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March 10, 2014

***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, 2013 actuarial valuation for the Retirement Plan for Employees of the Town of Stratford. This valuation forms the basis of contributions for the fiscal year 2014-15.

Section I contains an Executive Summary in which we present the principal results of this valuation. Details regarding plan assets are found in Section II. Section III shows the development of the contribution. Section IV contains information to be included in the Town's financial statements per GASB Statement No. 25. Section V contains information regarding plan membership and the appendices provide 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 2014-15 is \$5,185,599.

Respectfully submitted,

**MILLIMAN, INC.**

Rebecca A. Sielman, FSA  
Consulting Actuary

Stephen Chykirda, ASA  
Actuary

RAS:dp STR2013Val



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

**Actuarial Valuation as of July 1, 2013  
For Fiscal Year 2014-2015**

**Prepared by**  
Milliman, Inc.

**Rebecca A. Sielman, FSA**  
Consulting Actuary

**Stephen Chykirda, ASA**  
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## **Certification**

We have performed an actuarial valuation of the Plan as of July 1, 2013 for fiscal year 2014-2015. This report presents the results of our valuation.

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.
- 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, it must be copied in its entirety, including this certification section.

Milliman's work is prepared solely for the internal business use of the Town. To the extent that Milliman's work is not subject to disclosure under applicable public records laws, Milliman's work may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit or create a legal duty to any third party recipient of its work product. Milliman's consent to release its work product to any third party may be conditioned on the third party signing a Release, subject to the following exception(s): (a) the Town may provide a copy of Milliman's work, in its entirety, to the Town's professional service advisors who are subject to a duty of confidentiality and who agree to not use Milliman's work for any purpose other than to benefit the Town; and (b) the Town may provide a copy of Milliman's work, in its entirety, to other governmental entities, as required by law. No third party recipient of Milliman's work product should rely upon Milliman's work product. Such recipients should engage qualified professionals for advice appropriate to their own specific needs.

In preparing this report, we relied on employee census data and financial information as of the valuation date, furnished by the Town. 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.

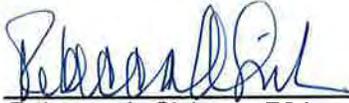
## Certification

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.

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. Future actuarial measurements may differ significantly from the current measurements presented in this report due to factors such as, but not limited to, the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of the actuarial assignment, we did not perform an analysis of the potential range of such future measurement.

The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

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.



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Rebecca A. Sielman, FSA  
Consulting Actuary



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Stephen Chykirda  
Actuary

## Section I - Executive Summary

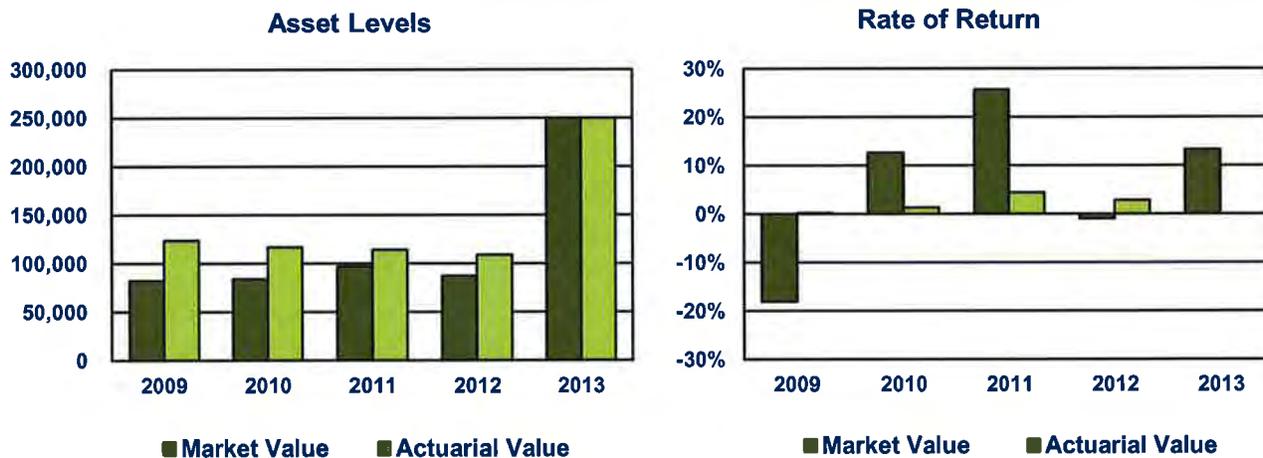
### A. Highlights

#### Assets

There are two different measures of the plan's assets that are used throughout this report. The **Market Value** is a snapshot of the plan's investments as of the valuation date. The **Actuarial Value** is a smoothed asset value designed to temper the volatile fluctuations in the market by recognizing investment gains or losses over five years.

	Market	Actuarial
Value as of July 1, 2012	\$87,183,973	
Contributions	11,562,959	
Pension Obligation Bond	160,000,000	
Investment Income	11,025,969	
Benefit Payments and Administrative Expenses	(19,667,973)	
Value as of July 1, 2013	250,104,928	250,104,928

For fiscal year 2012-2013, the plan's assets earned 13.26% on a Market Value basis. The actuarial assumption for this period was 6.75%; the result is an asset gain of \$5.4 million on a Market Value basis. Historical asset values are shown in the graph below to the left; historical returns are shown in the graph below to the right.



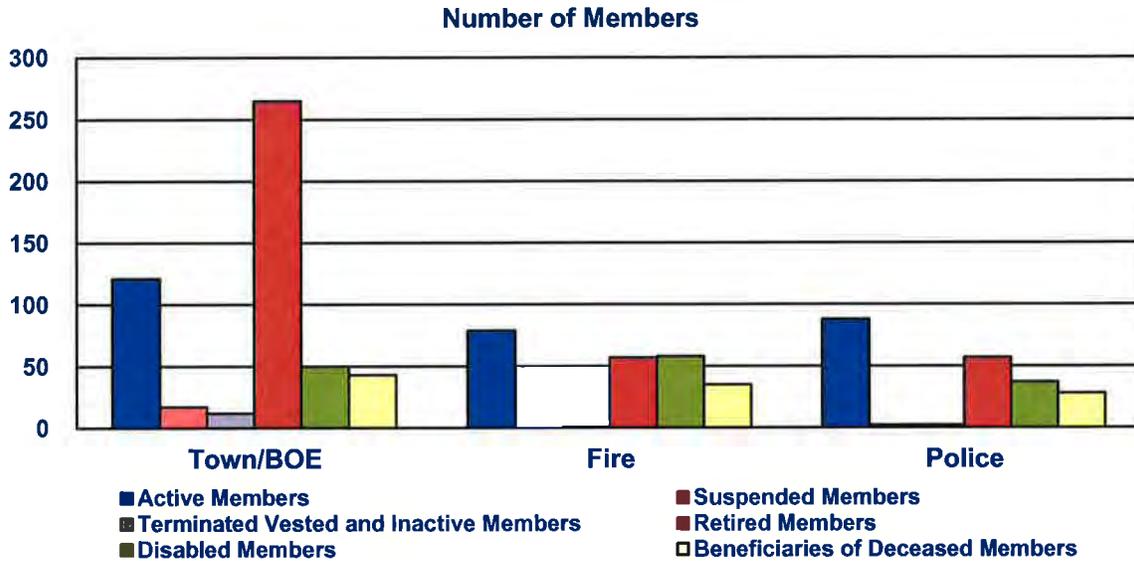
Please note that the Actuarial Value has been reset equal to the Market Value effective July 1, 2013. In future years, the Actuarial Value will be determined by recognizing gains or losses in equal installments over a five year period.

