



*RETIREMENT PLAN FOR EMPLOYEES  
OF THE TOWN OF STRATFORD*

*ACTUARIAL VALUATION*

*AS OF JULY 1, 2008  
FOR FISCAL YEAR 2009-10*

<b>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</b>
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**TABLE OF CONTENTS**

<u>Section</u>		<u>Page</u>
	<b>LETTER OF TRANSMITTAL</b>	
<b>I</b>	<b>EXECUTIVE SUMMARY</b>	
	A. Purpose of the Valuation	1
	B. Discussion of Valuation Results	3
	C. Summary of Principal Results	9
<b>II</b>	<b>SUMMARY OF VALUATION RESULTS</b>	
	A. Assets and Liabilities	10
	B. Recommended Contribution	11
	C. Long Ranger Forecast	12
<b>III</b>	<b>PLAN ASSETS</b>	
	A. Summary of Fund Transactions - Market Value	13
	B. Allocation of Plan Assets	14
	C. Determination of Actuarial Value of Assets	15
<b>IV</b>	<b>GASB #25 INFORMATION</b>	
	A. Introduction	16
	B. Schedule of Funding Progress	17
	C. Schedule of Employer Contributions	18
	D. Summary of Membership	19
<b>V</b>	<b>MEMBERSHIP DATA</b>	
	A. Summary of Active Membership	20
	B. Summary of Inactive Membership	21
	C. Distribution of Active Members – Count	22
	D. Distribution of Active Members – Average Salaries	26
<b>VI</b>	<b>ACTUARIAL METHOD AND ASSUMPTIONS</b>	
	A. Actuarial Cost Method	30
	B. Actuarial Assumptions	31
<b>VII</b>	<b>SUMMARY OF PLAN PROVISIONS</b>	33

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January 27, 2009

***PERSONAL & CONFIDENTIAL***

Pension Board  
Town of Stratford

Re: Retirement Plan for Employees of the Town of Stratford

Dear Members of the Board:

We are pleased to present this July 1, 2008 actuarial valuation for the Retirement Plan for Employees of the Town of Stratford. This valuation forms the basis of contributions for the fiscal year 2009-10.

Section I contains an Executive Summary in which we present the principal results of this valuation. Details regarding plan liabilities and costs are found in Sections II. Section III shows the plan assets. Section IV contains information to be included in the Town's financial statements per GASB Statement No. 25. Sections V, VI, and VII contain information regarding plan membership, a description of the actuarial method and assumptions employed in this valuation, and an outline of the benefit provisions.

The recommended Town contribution for fiscal year 2009-10 is 30.1% of covered payroll.

Respectfully submitted,

**MILLIMAN, INC.**

A handwritten signature in blue ink that reads "Becky".

Rebecca A. Sielman, FSA  
Consulting Actuary

A handwritten signature in blue ink that reads "Stephen".

Stephen Chykirda  
Actuarial Assistant

RAS:sc STR2008Val.doc

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**A. Purpose of the Valuation**

In accordance with the applicable provisions of the Internal Revenue Code and the Employee Retirement Income Security Act of 1974, we have performed an actuarial valuation of the Plan as of July 1, 2008 for the fiscal year beginning on July 1, 2009. This report presents the results of our valuation.

***Purpose***

The ultimate cost of a pension plan is the total amount needed to provide benefits for plan members and beneficiaries and to pay the expenses of administering the plan. Pension costs are met by contributions and by investment return on plan assets. The principal purpose of this report is to set forth an actuarial recommendation of the contribution, or range of contributions, which will properly fund the Plan, in accordance with applicable government regulations. In addition, this report provides:

- A valuation of plan assets and liabilities to review the year-to-year progress of funding.
- Information needed to meet disclosure requirements.
- Documentation of the current status of plan investments.
- Review of plan experience for the previous year to ascertain whether the assumptions and methods employed for valuation purposes are reflective of actual events and remain appropriate for prospective application.
- Assessment of the relative funded position of the Plan, i.e., through a comparison of plan assets and projected plan liabilities.
- Comments on any other matters which may be of assistance in the funding and operation of the plan.

This report may not be used for purposes other than those listed above without Milliman's prior written consent. If this report is distributed to other parties, we request that it be copied in its entirety, including this certification section.

We understand that the plan sponsor may distribute this report to its auditor in connection with its audit. We will consent to this distribution as long as the work is distributed in its entirety, and the auditor is advised to have an actuary review the work. Milliman does not intend to benefit any third party recipient of its work product, including the auditor, and does not intend to create any legal duty from Milliman to the auditor even if Milliman consents to the release of its work product. In the event that the auditor's audit reveals any error or inaccuracy in the data underlying this report, Milliman requests that the auditor or the plan sponsor notify Milliman as soon as possible.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

***Reliance***

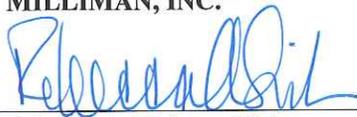
In preparing this report, we relied on employee census data and financial information as of the valuation date, furnished by the Town of Stratford and Wachovia Bank. We performed a limited review of the data used directly in our analysis for reasonableness and consistency and have found them to be reasonably consistent and comparable with data used for other purposes. If the underlying data or information is inaccurate or incomplete, the results of our analysis may likewise be inaccurate or incomplete and our calculations may need to be revised. If there are material defects in the data, it is possible that they would be uncovered by a detailed, systematic review and comparison of the data to search for data values that are questionable or for relationships that are materially inconsistent. Such a review was beyond the scope of our assignment.

***Certification***

The calculations reported herein have been made on a basis consistent with our understanding of ERISA and the related sections of the tax code. Additional determinations may be needed for purposes other than meeting funding requirements, such as judging benefit security at plan termination or meeting employer accounting requirements. On the basis of the foregoing, we hereby certify that, to the best of our knowledge, this report is complete and accurate and all costs and liabilities were determined in conformance with generally accepted actuarial principles and practices based on the actuarial methods and assumptions adopted by the Pension Board. Differences between our projections and actual amounts depend on the extent to which future experience conforms to the assumptions made for this analysis. Actual experience will not conform exactly to the assumptions made for this analysis. Actual amounts will differ from projected amounts to the extent that actual experience deviates from expected experience.

We are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

**MILLIMAN, INC.**



---

Rebecca A. Sielman, FSA  
Consulting Actuary

January 27, 2009

<b>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</b>
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**SECTION I  
EXECUTIVE SUMMARY**

**B. Discussion of Valuation Results**

**Membership**

The Town provides us with information concerning the Plan's population as of each July 1. Some of the characteristics of the participant group are summarized below:

	<i>July 1, 2007</i>	<i>July 1, 2008</i>
<b><i>Active Members</i></b>		
Number	392	372
Average Age	45.2	45.1
Average Service	14.4	14.0
Total Payroll	\$24,494,790	\$24,002,108
Average Payroll	\$62,490	\$64,520
<b><i>Retired and Disabled Members and Beneficiaries of Deceased Members</i></b>		
Number	557	576
Average Annual Benefits	\$27,061	\$28,742
Average Age	67.2	67.4
<b><i>Terminated Vested and Inactive Members</i></b>		
Number	33	36
Average Annual Benefits	\$21,069	\$22,091
Average Age	50.1	50.4
<b><i>Total Size of Membership</i></b>	<b>982</b>	<b>984</b>

The active population decreased from 392 members on July 1, 2007 to 372 members on July 1, 2008. The number of members in pay status grew, from 557 to 576. The total payroll decreased from \$24,494,790 to \$24,002,108.

More information on the plan membership can be found in Section V.

