



*RETIREMENT PLAN FOR EMPLOYEES
OF THE TOWN OF STRATFORD*

ACTUARIAL VALUATION

*AS OF JULY 1, 2010
FOR FISCAL YEAR 2011-12*



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April 29, 2011

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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, 2010 actuarial valuation for the Retirement Plan for Employees of the Town of Stratford. This valuation forms the basis of contributions for the fiscal year 2011-12.

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 Annual Required Contribution for fiscal year 2011-12 is 35.5% of covered payroll.

Respectfully submitted,

MILLIMAN, INC.

Rebecca A. Sielman, FSA
Consulting Actuary

Stephen Chykirda, ASA
Actuary

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RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD

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**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, 2010 for the fiscal year beginning on July 1, 2011. 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.

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**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 Wells Fargo. 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. We further certify that, in our opinion, each actuarial assumption, method and technique used is reasonable taking into account the experience of the Plan and reasonable expectations or would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption, method or technique were reasonable. 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

April 29, 2011

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

**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, 2009</i>	<i>July 1, 2010</i>
<i>Active Members</i>		
Number	365	341
Average Age	45.3	45.9
Average Service	14.3	14.9
Total Payroll	\$24,238,011	\$23,991,550
Average Payroll	\$66,410	\$70,360
<i>Suspended Members*</i>	N/A	21
<i>Retired and Disabled Members and Beneficiaries of Deceased Members</i>		
Number	588	599
Average Annual Benefits	\$29,029	\$29,531
Average Age	68.0	68.5
<i>Terminated Vested and Inactive Members</i>		
Number	36	18
Average Annual Benefits	\$24,636	\$12,287
Average Age	50.0	47.6
<i>Total Size of Membership</i>	989	979

* Employees who have frozen their DB plan benefits and transferred to the Town's 401(a) plan.

The active population decreased from 365 members on July 1, 2009 to 341 members on July 1, 2010. The number of members in pay status grew, from 588 to 599. The total payroll decreased from \$24,238,011 to \$23,991,550.

Pay increases for Town and Board of Education employees were well below our assumed 4% assumption, leading to significant gains. However, these gains were offset by losses from large pay increases for Fire and Police Plan A members.

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

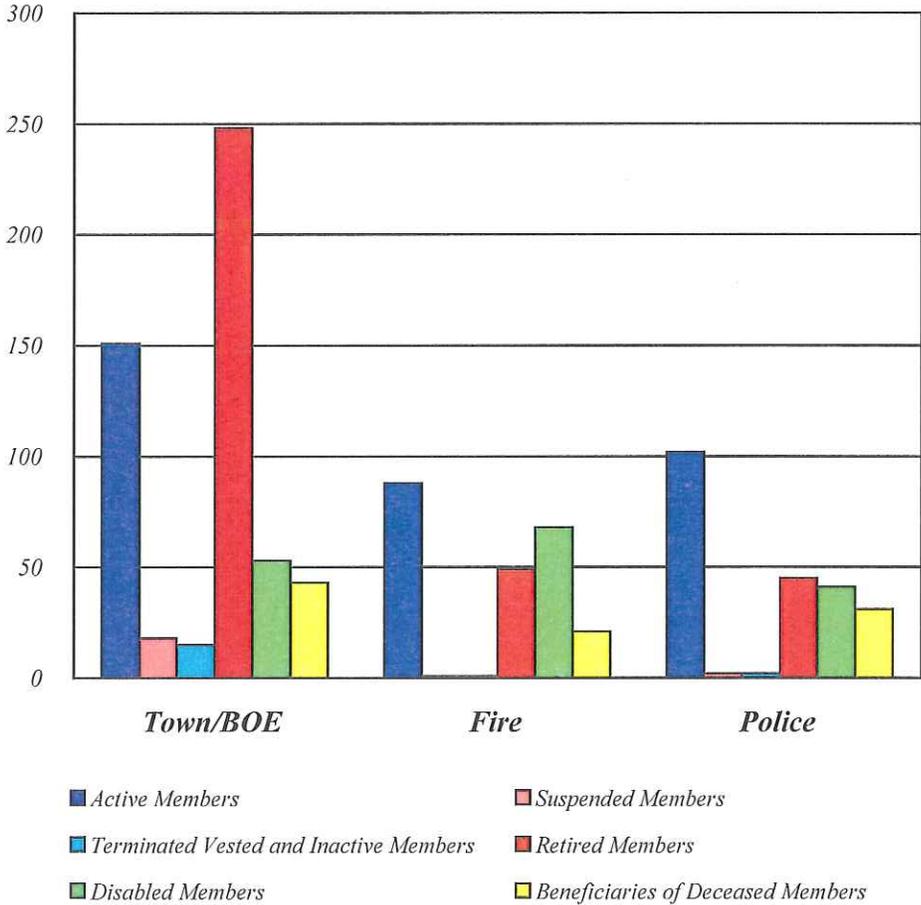
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**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, 2010 was \$83,823,350, compared to \$82,332,211 as of July 1, 2009.

<i>Market Value, July 1, 2009</i>	\$82,332,211
Town Contributions	7,233,452
Employee Contributions	1,916,722
Investment Earnings, net of Investment Expenses	9,854,347
Benefit Payments, Employee Refunds, and Administrative Expenses	(17,513,382)
<i>Market Value, July 1, 2010</i>	83,823,350

The estimated return, net of investment fees, for 2009-2010 was 12.61%. 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, 2010 was \$116,886,092. On this basis, the estimated return was 1.34%, 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 \$8.3 million.

Please note that the Actuarial Value currently exceeds the Market Value by \$33.1 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.

