									
04065	40410	Wages Full-Time	10,961.00						
			18,233.00				18,233.00		
									
Town Manager	Date			Board of Finance	Date			Town Council	Date

DEPARTMENT OF FINANCE & ADMINISTRATIVE SERVICES

August 23, 2019

BOF 9/18/19
Item # 6

TO: Board of Finance & Richard J. Johnson, Town Manager
 FROM: *JBT* Julie Twilley, Director of Finance & Administrative Services
 RE: Pension Investment Review - July 2019

As of July 31, 2019 the pension asset value is \$161,174,111, a net increase of \$7,874,858 from July 1, 2019. Through the month of July, the fund experienced an unrealized gain of \$331,036, which is indicative of the current market and there were realized losses of \$81,408. Investment income through July totaled \$164,302.

July 1, 2019 Balance	\$ 153,299,253
Revenues:	
Employer Contributions	\$ 8,170,908
Employee Contributions	\$ 134,558
Total Contributions	\$ 8,305,466
Investment Income	\$ 164,302
Realized Gains/Losses	\$ (81,408)
Unrealized Gains/Losses	\$ 331,036
Total Revenues	\$ 8,719,395
Expenditures:	
Benefit Payments	\$ 809,999
Administrative Fees	\$ 11,995
Investment Management Fees	\$ 22,543
Total Expenditures	\$ 844,538
Net Increase/Decrease	\$ 7,874,858
Ending Balance July 31, 2019	\$ 161,174,111

Assuming a 6.5% long-term return on the plan's investments, the July 1, 2018 Unfunded Accrued Liability is \$58.4 million (GASB 68 financial reporting basis) and the corresponding funded ratio is 71.6%. The Town's policy for paying off the unfunded liability is such that there are 14 years remaining in our amortization schedule.

cc: Nina Cousins, Controller
 Karen Bonfiglio, Finance Manager, Glastonbury Public Schools

Town of Glastonbury

**Administrative Services
Accounting Division**

September 9, 2019

To: Board of Finance
Richard J. Johnson, Town Manager

From: *NRC* Nina R. Cousins, Controller

Subject: Monthly Investment Status

Pooled Investments

The Town's pooled cash investment balances at July 31, 2019 were \$116,049,355. As of month-end, the investment balances for all funds combined were as follows:

Type of Investment	Amount	Rate	
STIF	\$ 40,875,346	2.35	
Citizens Bank	1,210,427	1.80	
Northern Capital Investment Account	11,332,659	1.30-3.40	Est. current accrued interest \$30,909
Northern Capital Sewer Funds	9,160,389	1.20-3.25	Est. current accrued interest \$15,133
People's United Investments	38,361,309	2.27	
United Bank Money Market	6,755,629	2.02	
TD Bank Investments	1,066,878	1.97	
TD Bank CD	<u>7,286,718</u>	2.34	Matures 8/27/19
Total	<u>\$116,049,355</u>		

General Fund Earnings

- The General Fund portion of pooled investments at July 31 was \$78.0 million.
- As of July 31, the General Fund has realized investment earnings of \$84,073.
- As of July 31, Sewer Sinking funds totaling \$7,610,516 were invested in fully-insured CDs and \$1,416,508 were invested in US Government Agency securities with terms varying from 6 months to seven years, with current-year realized investment earnings of \$10,237.

Comparative information concerning General Fund earnings follows.

Fiscal Year	Budget	Realized Investment Earnings July	Percent of Budget
2019	\$800,000	58,910	7.36%
2020	\$1,500,000	84,073	5.60

cc: Julie Twilley, Director of Finance

TOWN OF GLASTONBURY
ADMINISTRATIVE SERVICES - Financial Administration

BOF 9/18/19
Item # 8

September 10, 2019

TO: Board of Finance and
 Richard J. Johnson, Town Manager

FROM: JBT Julie Twilley, Director of Finance & Administrative Services

RE: Financial Summary for the Two Months Ended August 31, 2019 (FY 2019/20)

Expenditure Summary:

Through August 31, 2019, encumbrances total \$82.3m and expenditures total \$27.0m. Combined, this represents 66% of the Town's revised general fund budget of \$166.3m. This compares to \$86.7m and \$27.9m respectively, or 70%, for the same period in the prior year.

The expenditure decrease of \$1.0m is comprised of a \$1.9m decrease in Debt/Transfers, which is partially offset by increases in Education expenditures of \$0.6m and Town expenditures of \$0.3m. Of the reduction in Debt/Transfers, \$0.9m is driven by timing (July and August principal and interest payments will be booked in September) and \$1.0m is driven by permanent variances (a \$1.2m reduction in debt service costs, which is partially offset by an increase in the transfer to the Capital Reserve Fund from \$5.75m in FY2018/2019 to \$6.0m in FY2019/2020). The variance in Education and Town is mostly related to higher wage and benefit rates as well as a higher pension contribution this year. The year-over-year increase in Pension contribution for Education was \$121k and for the Town was \$170k. Note that the assumed long-term rate of return on investments was reduced from 6.625% in FY2018/2019 to 6.5% in FY2019/2020.