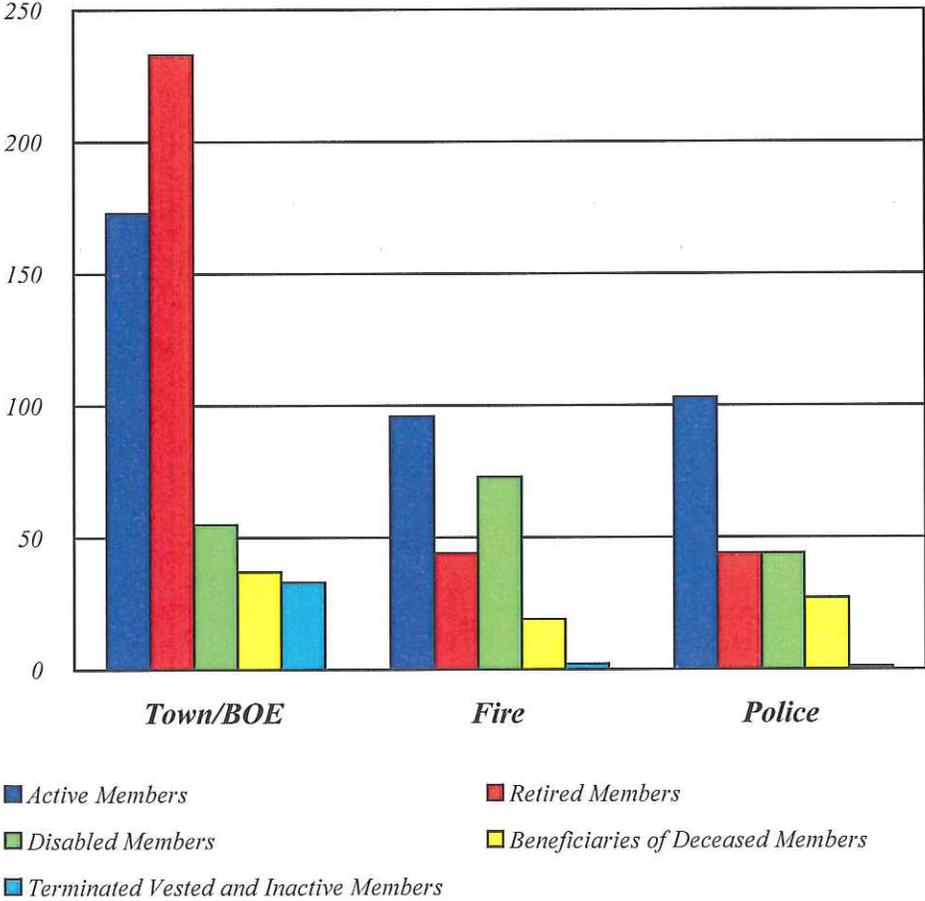
**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION I  
EXECUTIVE SUMMARY**

**B. Discussion of Valuation Results**

**Membership**

***Number of Plan Members***



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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION I  
EXECUTIVE SUMMARY**

**B. Discussion of Valuation Results**

**Assets**

The Market Value of Assets as of July 1, 2008 was \$110,943,956, compared to \$125,651,071 as of July 1, 2007.

<b>Market Value, July 1, 2007</b>	\$125,651,071
Town Contributions	5,669,932
Employee Contributions	1,933,417
Investment Earnings, net of Investment Expenses	(5,949,740)
Benefit Payments, Employee Refunds, and Administrative Expenses	(16,360,724)
<b>Market Value, July 1, 2008</b>	110,943,956

The estimated return, net of investment fees, for 2007-2008 was -4.90%. The estimated return was developed assuming cash flow occurs on average midway through the year. Yearly fluctuations in the earnings rate are to be expected.

For valuation purposes we calculate an Actuarial Value of Assets that smoothes out market fluctuations over a five year period. The Actuarial Value of Assets as of July 1, 2008 was \$132,753,542. On this basis, the estimated return was 4.12%, reflecting the delayed recognition of market losses in earlier years. Since this result is less than the Board's 8.25% investment return assumption, the result is an actuarial loss of approximately \$5.4 million.

Please note that the Actuarial Value currently exceeds the Market Value by \$21.8 million. This figure represents investment losses that will be gradually recognized over the next five years. This process will exert upward pressure on the Town's contribution, unless there are offsetting market gains.

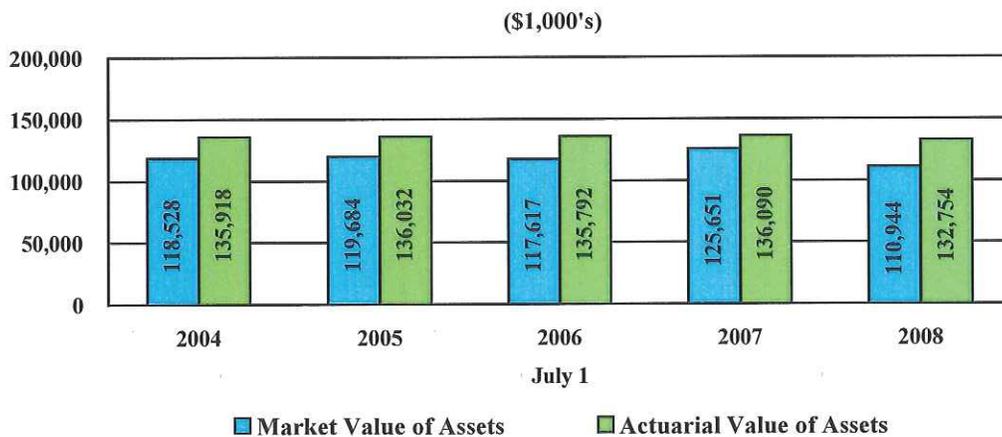
More information on the plan assets can be found in Section III.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

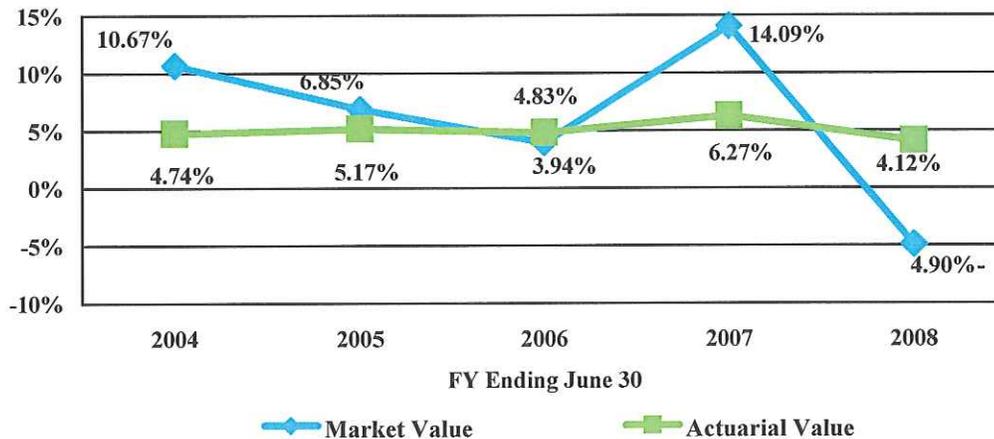
**SECTION I  
EXECUTIVE SUMMARY**

**B. Discussion of Valuation Results**

**Asset Levels**



**Rates of Return**



**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION I  
EXECUTIVE SUMMARY**

**B. Discussion of Valuation Results**

**Contribution Summary**

	<i>July 1, 2007</i>	<i>July 1, 2008</i>
1. Normal Cost	\$798,664	\$968,024
2. Administrative Expenses	73,000	45,000
3. Past Service Cost	4,751,048	6,220,388
4. Total Contribution on July 1: (1) + (2) + (3)	5,622,712	7,233,412
5. Total Covered Payroll	24,494,790	24,002,108
6. Total Contribution as a percent of payroll: (4) / (5)	23.0%	30.1%

More information on the contribution, including a breakdown of the contribution by employee group, can be found in Section II.