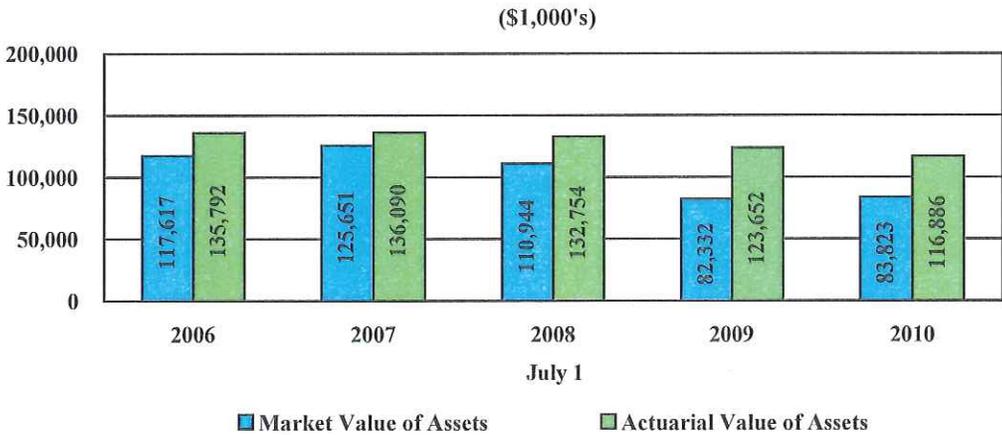
More information on the plan assets can be found in Section III.

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

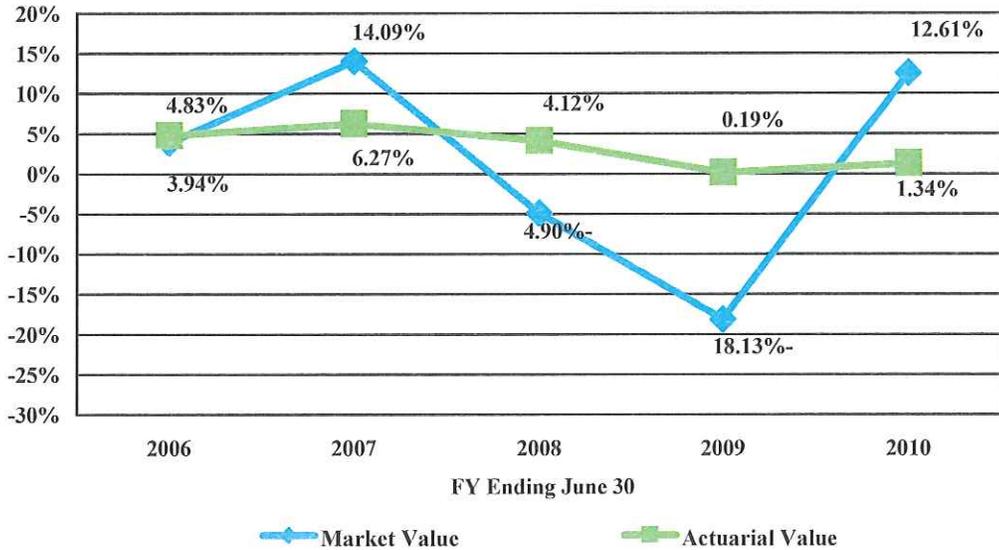
**SECTION I
EXECUTIVE SUMMARY**

B. Discussion of Valuation Results

Asset Levels



Rates of Return



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RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD

**SECTION I
EXECUTIVE SUMMARY**

B. Discussion of Valuation Results

Contribution Summary

Valuation Date	<i>July 1, 2009</i>	<i>July 1, 2010</i>
Fiscal Year	<i>2010-2011</i>	<i>2011-2012</i>
1. Normal Cost	\$957,834	\$926,567
2. Administrative Expenses	44,000	45,000
3. Past Service Cost	7,524,564	7,549,561
4. Annual Required Contribution: (1) + (2) + (3)	8,526,398	8,521,128
5. Total Covered Payroll	24,238,011	23,991,550
6. Contribution as a percent of payroll: (4) / (5)	35.2%	35.5%

More information on the contribution can be found in Section II.

The Annual Required Contribution for FY 2011-2012 is broken down by employee groups as follows:

Board of Education	\$1,392,863
Town	1,947,538
Fire	2,736,671
Police	<u>2,444,056</u>
Total	8,521,128

**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 The amortization period has been lengthened from 20 years to 25 years.

Assumption Changes There have been no assumption changes since the last valuation.

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

**SECTION I
EXECUTIVE SUMMARY**

C. Summary of Principal Results

	<i>July 1, 2009</i>	<i>July 1, 2010</i>
<i>Membership</i>		
Active Membership		
Number of Members	365	341
Covered Payroll	\$24,238,011	\$23,991,550
Inactive Membership		
Suspended Employees*	N/A	21
Former Employees Due Benefits	36	18
Members in Pay Status	588	599
Average Annual Benefit in pay status	\$29,029	\$29,531
<i>Assets and Liabilities</i>		
Assets		
Market Value	\$82,332,211	\$83,823,350
Actuarial Value	123,651,853	116,886,092
Accrued Liability		
Active and Suspended Members	\$66,848,202	\$74,381,702
Former Employees Due Benefits	8,341,573	1,630,019
Members in Pay Status	157,468,738	162,518,682
Total Accrued Liability	232,658,513	238,530,403
Unfunded Accrued Liability	109,006,660	121,644,311
Funded Ratio	53.15%	49.00%
<i>Annual Required Contribution (for following FY)</i>		
Contribution as a Percent of Payroll		
Normal Cost	4.0%	3.8%
Administrative Expenses	0.2%	0.2%
Past Service Cost	<u>31.0%</u>	<u>31.5%</u>
Total Town Contribution Percentage	35.2%	35.5%
Contribution Dollars		
Normal Cost	\$957,834	\$926,567
Administrative Expenses	44,000	45,000
Past Service Cost	<u>7,524,564</u>	<u>7,549,561</u>
Town Contribution	8,526,398	8,521,128

* Employees who have frozen their DB plan benefits and transferred to the Town's 401(a) plan.

