

**Town of Newtown  
Pension Committee Meeting  
October 17, 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 7:34 pm.**

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

**2. Minutes**

Guy Howard motioned to approve the minutes of the September 19, 2019 meeting, Charles Farfaglia seconded by. All in favor.

**3. Correspondence**

None

**4. Retirements/Expenses Payment Approval**

No Retirements; Expenses-Pending answers to statement charges.

**5. Old Business**

CT Public Pension Forum- October 24, 2019

Patrick Burke, Guy Howard and Ellen Whalen will attend the forum.

Pension/OPEB Investment Policy Guidelines

The Committee discussed recent draft of the IPS in conjunction with comments provided by Devon Francis from FIA. Committee will review updated draft at November meeting.

Pension Benefit Payor Status

The decision regarding the transition of benefit payments to Comerica from TR Paul remains pending with the First Selectman.

**6. New Business**

Pension/OPEB QTE September 30 MV/Performance Review

Pension Market Value as 9/30/19 is \$47.7 million with a year-to-date return of 13.5%; OPEB market value as of 9/30/19 is \$3.1 million with a year-to-date return of 13.3%

Governmental Accounting Standards Board (GASB) 67-68 – FYE June 30 2019

Ellen Whalen provided committee members with a copy of the GAS-67 and GAS-68 Disclosure Information of the Town of Newtown Pension Plan and Police Personnel Pension Plan as of 6.30.18 prepared by Dave Leonard, TR Paul, Pension Actuary. (See attached)

Actuarial Report Status Review

Pension – PYE June 30, 2019; OPEB July 1 2018 Hooker & Holcombe

Pension Actuarial Report - PYE June 30, 2019 is anticipated by November 15 per Dave Leonard, Pension Actuary.

OPEB Actuarial Report, prepared by Hooker & Holcombe, as of July 1, 2018 was given to committee members by Ellen Whalen and discussed.

Actuarial Interest Rate Assumption Change Discussion – Pension/OPEB

Chair, Ellen Whalen, made a recommendation the Committee consider a possible Interest Rate Assumption change for Pension and OPEB as of 7/1/2020. This will be an ongoing discussion within the Committee. Guy Howard shared two documents: Distributions of Nominal Investment Return Assumptions, FY 01 to present and 2018 Morningstar Anx Report (see attached).

Pension Committee Calendar 2020

Charles Farfaglia made a motion to accept the Pension Committee 2020 Regular Meeting Calendar. Sam Broomer seconds. All in favor and motion passes.

Governance Calendar 2020

Ellen Whalen shared the draft 2020 Governance Review Calendar with the Committee. The Committee's goal, as part of its Trust fiduciary oversight responsibilities, is to regularly review: Fees (Administrative/Portfolio Expense/Vendor), Investment/Performance, Asset Allocation, Interest Rate Assumptions, Investment Policy Guidelines, meet with the Investment Advisor, keep updated on Pension/OPEB Market/Legislative landscape and provide Committee education during the year. A final review of the calendar will take place during the November PC meeting.

Other

No other business discussed.

**7. Voter Comment**

None

8. **Date of Next Meeting: November 21, 2019**

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

9. **Adjourn**

With no further business, Sam Broomer motioned to adjourn meeting, Guy Howard seconded, all in favor. Meeting adjourned at 8:38pm.

Respectfully submitted,  
Kiley Gottschalk, Clerk

**Attachments**

Distributions of Nominal Investment Return Assumptions, FY 01 to present

2018 Morningstar Andex Report

2020 Pension Committee Meeting Schedule

TR Paul GAS 67,68 Town of Newtown Pension Plan and Police Personnel Pension Plan

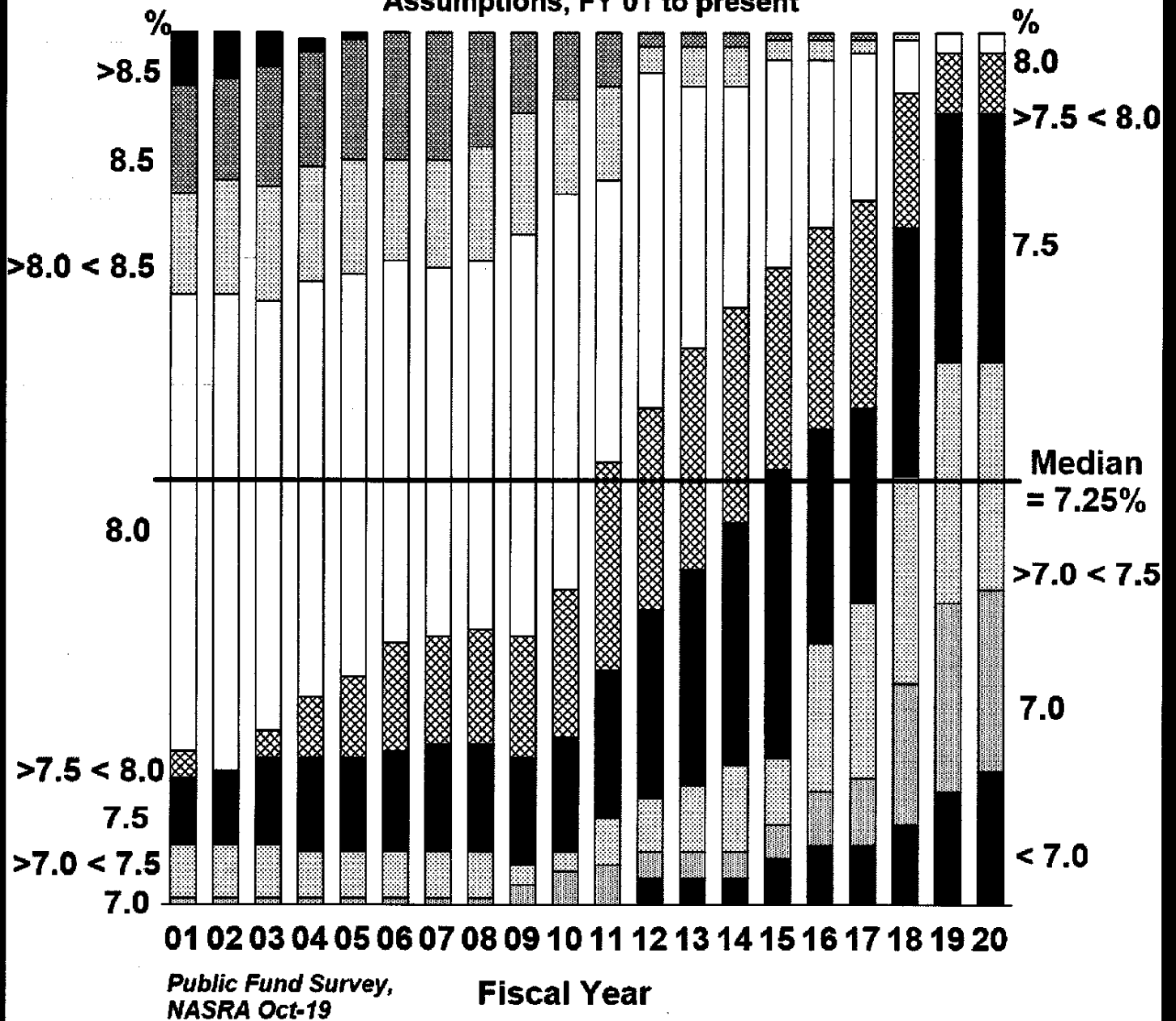
Hooker & Holcombe Municipal Pension & OPEB Report 2019

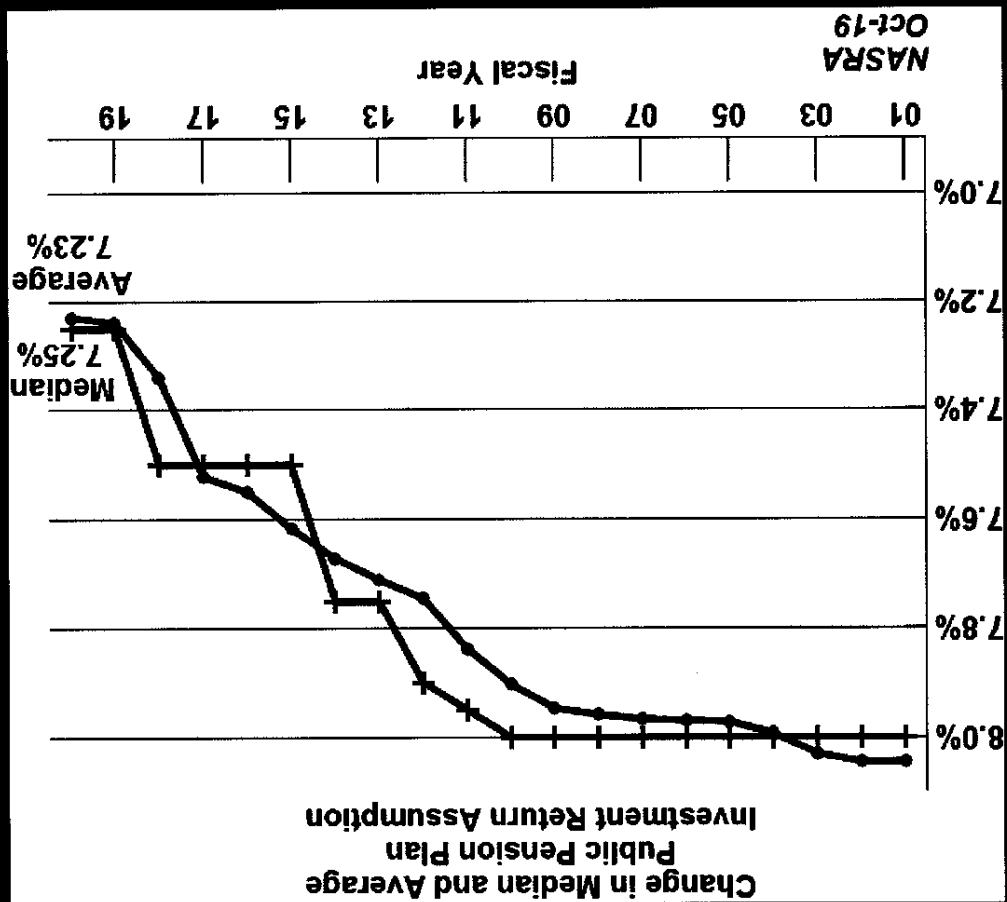
Hooker & Holcombe Town of Newtown OPEB Actuarial Valuation Report July 1, 2018

Pension July-September 2019

OPEB July-September 2019

# **Distribution of Nominal Investment Return Assumptions, FY 01 to present**





# NASRA Issue Brief: Public Pension Plan Investment Return Assumptions



Updated February 2019

As of September 30, 2018, state and local government retirement systems held assets of \$4.41 trillion.<sup>1</sup> These assets are held in trust and invested to pre-fund the cost of pension benefits. The investment return on these assets matters, as investment earnings account for a majority of public pension financing. A shortfall in long-term expected investment earnings must be made up by higher contributions or reduced benefits.

Funding a pension benefit requires the use of projections, known as actuarial assumptions, about future events. Actuarial assumptions fall into one of two broad categories: demographic and economic. Demographic assumptions are those pertaining to a pension plan's membership, such as changes in the number of working and retired plan participants; when participants will retire, and how long they'll live after they retire. Economic assumptions pertain to such factors as the rate of wage growth and the future expected investment return on the fund's assets.

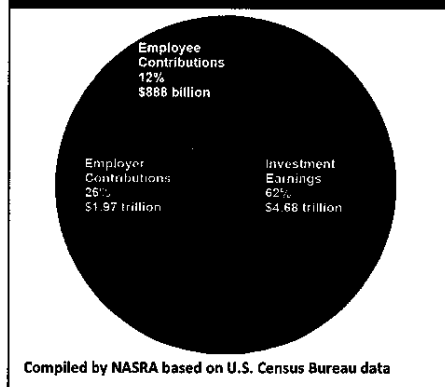
As with other actuarial assumptions, projecting public pension fund investment returns requires a focus on the long-term. This brief discusses how investment return assumptions are established and evaluated, compares these assumptions with public funds' actual investment experience, and the challenging investment environment public retirement systems currently face.

Because investment earnings account for a majority of revenue for a typical public pension fund, the accuracy of the return assumption has a major effect on a plan's finances and actuarial funding level. An investment return assumption that is set too low will overstate liabilities and costs, causing current taxpayers to be overcharged and future taxpayers to be undercharged. A rate set too high will understate liabilities, undercharging current taxpayers, at the expense of future taxpayers. An assumption that is significantly wrong in either direction will cause a misallocation of resources and unfairly distribute costs among generations of taxpayers.

As shown in Figure 1, since 1988, public pension funds have accrued approximately \$7.5 trillion in revenue, of which \$4.7 trillion, or 62 percent, is from investment earnings. Employer contributions account for \$2.0 trillion, or 26 percent of the total, and employee contributions total nearly \$900 billion, or 12 percent.<sup>2</sup>

Most public retirement systems review their actuarial assumptions regularly, pursuant to state or local statute or system policy. The entity (or entities) responsible for setting the return assumption, as identified in Appendix B, typically works with one or more professional actuaries, who follow guidelines set forth by the Actuarial Standards Board in Actuarial Standards of Practice No. 27: Selection of Economic Assumptions for Measuring Pension Obligations (ASOP 27). ASOP 27 prescribes the factors actuaries should consider in setting economic actuarial assumptions, and recommends that actuaries consider the context of the measurement they are making, as defined by such factors as the purpose of the measurement, the length of time the measurement period is intended to cover, and the projected pattern of the plan's cash flows.

Figure 1: Public Pension Sources of Revenue, 1988-2017

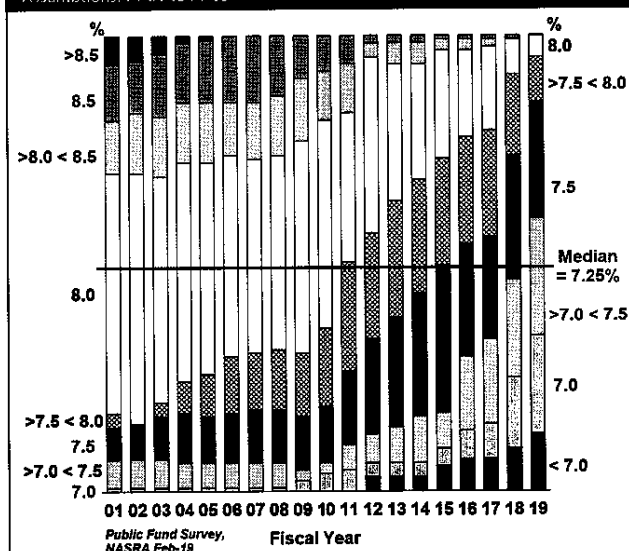


<sup>1</sup> Federal Reserve, *Flow of Funds Accounts of the United States: Flows and Outstandings, Third Quarter 2018*, Table L.120

<sup>2</sup> US Census Bureau, *Annual Survey of Public Pensions, State & Local Data*

In the wake of the 2008-09 decline in capital markets and Great Recession, global interest rates and inflation have remained low by historic standards, due partly to so-called quantitative easing of central banks in many industrialized economies, including the U.S. Although interest rates have increased in recent years, they remain low by historical standards. These low interest rates, along with low rates of projected global economic growth, have led to reductions in projected returns for most asset classes, which, in turn, has resulted in an unprecedented number of reductions in the investment return assumption used by public pension plans. This trend is illustrated by Figure 4, which plots the

Figure 4: Change in Distribution of Public Pension Investment Return Assumptions, FY 01 to FY 19



distribution of investment return assumptions among a representative group of plans since 2001. Among the 129 plans measured, 42, or more than 30 percent, have reduced their assumed rate of return since February 2018, and more than 90 percent have done so since fiscal year 2010, resulting in a decline in the average return assumption from 7.91 percent to 7.27 percent. If projected returns continue to decline, investment return assumptions are likely to also to continue their downward trend. Appendix A lists the assumptions in use or adopted for future use by the 129 plans in this dataset.

One challenging facet of setting the investment return assumption that has emerged more recently is a divergence between expected returns over the near term, i.e., the next five to 10 years, and over the longer term, i.e., 20 to 30 years<sup>3</sup>. A growing number of investment return projections are concluding that near-term returns will be materially lower than both historic norms as well as projected returns over

longer timeframes. Because many near-term projections calculated recently are well below the long-term assumption most plans are using, some plans face the difficult choice of either maintaining a return assumption that is higher than near-term expectations, or lowering their return assumption to reflect near-term expectations.

If actual investment returns in the near-term prove to be lower than historic norms, plans that maintain their long-term return assumption risk experiencing a steady increase in unfunded pension liabilities and corresponding costs. Alternatively, plans that reduce their assumption in the face of diminished near-term projections will experience an immediate increase unfunded liabilities and required costs. As a rule of thumb, a 25 basis point reduction in the return assumption, such as from 8.0 percent to 7.75 percent, will increase the cost of a plan that has a COLA, by three percent of pay (such as from 10 percent to 13 percent), and a plan that does not have a COLA, by two percent of pay.

## Conclusion

The investment return assumption is the single most consequential of all actuarial assumptions in terms of its effect on a pension plan's finances. The sustained period of low interest rates since 2009 has caused many public pension plans to re-evaluate their long-term expected investment returns, leading to an unprecedented number of reductions in plan investment return assumptions. Absent other changes, a lower investment return assumption increases both the plan's unfunded liabilities and cost. The process for evaluating a pension plan's investment return assumption should include abundant input and feedback from professional experts and actuaries, and should reflect consideration of the factors prescribed in actuarial standards of practice.

<sup>3</sup> Horizon Actuarial Services, "Survey of Capital Market Assumptions, 2018 Edition (August 2018) p4

## Appendix A: Investment Return Assumption by Plan

Figures reflect the nominal assumption in use, or announced for use, as of February 2019.

This list of nominal investment return assumptions is updated at [www.nasra.org/latestreturnassumptions](http://www.nasra.org/latestreturnassumptions)

Plan	Rate (%)
Alabama ERS	7.75
Alabama Teachers	7.75
Alaska PERS	8.0
Alaska Teachers	8.0
Arizona Public Safety Personnel	7.30
Arizona SRS	7.50
Arkansas PERS	7.15
Arkansas State Highway ERS	8.0
Arkansas Teachers	7.50
California PERF <sup>1</sup>	7.0
California Teachers	7.0
Chicago Teachers	7.0
City of Austin ERS	7.50
Colorado Affiliated Local	7.0
Colorado Fire & Police Statewide	7.0
Colorado Municipal	7.25
Colorado School	7.25
Colorado State	7.25
Connecticut SERS	6.90
Connecticut Teachers	8.0
Contra Costa County	7.0
DC Police & Fire	6.50
DC Teachers	6.50
Delaware State Employees	7.0
Denver Employees	7.75
Denver Public Schools	7.25
Fairfax County Schools	7.50
Florida RS	7.40
Georgia ERS <sup>2</sup>	7.40
Georgia Teachers	7.50
Hawaii ERS	7.0
Houston Firefighters	7.0
Idaho PERS	7.0
Illinois Municipal	7.25
Illinois SERS	7.0
Illinois Teachers	7.0
Illinois Universities	6.75
Indiana PERF	6.75
Indiana Teachers	6.75
Iowa PERS	7.0
Kansas PERS	7.75
Kentucky County	6.25
Kentucky ERS <sup>3</sup>	5.25
Kentucky Teachers	7.50

Los Angeles County ERS	7.25
Louisiana Parochial Employees	6.75
Louisiana SERS <sup>4</sup>	7.65
Louisiana Teachers <sup>4</sup>	7.65
Maine Local	6.75
Maine State and Teacher	6.75
Maryland PERS	7.45
Maryland Teachers	7.45
Massachusetts SERS	7.35
Massachusetts Teachers	7.35
Michigan Municipal	7.75
Michigan Public Schools <sup>5,6</sup>	6.80
Michigan SERS <sup>6</sup>	6.70
Minnesota PERF	7.50
Minnesota State Employees	7.50
Minnesota Teachers	7.50
Mississippi PERS	7.75
Missouri DOT and Highway Patrol	7.0
Missouri Local	7.25
Missouri PEERS	7.60
Missouri State Employees	7.25
Missouri Teachers	7.60
Montana PERS	7.65
Montana Teachers	7.50
Nebraska Schools	7.50
Nevada Police Officer and Firefighter	7.50
Nevada Regular Employees	7.50
New Hampshire Retirement System	7.25
New Jersey PERS <sup>7</sup>	7.50
New Jersey Police & Fire <sup>7</sup>	7.50
New Jersey Teachers <sup>8</sup>	7.50
New Mexico PERA	7.25
New Mexico Teachers	7.25
New York City ERS	7.0
New York City Teachers	7.0
New York State Teachers	7.25
North Carolina Local Government	7.0
North Carolina Teachers and State Employees	7.0
North Dakota PERS	7.75
North Dakota Teachers	7.75
NY State & Local ERS	7.0
NY State & Local Police & Fire	7.0
Ohio PERS	7.20
Ohio Police & Fire	8.0
Ohio School Employees	7.50