The administrative expenses shown represent the amount expected to be paid for non-investment related professional services, such as legal, actuarial and accounting services.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION I  
EXECUTIVE SUMMARY**

**B. Discussion of Valuation Results**

**Plan Changes**                    There have been no plan changes since the last valuation.

**Method Changes**                There have been no method changes since the last valuation.

**Assumption Changes**        We have applied a load factor to the active accrued liability and normal cost for the following groups to account for cashout payments of unused days that are paid at termination of employment and are included in pensionable earnings. Based on a study of actual cashout payments made to members over the past five years, we developed the following load factors:

<b><u>Load</u></b>	<b><u>Group</u></b>
9.00%	Paraprofessionals hired prior to 7/1/2002
9.00%	Nurses hired prior to 11/1/2000
9.00%	Custodians hired prior to 7/1/2000
9.00%	Secretaries hired prior to 7/1/2000
9.00%	Town employees hired prior to 7/1/1985
9.00%	Public Works Employees hired prior to 7/1/1985
9.00%	Supervisors hired prior to 4/1/1985
9.00%	Firefighters
14.00%	Police hired prior to 10/17/1996

This change increased the Accrued Liability by \$4.9 million and increased the Annual Required Contribution by \$523,000, or 2.1% of pay.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION I  
EXECUTIVE SUMMARY**

**C. Summary of Principal Results**

	<i>July 1, 2007</i>	<i>July 1, 2008</i>
<b><i>Membership</i></b>		
<b>Active Membership</b>		
Number of Members	392	372
Covered Payroll	\$24,494,790	\$24,002,108
<b>Inactive Membership</b>		
Former Employees Due Benefits	33	36
Members in Pay Status	557	576
Average Annual Benefit in pay status	\$27,061	\$28,742
<b><i>Assets and Liabilities</i></b>		
<b>Assets</b>		
Market Value	\$125,651,071	\$110,943,956
Actuarial Value	136,089,974	132,753,542
<b>Accrued Liability</b>		
Active Members	\$63,425,919	\$64,556,819
Former Employees Due Benefits	6,291,571	7,193,802
Members in Pay Status	139,217,062	153,798,733
Total Accrued Liability	208,934,552	225,549,354
Unfunded Accrued Liability	72,844,578	92,795,812
<b><i>Employer Contribution (for following FY)</i></b>		
<b>Contribution as a Percent of Payroll</b>		
Normal Cost	3.3%	4.0%
Administrative Expenses	0.3%	0.2%
Past Service Cost	<u>19.4%</u>	<u>25.9%</u>
Total Town Contribution Percentage	23.0%	30.1%
<b>Contribution Dollars</b>		
Normal Cost	\$798,664	\$968,024
Administrative Expenses	73,000	45,000
Past Service Cost	<u>4,751,048</u>	<u>6,220,388</u>
Town Contribution	5,622,712	7,233,412

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION II  
SUMMARY OF VALUATION RESULTS**

A. Assets and Liabilities

This section sets forth the actuarial balance sheet developed from the asset and census information provided by the Retirement Plan for Employees of the Town of Stratford. A discussion of the various items and of the actuarial method and assumptions upon which the calculations are based appears in Section VI.

For determining the past service cost, the Unfunded Accrued Liability is amortized over a period of 30 years beginning on July 1, 2000, with payments calculated to increase 4% annually so as to remain approximately level as a percent of payroll.

	<u>As of July 1, 2007</u>				<u>As of July 1, 2008</u>			
	<u>Town/BOE</u>	<u>Fire</u>	<u>Police</u>	<u>Total</u>	<u>Town/BOE</u>	<u>Fire</u>	<u>Police</u>	<u>Total</u>
<b>Actuarial Value of Assets (see Section III C)</b>	\$63,032,882	\$38,749,266	\$34,307,826	\$136,089,974	\$59,222,075	\$39,146,510	\$34,384,957	\$132,753,542
<b>Entry Age Normal Accrued Liability</b>								
Active Members	24,908,896	18,768,254	19,748,769	63,425,919	24,953,012	20,194,657	19,409,151	64,556,820
Retired Members	52,122,961	18,108,121	21,434,015	91,665,097	55,427,413	21,847,047	26,935,219	104,209,679
Disabled Members	11,462,477	19,569,026	9,913,488	40,944,991	11,215,437	21,492,774	9,738,815	42,447,026
Beneficiaries of Deceased Members	3,165,311	1,950,573	1,491,090	6,606,974	3,006,209	1,889,995	2,245,824	7,142,028
Terminated Vested and Inactive Members	5,112,707	1,094,526	84,338	6,291,571	6,016,718	1,085,769	91,315	7,193,802
Total Accrued Liability	<u>96,772,352</u>	<u>59,490,500</u>	<u>52,671,700</u>	<u>208,934,552</u>	<u>100,618,789</u>	<u>66,510,242</u>	<u>58,420,324</u>	<u>225,549,355</u>
<b>Unfunded Accrued Liability</b>	33,739,470	20,741,234	18,363,874	72,844,578	41,396,714	27,363,732	24,035,367	92,795,813
<b>Amortization Period (years)</b>	23	23	23	23	22	22	22	22
<b>Past Service Cost</b>	2,200,546	1,352,779	1,197,723	4,751,048	2,774,949	1,834,275	1,611,164	6,220,388

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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION II  
SUMMARY OF VALUATION RESULTS**

**B. Recommended Contribution**

	FY 2008-2009				FY 2009-2010			
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
1. Total Normal Cost	\$808,576	\$966,721	\$884,494	\$2,659,791	\$796,575	\$1,107,271	\$926,437	\$2,830,283
2. Expected Employee Contributions	733,083	590,567	537,477	1,861,127	680,982	648,324	532,953	1,862,259
3. Net Normal Cost: (1) - (2)	75,493	376,154	347,017	798,664	115,593	458,947	393,484	968,024
4. Administrative Expenses	6,901	34,381	31,718	73,000	5,373	21,335	18,292	45,000
5. Past Service Cost (see Section II A)	2,200,546	1,352,779	1,197,723	4,751,048	2,774,949	1,834,275	1,611,164	6,220,388
6. Total Town Contribution on July 1: (3) + (4) + (5), but not less than \$0	2,282,940	1,763,314	1,576,458	5,622,712	2,895,915	2,314,557	2,022,940	7,233,412
7. Covered Payroll	9,413,558	7,798,362	7,282,870	24,494,790	8,749,055	8,218,035	7,035,018	24,002,108
8. Town Contribution as a percentage of payroll: (6) / (7)	24.3%	22.6%	21.6%	23.0%	33.1%	28.2%	28.8%	30.1%

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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION II  
SUMMARY OF VALUATION RESULTS**

C. Long Range Forecast

Valuation Year	Values as of the Valuation Date			Funded Ratio	Fiscal Year Ending	Cash Flows Projected to the Following Fiscal Year			Net Cash Flows
	Accrued Liability	Actuarial Value of Assets	Unfunded Liability			Town Contributions	Employee Contributions	Benefit Payments	
2008	\$225,549,400	\$132,753,500	\$92,795,900	58.9%	2010	\$7,233,400	\$1,862,300	\$17,178,500	(\$8,082,800)
2009	229,474,000	128,980,300	100,493,700	56.2%	2011	7,968,400	1,883,500	17,391,900	(7,538,000)
2010	233,645,000	127,146,700	106,498,300	54.4%	2012	8,675,500	1,867,000	17,764,300	(7,221,800)
2011	238,014,100	126,233,200	111,780,900	53.0%	2013	9,344,600	1,895,900	18,281,000	(7,040,500)
2012	242,401,800	126,097,000	116,304,800	52.0%	2014	10,060,400	1,872,000	18,874,800	(6,942,400)
2013	246,724,400	126,494,300	120,230,100	51.3%	2015	10,739,600	1,904,200	19,249,200	(6,605,400)
2014	250,780,400	127,440,700	123,339,700	50.8%	2016	11,449,300	1,916,800	19,659,600	(6,293,500)
2015	254,802,100	129,103,600	125,698,500	50.7%	2017	12,192,100	1,914,500	20,185,300	(6,078,700)
2016	258,802,400	131,479,500	127,322,900	50.8%	2018	12,979,500	1,907,900	20,618,800	(5,731,400)
2017	262,634,300	134,501,600	128,132,700	51.2%	2019	13,809,200	1,882,200	21,064,200	(5,372,800)
2018	266,400,100	138,314,500	128,085,600	51.9%	2020	14,625,600	1,917,100	21,453,700	(4,911,000)
2019	270,071,200	143,051,400	127,019,800	53.0%	2021	15,478,000	1,955,100	21,721,000	(4,287,900)
2020	273,681,300	148,813,000	124,868,300	54.4%	2022	16,388,800	1,986,500	22,040,100	(3,664,800)
2021	277,418,700	155,821,400	121,597,300	56.2%	2023	17,355,700	2,023,600	22,381,400	(3,002,100)
2022	281,206,700	164,174,800	117,031,900	58.4%	2024	18,391,200	2,069,700	22,773,000	(2,312,100)
2023	285,092,200	174,013,700	111,078,500	61.0%	2025	19,509,700	2,132,700	23,126,600	(1,484,200)
2024	288,979,900	185,484,100	103,495,800	64.2%	2026	20,737,100	2,204,000	23,409,100	(468,000)
2025	292,932,700	198,844,000	94,088,700	67.9%	2027	22,123,500	2,275,700	23,849,500	549,700
2026	297,039,700	214,427,100	82,612,600	72.2%	2028	23,743,400	2,342,900	24,233,700	1,852,600
2027	301,206,600	232,404,900	68,801,700	77.2%	2029	25,767,000	2,413,500	24,526,800	3,653,700
2028	305,438,300	253,272,300	52,166,000	82.9%	2030	28,580,700	2,499,200	24,624,400	6,455,500
2029	309,845,700	277,792,100	32,053,600	89.7%	2031	34,112,100	2,580,000	24,878,800	11,813,300

