

**PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 10, 2025**

**NEW MONEY ISSUE: Book-Entry-Only**

**RATING: See "Rating" herein.**

*In the opinion of Bond Counsel, rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with certain representations and covenants relating to the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax under the Code; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. (See "Tax Matters" herein.)*



**Town of Simsbury, Connecticut**  
**\$9,715,000\***  
**General Obligation Bonds, Issue of 2025**  
**(Bank Qualified)**

**Dated: Date of Delivery**

**Due: April 1, 2026 – 2035,**  
**As shown below:**

The \$9,715,000\* General Obligation Bonds, Issue of 2025 (the "Bonds") will be general obligations of the Town of Simsbury, Connecticut (the "Town") and the Town will pledge its full faith and credit to pay the principal of and the interest on the Bonds when due. See "Security and Remedies" herein.

Interest on the Bonds will be payable on April 1, 2026 and semiannually thereafter on October 1 and April 1 in each year until maturity. The Bonds are issuable only as fully-registered bonds, without coupons, and, when issued, will be registered in the name of Cede & Co., as bondowner and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of the Bonds will be made in book-entry form, in the denomination of \$5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their ownership interest in the Bonds. So long as Cede & Co. is the Bondowner, as nominee of DTC, reference herein to the Bondowner or owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as defined herein) of the Bonds. See "Book-Entry-Only Transfer System" herein.

**The Bonds are subject to redemption prior to maturity as herein provided. See "Redemption Provisions" herein.**

The Registrar, Transfer Agent, Paying Agent, and Certifying Agent for the Bonds will be U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103.

<b>Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP <sup>1</sup></b>	<b>Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Yield</b>	<b>CUSIP <sup>1</sup></b>
2026	\$ 975,000	..%	..%	829200	2031	\$ 970,000	..%	..%	829200
2027	975,000	..%	..%	829200	2032	970,000	..%	..%	829200
2028	975,000	..%	..%	829200	2033	970,000	..%	..%	829200
2029	970,000	..%	..%	829200	2034	970,000	..%	..%	829200
2030	970,000	..%	..%	829200	2035	970,000	..%	..%	829200

**Electronic bids via PARITY® for the Bonds will be received until 11:30 A.M. (Eastern Time) on Wednesday, September 17, 2025 at Town Hall, 933 Hopmeadow Street, Simsbury, Connecticut 06070, as described in the official Notice of Sale dated September 10, 2025. See "Appendix D" herein.**

The Bonds are offered for delivery when, as and if issued, subject to the final approving opinion of Pullman & Comley LLC, Bond Counsel, of Hartford, Connecticut. It is expected that delivery of the Bonds in book-entry-only form will be made to DTC in New York, New York on or about October 1, 2025.

*\* Preliminary, subject to change.*

<sup>1</sup> CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems, Inc, which is not affiliated with the Town and are included solely for the convenience of the holders of the Bonds. The Town is not responsible for the selection or use of these CUSIP numbers, does not undertake any responsibility for their accuracy, and makes no representation as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.



This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

No dealer, broker, salesperson or other person has been authorized by the Town of Simsbury, Connecticut (the “Town”) to give any information or to make any representations, other than those contained in this Official Statement; and if given or made, such other information or representation must not be relied upon as having been authorized by the Town. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

This Official Statement has been prepared only in connection with the initial offering and sale of the Bonds and may not be reproduced or used in whole or in part for any other purpose. The information, estimates and expressions of opinion in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds shall, under any circumstances, create any implication that there has been no material change in the affairs of the Town since the date of this Official Statement.

Set forth in Appendix A – “2024 Financial Statements Excerpted from the Town’s Annual Comprehensive Financial Report” hereto is a copy of the report of the independent auditors for the Town with respect to the financial statements of the Town included in that appendix. The report speaks only as of its date, and only to the matters expressly set forth therein. The auditors have not been engaged to review this Official Statement or to perform audit procedures regarding the post-audit period, nor have the auditors been requested to give their consent to the inclusion of their report in Appendix A. Except as stated in their report, the auditors have not been engaged to verify the financial information set out in Appendix A and are not passing upon and do not assume responsibility for the sufficiency, accuracy or completeness of the financial information presented in that appendix.

Bond Counsel is not passing on and does not assume any responsibility for the accuracy or completeness of the statements made in this Official Statement, (other than matters expressly set forth as its opinion in Appendix B “Form of Opinion of Bond Counsel” herein), and makes no representation that it has independently verified the same.

The Bonds have not been registered under the Securities Act of 1933, as amended, nor have the Bonds been registered under any state securities laws.

The Town deems this Official Statement to be “final” for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but it is subject to revision or amendment.

Any references to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, any such websites and the information or links contained therein are not incorporated into, and are not part of, this offering document.

This Official Statement may include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Without limiting the foregoing, the words “may,” “believe,” “could,” “might,” “possible,” “potential,” “project,” “will,” “should,” “expect,” “intend,” “plan,” “predict,” “anticipate,” “estimate,” “approximate,” “contemplate,” “continue,” “target,” “goal” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. All forward-looking statements included in this Official Statement are based on information available to the Town up to the date as of which such statements are to be made, or otherwise up to, and including, the date of this document, and the Town assumes no obligation to update any such forward-looking statements to reflect events or circumstances that arise after the date hereof or after the date of any report containing such forward-looking statement, as applicable. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain important factors, including, but not limited to (i) the effect of and from, future municipal, state and federal budgetary matters, including state and federal grants and other forms of financial aid to the Town; (ii) federal tax policy, including the deductibility of state and local taxes for federal tax purposes; (iii) macroeconomic economic and business developments, both for the country as a whole and particularly affecting the Town; (iv) financial services industry developments; (v) litigation or arbitration; (vi) climate and weather related developments, natural disasters and other acts of God; (vii) factors used in estimating future obligations of the Town; (viii) the effects of epidemics and pandemics, including economic effects; (ix) foreign hostilities or wars; (x) foreign or domestic terrorism or domestic violent extremism; (xi) disruptions to the Town’s technology network and systems, including computer systems and software; and (xii) other factors contained in this Official Statement.

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## **Bond Issue Summary**

*The information in this Bond Issue Summary and the front cover page is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. This Official Statement speaks only as of its date and the information herein is subject to change.*

<b>Date of Sale:</b>	Wednesday, September 17, 2025 at 11:30 am (Eastern Time).
<b>Location of Sale:</b>	Town Hall, 933 Hopmeadow Street, Simsbury, Connecticut 06070.
<b>Issuer:</b>	Town of Simsbury, Connecticut (the "Town").
<b>Issue:</b>	\$9,715,000* General Obligation Bonds, Issue of 2025 (the "Bonds").
<b>Dated Date:</b>	Date of Delivery
<b>Principal Due:</b>	The Bonds are due serially, April 1, 2026 through April 1, 2035, as detailed in this Official Statement.
<b>Interest Due:</b>	April 1, 2026 and semiannually thereafter on October 1 and April 1, in each year until maturity or earlier redemption.
<b>Purpose:</b>	The Bond proceeds will be used to provide funds for various general purpose and school projects. (See "Use of Proceeds" herein).
<b>Redemption:</b>	The Bonds are subject to redemption prior to maturity. (See "Redemption Provisions" herein).
<b>Security:</b>	The Bonds will be general obligations of the Town, and the Town will pledge its full faith and credit to the payment of principal of and interest on the Bonds when due.
<b>Credit Rating:</b>	Application for a rating on the Bonds had been made to S&P Global Ratings ("S&P") The Town has an outstanding rating of "AAA" by S&P. (See "Rating" herein).
<b>Bond Insurance:</b>	The Town does not expect to purchase a credit enhancement facility.
<b>Basis of Award:</b>	Lowest True Interest Cost (TIC), as of the dated date.
<b>Tax Exemption:</b>	See "Tax Matters" herein.
<b>Bank Qualification:</b>	The Bonds <u>shall be</u> designated by the Town as qualified tax-exempt obligations under the provision of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions of interest expense allocable to the Bonds.
<b>Continuing Disclosure:</b>	In accordance with the requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will agree to provide, or cause to be provided, (i) annual financial information and operating data, (ii) timely notice of certain events with respect to the Bonds not in excess of 10 business days after the occurrence of such events and (iii) timely notice of a failure by the Town to provide the required annual financial information and operating data on or before the date specified in the Continuing Disclosure Agreement to be executed by the Town substantially in the form attached as Appendix C to this Official Statement.
<b>Registrar, Transfer Agent, Certifying Agent, and Paying Agent:</b>	U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27 <sup>th</sup> Floor, Hartford, Connecticut 06103.
<b>Municipal Advisor:</b>	Phoenix Advisors, a division of First Security Municipal Advisors, Inc. of Milford, Connecticut. Telephone (203) 283-1110.
<b>Legal Opinion:</b>	Pullman & Comley LLC, of Hartford, Connecticut.
<b>Delivery and Payment:</b>	It is expected that delivery of the Bonds in book-entry-only form will be made to The Depository Trust Company on or about October 1, 2025. Delivery of the Bonds will be made against payment in Federal Funds.
<b>Issuer Official:</b>	Questions concerning the Official Statement should be addressed to Amy Meriwether, Director of Finance, Town of Simsbury, 933 Hopmeadow Street, Simsbury, Connecticut 06070. Telephone (860) 658-3282.

*\* Preliminary, subject to change.*

## ***I. Bond Information***

### ***Introduction***

This Official Statement, including the cover page and appendices, is provided for the purpose of presenting certain information relating to the Town of Simsbury, Connecticut (the “Town”), in connection with the issuance and sale of \$9,715,000\* General Obligation Bonds, Issue of 2025 (the “Bonds”) of the Town.

The Bonds are being offered for sale at public bidding. A Notice of Sale dated September 10, 2025 has been furnished to prospective bidders. Reference is made to the Notice of Sale, which is included as Appendix D for the terms and conditions of the bidding.

This Official Statement is not to be construed as a contract or agreement between the Town and the purchasers or holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates are not intended to be representations of fact, and no representation is made that any such opinion or estimate will be realized. No representation is made that past experience, as might be shown by financial or other information herein, will necessarily continue or be repeated in the future. All quotations from and summaries and explanations of provisions of statutes, charters, or other laws and acts and proceedings of the Town contained herein do not purport to be complete, are subject to repeal or amendment, and are qualified in their entirety by reference to such laws and the original official documents. All references to the Bonds and the proceedings of the Town relating thereto are qualified in their entirety by reference to the definitive form of the Bonds and such proceedings.

The presentation of information in this Official Statement is intended to show recent historical trends and is not intended to indicate future or continuing trends in the financial or other positions of the Town.

The Town deems this Official Statement to be “final” for the purposes of Securities and Exchange Commission Rule 15c2-12(b)(1), but it is subject to revision or amendment.

### ***Public Health Considerations***

Commencing in late 2019, an outbreak of a respiratory disease caused by a new strain of coronavirus (“COVID-19”) resulted in a global public health crisis. The federal and State governments both declared public health emergencies and, along with local governments, took action to limit the spread of the outbreak and reduce the resulting economic impact. The federal and State public health emergency declarations have since been terminated.

To date, the COVID-19 outbreak has had no material adverse effect on the finances of the Town. However, prospective investors should assume that restrictions and limitations related to COVID-19 and any future variants or pandemics may be instituted by the federal or State governments and that any resurgence of COVID-19 or another infectious disease could have a material adverse effect on the Town and its financial and operational performance.

The Town received \$7,515,666 from the American Rescue Plan Act of 2021 in response to the COVID-19 pandemic (the “COVID-19 Aid”). The Town developed a plan for the use of such funds that focused on infrastructure improvements and other initiatives that complied with the program eligibility criteria. No assurance can be given that the Town would receive federal aid akin to the COVID-19 Aid if another pandemic or similar public health emergency were to occur.

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\* Preliminary, subject to change.

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## ***Climate Change***

Numerous scientific studies have detailed changing global weather patterns and the potential for increasing extreme weather events across the world. The Town faces certain threats due to climate change, including flooding, drought and damaging wind that could become more severe and frequent. The Town cannot predict the timing, extent or severity of climate change and its impact on the Town's operations and finances.

The Town has taken a number of steps to plan and prepare for the effects of changing weather patterns. The Town also participates in the Capital Region Hazard Mitigation Plan, which looks at emergency preparedness, utility resiliency, floodplain management and other measures to limit damage and facilitate recovery.

## ***Cybersecurity***

The Town, like many other public and private entities, relies on technology to conduct its operations. The Town and its departments face cyber threats from time to time, including but not limited to hacking, viruses, malware, phishing, and other attacks on computers and other sensitive digital networks and systems. To reduce the risk of a successful cybersecurity threat the Town has invested in IT security firewalls, anti-virus software, anti-malware software, ransomware protection software, end point detection and response, and multi-factor authentication. All of the Town computers and computer servers are protected by this security software and firewalls. These security protection systems are evaluated annually for upgrades or replacements.

To mitigate the risk of business operations impact and/or damage from cyber security incidents or cyberattacks, the Town has invested in disaster recovery systems and a continuity of IT operations plan which leverages regular daily system backups which are stored remotely. In the event of a cybersecurity incident recovery from an earlier state for any enterprise application system is possible. The Town currently has a cybersecurity insurance policy. No assurances can be given, however, that such security and operational control measures will be completely successful to guard against cyber threats and attacks. The results of any such attack could impact financial operations and/or damage the Town's digital networks and systems and the costs of remedying any such damage could be substantial.

## ***Municipal Advisor***

Phoenix Advisors, a division of First Security Municipal Advisors, Inc., Milford, Connecticut, has served as Municipal Advisor to the Town in connection with the issuance of the Bonds (the "Municipal Advisor") and has assisted in matters related to the planning, structuring and terms of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken, either to make an independent verification of, or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement and the Appendices hereto. The Municipal Advisor is an Independent Registered Municipal Advisor pursuant to the Dodd-Frank Act and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities.

## ***Description of the Bonds***

The Bonds will mature on April 1 in each of the years as set forth on the cover page of this Official Statement. The Bonds will be dated the date of delivery and bear interest at the rates per annum specified on the cover page of this Official Statement, payable semiannually on April 1 and October 1 in each year until maturity, commencing April 1, 2026. Interest will be calculated on the basis of a 360-day year, consisting of twelve 30-day months. Interest is payable to the registered owner as of the close of business on the fifteenth day of March and September in each year, or the preceding business day if such fifteenth day is not a business day, by check, mailed to the registered owner; or so long as the Bonds are registered in the name of Cede & Co., as nominee of DTC, by such other means as DTC, the Paying Agent and the Town shall agree. See "Book-Entry-Only Transfer System". The Bonds are subject to redemption prior to maturity. (See "Redemption Provisions" herein).

U.S. Bank Trust Company, National Association, CityPlace I, 185 Asylum Street, 27<sup>th</sup> Floor, Hartford, Connecticut 06103 will act as Registrar, Transfer Agent, Paying Agent and Certifying Agent for the Bonds. The legal opinion for the Bonds will be rendered by Pullman & Comley LLC, Bond Counsel, of Hartford, Connecticut. See Appendix B "Form of Opinion of Bond Counsel".

## Redemption Provisions

The Bonds maturing on or before April 1, 2032 are not subject to redemption prior to maturity. The Bonds maturing on April 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Town, on or after April 1, 2032, either in whole or in part at any time, in such order of maturity and amount as the Town may determine, and by lot within a maturity, at the respective redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed), set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
April 1, 2032 and thereafter .....	100%

Notice of redemption shall be given by the Town or its agent by mailing a copy of the redemption notice by first-class mail not less than thirty (30) days but not more than sixty (60) days prior to the redemption date to the registered owner of the Bonds at the address of such registered owner as the same shall last appear on the registration books for the Bonds kept for such purpose. Failure to give such notice by mailing to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Paying Agent, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot in such manner as the Town in its discretion may determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or a multiple thereof and that, in selecting Bonds for redemption, each Bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

The Town, so long as Cede & Co., as nominee of the Depository Trust Company ("DTC"), is the registered owner of the Bonds, will send any notice of redemption only to DTC (or successor securities depository) or its successor nominee. Any failure of DTC to advise any Direct Participant or of any Direct Participant or Indirect Participant to notify any Indirect Participant or Beneficial Owner, of any such notice and its contents or effect will not affect the validity of the redemption of such Bonds called for redemption. Redemption of a portion of the Bonds of any maturity by the Town will reduce the outstanding principal amount of Bonds of such maturity held by DTC. In such event it is the current practice of DTC to allocate by lot, through its book-entry system, among the interests held by Direct Participants in the Bonds to be redeemed, the interest to be reduced by such redemption in accordance with its own rules or other agreements with Direct Participants. The Direct Participants and Indirect Participants may allocate reductions of the interest in the Bonds to be redeemed held by the Beneficial Owners. Any such allocations of reductions of interests in the Bonds to be redeemed will not be governed by the determination of the Town authorizing the issuance of the Bonds and will not be conducted by or the responsibility of the Town, the Registrar or Paying Agent.

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## Authorization and Purpose

The Bonds are issued pursuant to the General Statutes of Connecticut and the Charter of the Town of Simsbury. The Board of Selectmen, the Board of Finance, and the voters at a referendum authorized borrowing in the amount set forth below.

## Use of Proceeds

<b>Project</b>	<b>Amount Authorized</b>	<b>This Issue: The Bonds*</b>
<b><i>FY 2022 Approved</i></b>		
District Security Improvements.....	\$ 250,000	\$ 250,000
<b><i>FY 2024 Approved</i></b>		
Highway Pavement Management.....	1,100,000	132,933
Sidewalk Reconstruction.....	223,400	223,400
Refurbish Elevators.....	877,500	877,500
Old Drake Hill Road/Flower Bridge Repairs.....	1,989,000	1,989,000
Multi-Use Trail Connections and Development.....	279,500	279,500
Bridge Impr. (Climax Road Bridge over Nod Brook)...	372,000	372,000
District Security Improvements.....	250,000	250,000
Tariffville School Modular Replacement.....	500,000	500,000
<b><i>FY 2025 Approved</i></b>		
Highway Pavement Management.....	1,011,267	1,011,267
Sidewalk Reconstruction.....	223,400	223,400
Old Drake Hill Road/Flower Bridge Repairs.....	495,000	495,000
Town Hall Site & Safety Improvements.....	460,000	460,000
Town Hall Rooftop Units.....	275,000	275,000
Barn & Facility Repairs - Wolcott Road.....	275,000	275,000
Dam Evaluation & Repairs.....	171,000	171,000
District Network Infrastructure.....	350,000	350,000
District Flooring Improvements.....	250,000	250,000
SHS - Auditorium & Amphitheater Improvements.....	400,000	400,000
Tootin Hills - Replace Roof (V3, V4).....	1,120,000	930,000
<b>Total .....</b>	<b>\$ 10,872,067</b>	<b>\$ 9,715,000</b>

\* Preliminary, subject to change.

## Tax Matters

**Federal Taxes.** In the opinion of Bond Counsel, under existing law, (i) interest on the Bonds is excludable from gross income for federal income tax purposes, and (ii) such interest is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of certain corporations for the purpose of computing the alternative minimum tax imposed on corporations.

Bond Counsel's opinion with respect to the Bonds will be rendered in reliance upon and assuming the accuracy of and continuing compliance by the Town with its representations and covenants relating to certain requirements of the Internal Revenue Code of 1986 (the "Code"). The Code and regulations promulgated thereunder establish certain requirements which must be satisfied at and subsequent to the issuance of the Bonds in order that interest on the Bonds be and remain excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds irrespective of the date on which such noncompliance occurs. In the Tax Regulatory Agreement, which will be delivered concurrently with the issuance of the Bonds, the Town will covenant to comply with certain provisions of the Code and will make certain representations designed to assure compliance with such requirements of the Code including, but not limited to, investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of the Bond proceeds and certain other matters. The opinion of Bond Counsel delivered on the date of issuance of the Bonds is conditioned upon compliance by the Town with such requirements.



No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of, or the receipt or accrual of interest on, the Bonds.

**Original Issue Discount.** The initial public offering prices of certain maturities of the Bonds may be less than the stated principal amount (the “OID Bonds”). Under existing law, the difference between the stated principal amount and the initial offering price of each maturity of the OID Bonds will constitute original issue discount. The offering prices relating to the yields set forth on the cover page of this Official Statement for such OID Bonds are expected to be the initial offering prices to the public (excluding bond houses and brokers) at which a substantial amount of the OID Bonds are sold. Under existing law, original issue discount on the OID Bonds accrued and properly allocable to the owners thereof under the Code is excludable from gross income for federal income tax purposes if interest on the OID Bonds is excludable from gross income for federal income tax purposes.

Under the Code, for purposes of determining an owner’s adjusted basis in an OID Bond purchased at an original issue discount, original issue discount is treated as having accrued while the owner holds such OID Bond and will be added to the owner’s basis. The owner’s adjusted basis will be used to determine taxable gain or loss upon the sale or other disposition (including redemption or payment at maturity) of such an OID Bond.

Prospective purchasers of OID Bonds should consult their own tax advisors as to the calculation of accrued original issue discount, the accrual of original issue discount in the case of owners of OID Bonds purchasing such OID Bonds after the initial offering and sale, and the state and local tax consequences of owning or disposing of such OID Bonds.

**Original Issue Premium.** The initial public offering prices of certain maturities of the Bonds may be more than their stated principal amounts payable at maturity (the “OIP Bonds”). In general, an owner who purchases an OIP Bond must amortize the original issue premium as provided in the applicable Treasury Regulations, and amortized premium reduces the owner’s basis in the OIP Bond for federal income tax purposes. Prospective purchasers of OIP Bonds at a premium to its principal amount should consult their tax advisors regarding the amortization of premium and its effect upon basis.

**Other Federal Tax Matters.** Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, certain insurance companies, recipients of Social Security or Railroad Retirement benefits, certain S corporations, foreign corporations subject to the branch profits tax, taxpayers eligible for the earned income credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Bond Counsel does not express any opinion regarding such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors regarding collateral federal income tax consequences. Prospective purchasers of the Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

**State Taxes.** In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Accrued original issue discount on an OID Bond is also excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax.

Owners of the Bonds should consult their own tax advisors with respect to the determination for state and local income tax purposes of original issue discount or original issue premium accrued upon sale or redemption thereof, and with respect to the state and local tax consequences of owning or disposing of such Bonds.

**Changes in Federal and State Tax Law.** Legislation, administrative actions and rulings, or court decisions, at both the federal and state levels, may adversely affect the tax treatment of obligations such as the Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the issuance of the Bonds will not have an adverse effect on the tax status of interest on the Bonds or the market value or marketability of the Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

Investors in the Bonds should be aware that such future legislative, administrative or legal actions may increase, reduce or otherwise change (including retroactively) the financial benefits and the treatment of all or a portion of the interest on the Bonds for federal and/or state income tax purposes for all or certain taxpayers. In all such events, the market value of the Bonds may be adversely affected and the ability of holders to sell their Bonds in the secondary market may be reduced. The Bonds are not subject to special mandatory redemption, and the interest rates on the Bonds are not subject to adjustment, in the event of any such change in the tax treatment of interest on the Bonds.

**General.** The opinion of Bond Counsel is rendered as of its date, and Bond Counsel assumes no obligation to update or supplement its opinion to reflect any facts or circumstances that may come to its attention or any changes in law that may occur after the date of its opinion. Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

The discussion above does not purport to deal with all aspects of federal or state or local taxation that may be relevant to a particular owner of the Bonds. Prospective owners of the Bonds, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds.

### ***Book-Entry-Only Transfer System***

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Bonds (the "Bonds"). The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Town or Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent, or the Town, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest on, and redemption premium, if any, with respect to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Town or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Town or its Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Town may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Town believes to be reliable, but the Town takes no responsibility for the accuracy thereof.

### ***DTC Practices***

The Town can make no assurances that DTC, Direct Participants, Indirect Participants or other nominees of the Beneficial Owners of the Bonds will act in a manner described in this Official Statement. DTC is required to act according to rules and procedures established by DTC and its participants which are on file with the Securities and Exchange Commission.

## ***Replacement Bonds***

In the event that: (a) DTC determines not to continue to act as securities depository for the Bonds, and the Town fails to identify another qualified securities depository for the Bonds to replace DTC; or (b) the Town determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Town will issue fully-registered Bond certificates directly to the Beneficial Owner. A Beneficial Owner of the Bonds, upon registration of certificates held in such Beneficial Owner's name, will become the registered owner of the Bonds.

## ***Security and Remedies***

The Bonds will be general obligations of the Town and the Town will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from general property tax revenues. The Town has the power under Connecticut General statutes to levy ad valorem taxes on all taxable property in the Town without limit as to rate or amount, except as to certain classified property such as certified forest land taxable at a limited rate and dwelling houses of qualified elderly persons of low income or qualified disabled persons taxable at limited amounts. The Town may place a lien on the property for the amount of tax relief granted, plus interest, with respect to dwelling houses of qualified elderly persons of low income or qualified disabled persons. Under existing statutes, the State of Connecticut is obligated to pay the Town the amount of the tax revenue which the Town would have received except for the limitation under certain of the statutes upon its power to tax dwelling houses of qualified elderly persons of low income.

Payment of the Bonds is not limited to property tax revenues or any other revenue source, but certain revenues of the Town may be restricted as to use and therefore may not be available to pay debt service on the Bonds.

There are no statutory provisions for priorities in the payment of general obligations of the Town. There are no statutory provisions for a lien on any portion of the tax levy or other revenues to secure the Bonds or judgments thereon, in priority to other claims.

The Town is subject to suit on its general obligation bonds and a court of competent jurisdiction has power in appropriate proceedings to render a judgment against the Town. Courts of competent jurisdiction also have power in appropriate proceedings to order a payment of a judgment on such debt from funds lawfully available therefor or, in the absence thereof, to order the Town to take all lawful action to obtain the same, including the raising of the required amount in the next annual tax levy. In exercising their discretion as to whether to enter such an order, the courts may take into account all relevant factors including the current operating needs of the Town and the availability and adequacy of other remedies.

Enforcement of a claim for payment of principal of or interest on the Bonds would also be subject to the applicable provisions of Federal bankruptcy laws as well as other bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and to the exercise of judicial discretion. Section 7-566 of the Connecticut General Statutes, as amended in 1993, provides that no Connecticut municipality shall file a petition in bankruptcy without the express prior written consent of the Governor. This prohibition applies to any town, city, borough, metropolitan district and any other political subdivision of the State having the power to levy taxes and issue bonds or other obligations.

### ***THE TOWN HAS NEVER DEFAULTED IN THE PAYMENT OF PRINCIPAL OR INTEREST ON ITS BONDS OR NOTES.***

## ***Qualification for Financial Institutions***

The Bonds shall be designated by the Town as qualified tax-exempt obligations under the provisions of Section 265(b) of the Internal Revenue Code of 1986, for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

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## ***Availability of Continuing Disclosure Information***

The Town of Simsbury prepares a comprehensive annual financial report which is independently audited in accordance with State law. The Town files such annual report with the State Office of Policy and Management. The Town provides and will continue to provide the applicable rating agencies with ongoing disclosure in the form of annual audited financial statements, adopted budgets, and other materials relating to its management and financial condition as may be necessary or requested.

The Town will enter into a Continuing Disclosure Agreement with respect to the Bonds, substantially in the form attached as Appendix C to this Official Statement (the “Continuing Disclosure Agreement”), to provide or cause to be provided, in accordance with the requirements of SEC Rule 15c2-12, (i) annual financial information and operating data, (ii) timely notice of the occurrence of certain events with respect to the Bonds not in excess of ten business days after the occurrence of such events, and (iii) timely notice of failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement. The winning bidder’s obligation to purchase the Bonds shall be conditioned upon their receiving at or prior to the delivery of the Bonds, an executed copy of the Continuing Disclosure Agreement.

The Town has previously entered into continuing disclosure agreements for the benefit of holders of certain of its general obligation bonds to provide certain annual financial information, operating data and event notices pursuant to SEC Rule 15c2-12(b)(5). Within the last five years, the Town has not failed to comply in any material respect with its undertakings under such agreements.

## ***Rating***

Application for a rating on the Bonds had been made to S&P Global Ratings (“S&P”) The Town has an outstanding rating of “AAA” by S&P. The Town furnished the rating agency certain information and materials, some of which may not have been included in this Official Statement. The rating reflects only the view of the rating agency and an explanation of the significance of the rating may be obtained from such rating agency. There is no assurance that the rating will continue for any given period of time or that it will not be revised or withdrawn entirely if in the judgment of such rating agency, circumstances so warrant.

## ***Bond Insurance***

The Town does not expect to purchase a credit enhancement facility for the Bonds.

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## SECTION II – THE ISSUER



## Connecticut

### ***Description of the Town***

Simsbury was incorporated as Connecticut's twenty-first town in May 1670 and is one of the State's oldest communities. Centrally located in the heart of the New York – Boston corridor twelve miles northwest of Hartford, the Town covers an area of 34.3 square miles and has a population of approximately 24,747. The Town is conveniently located 20 minutes southwest of Bradley International Airport and is bisected by the Farmington River. Simsbury is bound on the north by Granby and East Granby, on the east by Bloomfield, on the south by Avon, and on the west by Canton.

The Town is traversed by the College Highway (State Route 10 and US Route 202), US Route 44, and State Routes 167, 185, 189, 309, and 315. A former rail bed has been converted to a "Rails-to-Trails" active recreation facility connecting from Plainville in the south through Granby to the Massachusetts border in the north. Freight service is available from various motor common carriers. Intrastate and local commuter buses provide passenger transportation and the Simsbury Airport caters to general private aviation. The Town is located in the Hartford labor market and many of its residents work either locally or commute to Hartford and surrounding communities where they are engaged primarily in professional, technical, managerial, sales, and similar occupations.

The Town completed an updated Plan of Conservation and Development in 2023, which became effective January 1, 2024. The Plan of Development serves as a policy guide for future growth, development, and open space preservation in the Town.

Historic sites and structures are integral components of the Town's heritage. Thirteen buildings (many of which are still occupied as homes) have been included in the U.S. National Register of Historic Places. Twenty structures are in the State Register of Historic Places and one historic district enjoys local recognition.

## **Description of Government**

In November, 2016 the Town's residents voted to make changes to the charter, including a change in the form of government from a First Selectman/Board of Selectmen to a Town Manager/Board of Selectmen form of government. Other charter modifications included creation of an Economic Development Commission by ordinance with terms and objectives established by the Board of Selectmen; elimination of the Human Relations Commission from the charter; changes to the membership of the Open Space Committee; technical changes to the town budget and appropriations process; and the use of gender neutral language throughout the charter. The charter changes approved in 2016 took effect on December 4, 2017.

### **Principal Municipal Officials**

<b>Office</b>	<b>Name</b>	<b>Manner of Selection</b>	<b>Length of Service</b>	<b>Term Expires</b>
First Selectman .....	Wendy Mackstutis	Elected	4 years	12/1/2025
Town Manager .....	Marc Nelson	Appointed	2 years	N/A
Deputy Town Manager .....	Thomas Fitzgerald	Appointed	3 years	N/A
Chair, Board of Finance .....	Lisa Heavner	Elected	8 years	12/3/2029
Chair, Board of Education .....	Jeffrey Tindall	Elected	2 years	12/6/2027
Director of Finance .....	Amy Meriwether	Appointed	7 years	N/A
Superintendent of Schools .....	Matthew Curtis	Appointed	14 years	6/30/2027

#### **First Selectman:** Wendy Mackstutis

Wendy Mackstutis is in her third term as Simsbury's First Selectman, after completing her initial term as a member of the Board of Selectmen. Prior to being an elected official, Wendy retired from a long career as an Information Technology Director. She graduated in 2025 from UCONN's Executive Master's in Public Administration Fellows program, and has a Bachelor's Degree in Business Administration from the University of Hartford. She is a life-long Connecticut resident, and has lived in Simsbury since 1987.

#### **Town Manager:** Marc Nelson

Prior to being appointed Simsbury's second Town Manager by its Board of Selectmen in January, 2024, Marc served the City of Poughkeepsie, New York for eight years - first as its Commissioner of Finance and Treasurer, then as City Administrator, and finally as Mayor.

Marc has worked in local government since 2008, when he joined the City of Hartford, Connecticut as its municipal Tax Collector. Marc also served two terms as an elected commissioner on the city's Pension Commission, a defined pension plan with more than \$1 Billion in assets under management. In addition, he served as President of the Hartford Municipal Employees Association, a collective bargaining group of supervisors and managers.

Prior to joining the City of Hartford, he was a Vice President at Bear Stearns, then the fifth largest investment bank in the county.

He was educated in London, England in the former British Grammar School system. He holds a bachelor's degree in economics from the University at Albany, and a Master's in Public Administration from Marist College.

#### **Deputy Town Manager:** Thomas Fitzgerald

Thomas Fitzgerald has served in the Town Manager's Office for the Town since March 2018. For the first 15 months he was the graduate student intern before being promoted to the Management Specialist role in June of 2019. Most recently, Thomas has been appointed the Deputy Town Manager since February 2023. Thomas has assumed the roles of the Deputy Town Manager position including assisting the Town Manager with the day-to-day operations, responsibility for communications issued on behalf of the town, oversight of information technology services and the Town Clerk's Office, and assists in the recruitment of personnel. Thomas has a Master's in Public Administration from the University of Connecticut and a Bachelor's Degree in history with a minor in Turfgrass Management from the University of Connecticut.

***Chairman, Board of Finance:*** Lisa Heavner

Lisa Heavner serves as the Chair of the Board of Finance for the Town. She has been on the Board of Finance since 2017 and has served as Chair since December 2021. Lisa is a former First Selectwoman and Selectwoman for Simsbury, serving the Town since 2009. She currently serves as a board member for the Connecticut Teachers' Retirement Board and a private nonprofit planning agency for elderly services. Lisa earned her Bachelor's Degree from Haverford College and her Juris Doctor Degree from the Georgetown University Law Center.

***Director of Finance:*** Amy Meriwether

Amy Meriwether currently serves as Simsbury's Director of Finance. She was formally appointed by the six-member Board of Selectmen and began working full time for the Town in September 2018. As Director of Finance, Amy oversees the financial management of the Town including all functions performed within the tax, assessment and accounting departments.

Amy previously served as the Accounting Manager/Treasurer for the Town of Mansfield. In this role, she provided financial management services to the town, the Mansfield Board of Education, Regional School District #19, Eastern Highlands Health District, and three non-profit entities. Prior to her tenure in Mansfield, she was an auditor and senior accountant with Blum Shapiro. Amy holds an Associate's Degree in Accounting from Johnson and Wales University and a Bachelor's Degree in accounting from Rhode Island College.

***Superintendent of Schools:*** Matthew Curtis

Matthew Curtis serves as the Superintendent of Schools in Simsbury, Connecticut. The Simsbury school district has 4,061 students in 5 elementary schools, 1 middle school and 1 high school and is nationally recognized as a top performing school district. The 2025-2026 school year marks the twentieth year that Matthew has spent in the Simsbury school district during which he served as Assistant Principal of Squadron Line School, Principal of Squadron Line School, and then Director of Human Resources. Prior to returning to Simsbury in 2012, Matthew served as Assistant Superintendent of Administration in Glastonbury, CT. He worked in the business community prior to moving into the field of education. He received a Bachelor's Degree in Philosophy from the University of Hartford, a Master's Degree in Elementary Education from Central Connecticut State University and his 6<sup>th</sup> Year in Educational Leadership from the University of Connecticut.

***Summary of Municipal Services***

***Police Department:*** The Police Department consists of 55 full-time personnel, including 42 sworn officer positions. The Department is accredited through the State of Connecticut and nationally through the Commission for the Accreditation of Law Enforcement Agencies. All officers earned and maintain police certification through the Connecticut Police Officers Standards and Training Council. Of the current 42 sworn positions filled, 26 officers have college degrees, and one member of the command staff is a graduate of the Federal Bureau of Investigations National Academy. All sworn members are emergency medical responders and one is an emergency medical technician. All sworn members are EMS first responders. All of the public safety dispatchers are certified for emergency medical dispatch and three are emergency medical technicians.