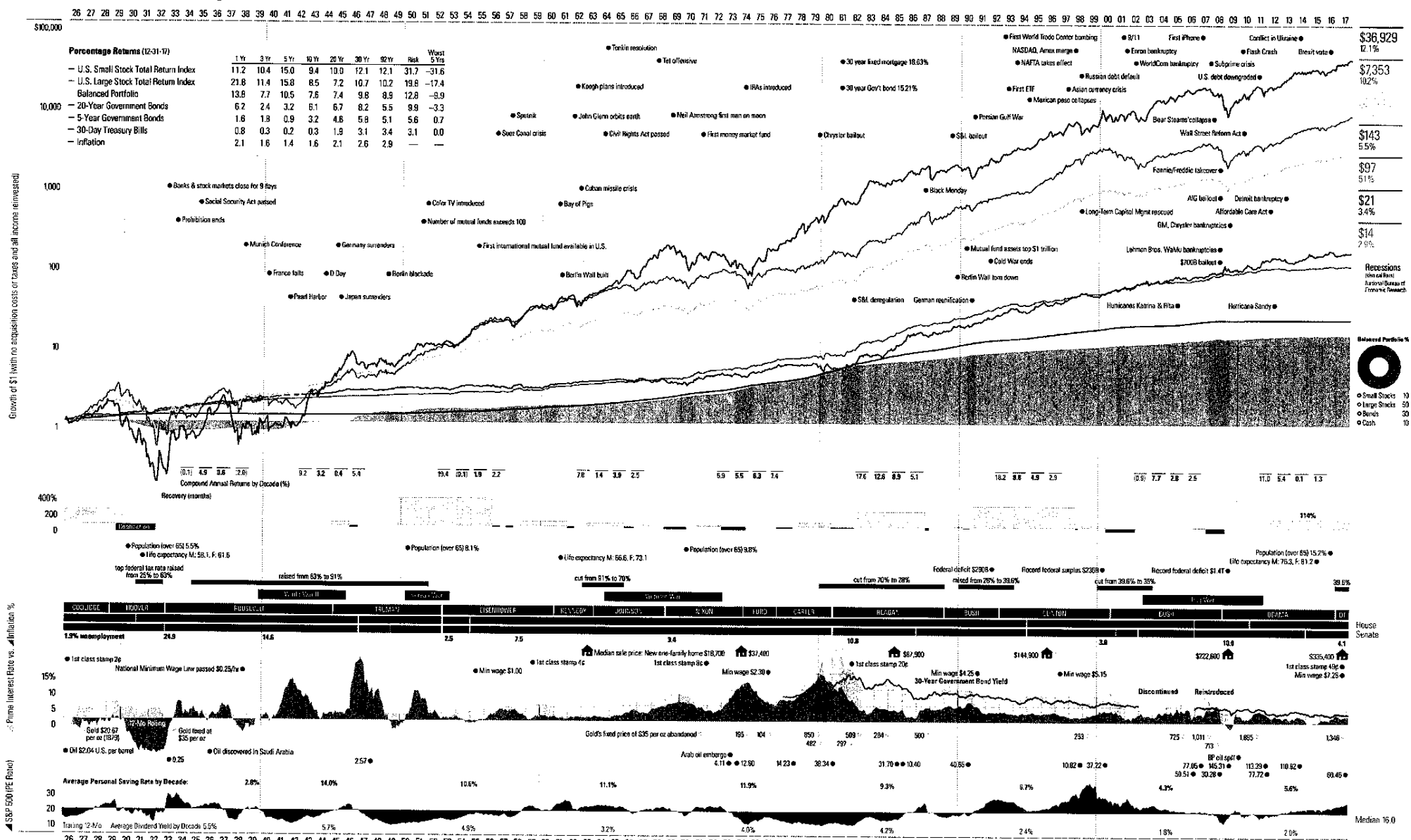
## Appendix B: Entity Responsible for Setting Investment Return Assumption for Selected State Plans

State	System	Investment Return Assumption Set By
AK	Alaska Public Employees Retirement System	Alaska Retirement Management Board
AK	Alaska Teachers Retirement System	Alaska Retirement Management Board
AL	Retirement Systems of Alabama	Retirement board
AR	Arkansas Public Employees Retirement System	Retirement board
AR	Arkansas State Highway Employees' Retirement System	Retirement board
AR	Arkansas Teachers Retirement System	Retirement board
AZ	Arizona Public Safety Personnel Retirement System	Retirement board
AZ	Arizona State Retirement System	Retirement board
CA	California Public Employees Retirement System	Retirement board
CA	California State Teachers Retirement System	Retirement board
CO	Colorado Public Employees Retirement Association	Retirement board
CO	Fire & Police Pension Association of Colorado	Retirement board
CT	Connecticut State Employees Retirement System	State Employees Retirement Commission
CT	Connecticut Teachers Retirement Board	Retirement board
DC	District of Columbia Retirement Board	Retirement board
DE	Delaware Public Employees Retirement System	Retirement board
FL	Florida Retirement System	FRS Actuarial Assumption Estimating Conference <sup>1</sup>
GA	Georgia Employees Retirement System	Retirement board
GA	Georgia Teachers Retirement System	Retirement board
HI	Hawaii Employees Retirement System	Retirement board
IA	Iowa Public Employees Retirement System	IPERS Investment Board
ID	Idaho Public Employees Retirement System	Retirement board
IL	Illinois State Universities Retirement System	Retirement board
IL	Illinois State Employees Retirement System	Retirement board
IL	Illinois Municipal Retirement Fund	Retirement board
IL	Illinois Teachers Retirement System	Retirement board
IN	Indiana Public Retirement System	Retirement board
KS	Kansas Public Employees Retirement System	Retirement board
KY	Kentucky Retirement Systems	Retirement board
KY	Kentucky Teachers Retirement System	Retirement board
LA	Louisiana State Employees Retirement System	Retirement board
LA	Louisiana Parochial Employees' Retirement System	Retirement board
LA	Louisiana Teachers Retirement System	Retirement board
MA	Massachusetts State Employees Retirement System	Collaborative between the legislature, state treasurer, governor, and the Massachusetts Public Employee Retirement Administration Commission
MA	Massachusetts Teachers Retirement Board	Collaborative between the legislature, state treasurer, governor, and the Massachusetts Public Employee Retirement Administration Commission
MD	Maryland State Retirement and Pension System	Retirement board
ME	Maine Public Employees Retirement System	Retirement board
MI	Michigan Public School Employees Retirement System	Retirement board
MI	Michigan State Employees Retirement System	Retirement board
MI	Municipal Employees' Retirement System of Michigan	Retirement board
MN	Minnesota Public Employees Retirement Association	Legislature
MN	Minnesota State Retirement System	Legislature
MN	Minnesota Teachers Retirement Association	Legislature



# 2018 Morningstar\* Index\* Chart

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3 MAIN STREET  
NEWTOWN, CONNECTICUT 06470



## **TOWN OF NEWTOWN**

### **PENSION COMMITTEE**

#### **2020 Pension Committee Meetings**

**Town Hall South – Lower Meeting Room**

**3 Main Street, Newtown, CT**

**All meetings will begin at 7:30 p.m.**

**January 16**

**February 20**

**March 19**

**April 16**

**May 21**

**June 18**

**July 16**

**August 20**

**September 17**

**October 15**

**November 19**

**December 17**

**January 21, 2021**

**Town of Newtown Pension Plan and Police Personnel Pension Plan****GAS-67 and GAS 68 Disclosure Information**

In response to your request for information for your regular audit as of June 30, 2018, we have enclosed the following information pursuant to Statements 67 and 68.

**A. General Plan Information**

1. The plan is a defined benefit plan that covers both General Employees and Police Personnel. Although there are separate documents for each group of employees, they share a common trust with assets available to pay benefits for either group at any time, thus per the terms of GAS-67, the liabilities of these groups are combined and reported as one plan.
2. The Plan covers eligible full time employees of the Town of Newtown. Excluded are certified teachers and elected officials, who are covered by the State of Connecticut Retirement Plan and the Town of Newtown Elected Officials Pension Plan, respectively.

Most new employees at the Town of Newtown are not eligible to participate in this plan, as the plan was closed to non-union and various union employee groups starting at the end of 2013. The latest union to close to new members was the Board of Education Nurses union, as of July 1, 2017. Currently there are two union groups, representing Town Hall employees and Emergency Communication Workers whose new employees are eligible to join the Plan.

“At Will” employees are included in the Elected Officials plan effective July 1, 2000, however At Will employees can request coverage in the Pension Plan at the discretion of the Board of Selectmen. Also excluded are certain employees who have elected not to participate.

3. The Plans provides retirement and death benefits. The benefit provisions are established under the direct authority of the Pension Committee of the Town of Newtown, which derives its authority from the Town of Newtown Board of Selectmen.
4. The Plans may be amended under the authority of the Pension Committee of the Town of Newtown, as it acts in its capacity under the First Selectman, Board of Selectmen and other Town delegates.
5. Members of the Town of Newtown Pension Plan are required to contribute 2% of basic compensation. Members of the Police Personnel contribute 5% of total compensation up to a maximum of 125% of basic compensation.

Town of Newtown Pension Plan and Police Personnel Pension Plan

GAS-67 and GAS 27 Disclosure Information – June 30, 2018

Page 2

6. The Employer contributes an amount determined by the Board of Finance under the recommendation of the Pension Committee and the Town's Actuary. The recommendation is actuarially derived and varies from year to year based on actuarial experience.
7. There are no changes for or during the current year for questions 2-6.

B. Questions relating to the employee census:

1. The data was provided by the Town of Newtown, and was previously forwarded to you.
2. To the best of our knowledge, all employees currently covered by the Plan's provisions have been included in the census data used by us.
3. No pertinent information that was included on the census was excluded from our calculations.
4. The participant census is as of the valuation date, July 1, 2017. Liabilities as of June 30, 2018 are calculated on an actuarially rolled forward basis.

C. Actuarial Information for the plan year July 1, 2017 through June 30, 2018 – see attached.

D. Questions relating to the Actuarial Valuation:

1. Does the required contribution rate differ significantly from the Annual Required Contribution (ARC)? No.
2. Actuarial cost method for the current year: Entry Age Normal Method (EAN). This was a change from the prior valuation when the Projected Unit Credit (PUC) was employed.
3. Method used to determine the actuarial value of assets for the current year: Prior Valuation Assets adjusted for 7.0% earnings and 20% of the annual variance in trust yield, plus 20% annual recognition of prior deferred gains and losses each year until fully recognized. There is a floor value of 80% of market and a ceiling value of 120% of market.
4. Actuarial assumptions for the current year – see Annual Valuation Report for a full disclosure of actuarial assumptions, which differ from plan to plan.

5. The initial unfunded actuarial liability as of the transition to EAN will be amortized over 20 years. Future actuarial gains and losses will be amortized over a period of 10 years.
6. Were there any amendments adopted prior to the date of the latest valuation that were not considered in such valuation? No.
7. Has the plan been amended or have other provisions to the Plan been made subsequent to the date of your valuation? The Police Union Plan was amended to add a DROP provision. While not producing a direct increase in cost, the utilization of provision may result in implied actuarial gains being foregone.
8. Factors that significantly affect the identification of trends in the amounts reported: None

E. Questions relating to the Actuarial Disclosures

1. Attached are schedules designed to present all required disclosures and Required Supplemental Disclosures under GAS-67 and GAS-68.
2. Actuarial Accrued Liability (AAL) as of June 30, 2018 was calculated using Entry Age Normal cost method and a July 1, 2017 valuation date. Using the GASB disclosure assumptions, the July 1, 2017 liabilities and normal cost were rolled forward to the end of the year.
3. There were no changes in the post-retirement mortality assumptions, other than a roll forward of the projected mortality table to the MP-2016. This was not deemed a change to be amortized as it produced only de minimus gains, and is considered to be part of the standard assumption set.
4. The discount rate is 7.0% as adopted at the recommendation of the Pension Committee in conjunction with the plan's investment advisors. Please obtain the required assumed asset allocation and yield data from the Pension Commission.
5. The future cash flow projection included an assumption that future employer contributions would remain a fixed percentage of the covered salary base, plus an additional amortization if the plan remained in an underfunded position.
6. The average remaining service life used to amortize deferred inflows and outflows is 7.3 years (the difference in investment experience is amortized over 5 years per GAS-68).
7. Is all of the above and attached information determined in accordance with GASB Statement 67/68? Yes.

F. No relationship exists between our firm and the employer which might appear to impair the objectivity of our work.

**CERTIFICATION**

This disclosure 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. It is based on the employee data submitted to the actuary by the plan sponsor and the retirement plan provisions outlined herein.

The disclosure information 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 the respective sections of the Actuarial Valuation Report as of July 1, 2017, which has been previously provided to the auditors.

The post retirement mortality tables used for disclosure purposes reflect future improvements in mortality on a projected, generational basis through the use of the RP-2014 mortality table, projected using the MP-2016 projection scales.

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. The undersigned credentialed actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

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.  
Enrolled Actuary  
TR Paul, Inc.  
November 26, 2018  
(386) 206-8932

## TOWN OF NEWTOWN PENSION PLAN

### Statement of Fiduciary Net Position 6/30/2018

2018

#### **Assets**

Cash and deposits	\$	346,923
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#### Receivables:

Employee Contributions	2,439
Due from Broker	0
Accrued Income	2,604
Other - Misc Receivable Income	<u>0</u>
Total Receivables	5,043

#### Investments

Mutual Funds	
Equity - all varieties	28,282,281
International equity - included above	0
Money market mutual funds	0
Fixed income mutual funds	14,011,044
US Govt. Agency Securities	154,937
Corporate Bonds	2,267
Municipal Bonds	<u>0</u>
Total Investments	42,450,530
Total Assets	42,802,496

#### **Liabilities**

#### Payables:

Investment Fees	0
Due to Broker/Ben Payment Acct.	3,095
Other - Elected Officials DC Plan	<u>100,404</u>
Total liabilities	103,498

<b><u>Net Position Restricted for Pensions</u></b>	\$	<u><u>42,698,997</u></u>
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## TOWN OF NEWTOWN PENSION PLAN

### Statement of Changes in Fiduciary Net Position in the year ended June 30, 2018

	<u>2018</u>	Total Trust	Elected officials MPP
<b><u>Additions</u></b>			
Contributions:			
Employer	\$ 1,885,303	1,896,113	10,810
Member	<u>475,316</u>	<u>478,886</u>	<u>3,571</u>
Total contributions	2,360,619	2,374,999	14,381
Investment Income:			
Net Appreciation of fair value - Unrealized	1,449,797	1,455,575	5,778
Realized Gains/(Losses)	313,222	314,522	1,300
Interest and dividends	1,270,377	1,274,144	3,767
Less investment expense	<u>-75,624</u>	<u>-75,950</u>	<u>-326</u>
Net income from investing	2,957,771	2,968,291	10,520
Total Additions:	<u>5,318,389</u>	<u>5,343,291</u>	<u>24,901</u>
<b><u>Deductions</u></b>			
Benefit Payments (includes refunds)	2,027,723	2,102,906	75,182
Administrative expense	36,667	36,825	158
Other - Adjust to Balance	-94	42	136
Total deductions	<u>2,064,296</u>	<u>2,139,773</u>	<u>75,476</u>
Net increase in position	<u>3,254,093</u>	<u>3,203,518</u>	<u>-50,575</u>
Beginning of Year	39,444,904	39,595,883	150,979
End of Year	\$ <u>42,698,997</u>	<u>42,799,401</u>	<u>100,404</u>



Summary of Significant Accounting Policies - see accompanying letter

Plan Description -

Plan Administration - see accompanying letter

Plan Membership: June 30, 2018 pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits:	155 *
Inactive plan members entitled to but not yet receiving benefits:	44
Active plan members:	<u>347</u>
Total Plan Membership:	546

\* Includes retired members with July 1, 2018 benefit commencement date.

Benefits Provided - see accompanying letter

Contributions - see accompanying letter

Investments -

Investment Policy - see accompanying letter

Asset Class Breakdown - see trustees report

Rate of Return - For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense - 7.30%

Receivables - In accordance with GAS-67, assets are reported on a cash basis, plus contributions as required by law not yet deposited as of the Measurement Date.

Payables - None

Allocated Insurance Contracts - none

Reserves - n/a

Deferred Retirement Option Program - The Police Union Plan has initiated a DROP Plan effective July 1, 2018.

## Net Pension Liability of the Town

The components of the net pension liability of the Town at June 30, 2018, were as follows:

Total pension liability:	\$58,213,265
Plans' fiduciary net position:	<u>(\$42,698,997)</u>
Town's net pension liability:	<u>\$15,514,268</u>
Plan fiduciary net position as a percentage of the total pension liability	73.35%

Actuarial Assumptions - The total pension liability was determined by a projected actuarial valuation as of June 30, 2018 using the following actuarial assumptions, applied to all periods in the measurement:

Inflation	2.00%
Salary Increases	3.00% average, including inflation.
Investment Rate of return	7.00% net of pension plan investment exp., includes inflation.

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current rates and that Town contributions will be made at actuarially determined rates. Based on these assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. As such, the assumed long term rate of return was used to value all liabilities.

There were no changes in assumptions for 2017-18, however the projection scale was updated to from the MP-2015 to the MP-2016. This is a natural progression and has not been separately accounted for.

Mortality rates were based on the SOA RP-2014 Male and Female Pre- and Post Retirement Mortality Tables, projected generationally using the MP-2016 projection scales. Police Department members were valued using Blue Collar tables.

No Collar Adjustment was used for all remaining groups including inactives not listed above.

The change from the prior projected tables resulted in an immaterial actuarial gain.

Long term expected rate of return.... refer to Trustees review.

Discount Rate -

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease <u>6.00%</u>	Current Discount Rate (7.00%)	1% Increase <u>8.00%</u>
Plan's net pension liability	\$23,326,658	\$15,514,268	\$9,087,745

## SCHEDULE OF TOWN CONTRIBUTIONS and SCHEDULE OF INVESTMENT RETURNS

fiscal years ending:	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	1,885,303	1,687,815	1,422,737	1,373,207	1,186,605
Contributions in relation to the actuarially determined contribution	1,885,303	1,687,814	1,422,737	1,375,889	1,189,938
Contribution deficiency (excess)	0	1	0	(2,682)	(3,333)
Covered Employee Payroll	18,869,931	18,199,947	18,441,265	17,725,368	17,608,101
Contributions as a percentage of covered employee payroll	9.99%	9.27%	7.71%	7.76%	6.76%

## Valuation Date:

Actuarially determined contributions are calculated as of July 1, of the year prior to the recommendation i.e. the July 1, 2016 Valuation results were rolled forward to produce the 2017-2018 actuarially determined contribution.

## Methods and assumptions used to determine contribution rates:

Actuarial cost method: Entry Age Normal (eff. 7/1/17, prev. Projected Unit Credit)

Amortization method: 20 Year amortization of initial base, future gains and losses over 10 years.

Asset Valuation method: 5-year smoothed market

Inflation: 2%

Salary increases: 3.00%, including inflation

Investment rate of return: Blended 7.0%/7.50%, net of pension plan investment expenses, including inflation  
- Discount rate is being reduced to 7.00% over a 3 year period from 2017-2019 through blending.

(1/3 @ 7.0% -2/3 @ 7.5% for '17)

Retirement Age: Normal Retirement Date or on Valuation Date if past NRD.

Mortality rates were based on the SOA RP-2014 Male and Female Pre- and Post Retirement Mortality Tables, projected generationally using the MP-2016 projection scales. Police Department employees are valued using Blue Collar mortality tables.