Below is an Expenditure & Transfer summary report through August 31, 2019.

FINANCIAL COMPARISONS

The below comparison includes Education encumbrance amounts not reflected in the Town's system Reports.

Fiscal Year	Amend/Budget	Expended	Encumbered	Comit %
<u>2018/2019</u>				
Town	\$ 42,452,562	\$ 10,604,968	\$ 16,769,507	64%
Education	105,366,982	8,603,445	63,952,288	69%
Debt/Transfers	14,967,804	8,723,805	5,974,032	98%
<u>2019/2020</u>				
Town	\$ 43,592,562	\$ 10,885,210	\$ 16,722,299	63%
Education	108,699,846	9,197,271	65,576,601	69%
Debt/Transfers	13,973,755	6,870,732	-	49%

Note that Debt Service Expenditures and Encumbrances will be booked in September.

Expenditure comparisons of the three major Town Departments are presented below:

	2018/2019	%	2019/2020	%
ADMIN SERVICES	\$ 1,449,337	24%	\$ 1,454,626	23%
PUBLIC SAFETY	4,135,426	29%	4,354,122	30%
PHYSICAL SERVICES	1,486,736	21%	1,555,713	21%

cc: Karen Bonfiglio, Finance Manager
 Nina R. Cousins, Controller

TOWN OF GLASTONBURY
CURRENT YEAR EXPENDITURES BY DIVISION
FY 2020 Through August 31, 2019

9/4/2019
8:57:43AM

FUND 010 - GENERAL FUND

DESCRIPTION	2020 ORIGINAL BUDGET	2020 REVISED BUDGET	2020 THRU AUGUST	2020 ENCUMB	AVAILABLE BALANCE	2020 % USED
GENERAL GOVERNMENT						
TOWN COUNCIL	143,233	165,233	59,693	27,132	78,408	52.5%
CUSTOMER SERVICE	60,316	60,316	-	-	60,316	-
TOWN MANAGER	615,550	637,450	138,154	315,197	184,098	71.1%
HUMAN RESOURCES	507,055	507,055	90,388	223,600	193,067	61.9%
FACILITIES MAINTENANCE	1,985,648	2,001,383	459,699	686,810	854,874	57.3%
TOTAL GENERAL GOVERNMENT	3,311,802	3,371,437	747,934	1,252,740	1,370,763	59.3%
COMMUNITY DEVELOPMENT						
COMMUNITY DEVELOPMENT	562,910	562,910	112,695	297,286	152,929	72.8%
BUILDING INSPECTION	552,405	569,405	132,179	262,897	174,329	69.4%
FIRE MARSHAL	359,192	359,192	101,019	152,563	105,610	70.6%
HEALTH	727,422	735,412	165,715	359,612	210,085	71.4%
TOTAL COMMUNITY DEVELOPMENT	2,201,929	2,226,919	511,608	1,072,358	642,953	71.1%
ADMINISTRATIVE SERVICES						
FINANCIAL ADMINISTRATION	676,644	695,884	111,031	342,081	242,772	65.1%
INFORMATION TECHNOLOGY	840,403	840,403	185,953	284,820	369,630	56.0%
ACCOUNTING	449,625	468,238	114,229	270,130	83,878	82.1%
PROPERTY ASSESSMENT	677,385	677,385	205,999	257,836	213,550	68.5%
REVENUE COLLECTION	497,684	497,684	169,562	292,058	36,064	92.8%
TOWN CLERK	546,198	546,198	136,460	274,241	135,498	75.2%
VOTER REGISTRATION	170,200	170,200	12,538	7,650	150,013	11.9%
LEGAL SERVICES	300,000	300,000	4,603	-	295,397	1.5%
PROBATE SERVICES	24,800	27,633	1,239	17,237	9,157	66.9%
INSURANCE/PENSIONS	2,030,799	2,030,799	513,012	231,702	1,286,085	36.7%
TOTAL ADMINISTRATIVE SERVICES	6,213,738	6,254,423	1,454,626	1,977,754	2,822,043	54.9%
PUBLIC SAFETY						
POLICE	13,396,071	13,488,599	4,161,938	5,626,060	3,700,601	72.6%
VOLUNTEER AMBULANCE	20,820	20,820	1,479	1,561	17,780	14.6%
FIRE	1,131,961	1,139,863	189,834	123,879	826,150	27.5%
CIVIL PREPAREDNESS	31,202	31,202	871	339	29,991	3.9%
TOTAL PUBLIC SAFETY	14,580,054	14,680,484	4,354,122	5,751,839	4,574,523	68.8%
PHYSICAL SERVICES						
ENGINEERING	1,657,000	1,657,000	467,238	698,433	491,330	70.3%
HIGHWAY	4,534,907	4,534,907	794,505	1,789,491	1,950,911	57.0%
FLEET MAINTENANCE	1,265,363	1,265,363	293,970	500,512	470,881	62.8%
TOTAL PHYSICAL SERVICES	7,457,270	7,457,270	1,555,713	2,988,436	2,913,122	60.9%
SANITATION						
REFUSE DISPOSAL	859,961	881,622	153,752	397,119	330,752	62.5%
TOTAL SANITATION	859,961	881,622	153,752	397,119	330,752	62.5%
HUMAN SERVICES						
CONTRIBUTORY GRANTS	32,577	32,577	-	-	32,577	-
YOUTH/FAMILY SERVICES	1,301,056	1,301,056	290,284	528,038	482,734	62.9%
SENIOR & COMMUNITY SERVICES	1,630,871	1,630,871	340,334	526,903	763,634	53.2%
TOTAL HUMAN SERVICES	2,964,504	2,964,504	630,619	1,054,940	1,278,945	56.9%

