

Town of Newtown
Special Pension Committee Meeting
December 19, 2019, 7:30pm
Town Hall South, 3 Main Street, Lower Meeting Room

THE FOLLOWING MINUTES ARE SUBJECT TO APPROVAL BY THE PENSION COMMITTEE.

1. Meeting called to order by Chairman Ellen Whalen at 7:38 pm.

Committee Members in attendance: Guy Howard, Scott Schwartz, Ellen Whalen and Paula Wickman. Members absent: Sam Broomer, Patrick Burke and Charles Farfaglia

2. Minutes

Scott Schwartz motioned to approve the minutes of the November 21, 2019 meeting; Guy Howard seconded. All in favor and motion passes.

3. Correspondence

None

4. Retirements/Expenses Payment Approval

Retirements

The benefit payment for Eugene Schaniel was presented. Paula Wickman made a motion to approve the payment for Eugene Schaniel. Scott Schwartz seconded. All in favor and motion passes.

Expenses

An expense for Pullman & Comley was presented. E. Whalen mentioned invoice reflected little detail regarding charges presented and has asked the firm to revise invoice and resubmit. Future invoices will not be approved unless sufficient detail is provided for fees.

5. Old Business

Pension/OPEB Investment Policy Guidelines

Pension Committee members reviewed Final Draft of Pension Investment Policy Guidelines. Guy Howard suggested changes to the IPS. Mrs. Whalen will incorporate changes and resubmit IPS at next Pension Committee meeting January 16th.

Governance Calendar 2020

The Governance Calendar for the year was discussed. Suggestions regarding review of Trust Asset Reports and Trust Performance were discussed. Minor revisions will be made. Revised Calendar will be submitted at next PC meeting.

6. New Business

Pension Actuarial Report as of July 1, 2019- Police, Board of Selectman, Elected Officials

Mrs. Whalen provided PC Members with copies of the Pension Actuarial Reports as of July 1, 2019, for the Police, Town (Selectmen and Board of Ed) and Elected Officials Plans. Reports were prepared by Dave Leonard, Actuary, TR Paul. The total recommended contribution for July 1, 2020 is \$2.4 million vs \$2.3 million for July 1, 2019. Increase relates to an increased number of terminations in the Plans for the year. Dave Leonard will discuss the Actuarial Reports in detail with the Committee at the February PC meeting. Bob Tait, Finance Director, presented the contribution information to the Board of Finance December 9th.

November 30, 2019 Trust Market Value/Performance Review

Trust Market Value as 11/30/19 is \$48.9 million; OPEB market value as of 11/30/19 is \$3.1 million. Performance data from FIA not received to date.

Service Provider Meeting Schedule – 2020

Stephen Chyrida, Actuary, Hooker & Holcombe will meet with the Pension Committee January 16th to discuss the July 1, 2018 OPEB Actuarial (GASB 45) Report. Bob Tait, Finance Director will also attend meeting to discuss the role of the Medical Benefits Committee in conjunction with OPEB. E. Whalen noted TR Paul, Administrative Group, Newtown, will be contacted to schedule a meeting with PC for March meeting.

Meeting with First Selectman, Finance Director, HR Manager

Meeting with First Selectman will be discussed in the New Year.

Other

Guy Howard notified Mrs. Whalen he will be resigning from the Pension Committee effective immediately. Guy will be missed. We thank Guy for all his efforts and contributions to the Pension Committee. The Committee has benefitted from his extensive Investment knowledge.

7. Voter Comment

None

8. Date of Next Meeting: January 16, 2019

Town Hall South, 3 Main Street, Lower Meeting Room.

9. Adjourn

With no further business, Scott Schwartz motioned to adjourn meeting, Paula Wickman seconded, all in favor. Meeting adjourned at 8:37pm.

Respectfully submitted,
Kiley Gottschalk, Clerk

Attachments

Town of Newtown Pension Plan—Selectman, BOE and Police PART 1

Town of Newtown Pension Plan—Selectman, BOE and Police PART 2

Pension Report – November 2019

OPEB Report November 2019

December 4, 2019

The Honorable Dan Rosenthal
TOWN OF NEWTOWN
Edmond Town Hall
3 Primrose St.
Newtown, CT 06470

Re: Town of Newtown Pension Plan - Selectmen and
Board of Education Personnel & Elected Officials Pension Plan
& Police Union Pension Plan
Our File No. 2823

Dear First Selectman Rosenthal:

We are pleased to present your Annual Valuation Report as of July 1, 2019. Again this year we have separated the report into two sections, with Part I containing the general calculations and disclosures, and Part II covering the individual participants benefit data.

For the 2020-2021 Fiscal Year of the Town, our recommended contributions are as follows:

	<u>Recommended (2020-21)</u>	<u>Prior Year (2019-20)</u>
Selectmen	\$ 687,277	\$ 720,920
Police (see separate rpt.)	<u>1,083,679</u>	<u>988,509</u>
Total Town of Newtown	\$1,770,956	\$1,709,429
Board of Education:	\$ 703,387	\$ 669,083

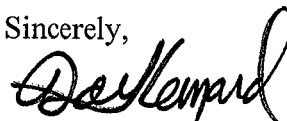
The above amounts are based on the July 1, 2019 valuation results projected forward to be applicable to the following fiscal year, and have been calculated using a 7.0% assumed discount rate.

If the deposits are to be made substantially later than July 1, 2019, interest at 7.0% per annum should be added.

Please see the General Comments section of the valuation report for information regarding changes in the plan's contribution requirements. At the end of the report is the information on the Elected Officials Pension Plan.

Please let me know if you have any questions or comments concerning this report.

Sincerely,



David G. Leonard, A.S.A.
Account Executive

cc: Ellen Whelan
Robert Tait

ACTUARIAL CERTIFICATION

This report has been prepared in accordance with generally accepted actuarial standards and procedures and conforms to the Guidelines for Professional Conduct of the American Academy of Actuaries.

The valuation is based on employee and plan financial data which were provided by the Plan Administrator, Plan Trustee, and various financial institutions. All information submitted to us has been reviewed for reasonableness and consistency, but has otherwise been accepted and relied upon without audit. The plan provisions and other material assumptions are disclosed in report in their respective sections.

Projected mortality improvements have been recognized through the use of RP 2014 SOA Blue Collar tables with projection scale MP-2018. This represents a change from 2017 when the prior year's projection scale, MP-2017 was employed (also with Blue Collar tables).

To the best of our knowledge, the information supplied in this report is complete and accurate.

Future actuarial measurements may differ significantly from the current measurement presented in this report due to such factors as the following: plan experience differing from that anticipated; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

I, David G. Leonard, A.S.A., E.A., am a member of the Society of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained here



David G. Leonard, A.S.A.

Enrollment #17-03604

12/4/19

Date

ANNUAL VALUATION REPORT
FOR
TOWN OF NEWTOWN PENSION PLAN
POLICE DEPARTMENT PERSONNEL
AS OF JULY 1, 2019

Prepared by:

David G. Leonard, ASA
T R PAUL, INC.

December 4, 2019

TOWN OF NEWTOWN PENSION PLAN – POLICE PERSONNEL

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TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

I. HIGHLIGHTS

This section of the report summarizes the results of the July 1, 2019 actuarial valuation and provides a comparison with the results of the prior valuation. The development of these items for the current valuation is shown in the remaining sections of the report. The percentage in parenthesis express each amount as a percentage of covered payroll:

	July 1, 2019 <u>Valuation</u>	July 1, 2018 <u>Valuation</u>
1. Recommended Annual Contributions:*	\$1,083,679 (29.0%)	\$988,509 (27.1%)
2. Covered Payroll of Participants (covered earnings for the fiscal year preceding the valuation date)	\$3,736,280	\$3,651,597
3. Net Normal Cost (EAN)	\$341,402 (9.1%)	\$343,564 (9.4%)
4. Accrued Actuarial Liability (EAN)	\$25,190,605	\$24,010,717
5. Assets - Market Value (MV)	\$17,239,221	\$16,313,268
- Valuation Assets (VA)	\$17,434,015	\$16,666,070
6. Unfunded Accrued Liability (VA)	\$7,756,590	\$7,344,647
7. Actuarial Value of Benefits (total plan):		
a. Value of Vested Accrued Benefits	\$22,232,922	\$20,778,570
b. Value of Non-Vested Accrued Bens.	\$193,470	\$107,780
c. MV Assets in excess of Vested Benefits (5 minus 7a)	(\$4,993,702)	(\$4,465,302)
8. Number of Participants:		
a. Active Participants	38	39
b. Retirees, DROPs, Benef., & Alt Payees	32	31
c. Terminated Vested Participants (includes refunds only due)	<u>3</u>	<u>4</u>
d. Total	73	74

* Calculated assuming beginning of the next fiscal year payment, for that fiscal year.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

II. GENERAL COMMENTS

The recommended contribution produced by the July 1, 2019 valuation increased \$95,170, to a recommended level of \$1,083,679 for the 2020-21 fiscal year.

A summary of the factors in the change for the year reveals the following:

Chg in Active Norm. Cost (N.C):	\$ 14,523
Valuation Asset Losses:	39,955
Retiring Members N.C.:	(9,791)
Change in Assumptions (phased in interest rates)	51,690
Misc. Actuarial Factors:	(1,207)
 Total Changes:	 \$ 95,170

There was one more member who took advantage of the DROP program for July 1, 2019, but other than that the workforce was remarkably stable during the year. Salaries among continuing active members increased by of 4.8%, which drove the normal costs up slightly but not significantly.

The increase in the plan costs came from two primary factors, both of which were predictable going in to the calculation process. The first was the change in assumptions that was scheduled to kick in as the third part of the phased reduction in interest rate from 7.5% to 7.0%.

The second was the trust performance, both the recognition of prior year's losses and the impact of this year's 5.22% return.

The smoothed valuation asset yield was 4.58%, as past losses (and gains) continue to be worked off. We anticipate that next year's valuation will include recognized losses that will increase the recommended contribution by \$24,741 and this has been built into the 2020-21 recommendation. The valuation asset cost factor shown above includes this bump, but also nets out last year's projected recognition losses.

The plan's funding ratios for actuarial liability increased by a half percent, while the present values of accrued benefits funded level decreased a little more than 1% to 77%.

Note that the trust assets in this report differ from the GASB statement in that prepaid benefits are not included in the GASB disclosures. Additionally, the GASB liabilities represent a projection from the prior year's base results. The July 1, 2019 liabilities in this report are substantially less than the projections from last year, due to the number of retirees and terminations. This will result in an actuarial gain in next year's GASB beginning balances. Note that all town plans are combined for GASB purposes.

Finally, there is a new disclosure which we have prepared called the ASOP-51. This is a required discussion regarding risk factors and their impact on the valuation results, both now and in the future. We have attached this new item as an appendix to this report. Its purpose and results are described in greater detail in the document itself.

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL
III. PLAN ASSETS

A. Summary

Investment	07/01/2018 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income	Trust Expenses	Transfer EE's Distributions	Transfers out	06/30/2019 Ending Balance
ER Contrib. Receivable/(Payable)	0	0	0	0	0	0	0	0
EE Contrib. Receivable	2,439	0	11,950	0	0	0	0	14,389
Distribution Due PARS	(3,095)	0	0	0	0	1,401	0	(1,693)
Prepaid Benefits	166,777	0	0	0	0	27,656	0	194,433
<u>Wells Fargo / Westport Resources</u>								0
Cash	346,923	2,254,873	449,022	1,103,164	(110,548)	(2,325,891)	(1,625,076)	92,467
Investments	42,450,530	0	0	1,260,798	0	0	1,625,076	45,336,404
Accrued Interest	2,604	0	0	(2,277)	0	0	0	328
<u>PLAN TOTALS</u>	42,966,178	2,254,873	460,972	2,361,685	(110,548)	(2,296,834)	0	45,636,327

Distribution of Assets by Department

Plan Category	07/01/2018 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income	Distributions*	06/30/2019 Ending Balance	06/30/2019 Valuation Asset Balance
Town Plan	26,552,508	1,268,930	266,781	1,403,319	(1,215,537)	28,276,001	28,595,505
Elected officials	100,404	10,972	3,685	6,045	0	121,106	N/A
Police Plan	16,313,268	974,971	190,278	842,000	(1,081,296)	17,239,221	17,434,015
Grand Total	42,966,179	2,254,873	460,744	2,251,364	(2,296,834)	45,636,327	46,029,520

* Income reduced for trust expenses; allocated on a weighted basis. Distributions adjusted for internal employee transfers.

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

III. PLAN ASSETS (Continued)

C. SMOOTHED VALUATION ASSET AND UNRECONGNIZED (G)/L DETAIL- INCLUDES TOWN AND POLICE PLAN

Smoothed Valuation Asset Calculation

	Transition Year <u>07/01/2014</u>	<u>06/30/2015</u>	<u>06/30/2016</u>	<u>06/30/2017</u>	<u>06/30/2018</u>	<u>06/30/2019</u>	<u>06/30/2020</u>
Actuarial Value of Assets	\$36,445,798						
Market Value of Assets	34,676,083	35,698,524	34,740,866	39,623,234	42,865,776	45,515,221	
Unrecognized (G)/L	1,769,715						
Recognized in Year (for 6/30/15)	(442,429)						
Expected Earnings at Market Value (7.50%/7.00%)*		2,662,813	2,730,057	2,680,400	2,792,502	3,086,159	
Actual Earnings MV		977,145	(1,017,424)	4,614,032	2,921,062	2,316,920	
Actuarial (Gain)/Loss on MV		1,685,668	3,747,481	(1,933,631)	(128,559)	769,239	
Recognition of current years (Gain)/Loss		(337,134)	(749,496)	386,726	25,712	(153,848)	

Anticipated Unrecognized (Gain)/Loss for Future Years

Remaining Unrecognized (G)/L - 7/1/14 Trans.	1,327,286	1,061,829	707,886	353,943	0	0
Remaining Unrecognized (G)/L - 6/30/15 (G)/L	1,348,534	1,011,401	674,267	337,134	0	0
Remaining Unrecognized (G)/L - 6/30/16 (G)/L		2,997,985	2,248,489	1,498,992	749,496	0
Remaining Unrecognized (G)/L - 6/30/17 (G)/L			(1,546,905)	(1,160,179)	(773,453)	(386,726)
Remaining Unrecognized (G)/L - 6/30/18 (G)/L				(102,848)	(77,136)	(51,424)
Remaining Unrecognized (G)/L - 6/30/19 (G)/L					615,391	461,543
Total Unrecognized (Gains)/Losses	2,675,820	5,071,214	2,083,737	927,043	514,299	23,393
Market Value of Assets - EOY	35,698,524	34,740,866	39,623,234	42,865,776	45,515,221	
Total Unrecognized (Gain)/Loss	2,675,820	5,071,214	2,083,737	927,043	514,299	
Actuarial Value of Assets - EOY	\$38,374,344	\$39,812,081	\$41,706,971	43,792,819	46,029,520	

* Calculated using weighted contributions - ER by date, EE at 50%, Distrib at 50%. 7.00% interest assumption effective July 1, 2017 forward.

Note: 6/30/2015 Valuation Assets shown above based on the "new" method and do not equal the Valuation Assets used for the July 1, 2015 valuation Report.
Outstanding balance of 2018 & 2019 unrecognized gains for 2021-22 Valuations not shown.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

IV. ANNUAL VALUATION - JULY 1, 2019

a. Calculation of Recommended Contributions

	7.0%
1. Gross Normal Cost as of 7/1/2019	\$523,876
2. Expenses	10,000
3. Expected Employee Contributions	192,475
4. Net Normal Cost (1 + 2 - 3) as of 7/1/2019	341,402
5. Accrued Liability:	
i. Active Employees	11,997,118
ii. Inactive Employees	593,219
iii. Retired Participants (includes DROP)	12,600,268
6. Total Accrued Liability	\$25,190,605
7. Valuation Assets - Smoothed Value	17,434,015
8. Unfunded (overfunded) Accrued Liability (6 - 7)	7,756,590
9. Amortization of Unfunded (Overfunded) Accd. Liability*	701,820
10. Normal Cost plus Amortization as of 7/1/2019 (4 + 9)	1,043,222
11. Recommended Contribution for 2020-2021 to be paid 7/01/2020 (10 adjusted for time passage**)	\$1,083,679

* Initial EAN Base amortized over 20 years. Future (gains)/losses will be amortized over 10 years

** 2020 adjustment takes into account the expected increases from unrecognized trust asset losses for 2020, plus normal cost increases assumed in the funding method.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

IV. ANNUAL VALUATION - JULY 1, 2020

b. Summary of Funding Bases

Summary of Funding Bases	Initial Base	Rem. Bal. -19	Min. Amort.	Rem. Yrs (at min)
Initial Base - 7/1/17	\$ 7,231,035	\$ 7,305,048	\$ 637,905	18
(Gain)/Loss/Amend/Changes - 2018	\$ (121,706)	\$ (119,077)	\$ (17,328)	9
(Gain)/Loss/Amend/Changes - 2019	\$ 570,618	\$ 570,618	\$ 81,243	10
Totals	\$ 7,679,947	\$ 7,756,590	\$ 701,820	

Funding Bases shown at 7.0%.

