

FIFTEEN ROPE FERRY ROAD
WATERFORD, CT 06385-2886



PHONE: 860-442-0553
www.waterfordct.org

**RETIREMENT COMMISSION
SPECIAL MEETING AGENDA**

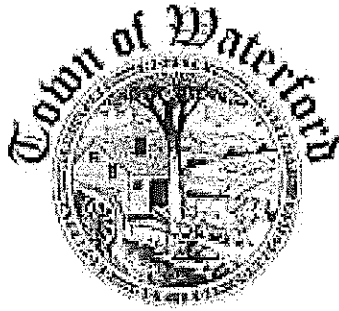
WEDNESDAY DECEMBER 17, 2025 5:00 P.M. APPLEBY RM

1. Establishment of quorum and call to order by Temporary Chair.
2. Election of Commission Chair for 2025-26.
3. Public Comment
4. Consideration of and action on minutes of the September 23, 2025, meeting.
5. Consideration of and action on the proposed FY27 Retirement Commission budget.
6. New Business
7. Adjournment

encl: RC Minutes, 9/23/25
2025 PERS Valuation Report
Proposed FY27 Retirement Commission Budget

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TOWN CLERK

FIFTEEN ROPE FERRY ROAD
WATERFORD, CT 06385-2886



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Retirement Commission

Meeting Minutes—Sept. 23, 2025

Members Present: Susan Driscoll (RTM); James Dimmock (Police Comm); Nancy Natwick (Fire Services); Paul Goldstein (RTM; 5:50pm)

Members Absent: Craig Merriman (BoE); Mike Rocchetti (BoF); Rob Brule (BoS)

1. **Call to order:** Consensus to proceed with public comment and presentation while awaiting delayed arrival of member for quorum; Chair called the meeting to order at 5:50 p.m.
2. **Public comment:** None.
3. **Presentation:** Devon Francis of Fiducient Advisors gave an overview of the Aug. 31 Flash Report and fielded questions from members. Despite some volatility in the stock market in response to geopolitical activity, the experts are not currently forecasting a recession but, she noted, they're also not expecting growth to continue at such a strong level. Our investments have dedicated exposure in both small and large capital funds, with a 65/35 mix in fixed and variable returns, but at this time small capital funds a proving a good investment. Francis also noted that Fiducient's plan for the July \$1.38 million OPEB contribution was to invest it in three stages between July and October, with the to-be-invested funds held in safe interest-earning money market funds. She noted that the return expectations in the report were muted, but not pessimistic, adding that they know the relatively strong 10-year market performance won't last forever due to circumstances beyond our control. But, she added, our investments are doing well overall and we continue to meet our targeted returns.
4. **Previous minutes:** Motion by Dimmock, second by Goldstein, to approve the January 21, 2025, minutes as presented.
Voice vote: Yes 3 No 0 Abstain 1 (Natwick) Motion passed.
5. **Consideration of Principal's 4th quarter status reports:** Chair relayed Finance Director's comments that the reports showed no issues with the detailing of the ins and outs of the two pension fund accounts; no questions from members.
6. **New business:** Chair noted that the state's recent reforms to MERS, including increased COLAs for benefits, deferred retirement incentives, and the creation of a hybrid MERS 2.0 for new hires that will include the existing defined benefit plan and a new defined contribution account will no doubt have an impact, but we are awaiting specific guidance from the OSC's Retirement Services Division. Members were asked to remind their groups that Retirement Commission appointments for the new term must be done between Dec. 1 and Dec. 31.
7. **Adjournment:** Motion by Dimmock; second by Goldstein to adjourn at 6:35 p.m. Voice vote: Unanimous.