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense:	7.30%	13.30%	-2.83%	2.49%	14.35%

**TOWN OF NEWTOWN PENSION PLAN (Incl. General Town and Police)**

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7.00%

7.00%

7.50%

7.50%

7.50%

**SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY AND RELATED RATIOS**

fiscal years ending 6/30:	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability	\$55,963,579	\$48,064,172	\$45,655,009	\$42,532,622	\$39,695,938
Service Cost	1,682,271	1,470,642	1,458,028	1,369,633	1,376,812
Interest	3,964,239	3,642,643	3,476,233	3,153,241	2,973,226
Change in Benefit Terms	0	0	0	0	0
Diff. between expected/actual exper.	(1,369,101)	623,086	(690,374)	(1,273,135)	0
Changes of Assumptions	0	4,095,514	0	1,589,661	0
Benefit Payments, incl. refunds	<u>(2,027,723)</u>	<u>(1,932,479)</u>	<u>(1,834,724)</u>	<u>(1,717,013)</u>	<u>(1,513,354)</u>
Net Change in total pension liability	2,249,686	7,899,407	2,409,163	3,122,387	2,836,684
Total Pension Liability - beginning	55,963,579	48,064,172	45,655,009	42,532,622	39,695,938
Total Pension Liability - ending (a)	\$58,213,265	\$55,963,579	\$48,064,172	\$45,655,009	\$42,532,622
Plan Fiduciary Net Position					
Contributions - employer	\$1,885,303	\$1,687,814	\$1,422,738	\$1,375,889	\$1,189,938
Contributions - member	475,316	488,239	474,547	458,557	461,526
Net investment income	2,957,771	4,641,117	(806,383)	977,303	4,302,666
Benefit Payments, incl. refunds	(2,027,723)	(1,932,479)	(1,834,724)	(1,717,013)	(1,513,354)
Administrative Expenses	(36,667)	(27,081)	(202,288)	(110,752)	(170,876)
Other - Trans bet. Plans, misc. to balance	94	0	0	26,723	156,987
Net change in plan fiduciary net position	\$3,254,093	\$4,857,610	(\$946,110)	\$1,010,708	\$4,426,887
Plan Fiduciary Net Position - beginning	39,444,904	34,587,294	35,533,404	34,522,696	30,095,809
Plan Fiduciary Net Position - ending (b)	42,698,997	39,444,904	34,587,294	35,533,404	34,522,696
Town's net pension liability - ending (a) - (b) = (c)	\$15,514,268	\$16,518,674	\$13,476,878	\$10,121,605	\$8,009,926
Plan fiduciary net position as a % of the total pension liability.	73.35%	70.48%	71.96%	77.83%	81.53%
Covered employee payroll	\$18,869,931	\$18,199,947	\$18,441,265	\$17,725,368	\$17,608,101
Town's net pension liability as a % of covered employees payroll.	82.22%	90.76%	73.08%	57.10%	45.49%

**TOWN OF NEWTOWN PENSION PLAN (Incl. General Town and Police)**

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Projected Net Fiduciary Position

YE - 6/30 -	BOY Fiduc.Net Position					EOY Fiduc.Net Position
	Market Val Assets prior	ER and EE contribs	benefits	admin exp	7.000% income	End of Year
2019	42,698,997	2,695,848	(2,747,003)	(44,878)	2,985,569	45,588,532
2020	45,588,532	2,483,183	(2,907,535)	(39,859)	3,174,950	48,299,271
2021	48,299,271	2,478,125	(3,033,371)	(39,719)	3,360,125	51,064,431
2022	51,064,431	2,443,831	(3,405,907)	(38,419)	3,539,493	53,603,428
2023	53,603,428	2,398,958	(3,577,996)	(36,610)	3,709,692	56,097,472
2024	56,097,472	2,341,516	(3,669,247)	(34,931)	3,879,130	58,613,941
2025	58,613,941	2,317,864	(3,747,847)	(34,865)	4,051,706	61,200,799
2026	61,200,799	2,266,579	(3,925,234)	(33,991)	4,224,813	63,732,966
2027	63,732,966	2,202,917	(4,178,470)	(33,118)	4,391,004	66,115,298
2028	66,115,298	2,033,632	(4,551,507)	(30,123)	4,538,891	68,106,192
2029	68,106,192	1,894,146	(4,694,118)	(28,157)	4,668,449	69,946,511
2030	69,946,511	1,718,443	(5,097,854)	(26,040)	4,777,065	71,318,125
2031	71,318,125	1,553,115	(5,048,760)	(24,118)	4,869,077	72,667,439
2032	72,667,439	1,442,089	(5,197,775)	(23,480)	4,954,450	73,842,723
2033	73,842,723	1,365,224	(5,390,521)	(22,202)	5,027,328	74,822,552
2034	74,822,552	1,149,190	(5,696,240)	(18,775)	5,077,775	75,334,502
2035	75,334,502	1,035,529	(5,970,743)	(17,034)	5,100,086	75,482,340
2036	75,482,340	947,774	(5,964,455)	(15,592)	5,107,634	75,557,701
2037	75,557,701	832,230	(6,061,249)	(13,751)	5,105,542	75,420,474
2038	75,420,474	739,971	(6,163,697)	(12,318)	5,089,172	75,073,602
2039	75,073,602	631,912	(6,266,370)	(10,603)	5,057,575	74,486,116
2040	74,486,116	564,265	(6,128,030)	(10,000)	5,018,946	73,931,298
2041	73,931,298	498,279	(6,094,293)	(10,000)	4,978,980	73,304,265
2042	73,304,265	442,956	(6,154,940)	(10,000)	4,931,029	72,513,310
2043	72,513,310	334,658	(6,101,494)	(10,000)	4,873,742	71,610,216
2044	71,610,216	176,995	(6,024,175)	(10,000)	4,807,714	70,560,749
2045	70,560,749	148,397	(5,955,893)	(10,000)	4,735,640	69,478,893
2046	69,478,893	111,716	(5,768,390)	(10,000)	4,665,189	68,477,408
2047	68,477,408	63,222	(5,557,009)	(10,000)	4,600,786	67,574,407
2048	67,574,407	59,235	(5,345,340)	(10,000)	4,544,845	66,823,145
2049	66,823,145	45,384	(5,133,383)	(10,000)	4,499,190	66,224,337
2050	66,224,337	36,907	(4,921,513)	(10,000)	4,464,392	65,794,124
2051	65,794,124	34,213	(4,710,611)	(10,000)	4,441,565	65,549,291
2052	65,549,291	16,624	(4,501,293)	(10,000)	4,431,137	65,485,759
2053	65,485,759	14,067	(4,294,211)	(10,000)	4,433,848	65,629,463
2054	65,629,463	6,748	(4,090,183)	(10,000)	4,450,792	65,986,820
2055	65,986,820	3,855	(3,889,710)	(10,000)	4,482,722	66,573,687
2056	66,573,687	781	(3,693,025)	(10,000)	4,530,580	67,402,023
2057	67,402,023	724	(3,501,002)	(10,000)	4,595,282	68,487,028
2058	68,487,028	0	(3,313,697)	(10,000)	4,677,763	69,841,093
2059	69,841,093	0	(3,131,530)	(10,000)	4,778,923	71,478,486
2060	71,478,486	0	(2,954,805)	(10,000)	4,899,726	73,413,407
2061	73,413,407	0	(2,783,504)	(10,000)	5,041,166	75,661,069
2062	75,661,069	0	(2,617,859)	(10,000)	5,204,300	78,237,509
2063	78,237,509	0	(2,457,783)	(10,000)	5,390,253	81,159,980

**TOWN OF NEWTOWN PENSION PLAN (Incl. General Town and Police)**

GAS-67

Projected Net Fiduciary Position

		BOY Fiduc.Net Position					EOY Fiduc.Net Position
YE - 6/30 -	Market Val Assets	ER and EE contribs	benefits	admin exp	7.000% income	End of Year	
	prior						
2064	81,159,980	0	(2,303,379)	(10,000)	5,600,230	84,446,831	
2065	84,446,831	0	(2,154,443)	(10,000)	5,835,523	88,117,911	
2066	88,117,911	0	(2,010,710)	(10,000)	6,097,529	92,194,730	
2067	92,194,730	0	(1,872,149)	(10,000)	6,387,756	96,700,337	
2068	96,700,337	0	(1,738,143)	(10,000)	6,707,839	101,660,032	
2069	101,660,032	0	(1,609,084)	(10,000)	7,059,534	107,100,483	
2070	107,100,483	0	(1,484,858)	(10,000)	7,444,714	113,050,339	
2071	113,050,339	0	(1,365,486)	(10,000)	7,865,382	119,540,236	
2072	119,540,236	0	(1,250,948)	(10,000)	8,323,683	126,602,971	
2073	126,602,971	0	(1,141,360)	(10,000)	8,821,910	134,273,521	
2074	134,273,521	0	(1,036,661)	(10,000)	9,362,513	142,589,374	
2075	142,589,374	0	(937,020)	(10,000)	9,948,110	151,590,464	
2076	151,590,464	0	(842,514)	(10,000)	10,581,495	161,319,445	
2077	161,319,445	0	(753,251)	(10,000)	11,265,647	171,821,841	
2078	171,821,841	0	(669,404)	(10,000)	12,003,750	183,146,187	
2079	183,146,187	0	(591,143)	(10,000)	12,799,193	195,344,237	
2080	195,344,237	0	(518,411)	(10,000)	13,655,602	208,471,428	
2081	208,471,428	0	(451,348)	(10,000)	14,576,853	222,586,933	
2082	222,586,933	0	(389,815)	(10,000)	15,567,092	237,754,210	
2083	237,754,210	0	(333,886)	(10,000)	16,630,759	254,041,082	
2084	254,041,082	0	(283,464)	(10,000)	17,772,604	271,520,222	
2085	271,520,222	0	(238,386)	(10,000)	18,997,722	290,269,558	
2086	290,269,558	0	(198,512)	(10,000)	20,311,571	310,372,617	
2087	310,372,617	0	(163,572)	(10,000)	21,720,008	331,919,053	
2088	331,919,053	0	(133,264)	(10,000)	23,229,319	355,005,109	
2089	355,005,109	0	(107,259)	(10,000)	24,846,254	379,734,103	
2090	379,734,103	0	(85,208)	(10,000)	26,578,055	406,216,950	
2091	406,216,950	0	(66,758)	(10,000)	28,432,500	434,572,691	
2092	434,572,691	0	(51,535)	(10,000)	30,417,935	464,929,092	
2093	464,929,092	0	(39,141)	(10,000)	32,543,316	497,423,267	
2094	497,423,267	0	(29,200)	(10,000)	34,818,257	532,202,324	
2095	532,202,324	0	(21,358)	(10,000)	37,253,065	569,424,030	
2096	569,424,030	0	(15,298)	(10,000)	39,858,797	609,257,530	
2097	609,257,530	0	(10,705)	(10,000)	42,647,302	651,884,127	
2098	651,884,127	0	(7,304)	(10,000)	45,631,283	697,498,106	
2099	697,498,106	0	(4,851)	(10,000)	48,824,348	746,307,603	
2100	746,307,603	0	(3,128)	(10,000)	52,241,073	798,535,547	
2101	798,535,547	0	(1,955)	(10,000)	55,897,070	854,420,662	
2102	854,420,662	0	(1,178)	(10,000)	59,809,055	914,218,539	
2103	914,218,539	0	(684)	(10,000)	63,994,924	978,202,778	
2104	978,202,778	0	(384)	(10,000)	68,473,831	1,046,666,226	
2105	1,046,666,226	0	(210)	(10,000)	73,266,278	1,119,922,294	
2106	1,119,922,294	0	(111)	(10,000)	78,394,207	1,198,306,390	
2107	1,198,306,390	0	(57)	(10,000)	83,881,095	1,282,177,428	
2108	1,282,177,428	0	(28)	(10,000)	89,752,069	1,371,919,469	

**TOWN OF NEWTOWN PENSION PLAN (Incl. General Town and Police)**

GAS-67

Projected Net Fiduciary Position

	BOY Fiduc.Net Position					EOY Fiduc.Net Position
YE - 6/30 -	Market Val Assets	ER and EE contribs	benefits	admin exp	7.000% income	End of Year
	prior					
2109	1,371,919,469	0	(14)	(10,000)	96,034,012	1,467,943,468
2110	1,467,943,468	0	(8)	(10,000)	102,755,692	1,570,689,153
2111	1,570,689,153	0	(3)	(10,000)	109,947,891	1,680,627,040
2112	1,680,627,040	0	(1)	(10,000)	117,643,543	1,798,260,582
2113	1,798,260,582	0	(1)	(10,000)	125,877,891	1,924,128,471
2114	1,924,128,471	0	(1)	(10,000)	134,688,643	2,058,807,113
2115	2,058,807,113	0	(0)	(10,000)	144,116,148	2,202,913,261
2116	2,202,913,261	0	0	(10,000)	154,203,578	2,357,106,839
2117	2,357,106,839	0	0	(10,000)	164,997,129	2,522,093,968

## SCHEDULE OF CHANGES IN THE TOWN'S NET PENSION LIABILITY AND RELATED RATIOS

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 6/30/2018	\$55,963,579	\$39,444,904	\$16,518,674
Service Cost	1,682,271		\$1,682,271
Interest	3,964,239		\$3,964,239
Change in Benefit Terms			\$0
Diff. between expected/actual exper.	(1,369,101)		(\$1,369,101)
Contributions - employer		1,885,303	(\$1,885,303)
Contributions - member		475,316	(\$475,316)
Net investment income (incl. invest expenses)		2,957,865	(\$2,957,865)
Changes of Assumptions	0		\$0
Benefit Payments, incl. refunds	(2,027,723)	(2,027,723)	\$0
Administrative Expenses		(36,667)	36,667
Net Changes	2,249,686	3,254,093	(1,004,407)
Balances at 6/30/2018	\$58,213,265	\$42,698,997	\$15,514,268

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Town, calculated using the discount rate of 7.00%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate:

	1% Decrease <u>6.00%</u>	Current Discount Rate (7.00%)	1% Increase <u>8.00%</u>
Plan's net pension liability	\$23,326,658	\$15,514,268	\$9,087,745

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued Town of Newtown Pension Plan's financial report.



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

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For the year ended June 30, 2018, the Town recognized pension expense of \$3,689,946.

As of June 30, 2018, the Town's reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		(1,760,321)
Changes of assumptions	3,505,720	
Net difference between projected and actual earnings on pension plan investments	798,378	
	-----	-----
Total	<u>4,304,098</u>	<u>(1,760,321)</u>

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

Year ended June 30:

2019	\$1,253,596
2020	931,166
2021	237,936
2022	475,086
2023	(110,194)
Thereafter	(243,812)

**Payable to the Pension Plan**

As of June 30, 2018, the Town reported \$2,439 in outstanding contributions to the pension plan for the year, which consist of employee contributions withheld and deposited in July, 2018.

**Part 1: Components of Town of Ridgefield Pension Plan (Gen. Town) Expense for the Fiscal Year  
Ended June 30, 2018 - Per GAS68**

Description	<u>Amount</u>	<u>Change in Liab to be amortized</u>	<u>Amort. Period</u> (average of rem.)
Service cost	\$1,682,271		
Interest on the total pension liability	3,964,239		
Differences between expected and actual exper.	(351,545)	(2,111,866)	6.0 yrs.
Changes of assumptions	880,562	4,386,282	5.0 yrs.
Employee contributions	(475,316)		
Projected earnings on pension plan investments	(2,771,511)	- Note A	
Differences between projected and actual earnings on plan investments	724,580	1,522,958	2.1 yrs.
Pension plan administrative expense	36,667		
Other changes in fiduciary net position	0		
Total Pension Expense	\$3,689,946		

Note A - Projected earnings on pension plan investments

	Amt for Pd.	Portion of Period	7.00% Projected Rate of Return	Projected Earnings
Beginning plan fiduciary net position	\$39,444,904	100%	7.00%	\$2,761,143
Employer contributions	1,885,303	50%	7.00%	65,986
Employee contributions	475,316	50%	7.00%	16,636
Benefit payments, including refunds of ee cons	(2,027,723)	50%	7.00%	(70,970)
Administrative expenses and other	(36,667)	50%	7.00%	(1,283)
				\$2,771,511

# TOWN OF NEWTOWN PENSION PLAN (General and Police Union Employees)

## Part 2 - Application of Statement 68, paragraphs 33a and 33b

Increase (Decrease) in the Pension Expense arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Year	Difference between Exp. & Actual Exp.	Recog. Period	- fiscal year ends 6/30 -		2017	2018	2019	2020	2021	2022	2023
			2015	2016							
06/30/2015	(1,273,135)	7.6	(167,518)	(167,518)	(167,518)	(167,518)	(167,518)	(167,518)	(167,518)	(100,511)	0
06/30/2016	(690,374)	7.0	0	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	(98,625)	0
06/30/2017	623,086	6.1	0	0	102,145	102,145	102,145	102,145	102,145	102,145	10,215
06/30/2018	(1,369,101)	7.3	0	0	0	(187,548)	(187,548)	(187,548)	(187,548)	(187,548)	(187,548)
Total	(2,709,524)	28.0	(167,518)	(266,143)	(163,997)	(351,545)	(351,545)	(351,545)	(351,545)	(284,538)	(177,333)

*Note: Years after 2023 not shown in this display but are accounted for elsewhere.*

Increase (Decrease) in the Pension Expense arising from the Recognition of the Changes in Assumptions

Year	Difference between Exp. & Actual Exp.	Recog. Period	- fiscal year ends 6/30 -		2017	2018	2019	2020	2021	2022	2023
			2015	2016							
06/30/2015	1,589,661	7.6	209,166	209,166	209,166	209,166	209,166	209,166	209,166	125,500	0
06/30/2016	0	7.0	0	0	0	0	0	0	0	0	0
06/30/2017	4,095,514	6.1	0	0	671,396	671,396	671,396	671,396	671,396	671,396	67,140
06/30/2018	0	7.3	0	0	0	0	0	0	0	0	0
Total	5,685,175	0.0	209,166	209,166	880,562	880,562	880,562	880,562	880,562	796,895	67,140

Increase (Decrease) in the Pension Expense arising from the Recognition of the Differences between Projected and Actual Earnings on Pension Plan Investments

Year	Difference between Exp. & Actual Exp.	Recog. Period	- fiscal year ends 6/30 -		2017	2018	2019	2020	2021	2022	2023
			2015	2016							
06/30/2015	1,612,150	5.0	322,430	322,430	322,430	322,430	322,430	0	0	0	0
06/30/2016	3,466,149	5.0	0	693,230	693,230	693,230	693,230	693,230	0	0	0
06/30/2017	(1,269,048)	5.0	0	0	(253,810)	(253,810)	(253,810)	(253,810)	(253,810)	0	0
06/30/2018	(186,354)	5.0	0	0	0	(37,271)	(37,271)	(37,271)	(37,271)	(37,271)	0
Total	3,622,898	0.0	322,430	1,015,660	761,850	724,580	724,580	402,150	(291,080)	(37,271)	0

## TOWN OF NEWTOWN PENSION PLAN (General Employees)

### Part 3: Determination of Deferred Outflow of Resources and Deferred Inflow of Resources Balances as of June 30, 2018

The following schedules illustrate calculation of the balances of deferred outflows of resources and deferred inflows of resources related to pensions that are reported for differences between expected and actual experience, changes in assumptions, and differences between projected and actual returns on pension plan investments in Part 2 of this illustration.

#### Deferred Outflows and Deferred Inflows of Resources arising from Differences between Expected and Actual Experience

			<u>Balances at June 30, 2018</u>		
Year	Experience <u>Losses</u> (a)	Experience <u>Gains</u> (b)	Amts. recog. in Pension Expense <u>thru 6/30/2018</u> (c)	Deferred Outflows <u>of Resources</u> (a) - (c)	Deferred Inflows <u>of Resources</u> (b) - (c)
2015		(1,273,135)	(670,071)		(603,064)
2016		(690,374)	(295,875)		(394,499)
2017	623,086		204,290	418,795	
2018		(1,369,101)	(187,548)		(1,181,553)

#### Deferred Outflows and Deferred Inflows of Resources arising from Changes of Assumptions

			<u>Balances at June 30, 2018</u>		
Year	Increases in Total Pension <u>Liability</u> (a)	Decreases in Total Pension <u>Liability</u> (b)	Amts. recog. in Pension Expense <u>thru 6/30/2018</u> (c)	Deferred Outflows <u>of Resources</u> (a) - (c)	Deferred Inflows <u>of Resources</u> (b) - (c)
2015	1,589,661		836,664	752,997	
2016			0		
2017	4,095,514		1,342,792	2,752,723	
2018			0		

#### Deferred Outflows and Deferred Inflows of Resources arising from the Differences between Projected and Actual Earnings on Pension Plan Investments

			<u>Balances at June 30, 2018</u>		
Year	Investment Earnings Less Than <u>Projected</u> (a)	Investment Earnings Greater Than <u>Projected</u> (b)	Amts. recog. in Pension Expense <u>thru 6/30/2018</u> (c)	Deferred Outflows <u>of Resources</u> (a) - (c)	Deferred Inflows <u>of Resources</u> (b) - (c)
2015	1,612,150		1,289,720	322,430	
2016	3,466,149		2,079,689	1,386,460	
2017		(1,269,048)	(507,619)		(761,429)
2018		(186,354)	(37,271)		(149,083)

## Municipal Pension & OPEB Report

2019





Hooker & Holcombe (H&H) is pleased to share with you our 2019 Municipal Pension & OPEB Report. We analyzed both pension and OPEB plan information based on data extracted from the Comprehensive Annual Financial Reports (CAFRs) submitted by local municipalities in Connecticut for the fiscal year ended June 30, 2018. Our pension and OPEB experts analyzed approximately 200 municipal pension plans in Connecticut representing over 70,000 participants and more than \$11 billion in pension fund assets. Additionally, the OPEB section reveals findings for more than 180 municipal OPEB plans in Connecticut, representing over 110,000 participants and more than \$8 billion in actuarial accrued liability. Since the June 30, 2018 CAFRs are generally the first ones in which most OPEB plans were reported under updated financial reporting standards, comparative data is not readily available for the prior years and therefore has not been included in this report.

We hope you find the results of our Municipal Pension & OPEB Report useful in understanding the Connecticut municipal pension and OPEB landscape and how your plan may compare to others.