If remaining balance is greater than the initial base, then negative amortization has occurred.

- this is an expected result based on the phasing in of the 7.0% discount assumption.

- all payment amounts will be revised the next time the discount assumption is changed.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

IV. ANNUAL VALUATION - JULY 1, 2020

c. GASB Statement 67 and FASB
Statement 35/36 Information

I. ACCRUED ACTUARIAL LIABILITY (7.0%)

a. Retirees/Benefic./Terminated	\$13,193,487
b. Current Employees	
I. EE Contr. & Intr.	2,907,952
II. ER Financed Vested	8,080,053
III. ER Financed Non-Vested	1,009,113
c. TOTALS	25,190,605
d. ASSETS - Market Value	17,239,221
e. FUNDED RATIO (7/1/2019)	68.44% - at 7.00%
f. FUNDED RATIO (7/1/2018)	67.94% - at 7.00%
<i>- These results will differ from the actual GASB disclosures, which are based on projected liabilities in order to ensure timely delivery.</i>	

II. PRESENT VALUE OF ACCRUED BENEFITS (PVAB)

a. Retirees/Benefic./Terminated	\$13,193,487
b. Current Employees	
I. EE Contr. & Intr.	2,907,952
II. ER Financed Vested	6,131,483
III. ER Financed Non-Vested	193,470
c. TOTALS	22,426,392
d. ASSETS - Market Value	17,239,221
e. FUNDED RATIO (7/1/2019)	76.87% - at 7.00%
f. FUNDED RATIO (7/1/2018)	78.10% - at 7.00%

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

V. HISTORY OF PLAN CONTRIBUTIONS AND LIABILITIES

Plan Year Beginning	Participants Act. - Other		Compensation	Accrued Liability	Market Value Assets	Unfunded Accrued Liability**	Recommended Contribution	(***)	Actual Town Contribution
1/1/1990	28	3	\$1,028,594	\$1,897,742	\$1,570,259	\$327,483	\$105,873	(10.29%)	\$120,889
7/1/1995	34	6	1,603,088	4,116,224	3,468,628	647,596	209,628	(13.08%)	209,628
7/1/2000	36	13	1,768,798	6,912,642	7,444,398	(531,756)	102,234	(5.78%)	150,000
7/1/2005	42	16	2,637,458	9,515,132	8,763,251	751,881	214,000	(8.11%)	213,647
7/1/2010	46	23	3,579,566	12,755,035	9,897,841	2,857,194	460,540	(12.87%)	472,764
7/1/2014	40	28	3,393,213	16,582,292	13,696,532	2,885,760	615,427	(18.14%)	615,427
7/1/2015	43	30	3,793,179	18,056,413	14,059,437	3,996,976	586,601	(15.46%)	586,601
7/1/2016	43	32	3,809,065	19,153,240	13,586,528	5,566,712	685,944	(18.01%)	685,944
7/1/2017	42	32	3,888,389	23,082,423	15,078,119	8,004,304	814,974	(20.96%)	814,974
7/1/2018	39	35	3,658,639	24,010,717	16,313,268	7,697,449	974,971	(26.65%)	974,971
7/1/2019	38	35	3,736,280	25,190,605	17,239,221	7,951,385	988,509	(26.46%)	

* Compensation shown is expected for the twelve months following the valuation date for active members only.

**Based on Market Value, not Valuation Assets.

*** Figures in parenthesis are Recommended Contribution as a percentage of compensation. Recommended Contribution is based on prior year's valuation rolled forward, not on current valuation. The 2019 valuation produced a Recommended Contribution of \$1,083,679 for the 2020-2021 plan year.

**** Beginning 7/1/2017 the actuarial liability is calculated at a 7.0% interest rate.

TOWN OF NEWTOWN PENSION PLAN POLICE PERSONNEL

VI. PARTICIPANT DATA RECONCILIATION

The total number of active plan participants as of the current valuation date is reconciled with the total number as of the prior valuation date as follows:

	<u>Police Personnel</u>
Number of Active Participants as of July 1, 2018:*	39
Decreases:	
Non-Vested Terminations:	0
Vested Terminations:	0
Retirements (DROP Actives):	(1)
Deaths, Withdrawals:	<u>0</u>
Total Increases/(Decreases):	(1)
New Entrants during 2018-2019:	<u>0</u>
Net Change:	(1)
Number of Active Participants as of July 1, 2019:*	38
Also as of July 1, 2019:	
Total Vested Terminated (incl. refunds due):	3
Total Retired:**	<u>32</u>
TOTAL PARTICIPANTS:	73

* Active participants include members beyond their
Normal Retirement Dates.

** Includes Alternate Payee, Beneficiaries and DROP participants.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

APPENDIX APENSION TRUST SUMMARY

PLAN SPONSOR: Town of Newtown
 EFFECTIVE DATE: July 1, 1965
 ANNIVERSARY DATE: July 1 of each year.
 VALUATION DATE: July 1, 2019

DEFINITIONS

Compensation: Total compensation limited each year to 125% of base compensation.
 Final Average Compensation includes the participants highest 36 consecutive months.

Participation: Eligibility - Service: 6 Months
 Maximum Age: 60

The Plan was closed to new entrants as of May 5, 2015.

Entry Date: On the first day of the month following satisfaction of eligibility.

Service: Continuous employment with the Town.

Credited Service: Service used in the determination of plan benefits. Includes all service except:

- (1) Service in excess of 30 years.
- (2) Service after July 1, 1965 during which an employee could have made employee contributions but did not.
- (3) Service prior to July 1, 1965 if an employee did not elect to be covered on that date.

Normal Retirement Date: First of the month coinciding with or following the earlier of:

- (1) Age 60 with at least 10 years of continuous Credited Service.
- (2) 25 years of Service at any age.

Early Retirement Date: Anytime after completing 20 years of Service.

Normal Retirement Benefit: 2.25% of Final Average Compensation times years of Credited Service.

PENSION TRUST SUMMARY - Continued

Early Retirement Benefit:	Accrued Benefit reduced 6% for each year prior to Normal Retirement Date.
Normal Form of Benefit:	Modified Cash Refund Annuity.
Disability:	
Eligibility:	At least one year of service and unable to work in any occupation.
Benefit:	2.25% of base salary times years of Credited Service subject to a minimum of 25% of base salary and one of the following maximums: <ul style="list-style-type: none"> (1) Job related disability - 85% of base salary less any other Town funded disability benefits (Social Security, Worker's Compensation, etc.). (2) Non-job related disability - 50% of base salary.
Pre-Retirement Spouse's Benefit:	The following benefits are available to the spouse of an actively employed policeman who dies: <ul style="list-style-type: none"> (1) Death incurred in the line of duty - 50% of a Policeman's Normal Retirement Benefit, assuming salary and service would have continued to Normal Retirement Date. There is no age or service requirement for this benefit. The benefit stops when the spouse remarries or dies. (2) Death not incurred in the line of duty - Benefit is equal to the 50% Joint and Survivor Benefit that would have been available if the policeman had retired on his date of death. Participant must have been eligible for Early or Normal Retirement to qualify for this death benefit. The benefit stops when the spouse remarries or dies.
Death Benefits:	Return of Employee Contributions plus interest (active and terminated only).
Vesting:	100% vesting in Employer portion of Normal Retirement Benefit at the completion of 10 years of Credited Service.
Cost of Living Adjustment:	
Eligibility:	There are three (3) retired members of the plan who are eligible for and receive Cost of Living Adjustments. There is no Cost of Living Adjustment for any other currently active or currently retired member.
Benefits:	Annual cost of living increased will be provided to eligible retired policemen in an amount equal to the smaller of: <ul style="list-style-type: none"> (1) 50% of the rate of salary increase for new policemen (2) 3%

PENSION TRUST SUMMARY - Continued

Special Buy Back:	Special provision which allowed L. Carlson, M. Fekete, J. Mooney and H. Stormer to resume employee contributions and buy back past contributions plus 5½% interest.
Military Buy Back:	MERF B type of military service buyback which allowed for the buyback of military service during the Korean and Vietnam hostilities by contributing 2% of earnings for each such year of service. In addition, another MERF B type of military service buyback which allowed for the buyback of 75% of military service which took place outside of the Korean and Vietnam hostilities by contributing 2% of earnings for each such year of credited military service.
Employee Contributions:	5% of Compensation for all members. Maximum contribution period is 30 years.

TOWN OF NEWTOWN PENSION PLAN - POLICE PERSONNEL

APPENDIX BACTUARIAL ASSUMPTIONSFUNDING METHOD

Entry Age Normal Method – This method calculates an annual normal cost for each active employee, and adds an amortization of the unfunded accrued actuarial liability for all participants. The initial funding base was re-established as of July 1, 2017 (when the funding method was changed from Projected Unit Credit), and will be amortized over 20 years. Future changes in accrued liability due to experience gains or losses, changes in assumptions, and/or plan provisions will be amortized over 10 years.

The July 1, 2019 Valuation was the first prepared fully based on 7% interest.

TRUST ASSET VALUATION METHOD

Valuation assets are calculated using a smoothing formula which recognizes variances from the assumed rate of return 20% per year. For 2015 and forward, each year's loss will be separately accounted for and recognized over five years.

<u>INTEREST ASSUMPTION</u>	Pre-Retirement:	7.0% Compounded Annually
	Post-Retirement:	7.0% Compounded Annually

MORTALITY ASSUMPTION RP-2014 Society of Actuaries Blue Collar Mortality Table, with future generational increases projected with the RP-2018 scale.

TURNOVER - Based on the closure of the plan to new entrants, and the historically low termination rates of veteran police officers, no turnover has been assumed starting with the July 1, 2017 valuation.

SALARY SCALE Salaries are assumed to increase at 3% per year starting one year after the Valuation Date. For the year following the Valuation Date we use the current base compensation increased by a factor that is based on the overtime percentage earned in the prior fiscal year.

RETIREMENT AGE Participants are assumed to retire at the later of their Normal Retirement Date, or age 50. If a participant is past the date as determined above, he is assumed to retire one year after the valuation date.

COLA -Assumed to be 1.5% annually when in force.

ESTIMATED EXPENSES - Direct expenses of the trust are assumed to be \$10,000.
(This is an increase over the prior level, which was \$7,000)

**TOWN OF NEWTOWN PENSION PLAN -
POLICE UNION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK

Introduction to ASOP 51 Disclosures for Funding Valuations

The Actuarial Standards Board adopted Actuarial Standard of Practice (ASOP) No. 51, “Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions”, effective with measurement dates on and after November 1, 2018.

ASOP 51 defines risk as “The potential of actual future measurements deviating from expected future measurements resulting from actual future experience deviating from actuarially assumed experience. For purposes of this ASOP, risk includes contribution risk.” Please note that ASOP 51 Risks are only a subset of the risks that may affect your Plan. This is because ASOP 51 Risks only include risks due to actual experience deviating from assumed experience.

Additional Information Regarding Assessment and Disclosure of Risks

The valuation of pension liabilities requires the use of certain assumptions to estimate events that are expected to occur in the future. These events can be economic, non-economic or demographic in nature. When actual experience in the future differs from the expected experience there is a direct effect on future pension liabilities. This in turn can impact both the funded position of the pension plan as well as the actuarially determined contribution (“ADC”).

Certain variables carry more risk than others. Included below is a brief explanation of those variables that can potentially have a significant effect on the plan’s future financial condition.

Actuarially Determined Contribution Compared to Actual Contribution

The ADC is calculated using an actuarial funding method. The ADC can vary from year to year as actual experience differs from that expected. The funding method’s intent is that if the ADC is deposited by the plan sponsor each year, then the plan would be sufficiently funded over the life of the plan so that promised benefits could be paid to all participants. An historical comparison of the ADC vs. contribution deposited by the plan sponsor for each plan year is shown in the GAS-67 report. The Sponsor currently and historically has contributed at least 100% of the ADC.

Risk Assessments

Investment volatility risk. There is an expectation that the assets of the pension plan will return an average long-term rate each year. If the actual annual net return on plan assets is consistently below the expected return then both the funded ratio and ADC would be negatively impacted – the funded ratio would be lower than expected and the ADC would be higher. For example, an asset “loss” (where loss is the value relative to expected growth) of 10% (about \$1.724M based on current values) in a given year would hypothetically cause the amortization portion of the ADC to increase on average by about \$229,000 for each of the next 10 years. Also, the funded ratio would decrease by about 8 percentage points. (Note: On a year-to-year basis, trust asset gains and losses are smoothed out but eventually, all losses and gains will impact the ADC.)

**TOWN OF NEWTOWN PENSION PLAN -
POLICE UNION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK (continued)

Investment return risk. The interest rate (which is equal to the Plan's expected return on assets rate) is used to discount the projected benefit payments from the Plan to calculate the present value of the accrued and total liabilities. Decreases in the interest rate (as noted above) will lead to increases in the Accrued Liability and the Normal Cost, which may increase contribution requirements. As an example, a decrease of 25 basis points (to 6.75%) would lead to an increase in Accrued Liability of about 3% and in Normal Cost of about 6%, yielding an increase in the ADC of about \$138,000 for each of the next 10 years. This dollar amount translates to an increase of 3.7 percentage points in the ADC as a % of pay (from 28.2% to 31.9% for 2020). Note that these changes in costs are estimates only, and we recommend a full review of the actuarial assumptions prior to the next valuation report, including a potential reduction in the assumed interest/discount rates.

Absent any further changes to the interest rate, or future asset and liability gains or losses, the Normal Cost is expected to remain constant each year as a level % of payroll based on the Plan's cost method.

Longevity risk. To the extent participants live longer than expected relative to the mortality assumptions, liabilities (and, thus, the ADC) will increase. We have used the latest projected mortality tables from the Society of Actuaries, however a new set of mortality tables, based on public plan employees, was recently released and we will examine its impact in the next year. We anticipate an increase in liabilities of about 3%-5% from the use of the new tables.

Demographic risk. Several other assumptions are made with respect to anticipated plan experience, including rates of termination, disability, and the retirement age. To the extent actual experience differs from expected, plan liabilities and normal cost can vary up or down.

Since most alternate benefit forms and payment dates provide roughly actuarially equivalent benefits, the level of demographic risk in your plan is small.

Salary Increases. Salary increases impact the cost of the plan and are reflected in the liabilities and the normal cost. Increases above that which are assumed will result in experience losses in the following year, while the inverse is true – lower than expected raises can lead to a decrease in liabilities and normal costs. For example, if the annual salary increase assumption of 3.0% was increased to 4.0%, liabilities would increase about 1% and the normal cost would increase about 10%, adding another \$66,000 to the ADC. While page 9 of report provides a multi-year history of salary levels, we are recommending a study of the actual continuing active increases over a period of time to determine if a change should be considered in the current assumption.

As a reminder, the liabilities included in the actuarial valuation report are based on those participants covered under the pension plan as of the valuation date. No assumption is included for employees expected to enter the pension plan in the future.

**TOWN OF NEWTOWN PENSION PLAN -
POLICE UNION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK (continued)

Plan Maturity Measures

Certain statistics can help to gauge the financial strength of the pension plan as well as to help identify risk that the plan might be subject to as it matures over time. Certain plan maturity statistics for the current valuation year are included below for your review and analysis. Historical statistics incorporating some of the prior year results may be found in the Highlights and History sections of this year's valuation report.

Ratio of Retiree Liability to Total Plan Liability

Ratio = 12,600,268 / 25,190,605 = 50.0%

A pension plan with a high ratio (for example, more than 50%) is considered to be a relatively mature plan since the primary liability is associated with former employees who are now in pay status. As a result, a large amount of plan assets is disbursed to retired participants to satisfy the monthly payments due to this group. Plan sponsors should consult with the investment advisors to the pension plan to determine whether plan assets are invested accordingly to account for the benefit outflows. For the Police plan, having a ratio of 50.0% indicates that the plan is becoming mature and in a few years we will want to review the cash flow needs as they relate to potential adjustments in investment strategies. Note that since your plans share a trust, the combined cash flow from both plans may be a better indicator of the plan's maturity and cash flow needs.

Ratio of Actuarially Determined Contribution to Total Covered Payroll

Ratio = 1,083,679 / 3,849,495 = 28.2% *(note this varies from the reported percentage in the valuation report due to a different measure of compensation being used.)*

Many plan sponsors find it helpful to look at the cost of the pension plan (on a cash basis) as a percentage of total covered payroll. Covered payroll is generally intended to mean total compensation for those employees actively accruing plan benefits during the year plan. An increase in this ratio (ADC/payroll) could be due to a number of different factors which may require further analysis. For example, the increase could result from a decline in the active population of a plan where participation for new employees is frozen - as the active group decreases over time, other experience factors (including those produced by an ever larger retiree group) can force a larger required contribution over a smaller salary base.

