

3 PRIMROSE STREET
NEWTOWN, CT 06470
TEL. (203) 270-4221

BOARD OF FINANCE
MINUTES
REGULAR MEETING
Tuesday, October 13, 2020 at 7:30 p.m.

These minutes are subject to approval by the Board of Finance

Present: Sandy Roussas, Keith Alexander, Ned Simpson, Chris Gardner, John Madzula and Matthew Mihalcik

Absent:

Also Present: First Selectman Dan Rosenthal, Finance Director, Bob Tait, Superintendent, Dr. Lorrie Rodrigue, BOE Chair, Dr. Michelle Ku, Newtown School District Director of Business, Tanya Vadas, BOE Member, Dan Delia, Director of Facilities, Bob Gerbert, one member of the Press and four members of the Public

Sandy Roussas called the meeting to order at 7:33 p.m. Attendees saluted the American Flag.

Voter Comments

None

Communications

Chair Roussas shared with the Board that she received two documents from Ned Simpson (see attached).

Chair Roussas communicated with the LC Chair about the official role that LC has regarding the BOE Non-Lapsing account. The LC has still does not have an answer from the Town Attorney, David Grogins, with this matter.

Minutes

Keith Alexander moved to approve the minutes of September 29, 2020. Ned Simpson seconded. Ned Simpson requested that "Mr. Simpson asked to put a Middle School project into Year 10" be removed on Page 2 under New Business of the Sustainable Energy Commission (SEC) presentation and instead reflect "The five projects that SEC highlighted should be put into the package of CIP items. All in favor and motion passes.

First Selectman's Report

First Selectman Rosenthal reported that Public Works finished the storm cleanup and he does believe the Town will qualify for FEMA. PW is completing the paving cycle for the remainder of the season; however, the chip seal will go into next year as well as some drainage projects. The Police project is on track and within budget. There will be a private ribbon cutting ceremony as well as an additional option for the Public on the 31st. Selectman Crick Owen is working with Suicide Prevention Initiative with various Town departments and will be creating some ongoing events to promote Suicide Prevention. Lastly, \$400,000 was accepted by the LC for the BOE COVID-19 expenses.

Mr. Mihalcik inquired if Public Works (PW) did the storm cleanup as well as the paving. The First Selectman responded by saying that it is mostly done by PW and a small amount is contracted out for both.

Finance Director's Report

Finance Director, Bob Tait, reported on the September Pension Flash report (see attached). Asset Allocation and Target Allocation fixed income is 32.4% while target is 35%; Domestic Equity is 37.5% and target is 35%; International equity is 25.8% and target is 30%. From time to time assets are shifted to reflect the target allocation. At the end of the last fiscal year, the Pension had \$47.5MM and reported \$51.8MM at the end of September.

Mr. Mihalcik asked how many people are drawing on the Pension. Mr Tait said about 140-150.

Unfinished Business

BOE CIP

Chair Roussas asked the BOE to come to discuss the 2021-2022 BOE CIP (previously asked questions from the BOF to the BOE are attached).

Mr. Simpson commented about the safety and validity of turf field and the desire to revisit it on the CIP calendar. He also appreciated the HOM and Reed LED Lighting and would like Capital Non Recurring to pay for the light bulbs and light fixtures.

Mr. Mihalcik asked about the paving estimates and Mr. Gerbert noted the need to get a better handle on the specifics.

Chair Roussas asked about when the results are expected for the Hawley HVAC air quality testing that is being done this week. Mr. Gerbert noted he expects them within a couple of weeks and the hope is that if less ventilation is needed this will result in smaller equipment and a lower cost of the project. A better understanding for cost is expected by December. The unknowns that may significantly increase the project may be lead paint or asbestos. It was shared that Sustainable Energy Commission continues to complete walk-throughs all of the schools.

BOS CIP – not discussed

BOE Non-Lapsing Account Policy

Ned Simpson shared his thought process of the draft regarding the Policy. The original thought intended for this draft was to be a combined policy between three Boards (BOE, BOF and LC) and Mr. Simpson feels strongly that there should be one unifying policy because we are one Town. Chair Roussas stated that the discussion over the summer was for the BOF to draft a policy and then pass it to the BOE for it's input. The concern regarding developing a subcommittee was to not impose on members' time outside of their regular board obligations. There was discussion that a BOE anticipated surplus could be transferred to a line item in Capital Non-Recurring as an expenditure designated for BOE before the end of the fiscal year. Chair Roussas disagrees with that process because it potentially creates a third source of revenue for capital projects outside of the CIP process. Mr. Alexander noted that the purpose of the document was to address a surplus and not to dictate how the BOE manages its budget. Chair Roussas agreed and stated that her intent was to codify the process that is already being observed regarding depositing of funds and expenditure requests. All members agreed to review the policy again and decide on the intent of the document before debating the language of the policy.

CIP Policy

Chair Roussas circulated a draft to the BOF. The Board discussed some of the edits (see attached).

Ned Simpson moved that the revised section 310 capital improvement plan policy dated BOF 9/29/20 with the marked changes taken out and the formatting confirmed be approved by the BOF and request that the LC promptly approve said policy. Matt Mihalcik seconded. All in favor and motion passes.

New Business

Matt Mihalcik made a motion to add the Budget Timetable to the agenda. Ned Simpson seconded. All in favor and motion passes. (See attachment).

Ned Simpson approved the submitted Office of the Finance Director 2021-2021 Budget Timetable with the

addition of a date for the BOE to submit on the budget to the BOF. Matt Mihalcik seconded. Mr. Tait will amend the BOE date. All in favor and motion passes.

Voter Comments

None

Announcements

None

Adjournment

Matt made a motion to adjourn. KEith seconded. All members were in favor and the meeting was adjourned at 9:08 pm.

Respectfully submitted,
Kiley Morrison Gottschalk, Clerk

Attachments

2021-2022 Budget Timetable

BOE CIP Questions

BOF NJS Economist Article on Housing

U H Hospital Report Turf vs Grass

Pension & OPEB Flash Report

Repaving Parking Lots

Project #	Year	Amount	Description	Approximate # Spaces	Approximate Area
BOE-17	27/28	\$2,120,000	Reed - Repave Parking Lot, Curbing, Sidewalks	213 (+22 bus)	Sq. Footage being calculated
BOE-15	27/28	\$1,378,000	Middle Gate – Repave entire parking lot, curbing sidewalks	127	“
BOE-20	28/29	\$1,378,000	Hawley – Repave Parking Lot, Curbing, Sidewalks	98	“
BOE-23	28/29	\$1,685,400	Middle School – Parking Lot, Curbing, Sidewalks	227	“

Table 1

1) Please indicate the number of spaces in each of the parking areas to be repaved and the area of the parking lot to complete Table 1. Approximations are fine

2) What is the extent of the planned projects? Remove and replace existing surface, foundation, drainage and curbing, or add a new coat on top of the existing lot?

Remove existing asphalt and concrete curbs, address subgrade issues (ex: potholes, dips), and repave with new asphalt. Adding a new topcoat is simply a temporary fix that is not long lasting. For example, if you have a serious pothole or underlying issue in the parking lot, this must be addressed with a longer term solution for safety.