## Section I - Executive Summary

### A. Highlights

#### Membership

There are three basic categories of plan members included in the actuarial valuation: (1) active employees who have met the eligibility requirements for membership, (2) former employees who have a vested right to benefits but have not yet started collecting, and (3) members who are receiving monthly pension benefits.



From July 1, 2012 to July 1, 2013, the overall membership decreased from 961 to 952.



The decline in payroll levels over the past several years reflects the decline in the number of active members.

## Section I - Executive Summary

### A. Highlights

#### Pension Obligation Bond

The Town issued pension obligation bonds in the fall of 2013, resulting in a deposit of \$160,000,000 to the pension trust. We have treated this as an accrued contribution as of July 1, 2013.

#### Changes in Actuarial Methods or Assumptions

Please note that the Actuarial Value has been reset equal to the Market Value effective July 1, 2013. In future years, the Actuarial Value will be determined by recognizing gains or losses in equal installments over a five year period.

#### Plan Changes

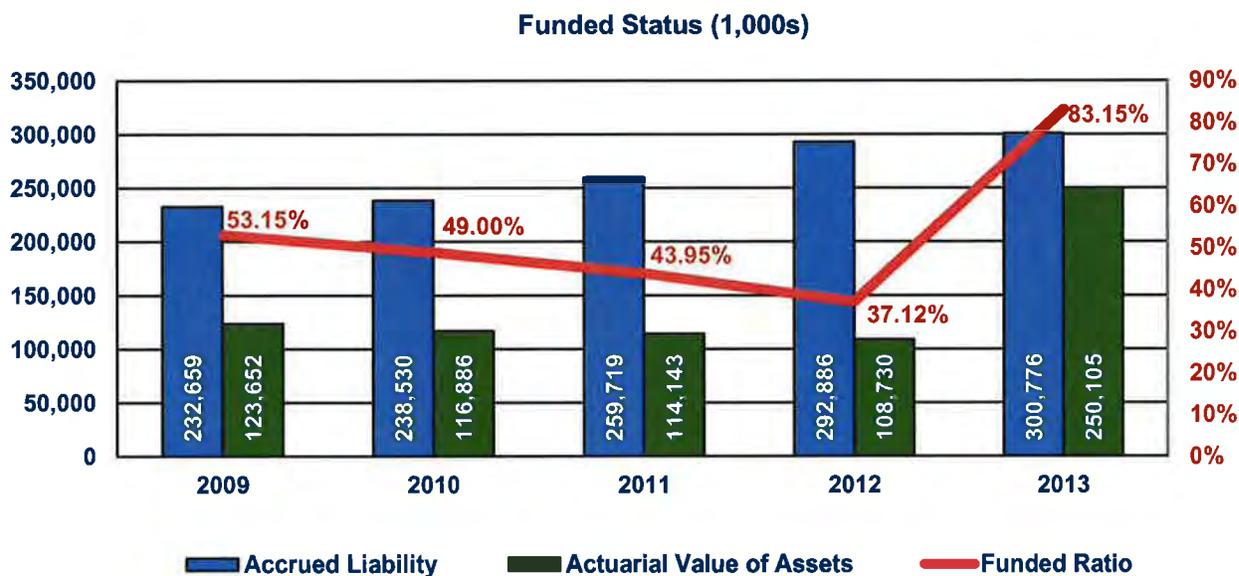
None.

## Section I - Executive Summary

### A. Highlights

#### Funded Status

The chart below shows the plan's Accrued Liability and Actuarial Value of Assets for the past few years. Since investment gains and losses are recognized gradually over a five year period, the market losses suffered in recent years were manifested by a gradual decline in the funded ratio. The large increase in assets for 2013 is due to the addition of the pension obligation bond proceeds.



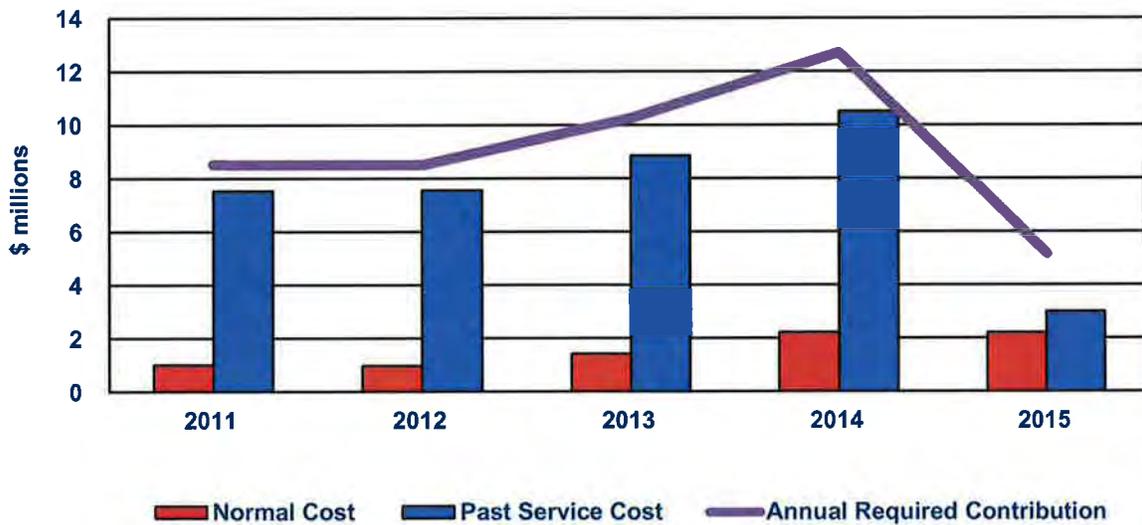
## Section I - Executive Summary

### A. Highlights

#### Annual Required Contribution

The Annual Required Contribution consists of the following pieces: a **Normal Cost** payment to fund the benefits earned each year, which includes administrative expenses and a **Past Service Cost** to gradually reduce any unfunded or surplus liability. If the plan has a sufficiently large surplus, the Past Service Cost may be large enough to cover the Normal Cost, in which case no contribution is required.

Contribution levels for the current year and the past few fiscal years are shown below.

