

## AGENDA

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### **GLASTONBURY BOARD OF FINANCE MEETING**

#### **AGENDA OF REGULAR MEETING**

**Wednesday, November 20, 2019, 4:00 PM**

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

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

1. Public Comment Session (sign in sheet provided)
2. Action / Communication: Chris Kachmar from FIA
  - a. Communication: October Flash Report
  - b. Action: Credit Suisse vs. Other Commodity Manager
  - c. Action: Pension Committee Members
3. Communication: Minutes – October 16, 2019
4. Communication: Pension Report – September 2019
5. Communication: Month End Investments – September 2019
6. Communication: Financial Summary (Revenues & Expenditures) for 4 months - October 2019
7. Communication: Education Reconciliation – September 2019
8. Communication: Capital Projects – October 2019
9. Communication: Self Insurance Reserve Fund – October 2019
10. Communication: Transfers Approved by Town Manager Since Last Meeting
  - a. Community Development – Training & Dues
11. Action: Transfers over \$5,000
  - a. Multi-Use Trail
  - b. Hebron Avenue Resurfacing
  - c. Closing of Dam Maintenance CIP Account
12. Board of Finance member Committee Reports, comments and remarks (no action to be taken)
13. Adjournment



# Town of Glastonbury Board of Finance

## November 2019 Meeting Materials

BOF 11/20/19  
Item # 2

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## Section 1

*October Flash Report (pg. 4)*

## Section 2

*Commodity Manager Overview (pg. 11)*

**Important Disclosure Information:** Please remember that different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Fiduciary Investment Advisors), or any non-investment related content, made reference to directly or indirectly above, will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained above serves as the receipt of, or as a substitute for, personalized investment advice from Fiduciary Investment Advisors. Fiduciary Investment Advisors is neither a law firm nor a certified public accounting firm and no portion of the content should be construed as legal or accounting advice. Please remember to contact Fiduciary Investment Advisors, in writing, if there are any changes in your personal/financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services. A copy of Fiduciary Investment Advisors' current written disclosure statement discussing our advisory services and fees is available for review upon request.

# Capital Markets Flash Report

October 2019

U.S. Equity	MTD	YTD	1 Year	3 Years	5 Years	10 Years
S&P 500	2.2	23.2	14.3	14.9	10.8	13.7
Russell 1000 Growth	2.8	26.8	17.1	18.9	13.4	15.4
Russell 1000 Value	1.4	19.5	11.2	10.5	7.6	12.0
Russell Mid Cap	1.1	23.2	13.7	12.3	8.7	13.7
Russell Mid Cap Growth	1.9	27.6	18.9	16.8	10.9	14.8
Russell Mid Cap Value	0.5	20.1	10.1	8.9	6.9	12.9
Russell 2000	2.6	17.2	4.9	11.0	7.4	12.3
Russell 2000 Growth	2.8	18.6	6.4	13.2	8.4	13.4
Russell 2000 Value	2.4	15.5	3.2	8.6	6.2	11.1

U.S. equity markets had another strong month in October, with the S&P 500 Index posting a return of 2.2%. The index is up eight out of ten months this year and has returned 23.2% year-to-date. Small caps had a nice month, outperforming their large cap counterparts, and growth beat value across all market capitalization spectrums. From a sector standpoint, the month witnessed an undoing of the defensive rotation we saw in the month of September as investors' risk-on appetite favored healthcare, technology, and communication services over the energy, consumer staples, and utilities sectors.

Fixed Income	MTD	YTD	1 Year	3 Years	5 Years	10 Years
BBgBarc US Agg	0.3	8.8	11.5	3.3	3.2	3.7
BBgBarc US Corp IG	0.6	13.9	15.4	5.0	4.6	5.6
BBgBarc US Corp HY	0.3	11.7	8.4	6.0	5.2	7.8
BBgBarc US Gov/Cr 1-3 Yr	0.3	3.8	4.9	1.9	1.6	1.5
BBgBarc US Gov/Cr Long	-0.1	20.9	26.0	6.6	6.3	7.5
BBgBarc Municipal	0.2	6.9	9.4	3.6	3.6	4.4
FTSE WGBI USD	0.5	6.8	9.9	2.6	2.0	1.7
ICE BofAML US 3M T-Bill	0.2	2.0	2.4	1.6	1.0	0.6

Bond markets were generally positive in October, with the Barclays Aggregate Bond Index returning 0.3%. The Federal Reserve lowered its benchmark rate by 25 basis points for the second month in a row, setting the new target range between 1.50%-1.75%. Accommodative Fed policy pushed rates lower at the front end of the curve, while rates at the long end rose modestly, resulting in a steepening of the curve. The 10-year Treasury yield ended the month at 1.69%, up just one basis point from the September close. Global bonds rallied during the month as well, with the FTSE WGBI Index posting a return of 0.5%.

International Equity	MTD	YTD	1 Year	3 Years	5 Years	10 Years
MSCI ACWI Ex USA	3.5	15.4	11.3	8.1	3.8	4.9
MSCI EAFE	3.6	16.9	11.0	8.5	4.3	5.4
MSCI EAFE Growth	3.6	22.2	16.6	10.6	6.4	6.9
MSCI EAFE Value	3.6	11.6	5.5	6.3	2.1	3.8
MSCI EAFE Small Cap	4.5	17.1	8.8	8.6	7.4	8.1
MSCI EM	4.2	10.4	11.9	7.4	2.9	3.8
MSCI EM Small	3.8	5.7	9.7	3.1	1.0	3.5

International equities performed well in October, with the MSCI ACWI ex U.S. Index returning 3.5%, outpacing domestic markets. Style trends differed abroad as growth and value stocks produced similar returns during the month, with small caps besting large caps. Emerging markets followed suit and outperformed both domestic and international developed markets. International and emerging market equities benefited from a weaker dollar during the month, a factor that had been largely working against them year-to-date through September.

Commodities & Real Estate	MTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Commodity	2.0	5.2	-2.6	-0.7	-6.7	-4.4
S&P N.A. Natural Resources	-1.2	8.1	-6.0	-2.1	-4.9	1.2
FTSE Nareit Equity REITs	1.4	28.7	23.7	10.0	8.5	13.7
FTSE EPRA Nareit Developed	2.5	23.7	21.5	9.6	6.9	9.9

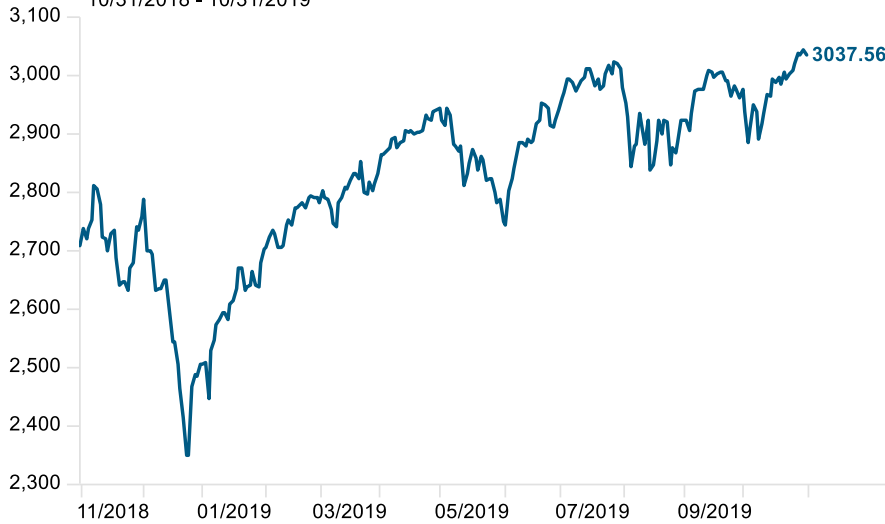
Commodities performed well, with most commodities tied to energy, metals, and agriculture rising during the month. REITs continued their strong run year-to-date on the heels of accommodative central bank policy and the prospect of sustained low interest rates. Natural resource equities were an area of weakness during the month. Within the sector, integrated oil, oil & gas production, and agricultural chemicals struggled.