This forecast is based on employee information used for the July 1, 2008 actuarial valuation and assumes that the Town Contribution shown above will be paid in full, the plan's assets will return 8.25% each year, and payroll will grow by 4.0% each year. Actual results at each point in time will yield different values, reflecting the actual experience of the plan membership and assets.

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<b>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</b>
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**SECTION III  
PLAN ASSETS**

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**A. Summary of Fund Transactions - Market Value**

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<b>Value as of July 1, 2007</b>	<b>\$125,651,071</b>
Adjustment to Beginning Year Balance	(12,599)
 <b>Income Items</b>	
Town Contributions	5,669,932
Employee Contributions	1,933,417
Dividends	476,707
Interest	797,264
Change in Accrued Income	(308,333)
Other Income	43,830
Realized Gains/(Losses)	(1,666,450)
Unrealized Gains/(Losses)	<u>(4,714,419)</u>
	2,231,948
 <b>Net Transfers</b>	
	0
 <b>Deduction Items</b>	
Benefit Payments	16,034,070
Refunds of Employee Contributions	283,164
Trustee Expenses	271,663
Administrative Expenses	43,490
Investment Expenses	<u>294,077</u>
	16,926,464
<b>Value as of July 1, 2008</b>	<b>110,943,956</b>

Approximate Net Rate of Return: -4.90%

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*The rate shown here is not the dollar or time weighted investment yield rate which measures investment performance. It is an approximate net return assuming all activity occurred on average midway through the fiscal year.*

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION III  
PLAN ASSETS**

**B. Allocation of Plan Assets**

	<i>July 1, 2007</i>	<i>July 1, 2008</i>
<i>Assets</i>		
Wachovia Bank	\$39,730	\$38,596
Small Cap Growth Fund	21,079,741	16,853,609
Advisory Research	19,280,186	16,599,463
RMF Timber	3,993,992	3,271,523
State Street Global	31,345,721	29,031,106
International Alpha Select	0	10,758,603
Northern Trust-Lehman Aggregate	23,389,736	34,391,056
Evergreen Investments-Laddered	26,519,269	0
Evergreen Capital	<u>2,696</u>	<u>0</u>
Total Market Value*	125,651,071	110,943,956

\* Numbers may not add due to rounding.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION III  
PLAN ASSETS**

**C. Determination of Actuarial Value of Assets**

The Actuarial Value of Assets as of July 1, 2008 is derived as follows:

1. Actuarial Value of Assets as of July 1, 2007	\$136,089,974
2. Employer Contributions	5,669,932
3. Employee Contributions	1,933,417
4. Benefit Payments and Expenses	(16,360,724)
5. Expected Investment Income at 8.25% on (1) through (4)	10,873,339
6. Expected Actuarial Value of Assets, June 30, 2008 (1)+(2)+(3)+(4)+(5)	138,205,938
7. Actual Market Value of Assets, June 30, 2008	110,943,956
8. Preliminary Actuarial Value of Assets, June 30, 2008 80% of (6) + 20% of (7)	132,753,541
9. Adjustment to be within 20% of Market Value of Assets	0
10. Final Actuarial Value of Assets: (8) + (9)	132,753,542

Approximate Net Rate of Return: 4.12%

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION IV  
GASB #25 INFORMATION**

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**A. Introduction**

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Government Accounting Standards Board Statement No. 25 requires that The Town of Stratford disclose certain information on an annual basis regarding the funding of the Retirement Plan for Employees of The Town of Stratford.

The Retirement Plan for The Town of Stratford was created by The Town of Stratford to provide defined benefit pensions to its employees.

The Town's funding policy has been to contribute each year an amount equal to the normal cost plus a past service payment representing amortization of the Unfunded Accrued Liability. The actuarial assumptions used to calculate the figures reported herein are the same as those used to calculate the contribution level.

The Town's funding policy provides for periodic employer contributions at actuarially determined rates that are sufficient to accumulate the assets needed to pay benefits when due.

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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION IV  
GASB #25 INFORMATION**

**B. Schedule of Funding Progress**

<i>Actuarial Valuation Date</i>	<i>(1) Actuarial Value of Assets</i>	<i>(2) Actuarial Accrued Liability (AAL)</i>	<i>(3) Unfunded AAL (UAAL) (2) - (1)</i>	<i>(4) Funded Ratio (1) / (2)</i>	<i>(5) Covered Payroll</i>	<i>(6) UAAL as a Percentage of Covered Payroll (3) / (5)</i>
July 1, 2000	\$39,868,278	\$140,424,014	\$100,555,736	28.39%	\$29,297,519	343.22%
July 1, 2001	33,741,343	157,494,300	123,752,957	21.42%	24,598,193	503.10%
July 1, 2002	29,566,169	167,556,886	137,990,717	17.65%	24,669,263	559.36%
July 1, 2003	23,497,893	181,840,206	158,342,313	12.92%	24,931,181	635.12%
July 1, 2004	20,648,514	191,850,844	171,202,330	10.76%	24,129,679	709.51%
July 1, 2005	15,501,793	195,580,813	180,079,020	7.93%	26,481,954	680.01%
July 1, 2006	11,052,753	204,336,960	193,284,207	5.41%	24,881,992	776.80%
July 1, 2007	136,089,974	208,934,552	72,844,578	65.14%	24,494,790	297.39%
July 1, 2008	132,753,542	225,549,354	92,795,812	58.86%	24,002,108	386.62%

Note: Through July 1, 2006, the Actuarial Value of Assets shown above is based on the Market Value of Assets excluding the proceeds of the general obligation pension bond issue of August 1998. Starting with July 1, 2007, the pension based bond proceeds are included in the Actuarial Value of Assets.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION IV**

**GASB #25 INFORMATION**

**C. Schedule of Employer Contributions**

Fiscal Year Ending June 30	Actuarially Determined Contribution Reflecting Pension Obligation Bond Proceeds	GASB 25 Annual Required Contribution Excluding Pension Obligation Bond Proceeds	Actual Contribution Paid by Town	Percent of Actuarially Determined Contribution Funded	Percent of GASB 25 Annual Required Contribution Funded
2002	\$4,536,516	\$6,527,819	\$4,375,722	96%	67%
2003	1,966,206	7,894,307	0	0%	0%
2004	2,988,566	8,710,077	2,796,985	94%	32%
2005	4,222,892	10,535,184	4,223,497	100%	40%
2006	4,840,940	11,651,536	4,840,940	100%	42%
2007	5,086,832	12,435,843	111,651,079 *	100%	898%
2008	5,646,579	N/A	5,669,932	100%	100%
2009	5,622,712	N/A	N/A	-	N/A
2010	7,233,412	N/A	N/A	-	N/A

\* Includes \$5,086,900 Town contribution plus the deposit of the proceeds of the general obligation pension bond issue of August 1998 into the pension trust.