***Fire:*** The Simsbury Fire District is coterminous with the Town, but is an independent taxing authority with the power to make appropriations and issue debt. The District currently carries no debt. The Simsbury Fire District currently employs 9 full-time personnel and maintains 17 modern vehicles at six locations strategically positioned throughout the Town. Eighty-six volunteers are members of the Simsbury Volunteer Fire Company. The Simsbury Fire District has a dedicated fire dispatcher on duty 24 hours a day.

***Land Use:*** Volunteer citizen officials serve on Planning, Zoning, Conservation, Beautification, Design Review, Zoning Board of Appeals, and Economic Development boards and commissions. In addition, the Town has organized the land use departments to include a full-time Director of Planning who is responsible for streamlining the land-use process in Simsbury.

***Ambulance:*** The Simsbury Volunteer Association provides a 24-hour service Basic Life Support and Advanced Life Support emergency medical services to Simsbury residents. The Association uses three transport vehicles, two paramedic "fly-cars" and is staffed by 19 Emergency Medical Technicians and 10 Paramedics. The Association is funded by insurance billing with additional funding from public and private donations.



**Public Works:** The Department of Public Works is responsible for the maintenance of all Town-owned structures, highways, bridges, sidewalks and disposal facilities. The Town has 165 miles of roads, which are maintained through a pavement management program and a modern fleet of vehicles.

**Sewers:** The Simsbury sewer system was completed in 1981. The system consists of a sewer plant, four pumping stations, and approximately 85 miles of street laterals and interceptors. The sewer system serves approximately 60% of the Town's population. In addition, the Town also receives sewage from the nearby Towns of Avon and Granby. The cost of operating the sewer system is provided through a sewer use charge collected from residential and commercial users as well as the two participating communities.

Following a May 2002 Referendum approval, a \$26,840,000 upgrade and expansion of the Sewer Treatment Plant was completed. This project was funded by the State of Connecticut Clean Water Grants and a 2% Clean Water Loan and was necessary to meet State water quality requirements and increase capacity to meet future commercial/industrial and residential growth.

**Social Services:** The Social Services Department provides for the administration and coordination of social and elderly services. These services include elderly and handicapped transportation, outreach to youth and elderly, counseling, financial aid, and a senior citizen center. The Department is staffed by a full-time Social Service Director as well as a full-time Senior Center Director.

**Solid Waste Disposal:** The Town is a member of the Central Connecticut Solid Waste Authority ("CCSWA"). CCSWA is a regional resource recovery authority established and operated under the provisions of Chapter 103b of the Connecticut General Statutes to jointly manage solid waste and recycling services on behalf of its member municipalities. There are 15 member municipalities. The Town's solid waste haulers are permitted to dispose of municipal solid waste to any legally authorized disposal sites. The CCSWA is anticipated to continue its advocacy efforts on solid waste issues for its member municipalities.

**Recreation:** The Recreation Department administers a comprehensive recreational program designed for the year-round activities of all ages. Programs consist of tennis, basketball, hockey, paddle tennis, golf, soccer, dance, aerobics, and many craft classes. The Department has recently added staff to support expanded youth services and programs.

Golfers may play two different courses located in Town, one private and one public. Hopmeadow Country Club, located on 275 acres near the center of Town, opened in 1962. The municipal course is located in the 235-acre Orkil Farms public recreation area known as Simsbury Farms, developed by the Town at a cost of \$2.1 million. In addition to the eighteen-hole golf course, Simsbury Farms also offers an artificial ice rink, four swimming pools, outdoor tennis and paddle tennis courts, amphitheater, and club house with a full-service restaurant.

Other recreational facilities in Town include the Simsbury Performing Arts Center, the War Memorial Pool area with two swimming pools and the International Skating Center of Connecticut. Elsewhere, two large indoor tennis houses, a basketball court, and a gymnastics center are available for residents. Over the years, the Town has acquired numerous tracts of land to protect its wetlands, streams, and environmental properties as open spaces. Open space and vacant land make up over 47% of all property in Simsbury.

## Educational System

The Town has five elementary schools serving grades K-6, a middle school serving grades 7-8, and a senior high school. St. Mary's Parochial School provides a private education for grades 1 through 8. The Ethel Walker School for girls (646 acres), the coeducational Westminster School (182 acres), and the coeducational Master's School (151 acres) are private preparatory schools located in Simsbury. The former Belden Elementary School has been converted to a Town office building which houses Town offices, the Police Department, and the Board of Education. The Town's residents are well educated with a total of 98.5% of the adult population having a high school degree or higher.

### School Enrollments

<b>School Year</b>	<b>Historical</b>			<b>Total</b>
	<b>K-6</b>	<b>7 - 8</b>	<b>9 - 12</b>	
2015-2016	1,983	710	1,440	4,133
2016-2017	1,976	690	1,444	4,110
2017-2018	1,976	658	1,405	4,039
2018-2019	1,989	610	1,419	4,018
2019-2020	2,038	633	1,354	4,025
2020-2021	2,018	633	1,309	3,960
2021-2022	2,084	643	1,302	4,029
2022-2023	2,176	627	1,261	4,064
2023-2024	2,177	634	1,293	4,104
2024-2025	2,145	687	1,229	4,061
<b>School Year</b>	<b>Projected</b>			<b>Total</b>
	<b>K-6</b>	<b>7 - 8</b>	<b>9 - 12</b>	
2025-2026	2,121	682	1,237	4,040
2026-2027	2,112	698	1,260	4,070
2027-2028	2,125	703	1,267	4,095
2028-2029	2,113	720	1,343	4,176
2029-2030	2,100	730	1,341	4,171

Source: Town of Simsbury, Superintendent's Office

### School Facilities

<b>School</b>	<b>Grades</b>	<b>Date of Construction (Additions, Remodeling)</b>	<b>Type of Construction</b>	<b>Number of Classrooms</b>	<b>10/1/2024 Enrollment</b>	<b>Rated Capacity</b>
Central.....	K-6	1911 (49, 90, 97)	Stone/Masonry	20	395	590
Latimer Lane.....	K-6	1963 (89, 92, 94, 24)	Masonry/Frame	27	475	650
Squadron Lane.....	K-6	1970 (91)	Masonry	38	668	890
Tariffville.....	K-6	1925 (57, 84, 90, 09)	Masonry/Frame	15	236	370
Tootin Hills.....	K-6	1953 (58, 91, 94, 97, 99)	Masonry/Frame	29	371	595
Henry James Memorial..	7-8	1957 (60, 99, 22)	Masonry	46	687	806
Simsbury High.....	9-12	1967 (84, 99, 05)	Masonry	119	1,229	1,650
<b>Total.....</b>				294	4,061	5,551

Source: Town of Simsbury, Superintendent's Office

### **Municipal Employees<sup>1</sup>**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
General Government.....	190.6	187.5	182.1	174.9	169.7
Board of Education.....	673.9	666.9	662.5	651.1	654.9
<b>Total.....</b>	<b>864.5</b>	<b>854.4</b>	<b>844.6</b>	<b>826.0</b>	<b>824.6</b>

<sup>1</sup> Full-time equivalent.

Source: Town of Simsbury

### **Municipal Employees Bargaining Organizations**

	<b>Positions Covered</b>	<b>Current Contract Expiration Date</b>
<b>General Government</b>		
Police Department – International Brotherhood of Police Officers .....	40.00	6/30/2028
Civilian Dispatchers – Connecticut Independent Labor Union.....	7.00	6/30/2029
Simsbury Secretarial, Clerical, and Library Town Employees Association....	38.00	6/30/2025 <sup>1</sup>
Simsbury Administrative & Professional		
Supervisors Town Employee Association.....	14.00	6/30/2025 <sup>1</sup>
Simsbury Administrative & Professional Town Employee Association.....	23.00	6/30/2025 <sup>1</sup>
Simsbury Public Works and Parks Employees Association.....	52.00	6/30/2029
Organized.....	174.00	
Non-Union.....	41.00	
<b>Sub-Total .....</b>	<b>215.00</b>	
<b>Board of Education</b>		
Simsbury Education Association .....	395.00	6/30/2026
Simsbury Federation of Educational Personnel .....	143.00	6/30/2026
National Association of Municipal Employees, Local R1-260 .....	38.00	6/30/2028
Simsbury School Nurses Association .....	14.00	6/30/2027
Simsbury School Administrators & Supervisors Association .....	17.00	6/30/2027
Organized.....	607.00	
Non-Union.....	152.00	
<b>Sub-Total .....</b>	<b>759.00</b>	
<b>Total .....</b>	<b>974.00</b>	

<sup>1</sup> In negotiations.

Source: Town of Simsbury

General Statutes Sections 7-473c, 7-474 and 10-153a to 10-153n provide a procedure for binding arbitration of collective bargaining agreements between municipal employers and organizations representing municipal employees, including certified teachers and certain other employees. The legislative body of a municipal entity may reject an arbitration panel's decision by a two-thirds majority vote. The State of Connecticut and the employee organization must be advised in writing of the reasons for rejection. The State then appoints a new panel of either one or three arbitrators to review the decisions on each of the rejected issues. The panel must accept the last best offer of either party. In reaching its determination, the arbitration panel gives priority to the public interest and the financial capability of the municipal employer, including consideration of other demands on the financial capability of the municipal employer. For binding arbitration contracts, in assessing the financial capability of a municipal entity, there is an irrefutable presumption that a budget reserve of (i) 5% or less with respect to teachers' contracts and (ii) 15% or less with respect to municipal employees, is not available for payment of the cost of any item subject to arbitration. In the light of the employer's financial capability, the panel considers prior negotiations between the parties, the interests and welfare of the employee group, changes in the cost of living, existing employment conditions, and the wages, salaries, fringe benefits, and other conditions of employment prevailing in the labor market, including developments in private sector wages and benefits.

### **SECTION III – DEMOGRAPHIC AND ECONOMIC DATA SECTION**

Early in 1994, the Town hired a full-time professional Economic Development Coordinator who formulated a Strategic Plan to guide the Town's economic development efforts to help stimulate the growth of high quality development. A fiscal impact study was completed in January 1995 to formulate a development strategy for the future. The Town encourages economic development through financial participation in the construction of roads and infrastructure. Economic development efforts have focused on outreach programs, growing home-based businesses, and marketing various commercial and industrial properties to international corporations. An indicator of the Town's success in carrying out its economic development plan was the move of the International Skating Center of Connecticut to the Town. The Center features a twin ice rink Olympic training facility, a professional dance studio, a fully-equipped weight and fitness center, a state-of-the-art sound system, a pro shop and lounge, and spectator seating for roughly 1,700 people. More recently, an outdoor Performing Arts Center, able to host a full symphony orchestra, with seating area for 10,000 was completed.

The Town supported economic development by constructing the Iron Horse Boulevard, a central downtown street that allows residents and shoppers to move quickly north and south through the Town behind the majority of the Town's retail establishments without cutting off access to those stores.

On the commercial level, the Town's retail centers include the completely rebuilt Simsbury Commons (formally the Farmington Valley Mall), the recently renovated Drake Hill Mall, and the Simsbury Town Shoppes.

Dyno Nobel/Ensign-Bickford Industries, with its related companies, is one of the Town's top five largest taxpayers. The company owns substantial real estate in the Town on which it has developed high quality residential structures and over 235,000 square feet of Class A office and research space. The company's Powder Forest Business Park has approximately 550 acres for development and its strict design and construction standards ensure a high level of aesthetics in harmony with the surrounding land.

The former Hartford Special Machine, Inc. building and its site were purchased by a partnership of developers and is now known as Tower Business Park. The building, originally 68,000 square feet on one floor, was completely renovated and a 51,000 square foot second floor was added for a total of 119,000 square feet of rental office space. A second three-story office building containing 45,000 square feet was added. Currently, both Chubb Executive Risk, Inc., a national insurance company employing about 550 people, and Blue Ridge Insurance, employing about 140, occupy the site.

#### ***Housing, Demographics and Economics***

According to the 2023 US Census, American Community Survey, Simsbury's population grew to 24,747 persons, an estimated 0.9% growth over 2020 US Census. This growth is largely attributed to net in-migration.

Housing in Simsbury grew over the 2010-2020 decade to consist of 10,057 housing units, with approximately 81% single-family units and 19% multi-family. Much of the residential growth over the ten year period was the addition of over 1,000 multi-family units.

Just over 5% of all residential units in Simsbury meet the State definition of affordable housing. The Town continues to use planning and land use tools to increase affordability in the community.

In terms of tax base, Simsbury's overall grand list (the value of all taxable property) is approximately \$3.4 billion. Economic development and the growth of the tax base is prioritized by local policy.

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## Population Trends and Densities

<b>Year</b>	<b>Population <sup>1</sup></b>	<b>% Increase (Decrease)</b>	<b>Density <sup>2</sup></b>
2023 <sup>3</sup>	24,747	0.9%	721.5
2020	24,517	4.3%	714.8
2010	23,511	1.2%	685.5
2000	23,234	5.5%	677.4
1990	22,023	4.1%	642.1
1980	21,161	19.8%	616.9
1970	17,658	--	514.8

<sup>1</sup> 1970-2020, U.S. Department of Commerce, Bureau of Census.

<sup>2</sup> Per square mile: 34.3 square miles.

<sup>3</sup> American Community Survey 2019-2023.

## Age Distribution of the Population

<b>Age</b>	<b>Town of Simsbury</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Under 5 years .....	1,258	5.1%	181,240	5.0%
5 to 9 years .....	2,069	8.4	195,390	5.4
10 to 14 years .....	1,710	6.9	217,297	6.0
15 to 19 years .....	1,682	6.8	238,145	6.6
20 to 24 years .....	686	2.8	233,423	6.5
25 to 34 years .....	2,081	8.4	449,771	12.5
35 to 44 years .....	3,545	14.3	451,461	12.5
45 to 54 years .....	3,399	13.7	462,543	12.9
55 to 59 years .....	2,041	8.2	260,758	7.2
60 to 64 years .....	1,898	7.7	257,548	7.2
65 to 74 years .....	2,431	9.8	376,023	10.4
75 to 84 years .....	1,212	4.9	187,378	5.2
85 years and over .....	735	3.0	87,371	2.4
<b>Total.....</b>	<b>24,747</b>	<b>100.0%</b>	<b>3,598,348</b>	<b>100.0%</b>
Median Age (Years) 2023.....	42.8		41.2	

Source: American Community Survey 2019-2023.

## Income Levels

	<b>Town of Simsbury</b>	<b>State of Connecticut</b>
Per Capita Income, 2023.....	\$76,605	\$54,409
Median Family Income, 2023.....	\$180,431	\$120,011
Median Household Income, 2023.....	\$153,715	\$93,760

Source: American Community Survey 2019-2023.

### **Income Distribution**

	<b>Town of Simsbury</b>		<b>State of Connecticut</b>	
	<b>Families</b>	<b>Percent</b>	<b>Families</b>	<b>Percent</b>
Less than \$10,000.....	80	1.2%	22,973	2.5%
\$10,000 to \$14,999.....	14	0.2	12,547	1.4
\$15,000 to \$24,999.....	112	1.7	29,893	3.3
\$25,000 to \$34,999.....	168	2.5	35,598	3.9
\$35,000 to \$49,999.....	107	1.6	61,793	6.7
\$50,000 to \$74,999.....	324	4.8	108,046	11.8
\$75,000 to \$99,999.....	426	6.3	108,216	11.8
\$100,000 to \$149,999.....	1,312	19.3	185,242	20.2
\$150,000 to \$199,999.....	1,295	19.1	128,574	14.0
\$200,000 or more.....	2,949	43.5	224,258	24.5
<b>Total.....</b>	<b>6,787</b>	<b>100.0%</b>	<b>917,140</b>	<b>100.0%</b>

*Source: American Community Survey 2019-2023.*

### **Educational Attainment**

Years of School Completed – Age 25 and Over

	<b>Town of Simsbury</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade.....	143	0.8%	101,530	4.0%
9th to 12th grade, no diploma.....	125	0.7	118,019	4.7
High School graduate (inc. equivalency)..	1,713	9.9	647,094	25.5
Some college, no degree.....	2,218	12.8	410,591	16.2
Associate degree.....	1,092	6.3	193,216	7.6
Bachelor's degree.....	6,834	39.4	581,935	23.0
Graduate or professional degree.....	5,217	30.1	480,468	19.0
<b>Total.....</b>	<b>17,342</b>	<b>100.0%</b>	<b>2,532,853</b>	<b>100.0%</b>
Percent high school graduate or higher.....		98.5%		91.3%
Percent bachelor's degree or higher.....		69.5%		41.9%

*Source: American Community Survey 2019-2023.*

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**Major Employers  
As of August 2025**

<b>Employer</b>	<b>Type of Business</b>	<b>Approximate Number of Employees</b>
Everest Global Svc.....	Insurance	500-999
McLean Village.....	Retirement Communities & Homes	250-499
Chubb.....	Insurance	250-499
Keller Williams Realty.....	Real Estate	250-499
McLean.....	Nurses	250-499
Simsbury High School.....	Schools	250-499
Hoffman Nissan.....	Automobile Dealers-New Cars	250-499
Ensign Bickford Aerospace.....	Aerospace Industries	100-249
Squadron Line School.....	Schools	100-249
Hop Meadow.....	Clubs	100-249
Super Stop & Shop.....	Grocers-Retail	100-249
Mitchell Saab.....	Automobile Dealers-Used Cars	100-249
Fitzgerald's Foods IGA.....	Grocers-Retail	100-249
Ironhealth.....	Insurance	100-249
Veeder-Root Co.....	Fuel Management	100-249
Westminster School.....	Schools	100-249
Tootin Hills School.....	Schools	100-249
Governor's House Care & Rehab.....	Convalescent Homes	100-249
Ethel Walker School Inc.....	Non-Profit Organizations	100-249
Best Buy.....	Electronic Equipment & Supplies-Retail	100-249
Simsbury Inn.....	Hotels & Motels	100-249

Source: State of Connecticut, Department of Labor.

**Labor Force Data**

<b>Period</b>	<b>Town of Simsbury</b>		<b>Percentage Unemployed</b>		
	<b>Employed</b>	<b>Unemployed</b>	<b>Town of Simsbury</b>	<b>Hartford Labor Market</b>	<b>State of Connecticut</b>
June 2025 .....	12,852	389	2.9	3.5	3.4
<b>Annual Average</b>					
2024.....	13,738	348	2.5	3.5	3.5
2023.....	13,564	415	3.0	3.7	3.7
2022.....	13,583	403	2.9	4.1	4.1
2021.....	12,515	579	4.4	6.6	6.6
2020.....	12,996	658	4.8	7.0	7.3
2019.....	13,475	357	2.6	3.8	3.7
2018.....	13,356	389	3.5	4.2	4.2
2017.....	12,871	436	3.3	4.8	4.7
2016.....	12,517	463	3.4	5.3	5.3
2015.....	12,414	471	3.7	5.6	5.6

Source: Department of Labor, State of Connecticut

### Industry Classification

Sector	Town of Simsbury		State of Connecticut	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining.....	75	0.6%	7,261	0.4%
Construction.....	503	3.9	112,821	6.1
Manufacturing.....	1,248	9.8	195,355	10.6
Wholesale trade.....	111	0.9	37,294	2.0
Retail trade.....	1,005	7.9	192,535	10.5
Transportation warehousing, and utilities...	477	3.7	84,571	4.6
Information.....	410	3.2	36,631	2.0
Finance, insurance, real estate, and leasing.	2,490	19.5	162,724	8.9
Professional, scientific, management, administrative, and waste management....	1,978	15.5	223,982	12.2
Education, health and social services.....	2,966	23.2	490,839	26.7
Arts, entertainment, recreation, accommodation and food services.....	604	4.7	145,445	7.9
Other services (except public admin.).....	456	3.6	78,662	4.3
Public Administration.....	470	3.7	67,335	3.7
<b>Total Labor Force, Employed.....</b>	<b>12,793</b>	<b>100.0%</b>	<b>1,835,455</b>	<b>100.0%</b>

Source: American Community Survey 2019-2023.

### Building Permits

Fiscal Year	Commercial		Residential		Total	
	No.	Value	No.	Value	No.	Value
2025	210	\$ 15,601,898	2,617	\$ 75,261,832	2,827	\$ 90,863,730
2024	214	14,309,014	2,062	31,571,504	2,276	45,880,518
2023	209	59,510,236	2,233	41,077,417	2,442	100,587,653
2022	92	11,110,040	994	25,902,204	1,086	37,012,244
2021	66	40,875,464	1,068	37,903,176	1,134	78,778,640
2020	61	14,142,558	770	22,148,397	831	36,290,955
2019	84	73,185,669	706	19,354,172	790	92,539,841
2018	82	48,090,147	704	16,083,129	786	64,173,276
2017	69	11,071,465	650	12,983,772	719	24,055,237
2016	101	46,258,074	776	18,190,088	877	64,448,162

Source: Town of Simsbury, Building Official

### Age Distribution of Housing

Year Built	Town of Simsbury		State of Connecticut	
	Units	Percent	Units	Percent
1939 or earlier.....	825	8.6%	313,434	20.4%
1940 to 1969.....	3,363	35.2	516,528	33.6
1970 to 1979.....	1,963	20.5	210,611	13.7
1980 to 1989.....	1,386	14.5	197,533	12.9
1990 to 1999.....	673	7.0	116,617	7.6
2000 or 2009.....	306	3.2	108,430	7.1
2010 or later.....	1,041	10.9	72,896	4.7
<b>Total Housing Units .....</b>	<b>9,557</b>	<b>100.0%</b>	<b>1,536,049</b>	<b>100.0%</b>

Source: American Community Survey 2019-2023.



### Housing Units by Type of Structure

<b>Housing Units</b>	<b>Town of Simsbury</b>		<b>State of Connecticut</b>	
	<b>Units</b>	<b>Percent</b>	<b>Units</b>	<b>Percent</b>
1-unit, detached.....	6,864	71.8%	901,187	58.7%
1-unit, attached.....	431	4.5	95,202	6.2
2 units.....	334	3.5	118,295	7.7
3 or 4 units.....	459	4.8	126,755	8.3
5 to 9 units.....	269	2.8	76,750	5.0
10 to 19 units.....	570	6.0	55,290	3.6
20 or more units.....	630	6.6	150,986	9.8
Mobile home.....	-	-	10,967	0.7
Boat, RV, van, etc.....	-	-	617	0.0
<b>Total Inventory.....</b>	<b>9,557</b>	<b>100.0%</b>	<b>1,536,049</b>	<b>100.0%</b>

Source: American Community Survey 2019-2023.

### Owner Occupied Housing Units

<b>Specified Owner-Occupied Units</b>	<b>Town of Simsbury</b>		<b>State of Connecticut</b>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Less than \$50,000.....	70	1.0%	22,174	2.4%
\$50,000 to \$99,999.....	23	0.3	15,116	1.6
\$100,000 to \$149,999.....	72	1.0	38,832	4.1
\$150,000 to \$199,999.....	269	3.9	77,152	8.2
\$200,000 to \$299,999.....	886	12.9	233,824	24.9
\$300,000 to \$499,999.....	3,627	52.8	319,703	34.0
\$500,000 to \$999,999.....	1,736	25.3	173,643	18.5
\$1,000,000 or more.....	181	2.6	59,468	6.3
<b>Total.....</b>	<b>6,864</b>	<b>100.0%</b>	<b>939,912</b>	<b>100.0%</b>

**Median Value.....** \$418,600 \$343,200

Source: American Community Survey 2019-2023.

### Land Use Summary

<b>Land</b>	<b>Acres</b>	<b>% of Total</b>
Residential.....	8,614.67	39.3%
Business.....	668.43	3.0
Open Space.....	6,911.02	31.5
Institutional.....	1304.12	5.9
Transportation / Water.....	1,906.31	8.7
<b>Total Developed Land.....</b>	<b>19,404.55</b>	<b>88.4</b>
Vacant Land.....	2,538.33	11.6
<b>Total Town Acreage.....</b>	<b>21,942.88</b>	<b>100.0%</b>

Source: New England GeoSystems based on Town of Simsbury GIS data (2024).

## **SECTION IV – TAX BASE DATA**

### **Assessments**

The Town of Simsbury had a general property revaluation for the October 1, 2022 Grand List effective for the fiscal year commencing July 1, 2023. The next physical revaluation is planned for October 1, 2027. Under Section 12-62 of the Connecticut General Statutes, the Town must do a revaluation every five years based on generally accepted mass appraisal methods and a revaluation by physical inspection no later than ten years from the preceding physical inspection. Prior to the completion of each revaluation, the Assessor shall conduct a field review. The maintenance of an equitable tax base, and the location and appraisal of all real and personal property within the Town for inclusion onto the Grand List are the responsibilities of the Town's Assessor's Office. The Grand List represents the total of assessed values for all taxable real and personal property and motor vehicles located within the Town on October 1. A Board of Assessment Appeals determines whether adjustments to the Assessor's list on assessments under appeal are warranted. Assessments for real property are computed at 70 percent of the estimated market value at the time of the last general revaluation.

The statutory requirements for real property assessments have been revised a number of times over the years. Generally, reassessments are required every five years, and at least every ten years the reassessments must include physical inspections. A 2006 statute permits a municipality, upon approval of its legislative body, to phase-in a real property assessment increase resulting from a revaluation over a period of up to five years.

When a new structure or modification to an existing structure is undertaken, the Assessor's Office receives a copy of the permit issued by the Building Inspector. A physical appraisal is then completed and the structure is classified and priced from a schedule developed as of the revaluation. Property depreciation and obsolescence factors are also considered when arriving at an equitable value.

Motor vehicle lists are furnished to the Town by the State of Connecticut and appraisals of motor vehicles are accomplished in accordance with an automobile price schedule as recommended by the State Office of Policy and Management and the Assessor of the Town. Section 12-71b of the Connecticut General Statutes provides that motor vehicles which are registered with the Commissioner of Motor Vehicles after the October 1 assessment date but before the next August 1 are subject to a property tax as if the motor vehicle had been included on the October 1 Grand List. The tax is prorated, and the proration is based on the number of months of ownership between October 1 and the following September 30. Cars purchased in August and September are not taxed until the next October 1 Grand List. If the motor vehicle replaces a motor vehicle that was taxed on the October Grand List, the taxpayer is entitled to certain credits.

### **Motor Vehicle Property Tax Rate**

Section 12-71e(a) of the Connecticut General Statutes (the "General Statutes") has been amended whereby the mill rate for motor vehicles shall not exceed 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 12-71e(b) of the General Statutes has been amended to state that no district or borough may set a motor vehicle mill rate that if combined with the motor vehicle mill rate of the town, city, consolidated town and city or consolidated town and borough in which such district or borough is located would result in a combined motor vehicle mill rate above 32.46 mills for the assessment year commencing October 1, 2021, and each assessment year thereafter. Section 4-661 of the General Statutes diverts a portion of State collected sales tax revenue to provide funding to municipalities to mitigate the revenue loss attributed to the motor vehicle property tax cap. The Town's mill rate for motor vehicles for the assessment year commencing October 1, 2024 (the fiscal year ending June 30, 2026) is 32.46 mills.

All business personal property (furniture, fixtures, equipment, machinery and leased equipment) is assessed annually. An assessor's check and audit is completed periodically. Assessments for both personal property and motor vehicles are computed at seventy percent (70%) of present market value.

Various State statutes provide for or authorize exemptions, abatements and other adjustments to assessments.

## Tax Levy

Property taxes are levied on all assessed property on the Grand List of October 1 prior to the beginning of the fiscal year. Real estate tax bills are payable in two installments on July 1 and January 1. Motor vehicle taxes and real estate and personal property taxes of less than \$100 are due in July. Supplemental motor vehicle taxes (those vehicles registered between October 2 and July 31) are payable in one installment on January 1. A margin against delinquencies, legal reductions, and Grand List adjustments, such as Assessor errors, is provided by adjusting the Grand List downward when computing anticipated property tax revenue from the current levy. An estimate for delinquent taxes and outstanding interest and lien fees anticipated to be collected during the fiscal year is normally included as a revenue item in the budget. Delinquent taxes are billed at least three times a year, with interest charged at the rate of one and one-half percent per month with a minimum charge of \$2. In accordance with State law, the oldest outstanding tax is collected first. Outstanding real estate tax accounts are automatically liened each year prior to June 30 with legal demands and alias tax warrants used in the collection of personal property and motor vehicle tax bills. Delinquent motor vehicle and personal property accounts are transferred to suspense accounts after two years at which time they cease to be carried as receivables. Real estate accounts are transferred to suspense accounts fifteen years after the due date in accordance with state statutes.

The Town adopted a tax sale policy on July 9, 2018 regarding parameters for conducting tax sales for properties seriously delinquent in their property tax payments, sewer use fees or sewer assessments. Tax sales will only be conducted on seriously delinquent accounts. Accounts will be considered seriously delinquent if:

1. A real estate delinquency on a single parcel is at least three Grand Lists late or \$25,000, whichever is first; or
2. A real estate delinquency on a single parcel which is abandoned or any vacant land and one year delinquent regardless of tax amount due; or
3. A sewer use fee or sewer assessment that is five years delinquent regardless of the amount due.

## Comparative Assessed Valuations Taxable Grand List

<b>Grand List As Of</b>	<b>Commercial Residential &amp; Industrial Real Property (%)</b>	<b>Commercial Real Property (%)</b>	<b>All Land (%)</b>	<b>Personal Property (%)</b>	<b>Motor Vehicles (%)</b>	<b>Gross Taxable Grand List</b>	<b>Exemptions, Veterans Relief and Disabled</b>	<b>Net Taxable Grand List</b>	<b>Percent Growth</b>
2024	77.0	9.0	0.7	5.3	8.0	\$ 3,444,095,008	\$ 34,971,098	\$ 3,409,123,910	0.2%
2023	77.0	9.0	0.8	5.2	8.0	3,433,670,697	29,912,026	3,403,758,671	0.1%
2022 <sup>1</sup>	76.8	9.0	0.8	5.0	8.4	3,421,899,592	20,131,691	3,401,767,901	27.0%
2021	73.4	9.4	0.9	6.1	10.2	2,695,210,961	15,693,846	2,679,517,115	3.7%
2020	75.2	9.6	1.1	5.8	8.3	2,597,444,586	13,973,501	2,583,471,085	2.9%
2019	76.3	9.5	1.3	5.0	7.9	2,524,610,985	14,597,108	2,510,013,877	2.8%
2018	77.3	10.1	1.1	3.6	7.9	2,457,269,602	14,833,643	2,442,435,959	1.1%
2017 <sup>1</sup>	77.3	9.8	1.4	3.6	7.9	2,433,323,147	17,321,858	2,416,001,289	6.9%
2016	76.8	9.8	1.2	3.7	8.4	2,277,854,449	17,212,863	2,260,641,586	-0.5%
2015	75.5	11.0	1.1	4.2	8.1	2,292,414,936	20,244,953	2,272,169,983	1.1%

<sup>1</sup> Revaluation.

Source: Town of Simsbury, Assessor's Office.

## Major Taxpayers

<i>Name of Taxpayer</i>	<i>Nature of Business</i>	<i>Taxable Valuation</i>	<i>Percent of Net Taxable Grand List</i> <sup>1</sup>
SL Simsbury LLC.....	Real Estate Holdings	\$ 64,008,910	1.88%
Eversource (Connecticut Light & Power).....	Public Utility	58,597,430	1.72%
Simsbury Commons LLC.....	Shopping Center	35,224,630	1.03%
Simsbury Developers LLC.....	Apartment Property	31,019,550	0.91%
BW Dorset LLC.....	Apartment Property	30,625,000	0.90%
Ridge Simsbury LLC.....	Apartment Property	26,982,060	0.79%
McLean Affiliates Inc.....	Senior Apartment & ALR	23,928,420	0.70%
BW Mill Commons LLC.....	Apartment Property	21,246,010	0.62%
CA Senior Simsbury CT Property Owner LLC....	Assisted Living Facility	19,279,260	0.57%
Rise Simsbury LLC.....	Apartment Property	17,438,960	0.51%
<b>Total.....</b>		<b>\$ 328,350,230</b>	<b>9.63%</b>

<sup>1</sup> Based on the Net Taxable Grand List of October 1, 2024 of \$3,409,123,910.

Source: Town of Simsbury, Assessor's Office.

## Exempt Property

<i>Public</i>	<i>Assessed Value</i> <sup>1</sup>
Municipal.....	\$ 266,911,610
Federal / State.....	16,364,810
<b>Sub-Total Public.....</b>	<b>\$ 283,276,420</b>
<b>Private</b>	
Volunteer Fire Companies.....	\$ 9,474,990
Scientific, Educational, Historical, Charitable.....	102,991,000
Agricultural & Horticultural.....	186,480
Cemeteries.....	2,114,630
House of Religious Worship.....	35,794,780
Non Profit Organization.....	499,100
Hospital/Sanatorium.....	-
Recreation.....	177,450
<b>Sub-Total Private.....</b>	<b>151,238,430</b>
<b>Total Exempt Property.....</b>	<b>\$ 434,514,850</b>
Percent Compared to Net Taxable Grand List.....	12.7%

<sup>1</sup> Based on the Net Taxable Grand List of October 1, 2024 of \$3,409,123,910.

Source: Town of Simsbury, Assessor's Office

### Property Tax Levies and Collections

<b>Grand List of 10/1</b>	<b>Fiscal Year Ending 6/30</b>	<b>Net Taxable Grand List</b>	<b>Mill Rate</b>	<b>Adjusted Annual Levy</b>	<b>Percent of Annual Levy Collected at End of Fiscal Year</b>	<b>Percent of Annual Levy Uncollected at End of Fiscal Year</b>	<b>Percent of Annual Levy Uncollected as of 6/30/2025</b>
2024 <sup>1,2</sup>	2026	\$ 3,409,123,910	33.02	\$ 111,862,705	<i>In Collection</i>		
2023 <sup>1,2</sup>	2025	3,403,758,671	32.26	110,101,097	99.4%	0.6%	0.6%
2022 <sup>3</sup>	2024	3,401,767,901	30.82	104,354,286	99.3%	0.7%	0.4%
2021	2023	2,679,517,115	37.41	98,289,154	99.3%	0.7%	0.4%
2020	2022	2,583,471,085	37.41	96,498,632	99.3%	0.7%	0.2%
2019	2021	2,510,013,877	37.09	92,422,778	99.5%	0.5%	0.2%
2018	2020	2,442,435,959	37.32	90,810,983	99.4%	0.6%	0.2%
2017 <sup>3</sup>	2019	2,416,001,289	36.42	87,148,651	99.4%	0.6%	0.0%
2016	2018	2,260,641,586	38.76	87,222,801	99.4%	0.6%	0.0%
2015	2017	2,272,169,983	37.10	85,586,343	99.4%	0.6%	0.0%

<sup>1</sup> Budgeted.

<sup>2</sup> Subject to audit.

<sup>3</sup> Revaluation.