# Capital Markets Flash Report

October 2019

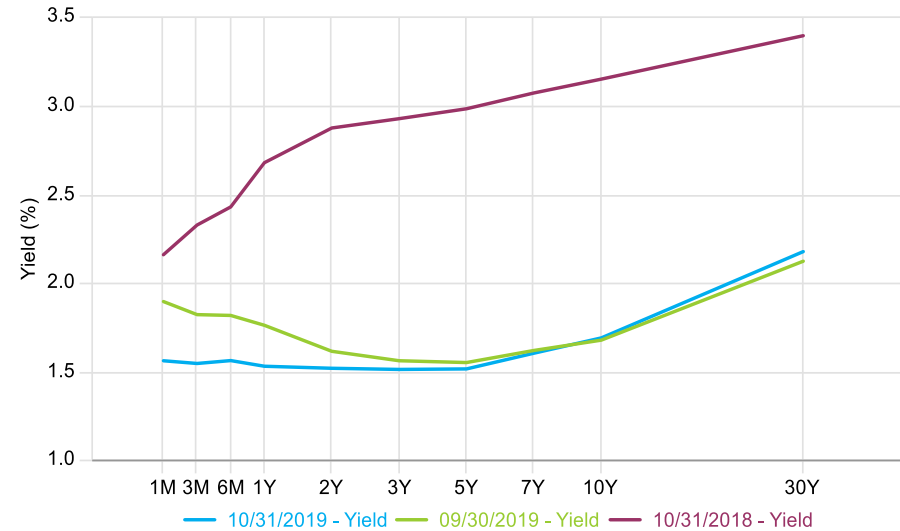
## S&P 500 Price History - Trailing 1 Year

10/31/2018 - 10/31/2019



FactSet, S&P

## United States Treasury Yield Curve



FactSet

## Barclays Corporate Option Adjusted Spread - Trailing 1 Year

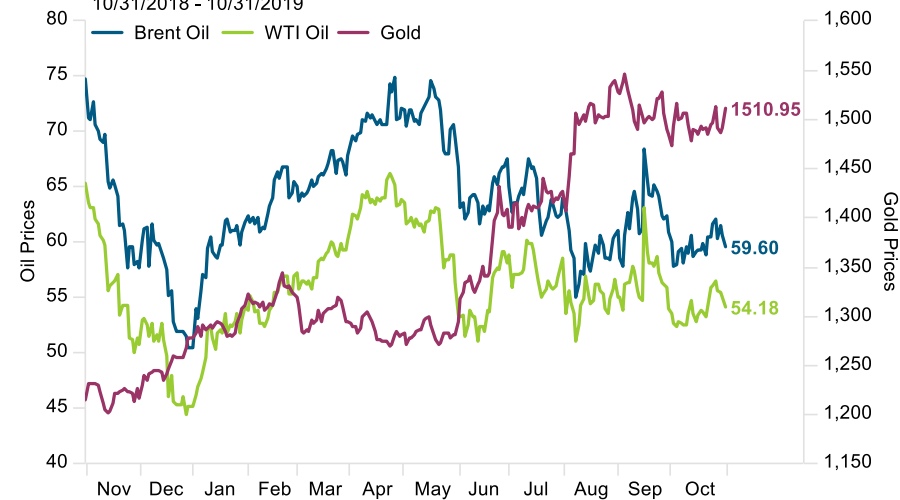
10/31/2018 - 10/31/2019



FactSet, Bloomberg Barclays

## Commodity Prices - Trailing 1 Year

10/31/2018 - 10/31/2019



FactSet

# Asset Allocation

As of October 31, 2019

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
<b>Total Plan</b>	<b>160,885,032</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
<b>Short Term Liquidity</b>	<b>5,164,419</b>	<b>3.2</b>	<b>0.5</b>	<b>2.7</b>
Wells Fargo Government Money Market	5,164,419	3.2	0.5	2.7
<b>Fixed Income</b>	<b>51,397,641</b>	<b>31.9</b>	<b>33.5</b>	<b>-1.6</b>
Metropolitan West Total Return Bond Pl	20,102,776	12.5	13.0	-0.5
BlackRock Total Return K	20,122,297	12.5	13.0	-0.5
Templeton Global Bond R6	11,172,568	6.9	7.5	-0.6
<b>Domestic Equity</b>	<b>61,991,200</b>	<b>38.5</b>	<b>40.0</b>	<b>-1.5</b>
Vanguard Institutional Index Fund Instl	34,092,117	21.2	22.0	-0.8
Touchstone Growth Opportunities Instl	12,614,763	7.8	9.0	-1.2
DFA US Vector Equity I	15,284,319	9.5	9.0	0.5
<b>International Equity</b>	<b>26,731,775</b>	<b>16.6</b>	<b>16.0</b>	<b>0.6</b>
Vanguard International Growth Adm	9,315,576	5.8	5.5	0.3
Causeway International Value Instl	9,074,911	5.6	5.5	0.1
Templeton Instl Foreign Smaller Companies Adv	3,323,518	2.1	2.0	0.1
Cape Ann Global Developing Markets	5,017,770	3.1	3.0	0.1
<b>Real Estate</b>	<b>9,192,674</b>	<b>5.7</b>	<b>6.0</b>	<b>-0.3</b>
Barings Core Property Fund LP	9,192,674	5.7	6.0	-0.3
<b>Inflation Protection</b>	<b>6,407,323</b>	<b>4.0</b>	<b>4.0</b>	<b>0.0</b>
Vanguard Short-Term Inflation Protection Adm	3,117,016	1.9	2.0	-0.1
Credit Suisse Commodity Return Instl	1,584,099	1.0	1.0	0.0
iShares Gold Trust	1,706,208	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 October 31, 2019

### Portfolio Performance

	Value	Performance(%)										
		1 Month	Jul-2019 To Oct-2019	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception *	Aug-2011 To Oct-2019	Inception Date
<b>Total Plan</b>	<b>160,885,032</b>	<b>1.7</b>	<b>1.9</b>	<b>13.8</b>	<b>9.8</b>	<b>7.9</b>	<b>5.4</b>	<b>6.9</b>	<b>7.5</b>	<b>6.6</b>	<b>6.6</b>	<b>01/01/2003</b>
<i>Blended Benchmark</i>		<i>1.6</i>	<i>2.4</i>	<i>14.8</i>	<i>11.6</i>	<i>8.2</i>	<i>5.7</i>	<i>7.0</i>	<i>7.5</i>	<i>7.1</i>	<i>6.4</i>	<i>01/01/2003</i>

### Calendar Year Performance

	2018	2017	2016	2015	2014	2013	2012
<b>Total Plan</b>	<b>-6.1</b>	<b>15.9</b>	<b>7.1</b>	<b>-1.8</b>	<b>3.7</b>	<b>15.1</b>	<b>15.4</b>
<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 (%)
<b>Aug-2019</b>	
90 Day U.S. Treasury Bill	0.50
Blmbg. Barc. U.S. Aggregate Index	26.00
FTSE World Government Bond Index	7.50
Russell 3000 Index	40.00
MSCI AC World ex USA (Net)	16.00
NCREIF Fund Index - ODCE (net)	6.00
Glatonbury Short Term Inflation Protection Benchmark	4.00

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.