LED Lighting & Boilers – BOE-04 Reed & BOE-05 HOM

When the Hawley and High School boiler and LED light bundles were presented (2018) I was of the impression that these two different pieces of work had to be bundled to get the Eversource incentive payments. However, at the April 9, 2020 BOE CIP/Facilities/Finance Sub-Committee, Mr. Gerbert talked about unbundling the HOM Boiler and LED projects which would not reduce incentive payments. At that same sub-committee's May 27, 2020 meeting Mr. Delia stated there is no incentive to do the boiler and lighting together at HOM. I would appreciate identification of the two components similar to the separation information provided for the Hawley and High School boiler and lighting projects.

At HOM, the boilers operate on oil for which Eversource offers no rebate/incentive. Therefore, replacing the boilers has no impact on any potential rebate/incentive for the lighting work.

Reed operates on natural gas for which Eversource will offer a rebate/incentive for installing condensing boilers. By doing both the boilers and lighting at Reed as one project, this will qualify for a larger rebate/incentive.

For each project, HOM & Reed:

1) For the original (backing out any annual 6% inflators) estimates

a) What year was the estimate prepared?

HOM estimate (\$850,000 [\$425,000 lighting + \$425,000 heating]) was updated in June 2020 and is accounted for in the current CIP.

Reed estimate Lighting = \$920,500 Heating = \$620,000

b) Estimate for lights and light fixtures?

Head O'Meadow

713 fixtures x \$500/fixture = \$365,500

Exterior lighting = \$30,000

Lighting Controls = \$30,000

Total Lighting Job = \$425,500

Reed

1661 fixtures x \$500/fixture = \$830,500

Exterior lighting = \$40,000

Lighting Controls = \$50,000

Total Lighting Job = \$920,500

c) Estimate for Installation cost?

The above estimates include installation costs.

2) Amount of applicable vendor incentives for conversion to LED lighting

Head O'Meadow - estimated rebate/incentive = \$26,500. Based upon \$0.45/KWH tiered incentive structure from Eversource (4,420 annual hours x 13 KW* x \$0.45/KWH *estimated reduction by converting to LED).

Reed - estimated rebate/incentive = \$110,000. Based upon comprehensive incentive from Eversource (heating: 9,216 MBH x \$5/MBH = \$46,000 + lighting: 4,420 annual hours x 29 KW* x \$0.50/KWH = \$64,000 *estimated reduction by converting to LED).

Both estimates above are based on 20% energy savings from the LED lighting. The heating rebate is a flat rate based on the size of boiler(s) installed.

Please note that estimates above are conservative numbers. We may capture higher savings in rebates/incentives.

3) Regarding the annual operating budget

a) Over the past few years, what is budgeted for replacing burnt out light bulbs? What is in the 2020-21 budget

Reed - 43 lighting ballasts (2020), 47 (2019), 34 (2018), 34 (2017). \$3,000 in lamps & ballasts at Reed (materials only).

Converting to LED virtually eliminates all lighting maintenance.

b) Since the estimate was prepared, what percentage of the school's lightbulbs have been replaced (assumedly with LED)?

0% - no lights have been converted to LED at either Reed or Head O'Meadow. These are the last two schools to upgrade to LED, which is why they are included in our CIP (Reed YR. 2 and HOM YR. 3).

There are LED lamps that work with existing light fixtures. While these do provide energy savings, they typically are inferior when compared to a brand new LED fixture. For example, fluorescent lamps send light in a 360 degree pattern while LED tubes are

more directional. A fixture using fluorescent lamps is designed to work with that type of lighting distribution. Swapping in an LED tube can and will work, but will sacrifice performance. Some LED tubes are ballast compatible which makes for an easy switch, but still leaves the ballast as a maintainable part. Other LED tubes bypass the ballast which requires rewiring of the fixture. This labor can be more time consuming than actually replacing the fixture with a new one. Further, LED lighting fixtures have become very efficient and very inexpensive which makes the case to install new fixtures.

High School Stadium Turf – BOE-02

1) What type of incidents make up the safety issue?

Head injury/Concussion is the primary safety concern. CGA HB 5300 (in discussion at the State level) prohibits use of crumb rubber for playgrounds effective 10/1/2020. Controversy exists regarding environmental and health hazards associated with crumb rubber infill used on turf fields.

Just to point out the ongoing use of the field by multiple sports and students in a typical year. Thus, the potential for head injuries or concussions exists in more sports than football. The following usage is outlined below:

Fall-(August-November) Total of 115-120 games played on the turf along with daily practices of 5+ hours on turf

3 levels of football:15-18 Games
3 levels of girls soccer, roughly 30 games
3 levels of boys soccer, 30 games
Field Hockey 30 Games
Band use-10 hours per week August-November
Unified Sports-2 Times/Week 4-5 games during the fall
Youth Football-2 full days of games during the fall

Spring: 25-30 games on the turf along with 4 Track meets (Using both turf and track). Practices daily 4-6 hours in duration (March-June)

Track-200 boys and girls practice every day for 2-3 hours
2 levels of boys and girls lacrosse-25-30 games each spring
Youth Track and Field
Turf used for tryouts for High School and Middle School softball/baseball

Summer: (July and August)

Football conditioning 4 days a week for 2-3 hours at a time
Youth Track
Lacrosse and Football camps

2) Please clarify useful life

a) Page 9 “Useful Life 10”

b) Description “Current turf 11 years old and is approaching the end of its useful life”

The approaching should be changed to “beyond.” Another point to note is that CGA HB 5300 (in discussion at the State level) may prohibit the use of crumb rubber for playgrounds effective 10/1/2020. Controversy exists regarding environmental and health hazards associated with crumb rubber infill used on turf fields. In addition to being beyond its useful life, all districts might then be prompted to returf. However, we plan to use alternative materials to returf our field.

c) Field Turf quote includes an 8-year third party warranty

3) What are the most recent measures of surface hardness?

With respect to measures of surface hardness and its relationship to turf safety, a value over 200 is deemed “unsafe” per ASTM F1936-10. In February of 2020, a test was performed on the field by Gayle Associates, and the results were an average value of 220 with a low of 193 and a high of 246. Field maintenance was completed by FieldTurf during the March visit prior to conducting additional testing. Field maintenance included grooming the turf, removing debris, and adding infill to an appropriate depth. Field Turf then conducted further testing in March 2020 following that field maintenance. These tests are done in random spots across the field and sideline. Average Gmax value of 168 was noted from 3/26/2020 with a High of 213 and a Low of 145. To maintain safe Gmax ratings, semi-annual maintenance is required to groom the field and add infill to proper depth.

4) Will the old turf be recycled or dumped in a landfill?

This article discusses the issues of recycling old turf. The turf gets rolled up and remains in a landfill. However, please note that we have been able to utilize portions of our old turf in areas needed for other sports.

<https://www.theatlantic.com/science/archive/2019/12/artificial-turf-fields-are-piling-no-recycling-fix/603874/>

5) Should something with such a short useful life be bonded?