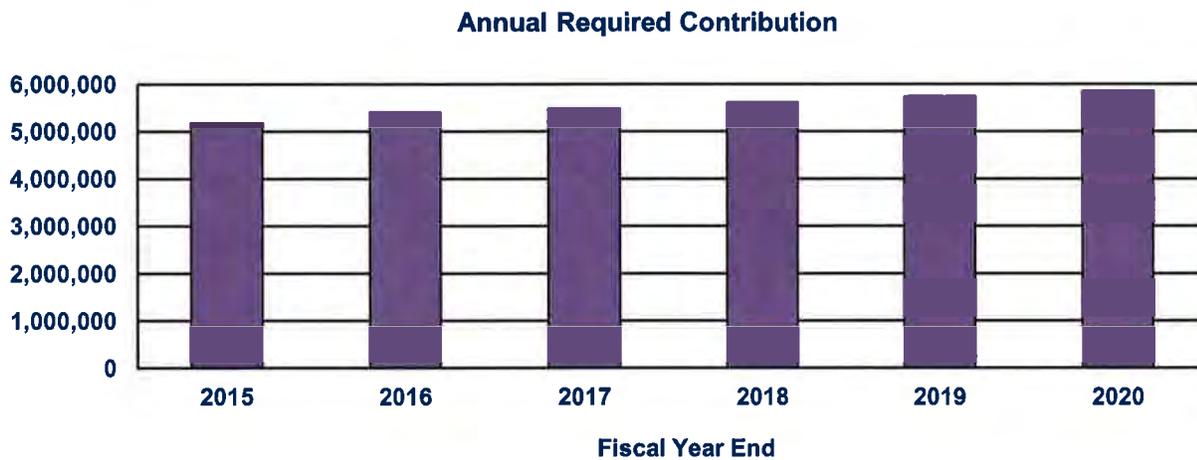
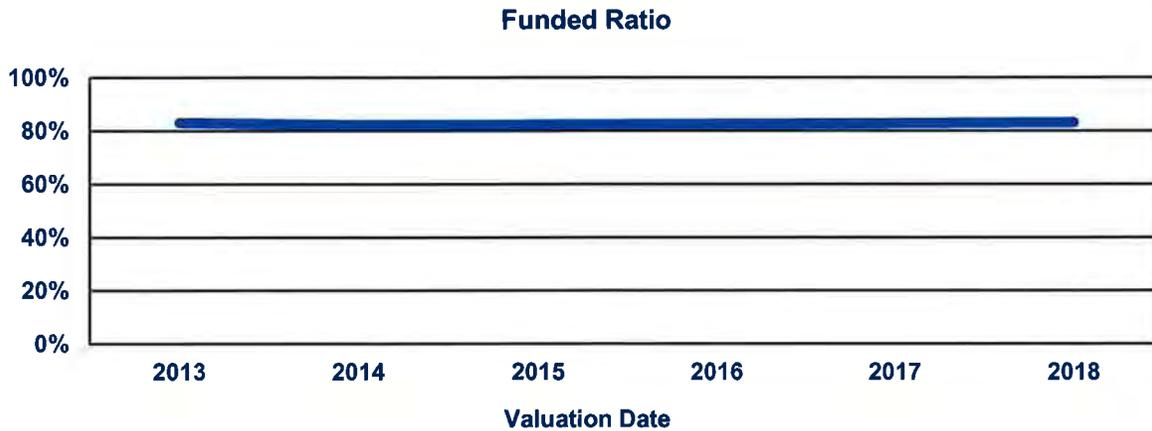


## Section I - Executive Summary

### A. Highlights

#### Long Range Forecast

Please note that this forecast reflects the Pension Obligation Bond recently approved by the Town Council. It also reflects the decision to reset the Actuarial Value of Assets to equal the Market Value of Assets on July 1, 2013, with five year smoothing of market gains or losses thereafter.



To the extent that there are future investment or liability gains or losses, changes in the actuarial assumptions or methods, or plan changes, the actual valuation results will differ from these forecasts. Please see Section III C for more details of the long range forecast.

**Section I - Executive Summary**  
**B. Summary of Principal Results**

<b>Membership</b>	<b>July 1, 2012</b>	<b>July 1, 2013</b>
Active Members	327	288
Suspended Employees*	0	19
Terminated Vested Members	21	15
Members in Pay Status	613	630
Total Count	961	952
 Payroll	 \$22,770,569	 \$22,237,216
 <b>Assets and Liabilities</b>	 <b>July 1, 2012</b>	 <b>July 1, 2013</b>
Market Value of Assets	\$87,183,973	\$250,104,928
Actuarial Value of Assets	108,730,191	250,104,928
 Accrued Liability for Active and Suspended Members	 \$93,926,231	 \$93,785,575
Accrued Liability for Terminated Vested Members	4,806,064	1,926,033
Accrued Liability for Members in Pay Status	194,153,392	205,064,210
Total Accrued Liability	292,885,687	300,775,818
 Unfunded Accrued Liability	 184,155,496	 50,670,890
 Funded Ratio	 37.1%	 83.2%
 <b>Annual Required Contribution for Fiscal Year</b>	 <b>2013-2014</b>	 <b>2014-2015</b>
Normal Cost	\$2,046,373	\$2,031,346
Administrative Expenses	163,000	166,000
Past Service Cost	10,511,104	2,988,213
Annual Required Contribution	12,720,477	5,185,559

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

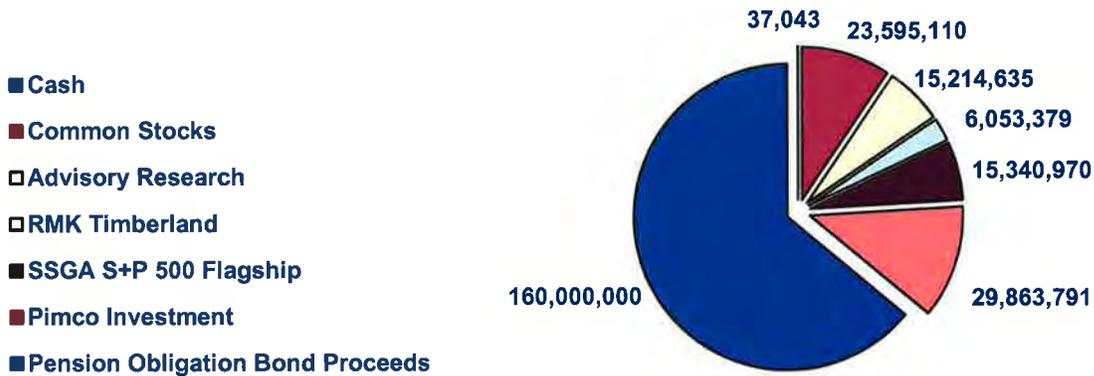
## Section II - Plan Assets

### A. Summary of Fund Transactions

	<b>Total</b>
<b>Market Value as of July 1, 2012</b>	\$87,183,973
Adjustment to starting value	0
Town contributions	9,778,500
Employee contributions	1,784,459
Investment income	11,370,787
Benefit payments and refunds	(19,507,078)
Accrued income	0
Investment and trustee expenses	(344,818)
Administrative expenses	(160,895)
<b>Market Value as of July 1, 2013</b>	90,104,928
Pension Obligation Bond proceeds	160,000,000
<b>Final Market Value as of July 1, 2013</b>	250,104,928
<b>Approximate Rate of Return</b>	13.26%

Note: 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.

#### Asset Allocation



**SECTION II - PLAN ASSETS**  
**B. Development of Actuarial Value of Assets**

The Actuarial Value has been reset equal to the Market Value effective July 1, 2013. In future years, the Actuarial Value will be determined by recognizing gains or losses in equal installments over a five year period.

**Milliman Actuarial Valuation**

**Section III - Development of Contribution  
A. Past Service Cost**

For determining the Past Service Cost, the Unfunded Accrued Liability is amortized as a level percent over a period of 25 years starting on July 1, 2010.

	As of July 1, 2012			As of July 1, 2013				
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
1. Accrued Liability								
Active Members	\$37,272,252	\$26,834,693	\$29,819,286	\$93,926,231	\$39,606,561	\$23,938,383	\$30,240,631	\$93,785,575
Terminated Vested Members	2,202,422	1,657,307	946,335	4,806,064	1,537,736	135,829	252,468	1,926,033
Retired Members	68,873,803	31,402,689	40,378,175	140,654,667	69,408,137	40,198,705	42,896,573	152,503,415
Disabled Members	11,732,798	21,029,822	8,994,205	41,756,825	10,825,215	19,421,833	8,853,770	39,100,818
Beneficiaries of Deceased Members	<u>4,207,869</u>	<u>4,894,015</u>	<u>2,640,016</u>	<u>11,741,900</u>	<u>4,955,843</u>	<u>5,683,820</u>	<u>2,820,314</u>	<u>13,459,977</u>
Total	124,289,144	85,818,526	82,778,017	292,885,687	126,333,492	89,378,570	85,063,756	300,775,818
2. Actuarial Value of Assets	46,140,808	31,859,067	30,730,316	108,730,191	105,050,429	74,321,204	70,733,295	250,104,928
3. Unfunded Accrued Liability: (1) - (2)	78,148,336	53,959,459	52,047,701	184,155,496	21,283,063	15,057,366	14,330,461	50,670,890
4. Funded Ratio: (2) / (1)	37.1%	37.1%	37.1%	37.1%	83.2%	83.2%	83.2%	83.2%
5. Amortization Period	23	23	23	23	22	22	22	22
6. Amortization Growth Rate	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
7. Past Service Cost	4,460,498	3,079,862	2,970,744	10,511,104	1,255,125	887,978	845,110	2,988,213