Submitted by
Susan Driscoll, Retirement Commission Chair

encl: Fiducient Flash Report-Aug 31,2025

TOWN OF WATERFORD
GENERAL FUND
2026-2027 PROPOSED BUDGET

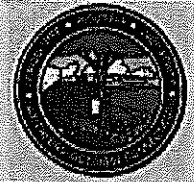
DEPT/AGENCY:

10116

RETIREMENT COMMISSION

LINE ITEM	DESCRIPTION	2024-2025 ACTUAL EXPENDED	2025-2026 RTM APPROP.	2025-2026 ADDITIONAL/ TRANSFERS	ACTUAL EXPEND & ENCUMB AS OF 1/1/26	2026-2027 DEPT/ AGENCY REQUEST	2026-2027 APPROVED BD/COM.M.	Department Request \$ Increase	Department Request % Increase
	PERSONNEL COSTS								
51930	HYPERTENSION/ HEART DISEASE	212,722	270,639			205,795		(64,844)	-23.96%
51940	PENSION CONTRIBUTIONS	4,886,623	5,123,018			5,307,863		184,845	3.61%
51945	RETIREE HEALTH BENEFITS	360,980	421,094			355,104		(65,990)	-15.67%
51949	OPEB TRUST FUND CONTRIBUTION	2,001,360	1,385,506			2,433,112		1,047,606	75.61%
	SUBTOTAL	7,461,685	7,200,257	0	0	8,301,874	0	1,101,617	15.30%
	DEPARTMENT TOTAL	7,461,685	7,200,257	0	0	8,301,874	0	1,101,617	15.30%

**TOWN OF WATERFORD
FY2027 BUDGET REQUEST
DEPARTMENT: RETIREMENT COMMISSION (10116)**



BUDGET FUNCTION

The Retirement Commission is charged with the management of the retirement program for the Town. This budget represents the Commission's estimate of the employer cost required to fund our two retirement plans on an actuarially sound basis. These costs include our current-year contributions required by the state and certain health benefits, as well as, annual contributions to the two trust funds established by the RTM to address the Town's unfunded pension liability.

Fiducient Advisors manages the investment of the trust fund contributions and provides quarterly performance reviews – which to date, show that return targets are consistently met. Our actuarial firm, USI Consulting Group, provides biennial valuations of each trust's accrued unfunded pension liability, which must be reported on all Town financial statements and calculated following guidelines issued by the Government Accounting Standards Board (GASB). The firm also provides the annual required contribution needed to cover current-year costs and chip away at the unfunded pension liability.

BUDGET SUMMARY

The proposed FY2027 budget of \$8,301,874 represents a 15.30% increase over FY2026.

51930 HEART/HYPERTENSION BENEFITS

The Town is currently paying benefits to two individuals (one widow of a former police officer and one widow of a former firefighter) in accordance with judgments of the workers' compensation commission based upon Connecticut State Statute. In addition, the Town pays for treatment medications for several active police officers. A cost of living adjustment (COLA) is provided annually in October based on information provided by USI Consulting Group.

51940 PENSION CONTRIBUTIONS

All general employees, police, and firefighters are covered by the Municipal Employees Retirement System (MERS), the State-administered plan. Employees who retired prior to the Town joining the MERS are covered by the Town-administered Public Employees Retirement System (PERS) defined benefit pension plan. This line item reflects the employer contributions required for both plans.

TOWN OF WATERFORD
FY2027 BUDGET REQUEST
DEPARTMENT: RETIREMENT COMMISSION (10116)



This budget line increased by 3.61% for FY2027 due to an anticipated increase in the MERS contribution.

To date, the state has not released the FY2027 MERS employer contribution rates, so the FY2026 rates were used to estimate projected costs. Payroll was estimated based on 25-26 projected payroll using staffing levels as of November 2025.

The proposed budget includes a MERS administrative assessment fee of \$130 per member. The 2026-27 administrative fee of \$99,970 is based on 370 active participants and 376 retirees.

The PES plan currently has 6 active participants. Effective FY24, the RTM approved a change in benefit allowing for a minimum pension of \$6,000 annually and offered a one-time \$5,000 bonus. An annual increase lined to the CPI-U was approved with a cap of 5% per year.

The most recent Actuarial Valuation Report determined that our PERS unfunded pension liability was \$258,340 as of July 1, 2025. The next valuation will be determined as of July 1, 2027.

51945 RETIREE HEALTH BENEFITS

This budget line is down 15.67%. The Town currently has 13 retirees who receive post-retirement healthcare benefits. In addition, another 30 employees in the Over-65 classification receive post-employment healthcare benefits. The current GGA contract allows for a buy-out of accrued sick-time hours in excess of 1,400 per year for deposit into a Health Retirement Account to be used by the employee for medical costs incurred following retirement.