This may be a question for BOF and LC to answer. Bond maturity structure is not within BOE purview. But if the project is not bonded, an alternative source of funding would need to be planned. However, this might be true for other projects as well and there still exists the threshold for which projects get put onto the CIP (based on their cost).

Reed New Roof - BOE-10

As I understand it Reed was build 2002. Yet it needs a new roof in 2026/27. Correct?

1) Replacement after 24 or 27 years? Should be more like 30 to 40 years.

We feel that the roof is in good condition and this will be pushed out to align with the solar contract.

2) Didn't those involved in the solar panel decisions assess the remaining useful life of the roof in 2017?

See #1.

3) Fred Hurly pointed out that over time the production of solar panels decreases. And manufactures are continually increasing panel production and lifetime performance. Does the requested amount include new panels or remounting the existing panels?

Would need to know the contract for the solar panels, as there could be language discussing the roof.

Middle School – BOE-04

The project name is "Middle School Improvement." The description addresses only HVAC. Can the project name be changed to something like "Middle School HVAC" to improve taxpayers ability to understand what the money will be sent for?

We can certainly discuss changing the title.

Other Questions

Allen mentioned that NMS does not have a redundant boiler and that it's something that can cause the school to shut down if the one that is there stops working. Should the project be placed in year 10?

It may make more sense to include this with the MS HVAC that is in Year 3. This will be discussed with the Board's CIP Committee as for appropriate placement in the future.

How are we planning to replace HS rooftop air units given that they are at the end of their useful life?

Since the HS walkthrough with the Director of Facilities, Sustainable Energy members, and BOE, it was agreed that the HS rooftop air units would need replacement. This needs to be discussed with the CIP committee to evaluate where this will fall on the plan. Ongoing dialogue and collaboration with the Sustainable Energy committee will further energy savings and efficiencies for this project.

There were also questions about Hawley's indoor air quality study, which prompted my question to you about whether that was underway. Allen also mentioned organizing projects in a way that made sense so that we are not losing energy.

The Indoor Air testing is scheduled to take place the week of Oct 12 for Hawley Elementary School. The Director of Facilities continues to work with Sustainable Energy to identify projects which can harness energy savings. The Sustainable Energy Commission has not only presented their thinking to the Board of Education during a recent meeting (which discussed savings and priorities), they have been invited to speak to the CIP subcommittee directly.

The Sustainable Energy Commission's representative has not yet had the opportunity to walk through all schools. Once a picture of all schools is obtained from a sustainable energy perspective, the recommendations can be incorporated into the district CIP as part of the overall consideration along with all of the factors that go into prioritizing projects.

10 Year Budget Forecast

Article in The Economist re Housing trends

TO: Newtown Board of Finance

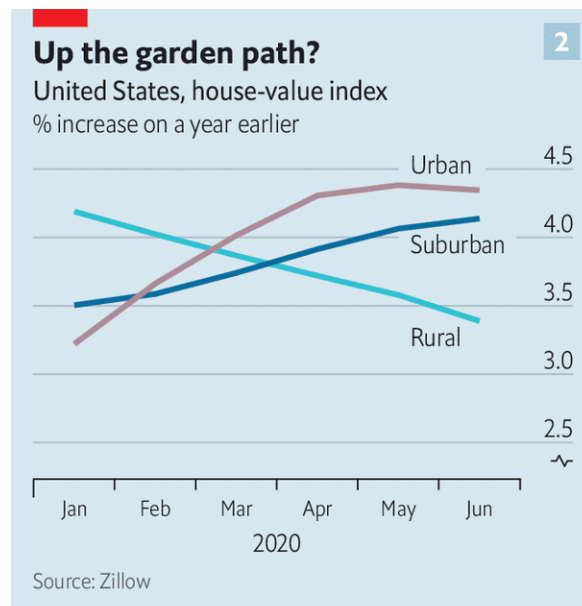
FROM: Ned Simpson

DATE: October 8, 2020

If found an article in the October 3 issue of The Economist interesting and pertinent to our 10 year look at Newtown's budget. I've taken an excerpt from the article "Why, Despite the Coronavirus Pandemic, House Prices Continue To Rise - Monetary policy, fiscal measures and buyers' preferences explain the unlikely boom" that I think relates to Newtown. Here is the link to the full article:

<https://www.economist.com/finance-and-economics/2020/09/30/why-despite-the-coronavirus-pandemic-house-prices-continue-to-rise>

The third factor behind the unlikely global housing boom relates to changing consumer preferences. In 2019 households in the median OECD country devoted 19% of spending to housing costs. With a fifth of office workers continuing to work from home, many potential buyers may want to spend more on a nicer place to live. Already there is evidence that people are upgrading their household appliances.



The Economist

People also seem to be looking for more space—which, all else being equal, raises house prices. Though the New York and San Francisco housing markets look weak, there is little wider evidence to support the idea that people are fleeing cities for the suburbs, at least in America. Data from Zillow, a housing marketplace, suggest urban and suburban property prices are rising at roughly the same pace; price growth in the truly get-away-from-it-all areas is actually slowing (see chart 2). It seems more likely that people are looking for bigger houses near where they already live.

When we consider 10 years out, one of the factors for me is whether Newtown is/wants to be Rural or Suburban?



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Artificial Turf Versus Natural Grass

AUGUST 26, 2019

BY JAMES E. VOOS, MD

SHARE

Which playing surface is safer for playing high school sports?

Innovations in Orthopaedics | Fall 2019

The benefits and risks associated with natural grass and artificial turf playing fields have been the subjects of multiple studies. But few have examined the safety of these surfaces in high school sports — and none have examined the risks in high school sports beyond football.

The [University Hospitals Sports Medicine Institute](#) partners with more than 50 area high schools to keep their athletes injury free. With that goal in mind, the department decided to analyze data to compare injury rates on artificial versus natural playing surfaces among high school athletes — both male and female — for all sports played on a field.

Using UH Sports Medicine Institute's school-based electronic medical record (EMR) system, physician-researchers from University Hospitals, [Case Western Reserve University](#) and UH Sports Medicine Institute analyzed data collected by 26 high school athletic trainers during the 2017-2018 athletic seasons.



James Voos, MD

They found athletes were 58 percent more likely to sustain an injury during athletic activity on artificial turf. Injury rates were significantly higher for football, girls and boys soccer, and rugby athletes. Lower extremity, upper extremity, and torso injuries were also found to occur with a higher incidence on artificial turf.

Previous studies, although less comprehensive, back the UH Sports Medicine Institute team's findings. A systematic review published last year evaluated the risk of [ACL injuries](#) in football and soccer athletes playing on artificial and natural grass surfaces. The authors found an increased rate of ACL injury in football athletes playing on artificial turf compared with natural grass, but no increased risk in soccer.

Although artificial turf quality has improved dramatically during the past five to 10 years, studies suggest athletes should take preventive measures when playing on artificial turf. "Our study highlights the need to educate high school athletes on the importance of having the right shoes and cleats," says [James Voos, MD](#), Chair of the University Hospitals [Department of Orthopaedics](#), and Associate Professor of Orthopaedics, Case Western Reserve University School of Medicine, "Schools also need to adequately maintain the turf to the appropriate quality to reduce injury risk."