The GAS-67 report reveals that this measure, on a combined basis with the Town's plan, has been slowly rising from 6.76% in 2014 to 12.20% in 2019, although changes in actuarial assumptions certainly have increased the contribution percentage independently from any other actuarial experience factors.

**TOWN OF NEWTOWN PENSION PLAN -
POLICE UNION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK (continued)

Ratio of Expected Outflows to Plan Assets

Ratio = \$1,122,901 / \$17,239,221 = 6.5%

Outflows are defined as: Benefit Payments + Expenses. This ratio measures the liquidity and time-horizon of the plan's assets. It can be used as one of the considerations of how much of the plan's assets should be allocated to short-term fixed income (or cash). Having sufficient amounts of cash on-hand within plan assets better allows for monthly benefit payments (and expenses, if applicable) to be made throughout the year without having to liquidate funds for cash flow at unexpected points in time.

Net Cash Flows: Expected Contributions less Benefit Payment and Expenses

Expected Contributions - \$1,180,984

Expected Outflows - \$1,122,901

Net Inflow/(Outflow) - \$ 58,083

Net Inflow/(Outflows) are defined as: Contributions – Outflows. This amount represents the net cash flow of the Plan. A positive flow means more cash is coming into plan assets than being paid out during the plan year. As a defined benefit plan matures, it (by its nature) becomes a negative net cash flow vehicle, so this value can be a measure of plan maturity.

Since the Town's Plan is still in the positive cash flow state, it has not yet reached the "mature plan" stage of a pension plan's life. For the year just ended, the positive cash flow was approximately \$73,953, thus the level for June 30, 2020 is projected to be a decrease in cash flow from 2019.

History of Plan Funding Measures

ASOP-51 requires the presentation of a history of plan funding measures, many of which are discussed above. Please refer to page 9 of the Actuarial Valuation Report for a recent year-by-year history, as well as a look back to the earlier years of the plan.

December 4, 2019

The Honorable Dan Rosenthal
TOWN OF NEWTOWN
Edmond Town Hall
3 Primrose St.
Newtown, CT 06470

Re: Town of Newtown Pension Plan - Selectmen and
Board of Education Personnel & Elected Officials Pension Plan
& Police Union Pension Plan
Our File No. 2823

Dear First Selectman Rosenthal:

We are pleased to present your Annual Valuation Report as of July 1, 2019. Again this year we have separated the report into two sections, with Part I containing the general calculations and disclosures, and Part II covering the individual participants benefit data.

For the 2020-2021 Fiscal Year of the Town, our recommended contributions are as follows:

	<u>Recommended (2020-21)</u>	<u>Prior Year (2019-20)</u>
Selectmen	\$ 687,277	\$ 720,920
Police (see separate rpt.)	<u>1,083,679</u>	<u>988,509</u>
Total Town of Newtown	\$1,770,956	\$1,709,429
Board of Education:	\$ 703,387	\$ 669,083

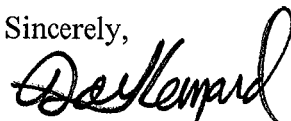
The above amounts are based on the July 1, 2019 valuation results projected forward to be applicable to the following fiscal year, and have been calculated using a 7.0% assumed discount rate.

If the deposits are to be made substantially later than July 1, 2019, interest at 7.0% per annum should be added.

Please see the General Comments section of the valuation report for information regarding changes in the plan's contribution requirements. At the end of the report is the information on the Elected Officials Pension Plan.

Please let me know if you have any questions or comments concerning this report.

Sincerely,



David G. Leonard, A.S.A.
Account Executive

cc: Ellen Whelan
Robert Tait

ACTUARIAL CERTIFICATION

This report has been prepared in accordance with generally accepted actuarial standards and procedures and conforms to the Guidelines for Professional Conduct of the American Academy of Actuaries.

The valuation is based on employee and plan financial data which were provided by the Plan Administrator, Plan Trustee, and various financial institutions. All information submitted to us has been reviewed for reasonableness and consistency, but has otherwise been accepted and relied upon without audit. The plan provisions and other material assumptions are disclosed in report in their respective sections.

Projected mortality improvements have been recognized through the use of SOA tables RP-2014 with projection scale MP-2018. This represents a change from 2018 when the prior year's projection scale, MP-2017 was employed.

To the best of our knowledge, the information supplied in this report is complete and accurate.

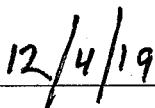
Future actuarial measurements may differ significantly from the current measurement presented in this report due to such factors as the following: plan experience differing from that anticipated; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

I, David G. Leonard, A.S.A., E.A., am a member of the Society of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained here



David G. Leonard, A.S.A.

Enrollment #17-03604



Date

ANNUAL VALUATION REPORT
FOR
TOWN OF NEWTOWN PENSION PLAN
BOARDS OF SELECTMEN AND EDUCATION
AS OF JULY 1, 2019

Prepared by:

David G. Leonard, ASA
T R PAUL, INC.

December 4, 2019

TOWN OF NEWTOWN PENSION PLAN

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TOWN OF NEWTOWN PENSION PLAN

I. HIGHLIGHTS

This section of the report summarizes the results of the July 1, 2019 actuarial valuation and provides a comparison with the results of the prior valuation. The development of these items for the current valuation is shown in the remaining sections of the report. The percentage in parenthesis express each amount as a percentage of covered payroll:

	July 1, 2019 <u>Valuation</u>		July 1, 2018 <u>Valuation</u>	
1. Recommended Annual Contributions:*				
a. Board of Selectmen	\$687,277	(10.7%)	\$720,920	(8.6%)
b. Board of Education	\$703,387	(9.8%)	\$669,083	(8.3%)
c. Total Town Plan	\$1,390,664	(10.3%)	\$1,390,003	(8.5%)
2. Covered Payroll of Participants (pension earnings projected for the fiscal year following the valuation date)				
a. Board of Selectmen	\$6,411,843		\$7,409,789	
b. Board of Education	\$7,142,960		\$7,335,284	
c. Total Town Plan	\$13,554,803		\$14,745,073	
3. Net Normal Cost (EAN)	\$817,292	(6.0%)	\$823,892	(5.8%)
4. Accrued Actuarial Liability (EAN)	\$33,987,873		\$32,456,485	
5. Assets - Market Value (MV)	\$28,275,000		\$26,552,507	
- Valuation Assets (VA)	\$28,595,505		\$27,126,749	
6. Unfunded Accrued Liability (VA)	\$5,392,368		\$5,329,736	
7. Actuarial Value of Benefits (total plan):				
a. Value of Vested Accrued Benefits	\$28,959,527		\$26,886,395	
b. Value of Non-Vested Accrued Bens.	\$703,815		\$685,300	
c. MV Assets in excess of Vested Benefits (5 minus 7a)	(\$684,527)		(\$333,888)	
8. Number of Participants:	<u>Sel.</u>	<u>Bd. of Ed.</u>	<u>Sel.</u>	<u>Bd. of Ed.</u>
a. Active Participants	110	163	130	175
b. Retired and Beneficiaries	70	70	66	61
c. Terminated Vested Participants (includes refunds only due)	28	20	19	22
d. Total	208	253	215	258

* Calculated assuming end of the fiscal year payment, for use in following fiscal year as of July 1.

TOWN OF NEWTOWN PENSION PLAN

II. GENERAL COMMENTS

The July 1, 2019 valuation report was prepared on a group of 110 active members in the Selectmen's accounts, and 163 actives from the Board of Education. This represents a decrease of thirty-two (32) active members from 2018, with about two-thirds of that in the Selectmen's group and the rest in the Board of Education.

The recommended contribution produced by the July 1, 2019 valuation increased \$601, to a recommended level of \$1,390,664 for the 2020-21 fiscal year. The Selectman group's recommended contribution decreased by about \$33,000, while the Board of Education increased by a similar amount.

A summary of the factors in the change for the year reveals the following:

Estimated Changes Due to:	<u>Selectmen</u>	<u>Bd. of Education</u>
Actives Chg. in Normal Cost:	\$ 32,481	\$ 42,875
Retired/Term Gains	(141,095)	(53,644)
Valuation Asset Losses:	32,660	28,296
New Members:	5,882	0
Change in Assumptions (phased in interest rates)	37,956	35,055
Misc. Actuarial Factors:	(1,527)	(18,278)
Total Changes:	\$ (33,643)	\$ 34,304

The July 1, 2019 Valuation was run using a 7% interest rate – the final step in a three year phase-in from the prior 7.5% assumed rate.

It is interesting to note that last year's full 7% calculations produced a recommended contribution for the 2019-20 plan year of \$1,458,238, which is about \$68,000 more than our 2020-21 recommendation.

The trust assets earned 5.22% using the GASB weighted method of calculating the yield. This created another actuarial loss that will be partially deferred for four more years by the valuation asset smoothing calculation.

The valuation yield was 4.58%, as past losses (and gains) continue to be worked off. We anticipate that next year's valuation will include recognized losses that will increase the recommended contribution by about \$40,000, and this has been built into the 2020-21 recommendation. The valuation asset cost factor shown above includes this bump, but also nets out last year's projected recognition losses.

After the valuation asset losses and the final phase in of the 7.00% interest assumption, the next most important factor in the cost calculations for the year was the participant experience.

TOWN OF NEWTOWN PENSION PLAN

II. GENERAL COMMENTS

The large decrease in active members in the Selectman's group resulted in both a large reduction in the normal cost, but also actuarial gains as terminated members' liabilities were much less than their projected benefit levels as active members. As shown above, the overall recommendation was decreased by \$141,095 thanks to six (6) retirees and sixteen (16) terminated members, both vested and non-vested. There were two new members in the Selectman's group, who added back almost \$6,000 of normal cost.

The Board of Education also experienced a decrease in active members, but their's was not as severe as the Selectmen, and it also was primarily retirees rather than terminations. Retirees will decrease the normal cost but generally do not create additional actuarial gains.

Both groups continuing active members experienced salary increases modestly above the assumed 3% rate (but still below 4%). As part of the new ASOP-51 disclosure (see below), we will be recommending a review of the salary history to see if a change in this assumption is in order.

The plan's market value funding ratios gave back some of last year's gains, due to the trust returns that were slightly below the assumed rate. The funding of accrued actuarial liabilities at 7% interest decreased 3.5% points to 83.2%, while the accrued benefit measure decreased 1.0% points to 95.3%.

Note that the trust assets in this report differ from the GASB statement in that prepaid benefits are not included in the GASB disclosures. Additionally, the GASB liabilities represent a projection from the prior year's base results. The July 1, 2019 liabilities in this report are substantially less than the projections from last year, due to the number of retirees and terminations. This will result in an actuarial gain in next year's GASB beginning balances.

Finally, there is a new disclosure which we have prepared called the ASOP-51. This is a required discussion regarding risk factors and their impact on the valuation results, both now and in the future. We have attached this new item as an appendix to this report. Its purpose and results are described in greater detail in the document itself.

TOWN OF NEWTOWN PENSION PLAN
III. PLAN ASSETS

A. Summary

Investment	07/01/2018 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income	Trust Expenses	Transfer EEs Distributions	Transfers out	06/30/2019 Ending Balance
ER Contrib. Receivable/(Payable)	0	0	0	0	0	0	0	0
EE Contrib. Receivable	2,439	0	11,950	0	0	0	0	14,389
Distribution Due PARS	(3,095)	0	0	0	0	1,401	0	(1,693)
Prepaid Benefits	166,777	0	0	0	0	27,656	0	194,433
<u>Wells Fargo / Westport Resources</u>								0
Cash	346,923	2,254,873	449,022	1,103,164	(110,548)	(2,325,891)	(1,625,076)	92,467
Investments	42,450,530	0	0	1,260,798	0	0	1,625,076	45,336,404
Accrued Interest	2,604	0	0	(2,277)	0	0	0	328
<u>PLAN TOTALS</u>	42,966,178	2,254,873	460,972	2,361,685	(110,548)	(2,296,834)	0	45,636,327

Distribution of Assets by Department

Plan Category	07/01/2018 Beginning Balance	Employer Contribs.	Employee Contribs.	Net Investment Income*	Distributions	06/30/2019 Ending Balance	06/30/2019 Valuation Asset Balance
Town Plan	26,552,508	1,268,930	266,781	1,403,319	(1,215,537)	28,276,001	28,595,505
Elected officials	100,404	10,972	3,685	6,045	0	121,106	N/A
Police Plan	16,313,268	974,971	190,278	842,000	(1,081,296)	17,239,221	17,434,015
Grand Total	42,966,179	2,254,873	460,744	2,251,364	(2,296,834)	45,636,327	46,029,520

* Income reduced for trust expenses; allocated on a weighted basis by Wells Fargo.

TOWN OF NEWTOWN PENSION PLAN

III. PLAN ASSETS (Continued)

B. Development of Valuation Assets (Actuarial Value of Assets)

The Actuarial Valuation of Assets is calculated by recognizing 20% of the current year's actuarial gain or loss (to the 7.0% assumed rate of return), along with recognition of prior year's gains or losses that are also being recognized 20% per year. The final Valuation Asset level is subject to a corridor of 80% to 120% of the Market Value.

The prior smoothed actuarial asset valuation method was changed for the July 1, 2015 valuation, using the initial unrecognized gains from July 1, 2015 as the only prior base in place.

This method was then modified slightly for 2016 to anticipate Market Value yield at the assumed rate, rather than Expected Valuation Asset Value yield. Please see following page for additional detail.

The following illustrates the calculation of the Actuarial Value of Assets for June 30, 2019:

1. Assumed market value yield at valuation rate*	\$3,086,159
2. Actual MV Yield for June 30, 2019 **	2,316,920
3. Current Year (Gain)/Loss on Market value yield* (1) - (2)	769,239
4. Portion of Curr. Yr. Loss to be Recognized in 2019 (3) x 20%	153,848
5. Portion of Current Years (Gain)/Loss Not Recognized in 2019	615,391
6. Prior Unrec. (Gains)/ losses - June 30, 2019 - see next page	(101,092)
7. Total Unrecognized (Gains)/Losses (5) + (6)	514,299
8. Market Value of Trust Assets as of June 30, 2019	45,515,221
9. Preliminary Actuarial Value of Assets - June 30, 2019 (7)+(8)	\$46,029,520
10. (a) 80% corridor of Market Value	36,412,177
(b) 120% corridor of Market Value	54,618,266
11. Final Actuarial Value of Assets - June 30, 2019***	\$46,029,520

The Preliminary Actuarial Value of Assets is 101.1% of the Market Value, and thus falls within the 80% to 120% corridor of actual June 30, 2019 Market Value.

The yield on Valuation Assets for the 2018-2019 Plan Year was 4.58%.

* Assumed income is calculated based on a weighted balance which takes into account the date that the contributions and distributions are made to the fund.

** All items shown exclude the Money Purchase Plan assets. There was an immaterial receivable contribution as of the end of the fiscal year which has been included in the totals.

*** Includes both Town Plan and Police Plan

TOWN OF NEWTOWN PENSION PLAN

III. PLAN ASSETS (Continued)

C. SMOOTHED VALUATION ASSET AND UNRECONGNIZED (G)/L DETAIL- INCLUDES TOWN AND POLICE PLAN

Smoothed Valuation Asset Calculation

	Transition Year						
	<u>07/01/2014</u>	<u>06/30/2015</u>	<u>06/30/2016</u>	<u>06/30/2017</u>	<u>06/30/2018</u>	<u>06/30/2019</u>	<u>06/30/2020</u>
Actuarial Value of Assets	\$36,445,798						
Market Value of Assets	34,676,083	35,698,524	34,740,866	39,623,234	42,865,776	45,515,221	
Unrecognized (G)/L	1,769,715						
Recognized in Year (for 6/30/15)	(442,429)						
Expected Earnings at Market Value (7.50%/7.00%)*		2,662,813	2,730,057	2,680,400	2,792,502	3,086,159	
Actual Earnings MV		977,145	(1,017,424)	4,614,032	2,921,062	2,316,920	
Actuarial (Gain)/Loss on MV		1,685,668	3,747,481	(1,933,632)	(128,560)	769,239	
Recognition of current years Gain/(Loss)		(337,134)	(749,496)	386,726	25,712	(153,848)	

Anticipated Unrecognized (Gain)/Loss for Future Years

Remaining Unrecognized (G)/L - 7/1/14 Trans.	1,327,286	1,061,829	707,886	353,943	0	0
Remaining Unrecognized (G)/L - 6/30/15 (G)/L	1,348,534	1,011,401	674,267	337,134	0	0
Remaining Unrecognized (G)/L - 6/30/16 (G)/L		2,997,985	2,248,489	1,498,992	749,496	0
Remaining Unrecognized (G)/L - 6/30/17 (G)/L			(1,546,905)	(1,160,179)	(773,453)	(386,726)
Remaining Unrecognized (G)/L - 6/30/18 (G)/L				(102,848)	(77,136)	(51,424)
Remaining Unrecognized (G)/L - 6/30/19 (G)/L					615,391	461,543
Total Unrecognized (Gains)/Losses	2,675,820	5,071,214	2,083,736	927,042	514,299	23,393
Market Value of Assets - EOY	35,698,524	34,740,866	39,623,234	42,865,776	45,515,221	
Total Unrecognized (Gain)/Loss	2,675,820	5,071,214	2,083,736	927,042	514,299	
Actuarial Value of Assets - EOY	\$38,374,344	\$39,812,081	\$41,706,970	\$43,792,818	\$46,029,520	

* Calculated using weighted contributions - ER by date, EE at 50%, Distrib at 50%. 7.00% interest assumption effective July 1, 2017 forward.