The cost of the third-party administration of the HRA has been included in this line item. The annual cost of this excess, sick-time accrual is included in the respective employee's department budget.

51949 OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to retirement, death and disability benefits, the Town is required to fund other post-employment benefits (OPEB) such as healthcare. GASB Statement 45 requires that OPEB costs be recognized in the year earned (when employee is working) rather than when paid (during retirement). In addition, the Town must record a liability (implicit rate subsidy) for retirees that remain on the Town's plan at their own cost. The cost of similar benefits for these employees would be greater if the retiree was not part of the group, so GASB requires the recording of the liability for the difference.

The proposed OPEB budget for Fiscal Year 2027 contains an increase of 75.61%.

TOWN OF WATERFORD
FY2027 BUDGET REQUEST
DEPARTMENT: RETIREMENT COMMISSION (10116)



As of the July 1, 2024, OPEB valuation, the Town's unfunded accrued liability is \$20,902,949. The Actuarially Determined Employer Contribution (ADEC) for FY2027 is \$2,818,488. If fully funded, this contribution would be allocated between the FY2027 Retirement Commission and Insurance budgets as follows:

Trust Contribution (10116-51949)	2,433,112
Retiree Health Benefits (10116-51945)	355,104
Over 65 - fully insured (10112-52251)	30,272
	<hr/>
	2,818,488

**TOWN OF WATERFORD
GENERAL FUND
2026-2027 PROPOSED BUDGET**

DEPT/AGENCY: 10116 RETIREMENT COMMISSION

LINE ITEM	DESCRIPTION	2024-2025 ACTUAL EXPENDED	2025-2026 RTM APPROP.	2025-2026 ADDITIONAL/ TRANSFERS	ACTUAL EXPEND & ENCUMB AS OF 10/20/25	2026-2027 DEPT/ AGENCY REQUEST	2026-2027 APPROVED BD/COMIM.	Department Request \$ Increase	Department Request % Increase
PERSONNEL COSTS									
51930	HYPERTENSION/ HEART DISEASE	212,722	270,639		51,474	205,795		(64,844)	-23.96%
51940	PENSION CONTRIBUTIONS	4,886,623	5,123,018		1,281,156	5,307,863		184,845	3.61%
51945	RETIREE HEALTH BENEFITS	360,980	421,094		147,319	355,104		(65,990)	-15.67%
51949	OPEB TRUST FUND CONTRIBUTION	2,001,360	1,385,506		1,385,506	2,433,112		1,047,606	75.61%
	SUBTOTAL	7,461,685	7,200,257	0	2,865,455	8,301,874	0	1,101,617	15.30%
	DEPARTMENT TOTAL	7,461,685	7,200,257	0	2,865,455	8,301,874	0	1,101,617	15.30%

Note:

¹ The OPEB Trust contribution is currently based on the July 2025 OPEB valuation. The valuation report provides an FY27 ADEC (Actuarially Determined Employer Contribution) figure of \$2,818,488. The town budgets on a "pay as you go" basis and if fully funded, this contribution would be allocated between the Retirement Commission and Insurance budgets as follows:

Trust Contribution (10116-51949)	2,433,112
Retiree Health Benefits (10116-51945)	355,104
Over 65 - fully insured (10112-52251)	30,272
	<hr/>
	2,818,488 FY27 ADEC

TOWN OF WATERFORD
RETIREE HEALTH BENEFITS -SUMMARY SHEET
2026-2027 PROPOSED BUDGET

10116-51945 - RETIREE HEALTH BENEFITS

	MONTHLY COST	NO. OF MONTHS	ANNUAL COST
RETIREES - OVER 65	\$9,142.33	12	\$109,707.96 ¹
RETIREES - UNDER 65	\$19,305.34	12	\$231,664.08 ²
MEDICARE SUPPL REIMB	\$12,532.05	1	\$12,532.05 ³
PROSPECTIVE RETIREES	\$0.00	12	\$0.00
ADMINISTRATIVE COST - HRA	\$100.00	12	\$1,200.00 ⁴
TOTAL	\$41,079.72		\$355,104.09

AMOUNT TO BUDGET

355,104

2025-2026 ADOPTED BUDGET

421,094

PERCENT INCREASE/DECREASE OVER P/Y

-15.67%

¹

All over 65 retirees are now reimbursed once a year for their individual Medicare supplement plans.