STUDY DETAILS

Researchers identified a total of 953 injuries during the 2017-2018 athletic seasons, with 585 of them occurring on synthetic turf and 368 on natural grass. Researchers then performed subgroup analysis to determine injuries that took place on artificial turf versus natural grass based on injury location (lower extremity, upper extremity, torso), sport, level of competitive play (freshman, junior varsity, varsity), and practice versus competition injuries.

Breaking it down, injuries in upper and lower extremities and torso occurred more frequently on artificial turf than on natural grass. When analyzing by sport, researchers found that football, men's lacrosse, rugby, and girls and boys soccer had higher rates of injury than other sports. Although no statistically significant difference was found in level of play, there was a higher level of competition injury compared with injuries sustained in practice.

Dr. Voos says the team plans to publish the study this year. They presented their findings at the American Orthopaedic Society for Sports Medicine (AOSSM) 2019

Annual Meeting in Boston, Massachusetts, in June 2019. With the study complete, the next step is to research the impact of factors such as turf quality, shoe wear and injury prevention programs on injury rates, especially during competition.

ARTIFICIAL TURF BENEFITS

Despite the protective benefits of natural grass fields, fewer schools use them because of the extra maintenance required and lack of flexibility. For example, if it rains on a Wednesday, students may have to stay off the field to prevent damage before a Friday night football game.

Artificial turf is easier to maintain, doesn't require water or fertilizer and can accommodate a variety of activities. With artificial turf, students can practice on the field in almost any weather without damaging the ground. Also, artificial turf doesn't freeze in the winter or thin out in the summer.

Dr. Voos says parents may want to ask coaches and athletic directors how they maintain their turf to keep students safe. "The main thing we want to emphasize is for parents and students to be aware of the difference," he adds. "Make sure kids have the right shoes in good condition, appropriate helmets and proper protective equipment."

To refer a patient to a sports medicine specialist, call [216-553-1783](tel:216-553-1783).

SHARE



TAGS: [INNOVATIONS IN ORTHOPAEDICS](#) | [FALL 2019](#), [SPORTS MEDICINE](#), [RESEARCH](#)

Important Links & Numbers

Refer a Patient: [800-552-8338](tel:800-552-8338)

Physician Liaison Team: [216-286-9024](tel:216-286-9024)

Transfer Referral Center: [800-421-9199](tel:800-421-9199)

[UH Physician Portal](#)

[CliniSync HIE Portal](#) [Request CliniSync HIE Access](#)

(866) 507-7495



TOWN OF NEWTOWN OFFICE OF THE FINANCE DIRECTOR

***** 2021 - 2022 BUDGET TIME TABLE *****

October 26, 2020	Departments Receive Budget Instructions.
December 11, 2020	Completed Budget Forms to the Finance Director.
December 14 – January 08, 2021	First Selectman/Finance Director budget review with departments
January 11 – February 05, 2021	Departments meet with Board of Selectmen.
February 08, 2021	Board of Selectmen submit Budget to the Board of Finance (no later than the 14 th)
February 11, 2021 (Thursday)	Board of Finance holds a public hearing on the Board of Selectmen and Board of Education proposed Budgets (no later than March 7 th). (Publish 5 days prior to hearing: 2/05/21)
March 03, 2021	Board of Finance submits Budget to the Legislative Council (no later than March 14 th).
March 17, 2021 (Wednesday)	Legislative Council holds a Public Hearing on the Proposed Board of Finance Recommended Budget (no later than March 28 th). (Publish 5 days prior to hearing: 3/12/21)
April 07, 2021	Legislative Council Adopts Budget (no later than second Wednesday in April)
April 27, 2021 (Tuesday)	The Annual Budget Referendum (4 th Tuesday of April) (Publish 4/16/21)

Town of Newtown, CT

Monthly Performance Flash - September 2020

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

Capital Markets Flash Report

September 2020

U.S. Equity

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
S&P 500	-3.8	5.6	15.1	12.3	14.1	13.7
Russell 1000 Growth	-4.7	24.3	37.5	21.7	20.1	17.3
Russell 1000 Value	-2.5	-11.6	-5.0	2.6	7.7	9.9
Russell Mid Cap	-1.9	-2.3	4.6	7.1	10.1	11.8
Russell Mid Cap Growth	-1.4	13.9	23.2	16.2	15.5	14.6
Russell Mid Cap Value	-2.3	-12.8	-7.3	0.8	6.4	9.7
Russell 2000	-3.3	-8.7	0.4	1.8	8.0	9.9
Russell 2000 Growth	-2.1	3.9	15.7	8.2	11.4	12.3
Russell 2000 Value	-4.7	-21.5	-14.9	-5.1	4.1	7.1

The S&P 500 Index took a step back in September, falling 3.8%. This decline followed five straight months of gains, which saw the S&P 500 rise over 60% from the lows encountered on March 23rd to its most recent all-time high on September 2nd. From a style perspective, value outperformed growth within large capitalization stocks, and growth outperformed within small and mid-capitalization securities. At the sector level, utilities and real estate, often viewed as bond proxy sectors, led the way with positive absolute returns. Conversely, energy and technology were the laggards in the period.

Fixed Income

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
BBgBarc US Agg	-0.1	6.8	7.0	5.2	4.2	3.6
BBgBarc US Corp IG	-0.3	6.6	7.9	6.4	6.0	5.1
BBgBarc US Corp HY	-1.0	0.6	3.3	4.2	6.8	6.5
BBgBarc US Gov/Cr 1-3 Yr	0.0	3.1	3.7	2.8	2.1	1.6
BBgBarc US Gov/Cr Long	-0.1	14.2	12.9	10.2	8.8	7.4
BBgBarc Municipal	0.0	3.3	4.1	4.3	3.8	4.0
FTSE WGBI USD	-0.2	7.1	6.8	4.4	3.9	1.9
ICE BofAML US 3M T-Bill	0.0	0.6	1.1	1.7	1.2	0.6

U.S. bond markets were negative in September, with the Bloomberg Barclays Aggregate Bond Index returning -0.1%. Rates were largely unchanged across the curve. The U.S. 10-year Treasury yield ended the month at 0.69%, down just three basis points from its August close. Negative performance for the quarter was largely a result of spread widening, as investment grade and high yield bond spreads increased 7 and 40 basis points, respectively. International bond markets produced negative returns as well, with the FTSE WGBI returning -0.2% in September.