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Milliman

<b>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</b>
---

**SECTION IV  
GASB #25 INFORMATION**

**D. Summary of Membership**

	<i>July 1, 2007</i>	<i>July 1, 2008</i>
<b><i>Active Members</i></b>		
Number vested	294	268
Number not yet vested	<u>98</u>	<u>104</u>
Total	392	372
<b><i>Retired Members</i></b>	302	321
<b><i>Disabled Members</i></b>	171	172
<b><i>Beneficiaries of Deceased Members</i></b>	84	83
<b><i>Terminated Vested and Inactive Members</i></b>	33	36
<b><i>Nonvested Members Due Refunds</i></b>	<u>0</u>	<u>0</u>
<b><i>Total Members</i></b>	982	984

<b>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</b>
---

**SECTION V  
MEMBERSHIP DATA**

**A. Summary of Active Membership**

	<i>July 1, 2007</i>	<i>July 1, 2008</i>	<i>Change</i>	<i>Percent Change</i>
<b><i>Number of Members</i></b>				
BOE/Town	191	173	(18)	(9.42)
Fire	98	96	(2)	(2.04)
Police	103	103	0	0.00
Total	392	372	(20)	(5.10)
<b><i>Total Annual Compensation</i></b>				
BOE/Town	\$9,413,558	\$8,749,055	(\$664,503)	(7.06)
Fire	7,798,362	8,218,035	419,673	5.38
Police	7,282,870	7,035,018	(247,852)	(3.40)
Total	24,494,790	24,002,108	(492,682)	(2.01)
<b><i>Average Compensation</i></b>				
BOE/Town	\$49,290	\$50,570	\$1,280	2.60
Fire	79,580	85,600	6,020	7.56
Police	70,710	68,300	(2,410)	(3.41)
Total	62,490	64,520	2,030	3.25
<b><i>Average Age</i></b>				
BOE/Town	50.2	51.0	0.8	1.58
Fire	40.1	39.8	(0.3)	(0.75)
Police	40.9	40.2	(0.7)	0.00
Total	45.2	45.1	(0.1)	(0.27)
<b><i>Average Service</i></b>				
BOE/Town	16.4	17.0	0.6	3.41
Fire	12.1	11.3	(0.8)	(6.61)
Police	12.8	11.6	(1.2)	(9.38)
Total	14.4	14.0	(0.4)	(2.46)

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION V  
MEMBERSHIP DATA**

**B. Summary of Inactive Membership**

	July 1, 2007				July 1, 2008			
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
<b><i>Retired Members</i></b>								
Number	223	39	40	302	233	44	44	321
Total Annual Benefit	\$5,351,280	\$1,877,663	\$2,059,240	\$9,288,183	\$5,728,956	\$2,248,985	\$2,531,481	\$10,509,422
Average Annual Benefit	23,997	48,145	51,481	30,756	24,588	51,113	57,534	32,740
Average Age	66.9	66.6	63.3	66.4	67.5	66.4	62.1	66.6
<b><i>Disabled Members</i></b>								
Number	57	70	44	171	55	73	44	172
Total Annual Benefit	\$1,386,180	\$2,283,959	\$1,243,450	\$4,913,589	\$1,369,699	\$2,504,064	\$1,243,449	\$5,117,212
Average Annual Benefit	24,319	32,628	28,260	28,734	24,904	34,302	28,260	29,751
Average Age	63.6	65.1	66.0	64.8	63.4	65.4	67.0	65.2
<b><i>Beneficiaries of Deceased Members</i></b>								
Number	39	20	25	84	37	19	27	83
Total Annual Benefit	\$396,456	\$260,472	\$214,210	\$871,138	\$382,536	\$257,610	\$288,647	\$928,793
Average Annual Benefit	10,166	13,024	8,568	10,371	10,339	13,558	10,691	11,190
Average Age	74.6	78.3	78.2	76.6	75.3	78.3	76.4	76.4
<b><i>Terminated Vested and Inactive Members</i></b>								
Number	30	2	1	33	33	2	1	36
Total Annual Benefit	\$569,177	\$111,307	\$14,802	\$695,286	\$669,183	\$111,307	\$14,802	\$795,292
Average Annual Benefit	18,973	55,654	14,802	21,069	20,278	55,654	14,802	22,091
Average Age	50.4	52.5	38.0	50.1	50.6	53.5	39.0	50.4

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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

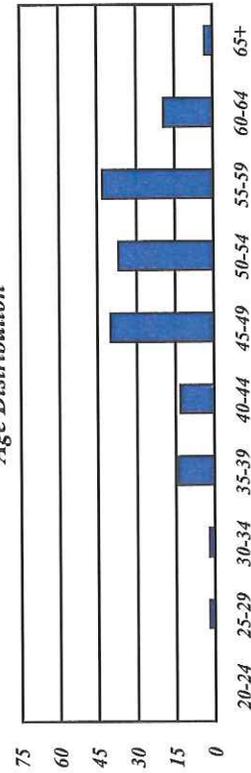
**SECTION V  
MEMBERSHIP DATA**

**C. Distribution of Active Members-Count-Town/BOE**

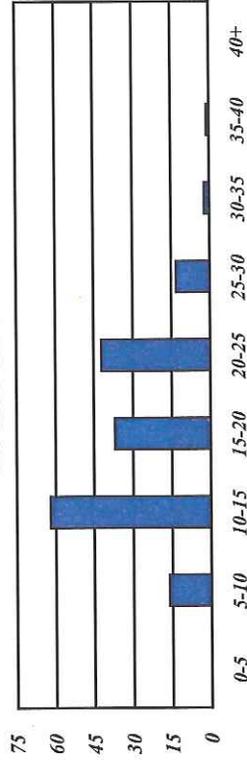
*Years of Service*

Age	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	All Years
Under 20	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0
25-29	0	0	2	0	0	0	0	0	0	2
30-34	0	1	1	0	0	0	0	0	0	2
35-39	0	2	10	2	0	0	0	0	0	14
40-44	0	1	2	1	9	0	0	0	0	13
45-49	0	2	22	8	3	5	0	0	0	40
50-54	0	4	10	9	8	3	2	1	0	37
55-59	0	4	9	12	14	4	0	0	0	43
60-64	0	2	5	5	6	1	0	0	0	19
65+	0	0	1	0	2	0	0	0	0	3
All Ages	0	16	62	37	42	13	2	1	0	173

**Age Distribution**



**Service Distribution**



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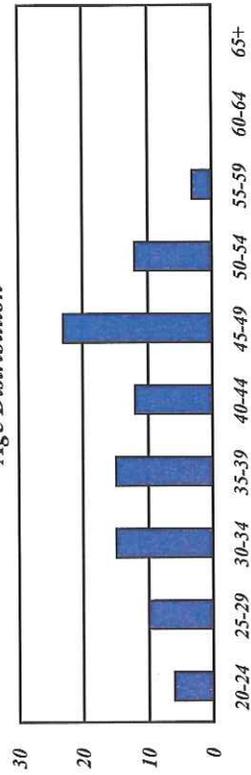
**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION V  
MEMBERSHIP DATA**

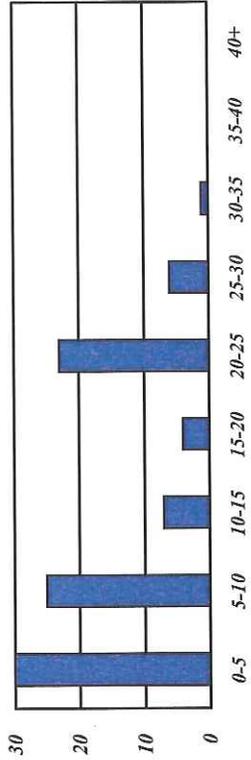
**C. Distribution of Active Members - Count - Fire**

Age	Years of Service											All Years
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+			
Under 20	0	0	0	0	0	0	0	0	0	0	0	0
20-24	6	0	0	0	0	0	0	0	0	0	0	6
25-29	7	3	0	0	0	0	0	0	0	0	0	10
30-34	9	6	0	0	0	0	0	0	0	0	0	15
35-39	4	7	4	0	0	0	0	0	0	0	0	15
40-44	3	3	1	2	3	0	0	0	0	0	0	12
45-49	1	3	1	2	11	5	0	0	0	0	0	23
50-54	0	2	1	0	8	1	0	0	0	0	0	12
55-59	0	1	0	0	1	0	1	0	0	0	0	3
60-64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
<b>All Ages</b>	<b>30</b>	<b>25</b>	<b>7</b>	<b>4</b>	<b>23</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>96</b>