**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 with payments calculated to increase annually so as to remain approximately level as a percent of payroll. The amortization period was 30 years beginning on July 1, 2000. Effective July 1, 2010 the amortization period has been lengthened to 25 years.

	<i>As of July 1, 2009</i>				<i>As of July 1, 2010</i>			
	<i>Town/BOE</i>	<i>Fire</i>	<i>Police</i>	<i>Total</i>	<i>Town/BOE</i>	<i>Fire</i>	<i>Police</i>	<i>Total</i>
Actuarial Value of Assets (see Section III C)	\$55,284,340	\$36,448,618	\$31,918,895	\$123,651,853	\$51,014,535	\$34,942,855	\$30,928,702	\$116,886,092
Entry Age Normal Accrued Liability								
Active and Suspended Members	27,432,136	18,431,282	20,984,784	66,848,202	29,929,224	20,955,828	23,496,650	74,381,702
Retired Members	56,093,977	24,295,008	27,577,359	107,966,344	58,260,956	26,725,459	28,094,663	113,081,078
Disabled Members	10,988,208	21,580,730	9,254,157	41,823,095	10,862,750	20,905,335	8,865,676	40,633,761
Beneficiaries of Deceased Members	3,590,077	1,994,388	2,094,834	7,679,299	3,681,946	2,620,732	2,501,165	8,803,843
Terminated Vested and Inactive Members	5,916,465	2,278,892	146,216	8,341,573	1,370,903	100,816	158,300	1,630,019
Total Accrued Liability	104,020,863	68,580,300	60,057,350	232,658,513	104,105,779	71,308,170	63,116,454	238,530,403
Unfunded Accrued Liability	48,736,523	32,131,682	28,138,455	109,006,660	53,091,244	36,365,315	32,187,752	121,644,311
Amortization Period (years)	21	21	21	21	25	25	25	25
Past Service Cost	3,364,208	2,218,001	1,942,355	7,524,564	3,294,980	2,256,926	1,997,655	7,549,561

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

**SECTION II
SUMMARY OF VALUATION RESULTS**

B. Annual Required Contribution

	FY 2010-2011				FY 2011-2012			
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
1. Total Normal Cost	\$806,697	\$1,044,352	\$990,946	\$2,841,995	\$745,848	\$1,122,052	\$995,266	\$2,863,166
2. Expected Employee Contributions	699,852	614,513	569,796	1,884,161	702,531	664,527	569,541	1,936,599
3. Net Normal Cost: (1) - (2)	106,845	429,839	421,150	957,834	43,317	457,525	425,725	926,567
4. Administrative Expenses	4,908	19,746	19,346	44,000	2,104	22,220	20,676	45,000
5. Past Service Cost (see Section II A)	3,364,208	2,218,001	1,942,355	7,524,564	3,294,980	2,256,926	1,997,655	7,549,561
6. Annual Required Contribution: (3) + (4) + (5), but not less than \$0	3,475,961	2,667,586	2,382,851	8,526,398	3,340,401	2,736,671	2,444,056	8,521,128
7. Covered Payroll	9,014,247	7,678,962	7,544,802	24,238,011	8,104,870	8,305,549	7,581,131	23,991,550
8. Contribution as a percentage of payroll: (6) / (7)	38.6%	34.7%	31.6%	35.2%	41.2%	32.9%	32.2%	35.5%

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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	
2010	\$238,530,403	\$116,886,092	\$121,644,311	49.0%	2012	\$8,521,128	\$1,936,599	\$17,805,184	(\$7,387,187)
2011	241,030,000	111,679,000	129,351,000	46.3%	2013	9,237,000	1,925,000	18,093,000	(7,693,000)
2012	244,744,000	106,684,000	138,060,000	43.6%	2014	10,044,000	1,856,000	18,537,000	(7,491,000)
2013	248,095,000	102,317,000	145,778,000	41.2%	2015	10,805,000	1,836,000	19,029,000	(7,196,000)
2014	251,346,000	98,616,000	152,730,000	39.2%	2016	11,587,000	1,813,000	19,415,000	(6,846,000)
2015	254,457,000	95,598,000	158,859,000	37.6%	2017	12,381,000	1,772,000	19,781,000	(6,472,000)
2016	257,290,000	93,260,000	164,031,000	36.2%	2018	13,205,000	1,715,000	20,190,000	(6,146,000)
2017	259,835,000	91,535,000	168,301,000	35.2%	2019	14,037,000	1,638,000	20,570,000	(5,780,000)
2018	262,244,000	90,453,000	171,791,000	34.5%	2020	14,826,000	1,626,000	20,930,000	(5,324,000)
2019	264,403,000	90,108,000	174,296,000	34.1%	2021	15,625,000	1,622,000	21,183,000	(4,793,000)
2020	266,577,000	90,590,000	175,987,000	34.0%	2022	16,479,000	1,611,000	21,415,000	(4,239,000)
2021	268,532,000	91,951,000	176,581,000	34.2%	2023	17,326,000	1,593,000	21,651,000	(3,641,000)
2022	270,458,000	94,275,000	176,183,000	34.9%	2024	18,225,000	1,581,000	21,988,000	(3,144,000)
2023	271,901,000	97,505,000	174,396,000	35.9%	2025	19,092,000	1,588,000	22,314,000	(2,567,000)
2024	273,108,000	101,774,000	171,335,000	37.3%	2026	19,990,000	1,603,000	22,598,000	(1,971,000)
2025	274,108,000	107,162,000	166,946,000	39.1%	2027	20,959,000	1,614,000	22,808,000	(1,273,000)
2026	274,868,000	113,850,000	161,018,000	41.4%	2028	20,236,000	1,617,000	23,206,000	(702,000)
2027	274,911,000	121,795,000	153,116,000	44.3%	2029	19,273,000	1,636,000	23,499,000	(1,701,000)
2028	274,914,000	129,451,000	145,462,000	47.1%	2030	18,321,000	1,654,000	23,787,000	(2,936,000)
2029	274,427,000	136,537,000	137,890,000	49.8%	2031	17,393,000	1,686,000	23,868,000	(3,939,000)
2030	273,929,000	143,234,000	130,694,000	52.3%	2032	16,507,000	1,665,000	24,166,000	(5,188,000)