International Equity

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
MSCI ACWI Ex USA	-2.5	-5.4	3.0	1.2	6.2	4.0
MSCI EAFE	-2.6	-7.1	0.5	0.6	5.3	4.6
MSCI EAFE Growth	-0.7	4.6	13.4	7.1	9.2	7.0
MSCI EAFE Value	-4.6	-18.3	-11.9	-5.9	1.1	2.1
MSCI EAFE Small Cap	-0.7	-4.2	6.8	1.4	7.4	7.3
MSCI EM	-1.6	-1.2	10.5	2.4	9.0	2.5
MSCI EM Small	-1.6	-2.4	6.9	-1.1	4.6	1.0

International equities produced negative returns in September but outpaced domestic equities, with the MSCI ACWI ex U.S. Index returning -2.5%. From a style perspective, small caps outperformed large caps, and growth beat value. Emerging market equities outperformed their developed market counterparts, returning -1.6% during the month. From a country standpoint, Japan performed well within developed markets, while India was among the top performers within emerging markets.

Commodities & Real Estate

	MTD	YTD	1 Year	3 Years	5 Years	10 Years
Bloomberg Commodity	-3.4	-12.1	-8.2	-4.2	-3.1	-6.0
S&P N.A. Natural Resources	-9.6	-31.9	-26.8	-12.5	-3.8	-2.6
FTSE Nareit Equity REITs	-3.3	-17.5	-18.2	0.2	3.9	7.9
FTSE EPRA Nareit Developed	-3.0	-19.1	-17.5	-0.5	3.0	5.6

Commodities, natural resource equities, and REITs were all negative during the month of September, encountering headwinds from the risk-off market environment. Notably, oil markets dipped, with the WTI crude November futures contract ending the month at \$40.22 per barrel, down from \$42.85 at the end of August.

Performance data sourced from Morningstar Direct.

Past performance does not indicate future performance and there is a possibility of a loss.