Source: Town of Simsbury, Tax Collector

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## SECTION V – DEBT SECTION

### Outstanding Bonded Debt Pro Forma As of October 1, 2025

#### Long-Term Debt:

<b>Date</b>	<b>Purpose</b>	<b>Interest Rate %</b>	<b>Original Issue</b>	<b>Amount Outstanding</b>	<b>Fiscal Year of Maturity</b>
6/29/2017	General Purpose.....	2.00-5.00	\$ 7,840,000	\$ 1,749,000	2027
6/29/2017	Schools.....	2.00-5.00	3,100,000	686,000	2027
6/27/2019	General Purpose.....	4.00-5.00	6,273,057	2,494,800	2029
6/27/2019	Schools.....	4.00-5.00	2,091,943	905,200	2029
2/11/2020	Schools.....	2.00-5.00	9,110,000	6,060,000	2035
3/3/2021	Sewer <sup>1, 2</sup> .....	5.00	6,525,000	1,435,000	2029
3/10/2021	General Purpose.....	1.50-4.00	2,605,800	1,560,600	2031
3/10/2021	Schools.....	1.50-4.00	12,129,200	8,259,400	2036
9/26/2023	General Purpose.....	4.00-5.00	5,990,000	4,791,000	2043
9/26/2023	Schools.....	4.00-5.00	15,205,000	13,394,000	2043
8/7/2024	Schools.....	4.00-5.00	12,850,000	12,210,000	2045
<b>Total Outstanding Bonded Debt.....</b>			<b>\$ 83,720,000</b>	<b>\$ 53,545,000</b>	
<b>This Issue</b>					
10/1/2025	General Purpose*.....	<i>tbd</i>	\$ 7,385,000	\$ 7,385,000	2035
10/1/2025	Schools*.....	<i>tbd</i>	2,330,000	2,330,000	2035
<b>Total This Issue.....</b>			<b>\$ 9,715,000</b>	<b>\$ 9,715,000</b>	
<b>Grand Total.....</b>			<b>\$ 93,435,000</b>	<b>\$ 63,260,000</b>	

<sup>1</sup> Debt service on the Sewer Bonds will be paid by user fees.

<sup>2</sup> The Town has a corresponding receivable from participating municipalities for their portion of the Waste Water Treatment Plant renovation and expansion project. The total receivable at June 30, 2025 was approximately \$874,314.

\* Preliminary, subject to change.

### Outstanding Short-term Debt Pro Forma As of October 1, 2025

The Town does not have any outstanding short-term debt as of October 1, 2025.

### Overlapping/Underlying Debt Pro Forma As of October 1, 2025

The Town has no overlapping debt. The Simsbury Fire District is the only district coterminous with or completely within the borders of the Town and may issue its own debt. Any such indebtedness would represent underlying debt to, but would not be an obligation of the Town of Simsbury. Currently the Simsbury Fire District has no debt.

### State of Connecticut Clean Water Fund Program

The Town of Simsbury has participated in the State of Connecticut's Clean Water Fund Program (General Statutes Sections 22a-475 et seq., as amended), which provides financial assistance through a combination of grants and loans bearing interest at a rate of 2% per annum. All participating municipalities receive a grant of 20% and a loan of 80% of total eligible costs (with the exception of combined sewer overflow correction projects which are financed with a 50% grant and a 50% loan). As of October 1, 2025, the Town does not have any outstanding Clean Water Fund Program loans.

## School Projects

Pursuant to Section 10-287i of the Connecticut General Statutes, the State of Connecticut will provide proportional progress payments for eligible school construction expenses on projects approved after July 1, 1996.

Debt service reimbursement will continue under the prior reimbursement program for all projects approved prior to July 1, 1996. Under the old program, a municipality issues bonds for the entire amount of the school construction project and the State of Connecticut reimburses the Town for principal and interest costs for eligible school construction projects over the life of outstanding school bonds and subsequent bond issues necessary to completely fund the approved school project.

Under the new program, the State of Connecticut will make proportional progress payments for eligible construction costs during project construction. The State grant will be paid directly to the municipality after it submits its request for progress payments, and accordingly, the municipality will issue its bonds only for its share of project costs.

### **Bonded Debt Maturity Schedule Pro Forma As of October 1, 2025**

<b>Fiscal Year Ended 6/30</b>	<b>Principal Payments</b>	<b>Interest Payments</b>	<b>Total Debt Service</b>	<b>This Issue The Bonds*</b>	<b>Total Principal*</b>	<b>Cumulative Principal Retired %</b>
2026 <sup>1</sup>	\$ 5,405,000	\$ 1,135,638	\$ 6,540,638	\$ -	\$ 5,405,000	8.5%
2027	7,215,000	1,811,300	9,026,300	975,000	8,190,000	21.5%
2028	5,085,000	1,530,500	6,615,500	975,000	6,060,000	31.1%
2029	4,825,000	1,303,500	6,128,500	975,000	5,800,000	40.2%
2030	3,975,000	1,107,350	5,082,350	970,000	4,945,000	48.1%
2031	3,975,000	960,200	4,935,200	970,000	4,945,000	55.9%
2032	3,245,000	819,100	4,064,100	970,000	4,215,000	62.5%
2033	3,245,000	707,325	3,952,325	970,000	4,215,000	69.2%
2034	2,365,000	596,300	2,961,300	970,000	3,335,000	74.5%
2035	2,365,000	523,700	2,888,700	970,000	3,335,000	79.7%
2036	1,755,000	451,100	2,206,100	970,000	2,725,000	84.0%
2037	1,265,000	390,700	1,655,700	-	1,265,000	86.0%
2038	1,260,000	340,200	1,600,200	-	1,260,000	88.0%
2039	1,260,000	289,800	1,549,800	-	1,260,000	90.0%
2040	1,260,000	239,400	1,499,400	-	1,260,000	92.0%
2041	1,255,000	189,000	1,444,000	-	1,255,000	94.0%
2042	1,255,000	138,800	1,393,800	-	1,255,000	96.0%
2043	1,255,000	88,600	1,343,600	-	1,255,000	98.0%
2044	640,000	38,400	678,400	-	640,000	99.0%
2045	640,000	12,800	652,800	-	640,000	100.0%
<b>Total.....</b>	<b>\$ 53,545,000</b>	<b>\$ 12,673,713</b>	<b>\$ 66,218,713</b>	<b>\$ 9,715,000</b>	<b>\$ 63,260,000</b>	

<sup>1</sup> Excludes principal payments of \$1,755,000 and interest payments of \$986,313 made between July 1, 2025 and October 1, 2025.

\* Preliminary, subject to change.

**THE TOWN OF SIMSBURY HAS NEVER DEFAULTED IN THE PAYMENT OF ITS  
DEBT OBLIGATIONS EITHER AS TO PRINCIPAL OR INTEREST**

**Current Debt Statement  
Pro Forma  
As of October 1, 2025**

**Long-Term Debt Outstanding:**

General Purpose (Includes this issue)* .....	\$ 17,980,400
Schools (Includes this issue)* .....	43,844,600
Sewers <sup>1,2</sup> .....	1,435,000
<b>Total Long-Term Debt</b> .....	<b>63,260,000</b>
<b>Short-Term Debt</b> .....	<b>-</b>
<b>Direct Debt</b> .....	<b>63,260,000</b>
<b>Overlapping/Underlying Debt</b> .....	<b>-</b>
<b>Total Overall Debt</b> .....	<b>63,260,000</b>
Less: School Construction Grants Receivable (As of June 30, 2025) .....	-
<b>Total Overall Net Debt</b> .....	<b>\$ 63,260,000</b>

<sup>1</sup> Debt service on sewer bonds will be paid by user fees.

<sup>2</sup> The Town has a corresponding receivable from participating municipalities for their portion of the Waste Water Treatment Plant renovation and expansion project. The total receivable at June 30, 2025 was approximately \$874,314.

**Current Debt Ratios\*  
Pro Forma  
As of October 1, 2025**

Population (2023) <sup>1</sup> .....	24,747
Net Taxable Grand List (10/1/24) .....	\$ 3,409,123,910
Estimated Full Value (70%).....	\$ 4,870,177,014
Equalized Grand List (10/1/23) <sup>2</sup> .....	\$ 5,903,129,665
Money Income per Capita (2023) <sup>1</sup> .....	\$ 76,605

	<b>Total Long-Term/ Overall Debt</b>	<b>Total Overall Net Debt</b>
Per Capita.....	\$ 2,556.27	\$ 2,556.27
Ratio to Net Taxable Grand List.....	1.86%	1.86%
Ratio to Estimated Full Value.....	1.30%	1.30%
Ratio to Equalized Grand List.....	1.07%	1.07%
Debt per Capita to Money Income per Capita (2023).....	3.34%	3.34%

<sup>1</sup> American Community Survey 2019-2023.

<sup>2</sup> Office of Policy and Management, State of Connecticut.

\* Preliminary, subject to change.

**Bond Authorization**

Under the current Charter, bonds and notes, except tax anticipation notes, may be authorized by the Board of Selectmen and the Board of Finance. However, any amounts in excess of 1% of the current annual budget are subject to approval at referendum. Effective December 4, 2017, any amounts in excess of 2% of the current annual budget will be subject to approval at referendum, provided the total of supplemental appropriations not approved at referendum in any one year do not exceed 3%. The issuance of refunding bonds is authorized by a resolution adopted by the Board of Selectmen only.

**Maturities**

General obligation bonds are required to be payable in maturities wherein a succeeding maturity may not exceed any prior maturity by more than 50% or aggregate annual principal and interest payments must be substantially equal. Pursuant to state law, all bonds issued on or after July 1, 2017, including sewer and school bonds, shall be due not later than thirty years from the date of their issuance.



## **Temporary Financing**

When general obligation bonds have been authorized, bond anticipation notes may be issued maturing in not more than two years (CGS Sec. 7-378). Temporary notes may be renewed up to ten years from their original date of issue as long as all project grant payments are applied toward payment of temporary notes when they become due and payable, and the legislative body schedules principal reductions by the end of the third year and for each subsequent year during which such temporary notes remain outstanding in an amount equal to a minimum of 1/20<sup>th</sup> (1/30<sup>th</sup> for sewer projects and certain school projects) of the estimated net project cost (CGS Sec. 7-378a). The term of the bond issue is reduced by the amount of time temporary financing exceeds two years.

Temporary notes must be permanently funded no later than ten years from their initial borrowing date, except for sewer notes issued in anticipation of State and/or Federal grants. If a written commitment exists, the municipality may renew the sewer notes from time to time in terms not to exceed six months until such time that the final grant payments are received (CGS Sec. 7-378b).

Temporary notes may also be issued for up to 15 years for certain capital projects associated with the operation of a waterworks system (CGS Sec. 7-244a) or a sewage system (CGS Sec. 7-264a). In the first year following the completion of the project(s), or in the sixth year following the original date of issue (whichever is sooner), and in each year thereafter, the notes must be reduced by 1/15<sup>th</sup> of the total amount of the notes issued by funds derived from certain sources of payment specified by statute. Temporary notes may be issued in one-year maturities for up to 15 years in anticipation of sewer assessments receivable, such notes to be reduced annually by the amount of assessments received during the preceding year (CGS Sec. 7-269a).

## **Limitation of Indebtedness**

Municipalities shall not incur indebtedness through the issuance of bonds which will cause aggregate indebtedness by class to exceed the following:

General Purposes:	2.25 times annual receipts from taxation
School Purposes:	4.50 times annual receipts from taxation
Sewer Purposes:	3.75 times annual receipts from taxation
Urban Renewal Purposes:	3.25 times annual receipts from taxation
Unfunded Past Pension Purposes:	3.00 times annual receipts from taxation

“Annual receipts from taxation” (the “base”) are defined as total tax collections including interest and penalties, late payment of taxes and state payments for revenue losses under Connecticut General Statutes Section 12-129d and 7-528. In no case shall total indebtedness exceed seven times the base.

Section 7-374 of the Connecticut General Statutes also provides for exclusion from the debt limit calculation debt (i) issued in anticipation of taxes; (ii) issued for the supply of water, gas, electricity, electric demand response, conservation and load management, distributed generation and renewable energy projects; for the construction of subways for cables, wires and pipes; for the construction of underground conduits for cables, wires and pipes; for the construction and operation of a municipal community antenna television system and for two or more of such purposes; (iii) issued in anticipation of the receipt of proceeds from assessments levied upon property benefited by any public improvement; (iv) issued in anticipation of the receipt of proceeds from State or Federal grants evidenced by a written commitment or for which allocation has been approved by the State Bond Commission or from a contract with the state, state agencies or another municipality providing for the reimbursement of costs but only to the extent such indebtedness can be paid from such proceeds; (v) issued for certain water pollution control projects; and (vi) upon placement in an escrow of the proceeds of refunding bonds, notes or other obligations or other funds of the municipality in an amount sufficient to provide for the payment when due of principal of and interest on such bond, note or other evidence of indebtedness.

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**Statement of Statutory Debt Limitation  
Pro Forma  
As of October 1, 2025**

Total Tax Collections (including interest and lien fees) for the year ended June 30, 2025 .....	\$ 105,475,515
Reimbursement For Revenue Loss (Tax relief for elderly).....	1,554,882
<b>Base for Debt Limitation Computation.....</b>	<b>\$ 107,030,397</b>

	<b>General Purpose</b>	<b>Schools</b>	<b>Sewers</b>	<b>Urban Renewal</b>	<b>Unfunded Pension</b>
<b>Debt Limitation:</b>					
2 <sup>1</sup> / <sub>4</sub> times base.....	\$ 240,818,393	-	-	-	-
4 <sup>1</sup> / <sub>2</sub> times base.....	-	\$ 481,636,787	-	-	-
3 <sup>3</sup> / <sub>4</sub> times base.....	-	-	\$ 401,363,989	-	-
3 <sup>1</sup> / <sub>4</sub> times base.....	-	-	-	\$ 347,848,790	-
3 times base.....	-	-	-	-	\$ 321,091,191
<b>Total Debt Limitation.....</b>	<b>\$ 240,818,393</b>	<b>\$ 481,636,787</b>	<b>\$ 401,363,989</b>	<b>\$ 347,848,790</b>	<b>\$ 321,091,191</b>

**Indebtedness:**

Bonds Outstanding .....	10,595,400	41,514,600	1,435,000 <sup>1</sup>	-	-
Bonds – This Issue*.....	7,385,000	2,330,000	-	-	-
Debt Authorized But Unissued.....	5,987,225	2,667,302	-	-	-
<b>Total Indebtedness.....</b>	<b>23,967,625</b>	<b>46,511,902</b>	<b>1,435,000</b>	<b>-</b>	<b>-</b>

Less:

State School Grants Receivable.....	-	-	-	-	-
<b>Total Net Indebtedness.....</b>	<b>23,967,625</b>	<b>46,511,902</b>	<b>1,435,000</b>	<b>-</b>	<b>-</b>

**DEBT LIMITATION IN EXCESS**

<b>OF OUTSTANDING INDEBTEDNESS...</b>	<b>\$ 216,850,768</b>	<b>\$ 435,124,884</b>	<b>\$ 399,928,989</b>	<b>\$ 347,848,790</b>	<b>\$ 321,091,191</b>
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<sup>1</sup> Debt service on sewer bonds will be paid by user fees.

Note: In no case shall total indebtedness exceed seven times annual receipts from taxation or \$749,212,779

\* Preliminary, subject to change.

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**Authorized but Unissued Debt  
Pro Forma  
As of October 1, 2025**

<b>Project</b>	<b>Amount Authorized</b>	<b>Previously Bonded</b>	<b>Actual / Projected Grants</b>	<b>Previous Premium Applied</b>	<b>This Issue: The Bonds*</b>	<b>Authorized but Unissued</b>
<b>FY 2016 Approved</b>						
Climate Control (Phase II).....	\$ 950,000	\$ 486,900	\$ -	\$ 63,100	\$ -	\$ 400,000
Henry James Middle School Phase 2.....	1,950,000	1,565,000	-	-	-	385,000
Multi-Use Connections & Master Plan Updates.....	1,160,000	184,509	305,000	-	-	670,491
<b>FY 2017 Approved</b>						
Bridge Improvements.....	805,000	400,000	-	-	-	405,000
<b>FY 2018 Approved</b>						
Boiler Replacement Latimer.....	900,000	258,000	-	12,000	-	630,000
Henry James Middle School Renovation Phase 3.....	23,965,620	17,511,873	5,741,620	683,000	-	29,127
<b>FY 2022 Approved</b>						
Sidewalk Reconstruction.....	200,000	-	-	-	-	200,000
Highway Pavement Management.....	605,000	-	-	-	-	605,000
District Security Improvements.....	250,000	-	-	-	250,000	-
<b>FY 2023 Approved</b>						
Sidewalk Reconstruction.....	200,000	-	-	-	-	200,000
Highway Pavement Management.....	605,000	-	-	-	-	605,000
Central School Roof Replacement.....	370,000	-	-	-	-	370,000
Latimer Lane School Renovation & Expansion.....	36,792,406	25,138,000	11,089,231	562,000	-	3,175
<b>FY 2024 Approved</b>						
Highway Pavement Management.....	1,100,000	-	-	-	132,933	967,067
Sidewalk Reconstruction.....	223,400	-	-	-	223,400	-
Refurbish Elevators.....	877,500	-	-	-	877,500	-
Old Drake Hill Road/Flower Bridge Repairs.....	1,989,000	-	-	-	1,989,000	-
Multi-Use Trail Connections and Development.....	279,500	-	-	-	279,500	-
Bridge Impr. (Climax Road Bridge over Nod Brook)...	372,000	-	-	-	372,000	-
District Security Improvements.....	250,000	-	-	-	250,000	-
Tariffville School Modular Replacement.....	500,000	-	-	-	500,000	-
<b>FY 2025 Approved</b>						
Highway Pavement Management.....	1,011,267	-	-	-	1,011,267	-
Sidewalk Reconstruction.....	223,400	-	-	-	223,400	-
Old Drake Hill Road/Flower Bridge Repairs.....	495,000	-	-	-	495,000	-
Town Hall Site & Safety Improvements.....	460,000	-	-	-	460,000	-
Town Hall Rooftop Units.....	275,000	-	-	-	275,000	-
Barn & Facility Repairs - Wolcott Road.....	275,000	-	-	-	275,000	-
Dam Evaluation & Repairs.....	171,000	-	-	-	171,000	-
District Network Infrastructure.....	350,000	-	-	-	350,000	-
District Flooring Improvements.....	250,000	-	-	-	250,000	-
SHS - Auditorium & Amphitheater Improvements.....	400,000	-	-	-	400,000	-
Tootin Hills - Replace Roof (V3, V4).....	1,120,000	-	190,000	-	930,000	-
<b>FY 2026 Approved</b>						
District Paving.....	600,000	-	-	-	-	600,000
District Security Improvements.....	250,000	-	-	-	-	250,000
Eno Hall Entrance Improvements - Supplemental.....	500,000	-	-	-	-	500,000
2 Farms Village - Renovations.....	400,000	-	-	-	-	400,000
Sidewalk Reconstruction.....	223,400	-	-	-	-	223,400
Highway Pavement Management.....	1,211,267	-	-	-	-	1,211,267
<b>Total .....</b>	<b>\$ 82,559,760</b>	<b>\$ 45,544,282</b>	<b>\$ 17,325,851</b>	<b>\$ 1,320,100</b>	<b>\$ 9,715,000</b>	<b>\$ 8,654,527</b>

\* Preliminary, subject to change.

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### Principal Amount Outstanding

	2025 <sup>1</sup>	2024	2023	2022	2021
G.O. Bonds .....	\$ 55,300,000	\$ 49,550,000	\$ 35,410,000	\$ 41,460,000	\$ 47,470,000
Short-Term Debt .....	-	-	-	-	-
<b>Grand Total.....</b>	<b>\$ 55,300,000</b>	<b>\$ 49,550,000</b>	<b>\$ 35,410,000</b>	<b>\$ 41,460,000</b>	<b>\$ 47,470,000</b>

<sup>1</sup> Subject to audit.

Source: Town of Simsbury Audited Financial Reports.

### Ratio of Net Debt to Valuation, Population and Income

<b>Fiscal Year Ended 6/30</b>	<b>Net Assessed Value</b>	<b>Estimated Full Value</b>	<b>Net Long-Term Debt <sup>1</sup></b>	<b>Ratio of Net Long-Term Debt to Assessed Value (%)</b>	<b>Ratio of Net Long-Term Debt to Estimated Full Value (%)</b>	<b>Population <sup>2</sup></b>	<b>Net Long-Term Debt per Capita</b>	<b>Ratio of Net Long-Term Debt per Capita to Per Capita Income <sup>3</sup></b>
2025 <sup>4</sup>	\$ 3,403,758,671	\$ 4,862,512,387	\$ 55,300,000	1.62%	1.14%	24,747	2,234.61	2.92%
2024	3,401,767,901	4,859,668,430	49,550,000	1.46%	1.02%	24,747	2,002.26	2.61%
2023	2,679,517,115	3,827,881,593	35,410,000	1.32%	0.93%	24,747	1,430.88	1.87%
2022	2,583,471,085	3,690,672,979	41,460,000	1.60%	1.12%	24,747	1,675.35	2.19%
2021	2,510,013,877	3,585,734,110	47,470,000	1.89%	1.32%	24,747	1,918.21	2.50%

<sup>1</sup> Long-Term debt does not include Water debt, compensated absences, or capital lease obligations.

<sup>2</sup> Bureau of Census.

<sup>3</sup> American Community Survey (2019-2023), Money Income Per Capita \$76,605.

<sup>4</sup> Subject to audit.

Source: Town of Simsbury Audited Financial Reports.

### Ratio of Annual General Fund Debt Service Expenditures to Total General Fund Expenditures

<b>Fiscal Year Ended 6/30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>	<b>Total General Fund Expenditures <sup>1</sup></b>	<b>Ratio of General Fund Debt Service To General Fund Expenditures</b>
2025 <sup>2</sup>	\$ 7,100,000	\$ 2,146,550	\$ 9,246,550	\$ 135,767,201	6.81%
2024	6,045,000	1,505,217	7,550,217	137,410,549	5.49%
2023	6,050,000	1,536,525	7,586,525	130,388,189	5.82%
2022	5,065,000	1,484,356	6,549,356	116,823,117	5.61%
2021	4,135,000	1,156,465	5,291,465	115,675,843	4.57%
2020	4,135,000	960,833	5,095,833	112,148,696	4.54%
2019	3,365,000	698,100	4,063,100	104,693,054	3.88%
2018	4,125,000	1,040,376	5,165,376	107,918,202	4.79%
2017	5,150,000	1,019,792	6,169,792	107,185,069	5.76%
2016	5,035,000	501,272	5,536,272	100,249,426	5.52%

<sup>1</sup> Includes transfers out.

<sup>2</sup> Subject to audit.

Source: Town of Simsbury Finance Department.

## Six-Year Capital Improvement Program

<i>Project</i>	<i>Fiscal 2025-26</i>	<i>Fiscal 2026-27</i>	<i>Fiscal 2027-28</i>	<i>Fiscal 2028-29</i>	<i>Fiscal 2029-30</i>	<i>Fiscal 2029-30</i>	<i>Total</i>
<b>General Government</b>							
Highway Pavement Management.....	\$ 1,700,000	\$ 1,700,000	\$ 1,750,000	\$ 1,750,000	\$ 1,800,000	\$ 1,800,000	\$ 10,500,000
Eno Hall Entrance Improvements.....	500,000	-	-	-	-	-	500,000
Tariffville Connection - East Coast Greenway Gap Closure.....	450,000	-	-	-	-	-	450,000
2 Farms Village - Renovations.....	400,000	-	-	-	-	-	400,000
Septage Receiving Station.....	361,000	-	-	-	-	-	361,000
Public Works Truck Replacement and Plow.....	258,000	260,400	260,400	260,400	265,500	265,500	1,570,200
Sidewalk Reconstruction.....	223,400	251,325	251,325	279,250	279,250	279,250	1,563,800
Bridge Improvements (Climax Road Bridge over Nod Brook)....	-	3,700,000	-	-	-	-	3,700,000
Memorial Pool Redesign.....	-	950,000	-	-	-	-	950,000
WPCA Roof Replacement.....	-	450,000	-	-	-	-	450,000
Highway Street Sweeper.....	-	340,000	-	-	-	-	340,000
Facility Upgrades.....	-	200,000	-	-	-	-	200,000
Plant Berm Repair.....	-	-	3,500,000	-	-	-	3,500,000
Eno - Roof Repairs and Replacement.....	-	-	2,320,000	-	-	-	2,320,000
Simsbury Farms Golf Course - Bunker Renovations.....	-	-	310,000	-	-	-	310,000
Simsbury Farms Ice Rink - Roof Insulation and Painting.....	-	-	250,000	-	-	-	250,000
VAC-CON Replacement.....	-	-	-	450,000	-	-	450,000
Intergenerational Community Center & Police Facility.....	-	-	-	250,000	-	-	250,000
Town Hall - Roof Repairs and Replacements.....	-	-	-	-	985,000	-	985,000
Grit System Upgrade.....	-	-	-	-	265,000	-	265,000
Simsbury Farms Swimming Pool - Plaster Replacement.....	-	-	-	-	260,000	-	260,000
Simsbury Farms Golf Course - Storage Barn Renovation.....	-	-	-	-	260,000	-	260,000
Library - Partial Roof Replacement.....	-	-	-	-	209,000	-	209,000
Simsbury Farms Main Building Renovations.....	-	-	-	-	-	480,000	480,000
Simsbury Farms Golf Course - Cart Barn Renovations.....	-	-	-	-	-	265,000	265,000
<b>Sub-Total .....</b>	<b>\$ 3,892,400</b>	<b>\$ 7,851,725</b>	<b>\$ 8,641,725</b>	<b>\$ 2,989,650</b>	<b>\$ 4,323,750</b>	<b>\$ 3,089,750</b>	<b>\$ 30,789,000</b>
<b>Board of Education</b>							
District Security Improvements.....	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ 750,000
District Paving.....	600,000	-	600,000	-	600,000	-	1,800,000
HJMS - Replace Roof.....	-	2,500,000	2,500,000	-	1,000,000	1,000,000	7,000,000
District Network Infrastructure.....	-	350,000	-	350,000	-	350,000	1,050,000
District Flooring Improvements.....	-	250,000	-	250,000	-	250,000	750,000
Central School - Heating Plant (Boilers, Pumps, etc.).....	-	-	715,000	-	-	-	715,000
Tootin Hills - Replace Exterior Windows & Doors.....	-	-	-	-	720,000	-	720,000
SHS - Heating Plant (Boilers, Pumps, etc.).....	-	-	-	-	-	1,080,000	1,080,000
<b>Sub-Total .....</b>	<b>\$ 850,000</b>	<b>\$ 3,100,000</b>	<b>\$ 4,065,000</b>	<b>\$ 600,000</b>	<b>\$ 2,570,000</b>	<b>\$ 2,680,000</b>	<b>\$ 13,865,000</b>
<b>Total .....</b>	<b>\$ 4,742,400</b>	<b>\$ 10,951,725</b>	<b>\$ 12,706,725</b>	<b>\$ 3,589,650</b>	<b>\$ 6,893,750</b>	<b>\$ 5,769,750</b>	<b>\$ 44,654,000</b>
<b>Funding Sources</b>							
<i>Funding Sources</i>	<i>Fiscal 2025-26</i>	<i>Fiscal 2026-27</i>	<i>Fiscal 2027-28</i>	<i>Fiscal 2028-29</i>	<i>Fiscal 2029-30</i>	<i>Fiscal 2029-30</i>	<i>Total</i>
Bonds.....	\$ 3,184,667	\$ 5,217,592	\$ 7,722,592	\$ 2,390,517	\$ 5,444,517	\$ 4,580,517	\$ 28,540,402
General Fund - Operating Transfer.....	258,000	260,400	260,400	260,400	265,500	265,500	1,570,200
Simsbury Farms Special Revenue Fund.....	-	-	310,000	-	260,000	265,000	835,000
Project Savings/Prior Authorizations.....	90,000	-	-	-	-	-	90,000
Federal or State Grants.....	360,000	4,335,000	425,000	-	170,000	170,000	5,460,000
Local Capital Improvement Program Grant.....	245,233	245,233	245,233	245,233	245,233	245,233	1,471,398
Town Aid Road Fund.....	243,500	243,500	243,500	243,500	243,500	243,500	1,461,000
Sewer Use Fund.....	361,000	650,000	3,500,000	450,000	265,000	-	5,226,000
<b>Total Funding Sources.....</b>	<b>\$ 4,742,400</b>	<b>\$ 10,951,725</b>	<b>\$ 12,706,725</b>	<b>\$ 3,589,650</b>	<b>\$ 6,893,750</b>	<b>\$ 5,769,750</b>	<b>\$ 44,654,000</b>

## **SECTION VI – FINANCIAL SECTION**

### ***Fiscal Year***

The Town's fiscal year begins July 1 and ends June 30.

### ***Annual Audit***

The Town of Simsbury, pursuant to local ordinance and provisions of Chapter 111 of the Connecticut General Statutes (Sec. 7-391 through 397), is required to undergo an annual audit by an independent public accountant. The auditor is required to conduct the audit under the guidelines outlined by the Office of Policy and Management, which also receives a copy of the audit report. For the fiscal year ended June 30, 2024, the general purpose financial statements of the various funds of the Town were audited by CliftonLarsonAllen LLC. The auditor's opinion is included in the Town's financial statements in Appendix A. The Town did not seek the consent of the auditor to include the opinion and no subsequent review of the Town's financial condition was undertaken by the auditors.

### ***Accounting System and Reports***

The Town's accounting records for all government funds and expendable trust funds are maintained on a modified accrual basis with revenues recorded when measurable and available and expenditures, other than accrued interest on long-term debt, being recorded when liabilities are incurred. Accounting records for the Town's non-expendable trust funds and pension trust funds are maintained on a full accrual basis. Budgetary control is maintained on an encumbrance system by reserving account balances with purchase orders prior to their release to vendors. Purchase orders which exceed account balances are not released until appropriations are made available. The system provides department heads with up-to-date monthly information on the status of appropriated funds by reporting funds expended and encumbered by account and department code.

### ***Budget Procedure***

The annual budget making process is outlined in Chapter IV of the Simsbury Town Charter, "The Board of Selectmen" and in Chapter VIII, "Finance and Taxation", according to the following schedule:

By January 31     The head of each department, office, or agency of the Town except the Board of Education files with the Director of Finance a detailed estimate of the expenditures to be made by such department, office, or agency and the revenues, other than tax revenue, to be collected thereby in the ensuing fiscal year.

By March 1        The Director of Finance compiles department estimates for the annual budget and under the direction of the Town Manager presents to the Board of Selectmen the completed budget of all boards, offices, and agencies.

By March 15       The Board of Education presents its budget to the Director of Finance, the Board of Finance and the Board of Selectmen.

By March 31       The Board of Selectmen presents to the Board of Finance a budget for all departments, offices, and agencies of the Town, except the Board of Education, consisting of: (a) a budget message; (b) estimates of revenue; and (c) itemized estimates of expenditures. As part of the budget the Town Manager presents a program approved by the Board of Selectmen of proposed capital projects for the ensuing fiscal year and the five (5) fiscal years thereafter.

The Board of Finance holds one or more public hearings the first of which must be held not later than the tenth day of April at which time any Elector or taxpayer has an opportunity to be heard. The Board of Finance, by resolution adopted by an affirmative vote of at least four (4) members after holding the final public hearing, and no more than ten (10) days after the final public hearing, approve a budget and file the same with the Town Clerk for submission to the Automatic Referendum for its adoption. Should the Board of Finance fail to approve a budget no more than ten (10) days after such final public hearing, the budget as transmitted by the Board of Selectmen and by the Board of Education is deemed to have been finally approved by the Board of Finance.

The annual budget becomes effective only after it has been approved by resolution of the Board of Finance and the Board of Selectmen and adopted at an automatic referendum held following the final public hearing by a majority vote at such referendum. The Board of Finance, within five (5) days following the adoption of the budget by referendum, fixes the tax rate in mills which is levied on all taxable property in the Town for the ensuing fiscal year. Should the budget not be approved at referendum, the Board of Finance, in cooperation with the Town Manager, revises the budget for presentation at a subsequent public hearing and referendum. If the Budget remains unaccepted at the second referendum, the adopted budget for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.

## ***Pensions***

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

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

At July 1, 2023, plan membership consisted of the following:

	General Government Plan	Police Plan	Board of Education Plan
Retirees and Beneficiaries Currently			
Receiving Benefits.....	114	35	165
Vested Terminated Employees .....	52	3	80
Active Employees.....	68	37	77
Total Participants .....	234	75	322

## ***Contributions***

### **General Government Plan**

This plan provides for union employee contributions of 2% and for unaffiliated 5% of regular earnings for employees, hired prior to August 12, 2013, and 7% for unaffiliated hired after that date. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,420,225 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 21.35% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

### **Police Plan**

Plan provisions require employee contributions of 6% of regular earnings for Division 000 and employee contributions of 3% of regular earnings for Division 001. The Town is required by Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$902,527 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 22.20% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

### Board of Education Plan

This plan provides for employee contributions of 2.5% to 3% of regular earnings, based on the current individual collective bargaining contract. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,420,960 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 26.05% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Simsbury Board of Education.

### Net Pension Liability of the Town

In accordance with GASB Statement No. 67, the components of the net pension liability of the Town at June 30, 2024, were as follows:

	<b>General Government Plan</b>	<b>Police Plan</b>	<b>Board of Education Plan</b>
Total Pension Liability:			
Service Cost.....	\$ 655,260	\$ 741,516	\$ 525,502
Interest.....	2,652,514	1,747,133	2,595,340
Changes of Benefit Terms.....	-	-	726
Differences Between Expected and Actual Experience....	(50,190)	(172,491)	(125,192)
Changes of Assumptions.....	-	-	-
Benefits Payments, Including Refunds			
Member Contributions.....	(2,548,381)	(1,773,828)	(2,861,224)
Net Change in Total Pension Liability.....	709,203	542,330	135,152
Total Pension Liability - Beginning.....	41,406,783	27,010,405	40,810,885
Total Pension Liability - Ending.....	42,115,986	27,552,735	40,946,037
Plan Fiduciary Net Position:			
Contributions - Employer.....	\$ 1,420,225	\$ 902,527	\$ 1,420,960
Contributions - Member.....	368,928	248,500	187,149
Net Investment Income.....	2,360,892	1,700,172	2,449,490
Benefit Payments.....	(2,548,381)	(1,773,828)	(2,861,224)
Refunds of Member Contributions.....	-	-	-
Administrative Expense.....	(46,237)	(30,856)	(51,138)
Net Change in Plan Fiduciary Net Position.....	1,555,427	1,046,515	1,145,237
Plan Fiduciary Net Position - Beginning.....	27,476,190	20,412,470	28,018,703
Plan Fiduciary Net Position - Ending.....	\$ 29,031,617	\$ 21,458,985	\$ 29,163,940
Town's Net Pension Liability - Ending.....	\$ 13,084,369	\$ 6,093,750	\$ 11,782,097
Plan Fiduciary Net Position as a % of the Total Pension Liability.....	68.93%	77.88%	71.23%
Covered Payroll.....	\$ 6,650,816	\$ 4,065,505	\$ 5,453,864
Town's Net Pension Liability as a % of Covered Payroll....	196.73%	149.89%	216.03%

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

The following presents the net pension liability of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	<b>1% Decrease 5.50%</b>	<b>Current Discount Rate 6.50%</b>	<b>1% Increase 7.50%</b>
General Government.....	\$ 17,698,791	\$ 13,084,369	\$ 9,198,178
Police.....	9,621,003	6,093,750	3,150,905
Board of Education.....	16,037,914	11,782,097	8,130,619
<b>Total.....</b>	<b>\$ 43,357,708</b>	<b>\$ 30,960,216</b>	<b>\$ 20,479,702</b>



Five-Year Trend Information:

<b>Fiscal Year Ending</b>	<b>Annual Pension Cost (APC)</b>	<b>Actual Contribution</b>	<b>Percentage of APC Contributed</b>	<b>Covered Payroll</b>
<i>General Government</i>				
6/30/2020	\$ 1,031,101	\$ 1,031,101	100.00%	\$ 6,832,071
6/30/2021	1,272,157	1,272,157	100.00%	6,859,123
6/30/2022	1,390,773	1,390,773	100.00%	6,597,800
6/30/2023	1,450,539	1,450,539	100.00%	6,745,332
6/30/2024	1,420,225	1,420,225	100.00%	6,650,816
6/30/2025 <sup>1</sup>	1,479,771	1,479,771	100.00%	N/A
<i>Police</i>				
6/30/2020	\$ 651,976	\$ 651,976	100.00%	\$ 3,589,830
6/30/2021	809,664	809,664	100.00%	3,932,170
6/30/2022	857,435	857,435	100.00%	3,834,513
6/30/2023	854,232	854,232	100.00%	4,014,270
6/30/2024	902,527	902,527	100.00%	4,065,505
6/30/2025 <sup>1</sup>	1,006,240	1,006,240	100.00%	N/A
<i>Board of Education</i>				
6/30/2020	\$ 1,175,122	\$ 1,175,122	100.00%	\$ 7,011,899
6/30/2021	1,296,230	1,296,230	100.00%	7,050,585
6/30/2022	1,387,251	1,387,251	100.00%	6,391,476
6/30/2023	1,411,861	1,411,861	100.00%	6,290,034
6/30/2024	1,420,960	1,420,960	100.00%	5,453,864
6/30/2025 <sup>1</sup>	1,430,384	1,430,384	100.00%	N/A

<sup>1</sup> Budgeted amounts.