# Manager Performance Overview

As of October 31, 2019

	1 Month	Jul-2019 To Oct-2019	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Oct-2019	Inception Date
<b>Total Plan</b>	<b>1.7</b>	<b>1.9</b>	<b>13.8</b>	<b>9.8</b>	<b>7.9</b>	<b>5.4</b>	<b>6.9</b>	<b>6.6</b>	<b>6.6</b>	<b>01/01/2003</b>
<i>Blended Benchmark</i>	1.6	2.4	14.8	11.6	8.2	5.7	7.0	7.1	6.4	
<b>Wells Fargo Government Money Market</b>	<b>0.1</b>	<b>0.7</b>	<b>1.8</b>	<b>2.2</b>	<b>1.4</b>	<b>0.9</b>	<b>0.7</b>	<b>0.6</b>	<b>0.6</b>	<b>08/01/2011</b>
<i>90 Day U.S. Treasury Bill</i>	0.2	0.8	2.0	2.4	1.6	1.0	0.7	0.6	0.6	
<b>Fixed Income</b>	<b>0.2</b>	<b>1.2</b>	<b>7.1</b>	<b>8.9</b>	<b>3.4</b>	<b>2.8</b>	<b>2.8</b>	<b>4.2</b>	<b>3.5</b>	<b>01/01/2010</b>
<i>Fixed Income Benchmark</i>	0.4	2.3	8.4	11.1	3.1	3.0	2.3	3.7	2.7	
<b>Metropolitan West Total Return Bond PI</b>	<b>0.3 (52)</b>	<b>2.6 (35)</b>	<b>9.3 (50)</b>	<b>11.9 (21)</b>	<b>3.6 (50)</b>	<b>3.3 (50)</b>	<b>3.3 (34)</b>	<b>4.2 (19)</b>	<b>4.2 (19)</b>	<b>08/01/2011</b>
<i>Blmbg. Barc. U.S. Aggregate Index</i>	0.3	2.6	8.8	11.5	3.3	3.2	2.7	3.2	3.2	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	0.3	2.4	9.2	10.9	3.6	3.3	3.0	3.6	3.6	
<b>BlackRock Total Return K</b>	<b>0.3 (46)</b>	<b>2.4 (50)</b>	<b>9.6 (37)</b>	<b>11.7 (25)</b>	<b>3.7 (46)</b>	<b>N/A</b>	<b>N/A</b>	<b>3.5 (47)</b>	<b>N/A</b>	<b>06/01/2015</b>
<i>Blmbg. Barc. U.S. Aggregate Index</i>	0.3	2.6	8.8	11.5	3.3	3.2	2.7	3.3	3.2	
Libor (3 month)	0.2	0.8	2.3	2.7	1.9	1.3	1.0	1.4	0.9	
IM U.S. Broad Market Core+ Fixed Income (MF) Median	0.3	2.4	9.2	10.9	3.6	3.3	3.0	3.4	3.6	
<b>Templeton Global Bond R6</b>	<b>-0.2 (93)</b>	<b>-3.5 (100)</b>	<b>-0.8 (100)</b>	<b>-0.8 (100)</b>	<b>2.5 (78)</b>	<b>0.8 (97)</b>	<b>1.9 (45)</b>	<b>2.1 (51)</b>	<b>2.1 (51)</b>	<b>08/01/2011</b>
<i>FTSE World Government Bond Index</i>	0.5	1.4	6.8	9.9	2.6	2.0	0.8	1.0	1.0	
IM Global Fixed Income (MF) Median	0.5	1.4	7.8	9.3	3.1	2.2	1.7	2.1	2.1	
<b>Domestic Equity</b>	<b>2.5</b>	<b>3.6</b>	<b>23.3</b>	<b>13.3</b>	<b>14.5</b>	<b>9.8</b>	<b>13.5</b>	<b>12.9</b>	<b>12.5</b>	<b>01/01/2010</b>
<i>Domestic Equity Benchmark</i>	2.2	3.3	22.7	13.5	14.5	10.3	13.6	13.0	12.9	
<b>Vanguard Institutional Index Fund Instl</b>	<b>2.2 (9)</b>	<b>3.9 (10)</b>	<b>23.2 (6)</b>	<b>14.3 (12)</b>	<b>14.9 (6)</b>	<b>10.7 (4)</b>	<b>13.9 (3)</b>	<b>13.2 (4)</b>	<b>13.2 (4)</b>	<b>08/01/2011</b>
<i>S&amp;P 500 Index</i>	2.2	3.9	23.2	14.3	14.9	10.8	13.9	13.3	13.3	
IM S&P 500 Index (MF) Median	2.1	3.8	22.9	14.0	14.5	10.4	13.4	12.8	12.8	
<b>Touchstone Growth Opportunities Instl</b>	<b>3.8 (6)</b>	<b>4.6 (6)</b>	<b>30.2 (9)</b>	<b>20.0 (13)</b>	<b>18.3 (24)</b>	<b>10.6 (51)</b>	<b>14.6 (36)</b>	<b>12.8 (42)</b>	<b>12.8 (42)</b>	<b>08/01/2011</b>
<i>Russell 3000 Growth Index</i>	2.8	4.0	26.2	16.3	18.5	13.1	15.7	14.4	14.4	
IM U.S. Multi-Cap Growth Equity (MF) Median	1.9	1.2	23.6	14.1	16.1	10.7	14.0	12.5	12.5	
<b>DFA US Vector Equity I</b>	<b>1.9 (24)</b>	<b>1.8 (62)</b>	<b>18.1 (49)</b>	<b>5.9 (73)</b>	<b>10.0 (43)</b>	<b>6.5 (45)</b>	<b>11.2 (33)</b>	<b>10.3 (37)</b>	<b>10.3 (37)</b>	<b>08/01/2011</b>
<i>Russell 3000 Value Index</i>	1.5	2.7	19.2	10.6	10.4	7.5	11.5	11.2	11.2	
IM U.S. All Cap Value Equity (SA+CF+MF) Median	1.3	2.2	17.9	8.1	9.5	6.3	10.5	9.8	9.8	

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

# Manager Performance Overview

As of October 31, 2019

	1 Month	Jul-2019 To Oct-2019	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Oct-2019	Inception Date
<b>International Equity</b>	<b>4.1</b>	<b>0.9</b>	<b>14.9</b>	<b>9.3</b>	<b>7.5</b>	<b>4.2</b>	<b>5.6</b>	<b>4.7</b>	<b>4.4</b>	<b>01/01/2010</b>
<i>MSCI AC World ex USA (Net)</i>	3.5	1.6	15.5	11.3	8.1	3.8	5.5	4.5	3.8	
<b>Vanguard International Growth Adm</b>	<b>4.3 (17)</b>	<b>1.2 (78)</b>	<b>20.0 (49)</b>	<b>14.5 (51)</b>	<b>13.1 (3)</b>	<b>8.0 (5)</b>	<b>9.4 (4)</b>	<b>7.3 (4)</b>	<b>7.3 (4)</b>	<b>08/01/2011</b>
<i>MSCI AC World ex USA Growth (Net)</i>	3.6	2.8	20.4	16.7	9.9	5.7	6.8	4.8	4.8	
IM International Large Cap Growth Equity (MF) Median	3.2	1.7	19.9	14.5	8.9	4.5	6.2	4.7	4.7	
<b>Causeway International Value Instl</b>	<b>4.1 (7)</b>	<b>1.7 (44)</b>	<b>12.3 (67)</b>	<b>3.4 (78)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-3.2 (50)</b>	<b>N/A</b>	<b>04/01/2018</b>
<i>MSCI EAFE Value Index (Net)</i>	3.6	1.8	11.6	5.5	6.3	2.1	5.0	-1.9	3.6	
IM International Large Cap Value Equity (MF) Median	3.6	1.7	13.2	5.4	4.7	1.5	3.9	-3.2	2.4	
<b>Templeton Instl Foreign Smaller Companies Adv</b>	<b>2.9 (91)</b>	<b>0.8 (80)</b>	<b>15.4 (21)</b>	<b>9.6 (14)</b>	<b>7.5 (25)</b>	<b>4.9 (41)</b>	<b>6.7 (46)</b>	<b>5.2 (53)</b>	<b>5.2 (53)</b>	<b>08/01/2011</b>
<i>MSCI AC World ex USA Small Cap (Net)</i>	4.1	2.8	14.7	8.8	7.0	5.3	6.8	4.5	4.5	
IM International SMID Cap Core Equity (MF) Median	4.2	1.8	13.3	5.8	6.5	4.7	6.4	5.2	5.2	
<b>Cape Ann Global Developing Markets</b>	<b>4.5 (22)</b>	<b>-0.7 (66)</b>	<b>10.5 (64)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.9 (61)</b>	<b>N/A</b>	<b>12/01/2018</b>
<i>MSCI Emerging Markets (Net) Index</i>	4.2	-0.2	10.4	11.9	7.4	2.9	3.1	7.4	1.4	
IM Emerging Markets Equity (MF) Median	3.9	0.4	12.5	13.3	6.6	2.6	3.1	9.1	1.2	
<b>Real Estate</b>	<b>0.0</b>	<b>1.1</b>	<b>4.6</b>	<b>6.0</b>	<b>6.5</b>	<b>8.1</b>	<b>8.5</b>	<b>8.8</b>	<b>7.3</b>	<b>01/01/2010</b>
<i>NCREIF Fund Index - ODCE (net)</i>	0.0	1.1	3.1	4.6	6.3	8.4	9.3	10.4	9.6	
<b>Barings Core Property Fund LP</b>	<b>0.0</b>	<b>1.1</b>	<b>4.6</b>	<b>6.0</b>	<b>6.5</b>	<b>8.1</b>	<b>8.4</b>	<b>8.4</b>	<b>N/A</b>	<b>07/01/2012</b>
<i>NCREIF Fund Index - ODCE (net)</i>	0.0	1.1	3.1	4.6	6.3	8.4	9.3	9.2	9.6	
<b>Inflation Protection</b>	<b>1.3</b>	<b>0.8</b>	<b>7.2</b>	<b>-0.3</b>	<b>-1.2</b>	<b>-3.9</b>	<b>-3.8</b>	<b>-2.1</b>	<b>N/A</b>	<b>10/01/2011</b>
Short Term Inflation Protection Benchmark	1.1	2.6	10.7	3.1	1.4	-2.2	-1.9	-0.7	-2.4	
<b>Vanguard Short-Term Inflation Protection Adm</b>	<b>0.2 (47)</b>	<b>0.6 (69)</b>	<b>3.9 (87)</b>	<b>4.1 (84)</b>	<b>1.7 (65)</b>	<b>1.3 (73)</b>	<b>N/A</b>	<b>1.0 (76)</b>	<b>N/A</b>	<b>10/01/2013</b>
<i>Bloomberg Barclays US TIPS 0-5 Year Index</i>	0.3	0.6	4.0	4.2	1.7	1.3	0.8	1.1	0.9	
IM U.S. TIPS (MF) Median	0.2	1.0	6.9	7.3	1.8	1.6	0.5	1.5	1.4	