**Age Distribution**



**Service Distribution**



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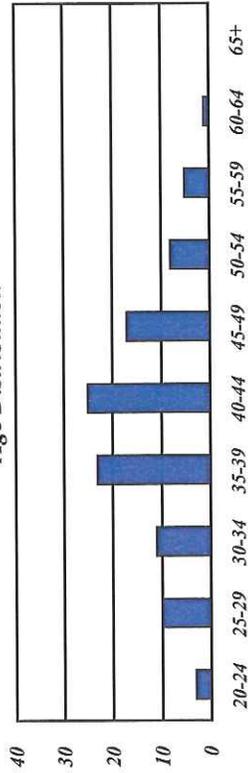
**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION V  
MEMBERSHIP DATA**

**C. Distribution of Active Members - Count - Police**

Age	Years of Service											All Years		
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+					
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	3	0	0	0	0	0	0	0	0	0	0	0	0	3
25-29	10	0	0	0	0	0	0	0	0	0	0	0	0	10
30-34	8	3	0	0	0	0	0	0	0	0	0	0	0	11
35-39	6	9	7	1	0	0	0	0	0	0	0	0	0	23
40-44	3	4	3	8	7	0	0	0	0	0	0	0	0	25
45-49	1	0	4	5	6	1	0	0	0	0	0	0	0	17
50-54	0	1	0	3	2	2	0	0	0	0	0	0	0	8
55-59	0	1	0	1	1	2	0	0	0	0	0	0	0	5
60-64	0	0	0	0	0	1	0	0	0	0	0	0	0	1
65+	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>All Ages</b>	<b>31</b>	<b>18</b>	<b>14</b>	<b>18</b>	<b>16</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>103</b>

**Age Distribution**



**Service Distribution**



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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

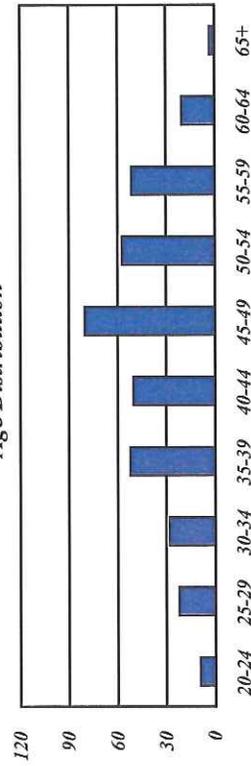
**SECTION V  
MEMBERSHIP DATA**

**C. Distribution of Active Members - Count - Total**

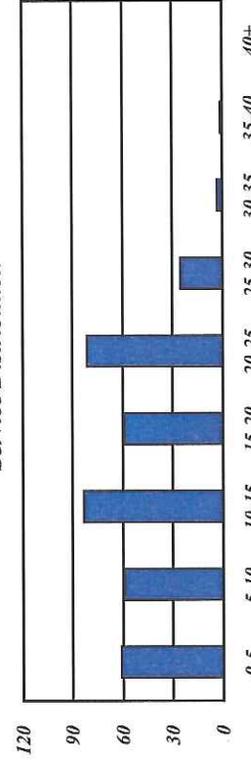
*Years of Service*

Age	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	All Years
<i>Under 20</i>	0	0	0	0	0	0	0	0	0	0
20-24	9	0	0	0	0	0	0	0	0	9
25-29	17	3	2	0	0	0	0	0	0	22
30-34	17	10	1	0	0	0	0	0	0	28
35-39	10	18	21	3	0	0	0	0	0	52
40-44	6	8	6	11	19	0	0	0	0	50
45-49	2	5	27	15	20	11	0	0	0	80
50-54	0	7	11	12	18	6	2	1	0	57
55-59	0	6	9	13	16	6	1	0	0	51
60-64	0	2	5	5	6	2	0	0	0	20
65+	0	0	1	0	2	0	0	0	0	3
<b>All Ages</b>	<b>61</b>	<b>59</b>	<b>83</b>	<b>59</b>	<b>81</b>	<b>25</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>372</b>

**Age Distribution**



**Service Distribution**



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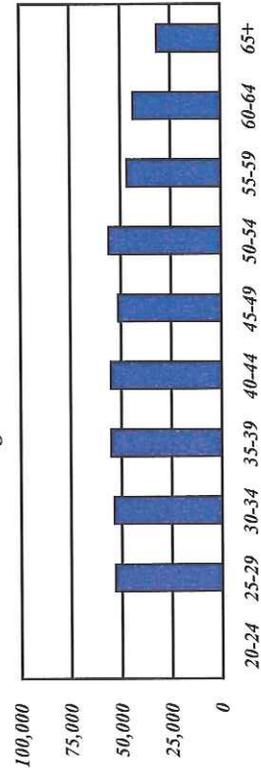
**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION V  
MEMBERSHIP DATA**

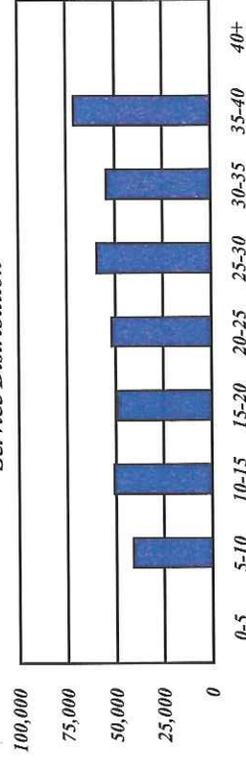
**D. Distribution of Active Members - Average Salaries - Town/BOE**

Age	Years of Service										
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	All Years	
Under 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20-24	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	53,025	0	0	0	0	0	0	53,025	53,025
30-34	0	48,956	58,401	0	0	0	0	0	0	53,679	53,679
35-39	0	44,930	56,286	59,276	0	0	0	0	0	55,091	55,091
40-44	0	48,595	48,189	77,050	55,030	0	0	0	0	55,176	55,176
45-49	0	22,509	47,425	59,372	73,805	52,851	0	0	0	51,225	51,225
50-54	0	43,787	54,068	54,322	57,846	75,386	54,186	70,637	0	56,018	56,018
55-59	0	41,070	49,418	39,309	52,926	45,591	0	0	0	46,607	46,607
60-64	0	41,578	50,552	36,870	35,131	96,154	0	0	0	43,537	43,537
65+	0	0	50,613	0	21,753	0	0	0	0	31,373	31,373
All Ages	0	40,938	50,901	49,068	51,779	59,149	54,186	70,637	0	50,573	50,573

**Age Distribution**



**Service Distribution**



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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

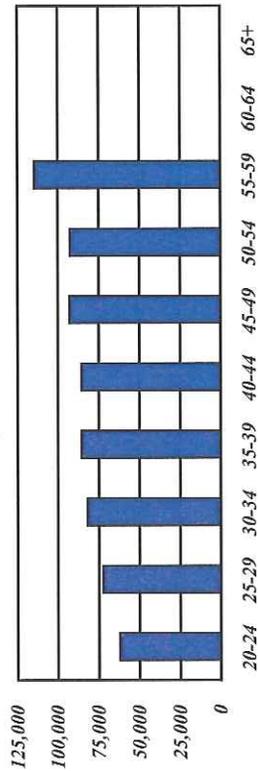
**SECTION V  
MEMBERSHIP DATA**

**D. Distribution of Active Members - Average Salaries - Fire**

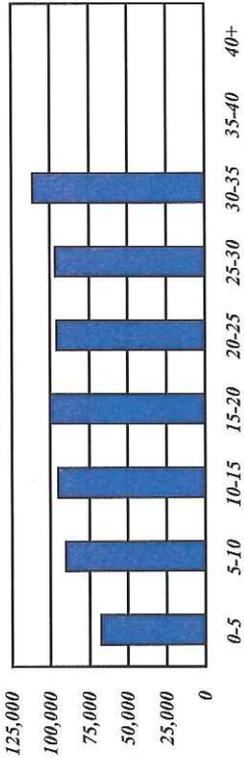
*Years of Service*

Age	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	All Years
Under 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20-24	62,163	0	0	0	0	0	0	0	0	62,163
25-29	63,787	93,672	0	0	0	0	0	0	0	72,753
30-34	78,891	86,517	0	0	0	0	0	0	0	81,941
35-39	65,982	91,562	94,022	0	0	0	0	0	0	85,397
40-44	58,276	90,346	94,230	103,302	92,816	0	0	0	0	85,429
45-49	53,346	89,884	82,695	96,799	95,707	96,023	0	0	0	92,704
50-54	0	86,550	109,700	0	90,763	98,074	0	0	0	92,248
55-59	0	92,835	0	0	139,046	0	111,270	0	0	114,384
60-64	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0
All Ages	67,387	89,907	94,673	100,050	95,495	96,365	111,270	0	0	85,605