For more information, see Note 4 “Employee Retirement Plan” of “Notes to Financial Statements”, June 30, 2024 and “Required Supplementary Information” following the notes in Appendix A.

**Other Post-Employment Benefits**

In June 2004, GASB issued Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. This Statement establishes standards for the measurement, recognition, and display of Other Postemployment Benefits (OPEB). OPEB includes postemployment healthcare, as well as other forms of postemployment benefits such as life insurance. Simsbury implemented the provisions of Statement No. 45 beginning with fiscal year ending June 30, 2007, making annual required contributions and additional voluntary contributions since that time. As of July 1, 2023, the total accrued liability was estimated to be approximately \$3.96 million. In fiscal years 2007 through 2024 Simsbury budgeted for and funded its annual required contribution (ARC), the Town also funded an additional \$3.0 million dollars which was moved from the Health Insurance Internal Service Fund in 2015, leaving a fund balance of approximately \$1.6 million dollars between the two health insurance funds. At present the OPEB trust fund has an asset value of approximately \$22.0 million, and is approximately 104% funded. The proposed fiscal year 2025 budget reflects the Town funding its annual required contribution (ARC).

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

The following presents the net OPEB liability of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	<b>1% Decrease 5.50%</b>	<b>Current Discount Rate 6.50%</b>	<b>1% Increase 7.50%</b>
Net OPEB Liability.....	\$ 2,908,554	\$ 427,041	\$ (1,736,915)

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

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

	<b>Healthcare Cost</b>		
	<b>1% Decrease</b>	<b>Trend Rates</b>	<b>1% Increase</b>
	<b>(4.20% decreasing</b>	<b>(5.20% decreasing</b>	<b>(6.20% decreasing</b>
	<b>to 3.30%)</b>	<b>to 4.30%)</b>	<b>to 5.30%)</b>
Net OPEB Liability.....	\$ (2,168,561)	\$ 427,041	\$ 3,513,575

The chart below shows the schedule of OPEB employer contributions:

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Actuarially Determined Contribution.....	\$ 1,131,902	\$ 703,614	\$ 1,595,000	\$ 1,284,141	\$ 1,308,000
Contributions in Relation to the Actuarially Determined Contribution.....	1,321,590	1,064,993	954,082	1,360,107	1,350,537
Contribution Deficiency (Excess).....	\$ (189,688)	\$ (361,379)	\$ 640,918	\$ (75,966)	\$ (42,537)
Covered Payroll.....	\$ 57,834,701	\$ 57,834,701	\$ 54,406,476	\$ 54,406,476	\$ 52,352,923
Contributions as a Percentage of Covered Payroll.....	2.29%	1.84%	1.75%	2.50%	2.58%

### **Investment Policy**

The Town Charter and Sections 7-400 and 7-402 of the Connecticut General Statutes, as amended, govern the investments the Town is permitted to acquire. Generally, the Town may invest in certificates of deposit, money market mutual funds, municipal notes and bonds, obligations of the United States of America, including joint and several obligations of the Federal Home Loan Mortgage Association, the Federal Savings and Loan Insurance Corporation, obligations of the United States Postal Service, all the Federal Home Loan Banks and Federal Land banks, the Tennessee Valley Authority, or any other agency of the United States government.

The Town's investment policies and investments related to the Town's retirement and deferred compensation funds are available upon request from the Town's Treasurer. Also see Note 3, "Deposits and Investments" of "Notes to Financial Statements" in Appendix A.

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## **Liability Insurance**

The Town carries liability insurance in the amounts and for the coverages listed below:

<b>General Liability</b>	
General aggregate	\$3,000,000
Per occurrence	1,000,000
Personal and advertising injury	1,000,000
Fire Damage Limit	100,000
Limited Care Custody & Control	500,000
<b>Automobile Insurance</b>	
Limit of liability	1,000,000
Hire and no-owned autos	1,000,000
Uninsured motorist	1,000,000
Comprehensive deductible	500
Collision deductible	500
Medical Payments	5,000
<b>Employee Benefits Liability</b>	
Limit of liability	1,000,000
Deductible	1,000
<b>Public Official's Liability</b>	
Wrongful Act	1,000,000
Aggregate	1,000,000
Deductible	10,000
<b>Law Enforcement Liability</b>	
Wrongful act	1,000,000
Aggregate	1,000,000
Deductible	5,000
<b>School Leaders Liability</b>	
Wrongful act	1,000,000
Aggregate	1,000,000
Deductible	2,500
<b>Umbrella Liability</b>	10,000,000
(covers general liability, automobile liability employee benefits liability, law enforcement liability, public officials' liability and school leader's liability)	

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## General Fund Revenues and Expenditures

	<b>Adopted Budget <sup>1</sup> 2025-26</b>	<b>Estimated Actual <sup>1</sup> 2024-25</b>	<b>Actual 2023-24</b>	<b>Actual 2022-23</b>	<b>Actual 2021-22</b>	<b>Actual 2020-21</b>
<b>Revenues:</b>						
Property Taxes .....	\$ 112,317,282	\$ 110,503,658	\$ 105,475,515	\$ 99,257,125	\$ 97,389,009	\$ 93,537,721
Intergovernmental .....	8,986,583	7,699,854	24,053,239	21,895,787	17,946,580	17,649,800
Income on Investments.....	1,875,000	2,928,699	2,948,577	1,617,674	117,817	58,259
Local and Other .....	3,032,690	3,743,203	2,569,114	2,706,458	2,733,302	3,072,295
<b>Total Revenues .....</b>	<b>126,211,555</b>	<b>124,875,413</b>	<b>135,046,445</b>	<b>125,477,044</b>	<b>118,186,708</b>	<b>114,318,075</b>
<b>Expenditures:</b>						
General Government .....	3,648,407	3,691,588	4,521,352	3,714,035	2,792,929	2,558,925
Planning and Development .....	873,079	678,253	1,050,576	741,295	633,434	556,501
Public Safety .....	6,926,706	6,486,797	8,758,973	6,460,396	6,007,733	5,060,767
Facility Management .....	5,004,663	5,161,861	5,510,855	4,786,272	4,225,374	4,050,618
Culture & Recreation .....	3,399,827	3,024,472	4,228,919	3,327,654	2,931,413	2,561,632
Health and Welfare .....	913,147	877,102	1,160,260	1,115,929	799,046	752,134
Fringe Benefits and Insurance .....	8,349,684	7,802,425	-	-	-	6,254,510
Education .....	88,823,111	85,806,368	95,257,125	94,271,764	90,259,219	82,703,078
Debt Service .....	9,554,857	8,032,550	7,550,217	6,371,525	6,549,356	5,471,465
Capital Outlays .....	-	-	-	-	-	-
<b>Total Expenditures .....</b>	<b>127,493,481</b>	<b>121,561,416</b>	<b>128,038,277</b>	<b>120,788,870</b>	<b>114,198,504</b>	<b>109,969,630</b>
Revenues over (under) expenditures .....	(1,281,926)	3,313,997	7,008,168	4,688,174	3,988,204	4,348,445
<b>Other Financing Sources Uses:</b>						
Refunding Bonds Issued.....	-	-	-	-	-	-
Payment to Refunded Bond Escrow Agent.....	-	-	-	-	-	-
Premium on Bonds.....	-	-	-	-	-	-
Issuance of Capital Leases.....	-	-	-	-	-	-
Operating Transfers In .....	1,790,414	464,139	4,180,883	4,721,305	696,939	434,268
Operating Transfers (Out) .....	(508,488)	(593,995)	(9,372,272)	(9,599,319)	(2,624,613)	(5,706,213)
<b>Total other Financing Sources (uses) ...</b>	<b>1,281,926</b>	<b>(129,856)</b>	<b>(5,191,389)</b>	<b>(4,878,014)</b>	<b>(1,927,674)</b>	<b>(5,271,945)</b>
<b>Revenues and other financing sources over (under) expenditures and other financing (uses) .....</b>						
	\$ -	\$ 3,184,141	\$ 1,816,779	\$ (189,840)	\$ 2,060,530	\$ (923,500)
<b>Fund Balance - Beginning .....</b>	<b>24,852,390</b>	<b>21,668,249</b>	<b>19,851,470</b>	<b>20,041,310</b>	<b>17,980,780</b>	<b>18,904,280</b>
<b>Fund Balance - Ending .....</b>	<b>\$ 24,852,390</b>	<b>\$ 24,852,390</b>	<b>\$ 21,668,249</b>	<b>\$ 19,851,470</b>	<b>\$ 20,041,310</b>	<b>\$ 17,980,780</b>

<sup>1</sup> Budgetary basis. Subject to audit.

### Fiscal Year 2025–2026 Budget

On May 9, 2025, the Town’s voters approved the FY25 operating budget via referendum in the amount of \$128,001,969, reflecting a 4.29% increase over the prior fiscal year. Budget drivers included an increase in contractual wage expenditures, an increase in special education expenditures, and an increase in debt service expenditures. The net grand list increased 0.19% for this budget year.

**Municipal Budget Expenditures Cap:** Connecticut General Statutes Section 4-661 creates a cap on adopted general budget expenditures for municipalities in Connecticut in order for municipalities to be eligible to receive the full amount of the State's municipal revenue sharing grant. Beginning in fiscal year ending June 30, 2018, and in each fiscal year thereafter, the Office of Policy and Management ("OPM") must reduce the municipal revenue sharing grant amount for those municipalities whose adopted general budget expenditures (with certain exceptions including but not limited to debt service, special education, implementation of court orders or arbitration awards, budgeting for an audited deficit, nonrecurring grants, capital expenditures of \$100,000 or more, or payments on unfunded pension liabilities, and certain major disaster or emergency expenditures) exceeds the spending limits specified in the statute. For each applicable fiscal year, OPM must determine the municipality's percentage growth in general budget expenditures over the prior fiscal year and reduce the grant if the growth rate is equal to or greater than 2.5% or the inflation rate, whichever is greater, each of those amounts adjusted by an amount proportionate to any increase in the municipality's population from the previous fiscal year. The reduction is generally equal to 50 cents for every dollar the municipality spends over this cap. Each municipality must annually certify to the Secretary of the OPM whether such municipality has exceeded the cap set forth in the statute and if so the amount by which the cap was exceeded. For fiscal year ending June 30, 2025, the Town received approximately \$73,887 of municipal revenue sharing grants.

### **Comparative Balance Sheets – General Fund**

	<i>Estimated</i>				
	<i>Actual</i> <sup>1</sup>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>
<b>Assets</b>	<b>6/30/2025</b>	<b>6/30/2024</b>	<b>6/30/2023</b>	<b>6/30/2022</b>	<b>6/30/2021</b>
Cash and Cash Equivalents.....	\$ 26,189,182	\$ 19,154,081	\$ 20,188,797	\$ 20,887,627	\$ 17,965,624
Investments.....	-	-	-	-	-
Receivables.....	4,179,751	5,246,968	4,532,552	4,550,605	1,734,462
Due From Other Funds.....	500,000	3,253,257	455,507	762,293	1,448,837
Other Assets.....	415,413	159,804	137,956	69,409	158,914
<b>Total Assets.....</b>	<b>31,284,346</b>	<b>27,814,110</b>	<b>25,314,812</b>	<b>26,269,934</b>	<b>21,307,837</b>
<b>Liabilities and Fund Balance</b>					
<i>Liabilities</i>					
Accounts Payable.....	1,568,012	1,254,172	1,223,118	2,091,965	2,062,659
Unearned Revenue.....	100,000	465,192	94,031	109,836	67,724
<b>Total Liabilities.....</b>	<b>1,668,012</b>	<b>1,719,364</b>	<b>1,317,149</b>	<b>2,201,801</b>	<b>2,130,383</b>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue.....	2,171,148	1,954,042	1,602,759	1,412,409	1,196,674
Deferred Inflows Related to Leases.....	2,372,455	2,472,455	2,543,434	2,614,414	-
Advance Property Tax Collections.....	-	-	-	-	-
<b>Total Deferred Inflows of Resources....</b>	<b>4,543,603</b>	<b>4,426,497</b>	<b>4,146,193</b>	<b>4,026,823</b>	<b>1,196,674</b>
<b>Liabilities</b>					
Nonspendable.....	100,000	159,804	137,956	69,409	158,914
Restricted.....	-	-	-	-	-
Committed.....	551,160	860,024	651,308	651,308	651,308
Assigned.....	50,000	25,233	68,319	280,215	215,191
Unassigned.....	24,371,571	20,623,188	18,993,887	19,040,378	16,955,367
General Fund balance.....	25,072,731	21,668,249	19,851,470	20,041,310	17,980,780
<b>Total Liabilities &amp; Fund Balance.....</b>	<b>\$ 31,284,346</b>	<b>\$ 27,814,110</b>	<b>\$ 25,314,812</b>	<b>\$ 26,269,934</b>	<b>\$ 21,307,837</b>
Operating revenues.....	\$ 124,875,413	\$ 135,046,445	\$ 125,477,044	\$ 118,186,708	\$ 114,318,075
Fund balance as percent of					
operating revenues.....	20.1%	16.0%	15.8%	17.0%	15.7%
Unreserved/unassigned fund					
balance as percent of operating					
revenues.....	19.5%	15.3%	15.1%	16.1%	14.8%

<sup>1</sup> Budgetary basis. Subject to audit.

## **SECTION VII – ADDITIONAL INFORMATION**

### ***Litigation***

The Town, its officers, employees, boards and commissions are named defendants in a number of lawsuits, tax appeals, administrative proceedings and miscellaneous claims. With the exception of certain categories of these lawsuits, including but not limited to, land use appeals, tax appeals and some labor matters, the Town maintains liability insurance with and without deductibles that provide defense costs and liability coverage for such lawsuits. Some matters are defended under a reservation of rights; in some matters coverage has been denied. Notwithstanding, it is the Town Attorney's opinion that any such pending litigation will not be finally determined, individually or in the aggregate, so as to result in a final judgment against the Town which would have a material adverse effect on the Town's financial position.

### ***Documents Furnished at Delivery***

The winning bidder will be furnished the following documents when the Bonds are delivered:

1. A Signature and No Litigation Certificate stating that at the time of delivery no litigation is pending or threatened affecting the validity of the Bonds or the levy or collection of taxes to pay them.
2. A certificate on behalf of the Town, signed by the Town Manager and the Director of Finance/Treasurer which will be dated the date of delivery, which will certify, to the best of said officials' knowledge and belief, that at the time the bids were awarded for the Bonds, the descriptions and statements in the Official Statement relating to the Town and its finances were true and correct in all material respects and did not contain any untrue statement of a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Town from that set forth in or contemplated by the Official Statement.
3. A receipt for the purchase price of the Bonds.
4. The approving opinion of Pullman & Comley LLC, Bond Counsel, of Hartford, Connecticut in substantially the form attached hereto as Appendix B to this Official Statement.
5. An executed Continuing Disclosure Agreement for the Bonds in substantially the form attached hereto as Appendix C to this Official Statement.
6. The Town has prepared an Official Statement for the Bonds which is dated September \_\_, 2025. The Town deems such Official Statement final as of its date for purposes of SEC Rule 15c2-12 (b)(1), but it is subject to revision or amendment. The Town will make available to the winning bidder a reasonable number of copies of the final Official Statement at the Town's expense. The copies of the Official Statement will be made available to the winning bidder at the office of the Town's Municipal Advisor no later than seven business days of the bid opening. If the Town's Municipal Advisor is provided with the necessary information from the winning bidder by noon of the day following the day bids on the Bonds are received, the copies of the final Official Statement will include an additional cover page and other pages indicating the interest rates, yields or reoffering prices, the name of the managing underwriter, the name of the insurer, if any, and any changes on the Bonds. The winning bidder shall arrange with the Municipal Advisor the method of delivery of the copies of the Official Statement to the winning bidder.

A record of the proceedings taken by the Town in authorizing the Bonds will be kept on file at offices of U.S. Bank Trust Company, National Association, and may be examined upon reasonable request.

## ***Concluding Statement***

This Official Statement is submitted only in connection with the sale of the Bonds by the Town and may not be reproduced or used in whole or in part for any other purpose.

The following officials, in their capacity as officers of the Town, and in the name and on behalf of the Town, do hereby certify in connection with this issue that they have examined this Official Statement, and to the best of their knowledge and belief, the description and statements relating to the Town and its finances were true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

By

---

Marc Nelson  
Town Manager

By

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Amy Meriwether  
Director of Finance/Treasurer

Dated as of September \_\_, 2025

## ***Appendix A***

### ***2024 Financial Statements Excerpted from the Town's Annual Comprehensive Financial Report***

The following includes the General Purpose Financial Statements of the Town of Simsbury, Connecticut for the fiscal year ended June 30, 2024. The supplemental data that was a part of that report has not been reproduced herein. A copy of the complete report is available upon request from Barry J. Bernabe, Managing Director, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street, Suite 1, Milford, Connecticut 06460. Telephone (203) 283-1110.





## INDEPENDENT AUDITORS' REPORT

Board of Finance  
Town of Simsbury, Connecticut

### Report on the Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Simsbury, Connecticut's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Simsbury, Connecticut, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Simsbury, Connecticut, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Emphasis of Matter***

As discussed in Note 7 to the financial statements, effective July 1, 2023, the Town adopted new accounting guidance for accounting changes. The guidance requires that changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period. Our opinions are not modified with respect to this matter.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Simsbury, Connecticut's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Town of Simsbury, Connecticut's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Town of Simsbury, Connecticut's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Simsbury, Connecticut's basic financial statements. The combining and individual fund financial statements and schedules, the tax collectors report, the schedule of changes in sewer user charges receivable, schedule of changes in sewer assessment receivable, and the schedule of debt limitation are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules, the tax collectors report, the schedule of changes in sewer user charges receivable, schedule of changes in sewer assessment receivable, and the schedule of debt limitation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Board of Finance  
Town of Simsbury, Connecticut

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2025, on our consideration of the Town of Simsbury, Connecticut's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Simsbury, Connecticut's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Simsbury, Connecticut's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

West Hartford, Connecticut  
January 30, 2025

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

The management of the Town of Simsbury, Connecticut (the Town) offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

**Financial Highlights**

- At the end of the fiscal year the town's unassigned general fund balance was \$20,623,188 or 16.11% of General Fund expenditures.
- On a government-wide basis, the assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$155,234,764 for Governmental Activities.
- As of the close of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$42,717,440, an increase of \$9,697,674 in comparison with the prior year.

**Overview of the Financial Statements**

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

**Government-Wide Financial Statements**

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

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

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

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

The government-wide financial statements can be found on pages 19 to 21 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**Fund Financial Statements**

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

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

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

The Town maintains 52 individual funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sewer Use Fund, BOE Programs Fund, Capital Project Fund and the ARPA fund, all of which are considered to be major funds.

Data from the other 48 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its General Fund and three of its special revenue funds, Sewer Fund, Residential Rental Properties Fund and Simsbury Farms Fund. Budgetary comparison schedules have been provided for all four funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22 to 25 of this report.

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

The basic proprietary fund financial statements can be found on pages 26 to 28 of this report.

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

The basic fiduciary fund financial statements can be found on pages 29 to 30 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 31 to 83 of this report.

**Required Supplementary Information**

This report contains certain supplementary information concerning the Town's compliance with legally adopted budgets for the General Fund and Sewer Fund, a major special revenue fund, as well as progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees.

**Other Information**

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements.

Combining and individual fund statements and schedules can be found on pages 103 to 127 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position and an important determinant of its ability to finance services in the future. In the case of the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$155,266,419 at the close of the most recent fiscal year.

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

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**NET POSITION - GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Current assets	\$ 67,175,522	\$ 57,562,364
Capital assets, net of accumulated depreciation	188,221,597	165,318,077
Noncurrent assets	826,200	1,212,163
Total Assets	<u>256,223,319</u>	<u>224,092,604</u>
Deferred Outflow of Resources	<u>6,332,666</u>	<u>10,054,685</u>
Current liabilities	19,475,343	19,638,174
Noncurrent liabilities	77,217,221	70,273,003
Total Liabilities	<u>96,692,564</u>	<u>89,911,177</u>
Deferred Inflow of Resources	<u>10,628,657</u>	<u>8,125,552</u>
Net Position:		
Net investment in capital assets	132,832,347	126,101,760
Restricted	2,929,088	3,148,342
Unrestricted	<u>19,473,329</u>	<u>6,860,458</u>
Total Net Position	<u>\$ 155,234,764</u>	<u>\$ 136,110,560</u>

The government's net position increased by \$19,124,204 or 14.05% during the current fiscal year from \$136,110,560 at June 30, 2023 to \$155,234,764 at June 30, 2024. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements, is \$19,473,329 at the end of this year compared to \$6,860,458 at the end of the prior year for an increase of \$12,612,871.



**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

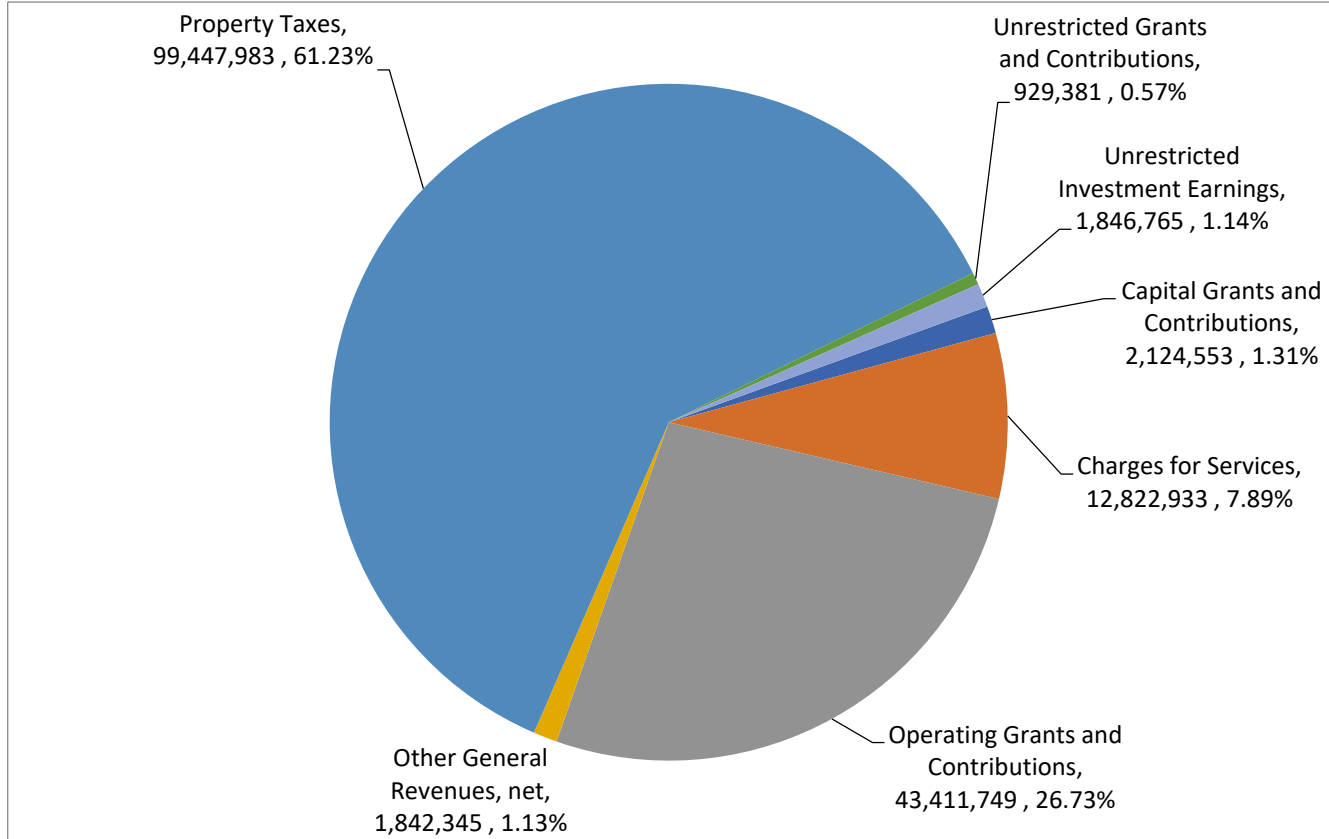
**CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES**

	<b>Governmental Activities</b>	
	<b>2024</b>	<b>2023</b>
Revenues:		
Program revenues:		
Charges for services	\$ 13,192,788	\$ 12,822,933
Operating grants and contributions	36,745,511	43,411,749
Capital grants and contributions	6,974,517	2,124,553
General revenues:		
Property taxes	105,826,243	99,447,983
Grants and contributions not restricted to specific purpose	1,109,714	929,381
Unrestricted investment earnings	3,256,143	1,846,765
Other general revenues, net	1,561,182	1,842,345
Total revenues	<u>168,666,098</u>	<u>162,425,709</u>
Program expenses:		
General government	5,831,578	6,174,953
Planning and development	1,030,550	858,742
Public safety	9,935,901	7,946,056
Facility management	11,977,395	11,488,431
Culture and recreation	7,525,114	7,388,505
Health and welfare	1,372,288	1,296,503
Education	110,210,833	116,682,589
Interest on long-term debt	1,658,235	534,863
Total expenses	<u>149,541,894</u>	<u>152,370,642</u>
Change in net position	19,124,204	10,055,067
Net Position - July 1	<u>136,110,560</u>	<u>126,055,493</u>
Net Position - June 30	<u><u>\$ 155,234,764</u></u>	<u><u>\$ 136,110,560</u></u>

Total revenues were \$168,666,098 and \$162,425,709 for the years ended June 30, 2024 and 2023, respectively. Total cost of all programs and services were \$149,541,894, and \$152,370,642, respectively, for the years ended June 30, 2024 and 2023. Net position increased by \$19,124,204 for the year ended June 30, 2024, while net position increased by \$10,055,067 for the year ended June 30, 2023.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**Revenue by Source - Governmental Activities**



**Governmental Activities**

Major revenue factors during the year include:

- Property taxes collected increased by \$6,378,260 or 6.41% mainly due the increased mill rate in the current year.
- Charges for goods and services increased by \$369,855 or 2.89% mainly related to decreased sewer assessments compared to the prior year offset by increased food service sales at the Board of Education. Illustrated below is a comparison between 2024 and 2023:

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
General government	\$ 1,030,944	\$ 1,128,127	\$ (97,183)
Planning and development	41,289	123,526	(82,237)
Public safety	516,290	490,454	25,836
Facility management	4,231,735	4,669,010	(437,275)
Culture and recreation	2,611,188	2,496,995	114,193
Health and welfare	12,231	7,694	4,537
Education	4,749,111	3,907,127	841,984
Total	<u>\$ 13,192,788</u>	<u>\$ 12,822,933</u>	<u>\$ 369,855</u>

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

- Operating grants and contributions decreased by \$6,666,238 mainly due to a decrease in excess cost revenue, the state teachers retirement and state funded capital project payments:

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
General government	\$ 6,327,584	\$ 8,304,913	\$ (1,977,329)
Planning and development	1,476,853	1,817,741	(340,888)
Public safety	710,195	1,569,471	(859,276)
Facility management	2,378	99,556	(97,178)
Culture and recreation	33,232	68,244	(35,012)
Health and welfare	61,542	66,205	(4,663)
Education	<u>28,133,727</u>	<u>31,485,619</u>	<u>(3,351,892)</u>
Total	<u>\$ 36,745,511</u>	<u>\$ 43,411,749</u>	<u>\$ (6,666,238)</u>

- Capital grants and contributions increased by \$4,849,964 mainly due to the Latimer Lane renovate as new construction project. Illustrated below is a breakdown comparison between 2024 and 2023:

	<u>2024</u>	<u>2023</u>	<u>Variance</u>
Facility management	\$ 663,417	\$ 798,711	\$ (135,294)
Education	<u>6,311,100</u>	<u>1,325,842</u>	<u>4,985,258</u>
Total	<u>\$ 6,974,517</u>	<u>\$ 2,124,553</u>	<u>\$ 4,849,964</u>

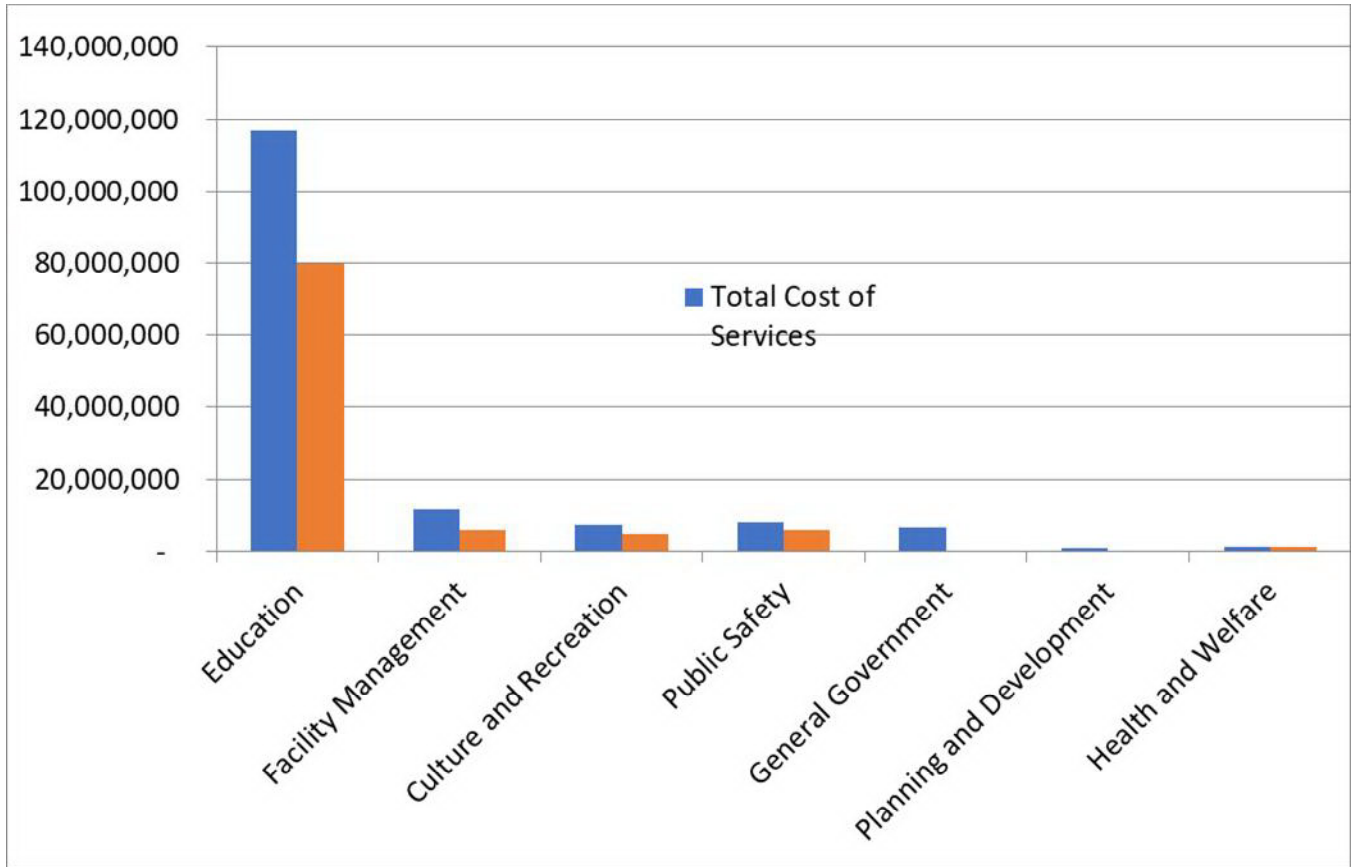
The following table presents the cost of each of the Town's programs as well as each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town's taxpayers by each of these functions.

**GOVERNMENTAL ACTIVITIES  
For the Year Ended June 30, 2024**

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General government	\$ 5,831,578	\$ 1,526,950
Planning and development	1,030,550	487,592
Public safety	9,935,901	(8,709,416)
Facility management	11,977,395	(7,079,865)
Culture and recreation	7,525,114	(4,880,694)
Health and welfare	1,372,288	(1,298,515)
Education	110,210,833	(71,016,895)
Interest on long-term debt	<u>1,658,235</u>	<u>(1,658,235)</u>
Total	<u>\$ 149,541,894</u>	<u>\$ (92,629,078)</u>

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**Expenses and Net Cost of Services - Governmental Activities**



**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

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

As of the end of the current fiscal year, the Town's Governmental Funds reported combined ending fund balances of \$42,717,440 representing an increase of \$9,697,674 or 29.37% in comparison with the prior year. Of this total amount, \$943,813 is non-spendable, \$4,018,733 is restricted by governmental grants, \$17,435,789 is committed by the Simsbury Board of Finance (Budget-Making Authority), \$25,233 is assigned and \$20,293,872 is unassigned. The \$20,293,872 unassigned fund balance is available for spending at the Town's discretion. The total unassigned fund balance is based on a positive general fund balance in that amount.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$20,623,188, while total fund balance was \$21,668,249. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Of this total fund balance \$159,804 is non-spendable, \$25,233 is assigned, and \$860,024 is committed, with the balance being unassigned in the amount the \$20,623,188. The total fund balance of the Town's General Fund increased by \$1,816,779 during the current fiscal year and the unassigned fund balance increased by \$771,718. See "General Fund Budgetary Highlights" below for analysis for notable General Fund activity during the year.

The Sewer Use Fund has a fund balance of \$6,015,367 at the end of the year, a decrease of \$1,998,183 from the prior year. The intention is to have fund balance be used to help pay the debt service on the Waste Water Treatment Plant \$26.8 million renovation and expansion capital project. This project was funded 100% by the State of Connecticut Clean Water Fund 2% Loan and Grant program, which was refunded in 2021. This project is completed and payments began on the 20-year, 2% loan program in September 2008. The loan will be repaid by future sewer user charges. The majority of the decrease to fund balance relates to transfers to the Capital Projects Fund to fund sewer use projects including a sewer replacement and primary clarifier.

The Board of Education Programs Fund has a fund balance of \$734,667 at the end of the year, presenting a decrease of \$63,845 over the prior year fund balance of \$798,512. Fund balance decreased mainly related to a decrease in tuition revenue from the Farmington Valley Transitional Academy program.

The Capital Project Fund has a fund balance of \$7,496,862 at the end of the year, representing an increase of \$9,095,772 over the prior year fund balance of (\$1,598,910). Fund balance increased as a result of borrowing for bonded projects in the current year.