## MAJOR FINDINGS

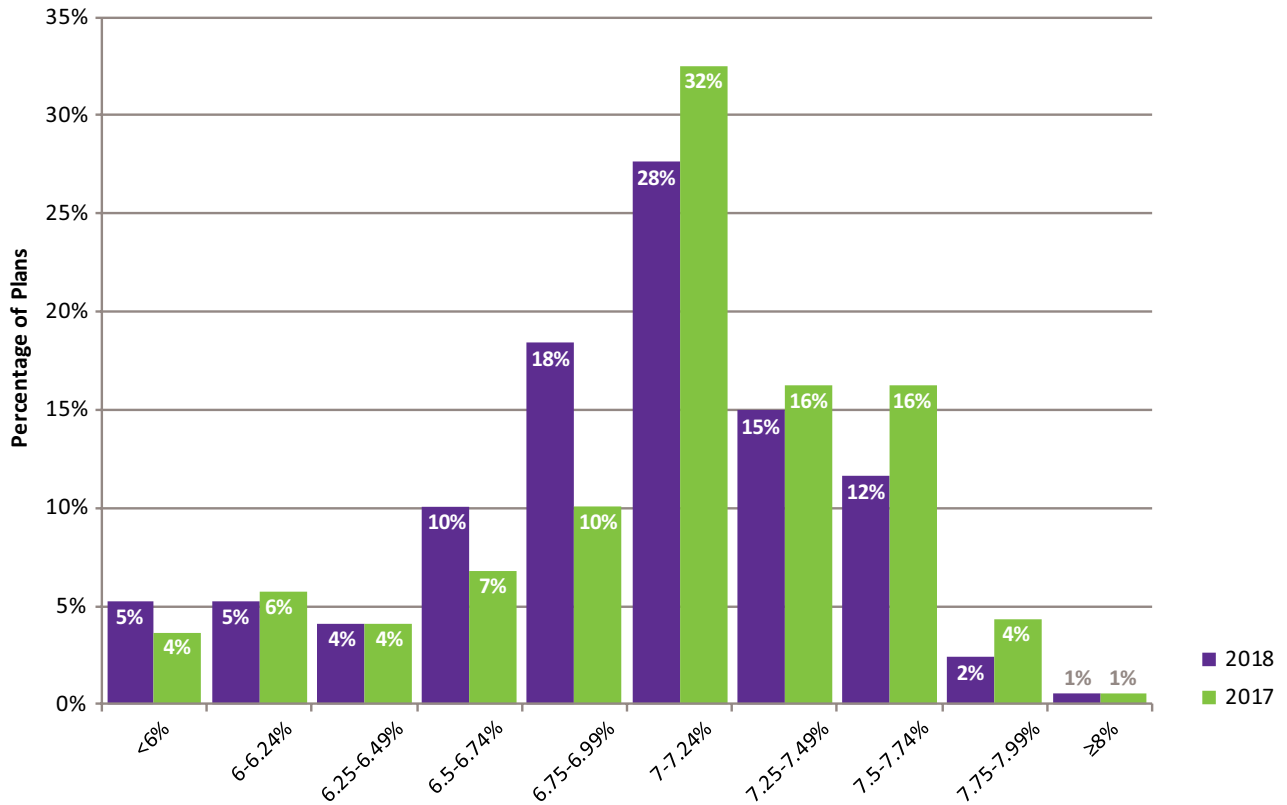
### ***Municipalities with Pension plans:***

- The average long-term rate of investment return assumption declined by 11 basis points (bps) to 6.81%, compared to an average of 6.92% in the 2017 study. Moreover, this assumption has declined by 33 bps over the past three years.
- The average funded ratio increased slightly to 74.9% compared to 74.5% in the June 30, 2017 CAFRs.
- The average money-weighted rate of return for FYE 2018 is 7.31%, representing a slight increase versus the five-year trailing average of 6.94% since GASB 67/68 standards have been in place.
- Fifty-one percent of municipalities use a mortality assumption based on the RP-2014 Mortality Table vs. 43% using the RP-2000 Mortality Table. Only 6% of plans utilize an assumption based on “other” mortality tables.
- When looking at the mortality improvement scale assumption, 51% of plans use Scale MP as provided annually by the Society of Actuaries (SOA), followed by Scale AA (35%) and Scale BB (10%). Only 4% of plans use another approach.
- When looking at amortization payment schedules for purposes of determining annual employer contributions, Connecticut pension plans use an average period of 19 years.
- Sixty-seven percent of public sector plans use the level percent approach for setting amortization schedules, while 33% use a level dollar approach.

### ***Municipalities with OPEB plans:***

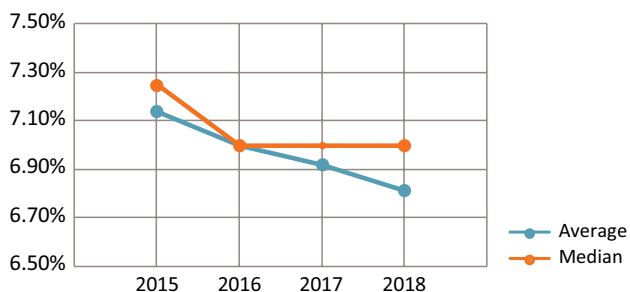
- Fifty-seven percent of OPEB plans are unfunded, with 43% of plans funded with an OPEB trust.
- For those plans funded using an OPEB trust, the average funded ratio is 27.5%.
- The median investment return assumption for funded OPEB plans is 6.75%, slightly lower when compared to pension plans (6.81%).
- For FYE 2018, the average money-weighted rate of return for funded OPEB plans is 5.86%, which is lower when compared to pension plans (7.31%).

## PENSION: LONG-TERM INVESTMENT RETURN ASSUMPTION (FYE 2018 VS. FYE 2017)



The average investment return assumption is 6.81% (median is 7.00%). This represents a decline of 11 basis points (bps) from the 6.92% average (7.00% median) in the 2017 study. This assumption is generally tied to either the July 1, 2017 or July 1, 2016 actuarial valuation used in determining the employer's cash contribution amount (also known as the Actuarially Determined Employer Contribution, or ADEC).

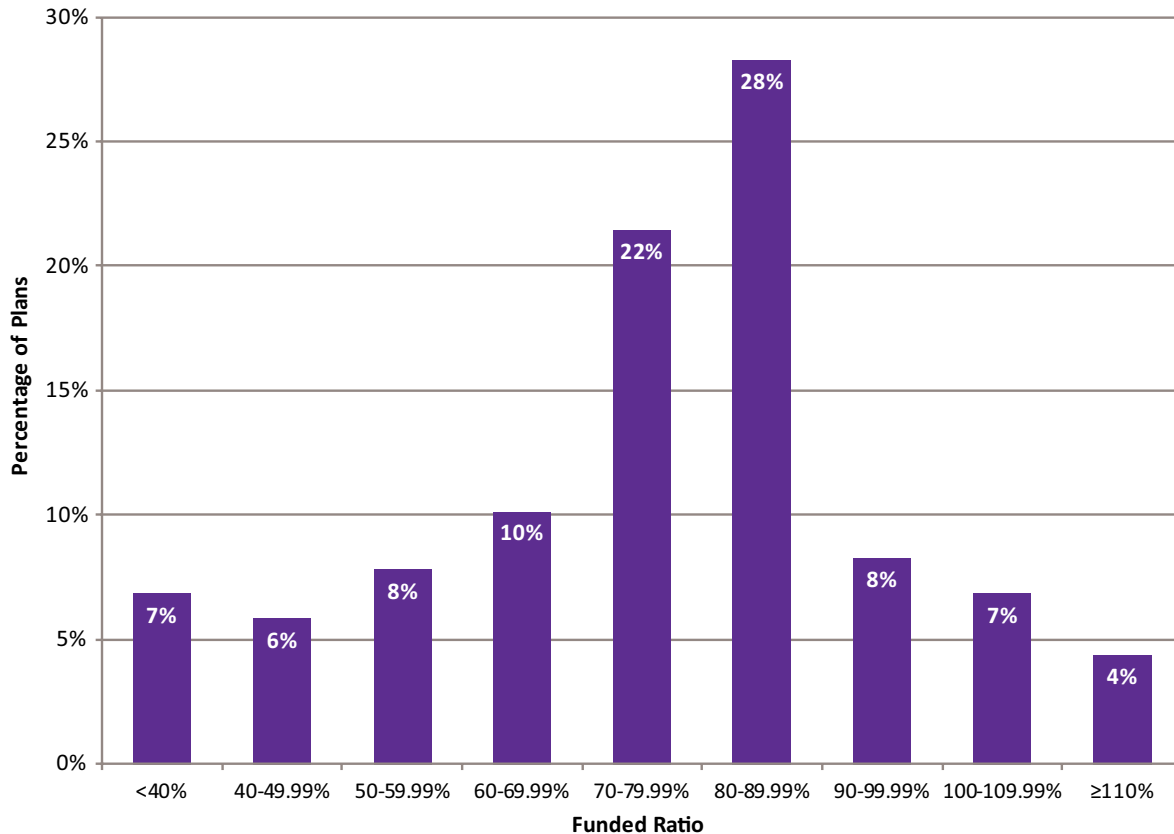
## PENSION: AVERAGE AND MEDIAN INVESTMENT RETURN ASSUMPTION TRENDS



When looking at trends, the average long-term rate of return assumption has declined by 33 basis points (from 7.14% to 6.81%) from FYE 2015 to 2018. The median assumption has declined 25 basis points (from 7.25% to 7.00%) during that same period. All else being equal, a lower investment return assumption results in higher actuarial liability and ADEC, and a lower funded ratio.



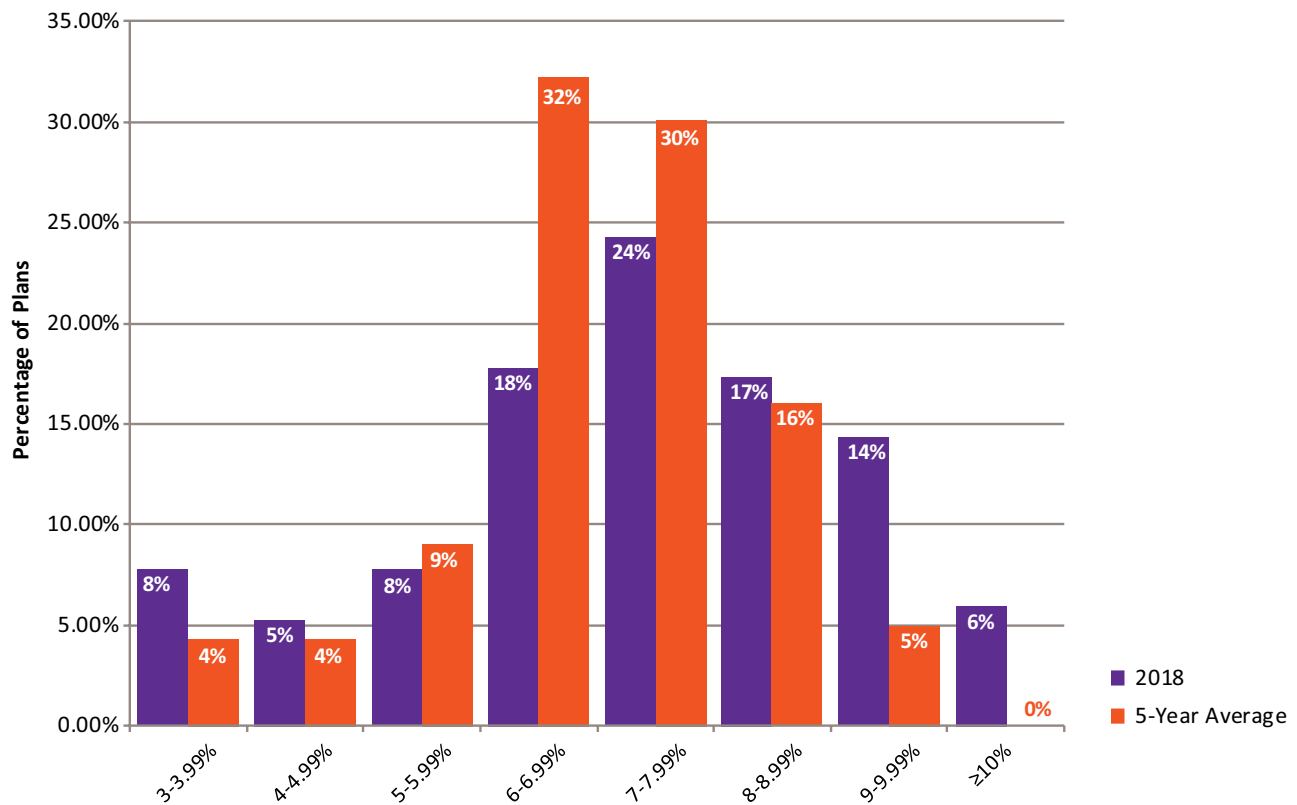
## PENSION: FUNDED RATIO



We analyzed the funded ratio (Market Value of Assets divided by Accrued Liability) for each plan. As of June 30, 2018, the average funded ratio was 74.9% (median of 78.9%), a slight increase versus an average of 74.5% (77.2% median) in the 2017 CAFRs.

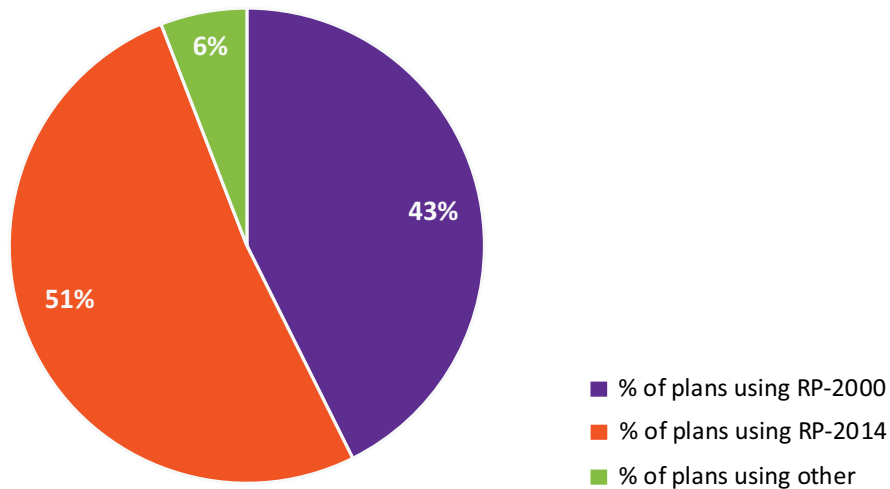
Nearly half (47%) of the pension plans analyzed exceed the 80% funded mark, with 13% falling below 50%. Notably, more than 1 in 10 (11%) of plans can boast pensions that are funded at 100% or higher, up slightly from 10% last year.

PENSION: FYE 2018 RETURN VS. 5-YEAR AVERAGE RETURN



The average money-weighted rate of return for FYE 2018 was 7.31% (median of 7.44%). We compared this rate to the most recent 5-year compounded average money-weighted rate of return (6.94% average and 7.02% median). Interestingly, the average return for FYE 2018 is slightly higher than the trailing average for the 5-year period when the GASB 67/68 financial reporting standards were put in place.

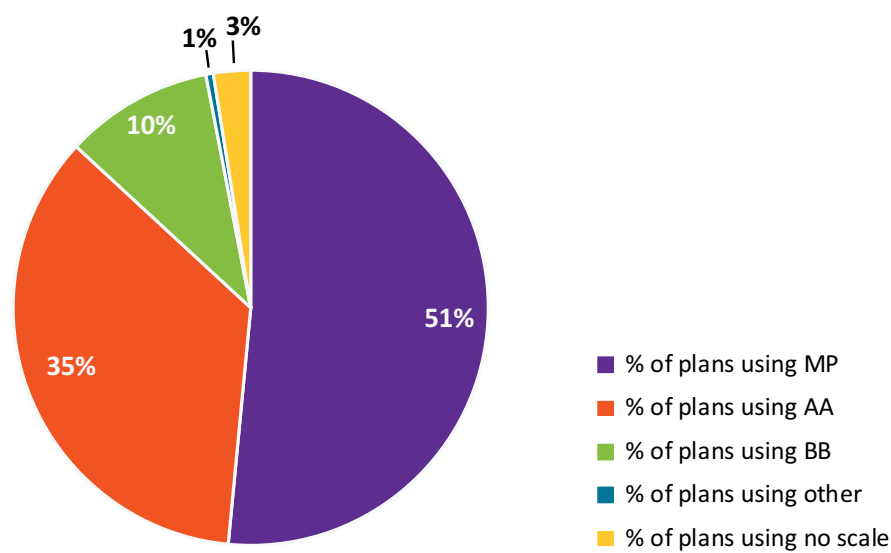
## PENSION: MORTALITY TABLE ASSUMPTION



Over time, life expectancies have generally increased. The Society of Actuaries (SOA) periodically publishes mortality studies reflecting updated life expectancies based on large databases of pensioner mortality experience. As of the June 30, 2018 CAFRs, the two most common mortality tables in use by Connecticut public pension plans were the RP-2014 Mortality Table (51% of plans) and the older RP-2000 Mortality Table (43% of plans). Only 6% of plans were using an assumption reflecting some other mortality basis.

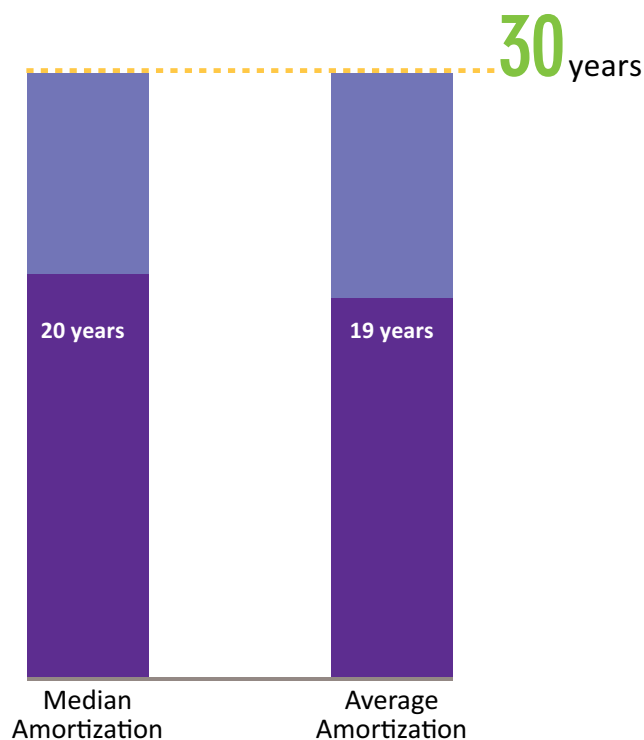
Looking ahead, we are anticipating that a recent mortality study issued by the SOA (and subsequent to the June 30, 2018 CAFR date for this report) will begin to be used by public sector plan sponsors. The new mortality tables are known as the Pub-2010 Public Retirement Plans Mortality Tables, and are based on the first study ever done by the SOA that incorporates public sector-specific pensioner mortality experience.

PENSION: MORTALITY IMPROVEMENT SCALE ASSUMPTION



Because actuarial valuations involve calculating liability associated with providing benefits to participants, both today and for many years into the future, actuaries also consider the potential effect of future improvements in life expectancies. This effect is captured most often by way of a mortality improvement scale assumption, with the most common scale (51% of plans) being Scale MP which is updated annually by the SOA. The next most common scales, which are most often used in conjunction with the RP-2000 Mortality Table, are Scale AA (35% of plans) and Scale BB (10% of plans). Only 4% of plans in the study are using some other approach for the mortality improvement scale assumption.

PENSION: AMORTIZATION PERIOD

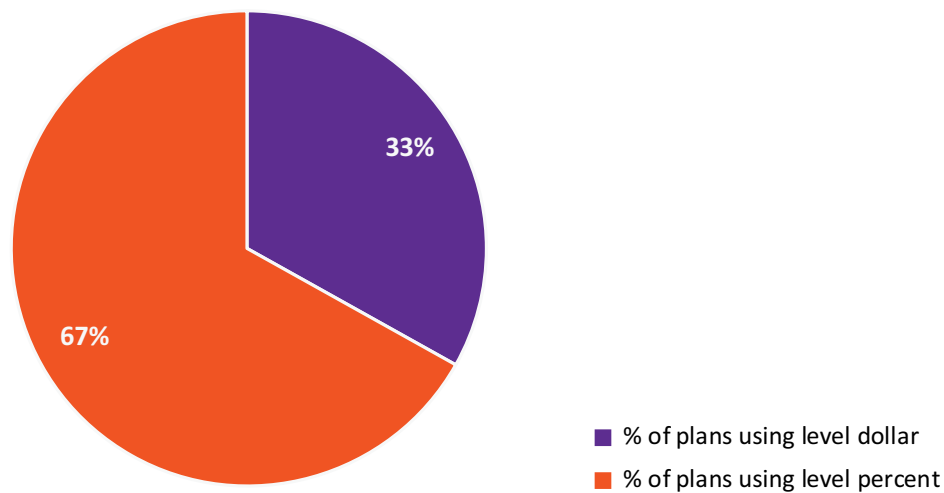


The ADEC most commonly reflects two components: 1) the normal cost, which is the value of benefits expected to be earned by active participants during the upcoming year, and 2) an amortization payment, which is a contribution towards eliminating the pension plan’s unfunded actuarial liability (or surplus, if applicable) over time.