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

## Manager Performance Overview

As of October 31, 2019

	1 Month	Jul-2019 To Oct-2019	YTD	1 Year	3 Years	5 Years	7 Years	Since Inception	Aug-2011 To Oct-2019	Inception Date
<b>Credit Suisse Commodity Return Instl</b>	<b>2.0 (32)</b>	<b>-0.3 (36)</b>	<b>4.5 (64)</b>	<b>-3.1 (37)</b>	<b>-1.0 (59)</b>	<b>-6.8 (55)</b>	<b>N/A</b>	<b>-6.8 (54)</b>	<b>N/A</b>	<b>10/01/2013</b>
<i>Bloomberg Commodity Index Total Return</i>	2.0	0.1	5.2	-2.6	-0.7	-6.7	-7.4	-6.7	-7.8	
IM Commodities General (MF) Median	1.9	-0.8	5.2	-3.8	-0.5	-6.4	-7.1	-6.5	-7.7	
<b>iShares Gold Trust (IAU)</b>	<b>1.8 (77)</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>5.8 (77)</b>	<b>N/A</b>	<b>08/01/2019</b>
LBMA Gold Price PM	1.7	8.9	20.0	26.3	6.5	5.7	-1.6	7.5	-0.7	
IM Commodities Precious Metals (MF) Median	3.7	9.0	17.5	24.0	3.6	3.2	-4.5	6.6	-4.1	

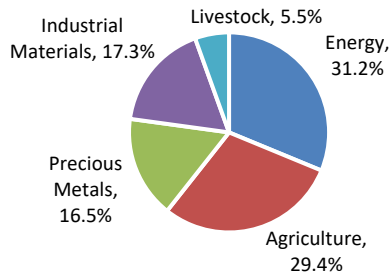
The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Your performance may differ slightly if the fund was purchased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

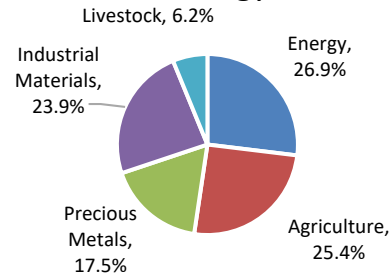
Returns for periods less than one year are not annualized. Returns are net of fees unless otherwise noted.

# Potential Commodity Managers

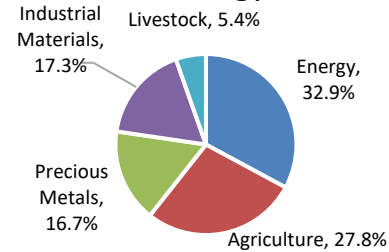
**Credit Suisse Commodity Strategy (Incumbent)**



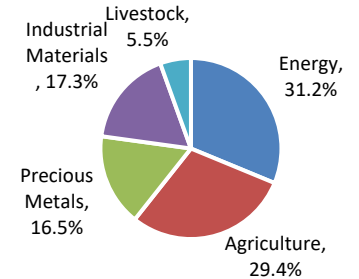
**Parametric Commodity Strategy**



**DFA Commodity Strategy**



**Bloomberg Commodity Index**



	QTD	YTD	1-Year	3-Year	5-Year	7-Year	10-Year
Crdt Suis Cndty Rtn;Inst	-2.25	2.40	-7.20	-1.88	-7.31	-8.30	-4.38
<i>Universe Ranking %</i>	38	73	24	61	54	59	47
DFA Commodity Strat	-1.84	3.00	-6.61	-1.30	-6.43	-7.07	NA
<i>Universe Ranking %</i>	24	52	14	50	39	36	NA
Parametric Comm Str;Inst	-0.58	4.27	-1.25	0.94	-4.59	-5.91	NA
<i>Universe Ranking %</i>	8	34	8	19	18	17	NA
Bloomberg Commodity TR	-1.84	3.13	-6.57	-1.50	-7.18	-8.15	-4.32
<i>Universe Ranking %</i>	23	48	14	54	53	57	46

As of 9/30/19

Manager	Ticker	Expense Ratio
DFA Commodity Strategy I	DCMSX	0.32%
Parametric Commodity Strategy I	EIPCX	0.65%
Credit Suisse Commodity Strategy I	CRSOX	0.78%

Universe ranking is based on the **Lipper Commodities General Universe**. Returns greater than one year are annualized.

Source: DFA, Parametric, Credit Suisse, Morningstar

# Collateral Management Overview

Manager Strategy	Collateral Management
Credit Suisse Commodity	<ul style="list-style-type: none"><li>• Conservative cash management</li><li>• Seek to avoid any unintended correlation to fixed income or equity markets.</li><li>• The collateral management portion of the commodities strategy invests in US Treasuries and US Agency Debt.</li></ul>
Parametric Commodity Strategy	<ul style="list-style-type: none"><li>• Avoids “risky investments”</li><li>• Invests in US Treasuries with 3-12 month maturity.</li></ul>
DFA Commodity Strategy	<ul style="list-style-type: none"><li>• Invests collateral primarily in short-term investment grade fixed income.</li><li>• Seeks higher expected return than rates embedded in the index.</li><li>• Employs variable credit and variable maturity to manage exposures across the maturity and investment grade spectrum.</li></ul>

## Data Source Acknowledgements, Links and Disclaimers

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**RETIREMENT INCOME PLAN  
INVESTMENT POLICY STATEMENT  
SEPTEMBER 2019**

**BOF 11/20/19  
Item # 2c**

## **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 September 18, 2019.

**GLASTONBURY BOARD OF FINANCE  
REGULAR MEETING MINUTES  
WEDNESDAY, OCTOBER 16, 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 were Chris Kachmar from FIA and Ms. Narae McManus, Controller.

**Roll Call**

***Members***

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

- 1. **Public Comment Session (sign in sheet provided)** *None*
- 2. **Action / Communication: Chris Kachmar from FIA**
  - a. **Communication: September Flash Report**

Before reviewing the report, Mr. Kachmar noted that a more detailed analytics report will be available at the next BOF meeting. He noted that, in the Capital Markets Flash Report, equity markets in September were constructive, with rates up and bond prices down. He noted that an 8.5% return on bonds is unanticipated good news. Mr. Kachmar remarked that it is unusual that both segments of the market (risk assets/equities and safe haven assets) have had a very good calendar year to date.

**b. Communication: Asset Allocations (DB and Hybrid Plans)**

Mr. Kachmar summarized that pension asset allocation performance is at a high level. A discussion then ensued about the particulars of considering private equity. Ms. Sanford and Mr. Zeller inquired about the possible benefits of it for the Town. Mr. Soper noted that for both Harvard and Yale, private equities significantly underperformed the S&P and regular equity markets. Mr. Kachmar said that there are pockets of private equity that have held up well, noting that private equity requires active management and good managers. Mr. Soper asked if the Town were to pursue private equity, would they have access to the best managers. Mr. Kachmar said he thinks so. Mr. McIntosh added that if both Harvard and Yale underperformed, then that is a sign that picking the best is very hard to do. Mr. Kachmar agreed to get more information and share it

with the Board at a later date, though he noted that the Town's 6.5% return assumption is entirely defensible.

Mr. Kachmar then reviewed the Potential Commodity Managers. Ms. Sanford explained that the fee structure seemed worse than she thought initially, so she will leave it up to Mr. Kachmar's expertise to see which option is cheaper. Mr. Soper remarked that management fees are usually included in expense ratios, but he acknowledged that may not be the case here. He also noted that the Parametric Commodity Strategy is a much smaller fund whose outperformance is due to the fact that it has much less energy exposure. Mr. Kachmar stated that he will go back and look at those numbers in more detail.

Mr. Soper also pointed out that the mortality tables might be somewhere between an additional 3-5% liability, which would increase their unfunded liabilities to around \$8 million. Mr. Kachmar cautioned against using those numbers because those are based on metrics and they are not credentialed to offer that actuarial advice. Mr. Zeller asked when all of this information will be available. Ms. Twilley stated that the tables are out, and in the coming weeks, the actuaries see what the impact will be, in order to have that information for the next budget season.

**c. Action: Credit Suisse Alternatives**

*Motion by:* Mr. Zeller

*Seconded by:* Mr. Soper

MOVED, that the Glastonbury Board of Finance tables the action on Credit Suisse Alternatives to the November meeting.

*Result:* Motion passed unanimously (5-0-0).

**d. Action: Determination of Pension Committee Members (2), per page 2 of Investment Policy Statement**

*Motion by:* Mr. Zeller

*Seconded by:* Mr. Soper

MOVED, that the Glastonbury Board of Finance tables the action on Determination of Pension Committee Members to the November meeting.