² Budget calculation based on October 2025 rates.

³ In 2024-25, 13 retirees were reimbursed for Non-BCBS supplement. The total reimbursement was \$44,740.99. The retiree must submit copies of paid invoices to receive the reimbursement.

⁴ Third party fee for the administration of the HRA accounts allowed for in the current GGA contract. Third party vendor is Flores & Associates.

**TOWN OF WATERFORD
HEART/HYPERTENSION 2026-2027 FISCAL YEAR PROPOSED BUDGET**

HEART/HYPERTENSION	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-2023 ACTUAL	2023-2024 ACTUAL	2024-2025 ACTUAL	2025-2026 APPROVED	2025-2026 YTD (10/15/25)	2026-2027 PROPOSED
WAGES ¹	167,099.92	64,269.20	226,224.79	194,910	210,666	230,639	51,415	175,795
TREATMENT MEDICATION ²	5,996.45	1,907.30	3,716.67	38,111	2,056	40,000	59	30,000
TOTALS	173,096.37	66,176.50	229,941.46	233,021.00	212,722.00	270,639.00	51,474.00	205,795.00

NOTES:

¹ COLA rates used as of October 1, 2025

² Treatment medication is based on prior year actual.

TOWN OF WATERFORD
PENSION CONTRIBUTIONS
2026-2027 FISCAL YEAR PROPOSED BUDGET

PENSION CONTRIBUTIONS	2019-2020 ACTUAL	2020-2021 ACTUAL	2021-2022 ACTUAL	2022-2023 ACTUAL	2023-2024 ACTUAL	2024-2025 ACTUAL	2025-2026 APPROVED	2026-2027 PROPOSED	INCREASE/ (DECREASE) OVER P/Y	% INCREASE/ (DECREASE) OVER P/Y
TOWN OF WATERFORD PLAN										
EMPLOYER CONTRIBUTIONS	82,000.00	82,000.00	83,000.00	27,280.00	19,167.40	22,450.00	22,450.00	38,396.00	15,946.00	71.03%
ACTUARIAL FEE	7,953.00	7,100.00	5,957.91	8,455.38	10,400.00	10,400.00	7,475.00	10,500.00	3,025.00	40.47%
	89,953.00	89,100.00	88,957.91	35,735.38	29,567.40	32,850.00	29,925.00	48,896.00	18,971.00	63.40%
MERS										
EMPLOYER CONTRIBUTIONS	0.00	3,615,776.00	3,839,599.51	3,948,069.18	4,190,567.73	4,297,575.44	5,153,635.38	5,158,996.69	5,361.31	0.10%
AMORTIZATION/ADMIN COST	508,916.76	502,644.00	420,218.58	474,796.78	517,480.00	556,197.57	508,916.76	99,970.00	(408,946.76)	-80.36%
	508,916.76	4,118,420.00	4,259,818.09	4,422,865.96	4,708,047.73	4,853,773.01	5,662,552.14	5,258,966.69	(403,585.45)	-7.13%
TOTALS	598,869.76	4,207,520.00	4,348,776.00	4,458,601.34	4,737,615.13	4,886,623.01	5,692,477.14	5,307,862.69	(384,614.45)	-6.76%

*includes fees for completing the GASB 67/68 disclosures.