Capital Markets Flash Report

September 2020

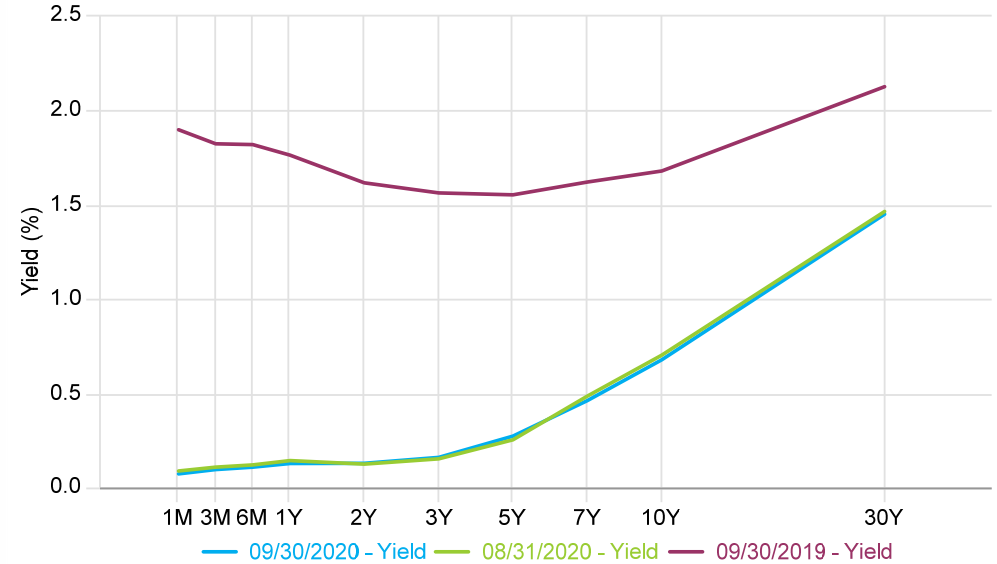
S&P 500 Price History - Trailing 1 Year

09/30/2019 - 09/30/2020



FactSet, S&P

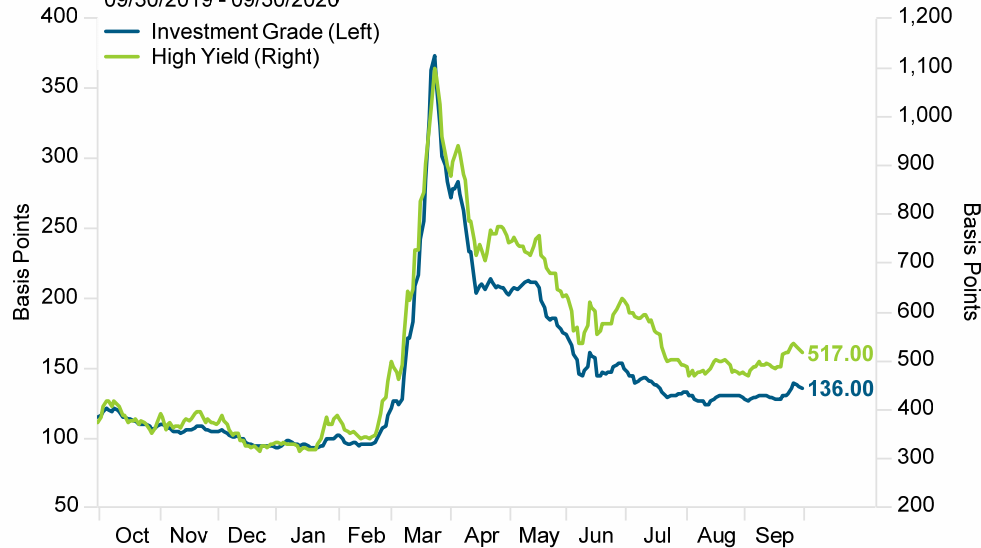
United States Treasury Yield Curve



FactSet

Barclays Corporate Option Adjusted Spread - Trailing 1 Year

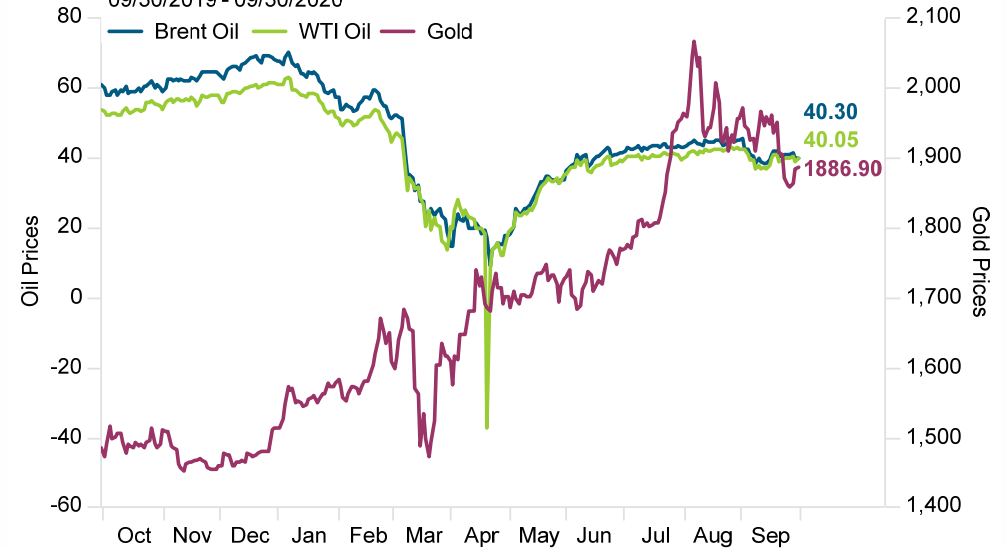
09/30/2019 - 09/30/2020



FactSet, Bloomberg Barclays

Commodity Prices - Trailing 1 Year

09/30/2019 - 09/30/2020



FactSet

Asset Allocation

As of September 30, 2020

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Pension Plan	51,857,419	100.0	100.0	0.0
Short Term Liquidity	2,181,705	4.2	0.0	4.2
Comerica Short Term Fund	2,181,705	4.2	0.0	4.2
Fixed Income	16,826,384	32.4	35.0	-2.6
Vanguard Total Bond Market Index Instl	16,826,384	32.4	35.0	-2.6
Domestic Equity	19,458,988	37.5	35.0	2.5
Vanguard Institutional Index Instl	14,311,221	27.6	25.0	2.6
Vanguard Extended Market Index Adm	5,147,767	9.9	10.0	-0.1
International Equity	13,390,341	25.8	30.0	-4.2
Vanguard Developed Markets Index Instl	13,390,341	25.8	30.0	-4.2

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

Town of Newtown, CT

Performance Update As Of September 30, 2020

Portfolio Performance

	Value	Performance(%)								
		1 Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Pension Plan	51,857,419	-1.9	5.1	2.9	8.5	6.2	7.6	6.2	6.6	10/01/1999
<i>Blended Benchmark</i>		<i>-2.0</i>	<i>5.2</i>	<i>2.9</i>	<i>8.8</i>	<i>6.4</i>	<i>8.1</i>	<i>8.0</i>	<i>5.7</i>	<i>10/01/1999</i>

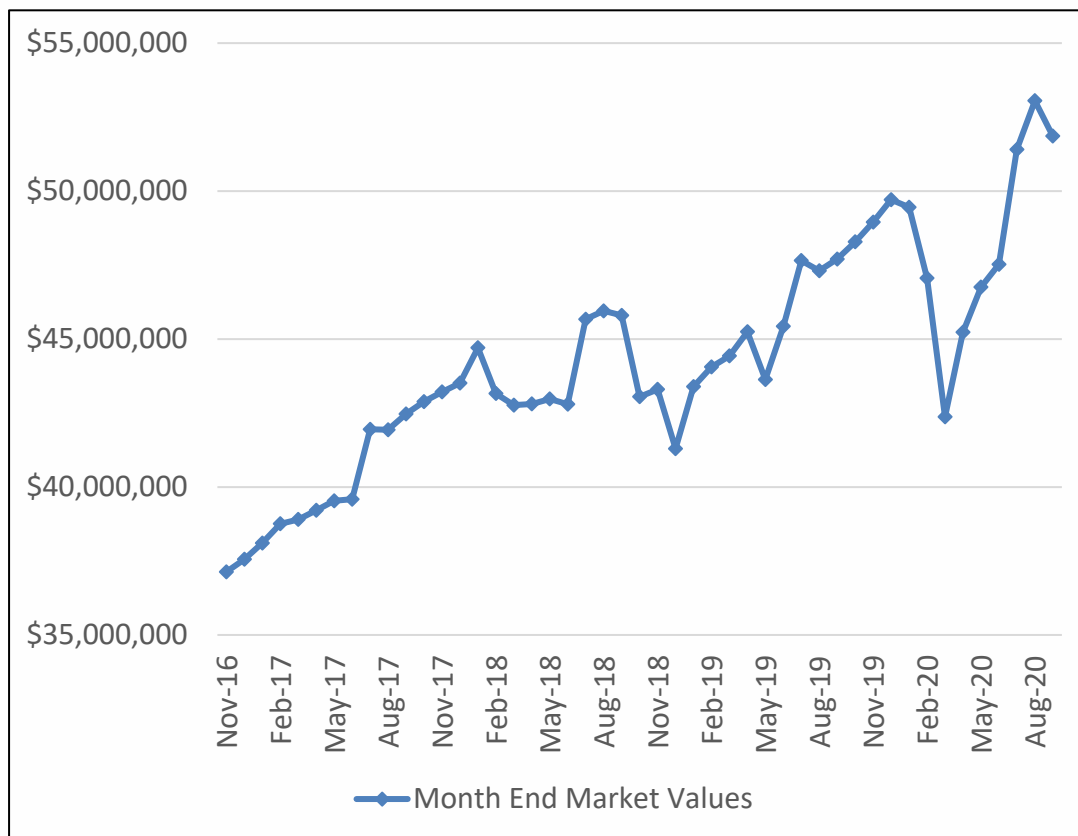
Calendar Year Performance

	2019	2018	2017	2016	2015	2014	2013
Pension Plan	19.7	-6.0	15.1	5.1	-0.3	5.9	11.3
<i>Blended Benchmark</i>	<i>20.5</i>	<i>-6.2</i>	<i>14.9</i>	<i>6.7</i>	<i>1.0</i>	<i>7.7</i>	<i>16.3</i>

Allocation Mandate	Weight (%)
Aug-2017	
Blmbg. Barc. U.S. Aggregate Index	35.00
Russell 3000 Index	35.00
FTSE Developed ex US Spliced Index	30.00

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

Newtown Pension Plan Market Value Summary



Month	Month End Market Value
October 2019	\$48,283,841
November 2019	\$48,952,052
December 2019	\$49,708,650
January 2020	\$49,454,627
February 2020	\$47,056,976
March 2020	\$42,369,547
April 2020	\$45,230,028
May 2020	\$46,753,320
June 2020	\$47,524,588
July 2020	\$51,406,641
August 2020	\$53,052,803
September 2020	\$51,857,419

DISCLOSURE: The balance information has been compiled solely by Fiduciary Investment Advisors (FIA) and has not been independently verified. In preparing this report, FIA has relied upon information provided by the investment managers and by the custodian.