*Result:* Motion passed unanimously (5-0-0).

**3. Communication: Minutes**

**a. September 18, 2019 – Regular Meeting**

Minutes accepted as presented.

**b. September 27, 2019 – Special Meeting**

Minutes accepted as presented.

**4. Communication: Pension Report – August 2019**

Ms. Twilley presented the report dated September 25, 2019.

**5. Communication: Month End Investments – August 2019**

Ms. McManus presented the report dated October 8, 2019.

**6. Communication: Financial Summary (Revenues & Expenditures) for 3 months - September 2019**

Ms. Twilley presented the report dated October 9, 2019.

**7. Communication: Education Reconciliation – August 2019**

Ms. McManus presented the report dated September 26, 2019.

**8. Communication: Capital Projects – September 2019**

Ms. Twilley presented the report dated October 9, 2019. Mr. Zeller stated that he read an article in the Glastonbury Citizen that discussed the locker room project being approved at \$2.2 million. Mr. Johnson clarified the confusion, noting that \$1 million is allocated. He stated that he is not sure that the article captured the discussion of all of the details.

Mr. McIntosh noted confusion on what “open space access” means. Mr. Johnson explained that, typically, they conduct one project a year to provide a small public parking lot, signs, and access for certain properties that need it. The Town Manager noted that these projects have been ongoing for many years and are partially grant-funded. Next up is improvements to the parking lot at JB Williams Park.

**9. Communication: Self Insurance Reserve Fund – September 2019**

Ms. Twilley presented the report dated October 3, 2019.

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

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

**12. Action: Land Acquisition**

Mr. Johnson explained that this is the proposal for Town purchase of four parcels of MDC lands that are located on Kenney Street, Howe Road, and Hebron Avenue. This proposed acquisition dates back to the 1970s. Over the years, there have been various groups working on it and various discussions to preserve this, and acquisition has consistently been cited as a goal. There is a purchase and sale agreement, and the property has been appraised. It has significant development potential. \$8 million is the price. There is an approved grant of \$1 million that would reduce the Town’s price to \$7 million. This matter came up in 2016, and at the time, \$5 million was allocated. With that \$5 million through prior action, the suggestion is for the additional \$3 million to be from \$2 million from bond authorization and \$1 million from the general fund (with the cost to be reimbursed by the grant afterwards). Mr. Johnson stated that if

that funding mechanism proceeds, the Town's net of \$7 million would be funded by \$2.7 million from the general fund and \$4.3 million from the bond authorization.

A discussion ensued among the Board about how best to go about funding this land acquisition. The following motions were proposed.

**Motion by:** Mr. Zeller

**Seconded by:** Mr. Soper

MOVED, that the Glastonbury Board of Finance hereby moves \$300,000 from the unassigned fund balance and authorize bonding of \$2.8 million.

**Result:** Motion denied. All voted against except for Mr. Zeller (1-0-4).

**Motion by:** Mr. Zeller

**Seconded by:** Mr. Soper

MOVED, that the Glastonbury Board of Finance hereby authorizes the \$2 million bond authorization and \$1 million appropriation of transfer from the general fund, with the understanding that \$1 million will be reimbursed to the general fund by any state grants received; and confirms the prior actions of \$2.7 million that was transferred from the unassigned fund balance and the \$4.3 million from the bond authorization.

**Result:** Motion passed unanimously (5-0-0).

**13. Communication / Action: Board Members Requested the Following Items be Discussed**

**a. Request of Jared Soper: Financial Model used during FY2019/2020 Budget discussions**

Mr. Soper explained that he had provided everyone with financial projections from a year ago, which he finds very valuable, even if the numbers are not current. He stated that, in future years, it would be great to start this process earlier, in September or October, because a lot of the information is already known by that point, and it will help inform council members and everyone involved in the process early on. A discussion then ensued among the Board about the benefits and drawbacks of doing this.

Mr. McIntosh thanked Mr. Soper for his expertise and contributions to the Board. Ms. Sanford also thanked Mr. Soper for his service. The rest of the Board concurred.

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

Mr. Constantine stated that he went to a public meeting for a referendum on the library. He noted that the design plans have been changed to eliminate one of the additions, but they were still spending \$6.5 million. Mr. Johnson explained that there was, indeed, still an addition to the library, but that the original plans have been revised.

**15. Adjournment**

*Motion by:* Mr. Zeller

*Seconded by:* Mr. Soper

BE IT RESOLVED, that the Glastonbury Board of Finance moves to adjourn their meeting of October 16, 2019, at 5:36 p.m.

*Result:* Motion passed unanimously (5-0-0).

**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](http://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.*



## DEPARTMENT OF FINANCE &amp; ADMINISTRATIVE SERVICES

October 18, 2019

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

BOF 11/20/19 Item # 4
--------------------------

As of September 30, 2019 the pension asset value is \$159,642,707, a net increase of \$6,343,454 from July 1, 2019. Through the month of September, the fund experienced an unrealized loss of \$433,215, which is indicative of the current market and there were realized losses of \$101,510. Investment income through September totaled \$807,606.

July 1, 2019 Balance	\$	153,299,253
<b>Revenues:</b>		
Employer Contributions	\$	8,170,908
Employee Contributions	\$	438,792
Total Contributions	\$	8,609,700
Investment Income	\$	807,606
Realized Gains/Losses	\$	(101,510)
Unrealized Gains/Losses	\$	(433,215)
Total Revenues	\$	8,882,582
<b>Expenditures:</b>		
Benefit Payments	\$	2,485,894
Administrative Fees	\$	19,380
Investment Management Fees	\$	33,853
Total Expenditures	\$	2,539,128
<b>Net Increase/Decrease</b>	<b>\$</b>	<b>6,343,454</b>
<b>Ending Balance September 30, 2019</b>	<b>\$</b>	<b>159,642,707</b>

Assuming a 6.5% long-term return on the plan's investments, the July 1, 2019 Unfunded Accrued Liability is \$58.2 million (GASB 68 financial reporting basis) and the corresponding funded ratio is 72.49%. The Town's policy for paying off the unfunded liability is such that there are 13 years remaining in our amortization schedule.

cc: Narae McManus, Controller  
 Karen Bonfiglio, Finance Manager, Glastonbury Public Schools

**Town of Glastonbury**

**Administrative Services**  
**Accounting Division**

November 4, 2019

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

**From:** Narae McManus, Controller *nem*

**Subject:** Monthly Investment Status

**Pooled Investments**

The Town's pooled cash investment balances at September 30, 2019 were \$101,527,526. As of month-end, the investment balances for all funds combined were as follows:

<b>Type of Investment</b>	<b>Amount</b>	<b>Rate</b>	
STIF	\$ 40,082,585	2.01	
Citizens Bank	1,214,071	1.80	
Northern Capital Investment Account	11,369,790	1.30-3.40	Est. current accrued interest \$36,595
Northern Capital Sewer Funds	9,192,067	1.20-3.25	Est. current accrued interest \$15,058
People's United Investments	24,491,396	1.89	
United Bank Money Market	6,778,230	2.02	
TD Bank Investments	1,070,042	1.76	
TD Bank CD	<u>7,329,345</u>	1.95	Matures 10/28/19
Total	<u>\$101,527,526</u>		

**General Fund Earnings**

- The General Fund portion of pooled investments at September 30 was \$75.8 million.
- As of September 30, the General Fund has realized investment earnings of \$357,384.
- As of September 30, Sewer Sinking funds totaling \$8,186,385 were invested in fully-insured CDs and \$986,303 were invested in US Government Agency securities with terms varying from 6 months to seven years, with current-year realized investment earnings of \$37,986.

Comparative information concerning General Fund earnings follows.

<b>Fiscal Year</b>	<b>Budget</b>	<b>Realized Investment Earnings July-September</b>	<b>Percent of Budget</b>
2019	\$800,000	270,268	33.78%
2020	\$1,500,000	357,384	23.83

cc: Julie Twilley, Director of Finance

**TOWN OF GLASTONBURY**  
 ADMINISTRATIVE SERVICES - Financial Administration

BOF 11/20/19  
Item # 6

November 15, 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 Four Months Ended October 31, 2019 (FY 2019/20)

**Expenditure Summary:**

Through October 31, 2019, encumbrances total \$77.9m and expenditures total \$50.6m. Combined, this represents 77% of the Town's revised general fund budget of \$166.3m. This compares to \$76.5m and \$52.1m respectively, or 79%, for the same period in the prior year.