Since a pension plan’s unfunded actuarial liability is generally considered a long-term expense, the amortization payment, similar to making a payment against a home mortgage, is recognized over time.

Connecticut public sector pension plans’ amortization periods (average of 19 years, median 20 years) are reasonably consistent with findings nationwide, and compare favorably with the 30-year period that is generally considered to be the maximum for public sector plans.

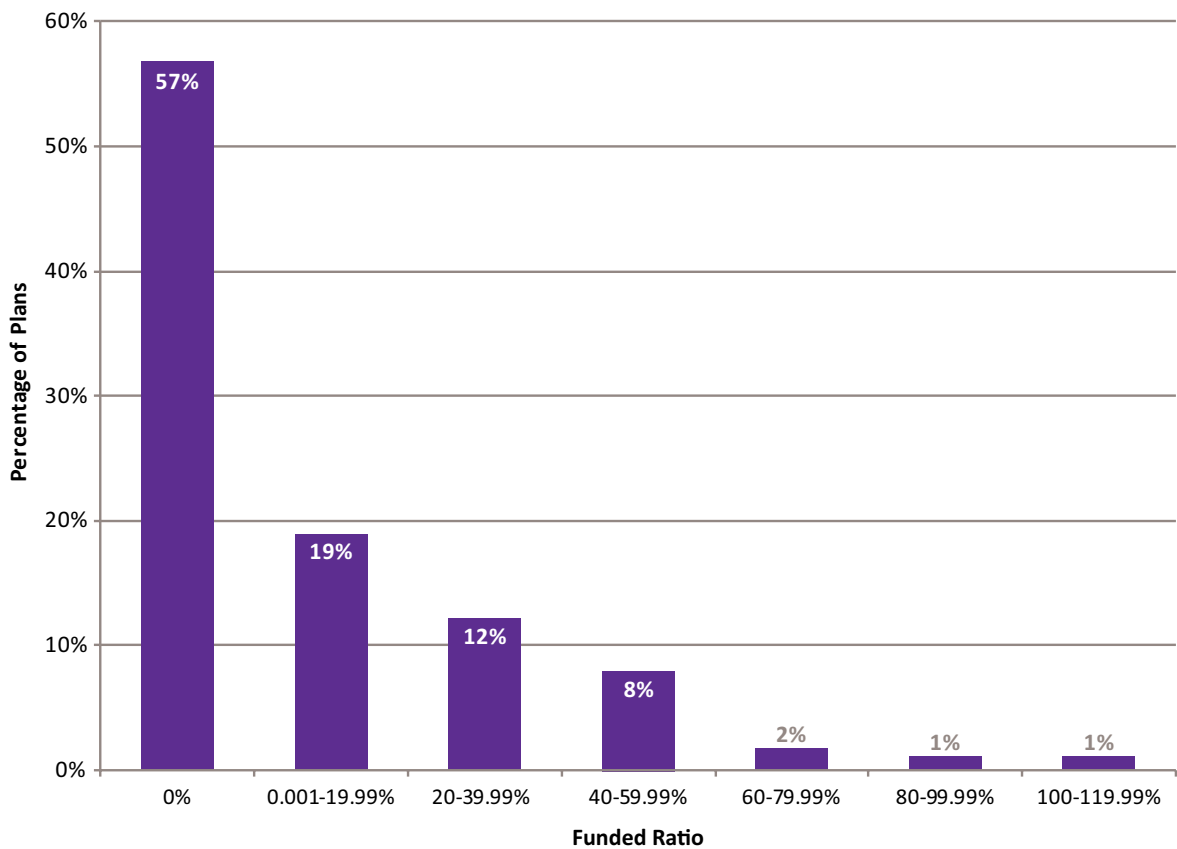
**PENSION: AMORTIZATION METHOD**



A public pension plan sponsor may choose to “pay off” a plan’s unfunded liability by using either a “level dollar” amortization method, under which each year’s amortization amount will remain constant, or by using a “level percent” amortization method. Under the latter approach, the amortization payments are lower in the initial years, but gradually increase over time and eventually exceed the annual payments under the level dollar method.

In this year’s report, 67% of Connecticut public sector plans use the level percent approach, while the other 33% use the level dollar approach.

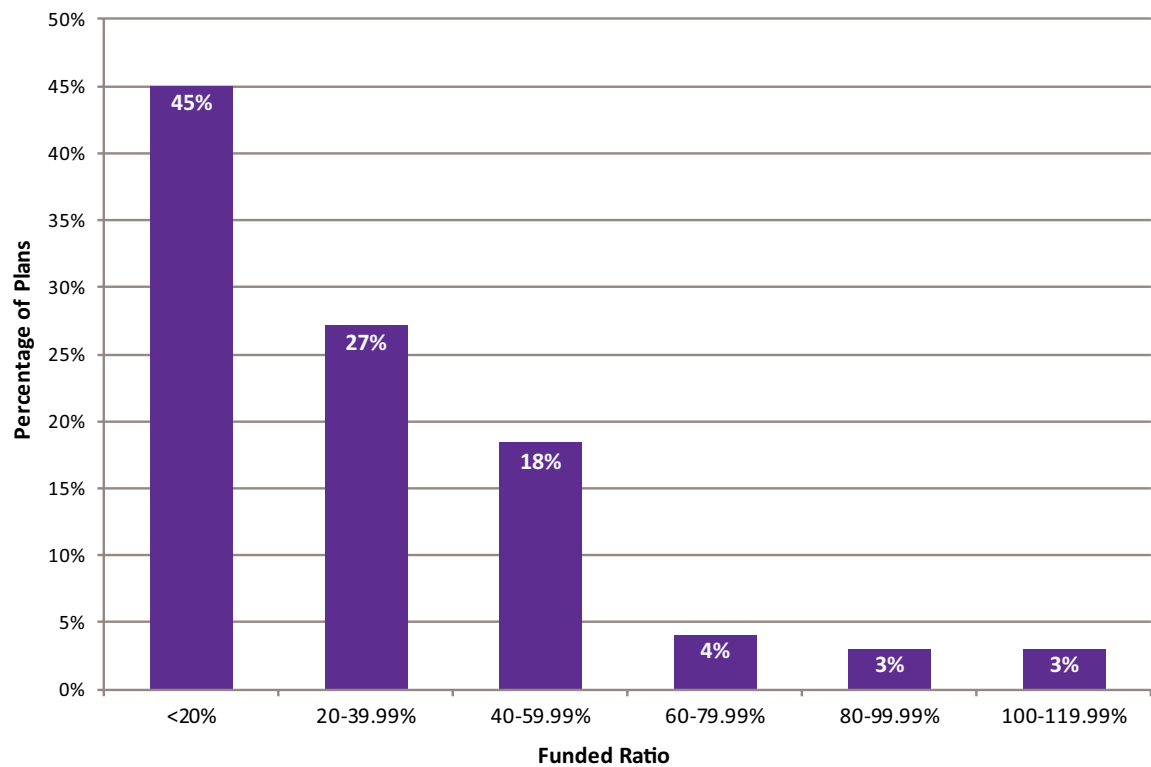
# OPEB: FUNDED RATIO FOR ALL PLANS



Many public sector OPEB plans continue to be unfunded arrangements, as the Government Accounting Standards Board (GASB) did not require actuarial measurements of the liabilities until about a decade ago.

As of June 30, 2018, approximately 57% of the OPEB plans in Connecticut are unfunded, with the remaining 43% of plans funded via an OPEB trust. These statistics compare with the Office of Policy and Management (OPM) data from its *Municipal Indicators Report* published in December 2017, which indicated a split of 61% unfunded and 39% funded plans at that time.

OPEB: FUNDED RATIO (FUNDED PLANS ONLY)



When looking only at the OPEB plans funded via a trust, the average funded ratio is 27.5% (median is 23.7%) as of the June 30, 2018 CAFRs. Forty-five percent of the plans have a funded ratio of less than 20%, while 3% of plans are at least 100% funded.

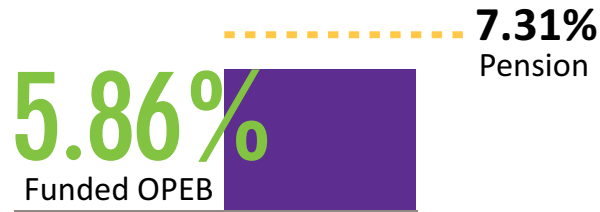


OPEB: INVESTMENT RETURN ASSUMPTION



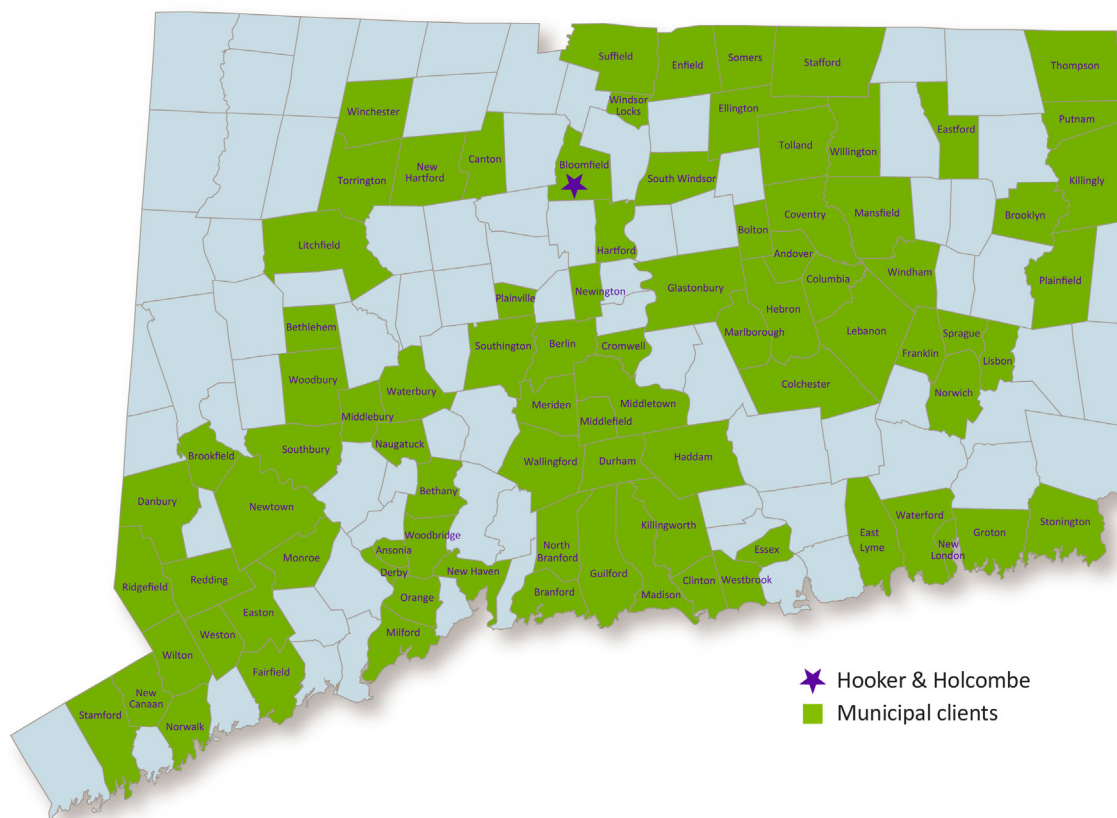
As of June 30, 2018, the median investment return assumption for funded OPEB plans is 6.75%. This assumption is slightly lower than the 6.81% average assumption for pension plans.

OPEB: MONEY-WEIGHTED RATE OF RETURN



Similarly, the average money-weighted rate of return for FYE 2018 for funded OPEB plans is 5.86%, which is lower than the comparable statistic for pension plans.

## ABOUT HOOKER & HOLCOMBE



Hooker & Holcombe has been working with municipalities to consult, design, and administer pension and OPEB plans since it opened its doors in 1956. Today, more than half (51%) of Connecticut's municipalities work with H&H in some capacity. Whether we're helping create, modernize, merge or terminate a plan, our dedication and years of experience have helped literally hundreds of thousands of municipal employees realize a comfortable retirement.

In addition to pension and OPEB solutions, the firm offers recordkeeping and TPA services for defined contribution plans. Through our Investment Advisory Group, the firm delivers independent investment advisory consulting services for both defined benefit and defined contribution plans, ensuring that our clients understand their fiduciary responsibilities and how they relate to their plans.

To learn more about our services, visit [hhconsultants.com](https://www.hhconsultants.com).

If you would like additional details about this report, please contact:

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With over 63 years of experience, Hooker & Holcombe offers the solutions needed to identify, achieve and exceed our clients' retirement plan goals.

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- Asset liability modeling
- Investment manager searches
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- Plan demographic analysis
- Plan design consultation & preparation
- Compliance testing
- Form 5500 preparation & filing
- Contribution calculations
- Participant education & communication
- Fee benchmarking

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- Plan administration
- Data collection
- Benefit statements
- Management reports
- Daily or periodic valuations
- Loan, transfer, rollover & withdrawal determinations
- Retirement or termination payout calculations & vesting
- Processing investment trades



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TOWN OF NEWTOWN OPEB REPORT

TOWN OF NEWTOWN

ACTUARIAL VALUATION REPORT

July 1, 2018



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## Certification

This report presents the results of the July 1, 2018 Actuarial Valuation for the Town of Newtown OPEB Report post-retirement benefit other than pension (OPEB) for Town and Board of Education Employees (the Plan) for the purpose of estimating the funded status of the Plan and determining the Actuarially Determined Employer Contribution (ADEC) for the fiscal years ending June 30, 2020 and June 30, 2021. This report is intended to satisfy the requirements of Connecticut General Statute 7-450a. This report may not be appropriate for any other purpose.

The valuation has been performed in accordance with generally accepted actuarial principles and practices. It is intended to comply with all applicable Actuarial Standards of Practice.

I certify that the actuarial assumptions and methods were selected by me and represent my best estimate of anticipated actuarial experience under the Plan.

In preparing this valuation, I have relied on employee data provided by the Plan Sponsor, and on asset and contribution information provided by the Town. I have audited neither the employee data nor the financial information, although I have reviewed them for reasonableness.

The results in this valuation report are based on the Plan as summarized in the Plan Provisions section of this report and the actuarial assumptions and methods detailed in the Description of Actuarial Methods and Assumptions sections of this report.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as: plan experience differing from that anticipated by the economic or demographic assumptions; 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. Due to the limited scope of this report, an analysis of the potential range of such future measurements has not been performed.

I have no relationship with the employer or the Plan that would impair, or appear to impair, my objectivity in performing the work presented in this report. I am a member of the American Academy of Actuaries and meet its Qualification Standards to render the actuarial opinion contained herein.

Stephen Chykirda, ASA, FCA, MAAA  
Enrolled Actuary 17-07517

August 5, 2019



## Executive Summary

The July 1, 2018 accrued liability of \$7,485,000 is lower than the expected accrued liability of \$9,201,000. Items that affected the change in liability were that three Police members dropped their medical coverage, and the medical premium increased less than expected. The net impact of these items lowered the accrued liability by about \$1,794,000. Other changes that were made included updating the mortality and trend assumptions which increased the accrued liability by about \$78,000.

Schedule of Funding Status and Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Accrued Liability (UAL)	Funded Ratio	Covered Payroll	UAL as a Percentage of Covered Payroll
7/1/2012	\$610,498	\$6,264,781	\$5,654,283	10%	\$36,634,200	15%
7/1/2014	1,282,204	7,388,197	6,105,993	17%	36,690,663	17%
7/1/2016	1,659,281	8,380,102	6,720,821	20%	36,204,065	19%
7/1/2018	2,465,606	7,485,048	5,019,442	33%	36,468,847	14%

History of Actuarially Determined Employer Contribution (ADEC)	
Year Ended June 30	Actuarially Determined Employer Contribution (ADEC)
2016	\$793,865
2017	814,292
2018	865,530
2019	874,889
2020	768,072
2021	782,270





## Moody's Treading Water Analysis

For long-term contribution planning, Moody's provides a Treading Water Analysis with a minimum goal of preserving the plan's funded status. The Moody's contributions has two parts: A + B:

A) Town Normal Cost	\$ 298,574
B) Interest on the Unfunded	\$ 338,812
C) Total: (A) + (B)	\$ 637,386

In comparison, the Town's funding policy is D + E:

D) Fixed Trust Contribution	\$ 200,000
E) Benefit Payments	\$ 363,174
F) Total: (D) + (E)	\$ 563,174

Based upon this analysis, it would be prudent for the Town to start increasing the fixed trust contribution.



## Unfunded Accrued Liability and Actuarially Determined Employer Contribution

Unfunded Accrued Liability (UAL)			
<b>Actuarial Accrued Liability 7/1/2018</b>	<b>BOE</b>	<b>Police</b>	<b>Grand Total</b>
Actives	\$2,775,978	\$2,558,858	\$5,334,836
Retirees	<u>977,917</u>	<u>1,172,295</u>	<u>2,150,212</u>
<b>Total</b>	<b>3,753,895</b>	<b>3,731,153</b>	<b>7,485,048</b>
Assets 7/1/2018	<u>1,236,549</u>	<u>1,229,057</u>	<u>2,465,606</u>
<b>Unfunded Accrued Liability (UAL) 7/1/2018</b>	<b>2,517,346</b>	<b>2,502,096</b>	<b>5,019,442</b>
Funded Ratio	32.9%	32.9%	32.9%
Actuarially Determined Employer Contribution (ADEC)			
<b>2019 / 2020 Fiscal Year ADEC</b>	<b>BOE</b>	<b>Police</b>	<b>Grand Total</b>
Normal Cost	\$156,757	\$141,817	\$298,574
Amortization of UAL	222,886	221,536	444,422
Interest	<u>12,813</u>	<u>12,263</u>	<u>25,076</u>
<b>Total ADEC 2019 / 2020</b>	<b>392,456</b>	<b>375,616</b>	<b>768,072</b>
<b>2020 / 2021 Fiscal Year ADEC</b>	<b>BOE</b>	<b>Police</b>	<b>Grand Total</b>
Normal Cost	\$163,968	\$148,341	\$312,309
Amortization of UAL	222,886	221,536	444,422
Interest	<u>13,056</u>	<u>12,483</u>	<u>25,539</u>
<b>Total ADEC 2020 / 2021</b>	<b>399,910</b>	<b>382,360</b>	<b>782,270</b>



**Participant Counts and Average Attained Age  
As of July 1, 2018**

Participant Counts			
Group	Active Participants	Retirees*	Total
BOE	406	18	424
Police	44	6	50
Total	450	24	474

\*Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age
BOE	45.4	65.3
Police	41.9	57.5



**Participant Counts and Average Attained Age**  
**As of July 1, 2016**

Participant Counts			
Group	Active Participants	Retirees*	Total
BOE	417	30	447
Police	43	9	52
Total	460	39	499

\*Does not include spouses of existing retirees.

Average Age		
Group	Active Average Age	Retiree Average Age
BOE	44.7	64.2
Police	40.0	58.1



### Projected Benefit Payments

Fiscal Year Beginning July 1st	Currently Active Employees	Currently Retired Employees	Total
2019	\$76,381	\$286,793	\$363,174
2020	134,906	266,449	401,355
2021	179,541	257,025	436,566
2022	209,984	243,405	453,389
2023	278,269	222,095	500,364
2024	333,979	225,344	559,323
2025	365,773	237,182	602,955
2026	415,725	214,827	630,552
2027	450,287	188,179	638,466
2028	514,222	156,824	671,046
2029	635,022	108,881	743,903
2030	739,795	106,939	846,734
2031	767,461	65,190	832,651
2032	926,113	59,692	985,805
2033	1,017,496	54,167	1,071,663
2034	1,032,342	48,701	1,081,043
2035	1,096,798	43,370	1,140,168
2036	1,133,919	38,240	1,172,159
2037	1,191,374	33,358	1,224,732
2038	1,228,715	28,769	1,257,484



## Target Allocation and Expected Rates of Return

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
Core Fixed Income	35.00%	1.65%	0.58%
US Large Cap Equities	27.50%	5.55%	1.53%
US Small Cap Equities	7.50%	6.00%	0.45%
Developed Foreign Equities	<u>30.00%</u>	5.55%	<u>1.67%</u>
	100.00%		4.23%
Long-Term Inflation Expectation			<u>2.60%</u>
Long-Term Expected Nominal Return			6.83%

*\*Long-Term Returns are provided by FIA-LLC. The returns are geometric means.*

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return are developed. Best estimates of the real rates of return for each major asset class are included in the OPEB plan's target asset allocation.

The information above is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. An expected rate of return of 6.75% was used.

The July 1, 2018 Actuarial Valuation directly calculated the July 1, 2018 Total OPEB Liability (TOL). The July 1, 2018 TOL was increased by service cost and interest and decreased by benefit payments to estimate the TOL as of June 30, 2019.



## Description of Actuarial Methods

### Asset Valuation Method

Plan Assets equal the Market Value of assets.

### Actuarial Cost Method

Cost method: Entry Age Normal Actuarial Cost Method (level percentage of salary).