Manager Performance Overview

As of September 30, 2020

	1 Month	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Pension Plan	-1.9	5.1	2.9	8.5	6.2	7.6	6.4	6.2	6.6	10/01/1999
<i>Blended Benchmark</i>	-2.0	5.2	2.9	8.8	6.4	8.1	7.3	8.0	5.7	
<i>60% S&P 500 / 40% Bloomberg Barclays Aggregate Index</i>	-2.3	5.6	6.7	12.5	9.8	10.4	9.4	9.8	6.4	
Comerica Short Term Fund	0.0	0.0	0.5	0.9	N/A	N/A	N/A	N/A	1.1	08/01/2019
<i>90 Day U.S. Treasury Bill</i>	0.0	0.0	0.6	1.1	N/A	N/A	N/A	N/A	1.3	
Fixed Income	0.1	0.6	7.0	7.0	5.4	4.9	4.4	4.1	5.7	10/01/1999
<i>Blmbg. Barc. U.S. Aggregate Index</i>	-0.1	0.6	6.8	7.0	5.2	4.2	4.0	3.6	5.1	
Vanguard Total Bond Market Index Instl	0.1 (20)	0.6 (88)	7.0 (37)	7.0 (47)	5.3 (33)	N/A	N/A	N/A	5.0 (37)	12/01/2016
<i>Blmbg. Barc. U.S. Aggregate Index</i>	-0.1	0.6	6.8	7.0	5.2	N/A	N/A	N/A	5.0	
IM U.S. Broad Market Core Fixed Income (MF) Median	-0.1	1.2	6.8	7.0	5.0	N/A	N/A	N/A	4.9	
Domestic Equity	-3.6	9.2	5.0	14.5	11.1	N/A	N/A	N/A	12.8	12/01/2016
<i>Russell 3000 Index</i>	-3.6	9.2	5.4	15.0	11.6	N/A	N/A	N/A	13.3	
Vanguard Institutional Index Instl	-3.8 (68)	8.9 (45)	5.6 (38)	15.1 (36)	12.2 (28)	N/A	N/A	N/A	13.9 (27)	12/01/2016
<i>S&P 500 Index</i>	-3.8	8.9	5.6	15.1	12.3	N/A	N/A	N/A	13.9	
IM U.S. Large Cap Core Equity (MF) Median	-3.5	8.4	4.0	12.9	10.4	N/A	N/A	N/A	12.3	
Vanguard Extended Market Index Adm	-3.0 (83)	9.9 (5)	3.8 (11)	13.0 (8)	8.1 (10)	N/A	N/A	N/A	10.1 (9)	12/01/2016
<i>S&P Completion Index</i>	-3.0	9.9	3.7	12.9	8.0	N/A	N/A	N/A	10.0	
IM U.S. Mid Cap Core Equity (MF) Median	-2.3	5.8	-7.4	-1.3	3.3	N/A	N/A	N/A	5.4	

Returns are expressed as percentages, and annualized only for periods greater than one year.

Manager Performance Overview

As of September 30, 2020

	1 Month	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
International Equity	-2.1	5.6	-5.7	2.1	0.9	N/A	N/A	N/A	6.6	12/01/2016
<i>FTSE Developed ex US Spliced Index</i>	-2.4	5.9	-6.2	1.9	0.7	N/A	N/A	N/A	6.3	
Vanguard Developed Markets Index Instl	-2.1 (49)	5.6 (39)	-5.7 (36)	2.1 (35)	0.9 (32)	N/A	N/A	N/A	6.6 (27)	12/01/2016
<i>FTSE Developed ex US Spliced Index</i>	-2.4	5.9	-6.2	1.9	0.7	N/A	N/A	N/A	6.3	
IM International Multi-Cap Core Equity (MF) Median	-2.1	5.0	-6.9	0.7	0.1	N/A	N/A	N/A	5.8	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies. Composite performance includes all funds held in the composite since inception.

Returns are net of fees unless otherwise stated. Mutual fund performance stated above may differ slightly from the current share class's historical performance due to share class exchanges.

Returns are expressed as percentages, and annualized only for periods greater than one year.

Asset Allocation

As of September 30, 2020

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
OPEB Plan	3,464,940	100.0	100.0	0.0
Short Term Liquidity	210,058	6.1	0.0	6.1
Goldman Sachs Financial Square Fund	210,058	6.1	0.0	6.1
Fixed Income	1,145,583	33.1	35.0	-1.9
Vanguard Total Bond Index Instl	1,145,583	33.1	35.0	-1.9
Domestic Equity	1,206,518	34.8	35.0	-0.2
Vanguard Institutional Index Instl	871,108	25.1	25.0	0.1
Vanguard Extended Market Index Adm	335,410	9.7	10.0	-0.3
International Equity	902,781	26.1	30.0	-3.9
Vanguard Developed Markets Index Instl	902,781	26.1	30.0	-3.9

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

Town of Newtown, CT

Performance Update As Of September 30, 2020

Portfolio Performance

	Value	Performance(%)								
		1 Month	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
OPEB Plan	3,464,940	-1.8	4.9	2.5	8.0	6.0	7.4	6.0	5.4	05/01/2010
<i>Blended Benchmark</i>		<i>-2.0</i>	<i>5.2</i>	<i>2.9</i>	<i>8.8</i>	<i>6.4</i>	<i>8.1</i>	<i>8.0</i>	<i>7.8</i>	<i>05/01/2010</i>

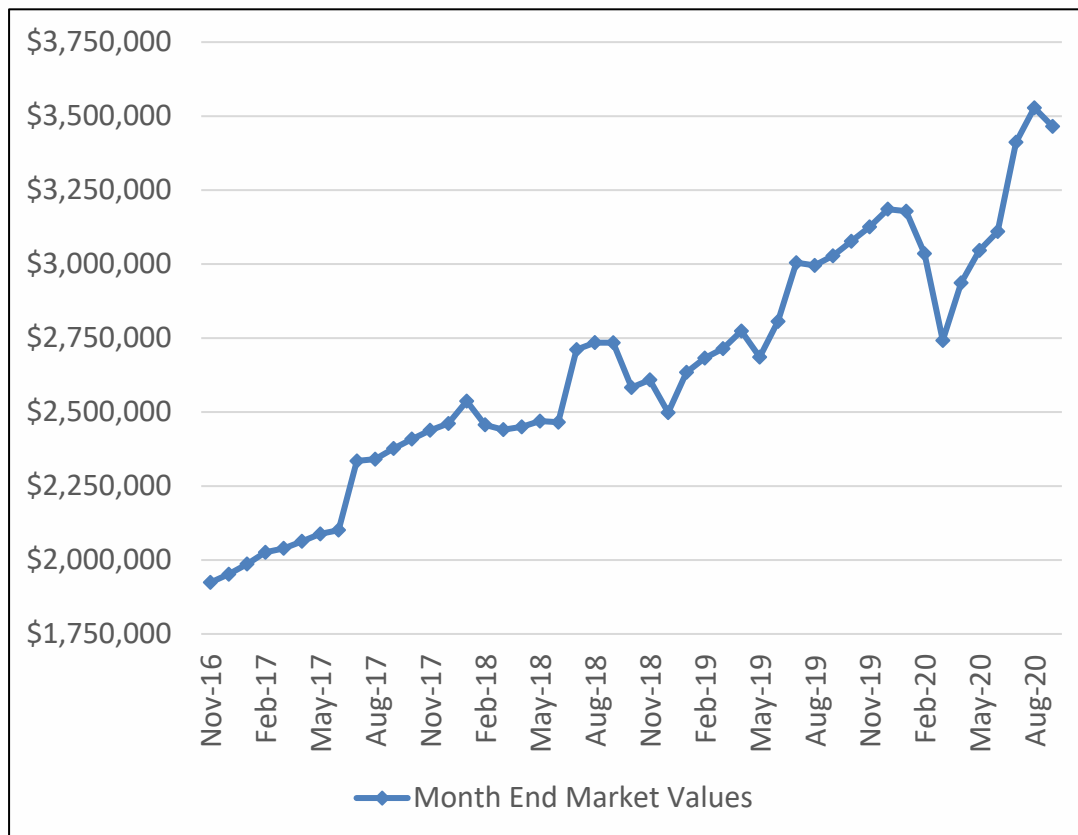
Calendar Year Performance

	2019	2018	2017	2016	2015	2014	2013
OPEB Plan	19.3	-6.0	15.5	4.1	0.5	5.7	10.8
<i>Blended Benchmark</i>	<i>20.5</i>	<i>-6.2</i>	<i>14.9</i>	<i>6.7</i>	<i>1.0</i>	<i>7.7</i>	<i>16.3</i>