The expenditure decrease of \$1.4m is comprised of decreases in Education expenditures of \$1.3m and in Debt and Transfers of \$0.9m, which is partially offset by increases in Town expenditures of \$0.8m compared to the previous year. The reduction in Education expenditures is related to timing of payments for special education tuition expenditures; last year bills for the entire year were paid in October, whereas this year they will be paid quarterly. The \$1.0m reduction in Debt and Transfers is related to 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 Town is driven by both timing and permanent causes: \$0.3m is related to timing of quarterly LAP and WC insurance premium payments, and the remainder is driven by higher wage and benefit rates as well as a higher pension contribution. 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 October 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 %
<b><u>2018/2019</u></b>				
Town	\$ 42,452,562	\$ 15,844,744	\$ 14,158,329	71%
Education	105,366,982	26,931,872	56,897,603	80%
Debt/Transfers	15,117,804	9,296,680	5,401,158	97%
<b><u>2019/2020</u></b>				
Town	\$ 43,592,562	\$ 16,603,810	\$ 14,165,596	71%
Education	108,699,846	25,675,899	58,602,352	78%
Debt/Transfers	13,973,755	8,369,060	5,168,828	97%

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

	2018/2019	%	2019/2020	%
ADMIN SERVICES	\$ 1,977,666	32%	\$ 2,453,164	39%
PUBLIC SAFETY	5,965,467	42%	6,119,927	42%
PHYSICAL SERVICES	2,363,227	33%	2,480,146	33%

cc: Karen Bonfiglio, Finance Manager  
 Narae McManus, Controller

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

11/4/2019  
8:37:10AM

**FUND 010 - GENERAL FUND**

DESCRIPTION	2020 ORIGINAL BUDGET	2020 REVISED BUDGET	2020 THRU OCTOBER	2020 ENCUMB	AVAILABLE BALANCE	2020 % USED
<b>GENERAL GOVERNMENT</b>						
TOWN COUNCIL	143,233	165,233	97,274	16,072	51,886	68.6 %
CUSTOMER SERVICE	60,316	60,316	-	-	60,316	- %
TOWN MANAGER	615,550	637,450	213,123	273,559	150,768	76.3 %
HUMAN RESOURCES	507,055	507,055	173,822	191,336	141,897	72.0 %
FACILITIES MAINTENANCE	1,985,648	2,001,383	713,118	542,503	745,762	62.7 %
TOTAL GENERAL GOVERNMENT	3,311,802	3,371,437	1,197,337	1,023,470	1,150,630	65.9 %
<b>COMMUNITY DEVELOPMENT</b>						
COMMUNITY DEVELOPMENT	562,910	562,910	192,894	243,266	126,750	77.5 %
BUILDING INSPECTION	552,405	569,405	202,506	214,824	152,075	73.3 %
FIRE MARSHAL	359,192	359,192	145,447	124,561	89,184	75.2 %
HEALTH	727,422	735,412	269,274	288,653	177,485	75.9 %
TOTAL COMMUNITY DEVELOPMENT	2,201,929	2,226,919	810,121	871,304	545,494	75.5 %
<b>ADMINISTRATIVE SERVICES</b>						
FINANCIAL ADMINISTRATION	676,644	695,884	193,264	289,209	213,411	69.3 %
INFORMATION TECHNOLOGY	840,403	840,403	391,125	234,549	214,729	74.4 %
ACCOUNTING	449,625	468,238	170,532	225,594	72,111	84.6 %
PROPERTY ASSESSMENT	677,385	677,385	276,748	210,535	190,102	71.9 %
REVENUE COLLECTION	497,684	497,684	244,887	198,774	54,022	89.1 %
TOWN CLERK	546,198	546,198	199,744	226,376	120,079	78.0 %
VOTER REGISTRATION	170,200	170,200	28,025	10,182	131,994	22.4 %
LEGAL SERVICES	300,000	300,000	38,838	-	261,162	12.9 %
PROBATE SERVICES	24,800	27,633	6,054	13,249	8,331	69.9 %
INSURANCE/PENSIONS	2,030,799	2,030,799	903,948	203,142	923,709	54.5 %
TOTAL ADMINISTRATIVE SERVICES	6,213,738	6,254,423	2,453,164	1,611,610	2,189,649	65.0 %
<b>PUBLIC SAFETY</b>						
POLICE	13,396,071	13,488,599	5,663,487	4,730,144	3,094,968	77.1 %
VOLUNTEER AMBULANCE	20,820	20,820	4,009	1,185	15,627	24.9 %
FIRE	1,131,961	1,139,863	444,880	100,682	594,301	47.9 %
CIVIL PREPAREDNESS	31,202	31,202	7,552	423	23,227	25.6 %
TOTAL PUBLIC SAFETY	14,580,054	14,680,484	6,119,927	4,832,435	3,728,123	74.6 %
<b>PHYSICAL SERVICES</b>						
ENGINEERING	1,657,000	1,657,000	660,049	623,631	373,319	77.5 %
HIGHWAY	4,534,907	4,534,907	1,366,817	1,730,696	1,437,394	68.3 %
FLEET MAINTENANCE	1,265,363	1,265,363	453,280	396,168	415,915	67.1 %
TOTAL PHYSICAL SERVICES	7,457,270	7,457,270	2,480,146	2,750,495	2,226,629	70.1 %
<b>SANITATION</b>						
REFUSE DISPOSAL	859,961	881,622	278,856	334,841	267,926	69.6 %
TOTAL SANITATION	859,961	881,622	278,856	334,841	267,926	69.6 %
<b>HUMAN SERVICES</b>						
CONTRIBUTORY GRANTS	32,577	32,577	2,409	30,168	-	100.0 %
YOUTH/FAMILY SERVICES	1,301,056	1,301,056	441,451	432,302	427,303	67.2 %
SENIOR & COMMUNITY SERVICES	1,630,871	1,630,871	563,784	431,425	635,662	61.0 %
TOTAL HUMAN SERVICES	2,964,504	2,964,504	1,007,644	893,895	1,062,965	64.1 %

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

11/4/2019  
8:37:10AM

**FUND 010 - GENERAL FUND**

DESCRIPTION	2020 ORIGINAL BUDGET	2020 REVISED BUDGET	2020 THRU OCTOBER	2020 ENCUMB	AVAILABLE BALANCE	2020 % USED
LEISURE/CULTURE						
PARKS/RECREATION	3,942,912	3,954,047	1,583,193	1,241,348	1,129,506	71.4 %
WELLES TURNER LIBRARY	1,786,855	1,786,855	658,423	606,198	522,234	70.8 %
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	2,256,616	1,847,546	1,651,740	71.3 %
OTHER:DEBT & TRANSFERS						
DEBT SERVICE	7,157,157	7,157,157	1,552,462	5,168,828	435,868	93.9 %
TRANSFERS	6,816,598	6,816,598	6,816,598	-	-	100.0 %
TOTAL OTHER:DEBT & TRANSFERS	13,973,755	13,973,755	8,369,060	5,168,828	435,868	96.9 %
EDUCATION						
EDUCATION	108,699,846	109,259,259	25,665,802	750	83,592,707	23.5 %
TOTAL EDUCATION	108,699,846	109,259,259	25,665,802	750	83,592,707	23.5 %
<b>TOTAL GENERAL FUND</b>	<b>166,007,626</b>	<b>166,825,576</b>	<b>50,638,672</b>	<b>19,335,174</b>	<b>96,851,730</b>	<b>41.9 %</b>

# GLASTONBURY PUBLIC SCHOOLS

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TO: Board of Education  
Board of Finance  
FROM: Alan B. Bookman, Superintendent  
Karen Bonfiglio, Finance Manager  
DATE: November 11, 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 September 2019 are \$16,889,893.
- 2) Checking Account Reconciliations:

<b><u>ACCOUNT TITLE</u></b>	<b><u>Date Completed By Education</u></b>	<b><u>Date Reviewed By Town</u></b>
<b><u>General Fund:</u></b>		
Accounts Payable	10/07/19	10/18/19
Payroll	10/07/19	10/18/19
<b><u>Other Funds:</u></b>		
Educational Grants	10/07/19	10/18/19
Student Activities	10/15/19	10/18/19
School Foods	10/09/19	10/18/19
Dependent Care	10/08/19	10/18/19
Planetarium	10/09/19	10/18/19

cc: Narae McManus, 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

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November 15, 2019

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

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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 October 31, 2019 report is **\$93.9m**.

Expenditures for current projects since inception through October 31, 2019 total **\$68.9m**. Encumbrances outstanding total **\$9.3m**. The most significant encumbrances are for Land Acquisitions (\$5.0m), Cider Mill Pump Station (\$1.6m) and School HVAC/Boilers (\$535k).

Capital expenditures through the month of October totaled **\$3.1m** and were for Road Overlay, School HVAC/Boilers and other capital projects.