TOWN OF GLASTONBURY
CURRENT YEAR EXPENDITURES BY DIVISION
FY 2020 Through August 31, 2019

9/4/2019
8:57:43AM

FUND 010 - GENERAL FUND

DESCRIPTION	2020 ORIGINAL BUDGET	2020 REVISED BUDGET	2020 THRU AUGUST	2020 ENCUMB	AVAILABLE BALANCE	2020 % USED
LEISURE/CULTURE						
PARKS/RECREATION	3,942,912	3,954,047	1,034,020	1,489,417	1,430,609	63.8%
WELLES TURNER LIBRARY	1,786,855	1,786,855	427,816	737,695	621,345	65.2%
SOUTH GLASTONBURY LIBRARY	7,500	7,500	7,500	-	-	100.0%
EAST GLASTONBURY LIBRARY	7,500	7,500	7,500	-	-	100.0%
TOTAL LEISURE/CULTURE	5,744,767	5,755,902	1,476,836	2,227,112	2,051,954	64.4%
OTHER:DEBT & TRANSFERS						
DEBT SERVICE	7,157,157	7,157,157	54,134	-	7,103,023	0.8%
TRANSFERS	6,816,598	6,816,598	6,816,598	-	-	100.0%
TOTAL OTHER:DEBT & TRANSFERS	13,973,755	13,973,755	6,870,732	0	7,103,023	49.2%
EDUCATION						
EDUCATION	108,699,846	108,699,846	9,423,429	-	99,276,417	8.7%
TOTAL EDUCATION	108,699,846	108,699,846	9,423,429	0	99,276,417	8.7%
TOTAL GENERAL FUND	166,007,626	166,266,163	27,179,371	16,722,299	122,364,493	26.4%

GLASTONBURY PUBLIC SCHOOLS

TO: Board of Education
Board of Finance
FROM: Alan B. Bookman, Superintendent
Karen Bonfiglio, Finance Manager
DATE: August 26, 2019
RE: Reconciliation
Education General Fund Total Expenditures &
Checking Accounts for All Programs

- 1) The Education and Town staff has agreed as to the total expenditures for the Education Budget, in concert with the Town's control totals.
The year to date General Fund expenditures through July 2019 is \$4,990,086.
- 2) Checking Account Reconciliations:

<u>ACCOUNT TITLE</u>	<u>Date Completed By Education</u>	<u>Date Reviewed By Town</u>
<u>General Fund:</u>		
Accounts Payable	08/06/19	08/26/19
Payroll	08/06/19	08/26/19
<u>Other Funds:</u>		
Educational Grants	08/06/19	08/26/19
Student Activities	08/13/19	08/26/19
School Foods	08/13/19	08/26/19
Dependent Care	08/12/19	08/26/19
Planetarium	08/13/19	08/26/19

cc: Nina Cousins, Controller

Note: Reconciliation of checking accounts will generally follow a two month time frame after the applicable month for which the report is being prepared. We would suggest that we do not expect to complete reconciliations until that time. In completion of various accounting functions, administrative assignments will also stagger the work for those reconciliations.

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 10, 2019

TO: Board of Finance
FROM: **GBT** Julie Twilley, Director of Finance & Administrative Services
RE: Capital Projects Fund Expenditures Report
For the Period Ended August 31, 2019 (FY 2019/2020)

The funding presented on this statement has been authorized by referendum, the annual Capital Improvement Program and additional appropriations from the Capital Reserve Fund balance as noted below. The Capital Program designation includes funding resources of the Capital Reserve Fund, Sewer Assessments Fund, or Sewer Operating Fund and grants. In some cases, funding resources may also be provided from General Fund fund balance.

Current appropriated funding for all Capital projects as indicated on the August 31, 2019 report is **\$96.4m**.

Expenditures for current projects since inception through August 31, 2019 total **\$68.2m**. Encumbrances outstanding total **\$11.5m**. The most significant encumbrances are for Land Acquisitions (\$5.0m), Cider Mill Pump Station (\$1.6m), Road Overlay (\$1.3m) and School HVAC/Boilers (\$1.2m).