This forecast is based on employee information used for the July 1, 2010 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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**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION III
PLAN ASSETS**

A. Summary of Fund Transactions - Market Value

Value as of July 1, 2009	\$82,332,211
 Income Items	
Town Contributions	7,233,452
Employee Contributions	1,916,722
Adjustment to Beginning Year Balance	201
Dividends	783,152
Interest	1,162
Change in Accrued Income	(1,331)
Other Income	1,458
Realized Gains/(Losses)	3,942,674
Unrealized Gains/(Losses)	<u>5,609,104</u>
	19,486,594
 Deduction Items	
Benefit Payments	17,431,319
Refunds of Employee Contributions	38,344
Trustee Expenses	87,535
Administrative Expenses	43,719
Investment Expenses	<u>394,538</u>
	17,995,455
Value as of July 1, 2010	83,823,350

Approximate Net Rate of Return: 12.61%

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, 2009</i>	<i>July 1, 2010</i>
<i>Assets</i>		
Cash	\$21,963	\$128,263
Due from Brokers	938,505	0
Common Stocks	25,017,310	20,093,310
Advisory Research	0	14,110,223
RMK Timberland	5,812,981	6,487,984
SSGA S+P 500 Flagship	16,024,248	14,382,435
SSGA International Alpha Select	6,914,461	8,225,619
Northern Trust - Aggregate Bond	24,406,958	20,395,516
Plains All American Pipeline LP	330,614	0
Pimco Investment	2,189,545	0
Evergreen Money Market	<u>675,626</u>	<u>0</u>
Total Market Value*	82,332,211	83,823,350

* 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, 2010 is derived as follows:

1. Actuarial Value of Assets as of July 1, 2009	\$123,651,853
2. Employer Contributions	7,233,452
3. Employee Contributions	1,916,722
4. Benefit Payments and Administrative Expenses	(17,513,382)
5. Expected Investment Income at 8.25% on (1) through (4)	9,863,132
6. Expected Actuarial Value of Assets, June 30, 2010 (1)+(2)+(3)+(4)+(5)	125,151,777
7. Actual Market Value of Assets, June 30, 2010	83,823,350
8. Final Actuarial Value of Assets: 80% of (6) + 20% of (7)	116,886,092

Approximate Net Rate of Return: 1.34%

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

**SECTION IV
GASB #25 INFORMATION**

A. Introduction

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.

**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, 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%
July 1, 2009	123,651,853	232,658,513	109,006,660	53.15%	24,238,011	449.73%
July 1, 2010	116,886,092	238,530,403	121,644,311	49.00%	23,991,550	507.03%

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

<i>Fiscal Year Ending June 30</i>	<i>Actuarially Determined Contribution Reflecting Pension Obligation Bond Proceeds</i>	<i>GASB 25 Annual Required Contribution Excluding Pension Obligation Bond Proceeds</i>	<i>Actual Contribution Paid by Town</i>	<i>Percent of Actuarially Determined Contribution Funded</i>
	2004	\$2,988,566	\$8,710,077	\$2,796,985
2005	4,222,892	10,535,184	4,223,497	100%
2006	4,840,940	11,651,536	4,840,940	100%
2007	5,086,832	12,435,843	111,651,079 *	100%
2008	5,646,579	N/A	5,669,932	100%
2009	5,622,712	N/A	5,622,712	100%
2010	7,233,412	N/A	N/A	-
2011	8,526,398	N/A	N/A	-
2012	8,521,128	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.

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

**SECTION IV
GASB #25 INFORMATION**

D. Summary of Membership

	<i>July 1, 2009</i>	<i>July 1, 2010</i>
<i>Active Members</i>		
Number vested	260	246
Number not yet vested	<u>105</u>	<u>95</u>
Total	365	341
<i>Suspended Members *</i>	N/A	21
<i>Retired Members</i>	330	342
<i>Disabled Members</i>	168	162
<i>Beneficiaries of Deceased Members</i>	90	95
<i>Terminated Vested and Inactive Members</i>	36	18
<i>Nonvested Members Due Refunds</i>	<u>0</u>	<u>0</u>
<i>Total Members</i>	989	979

* Employees who have frozen their DB plan benefits and transferred to the Town's 401(a) plan.

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

**SECTION V
MEMBERSHIP DATA**

A. Summary of Active Membership

	<i>July 1, 2009</i>	<i>July 1, 2010</i>	<i>Change</i>	<i>Percent Change</i>
<i>Number of Members</i>				
BOE/Town	166	151	(15)	(9.04)
Fire	91	88	(3)	(3.30)
Police	108	102	(6)	(5.56)
Total	365	341	(24)	(6.58)
<i>Total Annual Compensation</i>				
BOE/Town	\$9,014,247	\$8,104,870	(\$909,377)	(10.09)
Fire	7,678,962	8,305,549	626,587	8.16
Police	7,544,802	7,581,131	36,329	0.48
Total	24,238,011	23,991,550	(246,461)	(1.02)
<i>Average Compensation</i>				
BOE/Town	\$54,300	\$53,670	(\$630)	(1.16)
Fire	84,380	94,380	10,000	11.85
Police	69,860	74,320	4,460	6.38
Total	66,410	70,360	3,950	5.95
<i>Average Age</i>				
BOE/Town	51.8	52.2	0.4	0.83
Fire	39.8	40.6	0.8	2.01
Police	40.0	41.2	1.1	0.00
Total	45.3	45.9	0.6	1.31
<i>Average Service</i>				
BOE/Town	17.8	18.2	0.4	2.50
Fire	11.2	12.0	0.8	7.14
Police	11.7	12.7	1.0	8.30
Total	14.3	14.9	0.6	4.39