Allocation Mandate	Weight (%)
Aug-2017	
Blmbg. Barc. U.S. Aggregate Index	35.00
Russell 3000 Index	35.00
FTSE Developed ex US Spliced Index	30.00

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

Newtown OPEB Market Value Summary



Month	Month End Market Value
October 2019	\$3,076,773
November 2019	\$3,125,508
December 2019	\$3,185,572
January 2020	\$3,178,871
February 2020	\$3,035,251
March 2020	\$2,742,014
April 2020	\$2,936,529
May 2020	\$3,046,259
June 2020	\$3,109,880
July 2020	\$3,411,381
August 2020	\$3,527,982
September 2020	\$3,464,940

DISCLOSURE: The balance information has been compiled solely by Fiduciary Investment Advisors (FIA) and has not been independently verified. In preparing this report, FIA has relied upon information provided by the investment managers and by the custodian.

Manager Performance Overview

As of September 30, 2020

	1 Month	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
OPEB Plan	-1.8	4.9	2.5	8.0	6.0	7.4	6.3	6.0	5.4	05/01/2010
<i>Blended Benchmark</i>	-2.0	5.2	2.9	8.8	6.4	8.1	7.3	8.0	7.8	
<i>60% S&P 500 / 40% Bloomberg Barclays Aggregate Index</i>	-2.3	5.6	6.7	12.5	9.8	10.4	9.4	9.8	9.5	
Goldman Sachs Financial Square Fund	0.0	0.0	0.3	0.6	N/A	N/A	N/A	N/A	0.8	08/01/2019
<i>90 Day U.S. Treasury Bill</i>	0.0	0.0	0.6	1.1	N/A	N/A	N/A	N/A	1.3	
Fixed Income	0.1	0.6	7.0	7.0	5.6	4.6	4.4	4.2	4.2	05/01/2010
<i>Blmbg. Barc. U.S. Aggregate Index</i>	-0.1	0.6	6.8	7.0	5.2	4.2	4.0	3.6	4.0	
Vanguard Total Bond Index Instl	0.1 (20)	0.6 (88)	7.0 (37)	7.0 (47)	5.3 (33)	N/A	N/A	N/A	5.0 (37)	12/01/2016
<i>Blmbg. Barc. U.S. Aggregate Index</i>	-0.1	0.6	6.8	7.0	5.2	N/A	N/A	N/A	5.0	
IM U.S. Broad Market Core Fixed Income (MF) Median	-0.1	1.2	6.8	7.0	5.0	N/A	N/A	N/A	4.9	
Domestic Equity	-3.6	9.2	5.0	14.5	11.0	N/A	N/A	N/A	12.8	12/01/2016
<i>Russell 3000 Index</i>	-3.6	9.2	5.4	15.0	11.6	N/A	N/A	N/A	13.3	
Vanguard Institutional Index Instl	-3.8 (68)	8.9 (45)	5.6 (38)	15.1 (36)	12.3 (28)	N/A	N/A	N/A	13.9 (26)	12/01/2016
<i>S&P 500 Index</i>	-3.8	8.9	5.6	15.1	12.3	N/A	N/A	N/A	13.9	
IM U.S. Large Cap Core Equity (MF) Median	-3.5	8.4	4.0	12.9	10.4	N/A	N/A	N/A	12.3	
Vanguard Extended Market Index Adm	-3.0 (83)	9.9 (5)	3.8 (11)	13.0 (8)	8.1 (10)	N/A	N/A	N/A	10.1 (9)	12/01/2016
<i>S&P Completion Index</i>	-3.0	9.9	3.7	12.9	8.0	N/A	N/A	N/A	10.0	
IM U.S. Mid Cap Core Equity (MF) Median	-2.3	5.8	-7.4	-1.3	3.3	N/A	N/A	N/A	5.4	

Returns are expressed as percentages, and annualized only for periods greater than one year.

Manager Performance Overview

As of September 30, 2020

	1 Month	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
International Equity	-2.1	5.6	-5.7	2.1	0.9	N/A	N/A	N/A	6.5	12/01/2016
<i>FTSE Developed ex US Spliced Index</i>	-2.4	5.9	-6.2	1.9	0.7	N/A	N/A	N/A	6.3	
Vanguard Developed Markets Index Instl	-2.1 (49)	5.6 (39)	-5.7 (36)	2.1 (35)	0.9 (32)	N/A	N/A	N/A	6.5 (28)	12/01/2016
<i>FTSE Developed ex US Spliced Index</i>	-2.4	5.9	-6.2	1.9	0.7	N/A	N/A	N/A	6.3	
IM International Multi-Cap Core Equity (MF) Median	-2.1	5.0	-6.9	0.7	0.1	N/A	N/A	N/A	5.8	

The inception date expressed on the Manager Performance Overview page(s) represents the first day of the first full month following the purchase of the investment. Performance figures shown at the fund level begin on this inception date. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies. Composite performance includes all funds held in the composite since inception.

Returns are net of fees unless otherwise stated. Mutual fund performance stated above may differ slightly from the current share class's historical performance due to share class exchanges.

Returns are expressed as percentages, and annualized only for periods greater than one year.

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ACCOUNT STATEMENT

Statement Period
Account Number

07/01/2020 through 09/30/2020
M04690

276

Changes In Net Assets

	COST VALUE	MARKET VALUE
BEGINNING BALANCE AS OF 07/01/2020	40,967,636.07	47,524,588.48
EARNINGS		
CASH INCOME	239,284.66	239,284.66
LESS PRIOR ACCRUED INCOME	31,403.80-	31,403.80-
PLUS CURRENT ACCRUED INCOME	28,938.48	28,938.48
REALIZED GAIN/LOSS ON SALE OF ASSETS	0.00	0.00
NET UNREALIZED GAIN OR LOSS	0.00	2,209,860.09
TOTAL EARNINGS	236,819.34	2,446,679.43
CONTRIBUTIONS & OTHER INCREASES		
EMPLOYER CONTRIBUTIONS	2,485,983.00	2,485,983.00
EMPLOYEE CONTRIBUTIONS	44,823.45	44,823.45
TRANSFERS	49,495.71	49,495.71
TOTAL CONTRIBUTIONS & OTHER INCREASES	2,580,302.16	2,580,302.16
DISTRIBUTIONS & OTHER DECREASES		
FEES & EXPENSES	19,163.48-	19,163.48-
TRANSFERS	674,987.61-	674,987.61-
TOTAL DISTRIBUTIONS & OTHER DECREASES	694,151.09-	694,151.09-
ENDING BALANCE AS OF 09/30/2020	43,090,606.48	51,857,418.98