Note: 6/30/2015 Valuation Assets shown above based on the "new" method and do not equal the Valuation Assets used for the July 1, 2015 valuation Report.

Outstanding balance of 2018 & 2019 unrecognized gains for 2021-22 Valuations not shown.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2019

b. Calculation of Recommended Contributions Assumes 7.00%

	SELECTMEN	BOARD OF ED.	TOTALS
1. Gross Normal Cost as of 7/1/2019	\$508,252	\$547,598	\$1,055,850
2. Expenses	7,396	7,604	15,000
3. Expected Employee Contributions	117,638	135,920	253,558
4. Net Normal Cost (1 + 2 - 3) as of 7/1/2019	398,011	419,282	817,292
5. Accrued Liability:			
i. Active Employees	9,840,547	10,768,141	20,608,688
ii. Inactive Employees	1,222,431	682,216	1,904,646
iii. Retired Participants	6,992,891	4,481,648	11,474,539
6. Total Accrued Liability	\$18,055,869	\$15,932,004	\$33,987,873
7. Plan Assets - Blended Value	15,279,658	13,315,847	28,595,505
8. Unfunded (overfunded) Accrued Liability (6 - 7)	2,776,211	2,616,157	5,392,368
9. Amortization of Unfunded (Overfunded) Accd. Liability*	252,335	248,781	501,115
10. Normal Cost plus Amortization 7/1/2019 (4 + 9)	650,346	668,062	1,318,408
11. Recommended Contrib.- 2020-2021 to be paid 7/01/2020 (10 adjusted for time passage**)	\$687,277	\$703,387	\$1,390,664

* Initial EAN Base amortized over 20 years. (Gains)/losses starting with July 1, 2018 will be amortized over 10 years.

** 2019 adjustment takes into account the expected increases from unrecognized trust asset losses for 2019, plus normal cost increases assumed in the funding method.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2019

b. Summary of Funding Bases

SELECTMEN

Summary of Funding Bases	Initial Base	Rem. Bal. -19	Min. Amort.	Rem. Yrs (at min)
Initial Base - 7/1/17	\$ 2,447,983	\$ 2,537,103	\$ 215,955	18
(Gain)/Loss/Amend/Changes - 2018	277,987	263,149	39,579	9
(Gain)/Loss/Amend/Changes - 2019	(24,042)	(24,042)	(3,199)	10
Totals	\$ 2,701,928	\$ 2,776,211	\$ 252,335	

BOARD OF EDUCATION

Summary of Funding Bases	Initial Base	Rem. Bal. -19	Min. Amort.	Rem. Yrs (at min)
Initial Base - 7/1/17	\$ 2,365,758	\$ 2,332,122	\$ 208,702	18
(Gain)/Loss/Amend/Changes - 2018	107,537	97,901	15,311	9
(Gain)/Loss/Amend/Changes - 2019	186,134	186,134	24,768	10
Totals	\$ 2,659,429	\$ 2,616,157	\$ 248,781	

Funding Bases shown at 7.0% only.

If remaining balance is greater than the initial base, then negative amortization has occurred.

- this is an expected result based on the phasing in of the 7.0% discount assumption.
- all payment amounts will be revised the next time the discount assumption is changed.

TOWN OF NEWTOWN PENSION PLAN

IV. ANNUAL VALUATION - JULY 1, 2019

e. GASB Statement 67 and FASB Statement 35/36 Information

	SELECTMEN	BOARD OF ED.	TOTALS
I. ACTUARIAL ACCRUED LIABILITY - 7.00%			
a. Retirees/Benefic./Terminated	\$8,215,322	\$5,163,864	\$13,379,185
b. Current Employees			
I. EE Contr. & Intr.	1,977,848	2,102,101	4,079,949
II. ER Financed Vested	7,327,205	7,604,044	14,931,249
III. ER Financed Non-Vested	535,495	1,061,995	1,597,490
c. TOTALS	\$18,055,869	\$15,932,004	\$33,987,873
d. ASSETS - Market Value	\$15,108,934	\$13,167,066	\$28,276,000
e. FUNDED RATIO (7/1/2019)	83.68%	82.65%	83.19%
f. FUNDED RATIO (7/1/2018)	86.95%	86.33%	86.67%
<i>- These results will differ from the actual GASB disclosures, which are based on projected liabilities in order to ensure timely delivery.</i>			
II. PRESENT VALUE OF ACCRUED BENEFITS - 7.00%			
a. Retirees/Benefic./Terminated	\$8,215,322	\$5,163,864	\$13,379,185
b. Current Employees			
I. EE Contr. & Intr.	1,977,848	2,102,101	4,079,949
II. ER Financed Vested	5,468,966	6,031,426	11,500,393
III. ER Financed Non-Vested	240,637	463,178	703,815
c. TOTALS	\$15,902,773	\$13,760,569	\$29,663,342
d. ASSETS - Market Value	\$15,108,934	\$13,167,066	\$28,276,000
e. FUNDED RATIO (7/1/2019)	95.01%	95.69%	95.32%
f. FUNDED RATIO (7/1/2018)	96.48%	96.10%	96.30%

TOWN OF NEWTOWN PENSION PLAN

VI. PARTICIPANT DATA RECONCILIATION

The total number of active plan participants as of the current valuation date is reconciled with the total number as of the prior valuation date as follows:

	<u>Selectmen's Accounts</u>	<u>Board of Education</u>	<u>Plan Totals</u>
Number of Active Participants as of July 1, 2018:	130	175	305
Decreases:			
Non-Vested Terminations:	(7)	(2)	(9)
Vested Terminations:	(9)	(3)	(12)
Retirements:	(6)	(7)	(13)
Deaths, Transfers:	<u>0</u>	<u>0</u>	<u>0</u>
Total Increases/(Decreases):	(22)	(12)	(34)
New Entrants during 2018-2019: - includes rehires/reinstatements	<u>2</u>	<u>0</u>	<u>2</u>
Net Change:	<u>(20)</u>	<u>(12)</u>	<u>(32)</u>
Number of Active Participants as of July 1, 2019:	110	163	273
Also as of July 1, 2019:			
**Total Vested Terminated:	28	20	48
Total Retired:	<u>70</u>	<u>70</u>	<u>140</u>
TOTAL PARTICIPANTS:	208	253	461

* Active participants include Late Retirees and exclude Inactives.

** Includes 9 participants due refunds of contributions and interest,
and other inactive participants who may not have terminated.

TOWN OF NEWTOWN PENSION PLAN

V. HISTORY OF PLAN CONTRIBUTIONS AND LIABILITIES

Plan Year Beginning	Participants Act. - Other		Compensation*	Accrued Liability***	Market Value Assets	Unfunded Accrued Liability**	Recommended Contribution	(***)	Actual Town Contribution
1/1/1990	91	37	\$2,050,023	\$1,902,884	\$2,141,739	(\$238,855)	\$102,982	(5.02%)	\$114,531
7/1/1995	130	35	3,708,414	3,751,830	3,840,917	(89,087)	208,274	(5.62%)	208,274
7/1/2000	161	58	5,400,600	6,647,849	8,409,663	(1,761,814)	79,486	(1.47%)	80,297
7/1/2005	274	86	9,809,015	11,515,670	11,857,942	(342,272)	416,365	(4.24%)	420,381
7/1/2010	341	111	13,109,110	17,709,414	14,861,965	2,847,449	663,805	(5.06%)	651,581
7/1/2014	338	129	14,332,155	22,250,733	20,979,551	1,271,182	757,780	(5.29%)	731,579
7/1/2015	340	130	14,648,086	24,619,393	21,638,928	2,980,465	836,136	(5.71%)	836,137
7/1/2016	321	147	14,390,882	26,188,592	21,154,338	5,034,254	1,001,871	(6.96%)	1,001,870
7/1/2017	323	155	14,981,541	30,630,006	24,245,131	6,384,875	1,070,329	(7.14%)	1,070,328
2018 Select.	130	85	7,409,789	17,471,305	14,337,237	3,134,070	626,219	(8.45%)	626,219
2018 Board	175	83	7,335,284	14,985,180	12,215,272	2,769,908	642,711	(8.76%)	642,711
07/01/2018 (tot)	305	168	14,745,073	32,456,485	26,552,509	5,903,978	1,268,930	(8.61%)	1,268,930
2019 Select.	110	98	6,411,843	18,055,869	15,108,934	2,946,935	720,920	(11.24%)	
2019 Board	163	90	<u>7,142,960</u>	<u>15,932,004</u>	<u>13,167,066</u>	<u>2,764,939</u>	<u>669,086</u>	(9.37%)	
2019 Total	273	188	13,554,803	33,987,873	28,276,000	5,711,873	1,390,006	(10.25%)	

* Compensation shown is expected for the twelve months following the valuation date for active members only.

**Based on Market Value, not Valuation Assets.

*** Figures in parenthesis are Recommended Contribution as a percentage of compensation.
Recommended Contribution is based on prior year's valuation rolled forward, not on current valuation.
The 2019 valuation produced a Recommended Contribution of \$1,390,664 for the 2020-2021 plan

**** Beginning 7/1/2017 the actuarial liability is calculated at a 7.0% interest rate.

TOWN OF NEWTOWN PENSION PLAN

APPENDIX APENSION TRUST SUMMARY

PLAN SPONSOR: Town of Newtown
 EFFECTIVE DATE: July 1, 1965
 ANNIVERSARY DATE: July 1 of each year.
 VALUATION DATE: JULY 1, 2019

DEFINITIONS

Compensation: Base Salary as of July 1 each year. For departments that do not report base salary, actual earnings from prior plan year are used. Final Average Compensation includes the participants five (5) highest consecutive years.

Participation: Eligibility - Service: 6 Months
 Maximum Age: 60

Entry Date: On the first day of the month following satisfaction of eligibility, with the participant's election to make employee contributions (2% of base salary).

Service: Continuous employment with the Town.

Credited Service: Service used in the determination of plan benefits. Includes all service except:

- (1) Service in excess of 30 years.
- (2) Service after July 1, 1965 during which an employee could have made employee contributions but did not.
- (3) Service prior to July 1, 1965 if an employee did not elect to be covered on that date.

Normal Retirement Benefit: Greater of:

- (1) 2% of Final Average Compensation times years of Credited Service, less 50% of Social Security (at SSNRA),
- or
- (2) 1.15% of Final Average Compensation times years of Credited Service.

If a participant retires on or after his Normal Retirement Age (earlier of 30 years of Service or age 65), he will receive an additional temporary benefit equal to 50% of Social Security from his retirement date to his 65th birthday.

Normal Form of Benefit: Modified Cash Refund Annuity.

Death Benefits: Greater of Qualified Survivor Annuity or return of Employee Contributions plus interest (active and terminated only).

Vesting: 100% vesting in Employer portion of Normal Retirement Benefit at the completion of 10 years of Credited Service. Town Hall contract employees and department heads are eligible for 100% vesting after 5 years of Credited Service.

TOWN OF NEWTOWN PENSION PLAN

APPENDIX BACTUARIAL ASSUMPTIONSFUNDING METHOD

Entry Age Normal Method – This method calculates an annual normal cost for each active employee, and adds an amortization of the unfunded accrued actuarial liability for all participants. The initial funding base was re-established as of July 1, 2017 (when the funding method was changed from Projected Unit Credit), and will be amortized over 20 years. Future changes in accrued liability due to experience gains or losses, changes in assumptions, and/or plan provisions will be amortized over 10 years.

The July 1, 2019 Valuation was the first prepared fully based on 7% interest.

INTEREST ASSUMPTION

Pre-Retirement: 7.0% Compounded Annually
Post-Retirement: 7.0% Compounded Annually

MORTALITY ASSUMPTION

RP-2014 Society of Actuaries Mortality Table, with future generational increases projected with the MP-2018 scale.

TURNOVER

Participants are assumed to terminate at the following rates:

<u>Age</u>	<u>Males</u>	<u>Females</u>
25	10 %	15 %
30	7½	10
35	5	7½
40	3	5
45	1½	2½
50	0	0

SALARY SCALE & SOCIAL SECURITY BENEFITS

Salaries are assumed to increase at 3% per year. Since prospective salaries are reported, the increase applies after the end of the valuation year. Social Security laws projected using 3% COLA, with increases of 3% for the TWB and the NAMW.

RETIREMENT AGE

Participants are assumed to retire 50% of the time at their Normal Retirement Age and the remainder of the time at age 65. Participants past age 65 are assumed to retire one year after the valuation date.

ESTIMATED EXPENSES

Direct expenses of the trust are assumed to be \$15,000.
(This is an increase from \$13,000.)

TOWN OF NEWTOWN ELECTED OFFICIALS PENSION PLAN

ALLOCATION REPORT for the Period
July 1, 2018 to June 30, 2019

	7/1/2018 BEGINNING BALANCE	PAYMENTS	CONTRI- BUTIONS	5.61% INVESTMENT EARNINGS	06/30/2019 ENDING BALANCE
<u>DEBBIE HALSTEAD</u>					
EMPLOYER ACCOUNT	71,601.67	0.00	4,582.20	4,146.14	80,330.02
EMPLOYEE ACCOUNT	23,739.56	0.00	1,538.98	1,375.21	26,653.75
	-----	-----	-----	-----	-----
Participant Total	95,341.23	0.00	6,121.18	5,521.35	106,983.76
<u>DANIEL ROSENTHAL</u>					
EMPLOYER ACCOUNT	3,933.54	0.00	6,389.80	399.98	10,723.32
EMPLOYEE ACCOUNT	1,128.85	0.00	2,146.07	123.55	3,398.47
	-----	-----	-----	-----	-----
Participant Total	5,062.39	0.00	8,535.87	523.53	14,121.79
Plan Totals	100,403.62	0.00	14,657.05	6,044.88	121,105.55

Note: Allocation basis includes a 50% weight for current year contributions.

**TOWN OF NEWTOWN PENSION PLAN -
SELECTMAN & BOARD OF EDUCATION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK

Introduction to ASOP 51 Disclosures for Funding Valuations

The Actuarial Standards Board adopted Actuarial Standard of Practice (ASOP) No. 51, "Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions", effective with measurement dates on and after November 1, 2018.

ASOP 51 defines risk as "The potential of actual future measurements deviating from expected future measurements resulting from actual future experience deviating from actuarially assumed experience. For purposes of this ASOP, risk includes contribution risk." Please note that ASOP 51 Risks are only a subset of the risks that may affect your Plan. This is because ASOP 51 Risks only include risks due to actual experience deviating from assumed experience.

Additional Information Regarding Assessment and Disclosure of Risks

The valuation of pension liabilities requires the use of certain assumptions to estimate events that are expected to occur in the future. These events can be economic, non-economic or demographic in nature. When actual experience in the future differs from the expected experience there is a direct effect on future pension liabilities. This in turn can impact both the funded position of the pension plan as well as the actuarially determined contribution ("ADC").

Certain variables carry more risk than others. Included below is a brief explanation of those variables that can potentially have a significant effect on the plan's future financial condition.

Actuarially Determined Contribution Compared to Actual Contribution

The ADC is calculated using an actuarial funding method. The ADC can vary from year to year as actual experience differs from that expected. The funding method's intent is that if the ADC is deposited by the plan sponsor each year, then the plan would be sufficiently funded over the life of the plan so that promised benefits could be paid to all participants. An historical comparison of the ADC vs. contribution deposited by the plan sponsor for each plan year is shown in the GAS-67 report. The Sponsor currently and historically has contributed at least 100% of the ADC.

Risk Assessments

Investment volatility risk. There is an expectation that the assets of the pension plan will return an average long-term rate each year. If the actual annual net return on plan assets is consistently below the expected return then both the funded ratio and ADC would be negatively impacted – the funded ratio would be lower than expected and the ADC would be higher. For example, an asset "loss" (where loss is the value relative to expected growth) of 10% (about \$2.868M based on current values) in a given year would hypothetically cause the amortization portion of the ADC to increase on average by about \$376,000 for each of the next 10 years. Also, the funded ratio would decrease by about 8 percentage points. On a year-to-year basis, gains and losses are smoothed out but eventually, all losses and gains will impact the ADC.