Capital expenditures through the month of August totaled **\$654k** and were for Town Parking/Access Drive Improvements, Heavy Equipment, GHS Parking and Access Drives and other capital projects.

Attachment

Cc: Richard J. Johnson, Town Manager
Nina R. Cousins, Controller
Karen Bonfiglio, Finance Manager, Board of Education

TOWN OF GLASTONBURY
CAPITAL PROJECTS FUND
FY 2020 Through August 31, 2019

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU AUGUST	2020 ENCUMB	AVAILABLE BALANCE
FUND 301 - CAPITAL RESERVE PROJECTS					
GenGovt/Public Safety					
Academy Re-Use Phase One	2,221,238	2,219,672	-	-	1,566
Town Buildings Security	564,743	410,776	(204)	70,068	83,900
Disaster Prep/Recovery Resourc	880,000	864,748	-	-	15,252
Fire Co Renovations/Code Compl	420,000	47,021	2,975	8,002	364,977
Public Safety Communications	515,000	397,516	-	-	117,484
Multi-Town Dispatch Center	717,810	717,810	-	-	-
Police Lockers	305,000	303,570	-	-	1,430
Police Building Windows	142,500	7,331	-	133,416	1,753
Police Building Windows	60,000	-	-	46,980	13,020
Fiber Optic Network-School/Twn	1,117,000	1,110,083	-	-	6,917
Fire Apparatus	575,000	2,563	-	554,231	18,206
Fire Apparatus	135,000	-	-	134,945	55
Land Acquisition	1,253,639	1,150,425	-	-	103,214
Town Facilities Shop/Storage	1,045,000	915,378	12,904	117,793	11,830
Property Revaluation	1,706,500	1,432,882	-	1,597	272,021
Townwide Boiler/HVAC Replaceme	557,323	556,812	-	-	511
Document Management System	460,000	258,295	-	51,018	150,687
Telephone System	175,000	173,630	-	-	1,370
Tn Hall Improvements	1,717,283	1,679,347	29,532	20,691	17,245
Townwide Roof Replacement	750,000	530,004	-	386	219,610
Clean Renewable Energy In	1,387,044	1,270,372	-	5,124	111,548
GenGovt/Public Safety	16,705,080	14,048,234	45,207	1,144,250	1,512,596

TOWN OF GLASTONBURY
CAPITAL PROJECTS FUND
FY 2020 Through August 31, 2019

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU AUGUST	2020 ENCUMB	AVAILABLE BALANCE
PhyServices Sanitation					
Bulky Waste Scale	91,000	91,523	-	-	(523)
Dam Maintenance/Replacement	35,000	22,624	-	-	12,376
Dam Maintenance/Replacement	594,000	568,622	-	24,285	1,093
Bridge Replacement/Rehabil	3,691,258	2,740,953	2,729	90,894	859,411
Hebron Ave Trail Fencing	35,000	35,000	-	-	-
GriswoldHouseSt Intersect	1,457,000	1,265,884	-	-	191,116
Douglas/Sycamore Str Alignment	210,000	26,649	-	3,251	180,100
Main Street Sidewalks Phase 3	965,000	34,221	-	7,765	923,014
Parking/Access Drive Improvmt	600,000	450,260	190,737	-	149,740
Hebron Avenue Resurfacing	1,250,000	1,007,244	-	99,809	142,947
Sidewalk Construction Townwide	73,977	73,967	-	-	11
Sidewalk Construction Townwide	100,000	600	600	-	99,400
Cedar Ridge Public Water	250,000	50,000	50,000	-	200,000
Sidewalk Repair and Maintenanc	175,000	-	-	175,000	-
Townwide Drainage Solutions	100,000	-	-	-	100,000
Old Maids Lane-Public Water	175,000	-	-	-	175,000
Road Overlay	901,217	901,217	-	-	-
Road Overlay	1,400,000	1,370,008	-	-	29,992
Road Overlay	1,400,000	2,222	2,222	1,330,020	67,757
Heavy Equipment	180,000	53,865	-	109,837	16,298
Heavy Equipment	235,000	194,321	194,321	-	40,679
Heavy Equipment	200,000	166,912	-	-	33,088
Heavy Equipment	253,000	252,018	-	-	982
Glastonbury Blvd Paving	1,800,000	-	-	-	1,800,000
Traffic Calming	100,000	-	-	-	100,000
Renovation andSite Restoration	1,609,720	1,438,548	-	107,873	63,299
Town Center Traffic/Street Imp	2,125,000	2,080,862	-	43,097	1,041
Main Street Traffic Signal Sys	2,836,000	2,793,278	-	-	42,723
Hebron Ave/House St Improvemen	1,975,000	1,405,357	-	283,458	286,185
PhyServices Sanitation	24,817,173	17,026,156	440,610	2,275,289	5,515,727
Culture/Parks &Recreation					
Aquatics Facility	125,000	109,396	-	-	15,604
Bikeways / Bikepaths	955,000	940,739	-	7,100	7,162
Minnechaug Golf Improvements	512,500	349,665	442	2,686	160,149
Library Exterior Renovations	90,000	-	-	-	90,000
Multi-Use Trail	975,000	-	-	-	975,000
Parks Facility Renov/Expansion	1,067,500	962,018	10,216	40,686	64,796
Riverfront Park Extension	803,973	777,023	-	-	26,950
Library Upgrade/Redesign	450,000	247,561	-	-	202,439
Library Windows	155,781	156,376	-	-	(594)
Grange Pool	350,000	331,565	-	19,389	(954)
Tree Management	125,000	-	-	-	125,000
Cider Mill	80,000	39,651	-	-	40,349
Open Space Access	540,000	337,421	-	1,000	201,579
Winter Hill	100,000	97,326	-	1,800	874
Library Space Planning Study	50,000	39,485	-	-	10,515
Culture/Parks &Recreation	6,379,754	4,388,225	10,658	72,660	1,918,868