Other nonmajor governmental funds have a total fund balance of \$7,110,385, representing an increase of \$549,132 from the prior year as illustrated.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

<b>Nonmajor Governmental Funds</b>	<b>2024</b>	<b>2023</b>	<b>Variance</b>
Residential Rental Properties	\$ 524,918	\$ 470,174	\$ 54,744
Simsbury Farms Fund	814,594	645,898	168,696
General Government Program Fund	159,140	144,553	14,587
Public Safety Program Fund	127,623	143,988	(16,365)
Planning & Development Program Fund	304,328	325,941	(21,613)
Facilities Management Program Fund	260,991	412,861	(151,870)
Health & Welfare Program Fund	593,419	476,265	117,154
Culture & Recreation Program Fund	31,683	59,668	(27,985)
Sewer Assessment Fund	900,392	662,540	237,852
Cafeteria	503,374	280,356	223,018
Capital and Nonrecurring Expenditures Fund	2,295,270	2,273,312	21,958
Student Activity	409,874	377,573	32,301
Flex Spending Fund	29,243	19,969	9,274
Continuing Education	134,551	213,518	(78,967)
Enrichment & Extended Day	20,985	54,637	(33,652)
Total	<u>\$ 7,110,385</u>	<u>\$ 6,561,253</u>	<u>\$ 549,132</u>

**General Fund Budgetary Highlights**

The original general fund budget including other financing sources and uses of \$121,668,343 was increased by \$2,127,905 to the final budget of \$123,796,248 mainly due to the following:

- \$1,277,953 net savings in salaries and benefits in various departments including: Town Manager, Police, Dispatch, Planning, Facilities, Highway and Library related to vacant positions and staff turnover.
- \$185,230 pension savings due to the annually required contributions being lower than anticipated. In addition, the OPEB trust fund was fully funded during the year
- \$287,930 debt services savings on interest rates due to bonding rates coming in lower than budgeted
- \$131,182 savings in utilities
- \$58,002 savings in road improvements
- (\$3,900,000) contribution to the capital reserve fund
- (\$205,000) contribution to the Simsbury Farms fund to reimbursement for pension allocation error in the prior year

Actuals were in line with budget.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

Actual revenues were more than budgetary estimates by \$3,726,445 mainly related to the following:

- \$2,148,577 in increased investment income
- \$744,913 in unanticipated State grants
- \$531,238 in increased tax collections due to a conservative assumed collection rate
- \$119,670 in conveyance tax receipts
- \$86,013 related to an increased number of students paying tuition to attend Simsbury schools
- \$59,389 related to increased rental income for use of the school buildings
- \$56,894 in unanticipated Educational Cost Sharing Revenue

**Capital Asset and Debt Administration**

**Capital Assets** - The Town's investment in capital assets (net of accumulated depreciation) for its governmental activities as of June 30, 2024 amounted to \$188,221,597. This investment in capital assets included land, buildings and system improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total net change in the Town's investment in capital assets for the current fiscal year was an increase of \$22,903,520.

**CAPITAL ASSETS (net of depreciation)  
June 30, 2024**

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Land	\$ 15,800,256
Development rights	11,725,000
Construction in progress	45,521,627
Buildings and improvements	92,866,934
Land improvements	3,266,420
Equipment	8,581,506
Infrastructure	<u>10,459,854</u>
Total	<u><u>\$ 188,221,597</u></u>

Additional information on the Town's Capital Assets can be found in Note 3C on pages 47 to 49 of this report.

**TOWN OF SIMSBURY, CONNECTICUT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
JUNE 30, 2024**

**Long-term Debt** - At the end of the current fiscal year, the Town had total bonded debt outstanding of \$49,552,769, of which \$7102,769 is due within one year. All of the debt is backed by the full faith and credit of the Town.

**OUTSTANDING DEBT  
June 30, 2024**

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General obligation bonds	\$ 49,550,000
Loan payable - State of Connecticut	<u>2,769</u>
Total	<u><u>\$ 49,552,769</u></u>

The Town's total debt increased during the current fiscal year by \$14,131,559. The increase was a result of issue debt for previously approved capital projects, mainly the Latimer Lane Renovate as new project. The Town has an "Aaa" rating from Standard and Poor's and Moody's for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 7.0 times its total prior years' tax collections. The current debt limitation for the Town is \$695,520,742 which is significantly more than the Town's outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 3F on pages 50 to 52 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The Town's elected Board of Finance considered many factors when setting the fiscal year 2024/25 budget spending guideline and mill rate. Factors included the economy, consumer price index, comparative town data, and the State budget situation. The current unemployment rate for the Town of Simsbury is 2.1%. This compares to the State's average unemployment rate of 3.9% and the national average rate of 4.1%.

**Requests for Information**

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



## **BASIC FINANCIAL STATEMENTS**

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 50,312,886
Investments	600,994
Accounts Receivable, Net	14,488,389
Loans Receivable	343,440
Supplies	54,593
Prepaid Items	<u>1,375,220</u>
Total Current Assets	67,175,522
Noncurrent Assets:	
Capital Assets:	
Nondepreciable	73,046,883
Depreciable, Net	115,174,714
Loans Receivable	<u>826,200</u>
Total Noncurrent Assets	<u>189,047,797</u>
Total Assets	256,223,319
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred Outflows Related to Pension	3,346,985
Deferred Outflows Related to OPEB	2,708,152
Deferred Charge on Refunding	<u>277,529</u>
Total Deferred Outflows of Resources	6,332,666

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION (CONTINUED)  
JUNE 30, 2024**

	<u>Governmental Activities</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 8,430,901
Accrued Interest Payable	655,510
Unearned Revenues	1,141,231
Bonds and Loans Payable	7,102,769
Compensated Absences	1,116,032
Claims Liability	1,023,900
Landfill Post Closure	5,000
Total Current Liabilities	<u>19,475,343</u>
Noncurrent Liabilities:	
Bonds and Loans Payable	45,433,334
Net Pension Liability	30,960,216
Net OPEB Liability	427,041
Compensated Absences	381,630
Landfill Post Closure	15,000
Total Noncurrent Liabilities	<u>77,217,221</u>
Total Liabilities	96,692,564
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Inflows Related to Leases	2,612,098
Deferred Inflows Related to Pension	674,531
Deferred Inflows Related to OPEB	7,342,028
Total Deferred Inflows of Resources	<u>10,628,657</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	132,832,347
Restricted for:	
Grants	2,141,857
Education Trusts	52,031
Facility Management Trusts	34,388
Health and Welfare Trusts	106,159
Other Purposes	594,653
Unrestricted	<u>19,473,329</u>
Total Net Position	<u><u>\$ 155,234,764</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024**

Function/Program Activities	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>PRIMARY GOVERNMENT</b>					
Governmental Activities:					
General Government	\$ 5,831,578	\$ 1,030,944	\$ 6,327,584	\$ -	\$ 1,526,950
Planning and Development	1,030,550	41,289	1,476,853	-	487,592
Public Safety	9,935,901	516,290	710,195	-	(8,709,416)
Facility Management	11,977,395	4,231,735	2,378	663,417	(7,079,865)
Culture and Recreation	7,525,114	2,611,188	33,232	-	(4,880,694)
Health and Welfare	1,372,288	12,231	61,542	-	(1,298,515)
Education	110,210,833	4,749,111	28,133,727	6,311,100	(71,016,895)
Interest on Long-Term Debt	1,658,235	-	-	-	(1,658,235)
Total Governmental Activities	<u>\$ 149,541,894</u>	<u>\$ 13,192,788</u>	<u>\$ 36,745,511</u>	<u>\$ 6,974,517</u>	(92,629,078)
<b>GENERAL REVENUES</b>					
Property Taxes, Levied for General Purposes					105,826,243
Grants and Contributions Not Restricted to Specific Programs					1,109,714
Unrestricted Investment Earnings					3,256,143
Other General Revenues					1,561,182
Total General Revenues					<u>111,753,282</u>
<b>CHANGE IN NET POSITION</b>					19,124,204
Net Position - Beginning of Year					<u>136,110,560</u>
<b>NET POSITION - END OF YEAR</b>					<u>\$ 155,234,764</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024**

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	State and Federal Education Grants	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 19,154,081	\$ 6,129,301	\$ -	\$ 11,950,092	\$ -	\$ -	\$ 7,770,324	\$ 45,003,798
Investments	-	-	600,994	-	-	-	-	600,994
Receivables, Net	5,246,968	1,259,632	424,684	3,289,675	-	3,065,430	2,371,640	15,658,029
Due from Other Funds	3,253,257	-	114,213	-	-	-	-	3,367,470
Inventories	-	-	-	-	-	-	54,593	54,593
Prepaid Items	159,804	6,235	2,200	702,374	-	3,200	15,407	889,220
Total Assets	<u>\$ 27,814,110</u>	<u>\$ 7,395,168</u>	<u>\$ 1,142,091</u>	<u>\$ 15,942,141</u>	<u>\$ -</u>	<u>\$ 3,068,630</u>	<u>\$ 10,211,964</u>	<u>\$ 65,574,104</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable	\$ 1,254,172	\$ 139,237	\$ 1,278	\$ 6,384,096	\$ -	\$ 178,733	\$ 448,719	\$ 8,406,235
Due to Other Funds	-	-	406,146	-	-	2,842,111	119,213	3,367,470
Due to Other Governments	-	-	-	-	-	24,666	-	24,666
Unearned Revenue	465,192	-	-	153,396	-	18,071	504,572	1,141,231
Total Liabilities	<u>1,719,364</u>	<u>139,237</u>	<u>407,424</u>	<u>6,537,492</u>	<u>-</u>	<u>3,063,581</u>	<u>1,072,504</u>	<u>12,939,602</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable Revenue - Property Taxes	1,294,834	-	-	-	-	-	-	1,294,834
Unavailable Revenue - Property Tax Interest	659,208	-	-	-	-	-	-	659,208
Unavailable Revenue - Sewer Assessments	-	-	-	-	-	-	1,843,088	1,843,088
Unavailable Revenue - Sewer Tax Interest	-	18,248	-	-	-	-	-	18,248
Unavailable Revenue - Other Districts	-	1,169,640	-	-	-	-	-	1,169,640
Unavailable Revenue - Grants	-	-	-	1,907,787	-	313,139	24,605	2,245,531
Unavailable Revenue - Other	-	52,676	-	-	-	-	-	52,676
Unavailable Revenue - Small Cities Loans	-	-	-	-	-	-	21,739	21,739
Deferred Inflows Related to Leases	2,472,455	-	-	-	-	-	139,643	2,612,098
Total Deferred Inflows of Resources	<u>4,426,497</u>	<u>1,240,564</u>	<u>-</u>	<u>1,907,787</u>	<u>-</u>	<u>313,139</u>	<u>2,029,075</u>	<u>9,917,062</u>
<b>FUND BALANCES</b>								
Nonspendable	159,804	6,235	2,200	702,374	-	3,200	70,000	943,813
Restricted	-	-	52,031	2,997,432	-	-	969,270	4,018,733
Committed	860,024	6,009,132	680,436	3,797,056	-	-	6,089,141	17,435,789
Assigned	25,233	-	-	-	-	-	-	25,233
Unassigned	20,623,188	-	-	-	-	(311,290)	(18,026)	20,293,872
Total Fund Balances	<u>21,668,249</u>	<u>6,015,367</u>	<u>734,667</u>	<u>7,496,862</u>	<u>-</u>	<u>(308,090)</u>	<u>7,110,385</u>	<u>42,717,440</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 27,814,110</u>	<u>\$ 7,395,168</u>	<u>\$ 1,142,091</u>	<u>\$ 15,942,141</u>	<u>\$ -</u>	<u>\$ 3,068,630</u>	<u>\$ 10,211,964</u>	<u>\$ 65,574,104</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2024**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

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

Total Fund Balances - Governmental Funds (Exhibit III)	\$ 42,717,440
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:

Governmental Capital Assets	326,021,470
Less: Accumulated Depreciation	(137,799,873)
Net Capital Assets	188,221,597

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

Loans Receivable from Small Cities	21,739
Loans Receivable from Other Districts	1,169,640
Receivable from Grants	2,245,531
Receivable from Other	52,676
Property Tax Receivables Greater than 60 Days	1,954,042
Sewer Assessments Receivable	1,843,088
Interest Receivable on Sewer Use Receivable	18,248
Deferred Outflows Related to Pension	3,346,985
Deferred Outflows Related to OPEB	2,708,152

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the statement of net position.	4,771,188
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Long-term liabilities, including deferred inflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds:

Bonds Payable	(49,550,000)
Loans Payable	(2,769)
Unamortized Bond Premium	(2,983,334)
Deferred Charge on Refunding	277,529
Interest Payable on Bonds	(655,510)
Compensated Absences	(1,497,662)
Net Pension Liability	(30,960,216)
Net OPEB Liability	(427,041)
Deferred Inflows Related to Pension	(674,531)
Deferred Inflows Related to OPEB	(7,342,028)
Landfill Liability	(20,000)

Net Position of Governmental Activities (Exhibit I)	\$ 155,234,764
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**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2024**

	General Fund	Sewer Use Fund	BOE Programs Fund	Capital Project Fund	ARPA Fund	State and Federal Education Grants	Nonmajor Governmental Funds	Total Governmental Fund
<b>REVENUES</b>								
Property Taxes	\$ 105,475,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,475,515
Intergovernmental	24,053,239	246,275	467,127	8,157,255	3,757,833	8,404,341	1,617,435	46,703,505
Investment Income (Loss)	2,948,577	147,034	68,351	-	-	-	92,181	3,256,143
Charges for Goods and Services	1,507,289	-	-	16,427	-	-	7,144,557	8,668,273
Licenses and Permits	802,383	-	-	-	-	-	-	802,383
Rental of Town-Owned Property	183,065	-	-	-	-	-	56,157	239,222
Local Revenues	11,701	-	-	-	-	-	-	11,701
Assessments	-	3,473,078	-	-	-	-	176,778	3,649,856
Other	64,676	580,868	226,470	300,113	-	-	389,055	1,561,182
Total Revenues	135,046,445	4,447,255	761,948	8,473,795	3,757,833	8,404,341	9,476,163	170,367,780
<b>EXPENDITURES</b>								
Current:								
General Government	4,521,352	-	-	-	2,436	-	143,193	4,666,981
Planning and Development	1,050,576	-	-	-	-	-	900	1,051,476
Public Safety	8,758,973	-	-	-	-	-	327,024	9,085,997
Facility Management	5,510,855	2,522,333	-	-	-	-	50,887	8,084,075
Culture and Recreation	4,228,919	-	-	-	-	-	2,429,997	6,658,916
Health and Welfare	1,160,260	-	-	-	-	-	181,589	1,341,849
Education	95,257,125	-	825,793	-	-	8,106,322	4,805,047	108,994,287
Capital Outlay	-	-	-	31,309,517	-	-	2,567,618	33,877,135
Debt Service:								
Principal Payments	6,045,000	1,010,000	-	-	-	-	8,441	7,063,441
Interest and Other	1,505,217	205,750	-	299,991	-	-	2,837	2,013,795
Total Expenditures	128,038,277	3,738,083	825,793	31,609,508	2,436	8,106,322	10,517,533	182,837,952
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	7,008,168	709,172	(63,845)	(23,135,713)	3,755,397	298,019	(1,041,370)	(12,470,172)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	4,180,883	3,956	-	13,341,460	2,436	-	3,375,423	20,904,158
Transfers Out	(9,372,272)	(2,711,311)	-	(3,277,821)	(3,757,833)	-	(1,784,921)	(20,904,158)
Premium on Bond Issuance	-	-	-	972,846	-	-	-	972,846
Bond Issuance	-	-	-	21,195,000	-	-	-	21,195,000
Total Other Financing Sources (Uses)	(5,191,389)	(2,707,355)	-	32,231,485	(3,755,397)	-	1,590,502	22,167,846
<b>NET CHANGE IN FUND BALANCES</b>	1,816,779	(1,998,183)	(63,845)	9,095,772	-	298,019	549,132	9,697,674
Fund Balances - Beginning of Year, As Originally Reported	19,851,470	8,013,550	798,512	(1,598,910)	-	-	5,955,144	33,019,766
Adjustment	-	-	-	-	-	(606,109)	606,109	-
Fund Balance - As Adjusted	19,851,470	8,013,550	798,512	(1,598,910)	-	(606,109)	6,561,253	33,019,766
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 21,668,249</u>	<u>\$ 6,015,367</u>	<u>\$ 734,667</u>	<u>\$ 7,496,862</u>	<u>\$ -</u>	<u>\$ (308,090)</u>	<u>\$ 7,110,385</u>	<u>\$ 42,717,440</u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2024**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances - Total Governmental Funds (Exhibit IV) \$ 9,697,674

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlay	29,767,472
Depreciation Expense	(6,820,936)
Loss on disposal of capital assets	(43,016)

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

Property Taxes Collected After 60 Days	351,283
Sewer Assessment Revenue	1,584,490
Loans Receivable from Other Districts	(422,544)
Receivable from Grants	(269,743)
Receivable from Other	9,686

Deferred Outflows Related to Pension	(3,934,986)
Deferred Outflows Related to OPEB	296,393

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

Bond Issuance	(21,195,000)
Premium on Bonds Issued	(972,846)
Premium Amortization	826,826
Accrued Interest	(387,840)
Principal Payments on Bonds	7,055,000
Principal Payments on Notes	8,441
Pension Liability	2,360,494
OPEB Liability	3,536,993

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

Deferred Charge on Refunding	(83,426)
Deferred Inflows Related to Pension	195,278
Deferred Inflows Related to OPEB	(2,825,519)
Change in Long-Term Compensated Absences	(370,959)
Other - Landfill	5,000

The net profit (loss) of the internal service funds is reported with governmental activities.	755,989
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Change in Net Position of Governmental Activities (Exhibit II)	\$ 19,124,204
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See accompanying Notes to Financial Statements.



**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2024**

	Governmental Activities
	<u>Health &amp; Dental</u>
	Insurance
	<u>Fund</u>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 5,309,088
Prepaid Items	<u>486,000</u>
Total Current Assets	<u>5,795,088</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Claims Incurred but Not Reported	<u>1,023,900</u>
<b>NET POSITION</b>	
Unrestricted	<u><u>\$ 4,771,188</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED JUNE 30, 2024**

	Governmental Activities
	Health & Dental Insurance Fund
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 16,218,194
Other Operating Revenue	689,004
Total Operating Revenues	<u>16,907,198</u>
<b>OPERATING EXPENSES</b>	
Claims Incurred	14,894,492
Administration and Stop Loss Insurance Fees	1,256,717
Total Operating Expenses	<u>16,151,209</u>
<b>CHANGE IN NET POSITION</b>	755,989
Net Position - Beginning of Year	<u>4,015,199</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 4,771,188</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED JUNE 30, 2024**

	Governmental Activities
	Health & Dental Insurance Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Users	\$ 16,907,198
Cash Paid for Claims	(16,139,609)
Net Cash Provided by Operating Activities	<u>767,589</u>
Cash and Cash Equivalents - Beginning of Year	<u>4,541,499</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 5,309,088</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Income	\$ 755,989
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Change in Assets and Liabilities:	
(Increase) Decrease in Prepaid Items	-
Increase (Decrease) in Claims Payable	11,600
Total Adjustments	<u>11,600</u>
Net Cash Provided by Operating Activities	<u><u>\$ 767,589</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2024**

	Pension and Other Employee Benefit Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,207,213
Investments, at Fair Value:	
Mutual Funds	99,032,944
Private Equity Funds	3,606,358
Accounts Receivable	63,794
Total Assets	<u>103,910,309</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>11,991</u>
<b>NET POSITION</b>	
Restricted for Pension Benefits	79,654,542
Restricted for OPEB Benefits	24,243,776
Total Net Position	<u><u>\$ 103,898,318</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**YEAR ENDED JUNE 30, 2024**

	Pension and Other Employee Benefit Trust Funds
<b>ADDITIONS:</b>	
Contributions:	
Employer	\$ 5,065,302
Plan Members	922,840
Total Contributions	<u>5,988,142</u>
Investment Income:	
Net Change in Fair Value of Investments	6,572,331
Interest	2,489,778
Total Investment Income	<u>9,062,109</u>
Less Investment Expenses:	
Investment Management Fees	<u>(91,716)</u>
Net Investment Income	<u>8,970,393</u>
Total Additions	14,958,535
<b>DEDUCTIONS:</b>	
Benefits	8,505,023
Administrative Expense	180,351
Total Deductions	<u>8,685,374</u>
<b>CHANGE IN NET POSITION</b>	6,273,161
Net Position - Beginning of Year	<u>97,625,157</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 103,898,318</u></u>

See accompanying Notes to Financial Statements.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

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

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

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

The financial statements include all of the funds of the Town that meet the criteria issued by the Governmental Accounting Standards Board (GASB).

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A government is financially accountable for a legally separate organization if it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the government. These criteria have been considered and have resulted in the inclusion of the fiduciary component units as detailed below.

**Fiduciary Component Units**

The Town has established three single-employer Public Retirement Systems (PERS) plans and one postretirement health care benefits (OPEB) plan to provide retirement benefits and postretirement health care benefits primary to employees and their beneficiaries. The Town performs the duties of a governing board for the Pension and OPEB plans and is required to make contributions to the pension and OPEB plans.

The financial statements of the fiduciary component units are reported as Pension and OPEB Trust fund in the fiduciary fund financial statements. Separate financial statements have not been prepared for the fiduciary component units.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation**

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

Government-Wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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

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

The Town reports the following major governmental funds:

General Fund

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

Sewer Use Fund

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

Board of Education Program Fund

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

Capital Project Fund

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



**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Basis of Presentation (Continued)**

ARPA Fund

The ARPA Fund accounts for financial resources received as a result of the American Rescue Plan Act (ARPA).

State and Federal Education Grants

The State and Federal Education Grants Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for educational purposes.

Additionally, the Town reports the following fund types:

Internal Service Fund

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

Pension and Other Employee Benefit Trust Funds

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

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

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

**C. Cash Equivalents**

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Investments**

Investments are stated at fair value.

The Town has private equity partnerships for which there may be no ready market to determine fair value. These investments are valued using the most recent valuation available from the external fund manager. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than the values determined if a ready market for the securities existed.

**E. Supplies and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**F. Receivables and Payables**

Due from/to Other Funds

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

Loans Receivable

Loans receivable in the Planning and Development Program Fund are related to small cities loans. Loans receivable in the governmental activities are due from participating municipalities for their portion of the waste water treatment plant renovation and expansion capital project. Loans receivable are recorded and revenues recognized as earned.

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$10,000 for equipment, \$20,000 for improvements and \$100,000 for infrastructure, and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Capital Assets (Continued)**

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

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

Infrastructure:	
Roads	30 to 50 Years
Sewer Lines and Water Lines	50 Years
Bridge/Large Culverts	30 to 50 Years
Dams	50 Years
Land and Buildings:	
Land	-
Buildings	50 to 75 Years
Construction in Progress	-
Vehicles and Equipment:	
Fire Equipment	20 to 25 Years
Ambulances	5 Years
Construction Equipment	5 Years
Machinery and Equipment	3 to 10 Years
Vehicles	3 to 15 Years

**H. Deferred Outflows/Inflows of Resources**

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Deferred Outflows/Inflows of Resources (Continued)**

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period or periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pension and OPEB in the government-wide statement of net position. The Town also reports leases in the government-wide statement of net position and in the governmental funds balance sheet. A deferred inflow of resources related to pension and OPEB results from differences between expected and actual experience, changes in assumptions or other inputs. These amounts are deferred and included in pension and OPEB expense in a systematic and rational manner over a period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension and OPEB plan (active employees and inactive employees) or in the case of the difference in projected and actual earnings on pension and OPEB plan investments, over a systematic and rational method over a closed five-year period.

Also, for governmental funds, the Town reports unavailable revenue, which arises only under the modified accrual basis of accounting. The governmental funds report unavailable revenues from several sources: property taxes, property tax interest, sewer assessment, grants, leases, other districts and loans receivable. These amounts are deferred and recognized as an inflow of resources (revenue) in the period in which the amounts become available.

**I. Net Pension Liability**

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

**J. Net Other Postemployment (OPEB) Liability**

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Long-Term Obligations**

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

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

**L. Compensated Absences and Termination Benefits**

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

**M. Equity**

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

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

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

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed.

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**M. Equity (Continued)**

Unrestricted Net Position (Continued)

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

Nonspendable Fund Balance

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

Restricted Fund Balance

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

Committed Fund Balance

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

Assigned Fund Balance

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

Unassigned Fund Balance

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

**N. Property Taxes**

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**N. Property Taxes (Continued)**

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

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

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

**O. Accounting Estimates**

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Budgetary Information**

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

The annual budget making process is outlined in Chapter IV of the Simsbury Town Charter, "The Board of Selectmen" and in Chapter VIII, "Finance and Taxation," according to the following schedule:

- By January 31, the head of each department, office, or agency of the Town except the Board of Education files with the Director of Finance a detailed estimate of the expenditures to be made by such department, office, or agency and the revenues, other than tax revenue, to be collected thereby in the ensuing fiscal year.
- By March 1, the Director of Finance compiles department estimates for the annual budget and under the direction of the First Selectman presents to the Board of Selectmen the completed budget of all boards, offices, and agencies, except the Board of Selectmen.
- By March 15, the Board of Education presents its budget to the Director of Finance, the Board of Finance, and the Board of Selectmen.
- By March 31, the Board of Selectmen presents to the Board of Finance a budget for all departments, offices, and agencies of the Town, except the Board of Education, consisting of: (a) a budget message; (b) estimates of revenue; and (c) itemized estimates of expenditures. As part of the budget the First Selectman presents a program approved by the Board of Selectmen of proposed capital projects for the ensuing fiscal year and the five fiscal years thereafter.

The Board of Finance holds one or more public hearings the first of which must be held not later than the tenth day of April at which time any Elector or taxpayer has an opportunity to be heard. The Board of Finance, by resolution adopted by an affirmative vote of at least four members after holding the final public hearing, and no more than 10 days after the final public hearing, approve a budget and file the same with the Town Clerk for submission to the Automatic Referendum for its adoption. Should the Board of Finance fail to approve a budget no more than 10 days after such final public hearing, the budget as transmitted by the Board of Selectmen and by the Board of Education is deemed to have been finally approved by the Board of Finance.



**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**A. Budgetary Information (Continued)**

The annual budget becomes effective only after it has been approved by resolution of the Board of Finance and adopted at an automatic referendum held following the final public hearing by a majority vote at such referendum. The Board of Finance, within five days following the adoption of the budget by referendum, fixes the tax rate in mills which is levied on all taxable property in the Town for the ensuing fiscal year. Should the budget not be approved at referendum, the Board of Finance, in cooperation with the First Selectman, revises the budget for presentation at a subsequent public hearing and referendum. If the Budget remains unaccepted at the second referendum, the adopted budget for the then current fiscal year becomes the temporary budget on a month-to-month basis until a new budget is adopted.

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

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

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

Subject to certain restrictions, additional appropriations may be approved by the Board of Finance upon recommendation of the Board of Selectmen. Summarizations of the amended General Fund budgets approved by the Board of Finance for the "budgetary" general and certain special revenue funds are presented in the required supplementary information. During the year there were \$2,127,905 of supplemental budgetary appropriations made from General Fund unappropriated and unencumbered surplus.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

**B. Deficit Fund Equity**

State and Federal Education Grants	\$ 308,090
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The state and federal education grants deficit will be funded by future grants.

**C. Overexpended Appropriations**

The Town overexpended the final budget as follows:

Residential Rental Properties:	
Debt Service	\$ 2,756

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash, Cash Equivalents, and Investments**

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

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

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

**Deposits**

Deposit Custodial Credit Risk

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

Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, \$32,901,891 of the Town's bank balance of \$34,067,480 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 29,536,701
Uninsured and Collateral Held by the Pledging Bank's Trust Department, Not in the Town's Name	3,365,190
Total Amount Subject to Custodial Credit Risk	<u>\$ 32,901,891</u>

Cash Equivalents

At June 30, 2024, the Town's cash equivalents amounted to \$19,377,048. The following table provides a summary of the Town's cash equivalents (excluding U.S. government guaranteed obligations) as rated by nationally recognized statistical rating organizations. These cash equivalents are investment pools of high-quality, short-term money market instruments with an average maturity of less than 60 days. There were no limitations or restrictions on any withdrawals due to redemption notice periods, liquidity fees, or redemption gates.

	Standard and Poor's
State Short-Term Investment Fund (STIF)	<u>AAA/m</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Investments**

As of June 30, 2024, the Town had the following investments:

<u>Investment Type</u>	<u>Credit Rating</u>	<u>June 30, 2024</u>	<u>Investment Maturities</u>		
			<u>Less Than 1</u>	<u>1-10</u>	<u>More Than 10</u>
Other Investments:					
Mutual Funds	Unrated	\$ 99,633,938	\$ -	\$ -	\$ -
Private Equity Funds	N/A	3,606,358	-	-	-
Total Investments		<u>\$ 103,240,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value if its investment or collateral securities that are in the possession of an outside party.

Credit Risk

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

Concentration of Credit Risk

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

Concentration of Investments

Information regarding concentration of the investments that represent more than 5% of the investments in the Pension Plans are detailed in Note 4.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements); followed by quoted prices in inactive markets or for similar assets or with observable inputs (Level 2 measurements); and the lowest priority to unobservable inputs (Level 3 measurements). The Town has the following recurring fair value measurements as of June 30, 2024:

	<u>June 30, 2024</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by Fair Value Level:				
Mutual Funds	\$ 99,633,938	<u>\$ 99,633,938</u>	<u>\$ -</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV):				
Barings Core Property Fund LP	3,606,358			
Total Investments	<u>\$ 103,240,296</u>			

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash, Cash Equivalents, and Investments (Continued)**

**Investments (Continued)**

Fair Value (Continued)

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

Barings Core Property Fund LP is a private equity fund made up of real estate investments, loan investments, mortgage loans payable, lines of credit payable and derivative instruments stated at their estimated fair values. The values are based upon independent appraisals, estimated sales proceeds or opinion of value. The fair values do not reflect transaction sale costs or prepayment costs, which may be incurred upon disposition of the investments or instrument. The estimated fair value of real estate investments, loan investments, mortgage loans payable, lines of credit payable, and derivative instruments are determined through a valuation process. These estimated fair values may vary significantly from the prices at which the investments and financial instruments would sell, since market prices of real estate investments and loans can only be determined by negotiation between a willing buyer and seller.

The following table summarizes all investments recorded using NAV as a practical expedient to fair value.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency (if Eligible)</u>	<u>Redemption Notice Period</u>
Barings Core Property Fund LP	<u>\$ 3,606,358</u>	<u>\$ -</u>	Quarterly	60 days

Interest Rate Risk

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

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Receivables**

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

	General	Sewer Use Fund	BOE Programs Fund	Capital Projects Fund	Federal Education Grants	Nonmajor and Other Funds	Total
Receivables:							
Accounts	\$ 636,357	\$ 9,910	\$ 634	\$ -	\$ -	\$ 280,559	\$ 927,460
Property Taxes	1,502,355	-	-	-	-	-	1,502,355
Interest Receivable	659,208	18,248	-	-	-	-	677,456
Loans Receivable	-	1,169,640	-	-	-	21,739	1,191,379
Special Assessments	-	61,834	-	-	-	1,843,093	1,904,927
Lease Receivable	2,529,048	-	-	-	-	150,775	2,679,823
Due from Other Governments	-	-	424,050	3,289,675	3,065,430	139,268	6,918,423
Gross Receivables	5,326,968	1,259,632	424,684	3,289,675	3,065,430	2,435,434	15,801,823
Less: Allowance for Uncollectibles	80,000	-	-	-	-	-	80,000
Total Net Receivables	<u>\$ 5,246,968</u>	<u>\$ 1,259,632</u>	<u>\$ 424,684</u>	<u>\$ 3,289,675</u>	<u>\$ 3,065,430</u>	<u>\$ 2,435,434</u>	<u>\$ 15,721,823</u>

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 15,800,256	\$ -	\$ -	\$ 15,800,256
Development Rights	11,725,000	-	-	11,725,000
Construction in Progress	19,589,665	26,204,146	272,184	45,521,627
Total Capital Assets Not Being Depreciated	47,114,921	26,204,146	272,184	73,046,883
Capital Assets Being Depreciated:				
Buildings and Improvements	170,486,025	989,634	-	171,475,659
Land Improvements	9,974,266	744,561	71,462	10,647,365
Equipment	26,407,759	2,101,315	401,902	28,107,172
Infrastructure	42,744,391	-	-	42,744,391
Total Capital Assets Being Depreciated	249,612,441	3,835,510	473,364	252,974,587
Less Accumulated Depreciation for:				
Buildings and Improvements	74,491,625	4,117,100	-	78,608,725
Land Improvements	7,211,178	241,229	71,462	7,380,945
Equipment	18,299,887	1,584,665	358,886	19,525,666
Infrastructure	31,406,595	877,942	-	32,284,537
Total Accumulated Depreciation	131,409,285	6,820,936	430,348	137,799,873
Total Capital Assets Being Depreciated, Net	118,203,156	(2,985,426)	43,016	115,174,714
Governmental Activities Capital Assets, Net	<u>\$ 165,318,077</u>	<u>\$ 23,218,720</u>	<u>\$ 315,200</u>	<u>\$ 188,221,597</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

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

Governmental Activities:	
General Government	\$ 134,313
Education	3,275,134
Public Safety	286,714
Facility Management	2,502,215
Culture and Recreation	579,612
Health and Welfare	42,948
Total Depreciation Expense - Governmental Activities	<u>\$ 6,820,936</u>

**Construction Commitments**

The government has active construction projects as of June 30, 2024. The following is a summary of capital projects as of June 30, 2024:

Project	Total Contract	Spent to Date
Town Projects:		
Sewer Replacement - Pine Hill	\$ 1,075,000	\$ 394,649
Bridge Improvements	805,000	336,339
Multi-Use Trail	2,824,200	2,959,660
Accounting System	385,000	306,227
Eno Entrance and ADA Improvements	360,841	28,125
Radio System Upgrade	1,202,000	1,242,516
Meadowood Acquisition	5,498,887	5,515,291
Meadows Parking Improvements	874,000	878,033
North End Sidewalk	1,794,596	1,591,717
Golf Irrigation System	3,004,000	2,831,597
Eno Parking Improvements	245,000	5,418
Trails - Rt 10 to Curtiss Park	2,455,744	-
Trails - Curtiss Park to Tariffville	300,000	7,850
Performing Arts Center Restrooms	350,000	-
Tariffville Park Court Replacement	350,000	-
Flower Bridge Repair Design	2,269,000	110,667
Firetown Road Sidewalk	1,829,000	21,342
Meadowood Barn Restoration	650,000	11,007
Eno Building Infrastructure	389,440	33,200
Bridge Improvements (Climax Rd over Nod Brook)	372,000	-
Bridge Improvements (Firetown Road and Barndoor Hill)	402,500	-
Education Projects:		
HJMS Phase 1A	1,255,000	1,168,450
Squadron Line Main Office Project	1,050,000	868,830
HJMS Renovation - Phase 2	1,950,000	1,717,409
HJMS Renovation - Phase 3	23,965,620	19,999,999
SHS Partial Roof Replacement	2,600,000	2,127,359
SHS Bleachers & Press Box	945,000	941,635
Latimer Lane Renovation	39,054,243	31,525,783
District Climate Control	1,650,000	1,624,806
Central Roof Replacement	370,000	19,693
Tariffville Roof Replacement	1,000,000	40,419
Tariffville Modularity	868,000	829,186
Total	<u>\$ 102,144,071</u>	<u>\$ 77,137,207</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

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

**D. Lease Receivables**

The Town, acting as lessor, leases land and buildings under various long-term, noncancelable lease agreements through 2059. Total principal and interest payments for the year ended June 30, 2024, were \$127,137 and \$34,446, respectively.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 113,020	\$ 33,050
2026	101,041	31,659
2027	85,250	30,550
2028	82,023	29,477
2029	61,393	28,607
2030 and Thereafter	2,237,096	447,903
Total	<u>\$ 2,679,823</u>	<u>\$ 601,246</u>

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2024, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	BOE Programs Fund	\$ 406,146
General Fund	State and Federal Education Grants	2,842,111
General Fund	Nonmajor Governmental Funds	5,000
BOE Programs Fund	Nonmajor Governmental Funds	114,213
	Total	<u>\$ 3,367,470</u>

The BOE Programs Fund and nonmajor special revenue funds owe the General Fund \$406,146 and \$5,000, respectively, as of June 30, 2024. These receivables in the General Fund are caused by a timing difference between payments made by the General Fund on behalf of the funds and the reimbursement to the General Fund.