**TOWN OF NEWTOWN PENSION PLAN -
SELECTMAN & BOARD OF EDUCATION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK (continued)

Investment return risk. The interest rate (which is equal to the Plan's expected return on assets rate) is used to discount the projected benefit payments from the Plan to calculate the present value of the accrued and total liabilities. Decreases in the interest rate (as noted above) will lead to increases in the Accrued Liability and the Normal Cost, which may increase contribution requirements. As an example, a decrease of 25 basis points would lead to an increase in Accrued Liability of about 3% and in Normal Cost of about 7%, yielding an increase in the ADC of about \$210,000 for each of the next 10 years. This dollar amount translates to an increase of 1.5 percentage points in the ADC as a % of pay (from 10.3% to 11.8% for 2020). Note that these changes in costs are estimates only, and we recommend a full review of the actuarial assumptions prior to the next valuation report, including a potential reduction in the assumed interest/discount rates.

Absent any further changes to the interest rate, or future asset and liability gains or losses, the Normal Cost is expected to remain constant each year as a level % of payroll based on the Plan's cost method.

Longevity risk. To the extent participants live longer than expected relative to the mortality assumptions, liabilities (and, thus, the ADC) will increase. We have used the latest projected mortality tables from the Society of Actuaries, however a new set of mortality tables, based on public plan employees, was recently released and we will examine its impact in the next year. We anticipate an increase in liabilities of about 3%-5% from the use of the new tables.

Demographic risk. Several other assumptions are made with respect to anticipated plan experience, including rates of termination, disability, and the retirement age. To the extent actual experience differs from expected, plan liabilities and normal cost can vary up or down.

Since most alternate benefit forms and payment dates provide roughly actuarially equivalent benefits, the level of demographic risk in your plan is small.

Salary Increases. Salary increases impact the cost of the plan and are reflected in the liabilities and the normal cost. Increases above that which are assumed will result in experience losses in the following year, while the inverse is true – lower than expected raises can lead to a decrease in liabilities and normal costs. For example, if the annual salary increase assumption of 3.0% was increased to 4.0%, liabilities would increase about 2% and the normal cost would increase about 12%, adding another \$190,000 to the ADC. While page 9 of report provides a multi-year history of salary levels, we are recommending a study of the actual continuing active increases over a period of time to determine if a change should be considered in the current assumption.

As a reminder, the liabilities included in the actuarial valuation report are based on those participants covered under the pension plan as of the valuation date. No assumption is included for employees expected to enter the pension plan in the future.

**TOWN OF NEWTOWN PENSION PLAN -
SELECTMAN & BOARD OF EDUCATION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK (continued)

Plan Maturity Measures

Certain statistics can help to gauge the financial strength of the pension plan as well as to help identify risk that the plan might be subject to as it matures over time. Certain plan maturity statistics for the current valuation year are included below for your review and analysis. Historical statistics incorporating some of the prior year results may be found in the Highlights and History sections of this year's valuation report.

Ratio of Retiree Liability to Total Plan Liability

Ratio = $11,474,539 / 28,595,505 = 40.1\%$

A pension plan with a high ratio (for example, more than 50%) is considered to be a relatively mature plan since the primary liability is associated with former employees who are now in pay status. As a result, a large amount of plan assets is disbursed to retired participants to satisfy the monthly payments due to this group. Plan sponsors should consult with the investment advisors to the pension plan to determine whether plan assets are invested accordingly to account for the benefit outflows. For the Town's plan, having a ratio of 40.1% (i.e. still under 50%) means we are a few years away from having cash flow concerns as they relate to potential adjustments in investment strategies.

Ratio of Actuarially Determined Contribution to Total Covered Payroll

Ratio = $1,390,664 / 13,554,803 = 10.3\%$

Many plan sponsors find it helpful to look at the cost of the pension plan (on a cash basis) as a percentage of total covered payroll. Covered payroll is generally intended to mean total compensation for those employees actively accruing plan benefits during the year plan. An increase in this ratio (ADC/payroll) could be due to a number of different factors which may require further analysis. For example, the increase could result from a decline in the active population of a plan where participation for new employees is frozen - as the active group decreases over time, other experience factors (including those produced by an ever larger retiree group) can force a larger required contribution over a smaller salary base.

The GAS-67 report reveals that this measure, on a combined basis with the Police Union Plan, has been slowly rising from 6.76% in 2014 to 12.20% in 2019, although changes in actuarial assumptions certainly have increased the contribution percentage independently from any other actuarial experience factors.

**TOWN OF NEWTOWN PENSION PLAN -
SELECTMAN & BOARD OF EDUCATION EMPLOYEES**

ASOP 51 - ASSESSMENT AND DISCLOSURE OF RISK (continued)

Ratio of Expected Outflows to Plan Assets

Ratio = \$1,240,806 / \$28,276,000 = 4.4%

Outflows are defined as: Benefit Payments + Expenses. This ratio measures the liquidity and time-horizon of the plan's assets. It can be used as one of the considerations of how much of the plan's assets should be allocated to short-term fixed income (or cash). Having sufficient amounts of cash on-hand within plan assets better allows for monthly benefit payments (and expenses, if applicable) to be made throughout the year without having to liquidate funds for cash flow at unexpected points in time.

Net Cash Flows: Expected Contributions less Benefit Payment and Expenses

Expected Contributions - \$1,643,561

Expected Outflows - \$1,240,806

Net Inflow/(Outflow) - \$ 402,755

Net Inflow/(Outflows) are defined as: Contributions – Outflows. This amount represents the net cash flow of the Plan. A positive flow means more cash is coming into plan assets than being paid out during the plan year. As a defined benefit plan matures, it (by its nature) becomes a negative net cash flow vehicle, so this value can be a measure of plan maturity.

Since the Town's Plan is still in the positive cash flow state, it has not yet reached the "mature plan" stage of a pension plan's life. For the year just ended, the positive cash flow was approximately \$305,000, thus the level for June 30, 2020 is projected to be an increase in cash flow over 2019.

History of Plan Funding Measures

ASOP-51 requires the presentation of a history of plan funding measures, many of which are discussed above. Please refer to page 9 of the Actuarial Valuation Report for a recent year-by-year history, as well as a look back to the earlier years of the plan.

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IT-MUNI
COMERICA-INSTITUTIONAL TR
PO BOX 75000
DETROIT MI 48275-3462

TOWN OF NEWTOWN PENSION
ATTN: ROBERT TAIT
3 PRIMROSE STREET
NEWTOWN CT 06470

ACCOUNT STATEMENT
FOR THE PERIOD
11/01/2019 THROUGH 11/30/2019



TOWN OF NEWTOWN PENSION
CONSOLIDATED ACCOUNT

ACCOUNT M04690

IF YOU HAVE ANY QUESTIONS ABOUT THIS ACCOUNT STATEMENT, PLEASE CONTACT YOUR RELATIONSHIP MANAGER
DAN BERD 313-222-5472 MAIL CODE 3462 11/30/2019

ACCOUNT STATEMENT

Statement Period
Account Number

11/01/2019 through 11/30/2019
M04690

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MESSAGE PAGE

PRICING

MARKET PRICES SHOWN HAVE BEEN OBTAINED FROM PRICING SERVICES WHICH WE BELIEVE ARE RELIABLE; HOWEVER, WE CANNOT GUARANTEE THEIR ACCURACY OR THAT SECURITIES CAN BE BOUGHT OR SOLD FOR THESE PRICES. SOME UNREGISTERED AND ILLIQUID SECURITIES MAY NOT HAVE INDEPENDENTLY PROVIDED PRICING, AND MAY ONLY HAVE PRICING PROVIDED BY THE ISSUER OF THE SECURITY, WHICH MAY INCLUDE ESTIMATES OR OTHER UNVERIFIED PRICES. WE WILL BE GLAD TO PROVIDE YOU FURTHER DETAILS UPON REQUEST.

FLOAT

COMERICA USES A GENERAL DISBURSEMENT CHECKING ACCOUNT TO PROCESS LUMP SUM AND PERIODIC DISTRIBUTIONS. THIS IS A NON-INTEREST BEARING ACCOUNT FROM WHICH COMERICA MAY RECEIVE FLOAT. FLOAT IS EARNED AT THE FED FUNDS RATE, AS PUBLISHED IN THE WALL STREET JOURNAL OR ON THE FEDERAL RESERVE'S WEB SITE. COMERICA MAY BEGIN EARNING FLOAT ONCE THE FUNDS ARE TRANSFERRED FROM YOUR TRUST ACCOUNT TO THE GENERAL DISBURSEMENT CHECKING ACCOUNT. FOR PERIODIC DISTRIBUTIONS, THE TRANSFER TYPICALLY TAKES PLACE ON THE FIRST BUSINESS DAY OF THE MONTH. FOR LUMP SUM DISTRIBUTIONS, THE TRANSFER TYPICALLY OCCURS ON THE DAY THE CHECK IS ISSUED. COMERICA CONTINUES TO RECEIVE FLOAT ON SUCH FUNDS UNTIL SUCH TIME AS: THE CHECK IS PRESENTED FOR PAYMENT OR THE FUNDS ARE DISPOSED OF PURSUANT TO AN UNCLAIMED FUNDS PROCEDURE. PERIODIC DISTRIBUTIONS PAID BY DIRECT DEPOSIT DO NOT GENERATE FLOAT, AND PROVIDE IMPROVED FUNDS AVAILABILITY FOR RECIPIENTS. IF YOU APPROVE OF THESE ARRANGEMENTS, YOU NEED TO DO NOTHING FURTHER. OTHERWISE, PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION.

CASH EQUIVALENTS

COMERICA CALCULATES SWEEP FEES OR FUND LEVEL FEES ON A 360 DAY BASIS.

FOREIGN TAX RECLAIMS DISCLOSURE

DIVIDENDS FROM AMERICAN DEPOSITARY RECEIPTS (ADRs) AND OTHER FOREIGN INVESTMENTS MAY BE SUBJECT TO TAX WITHHOLDING BY THE ISSUERS' HOME-COUNTRY GOVERNMENTS. COMERICA ENGAGED GLOBE TAX SERVICES, INC., TO PROVIDE CROSS-BORDER WITHHOLDING RECOVERY SERVICES ON BEHALF OF CLIENTS WITH THE APPLICABLE FOREIGN TAX AUTHORITIES. IF YOU WISH TO OPT INTO THIS SERVICE, PLEASE CONTACT YOUR RELATIONSHIP MANAGER.

SERVICING FEE

COMERICA MAY BE PAID BY NON-PROPRIETARY FUNDS FOR PERFORMING SERVICES FOR THE FUNDS.

ACCOUNT STATEMENT

Statement Period
Account Number

11/01/2019 through 11/30/2019
M04690

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MESSAGE PAGE

TO ALL HOLDERS OF THE COMERICA SHORT TERM INVESTMENT FUND (STIF)

DETAILED INFORMATION ABOUT THE FUND IS AVAILABLE TO ALL HOLDERS OF THE COMERICA SHORT TERM INVESTMENT FUND (STIF) ON A MONTHLY BASIS INCLUDING: TOTAL ASSETS, SHADOW NAV, AND INDIVIDUAL SECURITY INFORMATION.

THIS INFORMATION WILL BE AVAILABLE AFTER THE 7TH BUSINESS DAY OF THE MONTH AND CAN BE FOUND ON THE 'SPECIAL REPORTS' TAB IN CUSTODY ONLINE, UNDER THE MASTER ACCOUNT NUMBER M87890. IF YOU ARE NOT A CURRENT USER OF CUSTODY ONLINE, PLEASE CONTACT YOUR RELATIONSHIP MANAGER TO OBTAIN ACCESS OR TO HAVE THIS INFORMATION SENT TO YOU.

CLASS ACTION NOTIFICATIONS:

FOR YOUR REFERENCE, WE HAVE CREATED A SPECIAL LINK (COMERICA.COM/CLASSACTIONS) FOR UPCOMING SECURITY CLASS ACTION FILINGS. THIS LINK WILL OPEN A REGULARLY UPDATED PDF CONTAINING RELEVANT INFORMATION. PLEASE REFER TO THIS SITE FOR NOTIFICATION ABOUT CLASS ACTIONS WHICH MAY AFFECT YOUR ACCOUNT. CONTACT YOUR RELATIONSHIP MANAGER WITH ANY QUESTIONS.

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ERISA PLAN NOTICE

ERISA PLAN SPONSORS MUST GO TO THE DEPARTMENT OF LABOR'S WEBSITE TO ELECTRONICALLY COMPLETE FORM 5500 REPORTING, AS REQUIRED BY ERISA AND THE INTERNAL REVENUE CODE FOR PLAN YEARS THAT BEGIN AFTER 12/31/2008. YOU CAN REACH THE REPORTING TOOL, FILING REQUIREMENTS AND A LIST OF FREQUENTLY ASKED QUESTIONS AT: WWW.EFAST.DOL.GOV

AS A REMINDER, YOUR ANNUAL STATEMENT, AVAILABLE ON CUSTODY ONLINE*, INCLUDES THE FOLLOWING REPORTS WHICH CAN BE ATTACHED IN .PDF FORMAT TO THE ELECTRONIC 5500 FILING:**

UNREALIZED GAINS AND LOSSES
SCHEDULE H, PART I AND PART II
REPORT OF 5% TRANSACTIONS
5500 STATEMENT OF REALIZED GAIN (LOSS)
INCOME EARNED AND ACCRUED

* IF YOU DO NOT HAVE ACCESS TO CUSTODY ONLINE, OUR FREE INTERNET PRODUCT WHICH PROVIDES ACCESS TO YOUR TRUST ACCOUNT DATA AND STATEMENTS, PLEASE CONTACT YOUR RELATIONSHIP MANAGER TO SIGN UP, OR FOR AN ELECTRONIC FILE OF YOUR ANNUAL STATEMENT.

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Index Of Related Accounts

THIS REPORT CONSOLIDATES THE ACTIVITY OF
THE FOLLOWING ACCOUNTS:

ACCOUNT	NAME
1055087401	TOWN OF NEWTOWN PENSION - CASH
1055087410	TOWN OF NEWTOWN PENSION - MUTUAL FUNDS

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Changes In Net Assets

	COST VALUE	MARKET VALUE
BEGINNING BALANCE AS OF 11/01/2019	41,484,536.85	48,283,840.57
EARNINGS		
CASH INCOME	39,073.17	39,073.17
LESS PRIOR ACCRUED INCOME	39,073.16-	39,073.16-
PLUS CURRENT ACCRUED INCOME	37,480.98	37,480.98
REALIZED GAIN/LOSS ON SALE OF ASSETS	0.00	0.00
NET UNREALIZED GAIN OR LOSS	0.00	793,915.68
TOTAL EARNINGS	37,480.99	831,396.67
CONTRIBUTIONS & OTHER INCREASES		
EMPLOYEE CONTRIBUTIONS	52,964.27	52,964.27
TOTAL CONTRIBUTIONS & OTHER INCREASES	52,964.27	52,964.27
DISTRIBUTIONS & OTHER DECREASES		
FEES & EXPENSES	4,191.03-	4,191.03-
TRANSFERS	214,056.95-	214,056.95-
TOTAL DISTRIBUTIONS & OTHER DECREASES	218,247.98-	218,247.98-
ENDING BALANCE AS OF 11/30/2019	41,356,734.13	48,949,953.53

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Summary Of Assets

	AS OF 11/01/2019		AS OF 11/30/2019	
	COST VALUE	MARKET VALUE	COST VALUE	MARKET VALUE
A S S E T S				
CASH	0.00	0.00	1,125.00-	1,125.00-
DUE FROM BROKERS	0.00	0.00	0.00	0.00
ACCRUED INCOME	39,073.16	39,073.16	37,480.98	37,480.98
TOTAL CASH & RECEIVABLES	39,073.16	39,073.16	36,355.98	36,355.98
DEBT SECURITIES				
OPEN END MF - FIXED INC TAX	15,322,653.63	16,250,702.18	15,358,796.32	16,242,905.54
TOTAL DEBT SECURITIES	15,322,653.63	16,250,702.18	15,358,796.32	16,242,905.54
EQUITY SECURITIES				
OPEN END MF - EQUITY	24,362,699.50	30,233,954.67	24,362,699.50	31,071,809.68
TOTAL EQUITY SECURITIES	24,362,699.50	30,233,954.67	24,362,699.50	31,071,809.68
SHORT TERM INVESTMENTS				
SHORT TERM INVESTMENTS	1,760,110.56	1,760,110.56	1,598,882.33	1,598,882.33
TOTAL SHORT TERM INVESTMENTS	1,760,110.56	1,760,110.56	1,598,882.33	1,598,882.33
TOTAL HOLDINGS	41,445,463.69	48,244,767.41	41,320,378.15	48,913,597.55
TOTAL ASSETS	41,484,536.85	48,283,840.57	41,356,734.13	48,949,953.53
L I A B I L I T I E S				
DUE TO BROKERS	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	0.00	0.00	0.00	0.00
TOTAL NET ASSET VALUE	41,484,536.85	48,283,840.57	41,356,734.13	48,949,953.53