TOWN OF GLASTONBURY
CAPITAL PROJECTS FUND
FY 2020 Through August 31, 2019

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU AUGUST	2020 ENCUMB	AVAILABLE BALANCE
Education					
HVAC/Boilers	1,299,034	168,584	1,950	1,151,456	(21,006)
Energy Audit--All Schools	312,500	241,303	-	-	71,197
Carpet Replacement - Schools	561,641	561,641	-	-	-
Carpet Replacement - Schools	309,859	297,270	-	-	12,589
GHS Fieldhouse	1,115,000	68,747	-	47,054	999,198
Gideon Wells Window Replmnt	1,723,842	1,687,509	-	-	36,333
Schools Air Conditioning	2,775,000	2,192,019	23,673	38,589	544,392
School Code Compliance	230,000	103,713	-	83,283	43,004
GHS Kitchen Upgrades	1,550,000	142,542	-	27,083	1,380,375
GHS Parking and Access Drives	365,000	365,616	131,329	-	(616)
School Roofs	50,000	4,888	-	13,500	31,612
School Communications	100,000	86,150	-	-	13,850
Education	10,391,876	5,919,983	156,952	1,360,966	3,110,928
GHS Renov/ Capital Reserve					
GHS Auditorium Acoustics	100,000	64,533	-	-	35,467
GHS Renov/ Capital Reserve	100,000	64,533	-	-	35,467
TOTAL CAPITAL RESERVE PROJECTS	58,393,883	41,447,131	653,427	4,853,165	12,093,587
FUND 302 - SEWER SINKING PROJECTS					
PhySer Sewer Sinking					
WPC Emergency Power	202,500	145,764	-	-	56,736
WPC Energy Conservation Prog	315,000	68,051	-	36,218	210,731
Cider Mill Pump Station	1,791,000	88,944	350	1,562,059	139,997
PhySer Sewer Sinking	2,308,500	302,759	350	1,598,277	407,464
TOTAL SEWER SINKING PROJECTS	2,308,500	302,759	350	1,598,277	407,464
FUND 303 - LAND ACQUISITION					
Land / Open Space					
Land 2009	2,233,000	2,227,500	-	5,500	-
Land 2012	4,700,000	2,514,107	-	-	2,185,893
Land 2016	3,000,000	-	-	2,000,000	1,000,000
Land 2017	3,000,000	-	-	3,000,000	-
Land / Open Space	12,933,000	4,741,607	-	5,005,500	3,185,893
TOTAL LAND ACQUISITION	12,933,000	4,741,607	-	5,005,500	3,185,893

TOWN OF GLASTONBURY
CAPITAL PROJECTS FUND
FY 2020 Through August 31, 2019

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU AUGUST	2020 ENCUMB	AVAILABLE BALANCE
FUND 304 - TOWN AID					
PhySer Conn Grant					
Town Aid Improved Rds	915,038	915,038	-	-	-
Town Aid Improved Rds	511,267	75,102	-	-	436,165
Town Aid Improved Rds	448,780	-	-	-	448,780
Town Aid Unimproved Rds	14,098	14,098	-	-	-
Town Aid Unimproved Rds	84,356	71,101	-	-	13,255
Town Aid Unimproved Rds	12,436	-	-	-	12,436
PhySer Conn Grant	1,985,975	1,075,339	-	-	910,635
TOTAL TOWN AID	1,985,975	1,075,339	-	-	910,635
FUND 314 - RIVERFRONT PARK					
Riverfront Park - Phase I					
Administrative	147,738	147,737	-	-	1
Engineering	121,418	121,417	-	-	1
Machinery & Equipment	196,373	196,373	-	-	-
Construction	3,784,471	3,784,470	-	-	1
Riverfront Park - Phase I	4,250,000	4,249,998	-	-	2
RIVERFRONT PARK - PHASE II					
Administrative	18,000	17,962	-	-	38
Engineering	863,500	829,767	-	14,353	19,380
Construction	14,680,000	14,712,305	-	-	(32,305)
Contingency	48,500	330	-	30,503	17,668
RIVERFRONT PARK - PHASE II	15,610,000	15,560,364	-	44,856	4,780
TOTAL RIVERFRONT PARK	19,860,000	19,810,362	-	44,856	4,782
FUND 316 - GATEWAY PROJECT					
Gateway Corporate Park					
Gateway Corp. Park	888,541	869,410	-	-	19,131
Gateway Corporate Park	888,541	869,410	-	-	19,131
TOTAL GATEWAY PROJECT	888,541	869,410	-	-	19,131
GRAND TOTAL	96,369,899	68,246,609	653,777	11,501,798	16,621,493