**Milliman Actuarial Valuation**

**Section III - Development of Contribution  
B. Annual Required Contribution**

	2013-2014				2014-2015			
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
1. Total Normal Cost	\$926,691	\$1,543,357	\$1,381,915	\$3,851,963	\$904,539	\$1,481,275	\$1,352,959	\$3,738,773
2. Expected Employee Contributions	608,807	638,384	558,399	1,805,590	542,238	617,333	547,856	1,707,427
3. Net Normal Cost: (1) - (2)	317,884	904,973	823,516	2,046,373	362,301	863,942	805,103	2,031,346
4. Administrative Expenses	25,320	72,084	65,596	163,000	29,607	70,601	65,792	166,000
5. Past Service Cost (see Section IIA)	4,460,498	3,079,862	2,970,744	10,511,104	1,255,125	887,978	845,110	2,988,213
6. Annual Required Contribution: (3) + (4) + (5), but not less than \$0	4,803,702	4,056,919	3,859,856	12,720,477	1,647,033	1,822,521	1,716,005	5,185,559
7. Covered Payroll	7,199,936	8,091,826	7,478,807	22,770,569	7,100,479	7,811,595	7,325,142	22,237,216
8. Contribution as a % of payroll	66.7%	50.1%	51.6%	55.9%	23.2%	23.3%	23.4%	23.3%

**Milliman Actuarial Valuation**

**Section III - Development of Contribution  
C. Long Range Forecast**

This forecast is based on the results of the July 1, 2013 actuarial valuation and assumes that the Town will pay the Annual Required Contribution each year, the assets will return 6.75% on a market value basis each year, and there are no future changes in the actuarial methods or assumptions or in the plan provisions. Actual results at each point in time will yield different values, reflecting the actual experience of the plan membership and assets.

Valuation Date	Values as of the Valuation Date				Cash Flows Projected to the Following Fiscal Year						
	Accrued Liability	Actuarial Value of Assets	Unfunded Accrued Liability	Funded Ratio	Fiscal Year	Town Contributions	Employee Contributions	Benefit Payments	Net Cash Flows		
7/1/2013	\$300,775,818	\$250,104,928	\$50,670,890	83.2%	2015	\$5,185,559	\$1,647,356	(\$20,571,645)	(\$13,738,730)		
7/1/2014	303,648,000	250,063,000	53,585,000	82.4%	2016	5,407,000	1,597,000	(20,918,000)	(13,914,000)		
7/1/2015	306,127,000	252,563,000	53,564,000	82.5%	2017	5,481,000	1,526,000	(21,232,000)	(14,225,000)		
7/1/2016	308,216,000	255,046,000	53,170,000	82.7%	2018	5,610,000	1,454,000	(21,520,000)	(14,456,000)		
7/1/2017	310,048,000	257,370,000	52,678,000	83.0%	2019	5,735,000	1,393,000	(21,835,000)	(14,707,000)		
7/1/2018	311,692,000	259,605,000	52,087,000	83.3%	2020	5,846,000	1,359,000	(22,102,000)	(14,897,000)		
7/1/2019	312,961,000	261,727,000	51,234,000	83.6%	2021	5,941,000	1,326,000	(22,332,000)	(15,065,000)		
7/1/2020	313,927,000	263,789,000	50,138,000	84.0%	2022	6,042,000	1,276,000	(22,584,000)	(15,266,000)		
7/1/2021	314,622,000	265,809,000	48,813,000	84.5%	2023	6,131,000	1,239,000	(22,811,000)	(15,441,000)		
7/1/2022	315,009,000	267,754,000	47,255,000	85.0%	2024	6,232,000	1,197,000	(23,088,000)	(15,659,000)		
7/1/2023	315,099,000	269,641,000	45,458,000	85.6%	2025	6,299,000	1,149,000	(23,325,000)	(15,877,000)		
7/1/2024	314,773,000	271,424,000	43,349,000	86.2%	2026	6,371,000	1,099,000	(23,531,000)	(16,061,000)		
7/1/2025	314,162,000	273,095,000	41,067,000	86.9%	2027	6,464,000	1,057,000	(23,761,000)	(16,240,000)		
7/1/2026	313,169,000	274,682,000	38,487,000	87.7%	2028	6,554,000	988,000	(23,908,000)	(16,366,000)		
7/1/2027	309,900,000	276,183,000	35,509,000	88.6%	2029	6,654,000	923,000	(24,158,000)	(16,581,000)		
7/1/2028	307,558,000	277,648,000	32,252,000	89.6%	2030	6,702,000	870,000	(24,210,000)	(16,638,000)		
7/1/2029	305,020,000	278,982,000	28,576,000	90.7%	2031	6,776,000	783,000	(24,498,000)	(16,939,000)		
7/1/2030	301,763,000	280,339,000	24,681,000	91.9%	2032	6,818,000	671,000	(24,799,000)	(17,310,000)		
7/1/2031	297,672,000	281,468,000	20,295,000	93.3%	2033	6,846,000	593,000	(25,009,000)	(17,570,000)		
7/1/2032		282,281,000	15,391,000	94.8%	2034	6,768,000	490,000	(25,382,000)	(18,124,000)		

For purposes of this forecast the amortization period declines to 1 year to illustrate the progress of the plan towards becoming fully funded; in actual practice the amortization period will not be less than 10 years in order to shield the Town from contribution volatility.

## Section IV - Accounting Information

### A. Notes to Required Supplementary Information

The information presented in Section IV has been determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

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<b>Valuation Date</b>	July 1, 2013
<b>Actuarial Cost Method</b>	Entry Age Normal
<b>Amortization Method</b>	Level percent
<b>Amortization Period</b>	Closed 25 years from July 1, 2010
<b>Asset Valuation Method</b>	5 Year Smoothed Market Value
<b>Actuarial Assumptions</b>	
Investment Rate of Return	6.75%
Projected Salary Increases	6.00% to 3.00% based on age
Amortization Growth Rate	4.00%
Inflation	2.50%
Cost-of-Living Adjustments	None

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**Milliman Actuarial Valuation**

**Section IV - Accounting Information  
B. Schedule of Funding Progress**

Actuarial Valuation Date	For Fiscal Year	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL)	(4) Funded Ratio (1) / (2)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) / (5)
07/01/2005	06/30/2007	\$15,501,793	\$195,580,813	\$180,079,020	7.9%	\$26,481,954	680.0%
07/01/2006	06/30/2008	11,052,753	204,336,960	193,284,207	5.4%	24,881,992	776.8%
07/01/2007	06/30/2009	136,089,974	208,934,552	72,844,578	65.1%	24,494,790	297.4%
07/01/2008	06/30/2010	132,753,542	225,549,354	92,795,812	58.9%	24,002,108	386.6%
07/01/2009	06/30/2011	123,651,853	232,658,513	109,006,660	53.1%	24,238,011	449.7%
07/01/2010	06/30/2012	116,886,092	238,530,403	121,644,311	49.0%	23,991,550	507.0%
07/01/2011	06/30/2013	114,143,029	259,719,466	145,576,437	43.9%	23,551,913	618.1%
07/01/2012	06/30/2014	108,730,191	292,885,687	184,155,496	37.1%	22,770,569	808.7%
07/01/2013	06/30/2015	250,104,928	300,775,818	50,670,890	83.2%	22,237,216	227.9%

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.