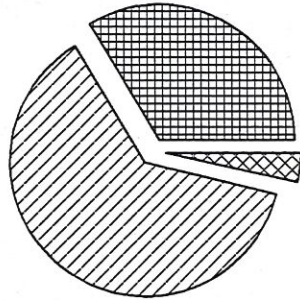
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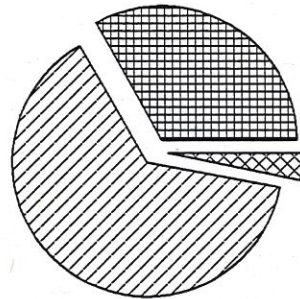
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Beginning Market Allocation



0.1%	CASH & RECEIVABLES	39,073.16
33.7%	DEBT SECURITIES	16,250,702.18
62.6%	EQUITY SECURITIES	30,233,954.67
3.6%	SHORT TERM INVESTMENTS	1,760,110.56
100.0%	Total	48,283,840.57

Ending Market Allocation



0.1%	CASH & RECEIVABLES	36,355.98
33.2%	DEBT SECURITIES	16,242,905.54
63.4%	EQUITY SECURITIES	31,071,809.68
3.3%	SHORT TERM INVESTMENTS	1,598,882.33
100.0%	Total	48,949,953.53

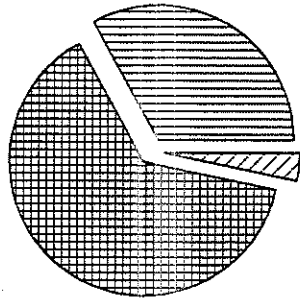
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Schedule Of Assets Held Investment Allocation



33.2%	DEBT SECURITIES	16,242,905.54
63.5%	EQUITY SECURITIES	31,071,809.68
3.3%	SHORT TERM INVESTMENTS	1,635,238.31
100.0%	Total	48,949,953.53

Investment Summary

	Cost	Market Value	% of Acct	Estim Ann Inc	Income Yield
DEBT SECURITIES	15,358,796.32	16,242,905.54	33.18	448,181	2.76
EQUITY SECURITIES	24,362,699.50	31,071,809.68	63.48	702,510	2.26
SHORT TERM INVESTMENTS	1,635,238.31	1,635,238.31	3.34	29,419	1.80
Total Assets	41,356,734.13	48,949,953.53	100.00	1,180,111	2.41

Schedule Of Assets Held

UNITS	ASSET DESCRIPTION	COST	UNIT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	YIELD AT MARKET
	DEBT SECURITIES					
	OPEN END MF - FIXED INC TAX					
1,464,644.323	VANGUARD TOTL BD MKT IDX-INS 921937504 ACCOUNT 1055087410	15,358,796.32	11.09	16,242,905.54	884,109.22	2.759

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Schedule Of Assets Held

UNITS	ASSET DESCRIPTION	COST	UNIT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	YIELD AT MARKET
EQUITY SECURITIES						
OPEN END MF - EQUITY						
993,321.759	VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST 921943882 ACCOUNT 1055087410 993,321.759	12,452,098.70	13.82	13,727,706.71	1,275,608.01	2.988
44,029.739	VANGUARD INST INDEX 922040100 ACCOUNT 1055087410 44,029.739	8,559,628.19	285.17	12,555,960.67	3,996,332.48	1.876
50,899.78	VANGUARD EXTENDED MARKET INDEX FUND 922908694 ACCOUNT 1055087410 50,899.78	3,350,972.61	94.07	4,788,142.30	1,437,169.69	1.185
	TOTAL OPEN END MF - EQUITY	24,362,699.50		31,071,809.68	6,709,110.18	
SHORT TERM INVESTMENTS						
SHORT TERM INVESTMENTS						
1,598,882.33	COMERICA SHORT TERM FUND 20035Y102 ACCOUNT 1055087401 1,598,882.33	1,598,882.33	1.00	1,598,882.33	0.00	1.840
	CASH ACCOUNT 1055087410 1,125-	1,125.00-		1,125.00-	0.00	0.000
	ACCRUED INCOME	37,480.98		37,480.98	0.00	0.000
	TOTAL CASH	36,355.98		36,355.98	0.00	
	TOTAL SHORT TERM INVESTMENTS	1,635,238.31		1,635,238.31	0.00	
	Total Assets	41,356,734.13		48,949,953.53	7,593,219.40	

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Summary Of Cash Transactions

RECEIPTS

CASH BALANCE AS OF 11/01/2019		0.00
INCOME RECEIVED		
DIVIDENDS	36,142.69	
INTEREST	2,930.48	
TOTAL INCOME RECEIPTS		39,073.17
CASH RECEIPTS		
EMPLOYEE CONTRIBUTIONS	52,964.27	
TOTAL CASH RECEIPTS		52,964.27
PROCEEDS FROM THE DISPOSITION OF ASSETS		215,082.98
TOTAL RECEIPTS		307,120.42

DISBURSEMENTS

CASH DISBURSEMENTS		
FEES & EXPENSES	4,191.03-	
TRANSFERS	214,056.95-	
TOTAL CASH DISBURSEMENTS		218,247.98-
COST OF ACQUISITION OF ASSETS		89,997.44-
TOTAL DISBURSEMENTS		308,245.42-
CASH BALANCE AS OF 11/30/2019		1,125.00-

THE ENDING CASH BALANCE CONSISTS OF:

CASH	1,125.00-
DUE FROM BROKER	0.00
DUE TO BROKER	0.00
TOTAL CASH	1,125.00-

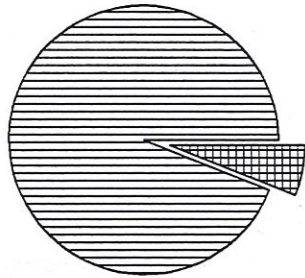
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Schedule Of Income Earned Income Allocation



93.8%	OPEN END MF - FIXED INC TAX	35,168.96
6.2%	SHORT TERM INVESTMENTS	2,312.03
100.0%	Total	37,480.99

Income Schedule

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
DIVIDENDS						
	OPEN END MF - FIXED INC TAX CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS					
11/01/2019	DIVIDEND ON VANGUARD TOTL BD MKT IDX-INS PAYABLE 11/01/2019 FOR 10/01/19 THROUGH 10/31/19 ACCOUNT 1055087410		36,142.69			
	ACCOUNT 1055087410	36,142.69 0.00	36,142.69	35,168.96 0.00	35,168.96	
	SECURITY TOTAL	36,142.69 0.00	36,142.69	35,168.96 0.00	35,168.96	
	TOTAL OPEN END MF - FIXED INC TAX	36,142.69 0.00	36,142.69	35,168.96 0.00	35,168.96	
	TOTAL DIVIDENDS	36,142.69 0.00	36,142.69	35,168.96 0.00	35,168.96	

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Schedule Of Income Earned

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
INTEREST						
SHORT TERM INVESTMENTS						
CUSIP # 20035Y102						
COMERICA SHORT TERM FUND						
11/01/2019	INTEREST ON COMERICA SHORT TERM FUND PAYABLE 11/01/2019 FOR 10/01/19 THROUGH 10/31/19 ACCOUNT 1055087401		2,930.48			
	ACCOUNT 1055087401	2,930.47 0.00	2,930.48	2,312.02 0.00	2,312.03	
	SECURITY TOTAL	2,930.47 0.00	2,930.48	2,312.02 0.00	2,312.03	
	TOTAL SHORT TERM INVESTMENTS	2,930.47 0.00	2,930.48	2,312.02 0.00	2,312.03	
	TOTAL INTEREST	2,930.47 0.00	2,930.48	2,312.02 0.00	2,312.03	
	TOTAL INCOME EARNED	39,073.16 0.00	39,073.17	37,480.98 0.00	37,480.99	

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Schedule Of Cash Receipts

DATE	DESCRIPTION	CASH
EMPLOYEE CONTRIBUTIONS		
11/01/2019	REC'D FROM NEWTOWN SAVINGS BANK - 07656 EMPLOYEE AFTER-TAX CONTRIBUTION TOWN (INCLUDES BOARD OF EDUCATION) ACCOUNT 1055087401	10,729.13
11/01/2019	REC'D FROM NEWTOWN SAVINGS BANK - 07656 EMPLOYEE AFTER-TAX CONTRIBUTION POLICE ACCOUNT 1055087401	7,547.50
11/01/2019	REC'D FROM NEWTOWN SAVINGS BANK - 07656 EMPLOYEE AFTER-TAX CONTRIBUTION ELECTED OFFICIALS ACCOUNT 1055087401	144.51
11/15/2019	REC'D FROM NEWTON SAVINGS BA ORG:TOWN OF NEWTON TOWN 9231.16 POLICE 7634.71 ELECTED OFFICIALS 144.51 ACCOUNT 1055087401	17,010.38
11/27/2019	REC'D FROM NEWTON SAVINGS BA ORG:TOWN OF NEWTON RE:TOWN 9,747.98 POLICE 7,640.26 ELECTED OFFICIALS 144.51 ACCOUNT 1055087401	17,532.75
TOTAL EMPLOYEE CONTRIBUTIONS		52,964.27
TOTAL CASH RECEIPTS		52,964.27

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Schedule Of Cash Disbursements

DATE	DESCRIPTION	CASH
	FEES & EXPENSES	
11/26/2019	INVOICE FEE OFFSET COMERICA BANK FEE FOR INVOICE NBR 454727 PERIOD ENDING 20190930 CHARGED FROM 1055087401 ACCOUNT 1055087401	1,026.03-
11/26/2019	INVOICE FEE OFFSET COMERICA BANK FEE FOR INVOICE NBR 454730 PERIOD ENDING 20190930 CHARGED FROM 1055087410 ACCOUNT 1055087410	1,125.00-
11/27/2019	FEE FOR LEGAL SERVICES PAID TO PULLMAN & COMPANY LLC PERIOD THROUGH 10/31/19 INVOICE #357249 - TRUST PENSION ACCOUNT 1055087401	2,040.00-
	TOTAL FEES & EXPENSES	4,191.03-
	TRANSFERS	
11/25/2019	WIRE TRANSFER SENT UNION SAVINGS BANK T R PAUL FBO CUSTODIAL ACCOUNT# 9054 TCWN: \$114,567.44 POLICE: \$75,812.37 DROP PLAN: \$23,677.14 TO COVER BENEFIT PAYMENTS ACCOUNT 1055087401	214,056.95-
	TOTAL TRANSFERS	214,056.95-
	TOTAL CASH DISBURSEMENTS	218,247.98-

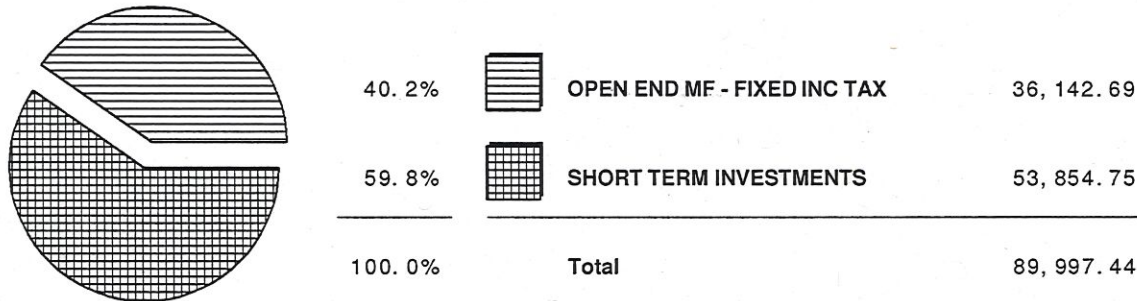
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Schedule Of Asset Acquisitions Purchase Allocation



Purchase Schedule

TRADE DATE	SETT LMT DATE	DESCRIPTION	UNITS	COST
SHORT TERM INVESTMENTS				
		CUSIP # 20035Y102 COMERICA SHORT TERM FUND		
		TOTAL ACTIVITY FROM 11/01/2019 TO 11/30/2019		
		PURCHASED 53,854.75 COMERICA SHORT TERM FUND ON 11/30/2019 AT 1.00 ACCOUNT 1055087401	53,854.75	53,854.75
		TOTAL	53,854.75	53,854.75
		TOTAL SHORT TERM INVESTMENTS	53,854.75	53,854.75

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Schedule Of Asset Acquisitions

TRADE DATE	SETT LMT DATE	DESCRIPTION	UNITS	COST
OPEN END MF - FIXED INC TAX				
CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS				
11/01/2019	11/01/2019	PURCHASED 3,250.242 SHS VANGUARD TOTL BD MKT IDX-INS ON 11/01/2019 AT 11.12 FOR REINVESTMENT ACCOUNT 1055087410	3,250.242	36,142.69
TOTAL			3,250.242	36,142.69
TOTAL OPEN END MF - FIXED INC TAX			3,250.242	36,142.69
TOTAL ASSET ACQUISITIONS				89,997.44

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Schedule Of Asset Dispositions

TRADE DATE	SETT LMT DATE	DESCRIPTION	PROCEEDS	MKT / COST BASIS	MKT / COST GAIN / LOSS
SHORT TERM INVESTMENTS					
		CUSIP # 20035Y102 COMERICA SHORT TERM FUND			
		TOTAL ACTIVITY FROM 11/01/2019 TO 11/30/2019			
		SOLD 215,082.98 COMERICA SHORT TERM FUND ON 11/30/2019 AT 1.00 ACCOUNT 1055087401	215,082.98	215,082.98 215,082.98	
		TOTAL 215,082.98	215,082.98	215,082.98 215,082.98	
		TOTAL SHORT TERM INVESTMENTS	215,082.98	215,082.98 215,082.98	
		TOTAL ASSET DISPOSITIONS	215,082.98	215,082.98 215,082.98	

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Broker Commissions Reports

TRADE DATE	SETTLMT DATE	DESCRIPTION	PURCHASE/SALE COST/PROCEEDS	MKT/COST BASIS	MKT/COST GAIN/LOSS	COMMISSIONS/ PER SHARE	EXPENSES
NO BROKER							
CUSIP # 921937504							
VANGUARD TOTL BD MKT IDX-INS							
11/01/2019	11/01/2019	PURCHASED 3,250,242 SHS AT 11.12 FOR REINVESTMENT ACCOUNT 1055087410	36,142.69	36,142.69 36,142.69		0.00 0.0000	0.00
TOTAL NO BROKER						0.00	0.00
TOTAL BROKER COMMISSIONS						0.00	0.00

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MESSAGE PAGE

SWEEP

COMERICA OFFERS A VAST ARRAY OF MONEY MARKET SWEEP VEHICLE OPTIONS TO OUR CLIENTS, INCLUDING GOVERNMENT, TREASURY AND TAX-EXEMPT FUNDS.

PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR ADDITIONAL INFORMATION ON SWEEP OPTIONS.

COMERICA DOES NOT GUARANTEE INVESTMENT RESULTS. WHERE NON-DEPOSIT INVESTMENT PRODUCTS ARE USED, SUCH INVESTMENT PRODUCTS ARE NOT INSURED BY THE FDIC; ARE NOT DEPOSITS OF OR OTHER OBLIGATIONS OF COMERICA AND ARE NOT GUARANTEED BY COMERICA; AND ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL INVESTED.

IMPORTANT NEWS REGARDING ACH (DIRECT DEPOSIT) PAYMENTS

THE NATIONAL AUTOMATED CLEARING HOUSE ASSOCIATION (NACHA) REQUIRES THAT ALL PARTIES TO AN ACH TRANSACTION MUST CLASSIFY PAYMENTS TRANSMITTED TO OR RECEIVED FROM, A FINANCIAL AGENCY OUTSIDE THE U.S. AS AN INTERNATIONAL ACH TRANSACTION (IAT). THE FEDERAL BANK SECRECY ACT REQUIRES THAT ADDITIONAL DATA BE SENT WITH AN IAT.

THERE ARE SUBSTANTIAL MONETARY PENALTIES FOR VIOLATION OF THE IAT RULES, SO IT IS IMPORTANT FOR US TO WORK TOGETHER TO ENSURE FULL COMPLIANCE WITH THE RULES.