Attachment

Cc: Richard J. Johnson, Town Manager  
Narae McManus, Controller  
Karen Bonfiglio, Finance Manager, Board of Education

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

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU OCTOBER	2020 ENCUMB	AVAILABLE BALANCE
<b>FUND 301 - CAPITAL RESERVE PROJECTS</b>					
GenGovt/Public Safety					
Academy Re-Use Phase One	2,221,238	2,219,672	-	-	1,566
Town Buildings Security	564,743	459,563	48,583	38,062	67,119
Disaster Prep/Recovery Resourc	884,000	883,866	19,118	-	134
Fire Co Renovations/Code Compl	420,000	49,840	5,794	113,457	256,703
Public Safety Communications	515,000	397,516	-	-	117,484
Multi-Town Dispatch Center	717,810	717,810	-	-	-
Police Lockers	305,000	303,806	236	-	1,194
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	-	5,975	942
Fire Apparatus	575,000	254,777	252,214	302,017	18,206
Fire Apparatus	135,000	134,945	134,945	-	55
Land Acquisition	1,253,639	1,150,425	-	-	103,214
Town Facilities Shop/Storage	1,045,000	1,028,860	126,386	12,594	3,546
Property Revaluation	1,706,500	1,462,627	29,745	-	243,873
Townwide Boiler/HVAC Replaceme	557,323	556,812	-	-	511
Document Management System	460,000	258,295	-	53,171	148,535
Telephone System	175,000	173,630	-	-	1,370
Tn Hall Improvements	1,717,283	1,688,736	38,921	12,502	16,045
Townwide Roof Replacement	750,000	530,390	386	92,602	127,007
Clean Renewable Energy In	1,387,044	1,271,781	1,409	792	114,471
<b>GenGovt/Public Safety</b>	<b>16,709,080</b>	<b>14,660,765</b>	<b>657,739</b>	<b>811,567</b>	<b>1,236,748</b>



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

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU OCTOBER	2020 ENCUMB	AVAILABLE BALANCE
<b>PhyServices Sanitation</b>					
Bulky Waste Scale	91,000	91,523	-	-	(523)
Dam Maintenance/Replacement	35,000	22,624	-	-	12,376
Dam Maintenance/Replacement	594,000	592,907	24,285	-	1,093
Dam Maintenance/Replacement	50,000	-	-	-	50,000
Bridge Replacement/Rehabil	3,691,258	2,746,153	7,929	90,894	854,211
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	34,898	677	7,088	923,014
Parking/Access Drive Improvmnt	600,000	450,260	190,737	1,800	147,940
Hebron Avenue Resurfacing	1,250,000	1,007,458	214	99,809	142,733
Sidewalk Construction Townwide	73,967	73,967	-	-	-
Sidewalk Construction Townwide	100,011	600	600	-	99,411
Cedar Ridge Public Water	250,000	50,000	50,000	-	200,000
Sidewalk Repair and Maintenanc	175,000	29,639	29,639	145,361	-
Townwide Drainage Solutions	100,000	-	-	-	100,000
Old Maids Lane-Public Water	175,000	-	-	-	175,000
Road Overlay	1,370,008	1,370,008	-	-	-
Road Overlay	1,429,992	835,341	835,341	318,245	276,406
Heavy Equipment	214,070	163,702	109,837	-	50,368
Heavy Equipment	235,000	194,714	194,714	-	40,286
Heavy Equipment	166,912	166,912	-	-	-
Heavy Equipment	252,018	252,018	-	-	-
Glastonbury Blvd Paving	1,800,000	-	-	-	1,800,000
Traffic Calming	100,000	-	-	-	100,000
Renovation andSite Restoration	1,559,720	1,438,548	-	107,873	13,299
Town Center Traffic/Street Imp	2,125,000	2,118,138	37,276	-	6,862
Main Street Traffic Signal Sys	2,836,000	2,793,954	676	-	42,047
Hebron Ave/House St Improvemen	1,975,000	1,405,357	-	340,144	229,499
<b>PhyServices Sanitation</b>	<b>23,915,955</b>	<b>17,166,254</b>	<b>1,481,924</b>	<b>1,114,465</b>	<b>5,635,237</b>
<b>Culture/Parks &amp;Recreation</b>					
Aquatics Facility	125,000	109,396	-	-	15,604
Bikeways / Bikepaths	955,000	940,739	-	7,100	7,162
Minnechaug Golf Improvements	512,500	349,762	539	2,686	160,052
Library Exterior Renovations	94,624	-	-	-	94,624
Multi-Use Trail	975,000	281	281	-	974,719
Parks Facility Renov/Expansion	1,067,500	983,298	31,496	23,391	60,811
Riverfront Park Extension	803,973	777,023	-	-	26,950
Library Upgrade/Redesign	450,000	247,561	-	-	202,439
Library Windows	147,157	156,376	-	-	(9,219)
Grange Pool	350,000	343,538	11,973	7,416	(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	98,650	1,324	1,350	-
Library Space Planning Study	39,485	39,485	-	-	-
<b>Culture/Parks &amp;Recreation</b>	<b>6,365,239</b>	<b>4,423,180</b>	<b>45,613</b>	<b>42,943</b>	<b>1,899,116</b>

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

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU OCTOBER	2020 ENCUMB	AVAILABLE BALANCE
<b>Education</b>					
HVAC/Boilers	1,299,034	830,222	663,588	534,709	(65,897)
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	2,175,000	2,175,000	6,654	-	-
School Code Compliance	230,000	186,996	83,283	-	43,004
GHS Kitchen Upgrades	1,550,000	170,931	28,389	63,006	1,316,063
GHS Parking and Access Drives	365,000	365,616	131,329	-	(616)
School Roofs	50,000	14,788	9,900	3,600	31,612
School Communications	100,000	86,150	-	-	13,850
<b>Education</b>	<b>9,791,876</b>	<b>6,686,174</b>	<b>923,143</b>	<b>648,369</b>	<b>2,457,333</b>
<b>GHS Renov/ Capital Reserve</b>					
GHS Auditorium Acoustics	100,000	64,533	-	-	35,467
<b>GHS Renov/ Capital Reserve</b>	<b>100,000</b>	<b>64,533</b>	<b>-</b>	<b>-</b>	<b>35,467</b>
<b>TOTAL CAPITAL RESERVE PROJECTS</b>	<b>56,882,151</b>	<b>43,000,905</b>	<b>3,108,419</b>	<b>2,617,344</b>	<b>11,263,901</b>
<b>FUND 302 - SEWER SINKING PROJECTS</b>					
<b>PhySer Sewer Sinking</b>					
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	95,078	6,484	1,555,925	139,997
<b>PhySer Sewer Sinking</b>	<b>2,308,500</b>	<b>308,893</b>	<b>6,484</b>	<b>1,592,143</b>	<b>407,464</b>
<b>TOTAL SEWER SINKING PROJECTS</b>	<b>2,308,500</b>	<b>308,893</b>	<b>6,484</b>	<b>1,592,143</b>	<b>407,464</b>
<b>FUND 303 - LAND ACQUISITION</b>					
<b>Land / Open Space</b>					
Land 2009	2,233,000	2,233,000	5,500	-	-
Land 2012	4,700,000	2,511,107	(3,000)	-	2,188,893
Land 2016	3,000,000	-	-	2,000,000	1,000,000
Land 2017	3,000,000	-	-	3,000,000	-
<b>Land / Open Space</b>	<b>12,933,000</b>	<b>4,744,107</b>	<b>2,500</b>	<b>5,000,000</b>	<b>3,188,893</b>
<b>TOTAL LAND ACQUISITION</b>	<b>12,933,000</b>	<b>4,744,107</b>	<b>2,500</b>	<b>5,000,000</b>	<b>3,188,893</b>
<b>FUND 304 - TOWN AID</b>					
<b>PhySer Conn Grant</b>					
Town Aid Improved Rds	75,102	75,102	-	-	-
Town Aid Improved Rds	884,945	810	810	59,838	824,297
Town Aid Unimproved Rds	71,101	71,101	-	-	-
Town Aid Unimproved Rds	25,691	-	-	5,100	20,591
<b>PhySer Conn Grant</b>	<b>1,056,839</b>	<b>147,014</b>	<b>810</b>	<b>64,938</b>	<b>844,888</b>
<b>TOTAL TOWN AID</b>	<b>1,056,839</b>	<b>147,014</b>	<b>810</b>	<b>64,938</b>	<b>844,888</b>