**Section IV - Accounting Information  
C. Schedule of Employer Contributions**

Fiscal Year Ending June 30	Actuarially Determined		GASB 25 Annual Required		Actual Contribution Paid by Town	Percent of Actuarially Determined Contribution Funded
	Contribution Reflecting Pension Obligation Bond Proceeds	Pension Obligation Bond Proceeds	Contribution Excluding Pension Obligation Bond Proceeds	Pension Obligation Bond Proceeds		
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		7,233,452	100%
2011	8,526,398		N/A		8,526,398	100%
2012	8,521,128		N/A		8,493,774	100%
2013	10,264,676		N/A		9,778,500 **	-
2014	12,720,477		N/A		N/A	-
2015	5,185,559		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.

\*\* Includes \$9,778,500 Town contribution plus the deposit of the proceeds of the pension obligation bond issue of 2013 into the pension trust.

**Section IV - Accounting Information**  
**D. Accrued and Vested Benefits**

The actuarially computed Value of Accrued Benefits represents the present value of (a) the benefits based on earnings and service to date expected to become payable at future dates to present employees, (b) the benefits expected to become payable to former employees who have terminated service with vested rights or who have become inactive, and (c) the benefits currently payable to retired participants and beneficiaries.

	<b>As of July 1, 2012</b>	<b>As of July 1, 2013</b>
1. Value of Vested Benefits		
Active Members	\$59,997,596	\$58,976,590
Terminated Vested Members	4,806,064	1,926,033
Retired Members	140,654,667	152,503,415
Disabled Members	41,756,825	39,100,818
Beneficiaries of Deceased Members	<u>11,741,900</u>	<u>13,459,977</u>
Total Value of Vested Benefits	258,957,052	265,966,833
2. Value of Non-Vested Benefits	12,054,080	12,318,333
3. Total Value of Accrued Benefits: (1) + (2)	271,011,132	278,285,167
4. Market Value of Assets	87,183,973	250,104,928
5. Vested Funded Ratio: (4) / (1)	33.7%	94.0%
6. Accrued Funded Ratio: (4) / (3)	32.2%	89.9%

**Section IV - Accounting Information**  
**E. Statement of Changes in Accrued Plan Benefits**

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**Increase/(Decrease) during the 2012-2013 plan year attributable to:**

Increase for interest due to the decrease in the discount period	\$17,634,888
Benefits Accumulated/(Forfeited)	9,146,225
Benefit Payments	(19,507,078)
Plan Amendments	0
Changes in Actuarial Assumptions	0
Net Increase/(Decrease)	7,274,035

**Value of Accrued Plan Benefits:**

July 1, 2013	\$278,285,167
July 1, 2012	271,011,132
Net Increase/(Decrease)	7,274,035

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**Section V - Membership Data**  
**A. Reconciliation of Membership from Prior Valuation**

Details of the changes in the Plan membership since the last valuation are shown below. Additional details on the Plan membership are provided in the remainder of Section V.

	Active	Sus- pended	Term. Vested	Retirees	Disabled	Bene- ficiaries	Total
<b>Count as of July 1, 2012</b>	311	16	21	364	154	95	961
Terminated not vested	-	-	-	-	-	-	0
Terminated, benefits due	-	-	-	-	-	-	0
Retired	(18)	(1)	(5)	24	-	-	0
Disability	(1)	-	-	-	1	-	0
Died, with beneficiary	-	-	-	(4)	(9)	13	0
Died, no beneficiary	-	-	-	(5)	(1)	(2)	(8)
New member	1	-	-	-	-	-	1
New beneficiary	-	-	-	-	-	-	0
Lump sum paid	-	(1)	(1)	-	-	-	(2)
Rehired	-	-	-	-	-	-	0
New QDRO	-	-	-	-	-	-	0
Correction	(5)	5	-	-	-	-	0
<b>Count as of July 1, 2013</b>	288	19	15	379	145	106	952

## Section V - Membership Data

### B. Statistics of Active Membership

	As of July 1, 2012	As of July 1, 2013
<b>Number of Active Members</b>		
Town/BOE	131	121
Fire	88	79
Police	92	88
Total	311	288
<b>Total Compensation</b>		
Town/BOE	\$7,199,936	\$7,100,479
Fire	8,091,826	7,811,595
Police	7,478,807	7,325,142
Total	22,770,569	22,237,216
<b>Average Compensation</b>		
Town/BOE	\$54,961	\$59,101
Fire	91,953	98,881
Police	81,291	83,240
Total	73,217	77,213
<b>Average Age</b>		
Town/BOE	53.7	54.4
Fire	41.4	41.2
Police	42.3	42.9
Total	46.8	47.3
<b>Average Service</b>		
Town/BOE	19.9	20.8
Fire	12.5	11.9
Police	13.5	14.0
Total	15.9	16.3
<b>Number of Suspended Members</b>		
Town/BOE	16	17
Fire	0	0
Police	0	2
Total	16	19

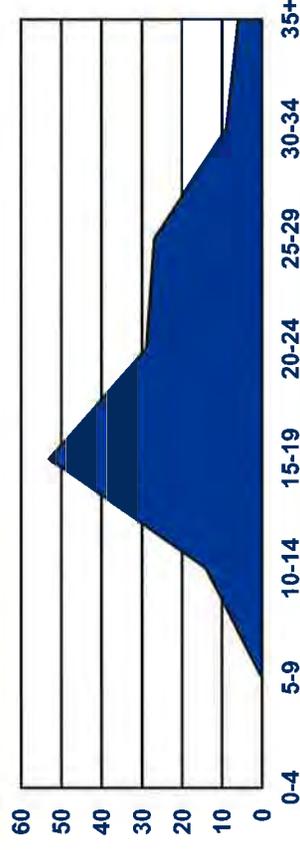
**Section V - Membership Data**  
**C. Distribution of Active Members as of July 1, 2013 - Count - Town/BOE**

Age	Years of Service											Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+					
< 25	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
30-34	0	0	0	2	0	0	0	0	0	0	0	0	2
35-39	0	0	1	1	0	0	0	0	0	0	0	0	2
40-44	0	0	2	10	3	0	0	0	0	0	0	0	15
45-49	0	0	1	2	1	8	0	0	0	0	0	0	12
50-54	0	0	2	18	7	4	4	0	0	0	0	0	35
55-59	0	0	3	9	6	7	2	3	0	0	0	0	30
60-64	0	0	4	7	9	5	3	3	0	0	0	0	31
65 +	0	0	1	4	3	3	0	0	0	0	0	0	11
<b>Total</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>53</b>	<b>29</b>	<b>27</b>	<b>9</b>	<b>6</b>	<b>9</b>	<b>27</b>	<b>6</b>	<b>138</b>	

**Distribution By Age**



**Distribution by Years of Service**



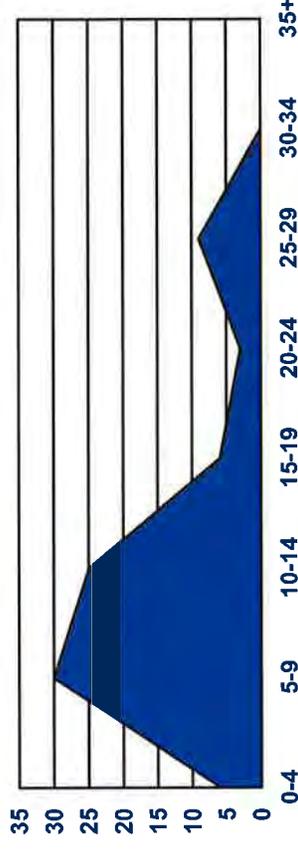
**Section V - Membership Data  
C. Distribution of Active Members as of July 1, 2013 - Count - Fire**