Normal Cost: Under this method, the total normal cost is the sum of amounts necessary to fund each active member's normal retirement benefit if paid annually from entry age to assumed retirement age. Entry age is the age at which the employee would have been first eligible for the plan, if it had always been in effect. The normal cost for each participant is expected to remain a level percentage of the employee's salary. The normal cost for the plan is the difference between the total normal cost for the year and the anticipated member contributions for that year.

Past Service Liability: The present value of future benefits that relates to service before the valuation date is the total past service liability. The unfunded past service liability is the difference between the total past service liability and any assets (including accumulated member contributions). This amount is amortized over 22 years on a closed basis.

Experience Gains and Losses: All experience gains and losses (the financial effect of the difference between the actual experience during the prior period and the result expected by the actuarial assumptions for that prior period) appear directly in the past service liability and are amortized at the same rate the plan is amortizing the remaining unfunded past service liability.



## Description of Actuarial Assumptions

### Changes in Actuarial Assumptions as of July 1, 2018

The valuation reflects changes in the actuarial assumptions listed below. (The assumptions used before and after these changes are more fully described in the next section.)

- Mortality
- Inflation
- Healthcare Cost Trend Rates
- Expected Claim Costs

The assumptions indicated were changed to represent the Enrolled Actuary's current best estimate of anticipated experience of the plan.

#### Interest

6.75% Per annum.

Since the OPEB plan's fiduciary net position and future contributions are projected to be sufficient to cover expected benefit payments for current plan members, the long-term expected rate of return on OPEB plan investments was used to discount liabilities.

#### Inflation

2.60%. (Prior: 2.75%)

This assumption is consistent with the Social Security Administration's current best estimate of the ultimate long-term (75-year horizon) annual percentage increase in CPI, as published in the 2018 OASDI Trustees Report.

The assumption was changed to better reflect expected experience.

#### Mortality

Current: Pub-2010 Public Retirement Plans Mortality Tables (with separate tables for Public Safety employees and Teachers) and for non-annuitants and annuitants, projected to the valuation date with Scale MP-2018.

Prior: RP-2014 Mortality Table with no collar adjustment projected to valuation date with Scale MP-2017.

#### Mortality Improvement

Current Valuation: Projected to date of decrement using Scale MP-2018 (generational mortality).

Prior Valuation: Projected to date of decrement using Scale MP-2017 (generational mortality).

We have selected this mortality assumption because it is based on the latest published public retirement plan mortality study released by the Society of Actuaries.

The plan does not have sufficiently credible data on which to perform a mortality experience study.

#### Retirement

Police:

Age	Rate
40 - 49	.10
50 - 59	.20
60+	1.00





### Retirement (cont.)

Certified: Per table below (from Connecticut State TRS 2016 Pension Valuation):

Age	Eligible for Normal (Unreduced) Retirement (Age 60 and 20 Yrs. Serv. or 35 yrs. Serv.)		Eligible for Early (Reduced) Retirement (Age 55 and 20 Yrs. Serv. or 25 yrs. Serv.)	
	Male	Female	Male	Female
50	27.5%	27.5%	1.00%	1.00%
51	27.5	27.5	1.00	1.25
52	27.5	27.5	1.00	1.75
53	27.5	27.5	2.00	2.25
54	27.5	27.5	3.00	2.75
55	38.5	27.5	4.00	4.75
56	38.5	27.5	6.00	6.25
57	38.5	27.5	7.00	6.75
58	38.5	27.5	8.00	7.25
59	38.5	27.5	11.00	8.50
60	22.0	27.5		
61-62	25.3	27.5		
63-64	27.5	27.5		
65	36.3	32.5		
66-69	27.5	32.5		
70-79	100.0	32.5		
80	100.0	100.0		

### Termination prior to retirement

Police:

Age	Rate
25	.05
35	.03
45	.01
55	.00

Certified: Rates based on gender and length of service for first Ten years and gender and age thereafter  
(Connecticut State TRS 2016 Pension Valuation):

Service	Male Rate	Female Rate
0-1	14.00%	12.00%
1-2	11.00	10.50
2-3	8.00	8.75
3-4	6.50	7.50
4-5	4.50	6.75
5-6	3.50	6.00
6-7	3.00	5.25
7-8	2.75	4.75
8-9	2.50	4.25
9-10	2.50	4.00
10 +	use age-related rates until eligible to retire	



### Termination prior to retirement (cont.)

Sample Age-Based Withdrawal Rates (until eligible to retire):

Age	Male Rate	Female Rate
25	1.50%	4.00%
30	1.50	4.00
35	1.50	3.50
40	1.50	2.30
45	1.59	1.50
50	2.04	2.00
55	3.44	2.50
59+	4.00	2.90

The actuarial assumption in regards to rates of withdrawal shown above are based on the rates used by the Connecticut State Teachers' Retirement System actuaries.

### Disability

Police: The assumed rates of disability equal 50% of the 1985 Disability Pension Study, Class 4 hazardous occupations. Sample rates are as follows:

Age	Male	Female
20	.000885	.000520
30	.001830	.001495
40	.003465	.003175
50	.006770	.006635
60	.017170	.012345

Certified: None.

### Percentage of Actives eligible at retirement who continue with Medical Coverage

Police: 60%.

Certified: 85%.

### Percentage of Non-Medicare eligible retirement continuing After 65

Police: None.

Certified: 10%.

### Spousal Coverage

50% of males and 50% of females assumed married with wives assumed to be three years younger than their husbands.

### Healthcare Cost Trend Rates

7.00% in 2018, reducing by 0.5% each year to an ultimate rate of 4.60% per year rate for 2023 and later.

Prior: 6.75% in 2018, reducing by 0.5% each year to an ultimate rate of 4.75% per year rate for 2022 and later.

Healthcare cost trend rates reflect both the current and long-term outlook for increases in healthcare costs. The short term rates are based on recent industry surveys, plan experience and near-term expectations. The long term trend rate is based on our general inflation assumption plus an adjustment to reflect expectations for long-term medical inflation.



### 2018-2019 Average Annual Premium

Police: \$10,794 (Prior: 10,207)

Certified: \$9,079. (Prior: 8,370)

### Expected Claim Costs

Police:

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$9,208	\$12,834
50	12,024	14,954
55	15,778	17,421
60	20,326	20,318
65	25,880	24,628
70	31,133	28,805
75	35,727	32,335

Certified:

Sample Age	Expected Claim (Male)	Expected Claim (Female)
45	\$5,886	\$8,204
50	7,686	9,559
55	10,086	11,136
60	12,993	12,988
65	16,544	15,743
70	19,901	18,413
75	22,838	20,669

The sample per capita claim was developed as follows: Using the total count of active participants eligible for post-retirement medical benefits and retirees currently electing medical coverage, we calculate the total projected claims by multiplying the total count by the average annual premium. Using the cost increases derived from a study sponsored by the Society of Actuaries prepared by Dale H. Yamamoto from May 2013: "Health Care Costs from Birth to Death", we allocate the total projected claims by age and gender.

### Patient Protection and Affordable Care Act (PPACA)

High Cost Plan Excise Tax ("Cadillac Tax"): Effective in 2022, there will be a 40% excise tax on per capita medical benefit costs in excess of certain thresholds, which (in 2018) are \$10,200 for single coverage and \$27,500 for family coverage for Medicare eligible retirees. Thresholds (in 2018) for retirees who are between ages 55 and 65 are \$11,850 and \$30,950 for single and family coverage respectively. After 2018, the thresholds are indexed by CPI (CPI +1% in 2018 only). CPI is assumed to equal the inflation assumption. The impact of this future excise tax has been reflected in plan liabilities.

Other Requirements of PPACA:

For purposes of this valuation, extended coverage for adult children and 100% coverage of preventive care are assumed to be reflected in per capita costs.

For purposes of this valuation, elimination of lifetime maximum benefits and removal of the limits on essential healthcare are assumed to have no impact on plan liabilities.



## Summary of Plan Provisions

*This exhibit summarizes the major provisions of the Plan. It is not intended to be, nor should it be interpreted as a complete statement of all plan provisions. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.*

### Plan identification

Single-employer OPEB plan.

### Certified Board of Education Employees

#### Eligibility for Medical Coverage

Any age with 25 years of service (20 in CT), age 55 with 20 years of service (15 in CT) or age 60 with 10 years of service (10 in CT). (Follow TRB eligibility).

#### Retiree/Spouse Cost of Medical Coverage

The retiree and spouse must pay 100% of the cost for medical coverage less any State subsidy. Spouse coverage may continue at 100% of cost less any State subsidy, after the death of a retiree.

#### Plan of Coverage

Various Anthem medical plans available to current teachers and administrators. Once eligible for Medicare A & B and supplemental insurance, retiree is no longer eligible for medical coverage under Board of Education.

#### Retiree/Spouse Dental Coverage

Not valued due to no implicit subsidy.

#### Life Insurance Benefit

None.

### Voluntary Early Retirement Incentive Plan – Ends June 30, 2017

#### Eligibility/Duration

Eligible for normal and/or early retirement in accordance with the provisions of the State Teacher's Retirement system as of June 30, 2015 for a duration of up to two years.

#### Retiree/Spouse Cost of Medical Coverage

The Board will pay 77% of the cost of the pre-65 Plan. The Board shall be entitled to apply the State subsidy to offset the cost.

#### Plan of Coverage

Various Anthem medical plans available to current teachers and administrators.

**Retiree/Spouse Dental Coverage**

The retiree and spouse must pay current employee contribution percentage for dental coverage.

**Life Insurance Benefit**

None

Currently there is 1 retiree participating in the Voluntary Early Retirement Incentive Plan.

**Police****Eligibility for Medical Coverage**

Age 60 or 20 years of service.

**Retiree/Spouse Cost of Medical Coverage**

The retiree must pay 25% of the cost for medical coverage. Spouses pay 100% of the cost for medical coverage. Generally, no post-65 benefits are available.

**Plan of Coverage**

Various Anthem medical plans, dependent on whether under or over age 65 and whether eligible for Medicare.

**Retiree/Spouse Dental Coverage**

Not valued due to no implicit subsidy.

**Life Insurance Benefit**

None.

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  
07/01/2019 THROUGH 09/30/2019

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 09/30/2019

Comerica

## ACCOUNT STATEMENT

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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

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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](http://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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## MESSAGE PAGE

### 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](http://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.

# ACCOUNT 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

## ACCOUNT STATEMENT

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### Changes In Net Assets

	COST VALUE	MARKET VALUE
BEGINNING BALANCE AS OF 07/01/2019	0.00	0.00
EARNINGS		
CASH INCOME	245,643.45	245,643.45
LESS PRIOR ACCRUED INCOME	0.00	0.00
PLUS CURRENT ACCRUED INCOME	38,681.92	38,681.92
REALIZED GAIN/LOSS ON SALE OF ASSETS	0.00	0.00
NET UNREALIZED GAIN OR LOSS	0.00	6,029,461.35
TOTAL EARNINGS	284,325.37	6,313,786.72
CONTRIBUTIONS & OTHER INCREASES		
ASSETS RECEIVED	39,412,505.33	39,412,505.33
EMPLOYER CONTRIBUTIONS	2,389,078.00	2,389,078.00
EMPLOYEE CONTRIBUTIONS	116,426.33	116,426.33
TRANSFERS	89,263.53	89,263.53
MISCELLANEOUS RECEIPTS	278.03	278.03
TOTAL CONTRIBUTIONS & OTHER INCREASES	42,007,551.22	42,007,551.22
DISTRIBUTIONS & OTHER DECREASES		
FEES & EXPENSES	21,476.75-	21,476.75-
TRANSFERS	633,612.93-	633,612.93-
TOTAL DISTRIBUTIONS & OTHER DECREASES	655,089.68-	655,089.68-
ENDING BALANCE AS OF 09/30/2019	41,636,786.91	47,666,248.26

## ACCOUNT STATEMENT

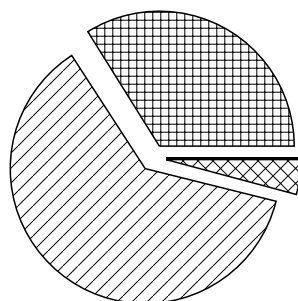
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## Summary Of Assets

	AS OF 07/01/2019		AS OF 09/30/2019	
	COST VALUE	MARKET VALUE	COST VALUE	MARKET VALUE
<b>A S S E T S</b>				
CASH	0.00	0.00	0.00	0.00
DUE FROM BROKERS	0.00	0.00	0.00	0.00
ACCRUED INCOME	0.00	0.00	38,681.92	38,681.92
<b>TOTAL CASH &amp; RECEIVABLES</b>	<b>0.00</b>	<b>0.00</b>	<b>38,681.92</b>	<b>38,681.92</b>
DEBT SECURITIES				
OPEN END MF - FIXED INC TAX	0.00	0.00	15,287,368.97	16,215,417.52
<b>TOTAL DEBT SECURITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>15,287,368.97</b>	<b>16,215,417.52</b>
EQUITY SECURITIES				
OPEN END MF - EQUITY	0.00	0.00	24,362,699.50	29,464,112.30
<b>TOTAL EQUITY SECURITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>24,362,699.50</b>	<b>29,464,112.30</b>
SHORT TERM INVESTMENTS				
SHORT TERM INVESTMENTS	0.00	0.00	1,948,036.52	1,948,036.52
<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>0.00</b>	<b>0.00</b>	<b>1,948,036.52</b>	<b>1,948,036.52</b>
<b>TOTAL HOLDINGS</b>	<b>0.00</b>	<b>0.00</b>	<b>41,598,104.99</b>	<b>47,627,566.34</b>
<b>TOTAL ASSETS</b>	<b>0.00</b>	<b>0.00</b>	<b>41,636,786.91</b>	<b>47,666,248.26</b>
<b>L I A B I L I T I E S</b>				
DUE TO BROKERS	0.00	0.00	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL NET ASSET VALUE</b>	<b>0.00</b>	<b>0.00</b>	<b>41,636,786.91</b>	<b>47,666,248.26</b>

## Ending Market Allocation



0.1%	CASH & RECEIVABLES	38,681.92
34.0%	DEBT SECURITIES	16,215,417.52
61.8%	EQUITY SECURITIES	29,464,112.30
4.1%	SHORT TERM INVESTMENTS	1,948,036.52
100.0%	<b>Total</b>	<b>47,666,248.26</b>

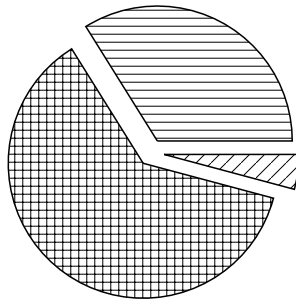
## ACCOUNT STATEMENT

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### Schedule Of Assets Held Investment Allocation



34.0%	DEBT SECURITIES	16,215,417.52
61.8%	EQUITY SECURITIES	29,464,112.30
4.2%	SHORT TERM INVESTMENTS	1,986,718.44
100.0%	<b>Total</b>	<b>47,666,248.26</b>

### Investment Summary

	Cost	Market Value	% of Acct	Estim Ann Inc	Income Yield
DEBT SECURITIES	15,287,368.97	16,215,417.52	34.02	447,674	2.76
EQUITY SECURITIES	24,362,699.50	29,464,112.30	61.81	702,510	2.38
SHORT TERM INVESTMENTS	1,986,718.44	1,986,718.44	4.17	42,078	2.12
<b>Total Assets</b>	<b>41,636,786.91</b>	<b>47,666,248.26</b>	<b>100.00</b>	<b>1,192,262</b>	<b>2.50</b>

### 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					
1,458,221	VANGUARD TOTL BD MKT IDX-INS 921937504 ACCOUNT 1055087410 1,458,221	15,287,368.97	11.12	16,215,417.52	928,048.55	2.761



## ACCOUNT STATEMENT

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### Schedule Of Assets Held

UNITS	ASSET DESCRIPTION	COST	UNIT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	YIELD AT MARKET
<b>EQUITY SECURITIES</b>						
<b>OPEN END MF - EQUITY</b>						
993,321.759	VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST 921943882 ACCOUNT 1055087410 993,321.759	12,452,098.70	13.20	13,111,847.22	659,748.52	3.129
44,029.739	VANGUARD INST INDEX 922040100 ACCOUNT 1055087410 44,029.739	8,559,628.19	269.36	11,859,850.50	3,300,222.31	1.986
50,899.78	VANGUARD EXTENDED MARKET INDEX FUND 922908694 ACCOUNT 1055087410 50,899.78	3,350,972.61	88.26	4,492,414.58	1,141,441.97	1.263
	<b>TOTAL OPEN END MF - EQUITY</b>	24,362,699.50		29,464,112.30	5,101,412.80	
<b>SHORT TERM INVESTMENTS</b>						
<b>SHORT TERM INVESTMENTS</b>						
1,948,036.52	COMERICA SHORT TERM FUND 20035Y102 ACCOUNT 1055087401 1,948,036.52	1,948,036.52	1.00	1,948,036.52	0.00	2.160
	<b>ACCRUED INCOME</b>	38,681.92		38,681.92	0.00	0.000
	<b>TOTAL SHORT TERM INVESTMENTS</b>	1,986,718.44		1,986,718.44	0.00	
	<b>Total Assets</b>	41,636,786.91		47,666,248.26	6,029,461.35	

## ACCOUNT STATEMENT

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### Summary Of Cash Transactions

#### R E C E I P T S

CASH BALANCE AS OF 07/01/2019		0.00
INCOME RECEIVED		
DIVIDENDS	237,563.14	
INTEREST	8,080.31	
TOTAL INCOME RECEIPTS		245,643.45
CASH RECEIPTS		
EMPLOYER CONTRIBUTIONS	2,389,078.00	
EMPLOYEE CONTRIBUTIONS	116,426.33	
TRANSFERS	89,263.53	
MISCELLANEOUS RECEIPTS	278.03	
TOTAL CASH RECEIPTS		2,595,045.89
PROCEEDS FROM THE DISPOSITION OF ASSETS		638,919.39
TOTAL RECEIPTS		3,479,608.73

#### D I S B U R S E M E N T S

CASH DISBURSEMENTS		
FEES & EXPENSES	21,476.75-	
TRANSFERS	633,612.93-	
TOTAL CASH DISBURSEMENTS		655,089.68-
COST OF ACQUISITION OF ASSETS		2,824,519.05-
TOTAL DISBURSEMENTS		3,479,608.73-
CASH BALANCE AS OF 09/30/2019		0.00

THE ENDING CASH BALANCE CONSISTS OF:

CASH	0.00
DUE FROM BROKER	0.00
DUE TO BROKER	0.00
TOTAL CASH	0.00



## ACCOUNT STATEMENT

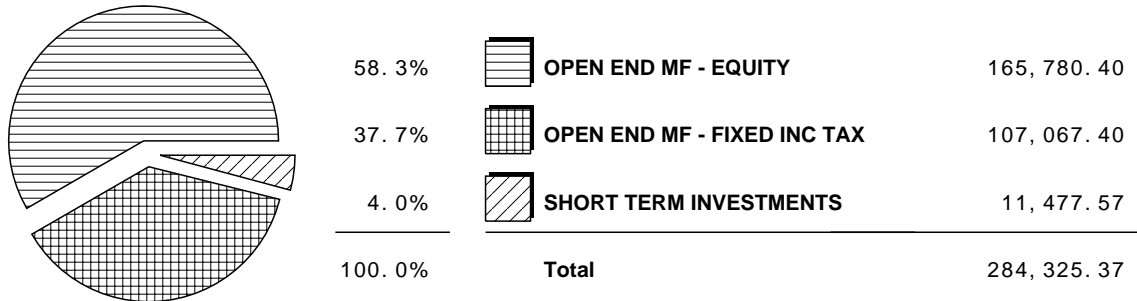
Statement Period  
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### Schedule Of Income Earned

#### Income Allocation



### Income Schedule

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
<b>DIVIDENDS</b>						
	OPEN END MF - FIXED INC TAX CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS					
08/01/2019	DIVIDEND ON VANGUARD TOTL BD MKT IDX-INS PAYABLE 08/01/2019 FOR 07/01/19 THROUGH 07/31/19 ACCOUNT 1055087410		35,084.38			
09/03/2019	DIVIDEND ON VANGUARD TOTL BD MKT IDX-INS PAYABLE 09/03/2019 FOR 08/01/19 THROUGH 08/31/19 ACCOUNT 1055087410		36,698.36			
	ACCOUNT 1055087410	0.00 0.00	71,782.74	35,284.66 0.00	107,067.40	
	<b>SECURITY TOTAL</b>	0.00 0.00	71,782.74	35,284.66 0.00	107,067.40	

## ACCOUNT STATEMENT

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## Schedule Of Income Earned