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

**SECTION V
MEMBERSHIP DATA**

B. Summary of Inactive Membership.

	July 1, 2009				July 1, 2010			
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
Retired Members								
Number	239	47	44	330	248	49	45	342
Total Annual Benefit	\$5,869,018	\$2,504,260	\$2,617,517	\$10,990,795	\$6,144,790	\$2,730,329	\$2,689,212	\$11,564,331
Average Annual Benefit	24,557	53,282	59,489	33,305	24,777	55,721	59,760	33,814
Average Age	68.1	66.4	62.5	67.1	68.7	65.9	63.4	67.6
Disabled Members								
Number	54	72	42	168	53	68	41	162
Total Annual Benefit	\$1,365,125	\$2,528,502	\$1,193,260	\$5,086,887	\$1,361,442	\$2,461,283	\$1,168,709	\$4,991,434
Average Annual Benefit	25,280	35,118	28,411	30,279	25,688	36,195	28,505	30,811
Average Age	64.3	65.8	67.2	65.7	64.5	65.8	68.3	66.0
Beneficiaries of Decensed Members								
Number	41	19	30	90	43	21	31	95
Total Annual Benefit	\$441,730	\$268,886	\$280,810	\$991,426	\$465,670	\$340,052	\$327,511	\$1,133,253
Average Annual Benefit	10,774	14,152	9,360	11,016	10,830	16,193	10,565	11,929
Average Age	73.9	77.8	76.7	75.7	75.2	76.0	77.3	76.0
Terminated Vested and Inactive Members								
Number	31	3	2	36	15	1	2	18
Total Annual Benefit	\$649,716	\$208,326	\$28,848	\$886,890	\$181,931	\$10,379	\$28,848	\$221,158
Average Annual Benefit	20,959	69,442	14,424	24,636	12,129	10,379	14,424	12,287
Average Age	50.6	51.0	39.5	50.0	48.6	48.0	40.5	47.6
Suspended Members*								
Number	N/A	N/A	N/A	N/A	18	1	2	21

* Employees who have frozen their DB plan benefits and transferred to the Town's 401(a) plan.

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

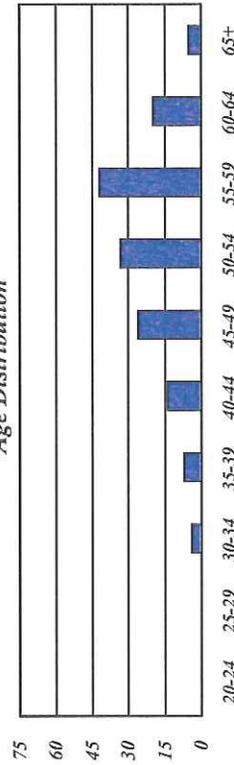
**SECTION V
MEMBERSHIP DATA**

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

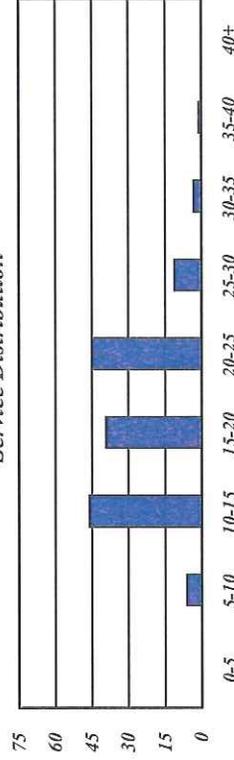
Years of Service

Age	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	All Years
<i>Under 20</i>	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	0	0	0	0	0	0	0	0
30-34	0	0	4	0	0	0	0	0	0	4
35-39	0	0	3	3	1	0	0	0	0	7
40-44	0	1	4	2	6	1	0	0	0	14
45-49	0	1	11	4	8	2	0	0	0	26
50-54	0	1	8	12	8	2	2	0	0	33
55-59	0	3	10	13	10	4	1	1	0	42
60-64	0	0	4	4	10	2	0	0	0	20
65+	0	0	2	1	2	0	0	0	0	5
All Ages	0	6	46	39	45	11	3	1	0	151

Age Distribution



Service Distribution



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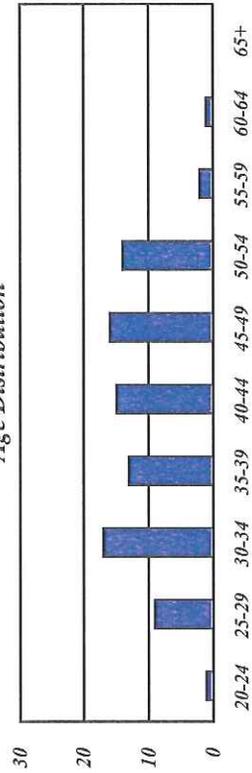
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION V
MEMBERSHIP DATA**

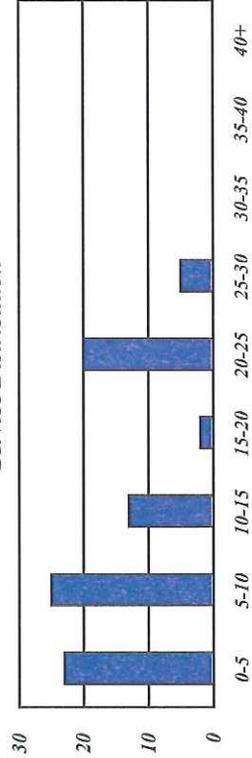
C. Distribution of Active Members - Count - Fire