Age	Years of Service											Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+					
< 25	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	2	6	0	0	0	0	0	0	0	0	0	0	8
30-34	2	7	3	0	0	0	0	0	0	0	0	0	12
35-39	2	9	6	0	0	0	0	0	0	0	0	0	17
40-44	0	4	7	4	0	0	0	0	0	0	0	0	15
45-49	0	3	3	1	1	2	0	0	0	0	0	0	10
50-54	0	1	3	1	2	4	0	0	0	0	0	0	11
55-59	0	0	2	0	0	3	0	0	0	0	0	0	5
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
<b>Total</b>	<b>6</b>	<b>30</b>	<b>25</b>	<b>6</b>	<b>3</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>79</b>

Distribution By Age



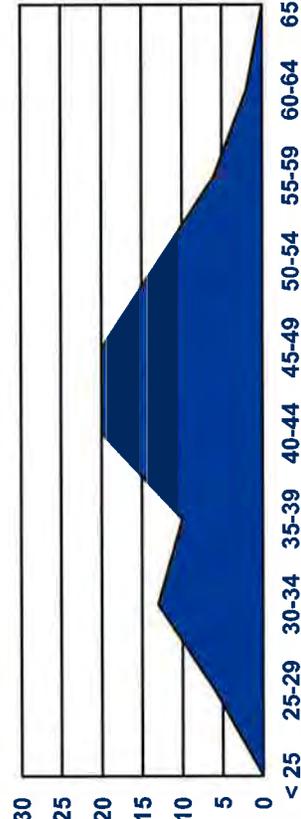
Distribution by Years of Service



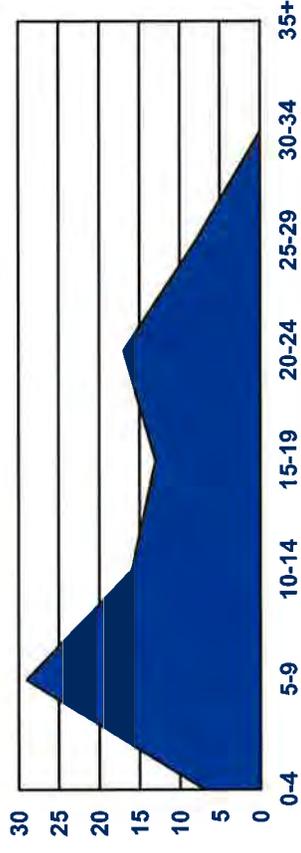
**Section V - Membership Data**  
**C. Distribution of Active Members as of July 1, 2013 - Count - Police**

Age	Years of Service											Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+					
< 25	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	2	4	0	0	0	0	0	0	0	0	0	0	6
30-34	5	8	0	0	0	0	0	0	0	0	0	0	13
35-39	0	7	3	0	0	0	0	0	0	0	0	0	10
40-44	0	6	7	6	1	0	0	0	0	0	0	0	20
45-49	0	3	4	3	8	2	0	0	0	0	0	0	20
50-54	0	1	0	4	4	4	0	0	0	0	0	0	13
55-59	0	0	1	0	3	2	0	0	0	0	0	0	6
60-64	0	0	1	0	1	0	0	0	0	0	0	0	2
65 +	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>7</b>	<b>29</b>	<b>16</b>	<b>13</b>	<b>17</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90</b>

Distribution By Age



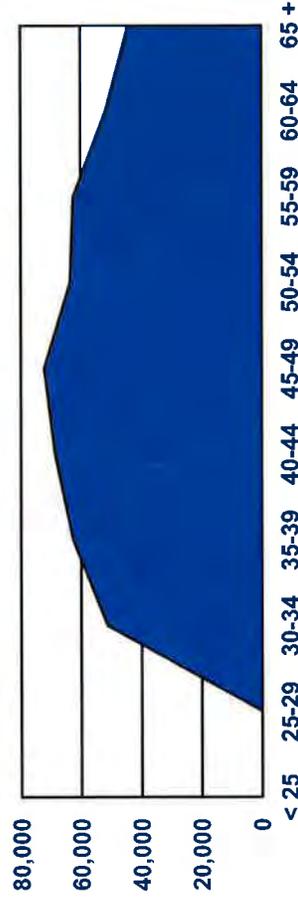
Distribution by Years of Service



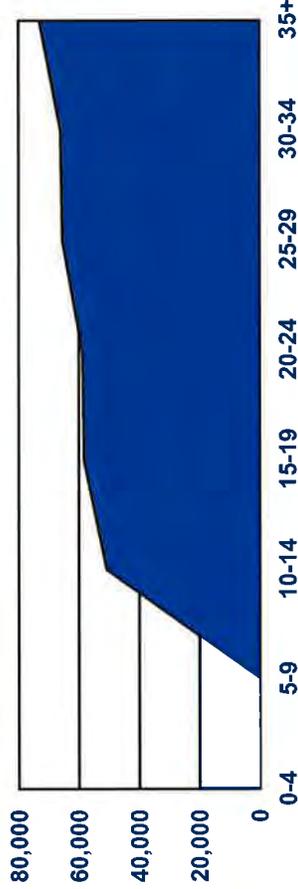
**Section V - Membership Data**  
**D. Distribution of Active Members as of July 1, 2013 - Average Pay - Town/BOE**

Age	Years of Service										Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	35+	Total		
<25	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
30-34	0	0	0	51,332	0	0	0	0	0	0	0	51,332
35-39	0	0	48,579	76,877	0	0	0	0	0	0	0	62,728
40-44	0	0	69,918	68,422	68,538	0	0	0	0	0	0	68,645
45-49	0	0	52,416	63,477	121,726	70,861	0	0	0	0	0	72,332
50-54	0	0	24,304	57,052	72,057	93,207	68,767	0	0	0	0	63,653
55-59	0	0	59,506	53,355	64,606	64,666	85,346	69,362	0	0	0	62,593
60-64	0	0	50,227	52,418	43,425	53,220	49,871	76,809	0	0	0	51,767
65 +	0	0	42,792	58,429	33,222	36,706	0	0	0	0	0	44,208
<b>Total</b>	<b>0</b>	<b>0</b>	<b>50,833</b>	<b>58,462</b>	<b>58,961</b>	<b>65,503</b>	<b>66,152</b>	<b>73,085</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>60,308</b>

**Distribution By Age**



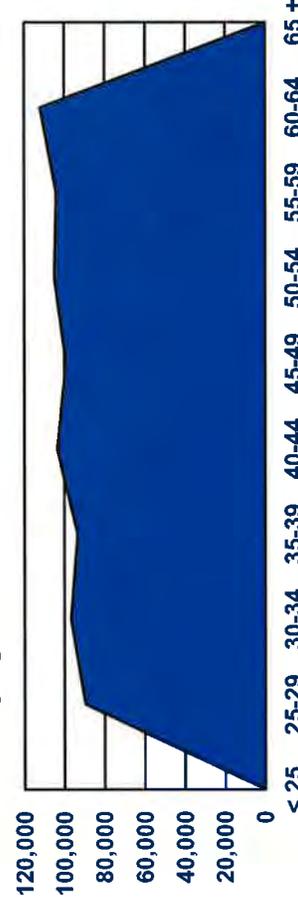
**Distribution by Years of Service**



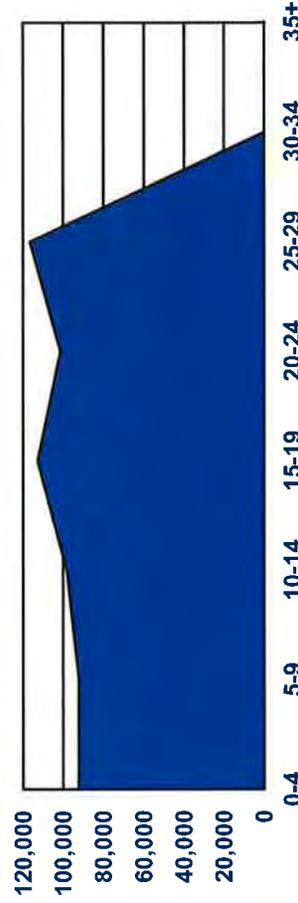
**Section V - Membership Data**  
**D. Distribution of Active Members as of July 1, 2013 - Average Pay - Fire**