TOWN OF GLASTONBURY

MEMORANDUM

DEPARTMENT OF ADMINISTRATIVE SERVICES

FINANCIAL ADMINISTRATION

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM:  Julie Twilley, Director of Finance & Administrative Services
DATE: September 11, 2019
SUBJECT: Self Insurance Reserve Update August 2019

The attached report summarizes the Self Insurance Reserve fund through August 31, 2019. The total reserve is \$4,246,347 allocated (\$87,043) and \$4,333,389 between Town and Board of Education, respectively. As of August the fund is experiencing a \$2,459,538 loss for the fiscal year. This large loss is related to the Board of Education's significantly lower contribution for July and August than other months of the year due to faculty summer vacation.

There are 2 large loss claims, none of which have exceeded the Individual Stop Loss limit of \$200,000 for BOE and \$150,000 for the Town. Large loss claims are defined as any claims that exceed \$50,000. BOE and the Town each have 1 large loss claim.

As of August 31, we are expecting to receive reimbursement of \$244,398 from CT Prime for FY2019 large loss claims (\$228,434.13 for BOE and \$15,964 for the Town). This balance due is not reflected in the financial summary.

Enc.

cc: Dr. Alan Bookman, Superintendent
Karen Bonfiglio, Business Manager
Rose Brown, Human Resources Manager

SELF INSURANCE RESERVE FUND

YTD Balances As of: August 31, 2019

	Town	Education	Total
Contributions			
Employer	620,096	\$424,229	\$1,044,325
Employee	174,304	124,164	298,468
Stop Loss Reimbursement	-	-	-
Anthem Individual Stop Loss Settlement	-	-	-
Miscellaneous	-	-	-
Total Revenues	\$794,400	\$548,393	\$1,342,792
Expenditures			
Anthem			
ASO Fees	\$13,921	\$23,418	\$37,339
Claims	74,891	1,774,816	1,849,708
	<u>\$88,812</u>	<u>\$1,798,234</u>	<u>\$1,887,046</u>
CTCare			
ASO Fees	\$21,550	\$27,881	\$49,431
Claims	605,880	786,821	1,392,700
	<u>\$627,430</u>	<u>\$814,702</u>	<u>\$1,442,132</u>
Delta Dental			
ASO Fees	\$41,260	-	\$41,260
Claims	2,931	-	2,931
	<u>\$44,191</u>	<u>-</u>	<u>\$44,191</u>
Bank Fees/PCORI Fee	\$1,179	\$3,797	\$4,976
CT Prime	99,835	324,151	\$423,986
OneDigital Consultant Fees	-	-	-
	<u>\$101,014</u>	<u>\$327,948</u>	<u>\$428,962</u>
Total Expenditures	\$861,446	\$2,940,884	\$3,802,331
Current Year Revenues Less Expenses	(\$67,047)	(\$2,392,492)	(\$2,459,538)
Reserve July 1, 2019 *	(\$19,996)	\$6,725,881	\$6,705,885
Reserve at end of month	<u>(\$87,043)</u>	<u>\$4,333,389</u>	<u>\$4,246,347</u>

* Town's reserve July 1, 2019 includes annual additional employer contribution of \$292,700.

	Town		BOE		Total
Reserve at end of month	\$ (87,043)	\$	4,333,389	\$	4,246,347
Recommended Minimum Reserve	\$ 1,179,805	\$	4,022,497	\$	5,202,302
Variance Over/(Under) Reserved	\$ (1,266,848)	\$	310,892	\$	(955,955)

BOF 9/18/19
Item # 12a

TOWN OF GLASTONBURY
TRANSFER OF FUNDS

FUND	GENERAL FUND
SOURCE OF FUNDS	WITHIN DEPARTMENT
ACTION REQUIRED	TOWN MANAGER

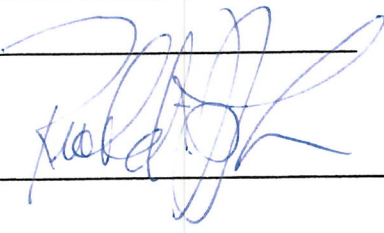
REASON FOR TRANSFER

TO PAY FOR THIRD COUNTER WORKSTATION SCANNER AND VALIDATOR

TRANSFER FROM	ACCOUNT CODE	AMOUNT
OFFICE SUPPLIES	01525-42540	\$1,100.00

TRANSFER TO	ACCOUNT CODE	AMOUNT
EQUIPMENT	01525-44710	\$1,100.00

Date 9-5-19

Town Manager 

**TOWN OF GLASTONBURY
TRANSFER OF FUNDS**

FUND	GENERAL
SOURCE OF FUNDS	WITHIN DEPARTMENT
ACTION REQUIRED	TOWN MANAGER

REASON FOR TRANSFER

While a candidate is identified to fill the Administrative Assistant position within the Purchasing Office, a temporary employee with prior experience has been hired to backfill a resignation. This request will transfer funds from the Full Time Wages account (available due to the resignation) to the Contractual Services account, until such time as the position is filled.