Age	Years of Service											All Years	
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+	40+	All Years		
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	1	0	0	0	0	0	0	0	0	0	0	0	1
25-29	8	1	0	0	0	0	0	0	0	0	0	0	9
30-34	6	11	0	0	0	0	0	0	0	0	0	0	17
35-39	4	6	3	0	0	0	0	0	0	0	0	0	13
40-44	2	2	7	1	3	0	0	0	0	0	0	0	15
45-49	2	2	1	0	8	3	0	0	0	0	0	0	16
50-54	0	3	1	1	7	2	0	0	0	0	0	0	14
55-59	0	0	0	0	2	0	0	0	0	0	0	0	2
60-64	0	0	1	0	0	0	0	0	0	0	0	0	1
65+	0	0	0	0	0	0	0	0	0	0	0	0	0
All Ages	23	25	13	2	20	5	0	0	0	0	0	0	88

Age Distribution



Service Distribution



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

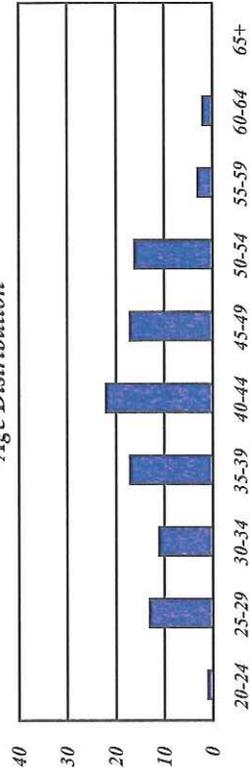
**SECTION V
MEMBERSHIP DATA**

C. Distribution of Active Members - Count - Police

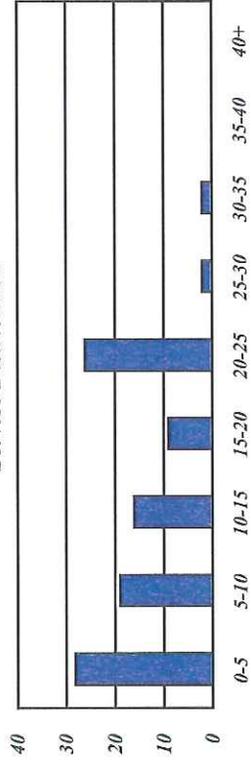
Years of Service

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	1	0	0	0	0	0	0	0	0	0	0	0	0	1
25-29	12	1	0	0	0	0	0	0	0	0	0	0	0	13
30-34	5	6	0	0	0	0	0	0	0	0	0	0	0	11
35-39	7	6	4	0	0	0	0	0	0	0	0	0	0	17
40-44	2	2	8	2	8	0	0	0	0	0	0	0	0	22
45-49	1	2	2	5	7	0	0	0	0	0	0	0	0	17
50-54	0	2	1	2	9	1	1	1	0	0	0	0	0	16
55-59	0	0	1	0	1	0	1	1	0	0	0	0	0	3
60-64	0	0	0	0	1	1	0	0	0	0	0	0	0	2
65+	0	0	0	0	0	0	0	0	0	0	0	0	0	0
All Ages	28	19	16	9	26	2	2	0	0	0	0	0	0	102

Age Distribution



Service Distribution



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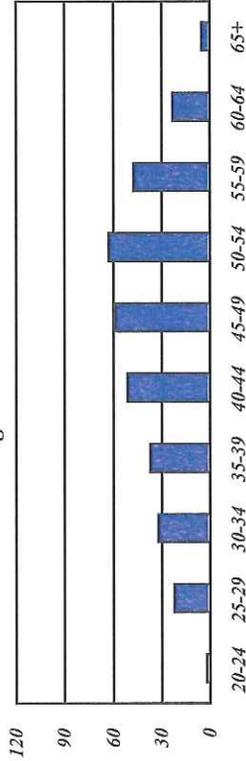
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION V
MEMBERSHIP DATA**

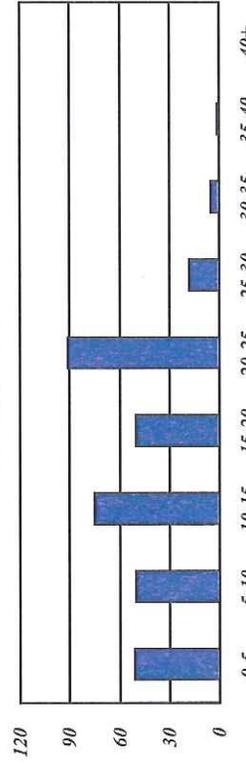
C. Distribution of Active Members - Count - Total

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	2	0	0	0	0	0	0	0	0	0	0	2
25-29	20	2	0	0	0	0	0	0	0	0	0	22
30-34	11	17	4	0	0	0	0	0	0	0	0	32
35-39	11	12	10	3	1	0	0	0	0	0	0	37
40-44	4	5	19	5	17	1	0	0	0	0	0	51
45-49	3	5	14	9	23	5	0	0	0	0	0	59
50-54	0	6	10	15	24	5	3	0	0	0	0	63
55-59	0	3	11	13	13	4	2	1	0	0	0	47
60-64	0	0	5	4	11	3	0	0	0	0	0	23
65+	0	0	2	1	2	0	0	0	0	0	0	5
All Ages	51	50	75	50	91	18	5	1	0	0	0	341

Age Distribution



Service Distribution



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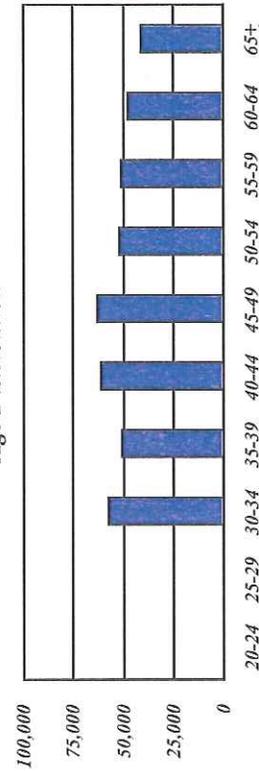
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION V
MEMBERSHIP DATA**