Age	Years of Service											Total			
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+							
< 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	91,723	89,054	0	0	0	0	0	0	0	0	0	0	0	0	89,721
30-34	94,337	95,192	102,541	0	0	0	0	0	0	0	0	0	0	0	96,887
35-39	91,312	93,120	95,108	0	0	0	0	0	0	0	0	0	0	0	93,609
40-44	0	94,061	100,907	118,893	0	0	0	0	0	0	0	0	0	0	103,878
45-49	0	94,134	93,298	109,288	97,189	112,160	0	0	0	0	0	0	0	0	99,309
50-54	0	72,071	102,443	91,993	103,635	119,227	0	0	0	0	0	0	0	0	105,052
55-59	0	0	86,189	0	0	116,160	0	0	0	0	0	0	0	0	104,171
60-64	0	0	112,156	0	0	0	0	0	0	0	0	0	0	0	112,156
65 +	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>92,457</b>	<b>92,315</b>	<b>98,255</b>	<b>112,809</b>	<b>101,486</b>	<b>116,634</b>	<b>0</b>	<b>98,881</b>							

**Distribution By Age**



**Distribution by Years of Service**



**Section V - Membership Data**  
**D. Distribution of Active Members as of July 1, 2013 - Average Pay - Police**

Age	Years of Service											Total		
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35+						
< 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25-29	64,961	64,961	0	0	0	0	0	0	0	0	0	0	0	64,961
30-34	62,975	65,974	0	0	0	0	0	0	0	0	0	0	0	64,820
35-39	0	66,415	72,363	0	0	0	0	0	0	0	0	0	0	68,199
40-44	0	67,121	70,719	85,289	112,865	0	0	0	0	0	0	0	0	76,118
45-49	0	65,641	75,191	107,764	101,710	114,498	0	0	0	0	0	0	0	93,183
50-54	0	64,961	0	90,387	112,878	143,323	0	0	0	0	0	0	0	111,639
55-59	0	0	64,961	0	96,958	116,068	0	0	0	0	0	0	0	97,995
60-64	0	0	70,964	0	72,679	0	0	0	0	0	0	0	0	71,822
65 +	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>63,542</b>	<b>66,108</b>	<b>71,801</b>	<b>92,044</b>	<b>102,448</b>	<b>129,303</b>	<b>0</b>	<b>83,148</b>						

**Distribution By Age**



**Distribution by Years of Service**



**Section V - Membership Data**  
**E. Statistics of Inactive Membership**

	As of July 1, 2012				As of July 1, 2013			
	Town/BOE	Fire	Police	Total	Town/BOE	Fire	Police	Total
<b>Terminated Vested Members</b>								
Number	16	2	3	21	12	1	2	15
Total Annual Benefit	\$225,340	\$133,230	\$85,158	\$443,728	\$146,782	\$10,379	\$28,848	\$186,009
Average Annual Benefit	14,084	66,615	28,386	21,130	12,232	10,379	14,424	12,401
Average Age	50.1	49.5	44.0	49.2	50.4	51.0	43.5	49.5
<b>Retired Members</b>								
Number	260	50	54	364	265	57	57	379
Total Annual Benefit	\$6,613,535	\$2,835,283	\$3,401,122	\$12,849,940	\$6,683,241	\$3,485,231	\$3,631,918	\$13,800,390
Average Annual Benefit	25,437	56,706	62,984	35,302	25,220	61,144	63,718	36,413
Average Age	69.8	66.0	63.4	68.3	69.9	63.9	63.5	68.0
<b>Disabled Members</b>								
Number	52	63	39	154	50	58	37	145
Total Annual Benefit	\$1,366,648	\$2,253,035	\$1,095,264	\$4,714,947	\$1,260,539	\$2,085,978	\$1,046,042	\$4,392,559
Average Annual Benefit	26,282	35,762	28,084	30,617	25,211	35,965	28,271	30,294
Average Age	65.4	67.1	68.9	67.0	65.9	67.5	68.3	67.1
<b>Beneficiaries of Deceased Members</b>								
Number	42	28	25	95	43	35	28	106
Total Annual Benefit	\$485,524	\$547,624	\$314,775	\$1,347,923	\$577,603	\$658,277	\$359,313	\$1,595,193
Average Annual Benefit	11,560	19,558	12,591	14,189	13,433	18,808	12,833	15,049
Average Age	75.5	73.6	77.6	75.5	75.8	74.5	78.8	76.2

**Section V - Membership Data**  
**F. Distribution of Inactive Members as of July 1, 2013**  
**Town/BOE**

	Age	Number	Annual Benefits
<b>Terminated Vested Members</b>	< 30	0	\$0
	30 - 39	4	56,852
	40 - 49	8	89,930
	50 - 59	0	0
	60 - 64	0	0
	65 +	0	0
	Total	12	146,782
<b>Retired Members</b>	< 50	0	\$0
	50 - 59	29	911,873
	60 - 69	109	3,202,694
	70 - 79	85	1,810,560
	80 - 89	35	690,318
	90 +	7	67,796
	Total	265	6,683,241
<b>Disabled Retirees</b>	< 50	1	\$19,390
	50 - 59	0	0
	60 - 69	4	99,279
	70 - 79	3	78,406
	80 - 89	5	111,888
	90 +	37	951,577
	Total	50	1,260,540
<b>Beneficiaries</b>	< 50	0	\$0
	50 - 59	0	0
	60 - 69	0	0
	70 - 79	0	0
	80 - 89	4	86,847
	90 +	39	490,755
	Total	43	577,602

**Section V - Membership Data**  
**F. Distribution of Inactive Members as of July 1, 2013**  
**Fire**

	Age	Number	Annual Benefits
<b>Terminated Vested Members</b>	< 30	0	\$0
	30 - 39	0	0
	40 - 49	0	0
	50 - 59	1	10,379
	60 - 64	0	0
	65 +	0	0
	Total	1	10,379
<b>Retired Members</b>	< 50	2	\$128,260
	50 - 59	19	1,389,980
	60 - 69	20	1,260,834
	70 - 79	10	459,343
	80 - 89	6	246,811
	90 +	0	0
	Total	57	3,485,228
<b>Disabled Retirees</b>	< 50	2	\$115,075
	50 - 59	0	0
	60 - 69	5	247,194
	70 - 79	8	395,743
	80 - 89	2	98,246
	90 +	41	1,229,718
	Total	58	2,085,976
<b>Beneficiaries</b>	< 50	0	\$0
	50 - 59	0	0
	60 - 69	0	0
	70 - 79	3	58,519
	80 - 89	2	52,552
	90 +	30	547,208
	Total	35	658,279