**Age Distribution**



**Service Distribution**



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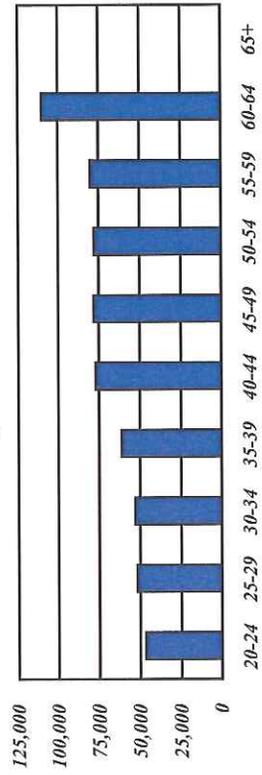
**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION V  
MEMBERSHIP DATA**

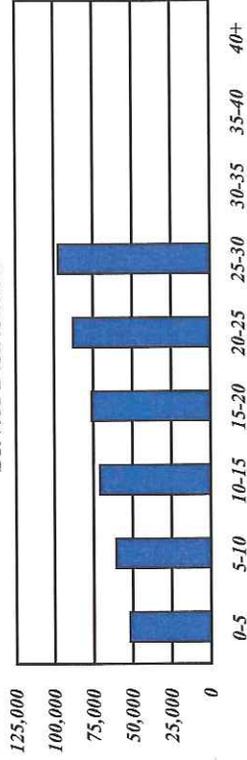
**D. Distribution of Active Members - Average Salaries - Police**

Age	Years of Service										All Years		
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	\$0			
Under 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20-24	46,548	0	0	0	0	0	0	0	0	0	0	0	46,548
25-29	51,820	0	0	0	0	0	0	0	0	0	0	0	51,820
30-34	50,532	60,092	0	0	0	0	0	0	0	0	0	0	53,139
35-39	55,258	60,045	65,514	81,796	0	0	0	0	0	0	0	0	61,406
40-44	51,752	62,273	85,602	76,060	93,158	0	0	0	0	0	0	0	76,870
45-49	56,321	0	69,916	74,422	86,358	101,680	0	0	0	0	0	0	78,113
50-54	0	59,465	0	78,704	70,797	91,811	0	0	0	0	0	0	77,599
55-59	0	61,602	0	64,609	87,182	93,087	0	0	0	0	0	0	79,913
60-64	0	0	0	0	0	110,278	0	0	0	0	0	0	110,278
65+	0	0	0	0	0	0	0	0	0	0	0	0	0
All Ages	51,781	60,602	71,076	75,728	87,440	96,959	0	0	0	0	0	0	68,301

**Age Distribution**



**Service Distribution**



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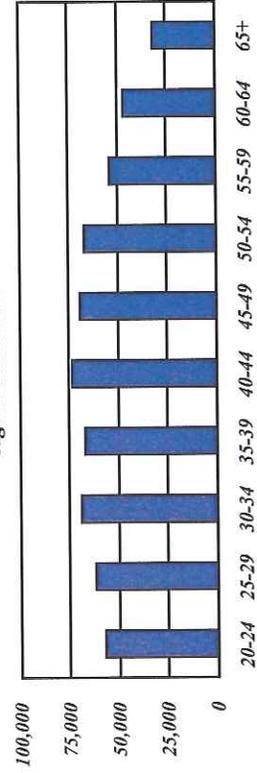
**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION V  
MEMBERSHIP DATA**

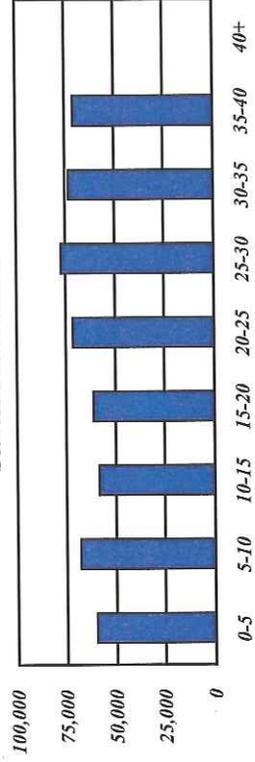
**D. Distribution of Active Members - Average Salaries - Total**

Age	Years of Service										All Years	
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	40+		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0
20-24	56,958	0	0	0	0	0	0	0	0	0	0	56,958
25-29	56,748	93,672	53,025	0	0	0	0	0	0	0	0	61,445
30-34	65,545	74,833	58,401	0	0	0	0	0	0	0	0	68,607
35-39	59,547	70,622	66,550	66,782	0	0	0	0	0	0	0	66,626
40-44	55,014	71,091	74,569	81,103	75,044	0	0	0	0	0	0	73,284
45-49	54,834	62,934	52,064	69,379	89,617	76,914	0	0	0	0	0	68,864
50-54	0	58,245	59,125	60,418	73,915	84,643	54,186	70,637	0	0	0	66,674
55-59	0	53,120	49,418	41,256	60,450	61,423	111,270	0	0	0	0	53,859
60-64	0	41,578	50,552	36,870	35,131	103,216	0	0	0	0	0	46,874
65+	0	0	50,613	0	21,753	0	0	0	0	0	0	31,373
<b>All Ages</b>	<b>59,456</b>	<b>67,687</b>	<b>57,996</b>	<b>60,658</b>	<b>71,236</b>	<b>77,155</b>	<b>73,214</b>	<b>70,637</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>64,520</b>

**Age Distribution**



**Service Distribution**



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**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION VI**

**ACTUARIAL METHOD AND ASSUMPTIONS**

**A. Actuarial Cost Method**

Effective with the July 1, 2007 valuation, the actuarial cost method used to develop the actuarially funded results in this valuation report is the *Entry Age Normal Actuarial Cost Method*. Recommended annual contributions until the accrued liability is completely funded will consist of two pieces: Normal Cost plus a payment towards the Unfunded Accrued Liability.

The Normal Cost is determined by calculating the present value of future benefits for present active Members that will become payable as the result of death, disability, retirement or termination. This cost is then spread as a level percentage of earnings from entry age to termination as an Active Member.

If Normal Costs had been paid at this level for all prior years, a fund would have been accumulated. Because this fund represents the portion of benefits that would have been funded to date, it is termed the Accrued Liability. In fact, it is calculated by adding the present value of benefits for Retired Members and Terminated Vested Members to the present value of benefits for Active Members and subtracting the present value of future Normal Cost contributions.

The Unfunded Accrued Liability equals the Accrued Liability less the Actuarial Value of Assets. The Unfunded Accrued Liability is amortized as a level % of payroll over a decreasing number of years, starting with 30 years as of July 1, 2000.

***Actuarial Value of Assets***

The difference between the expected Actuarial Value and the actual Market Value of Assets is smoothed over a five year period. However, the result is constrained to be within +/- 20% of the actual Market Value.

Prior to July 1, 2007, for GASB25 purposes, the assets attributable to the general obligation pension bond issue of August 1998 are not used.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION VI**

**ACTUARIAL METHOD AND ASSUMPTIONS**

**B. Actuarial Assumptions**

<b><i>Pre-Retirement Mortality</i></b>	1994 Group Annuity Mortality. 80% of deaths among active Firefighters and Police are assumed to occur in the line of duty. 5% of deaths among all others are assumed to occur in the line of duty.
<b><i>Post-Retirement Healthy Mortality</i></b>	RP2000 Combined Healthy Mortality Table with generational projection per scale AA.
<b><i>Post-Retirement Disabled Mortality</i></b>	1983 Railroad Retirement Board Disabled Mortality Table.
<b><i>Investment Return</i></b>	8.25% per annum (net of investment expenses).
<b><i>Payroll Growth Rate</i></b>	4.00%.
<b><i>Salary Increases</i></b>	1.5% annually for active participants including merit and promotions, in addition to inflation.
<b><i>Inflation</i></b>	The Consumer Price Index will increase 2.5% annually.