ADDITIONAL INFORMATION REQUIRED

THE ORIGINATOR OF A TRANSACTION CODED AS AN IAT (WHICH INCLUDES DIRECT DEPOSITS OF PENSION PAYMENTS WHICH ULTIMATELY END UP AT A NON-U.S. FINANCIAL AGENCY) WILL BE REQUIRED TO PROVIDE THE FOLLOWING ADDITIONAL INFORMATION TO COMERICA BANK:

NAME AND PHYSICAL ADDRESS OF THE ORIGINATOR (PLAN SPONSOR IN THE CASE OF PENSION PAYMENTS)
NAME AND PHYSICAL ADDRESS OF THE RECEIVER (BENEFICIARY)
ACCOUNT NUMBER OF THE RECEIVER
IDENTITY OF THE RECEIVER'S BANK
CORRESPONDENT BANK'S NAME, BANK ID NUMBER AND BANK BRANCH COUNTRY CODE
REASON FOR THE PAYMENT

DUE DILIGENCE FOR RETIREMENT PLANS

AS PART OF OUR DUE DILIGENCE EFFORT TO COMPLY WITH THE IAT RULES, COMERICA WILL CONTACT DIRECTLY THOSE RETIREES WHO ARE RECEIVING THEIR PENSION PAYMENTS VIA ACH AND FOR WHOM WE HAVE A FOREIGN ADDRESS. WE NEED YOUR ASSISTANCE, HOWEVER, TO IDENTIFY ANY OTHER RETIREES WHOSE PENSION PAYMENTS MIGHT BE SUBJECT TO THE IAT RULES.

ACCORDING TO NACHA, IN THE CASE OF PENSION PAYMENTS, IT IS THE EMPLOYER'S OBLIGATION TO UNDERSTAND THE LEGAL DOMICILE OF ITS RETIREES AND INQUIRE WHETHER THEY HOLD ACCOUNTS IN U.S. BANKS OR WITH OFFSHORE FINANCIAL INSTITUTIONS. THE EMPLOYER OR PLAN SPONSOR IS CONSIDERED TO BE THE "ORIGINATOR" OF THE PENSION PAYMENTS. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR RELATIONSHIP MANAGER.

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DECLARATION OF TRUST DOCUMENTS AVAILABLE

COMERICA BANK & TRUST, N.A., THE TRUSTEE OF A VARIETY OF COMMON TRUST AND COLLECTIVE INVESTMENT FUNDS, HAS CLAIMED AN EXEMPTION FROM THE DEFINITION OF THE TERM "COMMODITY POOL OPERATOR" UNDER THE COMMODITY EXCHANGE ACT, AND IS, THEREFORE, NOT SUBJECT TO REGISTRATION UNDER THE ACT RELATIVE TO EACH OF THE FUNDS. FOR A COMPLETE LIST OF THE RELEVANT FUNDS, PLEASE CONTACT YOUR RELATIONSHIP MANAGER.

COMERICA MAY PARTICIPATE IN CLASS ACTION LAWSUITS ON YOUR BEHALF UNLESS OTHERWISE INSTRUCTED.
IF A SETTLEMENT IS RECEIVED, COMERICA MAY CHARGE A FEE OF \$10 WHEN THE PROCEEDS ARE POSTED TO THE ACCOUNT.

RABBI TRUST

"FOR NON-QUALIFIED RABBI TRUST CLIENTS, THE ANNUAL STATEMENT CONTAINS THE INFORMATION NEEDED TO ASSIST PLAN SPONSORS IN COMPUTING TAXABLE INCOME AND FULFILLING THEIR TAX REPORTING REQUIREMENTS."

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IT-MUNI
COMERICA-INSTITUTIONAL TR
PO BOX 75000
DETROIT MI 48275-3462

TOWN OF NEWTOWN OPEB
ATTN: ROBERT TAIT
3 PRIMROSE STREET
NEWTOWN CT 06470

ACCOUNT STATEMENT
FOR THE PERIOD
11/01/2019 THROUGH 11/30/2019



TOWN OF NEWTOWN OPEB
CONSOLIDATED ACCOUNT

ACCOUNT M04687

IF YOU HAVE ANY QUESTIONS ABOUT THIS ACCOUNT STATEMENT, PLEASE CONTACT YOUR RELATIONSHIP MANAGER
DAN BERD 313-222-5472 MAIL CODE 3462 11/30/2019

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PRICING

MARKET PRICES SHOWN HAVE BEEN OBTAINED FROM PRICING SERVICES WHICH WE BELIEVE ARE RELIABLE; HOWEVER, WE CANNOT GUARANTEE THEIR ACCURACY OR THAT SECURITIES CAN BE BOUGHT OR SOLD FOR THESE PRICES. SOME UNREGISTERED AND ILLIQUID SECURITIES MAY NOT HAVE INDEPENDENTLY PROVIDED PRICING, AND MAY ONLY HAVE PRICING PROVIDED BY THE ISSUER OF THE SECURITY, WHICH MAY INCLUDE ESTIMATES OR OTHER UNVERIFIED PRICES. WE WILL BE GLAD TO PROVIDE YOU FURTHER DETAILS UPON REQUEST.

FLOAT

COMERICA USES A GENERAL DISBURSEMENT CHECKING ACCOUNT TO PROCESS LUMP SUM AND PERIODIC DISTRIBUTIONS. THIS IS A NON-INTEREST BEARING ACCOUNT FROM WHICH COMERICA MAY RECEIVE FLOAT. FLOAT IS EARNED AT THE FED FUNDS RATE, AS PUBLISHED IN THE WALL STREET JOURNAL OR ON THE FEDERAL RESERVE'S WEB SITE. COMERICA MAY BEGIN EARNING FLOAT ONCE THE FUNDS ARE TRANSFERRED FROM YOUR TRUST ACCOUNT TO THE GENERAL DISBURSEMENT CHECKING ACCOUNT. FOR PERIODIC DISTRIBUTIONS, THE TRANSFER TYPICALLY TAKES PLACE ON THE FIRST BUSINESS DAY OF THE MONTH. FOR LUMP SUM DISTRIBUTIONS, THE TRANSFER TYPICALLY OCCURS ON THE DAY THE CHECK IS ISSUED. COMERICA CONTINUES TO RECEIVE FLOAT ON SUCH FUNDS UNTIL SUCH TIME AS: THE CHECK IS PRESENTED FOR PAYMENT OR THE FUNDS ARE DISPOSED OF PURSUANT TO AN UNCLAIMED FUNDS PROCEDURE. PERIODIC DISTRIBUTIONS PAID BY DIRECT DEPOSIT DO NOT GENERATE FLOAT, AND PROVIDE IMPROVED FUNDS AVAILABILITY FOR RECIPIENTS. IF YOU APPROVE OF THESE ARRANGEMENTS, YOU NEED TO DO NOTHING FURTHER. OTHERWISE, PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR FURTHER INFORMATION.

CASH EQUIVALENTS

COMERICA CALCULATES SWEEP FEES OR FUND LEVEL FEES ON A 360 DAY BASIS.

FOREIGN TAX RECLAIMS DISCLOSURE

DIVIDENDS FROM AMERICAN DEPOSITORY RECEIPTS (ADRs) AND OTHER FOREIGN INVESTMENTS MAY BE SUBJECT TO TAX WITHHOLDING BY THE ISSUERS' HOME-COUNTRY GOVERNMENTS. COMERICA ENGAGED GLOBE TAX SERVICES, INC., TO PROVIDE CROSS-BORDER WITHHOLDING RECOVERY SERVICES ON BEHALF OF CLIENTS WITH THE APPLICABLE FOREIGN TAX AUTHORITIES. IF YOU WISH TO OPT INTO THIS SERVICE, PLEASE CONTACT YOUR RELATIONSHIP MANAGER.

SERVICING FEE

COMERICA MAY BE PAID BY NON-PROPRIETARY FUNDS FOR PERFORMING SERVICES FOR THE FUNDS.

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TO ALL HOLDERS OF THE COMERICA SHORT TERM INVESTMENT FUND (STIF)

DETAILED INFORMATION ABOUT THE FUND IS AVAILABLE TO ALL HOLDERS OF THE COMERICA SHORT TERM INVESTMENT FUND (STIF) ON A MONTHLY BASIS INCLUDING: TOTAL ASSETS, SHADOW NAV, AND INDIVIDUAL SECURITY INFORMATION.

THIS INFORMATION WILL BE AVAILABLE AFTER THE 7TH BUSINESS DAY OF THE MONTH AND CAN BE FOUND ON THE 'SPECIAL REPORTS' TAB IN CUSTODY ONLINE, UNDER THE MASTER ACCOUNT NUMBER M87890. IF YOU ARE NOT A CURRENT USER OF CUSTODY ONLINE, PLEASE CONTACT YOUR RELATIONSHIP MANAGER TO OBTAIN ACCESS OR TO HAVE THIS INFORMATION SENT TO YOU.

CLASS ACTION NOTIFICATIONS:

FOR YOUR REFERENCE, WE HAVE CREATED A SPECIAL LINK ([COMERICA.COM/CLASSACTIONS](https://comerica.com/classactions)) FOR UPCOMING SECURITY CLASS ACTION FILINGS. THIS LINK WILL OPEN A REGULARLY UPDATED PDF CONTAINING RELEVANT INFORMATION. PLEASE REFER TO THIS SITE FOR NOTIFICATION ABOUT CLASS ACTIONS WHICH MAY AFFECT YOUR ACCOUNT. CONTACT YOUR RELATIONSHIP MANAGER WITH ANY QUESTIONS.

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ERISA PLAN NOTICE

ERISA PLAN SPONSORS MUST GO TO THE DEPARTMENT OF LABOR'S WEBSITE TO ELECTRONICALLY COMPLETE FORM 5500 REPORTING, AS REQUIRED BY ERISA AND THE INTERNAL REVENUE CODE FOR PLAN YEARS THAT BEGIN AFTER 12/31/2008. YOU CAN REACH THE REPORTING TOOL, FILING REQUIREMENTS AND A LIST OF FREQUENTLY ASKED QUESTIONS AT: WWW.EFAS.DOL.GOV

AS A REMINDER, YOUR ANNUAL STATEMENT, AVAILABLE ON CUSTODY ONLINE*, INCLUDES THE FOLLOWING REPORTS WHICH CAN BE ATTACHED IN .PDF FORMAT TO THE ELECTRONIC 5500 FILING**:

UNREALIZED GAINS AND LOSSES
SCHEDULE H, PART I AND PART II
REPORT OF 5% TRANSACTIONS
5500 STATEMENT OF REALIZED GAIN (LOSS)
INCOME EARNED AND ACCRUED

* IF YOU DO NOT HAVE ACCESS TO CUSTODY ONLINE, OUR FREE INTERNET PRODUCT WHICH PROVIDES ACCESS TO YOUR TRUST ACCOUNT DATA AND STATEMENTS, PLEASE CONTACT YOUR RELATIONSHIP MANAGER TO SIGN UP, OR FOR AN ELECTRONIC FILE OF YOUR ANNUAL STATEMENT.

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Index Of Related Accounts

THIS REPORT CONSOLIDATES THE ACTIVITY OF
THE FOLLOWING ACCOUNTS:

ACCOUNT	NAME
1055087385	TOWN OF NEWTOWN OPEB - CASH
1055087394	TOWN OF NEWTOWN OPEB - MUTUAL FUNDS

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Changes In Net Assets

	COST VALUE	MARKET VALUE
BEGINNING BALANCE AS OF 11/01/2019	2,830,270.83	3,074,212.24
EARNINGS		
CASH INCOME	2,560.37	2,560.37
LESS PRIOR ACCRUED INCOME	2,560.37-	2,560.37-
PLUS CURRENT ACCRUED INCOME	2,431.82	2,431.82
REALIZED GAIN/LOSS ON SALE OF ASSETS	0.00	0.00
NET UNREALIZED GAIN OR LOSS	0.00	49,057.24
TOTAL EARNINGS	2,431.82	51,489.06
CONTRIBUTIONS & OTHER INCREASES		
TOTAL CONTRIBUTIONS & OTHER INCREASES	0.00	0.00
DISTRIBUTIONS & OTHER DECREASES		
FEES & EXPENSES	1,317.81-	1,317.81-
TOTAL DISTRIBUTIONS & OTHER DECREASES	1,317.81-	1,317.81-
ENDING BALANCE AS OF 11/30/2019	2,831,384.84	3,124,383.49

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Summary Of Assets

	AS OF 11/01/2019		AS OF 11/30/2019	
	COST VALUE	MARKET VALUE	COST VALUE	MARKET VALUE
A S S E T S				
CASH	0.00	0.00	1,125.00-	1,125.00-
DUE FROM BROKERS	0.00	0.00	0.00	0.00
ACCRUED INCOME	2,560.37	2,560.37	2,431.82	2,431.82
TOTAL CASH & RECEIVABLES	2,560.37	2,560.37	1,306.82	1,306.82
DEBT SECURITIES				
OPEN END MF - FIXED INC TAX	976,148.57	1,027,628.89	1,038,434.09	1,087,135.87
TOTAL DEBT SECURITIES	976,148.57	1,027,628.89	1,038,434.09	1,087,135.87
EQUITY SECURITIES				
OPEN END MF - EQUITY	1,641,916.00	1,834,377.09	1,776,916.00	2,021,212.87
TOTAL EQUITY SECURITIES	1,641,916.00	1,834,377.09	1,776,916.00	2,021,212.87
SHORT TERM INVESTMENTS				
SHORT TERM INVESTMENTS	209,645.89	209,645.89	14,727.93	14,727.93
TOTAL SHORT TERM INVESTMENTS	209,645.89	209,645.89	14,727.93	14,727.93
TOTAL HOLDINGS	2,827,710.46	3,071,651.87	2,830,078.02	3,123,076.67
TOTAL ASSETS	2,830,270.83	3,074,212.24	2,831,384.84	3,124,383.49
L I A B I L I T I E S				
DUE TO BROKERS	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	0.00	0.00	0.00	0.00
TOTAL NET ASSET VALUE:	2,830,270.83	3,074,212.24	2,831,384.84	3,124,383.49

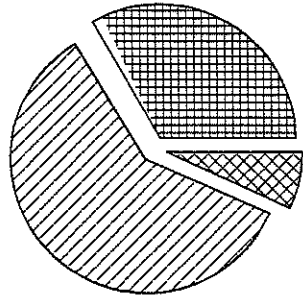
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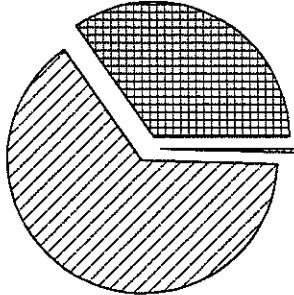
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Beginning Market Allocation



0.1%	CASH & RECEIVABLES	2,560.37
33.4%	DEBT SECURITIES	1,027,628.89
59.7%	EQUITY SECURITIES	1,834,377.09
6.8%	SHORT TERM INVESTMENTS	209,645.89
100.0%	Total	3,074,212.24

Ending Market Allocation



0.0%	CASH & RECEIVABLES	1,306.82
34.8%	DEBT SECURITIES	1,087,135.87
64.7%	EQUITY SECURITIES	2,021,212.87
0.5%	SHORT TERM INVESTMENTS	14,727.93
100.0%	Total	3,124,383.49

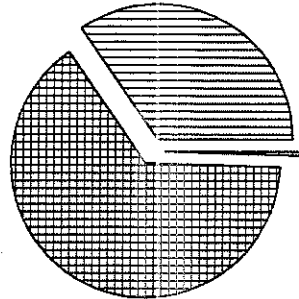
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Schedule Of Assets Held Investment Allocation



34.8%	DEBT SECURITIES	1,087,135.87
64.7%	EQUITY SECURITIES	2,021,212.87
0.5%	SHORT TERM INVESTMENTS	16,034.75
100.0%	Total	3,124,383.49

Investment Summary

	Cost	Market Value	% of Acct	Estim Ann Inc	Income Yield
DEBT SECURITIES	1,038,434.09	1,087,135.87	34.80	29,997	2.76
EQUITY SECURITIES	1,776,916.00	2,021,212.87	64.69	46,026	2.28
SHORT TERM INVESTMENTS	16,034.75	16,034.75	0.51	237	1.48
Total Assets	2,831,384.84	3,124,383.49	100.00	76,260	2.44

Schedule Of Assets Held

UNITS	ASSET DESCRIPTION	COST	UNIT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	YIELD AT MARKET
DEBT SECURITIES						
OPEN END MF - FIXED INC TAX						
98,028.482	VANGUARD TOTL BD MKT IDX-INS 921937504	1,038,434.09	11.09	1,087,135.87	48,701.78	2.759
	ACCOUNT 1055087394	98,028.482				