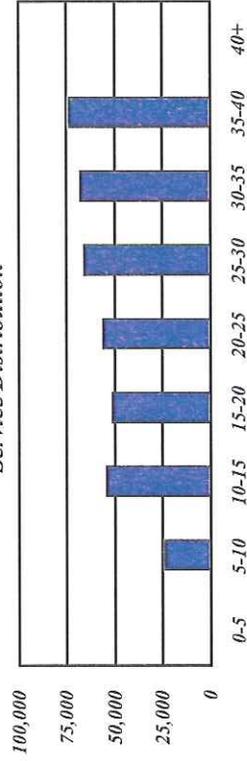
D. Distribution of Active Members - Average Salaries - Town/BOE

Age	Years of Service											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	\$0
20-24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	57,566	0	0	0	0	0	0	0	0	0	0	0	57,566
35-39	0	0	54,373	51,007	40,449	0	0	0	0	0	0	0	0	0	50,941
40-44	0	24,893	60,151	68,980	67,887	44,896	0	0	0	0	0	0	0	0	61,119
45-49	0	22,298	58,278	73,753	69,605	56,630	0	0	0	0	0	0	0	0	62,633
50-54	0	22,689	43,037	45,546	67,286	80,258	55,309	0	0	0	0	0	0	0	52,211
55-59	0	24,130	58,036	50,299	48,182	49,774	90,934	73,412	0	0	0	0	0	0	51,236
60-64	0	0	47,515	40,271	40,372	99,764	0	0	0	0	0	0	0	0	47,719
65+	0	0	47,954	40,047	34,346	0	0	0	0	0	0	0	0	0	40,929
All Ages	0	23,712	54,036	50,963	55,492	65,209	67,184	73,412	0	0	0	0	0	0	53,675

Age Distribution



Service Distribution



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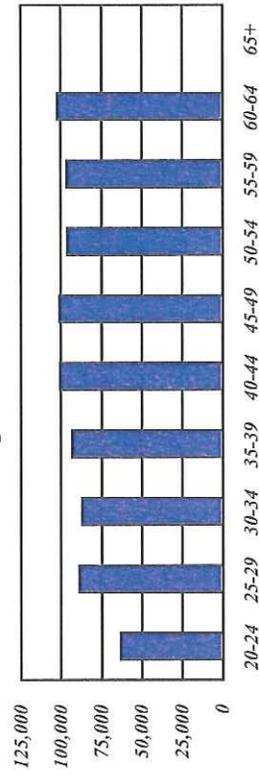
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION V
MEMBERSHIP DATA**

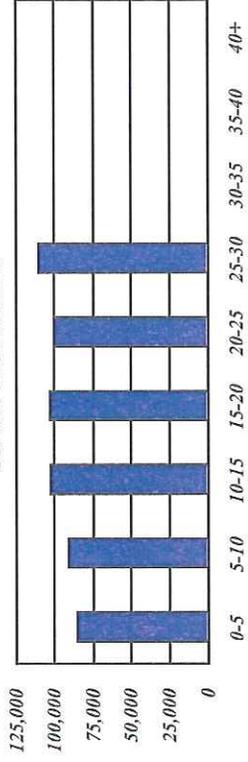
D. Distribution of Active Members - Average Salaries - Fire

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	\$0
20-24	63,161	0	0	0	0	0	0	0	0	0	0	0	0	0	63,161
25-29	88,362	90,572	0	0	0	0	0	0	0	0	0	0	0	0	88,607
30-34	80,421	90,541	0	0	0	0	0	0	0	0	0	0	0	0	86,969
35-39	92,803	87,119	104,268	0	0	0	0	0	0	0	0	0	0	0	92,825
40-44	90,477	98,928	104,948	101,352	98,068	0	0	0	0	0	0	0	0	0	100,600
45-49	73,808	96,854	84,677	103,976	104,723	117,092	0	0	0	0	0	0	0	0	100,941
50-54	0	88,546	94,466	103,976	96,623	100,245	0	0	0	0	0	0	0	0	95,781
55-59	0	0	0	0	96,201	0	0	0	0	0	0	0	0	0	96,201
60-64	0	0	102,325	0	0	0	0	0	0	0	0	0	0	0	102,325
65+	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
All Ages	84,885	90,658	102,224	102,664	100,037	110,353	0	0	0	0	0	0	0	0	94,381

Age Distribution



Service Distribution



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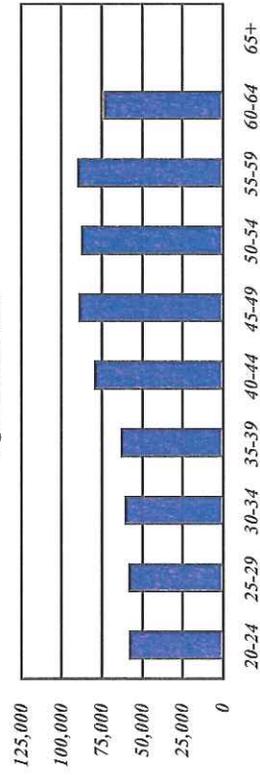
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION V
MEMBERSHIP DATA**

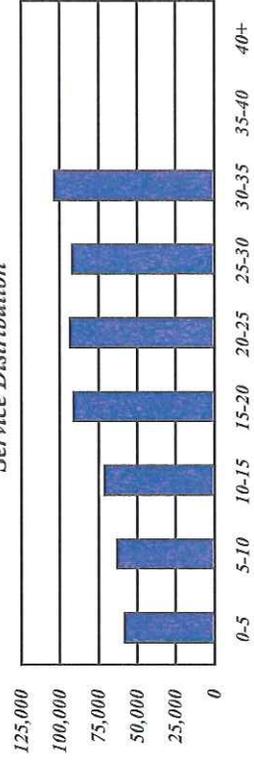
D. Distribution of Active Members - Average Salaries - Police