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
	TOTAL OPEN END MF - FIXED INC TAX	0.00 0.00	71,782.74	35,284.66 0.00	107,067.40	
	OPEN END MF - EQUITY					
	CUSIP # 921943882					
	VANGUARD FTSE DEVELOPED MARKETS					
	INDEX FUND-INST					
09/24/2019	DIVIDEND ON 986,726.234 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST AT .0887 PER SHARE PAYABLE 09/24/2019 EX DATE 09/20/2019 EX 09/20/2019 ACCOUNT 1055087410		87,522.62			
	SECURITY TOTAL	0.00 0.00	87,522.62	0.00 0.00	87,522.62	
	CUSIP # 922040100					
	VANGUARD INST INDEX					
09/24/2019	DIVIDEND ON 43,793.368 SHS VANGUARD INST INDEX AT 1.4607 PER SHARE PAYABLE 09/24/2019 EX DATE 09/20/2019 EX 09/20/2019 ACCOUNT 1055087410		63,968.97			
	SECURITY TOTAL	0.00 0.00	63,968.97	0.00 0.00	63,968.97	
	CUSIP # 922908694					
	VANGUARD EXTENDED MARKET INDEX FUND					
09/16/2019	DIVIDEND ON 50,741.508 SHS VANGUARD EXTENDED MARKET INDEX FUND AT .2816 PER SHARE PAYABLE 09/16/2019 EX DATE 09/12/2019 EX 09/12/2019 ACCOUNT 1055087410		14,288.81			
	SECURITY TOTAL	0.00 0.00	14,288.81	0.00 0.00	14,288.81	
	TOTAL OPEN END MF - EQUITY	0.00 0.00	165,780.40	0.00 0.00	165,780.40	

## ACCOUNT STATEMENT

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### Schedule Of Income Earned

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
TOTAL DIVIDENDS		0.00 0.00	237,563.14	35,284.66 0.00	272,847.80	
INTEREST						
SHORT TERM INVESTMENTS						
CUSIP # 20035Y102						
COMERICA SHORT TERM FUND						
08/01/2019	INTEREST ON COMERICA SHORT TERM FUND PAYABLE 08/01/2019 FOR 07/01/19 THROUGH 07/31/19 ACCOUNT 1055087401		4,093.20			
09/03/2019	INTEREST ON COMERICA SHORT TERM FUND PAYABLE 09/01/2019 EFFECTIVE 09/01/2019 FOR 08/01/19 THROUGH 08/31/19 ACCOUNT 1055087401		3,987.11			
	ACCOUNT 1055087401	0.00 0.00	8,080.31	3,397.26 0.00	11,477.57	
	SECURITY TOTAL	0.00 0.00	8,080.31	3,397.26 0.00	11,477.57	
	TOTAL SHORT TERM INVESTMENTS	0.00 0.00	8,080.31	3,397.26 0.00	11,477.57	
	TOTAL INTEREST	0.00 0.00	8,080.31	3,397.26 0.00	11,477.57	
	TOTAL INCOME EARNED	0.00 0.00	245,643.45	38,681.92 0.00	284,325.37	

## ACCOUNT STATEMENT

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### Schedule Of Cash Receipts

DATE	DESCRIPTION	CASH
<b>EMPLOYER CONTRIBUTIONS</b>		
07/05/2019	REC'D FROM NEWTOWN SAVINGS BA EMPLOYER CONTRIBUTION TOWN (INCLUDES BOARD OF EDUCATION) ACCOUNT 1055087401	1,389,170.00
07/05/2019	REC'D FROM NEWTOWN SAVINGS BA EMPLOYER CONTRIBUTION POLICE ACCOUNT 1055087401	988,509.00
07/05/2019	REC'D FROM NEWTOWN SAVINGS BA EMPLOYER CONTRIBUTION ELECTED OFFICIALS ACCOUNT 1055087401	11,399.00
<b>TOTAL EMPLOYER CONTRIBUTIONS</b>		<b>2,389,078.00</b>
<b>EMPLOYEE CONTRIBUTIONS</b>		
07/03/2019	REC'D FROM NEWTOWN PENSION TRUST ABA 221172296 DDA 729509581 EMPLOYEE AFTER TAX CONTRIB DUE 7/1/19 TOWN PENSION 6/28/19 ACCOUNT 1055087401	10,581.65
07/03/2019	REC'D FROM NEWTOWN PENSION TRUST ABA 221172296 DDA 729509581 EMPLOYEE AFTER TAX CONTRIB DUE 7/1/19 POLICE PENSION 6/28/19 ACCOUNT 1055087401	3,662.41
07/03/2019	REC'D FROM NEWTOWN PENSION TRUST ABA 221172296 DDA 729509581 EMPLOYEE AFTER TAX CONTRIB DUE 7/1/19 ELECTED OFFICIALS 6/28/19 ACCOUNT 1055087401	144.51
07/15/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE AFTER-TAX CONTRIBUTION TOWN (INCLUDES BOARD OF EDUCATIONS) ACCOUNT 1055087401	7,664.05

## ACCOUNT STATEMENT

Statement Period  
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### Schedule Of Cash Receipts

DATE	DESCRIPTION	CASH
07/15/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE AFTER-TAX CONTRIBUTION POLICE ACCOUNT 1055087401	9,021.72
07/15/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE AFTER-TAX CONTRIBUTION ELECTED OFFICIALS ACCOUNT 1055087401	144.51
07/26/2019	REC'D FROM NEWTOWN SAVINGS BA EMPLOYEE CONTRIBUTION TOWN \$8155.89 (INCLUDES BOARD OF EDUCATION); POLICE \$7869.89; ELECTED OFFICIALS \$144.51 ACCOUNT 1055087401	16,170.29
08/09/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE CONTRIBUTION TOWN (INCLUDES BOARD OF EDUCATION) ACCOUNT 1055087401	8,448.09
08/09/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE CONTRIBUTION POLICE ACCOUNT 1055087401	8,903.43
08/09/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE CONTRIBUTION ELECTED OFFICIALS ACCOUNT 1055087401	144.51
08/26/2019	REC'D FROM NEWTOWN SAVINGS BANK SEQ #6072 EMPLOYEE AFTER-TAX CONTRIBUTION TOWN (INCLUDES BOARD OF EDUCATION) ACCOUNT 1055087401	7,653.42
08/26/2019	REC'D FROM NEWTOWN SAVINGS BANK SEQ #6072 EMPLOYEE AFTER-TAX CONTRIBUTION POLICE ACCOUNT 1055087401	9,038.36
08/26/2019	REC'D FROM NEWTOWN SAVINGS BANK SEQ #6072 EMPLOYEE AFTER-TAX CONTRIBUTION ELECTED OFFICIALS ACCOUNT 1055087401	144.51

## ACCOUNT STATEMENT

Statement Period  
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### Schedule Of Cash Receipts

DATE	DESCRIPTION	CASH
09/09/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE AFTER-TAX CONTRIBUTION TOWN (INCLUDES BOARD OF EDUCATIONS) ACCOUNT 1055087401	8,167.02
09/09/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE AFTER-TAX CONTRIBUTION POLICE ACCOUNT 1055087401	8,127.40
09/09/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE AFTER-TAX CONTRIBUTION ELECTED OFFICIALS ACCOUNT 1055087401	144.51
09/23/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE CONTRIBUTION TOWN \$9,936.09 (INCLUDES BOARD OF EDUCATION) ACCOUNT 1055087401	9,936.09
09/23/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE CONTRIBUTION POLICE - \$8,185.34 ACCOUNT 1055087401	8,185.34
09/23/2019	REC'D FROM NEWTOWN SAVINGS BANK EMPLOYEE CONTRIBUTION ELECTED OFFICIALS \$144.51 ACCOUNT 1055087401	144.51
<b>TOTAL EMPLOYEE CONTRIBUTIONS</b>		<b>116,426.33</b>
<b>TRANSFERS</b>		
07/01/2019	REC'D FROM WELLS FARGO SF TRANSFER FROM PRIOR CUSTODIAN ACCOUNT 1055087401	88,794.72
08/06/2019	REC'D FROM WELLS FARGO SF RESIDUAL MONEY FROM WELLS FARGO ACCOUNT 1055087401	468.81
<b>TOTAL TRANSFERS</b>		<b>89,263.53</b>

## ACCOUNT STATEMENT

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### Schedule Of Cash Receipts

DATE	DESCRIPTION	CASH
	<b>MISCELLANEOUS RECEIPTS</b>	
08/15/2019	REC'D FROM CLASS ACTIONS PROCEEDS SETTLEMENT PAYMENT FROM THE CLVERT INVESTMENT DISTRIBUTORS INC ACCOUNT 1055087401	278.03
	<b>TOTAL MISCELLANEOUS RECEIPTS</b>	<b>278.03</b>
	<b>TOTAL CASH RECEIPTS</b>	<b>2,595,045.89</b>

# ACCOUNT STATEMENT

Statement Period  
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## Schedule Of Cash Disbursements

DATE	DESCRIPTION	CASH
	FEES & EXPENSES	
07/11/2019	ACTUARIAL SERVICES FEE PAID TO TR PAUL INC. TR PAUL INC. INVOICE #S: 38551 \$609.00, 38552 \$63.00, 38553 \$2,866.00, 38478 \$2,750.00 38479 \$5,240.00 ACCOUNT 1055087401	11,528.00-
08/30/2019	ACTUARIAL SERVICES FEE PAID TO TR PAUL INC. INVOICES #38670 \$680.00 & #38671 \$2,150.00 ACCOUNT 1055087401	2,830.00-
08/30/2019	FEE FOR LEGAL SERVICES PAID TO PULLMAN & COMPANY LLC TOWN PENSION \$2,635 POLICE PENSION \$1,615 INVOICE #352129 ACCOUNT 1055087401	4,250.00-
09/19/2019	FEE FOR LEGAL SERVICES PAID TO PULLMAN & COMPANY LLC PERIOD THROUGH JULY 30, 2019 INVOICE #353367 TOWN PENSION \$1,782.92 POLICE PENSION \$1,085.83 ACCOUNT 1055087401	2,868.75-
	TOTAL FEES & EXPENSES	21,476.75-
	TRANSFERS	
07/26/2019	WIRE TRANSFER SENT UNION SAVINGS BANK T R PAUL FBO CUSTODIAL ACCOUNT ACCT #XXXXXX9054 ACCOUNT 1055087401	194,433.34-
08/28/2019	WIRE TRANSFER SENT UNION SAVINGS BANK - 9054 T R PAUL FBO CUSTODIAL ACCOUNT TO COVER BENEFIT PAYMENTS ACCOUNT 1055087401	202,339.72-
09/27/2019	WIRE TRANSFER SENT UNION SAVINGS BANK ACCT 9054 T R PAUL FBO CUST ACCT TO COVER BENEFIT PAYMENTS TOWN 120497.84 POLICE 75812.37 DROP PLAN 40529.66 ACCOUNT 1055087401	236,839.87-



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### Schedule Of Cash Disbursements

DATE	DESCRIPTION	CASH
	TOTAL TRANSFERS	633,612.93 -
	TOTAL CASH DISBURSEMENTS	655,089.68 -

## ACCOUNT STATEMENT

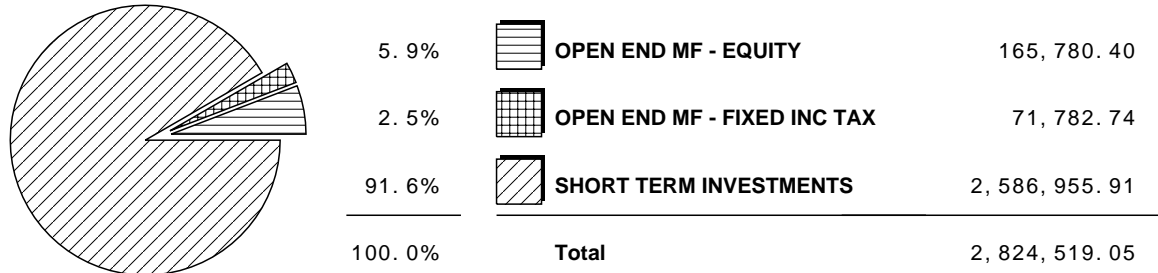
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### Schedule Of Asset Acquisitions

#### Purchase Allocation



#### Purchase Schedule

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
<b>SHORT TERM INVESTMENTS</b>				
		CUSIP # 20035Y102 COMERICA SHORT TERM FUND		
		TOTAL ACTIVITY FROM 07/01/2019 TO 09/30/2019		
		PURCHASED 2,586,955.91 COMERICA SHORT TERM FUND ON 09/30/2019 AT 1.00 ACCOUNT 1055087401	2,586,955.91	2,586,955.91
		<b>TOTAL</b>	2,586,955.91	2,586,955.91
		<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>2,586,955.91</b>	<b>2,586,955.91</b>

# ACCOUNT STATEMENT

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## Schedule Of Asset Acquisitions

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
<b>OPEN END MF - FIXED INC TAX</b>				
		CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS		
08/01/2019	08/01/2019	PURCHASED 3,209.916 SHS VANGUARD TOTL BD MKT IDX-INS ON 08/01/2019 AT 10.93 FOR REINVESTMENT ACCOUNT 1055087410	3,209.916	35,084.38
09/03/2019	09/03/2019	PURCHASED 3,273.716 SHS VANGUARD TOTL BD MKT IDX-INS ON 09/03/2019 AT 11.21 FOR REINVESTMENT ACCOUNT 1055087410	3,273.716	36,698.36
		<b>TOTAL</b>	6,483.632	71,782.74
		<b>TOTAL OPEN END MF - FIXED INC TAX</b>	<b>6,483.632</b>	<b>71,782.74</b>
<b>OPEN END MF - EQUITY</b>				
		CUSIP # 921943882 VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST		
09/24/2019	09/24/2019	PURCHASED 6,595.525 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST ON 09/24/2019 AT 13.27 FOR REINVESTMENT ACCOUNT 1055087410	6,595.525	87,522.62
		<b>TOTAL</b>	6,595.525	87,522.62
		CUSIP # 922040100 VANGUARD INST INDEX		
09/24/2019	09/24/2019	PURCHASED 236.371 SHS VANGUARD INST INDEX ON 09/24/2019 AT 270.63 FOR REINVESTMENT ACCOUNT 1055087410	236.371	63,968.97
		<b>TOTAL</b>	236.371	63,968.97

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### Schedule Of Asset Acquisitions

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
		CUSIP # 922908694 VANGUARD EXTENDED MARKET INDEX FUND		
09/16/2019	09/16/2019	PURCHASED 158.272 SHS VANGUARD EXTENDED MARKET INDEX FUND ON 09/16/2019 AT 90.28 FOR REINVESTMENT ACCOUNT 1055087410	158.272	14,288.81
		TOTAL	158.272	14,288.81
		TOTAL OPEN END MF - EQUITY	6,990.168	165,780.40
		TOTAL ASSET ACQUISITIONS		2,824,519.05

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### Schedule Of Other Receipts

DATE	DESCRIPTION	CASH	IN-KIND @ MKT / COST	TOTAL CASH + IN-KIND
07/03/2019	RECEIVED 1,448,176.919 SHS VANGUARD TOTL BD MKT IDX-INS EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 921937504 ACCOUNT 1055087410		15,828,573.72 15,176,706.12	
07/03/2019	RECEIVED 986,726.234 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 921943882 ACCOUNT 1055087410		13,281,335.11 12,364,576.08	
07/03/2019	RECEIVED 43,793.368 SHS VANGUARD INST INDEX EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 922040100 ACCOUNT 1055087410		11,751,950.30 8,495,659.22	
07/03/2019	RECEIVED 50,741.508 SHS VANGUARD EXTENDED MARKET INDEX FUND EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 922908694 ACCOUNT 1055087410		4,590,584.23 3,336,683.80	
07/08/2019	RECEIVED 117.519 SHS VANGUARD TOTL BD MKT IDX-INS EFFECTIVE 07/05/2019 RECD FROM WELLS FARGO CUSIP # 921937504 ACCOUNT 1055087410		1,283.31 1,283.31	
07/08/2019	RECEIVED 3,442.93 SHS VANGUARD TOTL BD MKT IDX-INS EFFECTIVE 07/05/2019 RECD FROM WELLS FARGO CUSIP # 921937504 ACCOUNT 1055087410		37,596.80 37,596.80	
<b>TOTAL OTHER RECEIPTS</b>			<b>45,491,323.47</b> <b>39,412,505.33</b>	<b>45,491,323.47</b>

## ACCOUNT STATEMENT

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### Schedule Of Asset Dispositions

TRADE DATE	SETTLMT DATE	DESCRIPTION	PROCEEDS	MKT / COST BASIS	MKT / COST GAIN / LOSS
<b>SHORT TERM INVESTMENTS</b>					
		CUSIP # 20035Y102 COMERICA SHORT TERM FUND			
		TOTAL ACTIVITY FROM 07/01/2019 TO 09/30/2019			
		SOLD 638,919.39 COMERICA SHORT TERM FUND ON 09/30/2019 AT 1.00 ACCOUNT 1055087401	638,919.39	638,919.39 638,919.39	
		<b>TOTAL 638,919.39</b>	<b>638,919.39</b>	<b>638,919.39 638,919.39</b>	
		<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>638,919.39</b>	<b>638,919.39 638,919.39</b>	
		<b>TOTAL ASSET DISPOSITIONS</b>	<b>638,919.39</b>	<b>638,919.39 638,919.39</b>	

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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
<b>NO BROKER</b>							
CUSIP # 921937504							
VANGUARD TOTL BD MKT IDX-INS							
08/01/2019	08/01/2019	PURCHASED 3,209.916 SHS AT 10.93 FOR REINVESTMENT ACCOUNT 1055087410	35,084.38	35,084.38 35,084.38		0.00 0.0000	0.00
09/03/2019	09/03/2019	PURCHASED 3,273.716 SHS AT 11.21 FOR REINVESTMENT ACCOUNT 1055087410	36,698.36	36,698.36 36,698.36		0.00 0.0000	0.00
CUSIP # 921943882							
VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST							
09/24/2019	09/24/2019	PURCHASED 6,595.525 SHS AT 13.27 FOR REINVESTMENT ACCOUNT 1055087410	87,522.62	87,522.62 87,522.62		0.00 0.0000	0.00
CUSIP # 922040100							
VANGUARD INST INDEX							
09/24/2019	09/24/2019	PURCHASED 236.371 SHS AT 270.6295 FOR REINVESTMENT ACCOUNT 1055087410	63,968.97	63,968.97 63,968.97		0.00 0.0000	0.00
CUSIP # 922908694							
VANGUARD EXTENDED MARKET INDEX FUND							
09/16/2019	09/16/2019	PURCHASED 158.272 SHS AT 90.2801 FOR REINVESTMENT ACCOUNT 1055087410	14,288.81	14,288.81 14,288.81		0.00 0.0000	0.00
<b>TOTAL NO BROKER</b>						<b>0.00</b>	<b>0.00</b>
<b>TOTAL BROKER COMMISSIONS</b>						<b>0.00</b>	<b>0.00</b>

## ACCOUNT STATEMENT

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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.

The Comerica logo is located in the bottom right corner of the page. It consists of the word "Comerica" in a serif font, enclosed within a dark, rounded rectangular border.



## ACCOUNT STATEMENT

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### 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."

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  
07/01/2019 THROUGH 09/30/2019

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 09/30/2019

Comerica

## ACCOUNT STATEMENT

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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

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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](http://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.