The State and Federal Education Grants fund owes the General Fund \$2,842,111 as of June 30, 2024. These receivables in the General Fund is caused by a timing difference between payments made by the General Fund on behalf of the funds and the reimbursement to the General Fund.



**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Interfund Receivables, Payables, and Transfers (Continued)**

The nonmajor special revenue funds owe the BOE programs fund \$114,213 as of June 30, 2024. These receivables in the BOE Programs Fund are caused by a timing difference between payments made by the BOE Programs Fund on behalf of the funds and the reimbursement to the BOE Programs Fund.

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

Interfund transfers:

	General Fund	Sewer Use Fund	ARPA Fund	Capital Project Fund	Nonmajor Governmental Funds	Total Transfers Out
Transfer Out:						
General Fund	\$ -	\$ -	\$ -	\$ 8,989,527	\$ 382,745	\$ 9,372,272
Sewer Use Fund	114,483	-	-	2,596,828	-	2,711,311
Capital Project Fund	281,187	3,956	-	-	2,992,678	3,277,821
ARPA Fund	3,757,833	-	-	-	-	3,757,833
Nonmajor Governmental Funds	27,380	-	2,436	1,755,105	-	1,784,921
Total Transfers In	<u>\$ 4,180,883</u>	<u>\$ 3,956</u>	<u>\$ 2,436</u>	<u>\$ 13,341,460</u>	<u>\$ 3,375,423</u>	<u>\$ 20,904,158</u>

Some interfund transfers arose from budgeted appropriations in the General Fund to fund capital projects. The Town also reappropriated other capital and capital nonrecurring projects between various funds to fund other projects.

**F. Long-Term Debt**

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 35,410,000	\$ 21,195,000	\$ 7,055,000	\$ 49,550,000	\$ 7,100,000
Premium on Bonds Issued	2,837,314	972,846	826,826	2,983,334	-
Total Bonds and Loans Payable	38,247,314	22,167,846	7,881,826	52,533,334	7,100,000
Loan Payable - State of Connecticut	11,210	-	8,441	2,769	2,769
Pension Liability	33,320,710	-	2,360,494	30,960,216	-
OPEB Liability	3,964,034	-	3,536,993	427,041	-
Compensated Absences	1,126,703	1,229,486	858,527	1,497,662	1,116,032
Landfill Closure	25,000	-	5,000	20,000	5,000
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 76,694,971</u>	<u>\$ 23,397,332</u>	<u>\$ 14,651,281</u>	<u>\$ 85,441,022</u>	<u>\$ 8,223,801</u>

Compensated absences, net pension liability and net OPEB liability, are generally liquidated by the General Fund.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

General Obligation Bonds

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

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

	Date of Issue	Original Issue	Interest Rate	Maturity Date	Annual Principal	Principal Outstanding June 30, 2024
Bonds Payable:						
General Bonds	6/30/2015	\$ 9,060,000	2.00 - 4.00	7/15/2025	\$ 635,000 - 1,595,000	\$ 635,000
General Bonds	6/29/2017	10,940,000	2.00 - 5.00	6/15/2027	1,215,000 - 1,220,000	3,650,000
General Bonds	6/27/2019	8,365,000	4.00 - 5.00	6/15/2029	775,000 - 850,000	4,250,000
General Bonds	1/30/2020	9,110,000	2.00 - 5.00	2/1/2035	605,000 - 610,000	6,670,000
Refunding Bonds	2/17/2021	6,525,000	5.0	8/1/2027	260,000 - 1,175,000	11,045,000
General Bonds	3/10/2021	14,735,000	1.50 - 4.00	3/1/2036	1,225,000 - 1,230,000	3,610,000
General Bonds	9/26/2023	21,195,000	4.00 - 5.00	3/15/2043	615,000 - 1,505,000	19,690,000
Total Bonds Payable						<u>\$ 49,550,000</u>

The Town's Waste Water Treatment Plant renovation and expansion capital project was funded by the State of Connecticut Clean Water Fund 2% Loan and Grant program. The 2021 general obligation refunding bonds were issued to refund these loans.

The Town has a corresponding receivable from participating municipalities for its portion of the Waste Water Treatment Plant renovation and expansion capital project. The total loan receivable at June 30, 2024, was \$1,169,640. Current year principal payments received by the Town totaled \$243,897.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,100,000	\$ 1,873,225	\$ 8,973,225
2026	6,520,000	1,572,450	8,092,450
2027	6,575,000	1,293,800	7,868,800
2028	4,440,000	1,045,025	5,485,025
2029	4,180,000	850,375	5,030,375
2030 - 2034	13,580,000	2,405,175	15,985,175
2035 - 2039	4,690,000	906,600	5,596,600
2040 - 2043	2,465,000	246,200	2,711,200
Total	<u>\$ 49,550,000</u>	<u>\$ 10,192,850</u>	<u>\$ 59,742,850</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Debt (Continued)**

Project Loan

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

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,769	\$ 9	\$ 2,778
Total	<u>\$ 2,769</u>	<u>\$ 9</u>	<u>\$ 2,778</u>

Authorized But Unissued Bonds

The total of authorized but unissued bonds (net of projected grants) at June 30, 2024, is \$42,165,490.

Debt Limitation

The Town's indebtedness does not exceed the legal debt limitation as required by the Connecticut General Statutes as reflected in the following schedule:

<u>Category</u>	<u>Debt Limit</u>	<u>Net Indebtedness</u>	<u>Balance</u>
General Purpose	\$ 223,560,239	\$ 21,572,760	\$ 201,987,479
Schools	447,120,477	66,535,499	380,584,978
Sewers	372,600,398	3,610,000	368,990,398
Urban Renewal	322,920,345	-	322,920,345

The total overall statutory debt limit for the Town is equal to seven times annual receipts from taxation, \$695,520,742.

The indebtedness reflected above includes bonds outstanding in addition to the amount of bonds authorized and unissued against which debt is issued and outstanding.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Fund Balance**

The components of fund balance for the governmental funds at June 30, 2024, are as follows:

	Major Special Revenue Funds					Capital Projects Fund	Nonmajor Governmental Funds	Total
	General Fund	Sewer Use Fund	BOE Programs Fund	ARPA Fund	State and Federal Education Grants			
Fund Balances:								
Nonspendable:								
Inventory	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,593	\$ 54,593
Prepaid Expenditures	159,804	6,235	2,200	-	3,200	702,374	15,407	889,220
Restricted for:								
Grants	-	-	-	-	-	-	234,070	234,070
Education Trusts	-	-	52,031	-	-	-	-	52,031
Facilities Management Trusts	-	-	-	-	-	-	34,388	34,388
Health and Welfare Trusts	-	-	-	-	-	-	106,159	106,159
Student Activity	-	-	-	-	-	-	409,874	409,874
Flex Spending	-	-	-	-	-	-	29,243	29,243
Continuing Education	-	-	-	-	-	-	134,551	134,551
Capital Projects	-	-	-	-	-	2,997,432	-	2,997,432
Enrichment and Extended Day	-	-	-	-	-	-	20,985	20,985
Committed to:								
Sewer Use	-	6,009,132	-	-	-	-	-	6,009,132
Sewer Assessment	-	-	-	-	-	-	900,392	900,392
Education	860,024	-	680,436	-	-	-	448,781	1,989,241
General Government	-	-	-	-	-	-	159,140	159,140
Public Safety	-	-	-	-	-	-	127,623	127,623
Culture and Recreation	-	-	-	-	-	-	839,753	839,753
Facility Management	-	-	-	-	-	3,797,056	535,477	4,332,533
Planning and Development	-	-	-	-	-	-	304,328	304,328
Health and Welfare	-	-	-	-	-	-	487,260	487,260
Capital Projects	-	-	-	-	-	-	2,286,387	2,286,387
Assigned to:								
Education	2,993	-	-	-	-	-	-	2,993
Facilities Management	22,240	-	-	-	-	-	-	22,240
Unassigned	20,623,188	-	-	-	(311,290)	-	(18,026)	20,293,872
Total Fund Balances	<u>\$ 21,668,249</u>	<u>\$ 6,015,367</u>	<u>\$ 734,667</u>	<u>\$ -</u>	<u>\$ (308,090)</u>	<u>\$ 7,496,862</u>	<u>\$ 7,110,385</u>	<u>\$ 42,717,440</u>

Encumbrances at June 30, 2024, of \$25,233 are contained in the above table in the assigned category of the general fund. Encumbrances of \$9,137,946 for the capital project fund and \$274,414 for the capital nonrecurring fund are included in the committed category.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN**

**A. Pension Trust Fund**

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

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

**Plan Description and Benefits Provided**

General Government Pension Plan

All full-time employees, except police and Board of Education employees, are eligible to participate in the General Government Pension Plan. Effective January 3, 2017, any Police Dispatcher Employee who is first hired on or after January 3, 2017, is not eligible to participate in the Plan. The Plan provides retirement benefits as well as death and disability benefits. Annual retirement benefits for normal retirement for plan participants are based on the average monthly compensation during the highest five consecutive years of service out of the last 10 years of the participants' active employment. The plan permits early retirement for participants at age 55 with five years of credited service. Benefits for early retirement are based on credited service and final average earnings to date of actual retirement reduced by 1/3 of 1% for each month by which the participant's retirement date precedes his normal retirement date. The participants' annual benefit is 2% of final average earnings times credited service for union employees, and 2½% of final average earnings times credited service for unaffiliated employees. State of Connecticut Statutes assign the authority to establish and amend the benefit provisions of the plan to the Town.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Plan Description and Benefits Provided (Continued)**

Police Pension Plan

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

Board of Education Pension Plan

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Plan Description and Benefits Provided (Continued)**

Board of Education Pension Plan (Continued)

At July 1, 2023, plan membership consisted of the following:

	General Government Plan	Police Plan	Board of Education Plan
Retirees and Beneficiaries			
Currently Receiving Benefits	114	35	165
Vested Terminated Employees	52	3	80
Active Employees	68	37	77
Total Participants	<u>234</u>	<u>75</u>	<u>322</u>

**Summary of Significant Accounting Policies**

Basis of Accounting

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

Method Used to Value Investments

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

**Contributions**

General Government Plan

This plan provides for union employee contributions of 2% and for unaffiliated 5% of regular earnings for employees, hired prior to August 12, 2013, and 7% for unaffiliated hired after that date. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,420,225, were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 21.40% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Contributions (Continued)**

Police Plan

Plan provisions require employee contributions of 6% of regular earnings for Division 000 and employee contributions of 3% of regular earnings for Division 001. The Town is required by Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$902,527 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 22.2% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town.

Administrative costs of the plan are financed through investment earnings.

Board of Education Plan

This plan provides for employee contributions of 4% to 4.5% of regular earnings, based on the current individual collective bargaining contract. The Town is required by its Charter to contribute amounts necessary to fund the plan. Employer contributions to the plan of \$1,420,960 were made in accordance with actuarially determined requirements. The contribution represents 100% of the actuarially determined contribution and 26.1% of covered payroll. State of Connecticut Statutes assign the authority to establish and amend the contribution provisions of the plan to the Town of Simsbury Board of Education.

Administrative costs of the plan are financed through investment earnings.

**Investments**

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee by a majority vote of its members. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of June 30, 2024:

Asset Class	Target Allocation
U.S. Core Fixed Income	32.50 %
U.S. Inflation-Indexed Bonds	1.75
U.S. Large Cap Equity	21.50
U.S. Small Cap Equity	10.00
Non-U.S. Equity	16.00
Emerging Markets Equity	11.50
Private Real Estate	5.00
Commodities	1.75
Total	<u>100.00 %</u>



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

Concentration of Investments

The following represents investments in each respective plan that represent more than 5% of the respective plans net position as of June 30, 2024.

	General Government Plan	Police Plan	Board of Education Plan
Barings Core Property Fund LP	\$ 1,381,159	\$ 1,074,234	\$ 1,150,965

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

General Government	8.78 %
Police	8.57
Board of Education	9.01

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

**Net Pension Liability of the Town**

The components of the net pension liability of the Town at June 30, 2024, were as follows:

	General Government	Police	Board of Education	Total
Total Pension Liability	\$ 42,115,986	\$ 27,552,735	\$ 40,946,037	\$ 110,614,758
Plan Fiduciary Net Position	29,031,617	21,458,985	29,163,940	79,654,542
Net Pension Liability	<u>\$ 13,084,369</u>	<u>\$ 6,093,750</u>	<u>\$ 11,782,097</u>	<u>\$ 30,960,216</u>
Plan Fiduciary Net Position as a Percentage of the Total Liability	68.93 %	77.88 %	71.23 %	72.01 %

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Net Pension Liability of the Town (Continued)**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

	General Government	Police	Board of Education
Inflation	2.50 %	2.50 %	2.50 %
Salary Increases	3.50 %	8.25%, for First 7 Years and 3.00% Thereafter	3.50 %
Investment Rate of Return	6.50%, Net of Pension Plan Investment Expense	6.50%, Net of Pension Plan Investment Expense	6.50%, Net of Pension Plan Investment Expense

Mortality rates were based on the PubG-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2021 – June 30, 2023.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
U.S. Core Fixed Income	2.36 %
U.S. Inflation-Indexed Bonds	1.83
U.S. Large Cap Equity	3.80
U.S. Small Cap Equity	4.41
Non-U.S. Equity	5.75
Emerging Markets Equity	6.21
Private Real Estate	4.31
Commodities	1.78

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Net Pension Liability of the Town (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Changes in the Net Pension Liability**

General Government

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2023	\$ 41,406,783	\$ 27,476,190	\$ 13,930,593
Changes for the Year:			
Service Cost	655,260	-	655,260
Interest on Total Pension Liability	2,652,514	-	2,652,514
Effect of Economic/Demographic			
Gains or Losses	(50,190)	-	(50,190)
Benefit Payments	(2,548,381)	(2,548,381)	-
Employer Contributions	-	1,420,225	(1,420,225)
Member Contributions	-	368,928	(368,928)
Net Investment Income	-	2,360,892	(2,360,892)
Administrative Expenses	-	(46,237)	46,237
Net Changes	<u>709,203</u>	<u>1,555,427</u>	<u>(846,224)</u>
Balances - June 30, 2024	<u>\$ 42,115,986</u>	<u>\$ 29,031,617</u>	<u>\$ 13,084,369</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Changes in the Net Pension Liability (Continued)**

Police

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2023	\$ 27,010,405	\$ 20,412,470	\$ 6,597,935
Changes for the Year:			
Service Cost	741,516	-	741,516
Interest on Total Pension Liability	1,747,133	-	1,747,133
Effect of Economic/Demographic Gains or Losses	(172,491)	-	(172,491)
Benefit Payments	(1,773,828)	(1,773,828)	-
Employer Contributions	-	902,527	(902,527)
Member Contributions	-	248,500	(248,500)
Net Investment Income	-	1,700,172	(1,700,172)
Administrative Expenses	-	(30,856)	30,856
Net Changes	<u>542,330</u>	<u>1,046,515</u>	<u>(504,185)</u>
Balances - June 30, 2024	<u>\$ 27,552,735</u>	<u>\$ 21,458,985</u>	<u>\$ 6,093,750</u>

Board of Education

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances - July 1, 2023	\$ 40,810,885	\$ 28,018,703	\$ 12,792,182
Changes for the Year:			
Service Cost	525,502	-	525,502
Interest on Total Pension Liability	2,595,340	-	2,595,340
Effect of Plan Changes	726	-	726
Effect of Economic/Demographic Gains or Losses	(125,192)	-	(125,192)
Benefit Payments	(2,861,224)	(2,861,224)	-
Employer Contributions	-	1,420,960	(1,420,960)
Member Contributions	-	187,149	(187,149)
Net Investment Income	-	2,449,490	(2,449,490)
Administrative Expenses	-	(51,138)	51,138
Net Changes	<u>135,152</u>	<u>1,145,237</u>	<u>(1,010,085)</u>
Balances - June 30, 2024	<u>\$ 40,946,037</u>	<u>\$ 29,163,940</u>	<u>\$ 11,782,097</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Changes in the Net Pension Liability (Continued)**

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

The following presents the net pension liability of the Town, calculated using the discount rate of 6.50%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	One Percent Decrease (5.50%)	Current (6.50%)	One Percent Increase (7.50%)
General Government	\$ 17,698,791	\$ 13,084,369	\$ 9,198,178
Police	9,621,003	6,093,750	3,150,905
Board of Education	16,037,914	11,782,097	8,130,619
Total	<u>\$ 43,357,708</u>	<u>\$ 30,960,216</u>	<u>\$ 20,479,702</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2024, the Town recognized pension expense of \$5,122,926. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources			
	General Government	Board of Education	Police	Totals
Differences Between Expected and Actual Experience	\$ 35,331	\$ -	\$ 47,125	\$ 82,456
Changes of Assumptions	265,109	-	970,324	1,235,433
Net Difference Between Projected and Actual Earning on Pension Plan Investments	769,085	624,996	635,015	2,029,096
Total	<u>\$ 1,069,525</u>	<u>\$ 624,996</u>	<u>\$ 1,652,464</u>	<u>\$ 3,346,985</u>

	Deferred Inflows of Resources			
	General Government	Board of Education	Police	Totals
Differences Between Expected and Actual Experience	\$ 245,111	\$ 41,731	\$ 387,689	\$ 674,531
Total	<u>\$ 245,111</u>	<u>\$ 41,731</u>	<u>\$ 387,689</u>	<u>\$ 674,531</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**A. Pension Trust Fund (Continued)**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 474,076
2026	2,840,080
2027	(308,693)
2028	(321,846)
2029	(11,163)
Total	<u><u>\$ 2,672,454</u></u>

**B. Connecticut Teachers Retirement System – Pension**

**Plan Description**

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

**Benefit Provisions**

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

Normal Retirement

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

Early Retirement

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Benefit Provisions (Continued)**

Disability Retirement

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

**Contributions**

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

Employer (School Districts)

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

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

For the year ended June 30, 2024, the amount of "on-behalf" contributions made by the state was \$13,611,790 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees

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

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

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

At June 30, 2024, the Town reports no amounts for its proportionate share of the net pension liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the Town were as follows:

Town's Proportionate Share of the Net Pension Liability	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	146,701,015
Total	<u><u>\$ 146,701,015</u></u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as June 30, 2023. At June 30, 2024, the Town has no proportionate share of the net pension liability.

For the year ended June 30, 2024, the Town recognized pension expense and revenue of \$14,045,773 in Exhibit II.

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary Increase	3.00 - 6.50%, Including Inflation
Investment of Return	6.90%, Net of Pension Plan Investment Expense, Including Inflation

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2019.



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Actuarial Assumptions (Continued)**

Assumption changes since the prior year are as follows:

- There were no changes in assumptions that affected the measurement of the TPL since the prior measurement date.

Benefit changes since the prior year are as follows:

- There were no changes in benefit provisions that affected the measurement of the TPL since the prior measurement date.

**Cost-of-Living Allowance**

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

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

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Long-Term Rate of Return**

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The current capital market assumptions and the target asset allocation as provided by the state of Connecticut Treasurer's Office are summarized in the following table:

Asset Class	Expected Return	Target Allocation
Global Equity	37.00 %	6.80 %
Public Credit	2.00	2.90
Core Fixed Income	13.00	0.40
Liquidity Fund	1.00	(0.40)
Risk Mitigation	5.00	0.10
Private Equity	15.00	11.20
Private Credit	10.00	6.10
Real Estate	10.00	6.20
Infrastructure and Natural Resources	7.00	7.70
Total		41.00 %

**Discount Rate**

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that state contributions will be made at the actuarially determined contribution rates in the future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**B. Connecticut Teachers Retirement System – Pension (Continued)**

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial statements available at [www.ct.gov](http://www.ct.gov).

**Other Information**

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

**C. Postemployment Health Care Plan – Retiree Health Plan**

**Summary of Significant Accounting Policies**

**Basis of Accounting**

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

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

**Plan Description**

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

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

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

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Plan Description (Continued)**

At July 1, 2023, plan membership consisted of the following:

	Retiree Health Plan
Retired Members and Beneficiaries	356
Spouses of Retired Members	56
Beneficiaries	1
Active Plan Members	730
Total Participants	<u>1,143</u>

Funding Policy

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

Town Employees

Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$139 and \$558 per month for retiree only coverage and between \$697 and \$1,116 per month for retiree and spouse coverage to age 65. Retired town employees under the age of 65 receiving coverage under CIGNA contribute between \$176 and \$970 per month for retiree only coverage and between \$352 and \$1,456 per month for retiree and spouse coverage to age 65. Eligible Town employees over age 65 have the option of joining the Town's fully-insured Anthem Medicare Supplement Plan. Retirees typically contribute 25% of the premium (\$141) per month for individual coverage and 100% of the premium (\$562) for spouse coverage.

Board of Education Employees

Retired Board of Education employees under 65 or not eligible for Medicare, can receive coverage through the same CIGNA plans available to active employees. Retiree monthly contributions for retiree only plans and retiree and spouse plans are between \$733 and \$986 and \$1,466 and \$1,968, respectively. Retired BOE employees over 65 and eligible for Medicare Part A and B may participate in the Board's fully insured Anthem Medicare Supplement Plan with a monthly contribution of \$498.

For the year ended June 30, 2024, plan members contributed \$118,263 for their share of premium payments. The Town is required to contribute the balance of the current premium cost and may contribute an additional amount as determined by the Town in order to prefund benefits.

Employer contributions to the plan of \$1,321,590 were made in accordance with actuarially determined requirements.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Investments**

Investment Policy

The Investment Policy Statement of the Other Postemployment Benefits Trust outlines the goals and investment objectives for the Trust and is intended to provide guidelines for managing the Trust and to outline specific investment policies that will govern how these goals will be achieved. The Investment Policy Statement is established and may be amended by a majority vote of the members of the Board of Finance through active delegated involvement of the Retirement Plan Subcommittee. It is the policy of the Board of Finance to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of asset classes. The Investment Policy Statement discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The current recommended asset allocation outlined in the Investment Policy Statement is weighted toward domestic equities and fixed income, with a slightly lower weight placed on international equities and real estate funds. The Investment Policy Statement was last updated in September 2007.

Rate of Return

For the year ended June 30, 2024, the annual money-weighted rate of return on investments, net of investment expense, was 11.30%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Net OPEB Liability of the Town**

The Town's net OPEB liability was measured as of June 30, 2024. The components of the net OPEB liability of the Town at June 30, 2024, were as follows:

Total OPEB Liability	\$ 24,670,817
Plan Fiduciary Net Position	24,243,776
Net OPEB Liability	<u>\$ 427,041</u>

Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	98.27 %
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**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 %
Salary Increases	Graded Scale for Certified BOE and Police, 3.50% for All Others
Investment Rate of Return	6.50%, Net of OPEB Plan Investment Expense, Including Inflation
Healthcare Cost Trend Rates	Pre-Medicare: 5.20% - 4.30% over 60 Years Post-Medicare: 5.00% - 4.30% over 51 Years

Mortality rates were based on the Pub-2010 Mortality Tables with the MP-2021 Ultimate Improvement.

The plan has not had a formal actuarial experience study performed.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset as of June 30, 2024, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Core Fixed income	17.50 %	2.36 %
U.S. Inflation-Indexed Bonds	17.50	1.83
U.S. Large Caps	26.00	3.80
U.S. Mid Caps	6.00	3.90
U.S. Small Caps	3.00	4.41
Foreign Developed Equity	19.00	5.12
Emerging Markets Equity	6.00	6.21
U.S. REITs	2.50	4.72
Non-U.S. REITs	2.50	5.22

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability**

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances - July 1, 2023	\$ 25,681,828	\$ 21,717,794	\$ 3,964,034
Changes for the Year:			
Service Cost	1,049,661	-	1,049,661
Interest on Total OPEB Liability	1,695,271	-	1,695,271
Effect of Economic/Demographic Gains or Losses	1,872,368	-	1,872,368
Effect of Assumptions Changes or Inputs	(4,306,721)	-	(4,306,721)
Benefit Payments	(1,321,590)	(1,321,590)	-
Employer Contributions	-	1,321,590	(1,321,590)
Member Contributions	-	118,263	(118,263)
Net Investment Income	-	2,459,839	(2,459,839)
Administrative Expenses	-	(52,120)	52,120
Balances - June 30, 2024	<u>\$ 24,670,817</u>	<u>\$ 24,243,776</u>	<u>\$ 427,041</u>

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

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

	One Percent Decrease 5.50%	Current Discount Rate 6.50%	One Percent Increase 7.50%
Net OPEB Liability	<u>\$ 2,908,554</u>	<u>\$ 427,041</u>	<u>\$ (1,736,915)</u>

**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**C. Postemployment Health Care Plan – Retiree Health Plan (Continued)**

**Changes in the Net OPEB Liability (Continued)**

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

The following presents the net OPEB liability of the Town, as well as what the Town's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower one percentage point higher than the current health care cost trend rates:

	One Percent Decrease (1% Decrease)	Healthcare Cost Trend Rates (Current)	One Percent Increase (1 % Increase)
Net OPEB Liability	<u>\$ (2,168,561)</u>	<u>\$ 427,041</u>	<u>\$ 3,513,575</u>

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2024, the Town recognized OPEB expense of \$313,723. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences Between Expected and Actual Experience	\$ 2,589,988	\$ 2,395,182
Changes of Assumptions	4,697,958	312,970
Net Difference Between Projected and Actual Earning on Pension Plan Investments	54,082	-
Total	<u>\$ 7,342,028</u>	<u>\$ 2,708,152</u>

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

<u>Year Ending June 30.</u>	<u>Amount</u>
2025	\$ (1,005,002)
2026	(223,743)
2027	(1,119,826)
2028	(1,236,453)
2029	(588,295)
Thereafter	(460,557)
Total	<u>\$ (4,633,876)</u>



**TOWN OF SIMSBURY, CONNECTICUT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan**

**Plan Description**

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

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

**Benefit Provisions**

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

Any member who is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$220 per month for a retired member plus an additional \$220 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, and any remaining portion is used to offset the district's cost. The subsidy amount is set by statute and has not increased since July 1996. A subsidy amount of \$440 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$440 per month towards coverage under a local school district plan.

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

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplement Plans. Effective July 1, 2018, the System added a Medicare Advantage Plan option. Active members, retirees and the state pay equally toward the cost of the basic coverage (medical and prescription drug benefits) under the Medicare Advantage Plan. Retired members who choose to enroll in the Medicare Supplement Plan are responsible for the full difference in the premium cost between the two plans. Additionally, effective July 1, 2018, retired members who cancel their health care coverage or elect to not enroll in a CTRB sponsored health care coverage option must wait two years to re-enroll.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Net Pension Liability of the Town**

Survivor Health Care Coverage

Survivors of former employees or retirees remain eligible to participate in the plan and continue to be eligible to receive either the \$220 monthly subsidy or participate in the TRB-Sponsored Medicare Supplement Plans, as long as they do not remarry.

Eligibility

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

Credited Service

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

Normal Retirement

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

Early Retirement

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

Proratable Retirement

Age 60 with 10 years of credited service.

Disability Retirement

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

Termination of Employment

Ten or more years of Credited Service.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Contributions**

State of Connecticut

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

Employer (School Districts)

School District employers are not required to make contributions to the plan. For the year ended June 30, 2024, the amount of "on-behalf" contributions made by the state was \$185,230 and is recognized in the General Fund as intergovernmental revenues and education expenditures.

Employees/Retirees

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers pay for one-third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one-third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

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

At June 30, 2024, the Town reports no amounts for its proportionate share of the net OPEB liability, and related deferred outflows and inflows, due to the statutory requirement that the state pay 100% of the required contribution. The amount recognized by the Town as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the Town was as follows:

Town's Proportionate Share of the Net	
OPEB Liability	\$ -
State's Proportionate Share of the Net	
OPEB Liability Associated with the Town	13,743,871
Total	<u><u>\$ 13,743,871</u></u>

The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as June 30, 2023. At June 30, 2024, the Town has no proportionate share of the net OPEB liability.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended June 30, 2024, the Town recognized OPEB expense and revenue of (\$1,619,117) in Exhibit II.

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 %
Health Care Costs Trend Rate	Known increase until calendar year 2024 then general trend decreasing to an ultimate rate of 4.50% by 2031
Salary Increases	3.00-6.50%, including inflation
Investment Rate of Return	3.00%, Net of OPEB Plan Investment Expense, Including Inflation
Year Fund Net Position Will be Depleted	2028

Mortality rates were based on the PubT-2010 Healthy Retiree Table (adjusted 105% for males and 103% for females at ages 82 and above), projected generationally with MP-2019 for the period after service retirement.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

The changes in the assumptions since the prior year are as follows:

- Discount rate changed from 3.53% to 3.64%
- Expected annual per capita claims costs were updated to better reflect anticipated medical and prescription drug claim experience;

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

**Actuarial Assumptions (Continued)**

The long-term expected rate of return on plan assets is reviewed as part of the GASB 75 valuation process. Several factors are considered in evaluating the long-term rate of return assumption, including the plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net investment expense and inflation) for each major asset class. The long-term expected rate of return was determined by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The plan is 100% invested in U.S. Treasuries (Cash Equivalents) for which the expected 10-Year Geometric Real Rate of Return is (0.77%).

Discount Rate

The discount rate used to measure the total OPEB liability was 3.64%. The projection of cash flows used to determine the discount rate was performed in accordance with GASB 75. The projection was based on an actuarial valuation performed as of June 30, 2023.

In addition to the actuarial methods and assumptions of the June 30, 2023, actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Annual State contributions were assumed to be equal to the most recent five-year average of state contributions toward the fund.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2028 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**D. Other Postemployment Benefit – Connecticut State Teachers Retirement Plan  
(Continued)**

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

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

**OPEB Plan Fiduciary Net Position**

Detailed information about the Connecticut State Teachers OPEB Plan fiduciary net position is available in the separately issued State of Connecticut Annual Comprehensive Financial Report at [www.ct.gov](http://www.ct.gov).

**Other Information**

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

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds**

**Combining Statement of Net Position**

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>Assets:</b>					
Cash	\$ 232,546	\$ 174,584	\$ 468,667	\$ 331,416	\$ 1,207,213
Investments	28,769,387	21,265,275	28,680,289	23,924,351	102,639,302
Accounts Receivable	29,684	19,126	14,984	-	63,794
Total Assets	29,031,617	21,458,985	29,163,940	24,255,767	103,910,309
<b>Liabilities:</b>					
Accounts Payable	-	-	-	11,991	11,991
Net Position of Pension and Other Postemployment Benefits	<u>\$ 29,031,617</u>	<u>\$ 21,458,985</u>	<u>\$ 29,163,940</u>	<u>\$ 24,243,776</u>	<u>\$ 103,898,318</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds  
(Continued)**

Combining Statement of Revenues, Expenses, and Changes in Net Position

	General Government Pension Fund	Police Pension Fund	Board of Education Pension Fund	Other Postemployment Benefit Trust Fund	Trust Funds Total
<b>ADDITIONS</b>					
Contributions:					
Employer	\$ 1,420,225	\$ 902,527	\$ 1,420,960	\$ 1,321,590	\$ 5,065,302
Plan Members	368,928	248,500	187,149	118,263	922,840
Total Contributions	1,789,153	1,151,027	1,608,109	1,439,853	5,988,142
Investment Income:					
Net Change in Fair Value of Investments	1,693,599	1,212,923	1,775,471	1,890,338	6,572,331
Interest and Dividends	699,566	516,606	704,105	569,501	2,489,778
Total Investment Income (Loss)	2,393,165	1,729,529	2,479,576	2,459,839	9,062,109
Less Investment Expenses:					
Custodian Fees	(32,273)	(29,357)	(30,086)	-	(91,716)
Net Investment Gain (Loss)	2,360,892	1,700,172	2,449,490	2,459,839	8,970,393
Total Additions	4,150,045	2,851,199	4,057,599	3,899,692	14,958,535
<b>DEDUCTIONS</b>					
Benefits	2,548,381	1,773,828	2,861,224	1,321,590	8,505,023
Administration	46,237	30,856	51,138	52,120	180,351
Total Deductions	2,594,618	1,804,684	2,912,362	1,373,710	8,685,374
<b>CHANGE IN NET POSITION</b>	1,555,427	1,046,515	1,145,237	2,525,982	6,273,161
Net Position - Beginning of Year	27,476,190	20,412,470	28,018,703	21,717,794	97,625,157
<b>NET POSITION - END OF YEAR</b>	<u>\$ 29,031,617</u>	<u>\$ 21,458,985</u>	<u>\$ 29,163,940</u>	<u>\$ 24,243,776</u>	<u>\$ 103,898,318</u>

Aggregate Pension Information

The Town recognized the following amounts related to Pension plans as of and for the year ended June 30, 2024:

Plan	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension Expense
Employee's Pension Plan	\$ 13,084,369	\$ 1,069,525	\$ 245,111	\$ 2,349,163
Police Pension Plan	6,093,750	1,652,464	387,689	1,314,163
Board of Education Plan	11,782,097	624,996	41,731	1,459,600
Connecticut Teachers Retirement System	-	-	-	14,942,748
Total	<u>\$ 30,960,216</u>	<u>\$ 3,346,985</u>	<u>\$ 674,531</u>	<u>\$ 20,065,674</u>

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 4 EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**E. Combining Schedule of Pension and Other Employee Benefit Trust Funds  
(Continued)**

Aggregate OPEB Information

The Town recognized the following amounts related to OPEB plans as of and for the year ended June 30, 2024:

Plan	Net OPEB Liability	Deferred Outflows	Deferred Inflows	OPEB Expense
OPEB Plan	\$ 427,041	\$ 2,708,152	\$ 7,342,028	\$ 313,723
Connecticut Teachers Retirement System	-	-	-	(1,619,117)
Total	<u>\$ 427,041</u>	<u>\$ 2,708,152</u>	<u>\$ 7,342,028</u>	<u>\$ (1,305,394)</u>

**NOTE 5 OTHER INFORMATION**

**A. Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks did not exceed commercial insurance coverage during the three years ended June 30, 2024.

The Town's self-insurance program is used to account for health insurance coverage for Town and Board of Education employees. The Town retains the risk of up to a maximum of \$250,000 per claim. Commercial insurance covers any individual claim in excess of \$10,000. During 2024, total claims expense of \$14,894,492 was incurred, which represent claims processed and an estimate for claims incurred but not reported as of June 30, 2024.

The Fund establishes claims liabilities based on estimates of claims that have been incurred but not reported; accordingly, the Fund recorded an additional liability at June 30, 2024, of \$1,023,900.

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



**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**A. Risk Management (Continued)**

A schedule of changes in the claims liability for the years ended June 30, 2024 and 2023, is presented below:

	Liability July 1,	Current Year Claims and Changes in Estimates	Claim Payments	Liability June 30,
2022-23	\$ 1,040,100	\$ 15,852,556	\$ 15,880,356	\$ 1,012,300
2023-24	1,012,300	14,894,492	14,882,892	1,023,900

**B. Contingent Liabilities**

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

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

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

**C. Landfill Postclosure Care Costs**

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

The landfill closing costs of \$20,000 reported as a liability in the government-wide financial statements represent an estimate of the postclosure costs to be incurred by the Town over the next 5 fiscal years for mandatory ground water testing based on a study conducted by an independent consultant. It is estimated that the Town will incur a \$5,000 annual cost over the next 5 fiscal years. This estimate is subject to changes that may result from inflation, technological changes, or regulatory changes.

**TOWN OF SIMSBURY, CONNECTICUT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

**NOTE 6 SUBSEQUENT EVENT**

The Town issued \$12,850,000 of general obligation bonds on July 24, 2024. The bonds had a coupon rate ranging from 4.0% to 5.0% and mature at various dates through 2044.

**NOTE 7 ACCOUNTING CHANGES**

**A. CHANGES TO OR WITHIN FINANCIAL REPORTING ENTITY**

**Change in Fund Presentation from Nonmajor to Major**

State and Federal Education Grants previously met the criteria to be reported as a nonmajor governmental fund. However, effective July 1, 2023, the fund no longer met the criteria to be reported as a nonmajor fund and is reported as a major governmental fund for the fiscal year ended June 30, 2024. The effect of that change to or within the financial reporting entity is shown in column A of the table below.