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Schedule Of Assets Held

UNITS	ASSET DESCRIPTION	COST	UNIT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	YIELD AT MARKET
EQUITY SECURITIES						
OPEN END MF - EQUITY						
66,970.051	VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST 921943882 ACCOUNT 1055087394 66,970.051	850,239.24	13.82	925,526.10	75,286.86	2.988
2,732.686	VANGUARD INST INDEX 922040100 ACCOUNT 1055087394 2,732.686	696,307.19	285.17	779,280.07	82,972.88	1.876
3,363.524	VANGUARD EXTENDED MARKET INDEX FUND 922908694 ACCOUNT 1055087394 3,363.524	230,369.57	94.07	316,406.70	86,037.13	1.185
TOTAL OPEN END MF - EQUITY		1,776,916.00		2,021,212.87	244,296.87	
SHORT TERM INVESTMENTS						
SHORT TERM INVESTMENTS						
14,727.93	GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS 38141W273 ACCOUNT 1055087385 14,727.93	14,727.93	1.00	14,727.93	0.00	1.610
	CASH ACCOUNT 1055087394 1,125-	1,125.00-		1,125.00-	0.00	0.000
	ACCRUED INCOME	2,431.82		2,431.82	0.00	0.000
	TOTAL CASH	1,306.82		1,306.82	0.00	
	TOTAL SHORT TERM INVESTMENTS	16,034.75		16,034.75	0.00	
Total Assets		2,831,384.84		3,124,383.49	292,998.65	

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Summary Of Cash Transactions

RECEIPTS

CASH BALANCE AS OF 11/01/2019		0.00
INCOME RECEIVED		
DIVIDENDS	2,285.52	
INTEREST	274.85	
TOTAL INCOME RECEIPTS	2,560.37	
PROCEEDS FROM THE DISPOSITION OF ASSETS	195,192.81	
TOTAL RECEIPTS		197,753.18

DISBURSEMENTS

CASH DISBURSEMENTS		
FEES & EXPENSES	1,317.81 -	
TOTAL CASH DISBURSEMENTS	1,317.81 -	
COST OF ACQUISITION OF ASSETS	197,560.37 -	
TOTAL DISBURSEMENTS		198,878.18 -
CASH BALANCE AS OF 11/30/2019		1,125.00 -

THE ENDING CASH BALANCE CONSISTS OF:

CASH	1,125.00 -
DUE FROM BROKER	0.00
DUE TO BROKER	0.00
TOTAL CASH	1,125.00 -

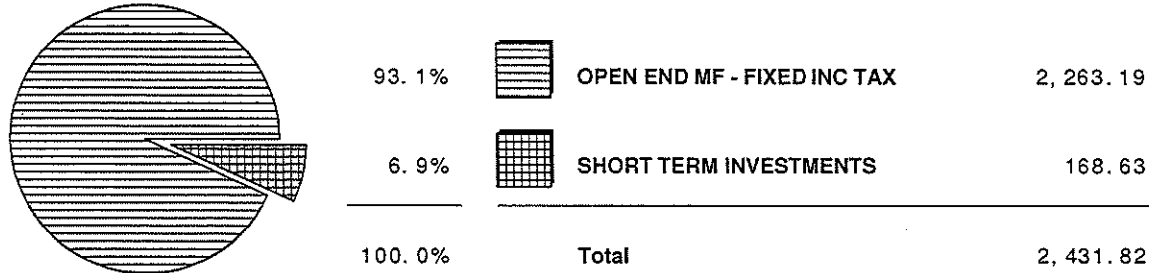
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Schedule Of Income Earned Income Allocation



Income Schedule

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
DIVIDENDS						
	OPEN END MF - FIXED INC TAX CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS					
11/01/2019	DIVIDEND ON VANGUARD TOTL BD MKT IDX-INS PAYABLE 11/01/2019 FOR 10/01/19 THROUGH 10/31/19 ACCOUNT 1055087394		2,285.52			
	ACCOUNT 1055087394	2,285.52 0.00	2,285.52	2,263.19 0.00	2,263.19	
	SECURITY TOTAL	2,285.52 0.00	2,285.52	2,263.19 0.00	2,263.19	
	TOTAL OPEN END MF - FIXED INC TAX	2,285.52 0.00	2,285.52	2,263.19 0.00	2,263.19	
	TOTAL DIVIDENDS	2,285.52 0.00	2,285.52	2,263.19 0.00	2,263.19	

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Schedule Of Income Earned

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
INTEREST						
SHORT TERM INVESTMENTS						
CUSIP # 38141W273						
GOLDMAN SACHS FINANCIAL SQUARE						
FUNDS- GOVERNMENT FUND-FS						
11/01/2019	DIVIDEND ON GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS PAYABLE 11/01/2019 FOR 10/01/19 THROUGH 10/31/19 ACCOUNT 1055087385		274.85			
	ACCOUNT 1055087385	274.85 0.00	274.85	168.63 0.00	168.63	
	SECURITY TOTAL	274.85 0.00	274.85	168.63 0.00	168.63	
	TOTAL SHORT TERM INVESTMENTS	274.85 0.00	274.85	168.63 0.00	168.63	
	TOTAL INTEREST	274.85 0.00	274.85	168.63 0.00	168.63	
	TOTAL INCOME EARNED	2,560.37 0.00	2,560.37	2,431.82 0.00	2,431.82	

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Schedule Of Cash Disbursements

DATE	DESCRIPTION	CASH
	FEES & EXPENSES	
11/26/2019	INVOICE FEE OFFSET COMERICA BANK FEE FOR INVOICE NBR 454729 PERIOD ENDING 20190930 CHARGED FROM 1055087385 ACCOUNT 1055087385	192.81-
11/26/2019	INVOICE FEE OFFSET COMERICA BANK FEE FOR INVOICE NBR 454728 PERIOD ENDING 20190930 CHARGED FROM 1055087394 ACCOUNT 1055087394	1,125.00-
	TOTAL FEES & EXPENSES	1,317.81-
	TOTAL CASH DISBURSEMENTS	1,317.81-

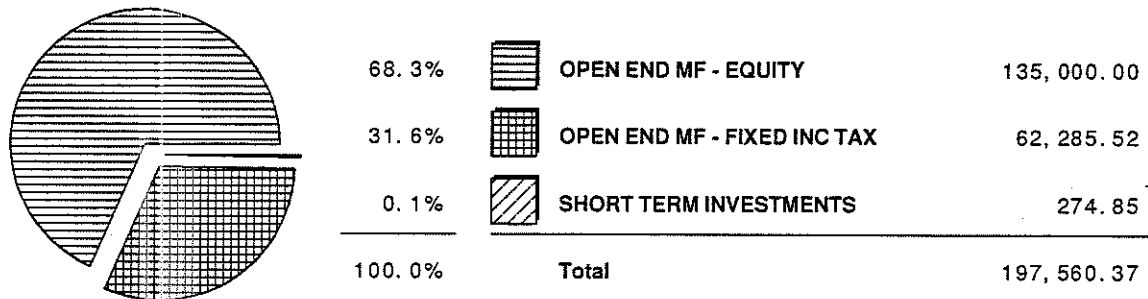
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Schedule Of Asset Acquisitions Purchase Allocation



Purchase Schedule

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
SHORT TERM INVESTMENTS				
CUSIP # 38141W273 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS				
TOTAL ACTIVITY FROM 11/01/2019 TO 11/30/2019				
		PURCHASED 274.85 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS ON 11/30/2019 AT 1.00 ACCOUNT 1055087385	274.85	274.85
TOTAL			274.85	274.85
TOTAL SHORT TERM INVESTMENTS			274.85	274.85

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Schedule Of Asset Acquisitions

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
OPEN END MF - FIXED INC TAX				
CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS				
11/01/2019	11/01/2019	PURCHASED 205.532 SHS VANGUARD TOTL BD MKT IDX-INS ON 11/01/2019 AT 11.12 FOR REINVESTMENT ACCOUNT 1055087394	205.532	2,285.52
11/21/2019	11/22/2019	PURCHASED 5,410.28 SHS VANGUARD TOTL BD MKT IDX-INS ON 11/21/2019 AT 11.09 ACCOUNT 1055087394	5,410.28	60,000.00
TOTAL			5,615.812	62,285.52
TOTAL OPEN END MF - FIXED INC TAX			5,615.812	62,285.52
OPEN END MF - EQUITY				
CUSIP # 921943882 VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST				
11/21/2019	11/22/2019	PURCHASED 5,458.515 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST ON 11/21/2019 AT 13.74 ACCOUNT 1055087394	5,458.515	75,000.00
TOTAL			5,458.515	75,000.00
CUSIP # 922040100 VANGUARD INST INDEX				
11/21/2019	11/22/2019	PURCHASED 106.523 SHS VANGUARD INST INDEX ON 11/21/2019 AT 281.63 ACCOUNT 1055087394	106.523	30,000.00
TOTAL			106.523	30,000.00
CUSIP # 922908694 VANGUARD EXTENDED MARKET INDEX FUND				
11/21/2019	11/22/2019	PURCHASED 325.38 SHS VANGUARD EXTENDED MARKET INDEX FUND ON 11/21/2019 AT 92.20 ACCOUNT 1055087394	325.38	30,000.00

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Schedule Of Asset Acquisitions

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
TOTAL			325.38	30,000.00
TOTAL OPEN END MF - EQUITY			5,890.418	135,000.00
TOTAL ASSET ACQUISITIONS				197,560.37

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Schedule Of Asset Dispositions

TRADE DATE	SETT LMT DATE	DESCRIPTION	PROCEEDS	MKT / COST BASIS	MKT / COST GAIN / LOSS
SHORT TERM INVESTMENTS					
		CUSIP # 38141W273 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS			
		TOTAL ACTIVITY FROM 11/01/2019 TO 11/30/2019			
		SOLD 195,192.81 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS ON 11/30/2019 AT 1.00 ACCOUNT 1055087385	195,192.81	195,192.81 195,192.81	
		TOTAL 195,192.81	195,192.81	195,192.81 195,192.81	
		TOTAL SHORT TERM INVESTMENTS	195,192.81	195,192.81 195,192.81	
		TOTAL ASSET DISPOSITIONS	195,192.81	195,192.81 195,192.81	

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Broker Commissions Reports

TRADE DATE	SETTLMT DATE	DESCRIPTION	PURCHASE/SALE COST/PROCEEDS	MKT/COST BASIS	MKT/COST GAIN/LOSS	COMMISSIONS/ PER SHARE	EXPENSES
NO BROKER							
CUSIP # 921937504							
VANGUARD TOTL BD MKT IDX-INS							
11/01/2019	11/01/2019	PURCHASED 205.532 SHS AT 11.12 FOR REINVESTMENT ACCOUNT 1055087394	2,285.52	2,285.52 2,285.52		0.00 0.0000	0.00
11/21/2019	11/22/2019	PURCHASED 5,410.28 SHS AT 11.09 ACCOUNT 1055087394	60,000.00	60,000.00 60,000.00		0.00 0.0000	0.00
CUSIP # 921943882							
VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST							
11/21/2019	11/22/2019	PURCHASED 5,458.515 SHS AT 13.74 ACCOUNT 1055087394	75,000.00	75,000.00 75,000.00		0.00 0.0000	0.00
CUSIP # 922040100							
VANGUARD INST INDEX							
11/21/2019	11/22/2019	PURCHASED 106.523 SHS AT 281.6293 ACCOUNT 1055087394	30,000.00	30,000.00 30,000.00		0.00 0.0000	0.00
CUSIP # 922903694							
VANGUARD EXTENDED MARKET INDEX FUND							
11/21/2019	11/22/2019	PURCHASED 325.38 SHS AT 92.1999 ACCOUNT 1055087394	30,000.00	30,000.00 30,000.00		0.00 0.0000	0.00
TOTAL NO BROKER						0.00	0.00
TOTAL BROKER COMMISSIONS						0.00	0.00

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MESSAGE PAGE

SWEEP

COMERICA OFFERS A VAST ARRAY OF MONEY MARKET SWEEP VEHICLE OPTIONS TO OUR CLIENTS, INCLUDING GOVERNMENT, TREASURY AND TAX-EXEMPT FUNDS.

PLEASE CONTACT YOUR RELATIONSHIP MANAGER FOR ADDITIONAL INFORMATION ON SWEEP OPTIONS.

COMERICA DOES NOT GUARANTEE INVESTMENT RESULTS. WHERE NON-DEPOSIT INVESTMENT PRODUCTS ARE USED, SUCH INVESTMENT PRODUCTS ARE NOT INSURED BY THE FDIC; ARE NOT DEPOSITS OF OR OTHER OBLIGATIONS OF COMERICA AND ARE NOT GUARANTEED BY COMERICA; AND ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE PRINCIPAL INVESTED.

IMPORTANT NEWS REGARDING ACH (DIRECT DEPOSIT) PAYMENTS

THE NATIONAL AUTOMATED CLEARING HOUSE ASSOCIATION (NACHA) REQUIRES THAT ALL PARTIES TO AN ACH TRANSACTION MUST CLASSIFY PAYMENTS TRANSMITTED TO OR RECEIVED FROM, A FINANCIAL AGENCY OUTSIDE THE U.S. AS AN INTERNATIONAL ACH TRANSACTION (IAT). THE FEDERAL BANK SECRECY ACT REQUIRES THAT ADDITIONAL DATA BE SENT WITH AN IAT.

THERE ARE SUBSTANTIAL MONETARY PENALTIES FOR VIOLATION OF THE IAT RULES, SO IT IS IMPORTANT FOR US TO WORK TOGETHER TO ENSURE FULL COMPLIANCE WITH THE RULES.

ADDITIONAL INFORMATION REQUIRED

THE ORIGINATOR OF A TRANSACTION CODED AS AN IAT (WHICH INCLUDES DIRECT DEPOSITS OF PENSION PAYMENTS WHICH ULTIMATELY END UP AT A NON-U.S. FINANCIAL AGENCY) WILL BE REQUIRED TO PROVIDE THE FOLLOWING ADDITIONAL INFORMATION TO COMERICA BANK:

NAME AND PHYSICAL ADDRESS OF THE ORIGINATOR (PLAN SPONSOR IN THE CASE OF PENSION PAYMENTS)
NAME AND PHYSICAL ADDRESS OF THE RECEIVER (BENEFICIARY)
ACCOUNT NUMBER OF THE RECEIVER
IDENTITY OF THE RECEIVER'S BANK
CORRESPONDENT BANK'S NAME, BANK ID NUMBER AND BANK BRANCH COUNTRY CODE
REASON FOR THE PAYMENT

DUE DILIGENCE FOR RETIREMENT PLANS

AS PART OF OUR DUE DILIGENCE EFFORT TO COMPLY WITH THE IAT RULES, COMERICA WILL CONTACT DIRECTLY THOSE RETIREES WHO ARE RECEIVING THEIR PENSION PAYMENTS VIA ACH AND FOR WHOM WE HAVE A FOREIGN ADDRESS. WE NEED YOUR ASSISTANCE, HOWEVER, TO IDENTIFY ANY OTHER RETIREES WHOSE PENSION PAYMENTS MIGHT BE SUBJECT TO THE IAT RULES.

ACCORDING TO NACHA, IN THE CASE OF PENSION PAYMENTS, IT IS THE EMPLOYER'S OBLIGATION TO UNDERSTAND THE LEGAL DOMICILE OF ITS RETIREES AND INQUIRE WHETHER THEY HOLD ACCOUNTS IN U.S. BANKS OR WITH OFFSHORE FINANCIAL INSTITUTIONS. THE EMPLOYER OR PLAN SPONSOR IS CONSIDERED TO BE THE "ORIGINATOR" OF THE PENSION PAYMENTS. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT YOUR RELATIONSHIP MANAGER.

ACCOUNT STATEMENT

Statement Period
Account Number

11/01/2019 through 11/30/2019
M04687

337

MESSAGE PAGE

DECLARATION OF TRUST DOCUMENTS AVAILABLE

COMERICA BANK & TRUST, N.A., THE TRUSTEE OF A VARIETY OF COMMON TRUST AND COLLECTIVE INVESTMENT FUNDS, HAS CLAIMED AN EXEMPTION FROM THE DEFINITION OF THE TERM "COMMODITY POOL OPERATOR" UNDER THE COMMODITY EXCHANGE ACT, AND IS, THEREFORE, NOT SUBJECT TO REGISTRATION UNDER THE ACT RELATIVE TO EACH OF THE FUNDS. FOR A COMPLETE LIST OF THE RELEVANT FUNDS, PLEASE CONTACT YOUR RELATIONSHIP MANAGER.

COMERICA MAY PARTICIPATE IN CLASS ACTION LAWSUITS ON YOUR BEHALF UNLESS OTHERWISE INSTRUCTED.
IF A SETTLEMENT IS RECEIVED, COMERICA MAY CHARGE A FEE OF \$10 WHEN THE PROCEEDS ARE POSTED TO THE ACCOUNT.

RABBI TRUST

"FOR NON-QUALIFIED RABBI TRUST CLIENTS, THE ANNUAL STATEMENT CONTAINS THE INFORMATION NEEDED TO ASSIST PLAN SPONSORS IN COMPUTING TAXABLE INCOME AND FULFILLING THEIR TAX REPORTING REQUIREMENTS."