TRANSFER FROM FIRE	ACCOUNT CODE	AMOUNT
Financial Administration – Wages Full Time	01519-40410	\$4,600

TRANSFER TO FIRE	ACCOUNT CODE	AMOUNT
Financial Administration – Contractual Services	01519-43630	\$4,600

Date 7-30-19
Town Manager

TOWN OF GLASTONBURY
TRANSFER OF FUNDS

FUND	CAPITAL PROJECTS FUND
SOURCE OF FUNDS	WITHIN CAPITAL PROJECTS
ACTION REQUIRED	TOWN MANAGER AND BOARD OF FINANCE

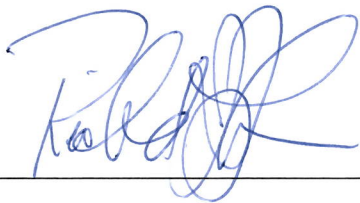
REASON FOR TRANSFER:

Available funds from the Library Space Planning Study will be transferred to the Library Renovation Fund. These funds were received as a donation. This transfer will follow the intent of the donation.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
Library Space Planning Study	31008-53930	\$10,515.00

TRANSFER TO	ACCOUNT CODE	AMOUNT
Library Renovation Fund - Administration	34509-66805	\$10,515.00

Date 9-11-19
Date _____

Town Manager 
Board of Finance _____

TOWN OF GLASTONBURY
TRANSFER OF FUNDS

FUND	CAPITAL PROJECTS FUND
SOURCE OF FUNDS	WITHIN CAPITAL PROJECTS
ACTION REQUIRED	TOWN MANAGER AND BOARD OF FINANCE

REASON FOR TRANSFER:

Available funds from the Library Windows Project will be transferred to the Library Exterior Renovations Project and Disaster Prep/Recovery Resource (for the purchase of a solar powered message board).

TRANSFER FROM	ACCOUNT CODE	AMOUNT
Library Windows	31008-53861	\$8,624.32

TRANSFER TO	ACCOUNT CODE	AMOUNT
Library Exterior Renovations	31008-53838	\$4,624.32
Disaster Prep/Recovery Resource	31006-51833	\$4,000.00

Date 9-11-19

Town Manager 

Date _____

Board of Finance _____

TOWN OF GLASTONBURY

ADMINISTRATIVE SERVICES - Financial Administration

September 12, 2019

TO: Board of Finance
Richard J. Johnson, Town Manager

FROM: *9BT* Julie Twilley, Director of Finance & Administrative Services

RE: Elementary School Air Conditioning Repayment and Final Transfer

The Elementary School Air Conditioning Capital Improvement Project was structured such that \$2m was borrowed from the General Fund, with a commitment to repay the funds over the 2019 and 2020 Fiscal Years. A repayment of \$1.4m was made in FY 2019. Attached is a transfer form for the remaining \$600k, which would be repaid in FY 2020.

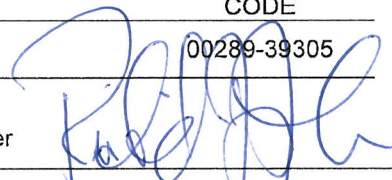
Cc: Nina R. Cousins, Controller

**TOWN OF GLASTONBURY
BUDGET TRANSFERS AND AMENDMENTS**

FUND	GENERAL
SOURCE OF FUNDS	CAPITAL RESERVE PROJECTS
ACTION REQUIRED	TOWN MANAGER, BOARD OF FINANCE, TOWN COUNCIL

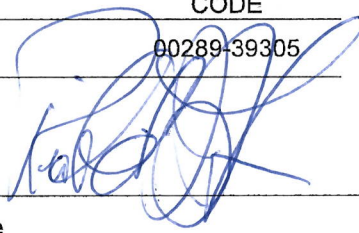
ADMINISTRATIVE TRANSFER: (FOR REVIEW)

During the 2019/2020 Budgetary Process, the Board of Finance and Town Council approved an appropriation of \$525k to the Capital Reserve/Capital Reserve Projects Fund for Elementary School Air Conditioning. As discussed at the time, this appropriation was intended to partially refund the General Fund for the \$2m transferred to Capital Reserve/Capital Reserve Projects during FY2018.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
CAPITAL RESERVE PROJECTS Schools Air Conditioning	31009-55858	\$525,000
TRANSFER TO	ACCOUNT CODE	AMOUNT
GENERAL FUND Transfer from Capital Projects	00289-39305	\$525,000
Date <u>9-12-19</u>	Town Manager 	