**B. ADJUSTMENTS TO BEGINNING BALANCES**

During fiscal year 2024, changes to or within the financial reporting entity, as follows:

	Balance as Previously Reported at June 30, 2023	Change to or Within the Financial Reporting Entity (A)	Balance As Adjusted July 1, 2023
Governmental Funds:			
State and Federal Education Grants	\$ -	\$ (606,109)	\$ (606,109)
Nonmajor Funds	5,955,144	606,109	6,561,253
Total Governmental Funds	<u>\$ 13,968,694</u>	<u>\$ -</u>	<u>\$ 13,968,694</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Property Taxes:				
Current Year Taxes	\$ 104,514,277	\$ 104,514,277	\$ 104,641,591	\$ 127,314
Prior Year's Taxes	280,000	280,000	525,023	245,023
Interest and Lien Fees	150,000	150,000	308,901	158,901
Total Property Taxes	104,944,277	104,944,277	105,475,515	531,238
Intergovernmental Revenues:				
State of Connecticut:				
Office of Policy and Management:				
Property Tax Relief:				
Car Tax Reimbursement	1,554,882	1,554,882	1,554,882	-
Disabled	1,300	1,300	1,300	-
Additional Veterans	4,500	4,500	2,214	(2,286)
Department of Education:				
Education Equalization Grant	7,222,895	7,222,895	7,279,789	56,894
Adult Education	5,849	5,849	7,863	2,014
School Building Grants	-	-	21,396	21,396
Non-Public School Grant	-	-	20,438	20,438
Miscellaneous:				
State-Owned Property	99,702	99,702	799,811	700,109
Telephone Access Line Grant	43,000	43,000	67,366	24,366
Municipal Grant in Aid	77,648	77,648	77,648	-
Town clerk grant	8,000	8,000	10,500	2,500
Elderly/Handicapped Transportation	40,720	40,720	43,344	2,624
Housing Authority in Lieu of Taxes	25,000	25,000	43,174	18,174
Board of Education Tuition Regular	120,480	120,480	206,493	86,013
PILOT - Westminster School	120,000	120,000	120,000	-
Total Intergovernmental Revenues	9,323,976	9,323,976	10,256,218	932,242
Investment Income	800,000	800,000	2,948,577	2,148,577
Charges for Goods and Services:				
Conveyance Tax Receipts	450,000	450,000	569,670	119,670
Town Clerk Recording Fees	120,000	120,000	89,513	(30,487)
Town Clerk Farmland Preservation Fees	3,200	3,200	2,710	(490)
Vital Record Copy Fees	33,000	33,000	45,677	12,677
Marriage License Fees	3,500	3,500	3,252	(248)
Trade Name Filing Fee	600	600	640	40
Vendor Permit Fees	750	750	2,820	2,070
Notary Filing Fees	1,000	1,000	1,125	125
Map/Land Record Copy Fee	25,000	25,000	14,653	(10,347)

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2024  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Charges for Goods and Services (Continued):				
Liquor Permit Filing Fee	\$ 700	\$ 700	\$ 760	\$ 60
Burial/Crem Permit Fee	800	800	1,350	550
Assessor Plane Reg Fee	3,500	3,500	6,760	3,260
Assessor Copy Fees	1,000	1,000	76	(924)
Misc. Copy Fee	2,000	2,000	1,230	(770)
Foreclosure Filing Fee	200	200	160	(40)
Tax Collector - Fire District Supplies, etc.	6,500	6,500	6,500	-
Finance Department - BOE Charges for Services	144,087	144,087	144,087	-
Building Department - Fire Charges for Services	-	-	876	876
Information Technology - BOE Charges for Services	174,798	174,798	174,798	-
Police Department - Emergency Reporting	40,000	40,000	46,166	6,166
Police Department - BOE Charges for Services	168,445	168,445	168,445	-
Engineering Department Fees	5,050	5,050	13,326	8,276
Engineering Department Shared Position	20,000	20,000	20,000	-
Library Fees	2,500	2,500	7,526	5,026
Passport Fees	3,500	3,500	6,685	3,185
Memorial Pool	22,800	22,800	12,231	(10,569)
Parks and Open Space - BOE Charges for Services	244,437	244,437	244,437	-
Board of Education Miscellaneous	7,500	7,500	333	(7,167)
Community Gardens	4,400	4,400	3,850	(550)
Total Charges for Goods and Services	1,489,267	1,489,267	1,589,656	100,389
Fines and Forfeitures:				
Library Fines and Fees	1,000	1,000	3,697	2,697
False Alarms Fines	4,200	4,200	4,430	230
Traffic Tickets	2,500	2,500	6,776	4,276
Animal Control Fines	500	500	76	(424)
Total Fines and Forfeitures	8,200	8,200	14,979	6,779
Rental of Town-Owned Property:				
Eno Memorial Hall	1,000	1,000	6,330	5,330
Education - School Rentals	25,000	25,000	84,389	59,389
Library Rentals	800	800	-	(800)
World Skate	85,000	85,000	85,000	-
SPAC Rental Fees	2,500	2,500	2,500	-
Total Rental of Town-Owned Property	114,300	114,300	178,219	63,919

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2024  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Licenses and Permits:				
Sporting Licenses	\$ 50	\$ 50	\$ 62	\$ 12
Dog Licenses	14,000	14,000	18,184	4,184
Land Use Commission	20,000	20,000	24,596	4,596
Police Department Fees	6,000	6,000	10,270	4,270
Building Department Fees	700,000	700,000	663,207	(36,793)
Total Licenses and Permits	740,050	740,050	716,319	(23,731)
Other Local Revenues:				
Tax Department Insufficient Funds	-	-	329	329
Assessor miscellaneous	-	-	500	500
Finance Department Miscellaneous	-	-	8,885	8,885
Town Clerk Insufficient Funds	40	40	90	50
Planning Department Bond Call	-	30,020	30,020	-
Highway Department Miscellaneous	3,250	3,250	2,545	(705)
Police Department Miscellaneous	4,100	4,100	9,374	5,274
Insurance Refunds	60,000	60,000	-	(60,000)
Miscellaneous	-	-	12,699	12,699
Total Other Local Revenues	67,390	97,410	64,442	(32,968)
Total Revenues	117,487,460	117,517,480	121,243,925	3,726,445
Other Financing Sources:				
Transfers from Other Funds:				
Capital Projects	281,187	281,187	281,187	-
ARPA Fund	3,757,833	3,757,833	3,757,833	-
Sewer Use Fund	114,483	114,483	114,483	-
Special Revenue Fund	27,380	27,380	27,380	-
Total Other Financing Sources	4,180,883	4,180,883	4,180,883	-
Total Revenues and Other Financing Sources	\$ 121,668,343	\$ 121,698,363	125,424,808	\$ 3,726,445
Budgetary revenues are different than GAAP revenues because:				
State of Connecticut on-behalf payments to the Connecticut State Teacher's Retirement System for Town teachers are not budgeted.			13,611,790	
State of Connecticut on-behalf payments to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted.			185,230	
Nonbudgetary items related to lease revenue			18,199	
Encumbrances outstanding at June 30, 2023, cancelled during the year ended June 30, 2024.			(12,699)	
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds Exhibit IV			\$ 139,227,328	

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2024  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
General Government:				
Town Manager's Office	\$ 503,022	\$ 462,601	\$ 462,601	\$ -
Administration Services	125,716	114,761	114,761	-
Community Services	385,563	378,595	378,595	-
Land Use Commission	16,350	9,947	9,947	-
Economic Development Commission	50,650	50,000	50,000	-
Public Building Committee	2,000	1,411	1,411	-
DEI Council	4,550	3,545	3,545	-
Beautification	6,000	4,139	4,139	-
Elections	159,736	150,692	150,692	-
Legal	151,000	182,520	182,520	-
Town Clerk	268,007	269,422	269,422	-
Probate Court	10,891	10,891	10,891	-
Total General Government	1,683,485	1,638,524	1,638,524	-
Financial Services:				
Board of Finance	55,414	51,648	51,648	-
Finance Department	582,159	600,965	600,965	-
Tax Collector	206,215	230,270	230,270	-
Assessors	408,875	390,067	390,067	-
Information Technology	510,713	501,445	501,445	-
Total Financial Services	1,763,376	1,774,395	1,774,395	-
Planning and Development:				
Planning Department	403,252	399,462	399,462	-
Building Department	319,151	310,223	310,223	-
Total Planning and Development	722,403	709,685	709,685	-
Public Safety:				
Police Commission	750	-	-	-
Police	5,836,568	5,500,144	5,500,144	-
Dispatch	610,481	598,762	598,762	-
Animal Control Officer	75,687	83,974	83,974	-
Civil Preparedness	35,710	32,457	32,457	-
Total Public Safety	6,559,196	6,215,337	6,215,337	-

**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2024  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Public Works:				
Engineering	\$ 341,086	\$ 316,999	\$ 316,999	\$ -
Public Works Administration	369,295	356,863	356,863	-
Buildings and Grounds	547,326	523,724	523,724	-
Town Offices	170,810	167,289	167,289	-
Library	162,944	145,192	145,192	-
Eno Hall Memorial	88,947	84,100	84,100	-
Miscellaneous Building	36,538	50,709	50,709	-
Highway	3,298,534	3,078,757	3,078,757	-
Landfill	80,750	82,593	82,593	-
Total Public Works	5,096,230	4,806,226	4,806,226	-
Culture and Recreation:				
Recreation - Administration	72,902	72,005	72,005	-
Parks and Recreation Commission	750	-	-	-
Parks and Open Space - Maintenance	1,051,873	1,024,146	1,024,146	-
Parks and Open Space - Memorial Field	42,003	35,115	35,115	-
Parks and Open Space - Memorial Pool	88,378	66,352	66,352	-
Library	1,722,214	1,703,598	1,703,598	-
Total Culture and Recreation	2,978,120	2,901,216	2,901,216	-
Health and Welfare:				
Aging & Disability Commission	1,500	1,378	1,378	-
Health Department	186,053	186,053	186,053	-
Social Services Administration	411,125	396,615	396,615	-
Senior Center	164,342	154,632	154,632	-
Transportation	170,540	172,919	172,919	-
Total Health and Welfare	933,560	911,597	911,597	-
Fringe Benefits and Insurance:				
Social Security	1,058,131	1,005,584	1,005,584	-
Town General Liability Insurance	496,307	497,759	497,759	-
Employee Group Insurance	3,648,395	3,071,403	3,071,403	-
Life and Disability Insurance	81,765	83,322	83,322	-
Unemployment Reserve	10,000	15,751	15,751	-
Pensions	2,543,502	2,339,839	2,339,839	-
Total Fringe Benefits and Insurance	7,838,100	7,013,658	7,013,658	-



**TOWN OF SIMSBURY, CONNECTICUT  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2024  
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Education	\$ 81,576,437	\$ 81,576,437	\$ 81,576,437	\$ -
Nonpublic Schools Budget:				
Nonpublic Schools	605,699	605,699	605,699	-
Debt Service:				
Principal	6,013,665	6,045,000	6,045,000	-
Interest	1,793,145	1,505,217	1,505,217	-
Total Debt Service	7,806,810	7,550,217	7,550,217	-
Other Financing Uses:				
Contingency Reserve	382,741	-	-	-
Vacancy Rate	(250,000)	-	-	-
Transfer to Capital Fund	3,794,441	7,710,512	7,710,512	-
Transfers to Other Funds	177,745	382,745	382,745	-
Total Other Financing Uses	4,104,927	8,093,257	8,093,257	-
Total Expenditures and Other Financing Uses	<u>\$ 121,668,343</u>	<u>\$ 123,796,248</u>	123,796,248	<u>\$ -</u>
Budgetary expenditures are different than GAAP expenditures because:				
State of Connecticut on-behalf payments to the Connecticut State Teachers' Retirement System for Town teachers are not budgeted.			13,611,790	
State of Connecticut on-behalf payments to the Connecticut State Teachers' OPEB System for Town teachers are not budgeted.			185,230	
Transfers to BOE Nonlapsing Fund			(208,716)	
Encumbrances Outstanding at June 30, 2023, Liquidated During the Year Ended June 30, 2024.			51,236	
Encumbrances Outstanding at June 30, 2024			<u>(25,239)</u>	
Total Expenditures and Other Financing Uses as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds - Exhibit IV			<u>\$ 137,410,549</u>	

**TOWN OF SIMSBURY, CONNECTICUT**  
**SEWER OPERATING FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**YEAR ENDED JUNE 30, 2024**  
**(NON-GAAP BUDGETARY BASIS)**

	Sewer Use Fund			
	Budget			Variance with Final Budget Positive Negative
	Original	Final	Actual	
REVENUES				
Intergovernmental Revenues	\$ 409,927	\$ 409,927	\$ 243,897	\$ (166,030)
Investment Income	8,000	8,000	147,034	139,034
Charges for Goods and Services	765,087	765,087	550,109	(214,978)
Miscellaneous	5,000	5,000	2,378	(2,622)
Assessment Interest and Liens	23,379	23,379	30,759	7,380
Assessments	3,001,431	3,001,431	3,459,363	457,932
Total Revenues	4,212,824	4,212,824	4,433,540	220,716
EXPENDITURES				
Current:				
Facility Management	3,086,180	3,086,180	2,636,817	449,363
Debt Service	1,215,750	1,215,750	1,215,750	-
Total Expenditures	4,301,930	4,301,930	3,852,567	449,363
EXCESS OF REVENUES OVER EXPENDITURES	(89,106)	(89,106)	580,973	670,079
OTHER FINANCING SOURCES (USES)				
Transfers from Other Funds	-	-	3,956	3,956
Transfers to Other Funds	(1,470,000)	(1,470,000)	(2,587,959)	(1,117,959)
Net Other Financing Uses	(1,470,000)	(1,470,000)	(2,584,003)	(1,114,003)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	\$ (1,559,106)	\$ (1,559,106)	(2,003,030)	\$ (443,924)
Fund Balances - Beginning of Year			8,013,550	
FUND BALANCES - END OF YEAR			\$ 6,010,520	
Reconciliation to GAAP Basis				
	Revenue and Transfers	Expenditures and Transfers	Fund Balance	
Balance, Budgetary Basis - End of Year	\$ 4,437,496	\$ 6,440,526	\$ 6,010,520	
Additional Payment Made Not Budgeted for	13,715	-	13,715	
Payments on Prior Year Encumbrances	-	8,868	(8,868)	
Balance, GAAP Basis - June 30, 2024	\$ 4,451,211	\$ 6,449,394	\$ 6,015,367	

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**TOWN PENSION PLAN**  
**LAST TEN FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service Cost	\$ 655,260	\$ 742,696	\$ 770,819	\$ 669,268	\$ 700,538	\$ 629,377	\$ 673,731	\$ 668,192	\$ 651,746	\$ 607,101
Interest	2,652,514	2,613,253	2,555,101	2,364,718	2,205,899	2,156,775	2,070,339	1,939,574	1,864,604	1,793,949
Changes of Benefit Terms	-	-	-	-	-	-	-	291,643	-	(16,733)
Differences Between Expected and Actual Experience	(50,190)	(601,710)	167,817	(58,874)	1,599,221	206,134	269,122	509,974	(259,385)	99,498
Changes of Assumptions	-	444,070	510,795	2,635,850	-	815,182	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,548,381)	(2,466,612)	(2,216,848)	(2,139,369)	(2,104,246)	(1,917,120)	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)
Net Change in Total Pension Liability	709,203	731,697	1,787,684	3,471,593	2,401,412	1,890,348	1,456,147	1,872,391	960,357	1,162,385
Total Pension Liability - Beginning	41,406,783	40,675,086	38,887,402	35,415,809	33,014,397	31,124,049	29,667,902	27,795,511	26,835,154	25,672,769
Total Pension Liability - Ending	42,115,986	41,406,783	40,675,086	38,887,402	35,415,809	33,014,397	31,124,049	29,667,902	27,795,511	26,835,154
Plan Fiduciary Net Position:										
Contributions - Employer	1,420,225	1,450,539	1,390,773	1,272,157	1,031,101	950,965	920,889	877,664	1,023,393	1,013,590
Contributions - Member	368,928	413,923	337,794	296,132	326,518	365,409	302,656	295,408	445,994	223,536
Net Investment Income	2,360,892	1,826,691	(3,535,516)	6,057,599	755,523	1,183,630	1,491,838	2,563,793	(20,390)	417,241
Benefit Payments	(2,548,381)	(2,466,612)	(2,216,848)	(2,139,369)	(2,104,246)	(1,917,120)	(1,557,045)	(1,536,992)	(1,296,608)	(1,321,430)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Administrative Expense	(46,237)	(46,907)	(39,567)	(39,320)	(49,745)	(58,623)	(22,443)	(34,812)	(37,476)	(35,251)
Net Change in Plan Fiduciary Net Position	1,555,427	1,177,634	(4,063,364)	5,447,199	(40,849)	524,261	1,135,895	2,165,061	114,913	297,686
Plan Fiduciary Net Position - Beginning	27,476,190	26,298,556	30,361,920	24,914,721	24,955,570	24,431,309	23,295,414	21,130,353	21,015,440	20,717,754
Plan Fiduciary Net Position - Ending	29,031,617	27,476,190	26,298,556	30,361,920	24,914,721	24,955,570	24,431,309	23,295,414	21,130,353	21,015,440
Town's Net Pension Liability - Ending	<u>\$ 13,084,369</u>	<u>\$ 13,930,593</u>	<u>\$ 14,376,530</u>	<u>\$ 8,525,482</u>	<u>\$ 10,501,088</u>	<u>\$ 8,058,827</u>	<u>\$ 6,692,740</u>	<u>\$ 6,372,488</u>	<u>\$ 6,665,158</u>	<u>\$ 5,819,714</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.93%	66.36%	64.66%	78.08%	70.35%	75.59%	78.50%	78.52%	76.02%	78.31%
Covered Payroll	<u>\$ 6,650,816</u>	<u>\$ 6,745,332</u>	<u>\$ 6,597,800</u>	<u>\$ 6,859,123</u>	<u>\$ 6,832,071</u>	<u>\$ 7,110,117</u>	<u>\$ 7,124,309</u>	<u>\$ 6,870,896</u>	<u>\$ 6,476,467</u>	<u>\$ 6,477,000</u>
Town's Net Pension Liability as a Percentage of Covered Payroll	196.73%	206.52%	217.90%	124.29%	153.70%	113.34%	93.94%	92.75%	102.91%	89.85%

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**POLICE PENSION PLAN**  
**LAST TEN FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service Cost	\$ 741,516	\$ 744,306	\$ 708,680	\$ 642,813	\$ 650,296	\$ 543,312	\$ 530,370	\$ 530,838	\$ 484,804	\$ 449,735
Interest	1,747,133	1,679,324	1,637,478	1,533,380	1,460,524	1,412,130	1,370,121	1,374,437	1,327,012	1,261,868
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	266,580
Differences Between Expected and Actual Experience	(172,491)	(68,455)	(249,802)	(77,829)	132,645	2,931	(186,985)	(944,755)	132,622	(91,391)
Changes of Assumptions	-	366,194	364,297	1,028,208	-	578,872	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,773,828)	(1,579,965)	(1,180,296)	(1,204,052)	(1,110,746)	(1,246,539)	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)
Net Change in Total Pension Liability	542,330	1,141,404	1,280,357	1,922,520	1,132,719	1,290,706	703,403	(72,425)	889,542	793,945
Total Pension Liability - Beginning	27,010,405	25,869,001	24,588,644	22,666,124	21,533,405	20,242,699	19,539,296	19,611,721	18,722,179	17,928,234
Total Pension Liability - Ending	27,552,735	27,010,405	25,869,001	24,588,644	22,666,124	21,533,405	20,242,699	19,539,296	19,611,721	18,722,179
Plan Fiduciary Net Position:										
Contributions - Employer	902,527	854,232	857,435	809,664	651,976	586,956	600,240	677,434	727,009	633,000
Contributions - Member	248,500	264,202	267,908	244,095	294,500	270,561	244,113	239,130	196,550	190,966
Net Investment Income (Loss)	1,700,172	1,332,529	(2,604,930)	4,388,821	547,467	1,001,959	1,039,142	1,774,219	(11,573)	295,997
Benefit Payments	(1,773,828)	(1,579,965)	(1,180,296)	(1,204,052)	(1,110,746)	(1,246,539)	(1,010,103)	(1,032,945)	(1,054,896)	(1,092,847)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Administrative Expense	(30,856)	(35,267)	(22,675)	(16,390)	(34,126)	(51,487)	(12,953)	(24,396)	(24,051)	(33,374)
Net Change in Plan Fiduciary Net Position	1,046,515	835,731	(2,682,558)	4,222,138	349,071	561,450	860,439	1,633,442	(166,961)	(6,258)
Plan Fiduciary Net Position - Beginning	20,412,470	19,576,739	22,259,297	18,037,159	17,688,088	17,126,638	16,266,199	14,632,757	14,799,718	14,805,976
Plan Fiduciary Net Position - Ending	21,458,985	20,412,470	19,576,739	22,259,297	18,037,159	17,688,088	17,126,638	16,266,199	14,632,757	14,799,718
Town's Net Pension Liability - Ending	<u>\$ 6,093,750</u>	<u>\$ 6,597,935</u>	<u>\$ 6,292,262</u>	<u>\$ 2,329,347</u>	<u>\$ 4,628,965</u>	<u>\$ 3,845,317</u>	<u>\$ 3,116,061</u>	<u>\$ 3,273,097</u>	<u>\$ 4,978,964</u>	<u>\$ 3,922,461</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.88%	75.57%	75.68%	90.53%	79.58%	82.14%	84.61%	83.25%	74.61%	79.05%
Covered Payroll	<u>\$ 4,065,505</u>	<u>\$ 4,014,270</u>	<u>\$ 3,834,513</u>	<u>\$ 3,932,170</u>	<u>\$ 3,589,830</u>	<u>\$ 3,400,678</u>	<u>\$ 3,400,310</u>	<u>\$ 3,143,684</u>	<u>\$ 2,918,053</u>	<u>\$ 2,866,000</u>
Town's Net Pension Liability as a Percentage of Covered Payroll	149.89%	164.36%	164.10%	59.24%	128.95%	113.08%	91.64%	104.12%	170.63%	136.86%

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**BOARD OF EDUCATION PLAN**  
**LAST TEN FISCAL YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability:										
Service Cost	\$ 525,502	\$ 618,531	\$ 709,652	\$ 665,110	\$ 740,945	\$ 712,212	\$ 742,875	\$ 781,880	\$ 792,518	\$ 720,226
Interest	2,595,340	2,536,665	2,472,708	2,241,566	2,143,058	2,064,354	1,980,261	1,903,998	1,815,018	1,745,104
Changes of Benefit Terms	726	3,185	-	8,957	-	-	-	-	(29,091)	(32,802)
Differences Between Expected and Actual Experience	(125,192)	209,124	65,804	39,830	260,375	135,169	(161,126)	(274,621)	(445,038)	319,281
Changes of Assumptions	-	97,269	485,086	2,847,046	-	760,097	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(2,861,224)	(2,089,040)	(1,795,888)	(1,668,714)	(1,551,554)	(1,335,830)	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)
Net Change in Total Pension Liability	135,152	1,375,734	1,937,362	4,133,795	1,592,824	2,336,002	1,237,582	1,168,738	1,008,101	1,604,724
Total Pension Liability - Beginning	40,810,885	39,435,151	37,497,789	33,363,994	31,771,170	29,435,168	28,197,586	27,028,848	26,020,747	24,416,023
Total Pension Liability - Ending	40,946,037	40,810,885	39,435,151	37,497,789	33,363,994	31,771,170	29,435,168	28,197,586	27,028,848	26,020,747
Plan Fiduciary Net Position:										
Contributions - Employer	1,420,960	1,411,861	1,387,251	1,296,230	1,175,122	1,086,598	1,084,561	1,112,035	1,288,982	1,236,631
Contributions - Member	187,149	207,817	242,443	265,776	279,676	293,320	304,208	348,561	324,788	283,432
Net Investment Income	2,449,490	2,052,840	(3,678,215)	6,155,888	745,321	1,223,623	1,364,568	2,322,363	21,997	337,905
Benefit Payments	(2,861,224)	(2,089,040)	(1,795,888)	(1,668,714)	(1,551,554)	(1,335,830)	(1,324,428)	(1,242,519)	(1,125,306)	(1,147,085)
Refunds of Member Contributions	-	-	-	-	-	-	-	-	-	-
Administrative Expense	(51,138)	(64,882)	(40,351)	(36,442)	(26,153)	(54,326)	(25,392)	(37,728)	(18,799)	(26,200)
Net Change in Plan Fiduciary Net Position	1,145,237	1,518,596	(3,884,760)	6,012,738	622,412	1,213,385	1,403,517	2,502,712	491,662	684,683
Plan Fiduciary Net Position - Beginning	28,018,703	26,500,107	30,384,867	24,372,129	23,749,717	22,536,332	21,132,815	18,630,103	18,138,441	17,453,758
Plan Fiduciary Net Position - Ending	29,163,940	28,018,703	26,500,107	30,384,867	24,372,129	23,749,717	22,536,332	21,132,815	18,630,103	18,138,441
Town's Net Pension Liability - Ending	<u>\$ 11,782,097</u>	<u>\$ 12,792,182</u>	<u>\$ 12,935,044</u>	<u>\$ 7,112,922</u>	<u>\$ 8,991,865</u>	<u>\$ 8,021,453</u>	<u>\$ 6,898,836</u>	<u>\$ 7,064,771</u>	<u>\$ 8,398,745</u>	<u>\$ 7,882,306</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.23%	68.65%	67.20%	81.03%	73.05%	74.75%	76.56%	74.95%	68.93%	69.71%
Covered Payroll	<u>\$ 5,453,864</u>	<u>\$ 6,290,034</u>	<u>\$ 6,391,476</u>	<u>\$ 7,050,585</u>	<u>\$ 7,011,899</u>	<u>\$ 7,235,501</u>	<u>\$ 7,614,963</u>	<u>\$ 7,766,728</u>	<u>\$ 7,864,597</u>	<u>\$ 7,916,465</u>
Town's Net Pension Liability as a Percentage of Covered Payroll	216.03%	203.37%	202.38%	100.88%	128.24%	110.86%	90.60%	90.96%	106.79%	99.57%

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 1,420,225	\$ 1,450,539	\$ 1,390,773	\$ 1,272,157	\$ 1,031,101	\$ 950,965	\$ 920,889	\$ 877,663	\$ 888,277	\$ 1,013,590
Contributions in Relation to the Actuarially Determined Contribution	<u>1,420,225</u>	<u>1,450,539</u>	<u>1,390,773</u>	<u>1,272,157</u>	<u>1,031,101</u>	<u>950,965</u>	<u>920,889</u>	<u>877,664</u>	<u>1,023,393</u>	<u>1,013,590</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (135,116)</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 6,650,816</u>	<u>\$ 6,745,332</u>	<u>\$ 6,597,800</u>	<u>\$ 6,859,123</u>	<u>\$ 6,832,071</u>	<u>\$ 7,110,117</u>	<u>\$ 7,124,309</u>	<u>\$ 6,870,896</u>	<u>\$ 6,476,467</u>	<u>\$ 6,477,448</u>
Contributions as a Percentage of Covered Payroll	21.35%	21.50%	21.08%	18.55%	15.09%	13.37%	12.93%	12.77%	15.80%	15.65%

## Notes to Schedule:

Valuation Date July 1, 2023

Measurement Date June 30, 2024

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

## Methods and Assumptions Used to Determine

## Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	14 Years
Asset Valuation Method	5-Year Nonsymptotic
Inflation	2.50%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Retirement Age	Rates Based on Age
Turnover	Rates Based on Service
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 902,527	\$ 854,232	\$ 857,435	\$ 809,664	\$ 651,976	\$ 586,956	\$ 600,240	\$ 677,434	\$ 631,023	\$ 632,679
Contributions in Relation to the Actuarially Determined Contribution	<u>902,527</u>	<u>854,232</u>	<u>857,435</u>	<u>809,664</u>	<u>651,976</u>	<u>586,956</u>	<u>600,240</u>	<u>677,434</u>	<u>727,009</u>	<u>633,000</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95,986)</u>	<u>\$ (321)</u>
Covered Payroll	<u>\$ 4,065,505</u>	<u>\$ 4,014,270</u>	<u>\$ 3,834,513</u>	<u>\$ 3,932,170</u>	<u>\$ 3,589,830</u>	<u>\$ 3,400,678</u>	<u>\$ 3,400,310</u>	<u>\$ 3,143,684</u>	<u>\$ 2,918,053</u>	<u>\$ 2,866,183</u>
Contributions as a Percentage of Covered Payroll	22.20%	21.28%	22.36%	20.59%	18.16%	17.26%	17.65%	21.55%	24.91%	22.09%

## Notes to Schedule:

Valuation Date July 1, 2023

Measurement Date June 30, 2024

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

## Methods and Assumptions Used to Determine

## Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	14 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Non-asymptotic
Inflation	2.50%
Salary Increases	8.25% for first 7 years and 3.00% thereafter
Investment Rate of Return	6.50%
Retirement Age	Rates based on age
Mortality	PubS-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 1,420,960	\$ 1,411,861	\$ 1,387,251	\$ 1,296,230	\$ 1,175,122	\$ 1,086,598	\$ 1,084,561	\$ 1,112,035	\$ 1,110,353	\$ 1,236,631
Contributions in Relation to the Actuarially Determined Contribution	<u>1,420,960</u>	<u>1,411,861</u>	<u>1,387,251</u>	<u>1,296,230</u>	<u>1,175,122</u>	<u>1,086,598</u>	<u>1,084,561</u>	<u>1,112,035</u>	<u>1,288,982</u>	<u>1,236,631</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (178,629)</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 5,453,864</u>	<u>\$ 6,290,034</u>	<u>\$ 6,391,476</u>	<u>\$ 7,050,585</u>	<u>\$ 7,011,899</u>	<u>\$ 7,235,501</u>	<u>\$ 7,614,963</u>	<u>\$ 7,766,728</u>	<u>\$ 7,864,597</u>	<u>\$ 7,916,465</u>
Contributions as a Percentage of Covered Payroll	26.05%	22.45%	21.70%	18.38%	16.76%	15.02%	14.24%	14.32%	16.39%	15.62%

## Notes to Schedule:

Valuation Date July 1, 2023

Measurement Date June 30, 2024

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

## Methods and Assumptions Used to Determine

## Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	14 Years
Amortization Growth Rate	3.50%
Asset Valuation Method	5-Year Non-asymptotic
Inflation	2.50%
Salary Increases	3.50%
Investment Rate of Return	6.50%
Retirement Age	Rates Based on Age
Turnover	Rates Based on Age
Mortality	PubG-2010 Mortality Table with generational projection per the MP-2021 Ultimate scale.



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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual Money-Weighted Rate of Return, Net of Investment Expense:										
General Government Pension Plan	8.78%	7.00%	(11.65%)	24.27%	3.04%	4.84%	6.36%	12.09%	(0.10%)	1.97%
Police Pension Plan	8.57%	6.87%	(11.64%)	24.19%	3.07%	5.88%	6.34%	12.00%	(0.08%)	1.98%
Board of Education Pension Plan	9.01%	7.74%	(11.91%)	24.75%	3.08%	5.32%	6.32%	12.07%	0.12%	1.86%

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Town's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the Town	146,701,015	154,605,022	124,926,104	157,733,293	143,961,121	111,002,388	111,434,579	117,564,334	92,706,902	85,688,952
Total	<u>\$ 146,701,015</u>	<u>\$ 154,605,022</u>	<u>\$ 124,926,104</u>	<u>\$ 157,733,293</u>	<u>\$ 143,961,121</u>	<u>\$ 111,002,388</u>	<u>\$ 111,434,579</u>	<u>\$ 117,564,334</u>	<u>\$ 92,706,902</u>	<u>\$ 85,688,952</u>
Town's Covered Payroll	<u>\$ 41,099,515</u>	<u>\$ 39,933,262</u>	<u>\$ 38,088,354</u>	<u>\$ 36,741,196</u>	<u>\$ 35,765,154</u>	<u>\$ 34,712,942</u>	<u>\$ 34,259,016</u>	<u>\$ 33,773,614</u>	<u>\$ 32,597,004</u>	<u>\$ 32,231,978</u>
Town's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.39%	54.06%	60.77%	49.24%	52.00%	57.69%	55.93%	52.26%	59.50%	61.51%

## Notes to Schedule:

Changes in Benefit Terms	None
Changes of Assumptions	None
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of pay, closed, grading to a level dollar amortization method for the June 30, 2024 valuation
Single Equivalent Amortization Period	27.8 years
Asset Valuation Method	4-Year Smoothed Market
Inflation	2.50%
Salary Increase	3.00%-6.50%, Including Inflation
Investment Rate of Return	6.90%, Net of Investment-Related Expense

Notes:

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

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability:								
Service Cost	\$ 1,049,661	\$ 886,876	\$ 897,711	\$ 955,522	\$ 902,676	\$ 828,630	\$ 823,820	\$ 797,888
Interest	1,695,271	1,573,218	1,896,026	1,785,683	1,620,250	1,520,906	1,509,026	1,424,684
Differences Between Expected and Actual Experience	1,872,368	-	(4,203,001)	-	2,113,487	-	(949,698)	-
Changes of Assumptions	(4,306,721)	446,148	(1,456,892)	-	(291,275)	-	(509)	-
Benefit Payments	(1,321,590)	(1,064,993)	(954,082)	(1,140,222)	(1,040,537)	(969,404)	(1,061,000)	(1,228,579)
Net Change in Total OPEB Liability	(1,011,011)	1,841,249	(3,820,238)	1,600,983	3,304,601	1,380,132	321,639	993,993
Total OPEB Liability - Beginning	25,681,828	23,840,579	27,660,817	26,059,834	22,755,233	21,375,101	21,053,462	20,059,469
Total OPEB Liability - Ending	24,670,817	25,681,828	23,840,579	27,660,817	26,059,834	22,755,233	21,375,101	21,053,462
Plan Fiduciary Net Position:								
Contributions - Employer	1,321,590	1,064,993	954,082	1,360,107	1,350,537	1,157,219	1,197,000	1,310,930
Contributions - Member	118,263	125,344	133,591	152,927	107,341	174,772	173,532	174,237
Net Investment Income	2,459,839	1,751,404	(2,832,861)	4,657,455	611,868	931,563	931,850	1,180,640
Benefit Payments	(1,321,590)	(1,064,993)	(954,082)	(1,140,222)	(1,040,537)	(969,404)	(1,061,000)	(1,228,579)
Administrative Expense	(52,120)	(75,434)	(50,970)	(84,664)	(11,592)	(4,925)	(9,228)	-
Net Change in Plan Fiduciary Net Position	2,525,982	1,801,314	(2,750,240)	4,945,603	1,017,617	1,289,225	1,232,154	1,437,228
Plan Fiduciary Net Position - Beginning	21,717,794	19,916,480	22,666,720	17,721,117	16,703,500	15,414,275	14,182,121	12,744,893
Plan Fiduciary Net Position - Ending	24,243,776	21,717,794	19,916,480	22,666,720	17,721,117	16,703,500	15,414,275	14,182,121
Net OPEB Liability - Ending	<u>\$ 427,041</u>	<u>\$ 3,964,034</u>	<u>\$ 3,924,099</u>	<u>\$ 4,994,097</u>	<u>\$ 8,338,717</u>	<u>\$ 6,051,733</u>	<u>\$ 5,960,826</u>	<u>\$ 6,871,341</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	98.27%	84.56%	83.54%	81.95%	68.00%	73.41%	72.11%	67.36%
Covered Payroll	<u>\$ 57,834,701</u>	<u>\$ 57,834,701</u>	<u>\$ 54,406,476</u>	<u>\$ 54,406,476</u>	<u>\$ 52,352,923</u>	<u>\$ 52,352,923</u>	<u>\$ 45,238,019</u>	<u>\$ 45,238,019</u>
Net OPEB Liability as a Percentage of Covered Payroll	0.74%	6.85%	7.21%	9.18%	15.93%	11.56%	13.18%	15.19%

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

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution (1)	\$ 1,131,902	\$ 703,614	\$ 1,595,000	\$ 1,284,141	\$ 1,308,000	\$ 1,093,300	\$ 1,182,000	\$ 1,073,307	\$ 1,047,953	\$ 1,880,000
Contributions in Relation to the Actuarially Determined Contribution	1,321,590	1,064,993	954,082	1,360,107	1,350,537	1,157,219	1,197,000	1,073,307	1,195,883	4,880,000
Contribution Deficiency (Excess)	<u>\$ (189,688)</u>	<u>\$ (361,379)</u>	<u>\$ 640,918</u>	<u>\$ (75,966)</u>	<u>\$ (42,537)</u>	<u>\$ (63,919)</u>	<u>\$ (15,000)</u>	<u>\$ -</u>	<u>\$ (147,930)</u>	<u>\$ (3,000,000)</u>
Covered Payroll	<u>\$ 57,834,701</u>	<u>\$ 57,834,701</u>	<u>\$ 54,406,476</u>	<u>\$ 54,406,476</u>	<u>\$ 52,352,923</u>	<u>\$ 52,352,923</u>	<u>\$ 45,238,019</u>	<u>\$ 45,238,019</u>	<u>\$ 44,570,517</u>	<u>\$ 44,132,000</u>
Contributions as a Percentage of Covered Payroll	2.29%	1.84%	1.75%	2.50%	2.58%	2.21%	2.65%	2.37%	2.68%	11.06%

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

Notes to Schedule:

Valuation Date July 1, 2023

Measurement Date

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

Methods and Assumptions Used to Determine

Contribution Rates:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent, Closed
Amortization Period	14 Years
Asset Valuation Method	Market Value
Inflation	2.50%
Healthcare Cost Trend Rates	Pre-Medicare: 5.20% - 4.30% over 60 Years Post-Medicare: 5.00% - 4.30% over 51 Years
Salary Increases	Graded Scale for Certified BOE and Police, 3.5% for All Others
Investment Rate of Return	6.50%, Net of OPEB Plan investment expense, including inflation
Mortality	Pub-2010 Mortality Tables with the MP-2021 Ultimate Improvement Scale

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	11.30%	8.77%	(12.46%)	26.00%	3.59%	5.96%	7.52%	9.44%

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

**TOWN OF SIMSBURY, CONNECTICUT**  
**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**TEACHERS RETIREMENT PLAN**  
**LAST SEVEN YEARS\***

	2024	2023	2022	2021	2020	2019	2018
Town's Proportion of the Net OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Town's Proportionate Share of the Net OPEB Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net OPEB Liability Associated with the Town	13,743,871	13,539,854	13,610,470	23,525,926	22,451,549	22,190,058	28,681,978
Total	<u>\$ 13,743,871</u>	<u>\$ 13,539,854</u>	<u>\$ 13,610,470</u>	<u>\$ 23,525,926</u>	<u>\$ 22,451,549</u>	<u>\$ 22,190,058</u>	<u>\$ 28,681,978</u>
Town's Covered Payroll	<u>\$ 41,099,515</u>	<u>\$ 39,933,262</u>	<u>\$ 38,088,354</u>	<u>\$ 36,741,196</u>	<u>\$ 35,765,154</u>	<u>\$ 34,712,942</u>	<u>\$ 34,259,016</u>
Town's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.92%	9.46%	6.11%	2.50%	2.08%	1.49%	1.79%

## Notes to Schedule:

Changes in Benefit Terms	There were no changes to benefit terms since the prior Measurement Date
Changes of Assumptions	Based on the procedure described in GASB 74, the discount rate used to measure plan obligations for financial accounting purposes as of June 30, 2023 was updated to equal the SEIR of 3.64% as of June 30, 2023;
Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll Over an Open Period
Remaining Amortization Period	30 Years
Asset Valuation Method	Market value of assets
Investment Rate of Return	3.00%, Net of Investment-Related Expense Including Price Inflation
Price Inflation	2.50%

## Notes:

This schedule is intended to be for ten years. Additional years will be added as they become available.  
The measurement date is one year earlier than the employer's reporting date.