## ACCOUNT STATEMENT

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## MESSAGE PAGE

### 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](http://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.

# ACCOUNT 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



## ACCOUNT STATEMENT

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### Changes In Net Assets

	COST VALUE	MARKET VALUE
BEGINNING BALANCE AS OF 07/01/2019	0.00	0.00
EARNINGS		
CASH INCOME	15,264.82	15,264.82
LESS PRIOR ACCRUED INCOME	0.00	0.00
PLUS CURRENT ACCRUED INCOME	2,539.82	2,539.82
REALIZED GAIN/LOSS ON SALE OF ASSETS	0.00	0.00
NET UNREALIZED GAIN OR LOSS	0.00	197,046.46
TOTAL EARNINGS	17,804.64	214,851.10
CONTRIBUTIONS & OTHER INCREASES		
ASSETS RECEIVED	2,601,216.79	2,601,216.79
EMPLOYER CONTRIBUTIONS	200,000.00	200,000.00
TRANSFERS	14,317.79	14,317.79
TOTAL CONTRIBUTIONS & OTHER INCREASES	2,815,534.58	2,815,534.58
DISTRIBUTIONS & OTHER DECREASES		
FEES & EXPENSES	2,528.75-	2,528.75-
TOTAL DISTRIBUTIONS & OTHER DECREASES	2,528.75-	2,528.75-
ENDING BALANCE AS OF 09/30/2019	2,830,810.47	3,027,856.93



## ACCOUNT STATEMENT

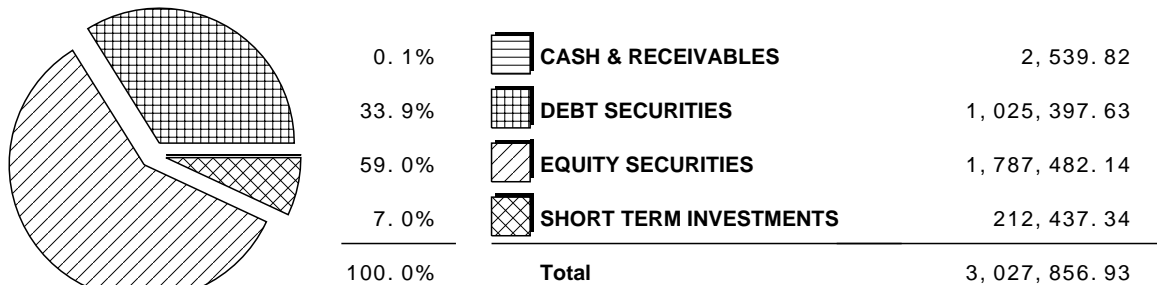
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## Summary Of Assets

	AS OF 07/01/2019		AS OF 09/30/2019	
	COST	MARKET	COST	MARKET
	VALUE	VALUE	VALUE	VALUE
<b>A S S E T S</b>				
CASH	0.00	0.00	0.00	0.00
DUE FROM BROKERS	0.00	0.00	0.00	0.00
ACCRUED INCOME	0.00	0.00	2,539.82	2,539.82
<b>TOTAL CASH &amp; RECEIVABLES</b>	<b>0.00</b>	<b>0.00</b>	<b>2,539.82</b>	<b>2,539.82</b>
DEBT SECURITIES				
OPEN END MF - FIXED INC TAX	0.00	0.00	973,917.31	1,025,397.63
<b>TOTAL DEBT SECURITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>973,917.31</b>	<b>1,025,397.63</b>
EQUITY SECURITIES				
OPEN END MF - EQUITY	0.00	0.00	1,641,916.00	1,787,482.14
<b>TOTAL EQUITY SECURITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>1,641,916.00</b>	<b>1,787,482.14</b>
SHORT TERM INVESTMENTS				
SHORT TERM INVESTMENTS	0.00	0.00	212,437.34	212,437.34
<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>0.00</b>	<b>0.00</b>	<b>212,437.34</b>	<b>212,437.34</b>
<b>TOTAL HOLDINGS</b>	<b>0.00</b>	<b>0.00</b>	<b>2,828,270.65</b>	<b>3,025,317.11</b>
<b>TOTAL ASSETS</b>	<b>0.00</b>	<b>0.00</b>	<b>2,830,810.47</b>	<b>3,027,856.93</b>
<b>L I A B I L I T I E S</b>				
DUE TO BROKERS	0.00	0.00	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL NET ASSET VALUE</b>	<b>0.00</b>	<b>0.00</b>	<b>2,830,810.47</b>	<b>3,027,856.93</b>

## Ending Market Allocation



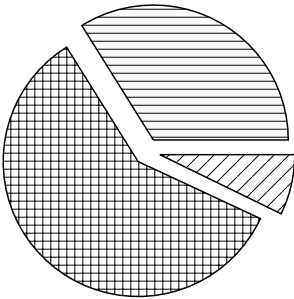
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## Schedule Of Assets Held Investment Allocation



33.9%	DEBT SECURITIES	1,025,397.63
59.0%	EQUITY SECURITIES	1,787,482.14
7.1%	SHORT TERM INVESTMENTS	214,977.16
100.0%	<b>Total</b>	<b>3,027,856.93</b>

## Investment Summary

	Cost	Market Value	% of Acct	Estim Ann Inc	Income Yield
DEBT SECURITIES	973,917.31	1,025,397.63	33.87	28,309	2.76
EQUITY SECURITIES	1,641,916.00	1,787,482.14	59.03	42,839	2.40
SHORT TERM INVESTMENTS	214,977.16	214,977.16	7.10	43,167	20.08
<b>Total Assets</b>	<b>2,830,810.47</b>	<b>3,027,856.93</b>	<b>100.00</b>	<b>114,316</b>	<b>3.78</b>

## 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					
92,212.017	VANGUARD TOTL BD MKT IDX-INS 921937504	973,917.31	11.12	1,025,397.63	51,480.32	2.761
	ACCOUNT 1055087394	92,212.017				



## ACCOUNT STATEMENT

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### Schedule Of Assets Held

UNITS	ASSET DESCRIPTION	COST	UNIT PRICE	MARKET VALUE	UNREALIZED GAIN/LOSS	YIELD AT MARKET
<b>EQUITY SECURITIES</b>						
<b>OPEN END MF - EQUITY</b>						
61,511.536	VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST 921943882 ACCOUNT 1055087394 61,511.536	775,239.24	13.20	811,952.28	36,713.04	3.129
2,626.163	VANGUARD INST INDEX 922040100 ACCOUNT 1055087394 2,626.163	666,307.19	269.36	707,383.27	41,076.08	1.986
3,038.144	VANGUARD EXTENDED MARKET INDEX FUND 922908694 ACCOUNT 1055087394 3,038.144	200,369.57	88.26	268,146.59	67,777.02	1.263
	TOTAL OPEN END MF - EQUITY	1,641,916.00		1,787,482.14	145,566.14	
<b>SHORT TERM INVESTMENTS</b>						
<b>SHORT TERM INVESTMENTS</b>						
212,437.34	GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS 38141W273 ACCOUNT 1055087385 212,437.34	212,437.34	1.00	212,437.34	0.00	20.320
	ACCRUED INCOME	2,539.82		2,539.82	0.00	0.000
	TOTAL SHORT TERM INVESTMENTS	214,977.16		214,977.16	0.00	
	<b>Total Assets</b>	2,830,810.47		3,027,856.93	197,046.46	

## ACCOUNT STATEMENT

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### Summary Of Cash Transactions

#### R E C E I P T S

CASH BALANCE AS OF 07/01/2019			0.00
INCOME RECEIVED			
DIVIDENDS	14,616.52		
INTEREST	648.30		
TOTAL INCOME RECEIPTS		15,264.82	
CASH RECEIPTS			
EMPLOYER CONTRIBUTIONS	200,000.00		
TRANSFERS	14,317.79		
TOTAL CASH RECEIPTS		214,317.79	
PROCEEDS FROM THE DISPOSITION OF ASSETS		2,528.75	
TOTAL RECEIPTS			232,111.36

#### D I S B U R S E M E N T S

CASH DISBURSEMENTS			
FEES & EXPENSES	2,528.75 -		
TOTAL CASH DISBURSEMENTS		2,528.75 -	
COST OF ACQUISITION OF ASSETS		229,582.61 -	
TOTAL DISBURSEMENTS			232,111.36 -
CASH BALANCE AS OF 09/30/2019			0.00

THE ENDING CASH BALANCE CONSISTS OF:

CASH	0.00
DUE FROM BROKER	0.00
DUE TO BROKER	0.00
TOTAL CASH	0.00

## ACCOUNT STATEMENT

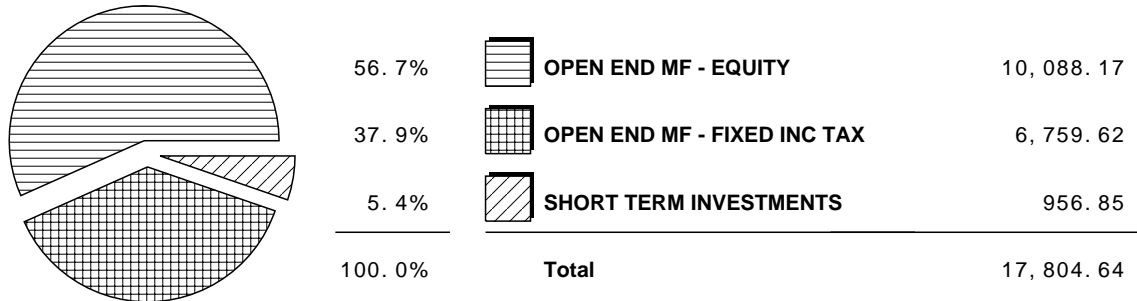
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### Schedule Of Income Earned

#### Income Allocation



### Income Schedule

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
<b>DIVIDENDS</b>						
	OPEN END MF - FIXED INC TAX CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS					
08/01/2019	DIVIDEND ON VANGUARD TOTL BD MKT IDX-INS PAYABLE 08/01/2019 FOR 07/01/19 THROUGH 07/31/19 ACCOUNT 1055087394		2,207.70			
09/03/2019	DIVIDEND ON VANGUARD TOTL BD MKT IDX-INS PAYABLE 09/03/2019 FOR 08/01/19 THROUGH 08/31/19 ACCOUNT 1055087394		2,320.66			
	ACCOUNT 1055087394	0.00 0.00	4,528.36	2,231.26 0.00	6,759.62	
	<b>SECURITY TOTAL</b>	0.00 0.00	4,528.36	2,231.26 0.00	6,759.62	

## ACCOUNT STATEMENT

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## Schedule Of Income Earned

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
	TOTAL OPEN END MF - FIXED INC TAX	0.00 0.00	4,528.36	2,231.26 0.00	6,759.62	
	OPEN END MF - EQUITY					
	CUSIP # 921943882					
	VANGUARD FTSE DEVELOPED MARKETS					
	INDEX FUND-INST					
09/24/2019	DIVIDEND ON 61,103.108 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST AT .0887 PER SHARE PAYABLE 09/24/2019 EX DATE 09/20/2019 EX 09/20/2019 ACCOUNT 1055087394		5,419.84			
	ACCOUNT 1055087394	0.00 0.00	5,419.84	0.00 0.01	5,419.85	
	SECURITY TOTAL	0.00 0.00	5,419.84	0.00 0.01	5,419.85	
	CUSIP # 922040100					
	VANGUARD INST INDEX					
09/24/2019	DIVIDEND ON 2,612.065 SHS VANGUARD INST INDEX AT 1.4607 PER SHARE PAYABLE 09/24/2019 EX DATE 09/20/2019 EX 09/20/2019 ACCOUNT 1055087394		3,815.44			
	SECURITY TOTAL	0.00 0.00	3,815.44	0.00 0.00	3,815.44	
	CUSIP # 922908694					
	VANGUARD EXTENDED MARKET INDEX FUND					
09/16/2019	DIVIDEND ON 3,028.697 SHS VANGUARD EXTENDED MARKET INDEX FUND AT .2816 PER SHARE PAYABLE 09/16/2019 EX DATE 09/12/2019 EX 09/12/2019 ACCOUNT 1055087394		852.88			
	SECURITY TOTAL	0.00 0.00	852.88	0.00 0.00	852.88	

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## Schedule Of Income Earned

DATE	DESCRIPTION	BEGINNING ACCRUAL / RECEIVABLE	CASH RECEIVED	ENDING ACCRUAL / RECEIVABLE	INCOME EARNED	MARKET / COST BASIS
	TOTAL OPEN END MF - EQUITY	0.00 0.00	10,088.16	0.00 0.01	10,088.17	
	TOTAL DIVIDENDS	0.00 0.00	14,616.52	2,231.26 0.01	16,847.79	
	INTEREST					
	SHORT TERM INVESTMENTS					
	CUSIP # 38141W273					
	GOLDMAN SACHS FINANCIAL SQUARE					
	FUNDS- GOVERNMENT FUND-FS					
08/01/2019	DIVIDEND ON GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS PAYABLE 08/01/2019 FOR 07/01/19 THROUGH 07/31/19 ACCOUNT 1055087385		319.66			
09/03/2019	DIVIDEND ON GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS PAYABLE 09/03/2019 FOR 08/01/19 THROUGH 08/31/19 ACCOUNT 1055087385		328.64			
	ACCOUNT 1055087385	0.00 0.00	648.30	308.55 0.00	956.85	
	SECURITY TOTAL	0.00 0.00	648.30	308.55 0.00	956.85	
	TOTAL SHORT TERM INVESTMENTS	0.00 0.00	648.30	308.55 0.00	956.85	
	TOTAL INTEREST	0.00 0.00	648.30	308.55 0.00	956.85	
	TOTAL INCOME EARNED	0.00 0.00	15,264.82	2,539.81 0.01	17,804.64	

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### Schedule Of Cash Receipts

DATE	DESCRIPTION	CASH
<b>EMPLOYER CONTRIBUTIONS</b>		
07/05/2019	REC'D FROM NEWTOWN SAVINGS BA EMPLOYER CONTRIBUTION  ACCOUNT 1055087385	200,000.00
<b>TOTAL EMPLOYER CONTRIBUTIONS</b>		<b>200,000.00</b>
<b>TRANSFERS</b>		
07/01/2019	REC'D FROM WELLS FARGO SF TRANSFER FROM PRIOR CUSTODIAN ACCOUNT 1055087385	13,832.24
08/06/2019	REC'D FROM WELLS FARGO SF RESIDUAL MONEY FROM WELLS FARGO ACCOUNT 1055087385	485.55
<b>TOTAL TRANSFERS</b>		<b>14,317.79</b>
<b>TOTAL CASH RECEIPTS</b>		<b>214,317.79</b>



## ACCOUNT STATEMENT

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### Schedule Of Cash Disbursements

DATE	DESCRIPTION	CASH
	FEEES & EXPENSES	
08/30/2019	FEE FOR LEGAL SERVICES PAID TO PULLMAN & COMPANY LLC OPEB PORTION INVOICE #352129 ACCOUNT 1055087385	765.00-
09/19/2019	FEE FOR LEGAL SERVICES PAID TO PULLMAN & COMPANY LLC PERIOD THROUGH JULY 30, 2019 INVOICE #353535 MATTER #079167.0003 ACCOUNT 1055087385	1,763.75-
	TOTAL FEEES & EXPENSES	2,528.75-
	TOTAL CASH DISBURSEMENTS	2,528.75-

# ACCOUNT STATEMENT

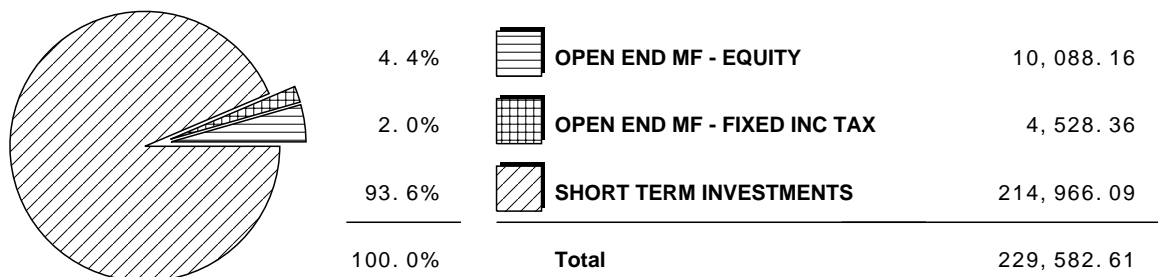
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## Schedule Of Asset Acquisitions

### Purchase Allocation



### Purchase Schedule

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
<b>SHORT TERM INVESTMENTS</b>				
		CUSIP # 38141W273 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS		
		TOTAL ACTIVITY FROM 07/01/2019 TO 09/30/2019		
		PURCHASED 214,966.09 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS ON 09/30/2019 AT 1.00 ACCOUNT 1055087385	214,966.09	214,966.09
		<b>TOTAL</b>	214,966.09	214,966.09
		<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>214,966.09</b>	<b>214,966.09</b>

# ACCOUNT STATEMENT

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## Schedule Of Asset Acquisitions

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
<b>OPEN END MF - FIXED INC TAX</b>				
		CUSIP # 921937504 VANGUARD TOTL BD MKT IDX-INS		
08/01/2019	08/01/2019	PURCHASED 201.985 SHS VANGUARD TOTL BD MKT IDX-INS ON 08/01/2019 AT 10.93 FOR REINVESTMENT ACCOUNT 1055087394	201.985	2,207.70
09/03/2019	09/03/2019	PURCHASED 207.017 SHS VANGUARD TOTL BD MKT IDX-INS ON 09/03/2019 AT 11.21 FOR REINVESTMENT ACCOUNT 1055087394	207.017	2,320.66
	<b>TOTAL</b>		409.002	4,528.36
	<b>TOTAL OPEN END MF - FIXED INC TAX</b>		<b>409.002</b>	<b>4,528.36</b>
<b>OPEN END MF - EQUITY</b>				
		CUSIP # 921943882 VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST		
09/24/2019	09/24/2019	PURCHASED 408.428 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST ON 09/24/2019 AT 13.27 FOR REINVESTMENT ACCOUNT 1055087394	408.428	5,419.84
	<b>TOTAL</b>		408.428	5,419.84
		CUSIP # 922040100 VANGUARD INST INDEX		
09/24/2019	09/24/2019	PURCHASED 14.098 SHS VANGUARD INST INDEX ON 09/24/2019 AT 270.63 FOR REINVESTMENT ACCOUNT 1055087394	14.098	3,815.44
	<b>TOTAL</b>		14.098	3,815.44

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### Schedule Of Asset Acquisitions

TRADE DATE	SETTLMT DATE	DESCRIPTION	UNITS	COST
		CUSIP # 922908694 VANGUARD EXTENDED MARKET INDEX FUND		
09/16/2019	09/16/2019	PURCHASED 9.447 SHS VANGUARD EXTENDED MARKET INDEX FUND ON 09/16/2019 AT 90.28 FOR REINVESTMENT ACCOUNT 1055087394	9.447	852.88
		<b>TOTAL</b>	9.447	852.88
		<b>TOTAL OPEN END MF - EQUITY</b>	<b>431.973</b>	<b>10,088.16</b>
		<b>TOTAL ASSET ACQUISITIONS</b>		<b>229,582.61</b>

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### Schedule Of Other Receipts

DATE	DESCRIPTION	CASH	IN-KIND @ MKT / COST	TOTAL CASH + IN-KIND
07/03/2019	RECEIVED 91,578.43 SHS VANGUARD TOTL BD MKT IDX-INS EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 921937504 ACCOUNT 1055087394		1,000,952.24 966,935.50	
07/03/2019	RECEIVED 61,103.108 SHS VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 921943882 ACCOUNT 1055087394		822,447.83 769,819.40	
07/03/2019	RECEIVED 2,612.065 SHS VANGUARD INST INDEX EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 922040100 ACCOUNT 1055087394		700,947.64 662,491.75	
07/03/2019	RECEIVED 3,028.697 SHS VANGUARD EXTENDED MARKET INDEX FUND EFFECTIVE 07/01/2019 RECD FROM WELLS FARGO CUSIP # 922908694 ACCOUNT 1055087394		274,006.22 199,516.69	
07/08/2019	RECEIVED 7.341 SHS VANGUARD TOTL BD MKT IDX-INS EFFECTIVE 07/05/2019 RECD FROM WELLS FARGO CUSIP # 921937504 ACCOUNT 1055087394		80.16 81.15	
07/08/2019	RECEIVED 217.244 SHS VANGUARD TOTL BD MKT IDX-INS EFFECTIVE 07/05/2019 RECD FROM WELLS FARGO CUSIP # 921937504 ACCOUNT 1055087394		2,372.30 2,372.30	
<b>TOTAL OTHER RECEIPTS</b>			<b>2,800,806.39</b> <b>2,601,216.79</b>	<b>2,800,806.39</b>

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### Schedule Of Asset Dispositions

TRADE DATE	SETTLMT DATE	DESCRIPTION	PROCEEDS	MKT / COST BASIS	MKT / COST GAIN / LOSS
<b>SHORT TERM INVESTMENTS</b>					
		CUSIP # 38141W273 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS			
		TOTAL ACTIVITY FROM 07/01/2019 TO 09/30/2019			
		SOLD 2,528.75 GOLDMAN SACHS FINANCIAL SQUARE FUNDS- GOVERNMENT FUND-FS ON 09/30/2019 AT 1.00 ACCOUNT 1055087385	2,528.75	2,528.75 2,528.75	
		<b>TOTAL 2,528.75</b>	<b>2,528.75</b>	<b>2,528.75 2,528.75</b>	
		<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>2,528.75</b>	<b>2,528.75 2,528.75</b>	
		<b>TOTAL ASSET DISPOSITIONS</b>	<b>2,528.75</b>	<b>2,528.75 2,528.75</b>	

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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							
08/01/2019	08/01/2019	PURCHASED 201.985 SHS AT 10.93 FOR REINVESTMENT ACCOUNT 1055087394	2,207.70	2,207.70 2,207.70		0.00 0.0000	0.00
09/03/2019	09/03/2019	PURCHASED 207.017 SHS AT 11.21 FOR REINVESTMENT ACCOUNT 1055087394	2,320.66	2,320.66 2,320.66		0.00 0.0000	0.00
CUSIP # 921943882							
VANGUARD FTSE DEVELOPED MARKETS INDEX FUND-INST							
09/24/2019	09/24/2019	PURCHASED 408.428 SHS AT 13.27 FOR REINVESTMENT ACCOUNT 1055087394	5,419.84	5,419.84 5,419.84		0.00 0.0000	0.00
CUSIP # 922040100							
VANGUARD INST INDEX							
09/24/2019	09/24/2019	PURCHASED 14.098 SHS AT 270.637 FOR REINVESTMENT ACCOUNT 1055087394	3,815.44	3,815.44 3,815.44		0.00 0.0000	0.00
CUSIP # 922908694							
VANGUARD EXTENDED MARKET INDEX FUND							
09/16/2019	09/16/2019	PURCHASED 9.447 SHS AT 90.2805 FOR REINVESTMENT ACCOUNT 1055087394	852.88	852.88 852.88		0.00 0.0000	0.00
TOTAL NO BROKER						0.00	0.00
TOTAL BROKER COMMISSIONS						0.00	0.00

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#### **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.

The Comerica logo, featuring the word "Comerica" in a serif font, enclosed within a dark, rounded rectangular border.



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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."