**Section V - Membership Data**  
**F. Distribution of Inactive Members as of July 1, 2013**  
**Police**

	Age	Number	Annual Benefits
<b>Terminated Vested Members</b>	< 30	0	\$0
	30 - 39	0	0
	40 - 49	2	28,848
	50 - 59	0	0
	60 - 64	0	0
	65 +	0	0
	Total	2	28,848
<b>Retired Members</b>	< 50	5	\$408,734
	50 - 59	16	1,314,094
	60 - 69	20	1,197,438
	70 - 79	13	654,005
	80 - 89	3	57,649
	90 +	0	0
	Total	57	3,631,920
<b>Disabled Retirees</b>	< 50	0	\$0
	50 - 59	2	59,082
	60 - 69	2	49,833
	70 - 79	3	103,309
	80 - 89	1	15,760
	90 +	29	818,062
	Total	37	1,046,046
<b>Beneficiaries</b>	< 50	0	\$0
	50 - 59	0	0
	60 - 69	0	0
	70 - 79	0	0
	80 - 89	1	14,747
	90 +	27	344,567
	Total	28	359,314

## Appendix A - Actuarial Funding Method

The actuarial funding method used in the valuation of this Plan is known as the **Entry Age Normal 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 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 funding cost of the Plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

The unfunded liability for the plan is the excess of the Accrued Liability over the assets which have been accumulated for the plan. This Unfunded Accrued Liability is amortized as a level percent. Beginning on July 1, 2010, the amortization period is 25 years; the amortization period will decrease each year until it reaches 10 years, after which point it will remain at 10 years.

For the July 1, 2013 valuation, the **Actuarial Value of Assets** was set equal to the Market Value of Assets. Thereafter, the Actuarial Value of Assets will be determined by recognizing asset gains and losses in equal installments over five years.

## Appendix B - Actuarial Assumptions

**Interest** 6.75% per annum (net of investment expenses).

**Amortization Growth Rate** 4.00%

**Inflation** The Consumer Price Index will increase 2.5% annually.

**Salary Scale**

**Police and Fire** 4.00%

**Town/Board of Education** Based on the table below:

Age	Rate
<25	6.00%
25-29	5.50%
30-34	5.25%
35-39	5.00%
40-44	4.75%
45-49	4.50%
50-54	4.00%
55-59	3.75%
60-64	3.50%
65+	3.00%

**Pre-Retirement Mortality** 1994 Group Annuitant Mortality Table. 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.

**Post-Retirement Healthy Mortality** RP-2000 Combined Healthy Mortality Table with generational projection per Scale AA. This table recognizes future mortality improvements.

**Post-Retirement Disabled Mortality** 1983 Railroad Retirement Board Disabled Mortality Table.

**Turnover**

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

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

Age	Rate
25	9.68%
30	9.31%
35	8.72%
40	7.77%
45	6.38%
50	4.25%

## Appendix B - Actuarial Assumptions

### Retirement

<b>Police and Fire</b>	<b>Years of Service</b>	<b>Rate</b>
	25	20%
	26	20%
	27-29	10%
	30	20%
	31	10%
	32	35%
	33+	30%
	Age 65	100%
<b>Town/Board of Education</b>	<b>Age</b>	<b>Rate</b>
	<55	2%
	55	15%
	56-57	2%
	58-59	10%
	60	10%
	61	10%
	62-64	35%
	65	35%
	66-69	35%
	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.

<b>Expenses</b>	Actual administrative expenses paid in the prior year, increased by 3% and rounded to the nearest \$1,000.
<b>Percent Married</b>	80%
<b>Age of Spouse</b>	Females are assumed to be three years younger than their male spouses
<b>Load Factor</b>	This factor anticipates cashout payments at termination that are included in Average Annual Compensation: 14% for Police hired prior to 10/17/1996. 9% for Firefighters and Supervisors hired prior to 4/1/1985, Public Works and Town employees hired prior to 7/1/1985, Custodians and Secretaries hired prior to 11/1/2000, and Paraprofessionals hired prior to 7/1/2002.

## Appendix B - Actuarial Assumptions

### Pre-Retirement Disability

Rates for Police, Firefighters and Public Works:

Age	Male	Female
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 are assumed to occur in the line of duty.

Rates for all others:

Age	Rate
25	0.075
30	0.084
35	0.096
40	0.115
45	0.162
50	0.240
55	0.400
60	0.843

5% of disabilities are assumed to occur in the line of duty.

## Appendix C - 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. To the extent that this summary does not accurately reflect the plan provisions, then the results of this valuation may not be accurate.

<b>Effective Date</b>	April 1, 1948
<b>Eligibility</b>	Full time employees excluding:  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 Paraprofessionals hired after July 1, 2002 are not eligible. Police hired after July 1, 2010 are not eligible. Firefighters hired after July 1, 2012 are not eligible.
<b>Town/Board of Education</b>	All eligible employees including Public Works, Town Hall, Supervising, and Board of Education, but excluding Police and Firefighters.
<b>Compensation</b>	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.
<b>Average Annual Compensation</b>	
<b>Town, Board of Education, Paraprofessionals and Nurses</b>	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.
<b>Police and Firefighters</b>	Average of Compensation over last 24 months.
<b>Continuous Service</b>	Number of years and completed months of uninterrupted service.

## Appendix C - Summary of Plan Provisions

### Superannuation

<b>Board of Education and Supervisors</b>	23 years of Continuous Service, and if hired before 4/1/1985, age 50, or 5 years of service and age 55.
<b>Paraprofessionals</b>	23 years of Continuous Service, and if hired before 4/1/1985, age 50, or 5 years of service and age 55.
<b>Public Works</b>	23 years of Continuous Service, and if hired before 7/1/1985, age 50, or 5 years of service and age 55.
<b>Town Hall and Nurses</b>	23 years of Continuous Service, and if hired before 7/1/1977, age 50, or 5 years of service and age 55.
<b>Police and Firefighters</b>	25 years of Continuous Service.

### Pension Benefit

<b>Town, Board of Education, Paraprofessionals and Nurses</b>	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.
<b>Firefighters</b>	2.4% of Average Annual Compensation for each year of Continuous Service.
<b>Police</b>	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.

### Maximum Benefit

<b>Town/Board of Education</b>	72.5% of Average Annual Compensation.
<b>Police and Firefighters</b>	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.

## Appendix C - Summary of Plan Provisions

<b>Disability Retirement</b>	Members (except Police and Firefighters) hired after July 1, 1985 (Town Hall, Paraprofessionals and Nurses hired after July 1, 1962; Supervisors hired after April 1, 1985) who are eligible for Superannuation are not eligible for Disability Benefits.
<b>Disability</b>	Incurred in the line of duty: 50% of Average Annual Compensation.  Not incurred in the line of duty:
<b>Town, Board of Education, Paraprofessionals and Nurses</b>	2.4% of Average Annual Compensation for each year of Continuous Service, if Member has 5 years of Continuous Service. Maximum Benefit is 50% of Average Annual Compensation; Minimum Benefit is 30% of Average Annual Compensation.
<b>Police and Firefighters</b>	2.4% of Average Annual Compensation for each year of Continuous Service. Maximum Benefit is 50% of Average Annual Compensation; Minimum Benefit is 25% of Average Annual Compensation.
<b>Death Benefits</b>	
<b>Pre-Retirement Death</b>	Incurred in the line of duty: 50% of last 12 months of Compensation, or \$1,500 if greater, to spouse until death or remarriage.  Not Incurred in the line of duty: 25% of Compensation, if Member had 10 years of Continuous Service, to spouse until death or remarriage.
<b>Post-Retirement Death</b>	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 the estate.
<b>Member Contributions</b>	
<b>Town, Board of Education, Paraprofessionals and Nurses</b>	8% of Compensation; not payable in excess of 35 years.
<b>Firefighters</b>	8% of Compensation; not payable in excess of 30 years.
<b>Police</b>	8% of Compensation. 7% of Compensation if hired after 10/17/1996.

## Appendix C - Summary of Plan Provisions

### 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, Paraprofessionals 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.