Age	Years of Service										
	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	57,315	0	0	0	0	0	0	0	0	57,315	
25-29	57,346	61,218	0	0	0	0	0	0	0	57,644	
30-34	56,830	62,744	0	0	0	0	0	0	0	60,056	
35-39	59,184	63,055	68,027	0	0	0	0	0	0	62,631	
40-44	57,957	63,507	73,083	90,681	90,798	0	0	0	0	78,879	
45-49	60,028	63,507	74,600	90,497	102,446	0	0	0	0	88,579	
50-54	0	61,218	68,365	92,010	89,740	105,249	105,588	0	0	87,083	
55-59	0	0	65,795	0	100,930	0	101,363	0	0	89,363	
60-64	0	0	0	0	68,704	77,818	0	0	0	73,261	
65+	0	0	0	0	0	0	0	0	0	0	
All Ages	57,852	62,762	71,258	90,874	93,108	91,534	103,476	0	0	74,325	

Age Distribution



Service Distribution



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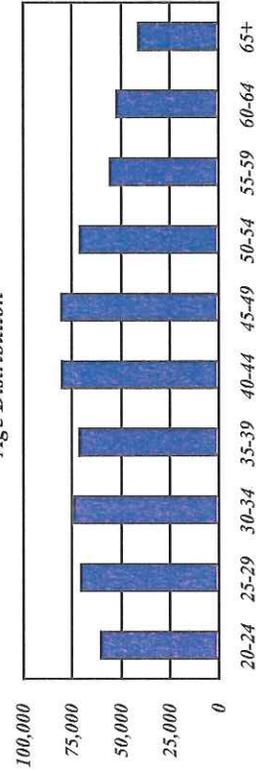
**RETIREMENT PLAN FOR EMPLOYEES OF
THE TOWN OF STRATFORD**

**SECTION V
MEMBERSHIP DATA**

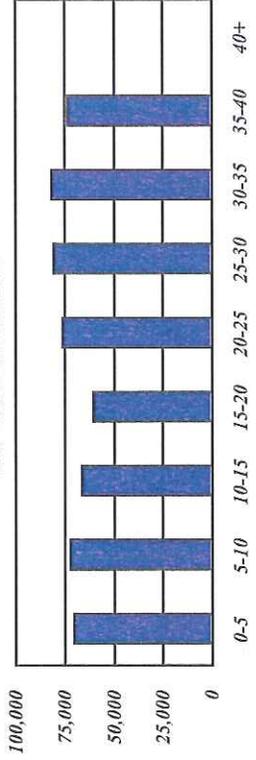
D. Distribution of Active Members - Average Salaries - Total

Age	Years of Service											All Years			
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40	40+						
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	60,238	0	0	0	0	0	0	0	0	0	0	0	0	0	60,238
25-29	69,752	75,895	0	0	0	0	0	0	0	0	0	0	0	0	70,311
30-34	69,698	80,730	57,566	0	0	0	0	0	0	0	0	0	0	0	74,042
35-39	71,409	75,087	74,803	51,007	40,449	0	0	0	0	0	0	0	0	0	71,028
40-44	74,217	69,952	82,100	84,135	83,995	44,896	0	0	0	0	0	0	0	0	80,392
45-49	69,214	68,604	62,495	83,055	91,815	92,907	0	0	0	0	0	0	0	0	80,498
50-54	0	68,461	50,713	55,636	84,263	93,251	72,069	0	0	0	0	0	0	0	70,749
55-59	0	24,130	58,741	50,299	59,627	49,774	96,149	73,412	0	0	0	0	0	0	55,583
60-64	0	0	58,477	40,271	42,948	92,449	0	0	0	0	0	0	0	0	52,315
65+	0	0	47,954	40,047	34,346	0	0	0	0	0	0	0	0	0	40,929
All Ages	70,043	72,024	66,063	60,215	76,029	80,674	81,701	73,412	0	0	0	0	0	0	70,360

Age Distribution



Service Distribution



This work product was prepared solely for the Town of Stratford for the purposes described herein and may not be appropriate to use for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work.

**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 percent of payroll over a decreasing number of years, starting with 25 years as of July 1, 2010.

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 with the result constrained to be within +/- 20% of the actual Market Value. Beginning July 1, 2009, the 20% constraint has been removed.

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

<i>Pre-Retirement Mortality</i>	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.
<i>Post-Retirement Healthy Mortality</i>	RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA.
<i>Post-Retirement Disabled Mortality</i>	1983 Railroad Retirement Board Disabled Mortality Table.
<i>Investment Return</i>	8.25% per annum (net of investment expenses).
<i>Payroll Growth Rate</i>	4.00%.
<i>Salary Increases</i>	1.5% annually for active participants including merit and promotions, in addition to inflation.
<i>Inflation</i>	The Consumer Price Index will increase 2.5% annually.
<i>Retirement</i>	

<i>Police and Firefighters</i>	<i>Years of Service</i>	<i>Rate</i>
	25	40%
	26-29	5%
	30	40%
	31+	10%
	Age 65	100%
<i>Town/Board of Education</i>	<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%

“Suspended” employees whose DB plan benefits have been frozen and who are currently covered by the Town’s 401(a) plan are assumed to retire per the rates shown above.

<p>RETIREMENT PLAN FOR EMPLOYEES OF THE TOWN OF STRATFORD</p>
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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

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">• Employees working less than 20 hours per week,• Officers elected by popular vote,• Employees accruing benefits under State Teachers Retirement Plan,• 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.
<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

<i>Pre-Retirement Death, Not Incurred in Line of Duty</i>	25% of Compensation, if member had 10 years of Continuous Service, to spouse until death or remarriage.
<i>Post-Retirement Death</i>	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.
<i>Member Contributions</i>	
<i>Town, Board of Education, Para-Professionals and Nurses</i>	8% of Compensation; not payable in excess of 35 years.
<i>Firefighters</i>	8% of Compensation; not payable in excess of 30 years.
<i>Police</i>	8% of Compensation. 7% if hired after 10/17/1996.
<i>Vesting</i>	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.