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

DESCRIPTION	REVISED BUDGET	EXPENDITURES INCEPTION TO DATE	2020 THRU OCTOBER	2020 ENCUMB	AVAILABLE BALANCE
<b>FUND 314 - RIVERFRONT PARK</b>					
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
<b>Riverfront Park - Phase I</b>	<b>4,250,000</b>	<b>4,249,998</b>	<b>-</b>	<b>-</b>	<b>2</b>
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
<b>RIVERFRONT PARK - PHASE II</b>	<b>15,610,000</b>	<b>15,560,364</b>	<b>-</b>	<b>44,856</b>	<b>4,780</b>
<b>TOTAL RIVERFRONT PARK</b>	<b>19,860,000</b>	<b>19,810,362</b>	<b>-</b>	<b>44,856</b>	<b>4,782</b>
<b>FUND 316 - GATEWAY PROJECT</b>					
Gateway Corporate Park					
Gateway Corp. Park	888,541	869,410	-	-	19,131
<b>Gateway Corporate Park</b>	<b>888,541</b>	<b>869,410</b>	<b>-</b>	<b>-</b>	<b>19,131</b>
<b>TOTAL GATEWAY PROJECT</b>	<b>888,541</b>	<b>869,410</b>	<b>-</b>	<b>-</b>	<b>19,131</b>
<b>GRAND TOTAL</b>	<b>93,929,031</b>	<b>68,880,692</b>	<b>3,118,213</b>	<b>9,319,280</b>	<b>15,729,059</b>

**DEPARTMENT OF ADMINISTRATIVE SERVICES**

**FINANCIAL ADMINISTRATION**

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

BOF 11/20/19  
Item # 9

FROM: <sup>JB</sup> Julie Twilley, Director of Finance & Administrative Services  
DATE: November 6, 2019  
SUBJECT: Self Insurance Reserve Update October 2019

The attached report summarizes the Self Insurance Reserve fund through October 31, 2019. The total reserve is \$4,622,263 allocated (\$87,826) and \$4,710,089 between Town and Board of Education, respectively. As of October the fund is experiencing a \$2,203,922 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 7 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 has three large loss claims, while the Town has four.

All Stop Loss reimbursement for claims occurring in FY2018/2019 have been received and are included in the report.

Enc.

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

## SELF INSURANCE RESERVE FUND

YTD Balances As of: October 31, 2019

	Town	Education	Total
<b>Contributions</b>			
Employer	1,265,715	\$3,101,797	\$4,367,513
Employee	402,987	648,124	1,051,112
Stop Loss Reimbursement	16,510	227,866	244,376
Anthem Individual Stop Loss Settlement	-	-	-
Miscellaneous	-	-	-
<b>Total Revenues</b>	<b>\$1,685,213</b>	<b>\$3,977,788</b>	<b>\$5,663,001</b>
<b>Expenditures</b>			
<b>Anthem</b>			
ASO Fees	\$17,440	\$46,946	\$64,386
Claims	337,291	3,906,387	4,243,679
	<u>\$354,731</u>	<u>\$3,953,333</u>	<u>\$4,308,065</u>
<b>CTCare</b>			
ASO Fees	\$42,427	\$57,288	\$99,715
Claims	1,192,877	1,337,802	2,530,680
	<u>\$1,235,304</u>	<u>\$1,395,091</u>	<u>\$2,630,395</u>
<b>Delta Dental</b>			
ASO Fees	\$5,869	-	\$5,869
Claims	78,714	-	78,714
	<u>\$84,583</u>	<u>-</u>	<u>\$84,583</u>
Bank Fees/PCORI Fee	\$1,209	\$3,868	\$5,077
CT Prime	197,516	641,288	\$838,804
OneDigital Consultant Fees	-	-	-
	<u>\$198,725</u>	<u>\$645,156</u>	<u>\$843,881</u>
<b>Total Expenditures</b>	<b>\$1,873,343</b>	<b>\$5,993,580</b>	<b>\$7,866,923</b>
Current Year Revenues Less Expenses	(\$188,130)	(\$2,015,792)	(\$2,203,922)
Reserve July 1, 2019 *	\$100,304	\$6,725,881	\$6,826,185
Reserve at end of month	<u>(\$87,826)</u>	<u>\$4,710,089</u>	<u>\$4,622,263</u>

\* Town's Reserve July 1, 2019 includes transfer of \$413,000. The transfer is related to favorable budget variance in FY2019.

	Town	BOE	Total
Reserve at end of month	\$ (87,826)	\$ 4,710,089	\$ 4,622,263
Recommended Minimum Reserve	\$ 1,387,527	\$ 4,308,744	\$ 5,696,271
Variance Over/(Under) Reserved	\$ (1,475,353)	\$ 401,345	\$ (1,074,008)

TOWN OF GLASTONBURY  
TRANSFER OF FUNDS

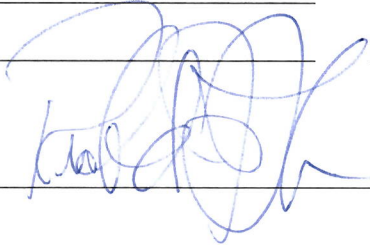
FUND	GENERAL
SOURCE OF FUNDS	WITHIN DEPARTMENT
ACTION REQUIRED	TOWN MANAGER

REASON FOR TRANSFER

Additional funds required for training and dues to support professional speaker expenses for a joint educational program for Conservation Commission and Community Beautification Committee.

TRANSFER FROM FIRE	ACCOUNT CODE	AMOUNT
Printing and Reproduction	01215-43650	\$200
Part-Time Wages	01215-40430	\$250

TRANSFER TO FIRE	ACCOUNT CODE	AMOUNT
Training and Dues	01215-42580	\$450

Date 11-13-19 Town Manager 

TOWN OF GLASTONBURY  
TRANSFER OF FUNDS

BOF 11/20/19  
Item # 11a

FUND	Capital Reserve Fund
SOURCE OF FUNDS	Unassigned Fund Balance
ACTION REQUIRED	Town Manager, Board of Finance, Town Council

REASON FOR TRANSFER

The competitive bidding process is complete for the multi-use trail to be constructed between Western Boulevard and House Street. The bid process attracted nine respondents with a low bid of \$1.023M. \$975,000 is appropriated to the Capital Project Account. The multi-use trail is approved for 100% funding per the LOTCIP Grant Program. Approved grant funds are received in advance with grant funds in excess of project costs returned after audit. Grant officials are in the process of approving a new project authorization letter to provide a grant totaling the low bid of \$1.023M plus 10% for contingency and 10% for incidentals. This totals \$1.228M. A \$253,000 appropriation and transfer from The Capital Reserve Fund is proposed to supplement the \$975,000 now available. There is no net cost to Glastonbury for the \$975,000 appropriated to date and the \$253,000 supplemental appropriation now proposed. The goal is to execute the contract for construction for work beginning this year as weather allows and continuing to project completion in 2020. By action at its meeting of Tuesday, November 12, 2019, the Council referred this matter to the Board of Finance for a funding report and recommendation.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
Capital Reserve Fund – Unassigned Fund Balance	50100-09241	\$ 253,000.00

TRANSFER TO	ACCOUNT CODE	AMOUNT
Capital Projects – Multi-Use Trail	31008-53839	\$ 253,000.00

Date

11-14-19

Town Manager

Date

Board of Finance

Date

Town Council

**TOWN OF GLASTONBURY  
TRANSFER OF FUNDS**


FUND	CAPITAL RESERVE FUND
SOURCE OF FUNDS	Unassigned Fund Balance
ACTION REQUIRED	Town Manager, Board of Finance, Town Council

REASON FOR TRANSFER

Hebron Avenue resurfacing project had an original appropriation of \$1.25 million. We received \$1,276,806 from the State for the project. The difference should be transferred to the project.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
Capital Reserve Fund – Unassigned Fund Balance	50100-09241	\$26,806

TRANSFER TO	ACCOUNT CODE	AMOUNT
Capital Projects – Hebron Avenue Resurfacing	31007-52872	\$26,806

Date <u>11-15-19</u>	Town Manager 
Date _____	Board of Finance
Date _____	Town Council
transfer	



## TOWN OF GLASTONBURY TRANSFER OF FUNDS

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

**REASON FOR TRANSFER**

Consolidation of two CIP Project Accounts used in a similar manner.

TRANSFER FROM	ACCOUNT CODE	AMOUNT
Dam Maintenance/Replacement	31007-52827	\$12,376
Dam Maintenance/Replacement-Blackledge Dam Removal	31007-52827-BLKLG	\$1,093
Dam Maintenance/Replacement-Slocumb Dam	31007-52827-SLOCM	\$50,000

TRANSFER TO	ACCOUNT CODE	AMOUNT
Renovation and Site Restoration	31007-52960	\$13,469
Renovation and Site Restoration-Slocumb Dam	31007-52960-SLOCM	\$50,000

Date 11-15-19  
 Date \_\_\_\_\_  
 transfer

  
 Town Manager \_\_\_\_\_  
 Board of Finance \_\_\_\_\_