TRANSFER: (FOR APPROVAL)

After completing the Elementary School Air Conditioning project, savings were realized. In addition to the \$525k listed above, another \$75k may be transferred back to the General Fund to complete the refunding of the General Fund for the \$2m transferred to Capital Reserve during FY2018.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
CAPITAL RESERVE PROJECTS Schools Air Conditioning	31009-55858	\$75,000
TRANSFER TO	ACCOUNT CODE	AMOUNT
GENERAL FUND Transfer from Capital Projects	00289-39305	\$75,000
Date <u>9-12-19</u>	Town Manager 	
Date _____	Board of Finance	
Date _____	Town Council	

BANK COLLATERALIZATION REPORT

AS OF June 30, 2019

PUBLIC FUNDS PROTECTION CGS 7-400/36A-330

Bank	Tier-One Leverage Ratio	and	Risk-Based Capital Ratio	and	Minimum Collateral Required	Uninsured Public Deposits (in 000's)	Total Collateral (in 000's)	Is Total Collateral Greater Than Required Collateral^(A)
	6% or grtr		12% or grtr		10%			
	< 5%		< 10%		110%			
	All others				25%			
Bank of America	8.97%		13.67%		10.00%	500,830	425,000	Yes
Citizens Bank	10.11%		13.38%		10.00%	128,974	30,000	Yes
JP Morgan/Chase	9.36%		16.20%		10.00%	44,917	101,000	Yes
People's United	8.86%		12.41%		10.00%	689,329	130,493	Yes
TD Bank	9.48%		16.22%		10.00%	865,268	110,000	Yes
United Bank	8.99%		11.60%		25.00%	304,927	163,205	Yes
Webster Bank	9.20%		13.25%		10.00%	1,021,765	157,531	Yes

(A) Required Total Collateral > Minimum Collateral Required % X Uninsured Public Deposits.

* Wells Fargo was previously listed on this report. Upon further review, Wells Fargo only hold trust funds for the Town of Glastonbury, not bank assets, and therefore is not subject to collateralization requirements listed above. As such, Wells Fargo will no longer be listed on this report.

MEMORANDUM

To: Julie Twilley, Director of Finance & Administrative Services

From: Richard J. Johnson, Town Manager

Date: September 11, 2019

Re: Land Acquisition

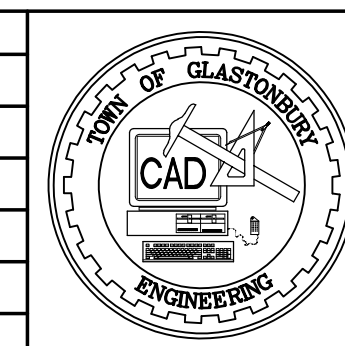
By action at its Tuesday, September 10, 2019 meeting, the Council referred a proposed land acquisition to the Board of Finance for report and recommendation. The subject property is a 72± acre parcel located off Dickinson Road as shown on the attached page. The parcel complements prior Town acquisitions off Dickinson Road including the former Cavanaugh, Riccardi and Marchand parcels totaling 174± acres. As the attached page shows, the parcel is also located near state-owned open space. The purchase price is \$385,000.

Please schedule for action at the Board of Finance meeting of Wednesday, September 18, 2019.

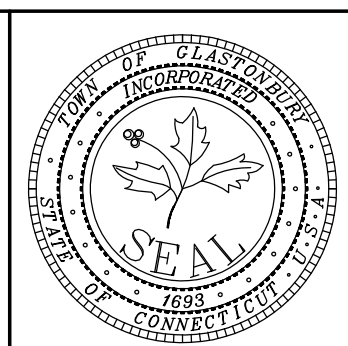
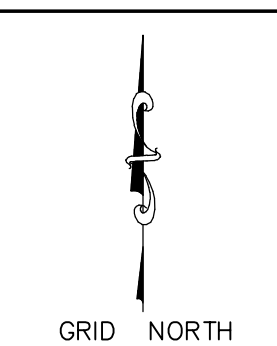
RJJ/sal
Attachment



REVISIONS		
NO.	DESCRIPTION	DATE
1.	-----	----



SCALE: AS SHOWN DATE: 9/04/2019
 DRAWN BY: S.R.
 CHECKED BY: S.M.B.
 APPROVED BY: D.A.P.
 ST. FILE:
MANUAL REVISIONS TO THIS DOCUMENT ARE PROHIBITED. ALL REVISIONS MUST BE PERFORMED ON CAD FILE SHOWN IN THE LEFT MARGIN. IF THERE ARE ANY DISCREPANCIES OR QUESTIONS, CONTACT THE TOWN OF GLASTONBURY ENGINEERING OFFICE AT (860) 652-7725.



PLAN DEPICTING
PARCELS OF INTEREST
 located at
S3A, S3 & S3B, CARON PROPERTY
 DICKINSON RD
GLASTONBURY, CONNECTICUT