***Retirement***

***Police and Firefighters***

<i>Years of Service</i>	<i>Rate</i>
25	40%
26-29	5%
30	40%
31+	10%
Age 65	100%

***Town/Board of Education***

<i>Age</i>	<i>Rate</i>
<55	1%
55-59	5%
60	20%
61	10%
62-64	15%
65	40%
66-69	25%
70	100%

<b>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</b>
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**SECTION VI**

**ACTUARIAL METHOD AND ASSUMPTIONS**

**B. Actuarial Assumptions (continued)**

***Employee Turnover***

***Police and Firefighters***            10% for the first five years of service; none thereafter.

***Town/Board of Education***        Per the Crocker-Sarason T7 Table:

<i>Age</i>	<i>Rate</i>
25	9.68
30	9.31
35	8.72
40	7.77
45	6.38
50	4.25

***Plan Expenses***                        Actual administrative expenses paid in the prior year increased by 3%, and rounded to the nearest \$1,000.

***Pre-Retirement Disability Rates***    Overall rate of disability per the following table:

<i>Age</i>	<i>Male</i>	<i>Female</i>
25	0.149	0.182
30	0.170	0.238
35	0.212	0.350
40	0.296	0.473
45	0.490	0.677
50	0.901	1.068
55	1.696	1.645
60	2.594	2.097

50% of disabilities among Firefighters, Police Officers and Public Works employees are assumed to occur in the line of duty. 5% of disabilities among all others are assumed to occur in the line of duty.

***Percent Married***                        80%.

***Age of Spouse***                         Females are assumed to be three years younger than their male spouses.

***Load factor to anticipate cashout payments at termination that are included in Average Annual Compensation***    14% for Police hired prior to 10/17/1996.

9% for Firefighters, Supervisors hired prior to 4/1/1985, Public Works and Town employees hired prior to 7/1/1985, Custodians and Secretaries hired prior to 7/1/2000, Nurses hired prior to 11/1/2000, and Paraprofessionals hired prior to 7/1/2002.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION VII**

**SUMMARY OF PLAN PROVISIONS**

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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. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself. This exhibit is based on our understanding of benefits as described by the plan document, Summary Plan Description, and applicable collective bargaining agreements. To the extent that this exhibit does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

<i>Effective Date</i>	April 1, 1948
<i>Eligibility</i>	Full-time employees excluding: <ul style="list-style-type: none"><li>• Employees working less than 20 hours per week,</li><li>• Officers elected by popular vote,</li><li>• Employees accruing benefits under State Teachers Retirement Plan,</li><li>• Members of the Supervisors, Town Hall and Public Works units hired after September 13, 1999 are not eligible. Board of Education Secretaries and Custodians hired after July 1, 2000, Nurses hired after November 11, 2000 and Para-Professionals hired after July 1, 2002 are not eligible. All Police and Firefighters are eligible.</li></ul>
<i>Town/Board of Education</i>	All eligible employees including Public Works, Town Hall, Supervising, and Board of Education, but excluding Police and Firefighters.
<i>Compensation</i>	Includes, but is not limited to, basic salary, longevity pay, overtime / callback pay, cashout of certain unused days, and pay for acting in a higher classification. Police Plan B is limited to basic salary.
<i>Average Annual Compensation</i>	
<i>Town, Board of Education, Para-Professionals and Nurses</i>	Average of Compensation over last 24 months if less than 30 years of service.  Average of Compensation over last 12 months if 30 or more years of service.
<i>Police and Firefighters</i>	Average of Compensation over last 24 months.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION VII**

**SUMMARY OF PLAN PROVISIONS**

---

<i>Continuous Service</i>	Number of years and completed months of uninterrupted service.
<i>Superannuation</i>	
<i>Board of Education and Supervisors</i>	23 years of Continuous Service and, if hired after 4/1/85, age 50, or 5 years of service and age 55.
<i>Para-Professionals</i>	23 years of Continuous Service and, if hired after 4/1/85, age 50, or 5 years of service and age 55.
<i>Public Works</i>	23 years of Continuous Service and, if hired after 7/1/85 age 50, or 5 years of service and age 55.
<i>Town Hall and Nurses</i>	23 years of Continuous Service and, if hired after 7/1/77 age 50, or 5 years of service and age 55.
<i>Police and Firefighters</i>	25 years of Continuous Service.
<i>Pension Benefit</i>	
<i>Town, Board of Education, Para-Professionals and Nurses</i>	2.4% of Average Annual Compensation for each of the first 25 years of Continuous Service, plus 2% of Average Annual Compensation for years 26-30 and 0.5% of Average Annual Compensation for years 31-35.
<i>Firefighters</i>	2.4% of Average Annual Compensation for each year of Continuous Service.
<i>Police</i>	2.4% of Average Annual Compensation for each of the first 25 years of Continuous Service, plus 2% of Average Annual Compensation for each year of Continuous Service over 25 years.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION VII**

**SUMMARY OF PLAN PROVISIONS**

---

***Maximum Benefit***

***Town/Board of Education*** 72.5% of Average Annual Compensation.

***Police and Firefighters*** 70% of Average Annual Compensation.

***Optional Forms of Benefit***

100% or 50% Contingent Annuitant; if the Contingent Annuitant dies before the Primary Annuitant, the election is revoked.

***Disability Retirement***

Members (except Police and Firefighters) hired after July 1, 1985 (Town Hall, Para-Professionals and Nurses hired after July 1, 1962; Supervisors hired after April 1, 1985) who are eligible for Superannuation are not eligible for Disability Benefits.

***Disability Incurred in Line of Duty***

50% of Average Annual Compensation.

***Disability Not Incurred in Line of Duty***

***Police and Firefighters*** 2.4% of Average Annual Compensation (AAC) for each year of Continuous Service. Maximum Benefit is 50% of AAC; Minimum Benefit is 25% of AAC.

***Town, Board of Education,  
Para-Professionals, Nurses*** 2.4% of Average Annual Compensation (AAC) for each year of Continuous Service, if Member has 5 years of Continuous Service. Maximum Benefit is 50% of AAC; Minimum Benefit is 30% of AAC.

***Death Benefits***

***Pre-Retirement Death,  
Incurred In Line of Duty*** 50% of last 12 months of Compensation, or \$1,500 if greater, to spouse until death or remarriage.

**RETIREMENT PLAN FOR EMPLOYEES OF  
THE TOWN OF STRATFORD**

**SECTION VII**

**SUMMARY OF PLAN PROVISIONS**

---

***Pre-Retirement Death, Not Incurred in Line of Duty***                      25% of Compensation, if member had 10 years of Continuous Service, to spouse until death or remarriage.

***Post-Retirement Death***                      Greater of 25% of Compensation or 50% of the Pension Benefit payable to spouse until death or remarriage.

If death is due to an accident in the line of duty within one year of retirement, benefit is equal to 50% of Compensation or \$1,500 if greater.

Death Benefits (pre- and post- retirement) are payable to dependent children under age 21 if no surviving spouse and to dependent parents if no surviving spouse or children. If no survivors, Accumulated Contributions in excess of benefits paid will be paid to estate.

***Member Contributions***

***Town, Board of Education, Para-Professionals and Nurses***                      8% of Compensation; not payable in excess of 35 years.

***Firefighters***    8% of Compensation; not payable in excess of 30 years.

***Police***    8% of Compensation. 7% if hired after 10/17/1996.

***Vesting***    Upon termination after 5 years of service (10 years for Police and Firefighters), Member has accrued the following benefits:

Firefighters: 2.4% of Average Annual Compensation (over 24 months) times years of service.

Police, Town/Board of Education, Para-Professionals, and Nurses: 2.4% of Average Annual Compensation (over 24 months) times years of service.

Post-Retirement Death: 50% of vested pension benefit payable to spouse until death or remarriage. Continuation of death benefits available to dependent children and parents.

Upon termination prior to vesting, Member contributions are returned with interest.