***Appendix B***

***Form of Opinion of Bond Counsel***

## **APPENDIX B – FORM OF OPINION OF BOND COUNSEL**

October \_\_, 2025

Town of Simsbury  
933 Hopmeadow Street  
Simsbury, CT 06070

We have acted as Bond Counsel to the Town of Simsbury, Connecticut (the “Town”) in connection with the issuance by the Town of its \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2025 (the “Bonds”) dated October \_\_, 2025. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents (including, but not limited to, a Tax Regulatory Agreement of the Town dated the date hereof (the “Agreement”)) as we have deemed necessary to give the opinions below.

Regarding questions of fact material to the opinions below, we have relied on the certified proceedings and other certifications of representatives of the Town and certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that when the Bonds are duly certified by U.S. Bank Trust Company, National Association, the Bonds will be valid and legally binding general obligations of the Town payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Town without limitation as to rate or amount except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to Connecticut statutes. We are further of the opinion that the Agreement is a valid and binding agreement of the Town and was duly authorized by the Town.

The Internal Revenue Code of 1986 (the “Code”) establishes certain requirements that must be satisfied at and subsequent to the issuance and delivery of the Bonds in order that interest on the Bonds be excluded from gross income under Section 103 of the Code. In the Agreement, the Town has made covenants and representations designed to assure compliance with such requirements of the Code. The Town has covenanted in the Agreement that it will at all times comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds to ensure that interest on the Bonds shall not be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds, including covenants regarding, among other matters, the use, expenditure and investment of the proceeds of the Bonds.

In rendering the below opinions regarding the federal treatment of interest on the Bonds, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Agreement, and (ii) continuing compliance by the Town with the covenants set forth in the Agreement as to such tax matters.



The Town has designated the Bonds as “qualified tax exempt obligations” within the meaning of Code Section 265(b)(3) for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

Based on the foregoing, we are of the opinion that interest on the Bonds is excludable from gross income for federal income tax purposes under Section 103 of the Code, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

We are further of the opinion that, under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excluded from amounts on which the net Connecticut minimum tax is based for individuals, trusts and estates required to pay the federal alternative minimum tax. We express no opinion regarding other state and other State of Connecticut tax consequences caused by ownership or disposition of, or receipt of interest on the Bonds.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion herein regarding the accuracy, adequacy, or completeness of the Preliminary Official Statement, the Official Statement and other offering material relating to the Bonds.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances or changes in law that may come later to our attention or occur.

Respectfully,

PULLMAN & COMLEY, LLC

## ***Appendix C***

### ***Form of Continuing Disclosure Agreement***

## APPENDIX C: FORM OF CONTINUING DISCLOSURE AGREEMENT

*In accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the Town will agree, pursuant to a Continuing Disclosure Agreement to be executed by the Town substantially in the following form, to provide, or cause to be provided, (i) annual financial information and operating data, (ii) in a timely manner not in excess of ten business days after the occurrence of the event, notice of the occurrence of certain events with respect to the Bonds and (iii) timely notice of a failure by the Town to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement.*

### **Continuing Disclosure Agreement**

This Continuing Disclosure Agreement ("Agreement") is made as of October \_\_, 2025 by the Town of Simsbury, Connecticut (the "Issuer") acting by its undersigned officers, duly authorized, in connection with the issuance of \$ \_\_\_\_\_ General Obligation Bonds, Issue of 2025, dated as of October \_\_, 2025 (the "Bonds"), for the benefit of the beneficial owners from time to time of the Bonds.

**Section 1. Definitions.** For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Final Official Statement" means the official statement of the Issuer dated September \_\_, 2025 prepared in connection with the Bonds.

"MSRB" means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

"Repository" means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

"Rule" means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

### **Section 2. Annual Financial Information.**

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2025) as follows:

(i) Financial statements of the Issuer's general fund and any special revenue, capital projects, permanent enterprise, internal service and trust or agency funds, for the prior fiscal year which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) The following financial information and operating data to the extent not included in the financial statements described in (i) above:

- (A) amounts of the net taxable grand list applicable to the fiscal year,
- (B) listing of the ten largest taxpayers on the applicable grand list, together with each such taxpayer's taxable valuation thereon,
- (C) percentage of the annual property tax levy uncollected as of the close of the fiscal year,
- (D) schedule of annual debt service on outstanding long-term bonded indebtedness as of the close of the fiscal year,
- (E) calculation of total direct debt, and total net debt as of the close of the fiscal year,
- (F) total net direct debt and total net debt of the Issuer per capita,
- (G) ratios of the total direct debt and total net debt of the Issuer to the Issuer's net taxable grand list,
- (H) statement of statutory debt limitation as of the close of the fiscal year, and
- (I) funding status of the pension benefit obligation.

(b) The financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided (the "Filing Due Date"). The Issuer's fiscal year currently ends on June 30. The Issuer reserves the right to provide unaudited financial statements if audited financial statements are not available as of the Filing Due Date, provided that the Issuer shall promptly provide audited financial statements when available.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet Web site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report.

(d) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

### **Section 3. Notice of Certain Events.**

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;

- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the Bonds;
- (g) modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

*Events (d) and (e).* The Issuer does not undertake to provide any notice with respect to credit enhancement added after the primary offering of the Bonds, unless the Issuer applies for or participates in obtaining the enhancement.

*Event (f).* Event (f) is relevant only to the extent interest on the Bonds is excluded from gross income for federal income tax purposes.

*Event (h).* The Issuer does not undertake to provide the above-described event notice of a mandatory scheduled redemption, not *otherwise* contingent upon the occurrence of an event, if (A) the terms, dates and amounts of redemption are set forth in detail in the Final Official Statement, (B) the sole matter to be determined is which of the Bonds will be redeemed in the case of a partial redemption, (C) notice of redemption is given to the holders of the Bonds to be redeemed as required under the terms of the Bonds, and (D) public notice of redemption is given pursuant to Exchange Act Release No. 23856 of the SEC, even if the originally scheduled amounts are reduced due to prior optional redemptions or Bond purchases.

*Events (o) and (p).* The term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with MSRB pursuant to the Rule.

#### **Section 4. Notice of Failure to Provide Annual Financial Information.**

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

#### **Section 5. Use of Agents.**

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

#### **Section 6. Termination.**

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Bonds within the meaning of the Rule.

#### **Section 7. Enforcement.**

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's Finance Director/Treasurer, or a successor, receives written notice from any beneficial owner of the Bonds of such failure. The present address of the Finance Director/Treasurer is Town Hall, 933 Hopmeadow Street, Simsbury, Connecticut 06070.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Bonds shall be entitled only to the remedy of specific performance. The parties expressly acknowledge and agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Bonds.

#### **Section 8. Miscellaneous.**

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided, however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, and is supported by an opinion of counsel expert in federal securities laws, to the effect that (i) such amendment or waiver would not materially adversely affect the beneficial owners of the Bonds, and (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment will explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating or financial information provided.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

TOWN OF SIMSBURY, CONNECTICUT

By: \_\_\_\_\_  
Marc Nelson  
Town Manager

By: \_\_\_\_\_  
Amy Meriwether  
Treasurer

***Appendix D***

***Notice of Sale***



## APPENDIX D – NOTICE OF SALE

### NOTICE OF SALE

**TOWN OF SIMSBURY, CONNECTICUT**  
**\$9,715,000 \* GENERAL OBLIGATION BONDS, ISSUE OF 2025**  
**(BANK QUALIFIED)**  
**BOOK-ENTRY-ONLY**

NOTICE IS GIVEN that ELECTRONIC BIDS solely via **PARITY**® will be received by the TOWN OF SIMSBURY, CONNECTICUT (the “Issuer”), until 11:30 A.M. (E.T.) on WEDNESDAY,

SEPTEMBER 17, 2025

(the “Sale Date”) for the purchase, when issued, of all (but not less than all) of the Issuer’s \$9,715,000\* General Obligation Bonds, Issue of 2025, dated October 1, 2025 (the “Bonds”), at no less than par and accrued interest from the date of the Bonds to the date of delivery, if any, maturing on April 1 in the principal amounts and in each of the years as follows:

<u>Maturity</u>	<u>Amount (\$)*</u>	<u>Maturity</u>	<u>Amount (\$)*</u>
2026	975,000	2031	970,000
2027	975,000	2032	970,000
2028	975,000	2033	970,000
2029	970,000	2034	970,000
2030	970,000	2035	970,000

The Bonds will bear interest commencing April 1, 2026 and semiannually thereafter on October 1 and April 1 in each year until maturity, as further described in the Preliminary Official Statement (as hereinafter defined), at the rate or rates per annum specified by the winning bidder.

### Optional Redemption

The Bonds maturing on or before April 1, 2032 are not subject to redemption prior to maturity. The Bonds maturing on April 1, 2033 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on or after April 1, 2032, either in whole or in part at any time, in such order of maturity and amount as the Issuer may determine, and by lot within a maturity, at the respective prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, together with interest accrued and unpaid to the redemption date:

<u>Redemption Dates</u>	<u>Redemption Price</u>
April 1, 2032 and thereafter	100.0%

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\* Preliminary, subject to change. See “Adjustment of Principal Amount and Maturity Schedule of the Bonds” herein.

## **Nature of Obligation**

The Bonds will constitute general obligations of the Issuer, and the Issuer will pledge its full faith and credit to pay the principal of and interest on the Bonds when due. Unless paid from other sources, the Bonds are payable from ad valorem taxes which may be levied on all taxable property subject to taxation by the Issuer without limit as to rate or amount, except as to classified property such as certified forest lands taxable at a limited rate and dwelling houses of qualified elderly persons of low income or of qualified disabled persons taxable at limited amounts pursuant to provisions of the Connecticut General Statutes, as amended.

## **Bank Qualification**

The Bonds SHALL be designated by the Issuer as qualified tax exempt obligations under the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986 for purposes of the deduction by financial institutions for interest expense allocable to the Bonds.

## **Registration**

The Bonds will be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. The Bonds will be issued in registered form and one bond certificate for each maturity will be issued to The Depository Trust Company (“DTC”), New York, New York, registered in the name of its nominee, Cede & Co., and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or any integral multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures adopted by DTC and its participants. The purchaser, as a condition to delivery of the Bonds, will be required to deposit the bond certificates with DTC, registered in the name of Cede & Co. Principal of, redemption premium, if any, and interest on the Bonds will be payable by the Issuer or its agent to DTC or its nominee as registered owner of the Bonds. Principal and interest payments by DTC to participants of DTC will be the responsibility of DTC; principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Issuer will not be responsible or liable for payments by DTC to its participants or by DTC participants or indirect participants to beneficial owners or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants. Upon receipt from the Issuer, the Paying Agent will pay principal of and interest on the Bonds directly to DTC so long as DTC or its nominee, Cede & Co, is the bondholder.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds and the Issuer fails to identify another qualified securities depository to replace DTC, or (b) the Issuer determines to discontinue the book-entry system of evidence and transfer of ownership of the Bonds, the Issuer will authenticate and deliver replacement Bonds in the form of fully registered certificates. Any such replacement Bonds will provide that interest will be payable by check mailed by the Paying Agent to the registered owner whose name appears on the registration books of the Issuer as of the close of business on the record date preceding each interest payment date.

## **Record Date**

The record dates for the Bonds will be the fifteenth day of March and September, or the preceding business day if such fifteenth day is not a business day, in each year.

## **Proposals**

Each bid must be for the entire \$9,715,000\* of the Bonds. Each proposal must specify the amount bid for the Bonds (which shall be the aggregate par value of the Bonds, and, at the option of the bidder, a premium), and must specify in a multiple of one-twentieth of one percent (1/20 of 1%) or one-eighth of one percent (1/8 of 1%) the rate or rates of interest per annum which the Bonds are to bear, provided that such proposal shall not state (a) more than one interest rate for any Bonds having a like maturity or (b) any interest rate for any Bonds of one maturity which exceeds the interest rate stated in such proposal for Bonds of a different maturity by more than three (3) percentage points. In addition to the amount bid for the Bonds, the purchaser must pay an amount equal to the interest on the Bonds accrued to the date of delivery. For the purpose of the bidding process, the time as maintained on **PARITY**® shall constitute the official time. For information purposes only, bidders are requested to state in their bids the true interest cost (“TIC”) to the Issuer, as described under “Basis of Award” below, represented by the rate or rates of interest and the bid price specified in their respective bids. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. No proposal for less than par and accrued interest to the date of delivery will be considered.

## **Basis of Award; Right to Reject Proposals; Waiver; Right to Cancel; Postponement; Change of Terms**

Unless all bids are rejected, as between proposals which comply with this Notice of Sale, the Bonds will be awarded to the bidder whose bid proposes the lowest true interest cost (“TIC”) to the Issuer. The TIC will be the annual interest rate, compounded semiannually, which, when used to discount all payments of principal and interest payable on the Bonds results in an amount equal to the purchase price for the Bonds, excluding interest accrued to the date of delivery. If there is more than one bidder making said offer at the same lowest TIC, the Bonds will be sold to the bidder whose proposal is selected by the Issuer by lot from among all such proposals. It is requested that each proposal be accompanied by a statement of the percentage of TIC computed and rounded to six decimal places. Such statement shall not be considered as part of the proposal. The purchase price must be paid in immediately available federal funds.

The right is reserved to reject any and all proposals and to reject any proposal not complying with this Notice of Sale and to waive any irregularity or informality with respect to any proposal.

The Issuer further reserves the right to cancel or postpone the sale to another time and date in its sole discretion for any reason, including Internet difficulties. The Issuer will use its best efforts to notify prospective bidders in a timely manner of any need for a cancellation or

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\* Preliminary, subject to change. See “Adjustment of Principal Amount and Maturity Schedule of the Bonds” herein.

postponement. Upon the establishment of an alternative sale date, any bidder may submit proposals for the purchase of the Bonds in accordance with the provisions of this Notice of Sale.

### **Adjustment of Principal Amount and Maturity Schedule of the Bonds**

The Issuer reserves the right to change the maturity schedule after the determination of the winning bidder. In such event, the final aggregate principal amount of the Bonds will be increased or decreased by a net amount of such change or changes in principal amount of one or more maturities. The winning bidder will be required to provide the coupon, yield and reoffering price information to be included in the issue price certificate, if requested, for purposes of determining the adjustment. The dollar amount bid by the bidder will be adjusted to reflect any adjustments in the final maturity schedule and the aggregate principal amount of the Bonds to be issued. The adjusted bid price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but every effort will be made to not change the per bond underwriter's discount as calculated from the bid and the initial reoffering prices required to be delivered to the Issuer as stated herein. **The winning bidder may not withdraw its bid or change the interest rates bid or initial reoffering prices provided as a result of any changes made to the principal amounts within these limits.**

### **CUSIP Numbers**

The deposit of the Bonds with DTC under a book-entry system requires the assignment of CUSIP numbers prior to delivery. It shall be the responsibility of Phoenix Advisors, a division of First Security Municipal Advisors, Inc. ("Phoenix Advisors"), to obtain CUSIP numbers for the Bonds prior to delivery, and Phoenix Advisors, will provide the CUSIP Service Bureau with the final details of the sale, including the identity of the winning bidder. The Issuer will not be responsible for any delay occasioned by the inability to deposit the Bonds with DTC due to the failure of Phoenix Advisors to obtain such numbers and to supply them to the Issuer in a timely manner. Neither the failure to print such CUSIP number on any bond, nor any error with respect thereto, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds. All expenses in relation to the printing of CUSIP numbers on the Bonds shall be paid for by the Issuer; provided, however, that the Issuer assumes no responsibility for any CUSIP Service Bureau charge or other charge that may be imposed for the assignment of such numbers, which charges shall be the responsibility of and shall be paid for by the purchaser.

### **Electronic Proposals Bidding Procedure**

Electronic bids for the purchase of the Bonds must be submitted through the facilities of **PARITY®**. Any prospective bidder must be a subscriber of the BiDCOMP competitive bidding system. Further information about **PARITY®**, including any fee charged, may be obtained from **PARITY®**, c/o i-Deal LLC, 1359 Broadway, 2nd Floor, New York, New York 10018, Attention: Customer Support (telephone: (212) 849-5021 or (212) 849-5023 – email notice: [munis@spglobal.com](mailto:munis@spglobal.com) or [parity@i-deal.com](mailto:parity@i-deal.com)). The Issuer neither will confirm any subscription nor be responsible for any failure of a prospective bidder to subscribe.

Once an electronic bid made through the facilities of **PARITY®** is communicated to the Issuer, it shall constitute an irrevocable offer, in response to this Notice, and shall be binding upon the bidder as if made by the signed, sealed bid delivered to the Issuer. By submitting a bid for the Bonds via **PARITY®**, the bidder represents and warrants to the Issuer that such bidder's bid for the purchase of the Bonds is submitted for and on behalf of such prospective bidder by an officer or agent who is duly authorized to bind the prospective bidder by an irrevocable offer and that acceptance of such bid by the Issuer will bind the bidder by a legal, valid and enforceable contract, for the purchase of the Bonds on the terms described in this Notice. **The Issuer shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of PARITY®, or the inaccuracies of any information, including bid information or worksheets supplied by PARITY®, the use of PARITY® facilities being the sole risk of the prospective bidder. Each Bidder is solely responsible for knowing the terms of the sale as set forth herein.**

**Disclaimer.** Each **PARITY®** prospective electronic bidder shall be solely responsible to make necessary arrangements to access **PARITY®** for the purpose of submitting its bid in a timely manner and in compliance with the requirements of this Notice. Neither the Issuer nor **PARITY®** shall have any duty or obligation to undertake such arrangements to bid for any prospective bidder or to provide or assure such access to any prospective bidder, and neither the Issuer or **PARITY®** shall be responsible for a bidder's failure to make a bid or for the proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, **PARITY®**. The Issuer is using **PARITY®** as a communication mechanism, and not as the Issuer's agent, to conduct the electronic bidding for the Bonds. The Issuer is not bound by any advice and determination of **PARITY®** to the effect that any particular bid complies with the terms of this Notice and in particular the bid requirements herein set forth. All costs and expenses incurred by prospective bidders in connection with their subscription to, arrangements with and submission of bids via **PARITY®** are the sole responsibility of the bidders; and the Issuer is not responsible directly or indirectly, for any of such costs or expenses. If the prospective bidder encounters any difficulty in arranging to bid or submitting, modifying or withdrawing a bid for the Bonds, the prospective bidder should telephone **PARITY®** at (212) 849-5021 or (212) 849-5023. If any provision of this Notice shall conflict with information provided by **PARITY®**, this Notice shall control.

For the purpose of the electronic bidding process, the time as maintained on **PARITY®** shall constitute the official time.

### **Certifying Agent, Registrar, Paying Agent and Transfer Agent**

The Bonds will be authenticated by U.S. Bank Trust Company, National Association, Hartford, Connecticut. U.S. Bank Trust Company, National Association will also act as Registrar, Paying Agent and Transfer Agent.

### **Delivery, Payment and Closing Requirements**

At or prior to the delivery of the Bonds the purchaser shall be furnished, without cost, with (a) the approving opinion of Pullman & Comley, LLC of Hartford, Connecticut, Bond Counsel ("Bond Counsel") (see "Bond Counsel Opinion" below); (b) a signature and no litigation

certificate, in form satisfactory to said firm, dated as of the date of delivery of the Bonds, and stating that there is no litigation pending, or to the knowledge of the signer or signers thereof threatened, affecting the validity of the Bonds or the power of the Issuer to levy and collect taxes to pay them; (c) a signed copy of the Official Statement prepared for this bond issue; (d) a certificate of Issuer Officials relating to the accuracy and completeness of the Official Statement; (e) a Continuing Disclosure Agreement; and (f) a receipt of payment for the Bonds.

The Bonds will be delivered against payment in immediately available federal funds through the facilities of DTC, New York, New York or its agent via Fast Automated Securities Transfer (“FAST”) on or about October 1, 2025 (the “Closing Date”).

The Issuer will have no responsibility to pay for any expenses of the purchaser except to the extent specifically stated in this Notice of Sale. The purchaser will have no responsibility to pay for any of the Issuer’s costs of issuance except to the extent specifically stated in this Notice of Sale.

The purchaser will be responsible for the clearance or exemption with respect to the status of the Bonds for sale under securities or “Blue Sky” laws and the preparation of any surveys or memoranda in connection with such sale. The Issuer shall have no responsibility for such clearance, exemption or preparation.

### **Bond Counsel Opinion**

The legality of the issue will be passed upon by Bond Counsel, and the purchaser will be furnished with its opinion, without charge, substantially in the form set forth in Appendix B to the Official Statement. The opinion will state that the Bonds are valid and binding obligations of the Issuer. If the Competitive Sale Rule (as defined below in the “Establishment of Issue Price” section) is met, Bond Counsel will require as a precondition to release of its opinion that the purchaser of such Bonds deliver to it a completed “issue price” certificate, or similar certificate, regarding expectations or public offering prices, as applicable, with respect to the Bonds awarded to such bidder, as described below under “Establishment of Issue Price”.

### **Establishment of Issue Price**

In order to provide the Issuer with information that enables it to comply with certain requirements of the Internal Revenue Code of 1986 (the “Code”), relating to the exclusion of interest on the Bonds from the gross income of their owners, the winning bidder will be required to complete, execute, and deliver to the Issuer at or prior to the delivery of the Bonds an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the Public (the “Initial Offering Price”) or the actual sales price or prices of the Bonds, as circumstances may determine, together with the supporting pricing wires or equivalent communications, with such modifications as may be appropriate or necessary, in the reasonable judgment of Bond Counsel. Communications relating to this “Establishment of Issue Price” section, the completed certificate(s) and any supporting information shall be delivered to (1) Bond Counsel at Glenn G. Rybacki, Esq., Pullman & Comley, LLC, 90 State House Square, Hartford, CT 06103, Telephone: (860) 424-4391, E-mail: [grybacki@pullcom.com](mailto:grybacki@pullcom.com) and (2) the Municipal Advisor at Barry J. Bernabe, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street,

Milford, CT 06460, Telephone: (203) 283-1110, E-mail: bbernabe@muniadvisors.com (the “Municipal Advisor”). Questions related to this “Establishment of Issue Price” section should be directed to Bond Counsel or the Municipal Advisor. For purposes of this “Establishment of Issue Price” section, Bond Counsel may act on behalf of the Issuer and the Municipal Advisor may act on behalf of the Issuer.

By submitting a bid, each bidder is certifying that its bid is a firm offer to purchase the Bonds, is a good faith offer which the bidder believes reflects current market conditions, and is not a “courtesy bid” being submitted for the purpose of assisting in meeting the competitive sale requirements relating to the establishment of the “issue price” of the Bonds pursuant to Section 148 of the Code, including the requirement that bids be received from at least three (3) underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds.

By submitting a bid, a bidder represents to the Issuer that it has an established industry reputation for underwriting new issuances of municipal bonds such as the Bonds, represents that such bidder’s bid is submitted for or on behalf of such bidder by an officer or agent who is duly authorized to bind the bidder to a legal, valid and enforceable contract for the purchase of the Bonds, and understands that upon award by the Issuer that this Notice of Sale constitutes a written contract between such bidder, as winning bidder, and the Issuer.

By submitting a bid, the bidder agrees that if the Competitive Sale Rule (as set forth below) is not met, it will satisfy either the Actual Sales Rule (as set forth below) or the Hold-the-Offering-Price Rule (as set forth below).

Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied.

***Notification of Contact Information of Winning Bidder.*** Promptly upon award, the winning bidder shall notify the Municipal Advisor and Bond Counsel of the contact name, telephone number and e-mail address of the person(s) of the winning bidder for purposes of communications concerning this “Establishment of Issue Price” section.

***Competitive Sale Rule.*** The Issuer intends that the provisions of Treasury Regulations Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “Competitive Sale Rule”) because:

- (1) the Issuer shall disseminate, or have disseminated on its behalf, this Notice of Sale to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Issuer anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

- (4) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the lowest true interest cost (“TIC”), as set forth in this Notice of Sale.

***Competitive Sale Rule Met.*** The Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder if the Competitive Sale Rule has been met. Within two (2) hours of award (or such other time as agreed to by Bond Counsel), the winning bidder shall provide Bond Counsel and the Municipal Advisor, via e-mail, a completed “ISSUE PRICE CERTIFICATE” in the form attached hereto as Attachment A.

***Competitive Sale Rule Not Met.*** In the event that the Competitive Sale Rule is not satisfied, the Issuer, or the Municipal Advisor on behalf of the Issuer, shall at the time of award advise the winning bidder. The Issuer may determine to treat (i) the first price at which ten percent (10%) of a Maturity of the Bonds (the “Actual Sales Rule”) is sold to the Public as the issue price of that Maturity, and/or (ii) the Initial Offering Price to the Public as of the Sale Date of any Maturity of the Bonds as the issue price of that Maturity (the “Hold-the-Offering-Price Rule”), in each case applied on a Maturity-by-Maturity basis. In the event that the Competitive Sale Rule is not satisfied, the winning bidder, by 4:30 p.m. (E.T.) on the Sale Date, shall notify and provide, via e-mail, Bond Counsel and the Municipal Advisor (I) of the first price at which ten percent (10%) of each Maturity of Bonds has been sold to the Public and (II) reasonable supporting documentation or certifications of such price the form of which is acceptable to Bond Counsel; i.e., those Maturities of the Bonds that satisfy the Actual Sales Rule as of the Sale Date. After such receipt, the Issuer, or Bond Counsel on behalf of the Issuer, shall promptly confirm with the winning bidder, via e-mail, which Maturities of the Bonds shall be subject to the Actual Sales Rule and which Maturities shall be subject to the Hold-the-Offering-Price Rule.

For those Maturities of Bonds subject to the Hold-the-Offering-Price Rule, the winning bidder shall (i) provide Bond Counsel (via e-mail) a copy of pricing wire or equivalent communication for the Bonds (ii) confirm that each Underwriter (as defined below) has offered or will offer all of the Bonds to the Public on or before the date of award at the Initial Offering Prices and (ii) agree, on behalf of each Underwriter participating in the purchase of the Bonds, that each Underwriter will neither offer nor sell unsold Bonds of any Maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price for such Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price.

The winning bidder shall promptly advise Bond Counsel and the Municipal Advisor, via e-mail, when the Underwriters have sold ten percent (10%) of that Maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price, if that occurs prior to the close of the fifth (5th) business day after the Sale Date.



By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the Actual Sales Rule has been satisfied as to the Bonds of that Maturity or all Bonds of that Maturity have been sold to the Public and (B) comply with the Hold-the-Offering-Price Rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a Related Party (as defined below) to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale.

**Definitions.** For purposes of this “Establishment of Issue Price” section:

- (1) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (2) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (3) “Related Party” generally means any two or more persons who have greater than 50% common ownership, directly or indirectly.
- (4) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

## **Official Statement**

For more information regarding the Bonds or the Issuer, reference is made to the Preliminary Official Statement dated September 10, 2025 (the “Official Statement”) describing the Bonds and the financial condition of the Issuer. The Preliminary Official Statement is available in electronic format at <https://munihub.com>, and such electronic access is being provided as a matter of convenience only. Copies of the Preliminary Official Statement may be obtained from Barry J. Bernabe, Phoenix Advisors, a division of First Security Municipal Advisors, Inc., 53 River Street, Milford, CT 06460, Telephone: (203) 283-1110, E-mail: [bbernabe@muniadvisors.com](mailto:bbernabe@muniadvisors.com). The Issuer deems such Official Statement to be a final official statement for purposes of complying with Securities and Exchange Commission Rule 15c2-12 (the “Rule”), but such Official Statement is subject to revision or amendment as appropriate. The Issuer will make available to the purchaser a reasonable number of copies of the final Official Statement at the Issuer’s expense, and the final Official Statement will be made available to the purchaser by no later than the earlier of the delivery of the Bonds or by the seventh (7th) business day after the day bids on the Bonds are received. If the Issuer’s Municipal Advisor, is provided with the necessary information from the purchaser by 12:00 o’clock noon on the day after the Sale Date, the copies of the final Official Statement will include an additional cover page and other pages, if necessary, indicating the interest rates, rating(s), yields or reoffering prices and the name of the managing underwriter of the Bonds, and any corrections. The purchaser shall arrange with the Municipal Advisor the method of delivery of the copies of the final Official Statement to the purchaser. Additional copies of the final Official Statement may be obtained by the purchaser at its own expense by arrangement with the printer.

## **Continuing Disclosure Agreement**

As required by the Rule, the Issuer will undertake, pursuant to a Continuing Disclosure Agreement (the “Agreement”), to provide annual financial information and operating data including audited financial statements, notice of the occurrence of certain events with respect to the Bonds within ten (10) business days of such event, and timely notice of any failure by the Issuer to provide annual reports on or before the date specified in the Agreement. A form of the Agreement is attached to the Official Statement as Appendix C. The purchaser’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to delivery of the Bonds, an executed Agreement.

TOWN OF SIMSBURY, CONNECTICUT

MARC NELSON  
Town Manager

AMY MERIWETHER  
Treasurer

September 10, 2025

**ATTACHMENT A**

**ISSUE PRICE CERTIFICATE**

*(If Competitive Sale Rule Met)*

TOWN OF SIMSBURY, CONNECTICUT  
\$ \_\_\_\_\_ GENERAL OBLIGATION BONDS, ISSUE OF 2025  
Dated October 1, 2025

The undersigned, on behalf of [UNDERWRITER] (“[SHORT NAME OF UNDERWRITER]”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. ***Due Authorization.*** The undersigned is a duly authorized representative of [SHORT NAME OF UNDERWRITER], the purchaser of the Bonds.

2. ***Purchase Price.*** The TOWN OF SIMSBURY, CONNECTICUT (the “Issuer”) sold to [SHORT NAME OF UNDERWRITER], for delivery on or about October 1, 2025, the Bonds at a price of par (\$ \_\_\_\_\_), plus an aggregate net premium of \$ \_\_\_\_\_ and less an underwriter’s discount of \$ \_\_\_\_\_, resulting in an aggregate net purchase price of \$ \_\_\_\_\_.

3. ***Reasonably Expected Initial Offering Price.***

(a) As of September 17, 2025 (the “Sale Date”), the reasonably expected initial offering prices of the Bonds to the Public by [SHORT NAME OF UNDERWRITER] are the prices listed in **Schedule A** (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by [SHORT NAME OF UNDERWRITER] in formulating its bid to purchase the Bonds. Attached as **Schedule B** is a true and correct copy of the bid provided by [SHORT NAME OF UNDERWRITER] to purchase the Bonds.

(b) [SHORT NAME OF UNDERWRITER] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by [SHORT NAME OF UNDERWRITER] constituted a firm offer to purchase the Bonds.

4. ***Defined Terms.***

(a) “Maturity” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) “Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an

Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than fifty percent (50%) common ownership, directly or indirectly.

(c) “Underwriter” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this definition to participate in the initial sale of the Bonds to the Public (including a member of the selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

5. ***Representations and Information.*** The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents [SHORT NAME OF UNDERWRITER]’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder (collectively, the “Code”). The undersigned understands that the foregoing information will be relied upon by the Issuer in making its certification as to issue price of the Bonds under the Code and with respect to compliance with the federal income tax rules affecting the Bonds. Pullman & Comley, LLC, bond counsel, may rely on the foregoing representations in rendering its opinion on the exclusion from federal gross income of the interest on the Bonds, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer relating to the Bonds. Except as set forth above, no third party may rely on the foregoing certifications, and no party may rely hereon for any other purpose.

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of September \_\_\_, 2025.

[UNDERWRITER]

By: \_\_\_\_\_  
Name:  
Title:

**Schedule A to Issue Price Certificate**

<u>Maturity, April 1</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>	<u>Price (\$, not Yield)</u>
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			

**Schedule B to Issue Price Certificate**

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