**TOWN OF WATERFORD
PROJECTED MERF CONTRIBUTION
2026-2027 FISCAL YEAR**

MONTH	PROJECTED 2025-2026 WAGES				ACTUAL 2024-2025 WAGES			
	TOWN SALARIES	POLICE/FIRE SALARIES	BOE NON-CERT SALARIES	TOTAL	TOWN SALARIES	POLICE/FIRE SALARIES	BOE NON-CERT SALARIES	TOTAL
JULY 2025 ACTUAL	722,816.60	556,462.30	417,268.00	1,696,546.90	JULY 2024 ACTUAL	550,840.75	414,516.76	1,719,393.49
AUGUST 2025 ACTUAL	927,079.94	694,006.22	429,726.00	2,050,812.16	AUGUST 2024 ACTUAL	693,510.74	424,423.43	2,044,503.45
SEPTEMBER 2025 ACTUAL	739,898.18	570,124.35	722,133.00	2,032,155.53	SEPTEMBER 2024 ACTUAL	544,018.30	673,987.43	1,949,140.76
OCTOBER 2025 PROJECTED	927,676.05	721,768.91	1,188,304.00	2,837,748.96	OCTOBER 2024 ACTUAL	540,919.01	727,452.76	1,980,782.64
NOVEMBER 2025 PROJECTED	742,140.84	577,415.12	791,028.00	2,110,583.96	NOVEMBER 2024 ACTUAL	652,216.46	1,152,525.00	2,693,496.87
DECEMBER 2025 PROJECTED	742,140.84	687,415.12	793,932.00	2,223,487.96	DECEMBER 2024 ACTUAL	723,411.51	722,738.00	2,188,717.06
JANUARY 2026 PROJECTED	927,570.52	721,768.91	792,703.00	2,442,042.43	JANUARY 2025 ACTUAL	703,359.59	666,823.00	2,289,360.90
FEBRUARY 2026 PROJECTED	742,056.42	577,415.12	791,253.00	2,110,724.54	FEBRUARY 2025 ACTUAL	546,843.42	762,878.00	2,097,264.76
MARCH 2026 PROJECTED	742,056.42	577,415.12	793,278.00	2,112,749.54	MARCH 2025 ACTUAL	553,787.28	747,614.00	2,020,868.51
APRIL 2026 PROJECTED	742,056.42	577,415.12	791,203.00	2,110,674.54	APRIL 2025 ACTUAL	525,531.60	761,050.00	2,019,447.42
MAY 2026 PROJECTED	927,570.52	721,768.91	1,186,633.00	2,835,972.43	MAY 2025 ACTUAL	743,437.34	1,086,294.00	2,726,749.57
JUNE 2026 PROJECTED	742,056.42	577,415.12	792,503.00	2,111,974.54	JUNE 2025 ACTUAL	594,257.21	674,493.00	2,002,114.94
TOTALS:	9,625,119.17	7,560,390.32	9,489,964.00	26,675,473.49		7,372,133.21	8,814,795.38	25,731,840.37

Est wage increase FY26
Projected MERF salaries 2025-26

2.50%	2.50%	3.50%
9,865,747.15	7,749,400.08	9,822,112.74
27,437,259.97		

2025-2026 Contribution Rate ¹

16.71%	24.12%	16.71%
\$1,648,566.35	\$1,869,155.30	\$1,641,275.04
\$5,158,996.69		

Est. Employer Contribution 2026-2027

Amortization
Administrative Fee
CONTRIBUTION

0.00	0.00	0.00
46,150.00	16,380.00	37,440.00
\$1,694,716.35	\$1,885,535.30	\$1,678,715.04
		\$5,258,966.69

CONTRIBUTION RATE

1. The contribution rate is based on the MERF Projection for FY 2026 from the State of CT. FY 2027 rates not expected until March 2026.

Executive Summary

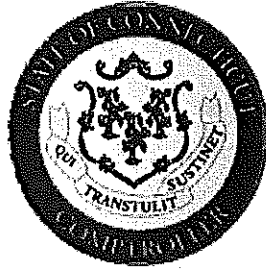
	July 1, 2025	July 1, 2023
Number of members		
Active employees	0	0
Terminated vested members	0	0
Retired, disabled and beneficiaries	6	6
Total	6	6
Covered employee payroll	N/A	N/A
Average plan salary	N/A	N/A
Actuarial present value of future benefits	746,381	717,948
Actuarial accrued liability	746,381	717,948
Plan assets		
Market value of assets	494,695	509,200
Actuarial value of assets	488,041	554,662
Unfunded accrued liability	258,340	163,286
Funded ratio	65.4%	77.3%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2027	2025
ADEC	38,396	22,450
Fiscal year ending	2028	2026
ADEC	38,396	22,450

Executive Summary

	July 1, 2024	July 1, 2022
Number of members		
Active members	414	368
Retired members and dependents	168	179
Total	582	547
Covered employee payroll	31,264,486	29,029,526
Average plan salary	75,518	78,885
Actuarial present value of future benefits	36,779,727	32,284,998
Actuarial accrued liability	34,097,347	30,074,765
Plan assets		
Market value of assets	13,311,529	8,465,847
Actuarial value of assets	13,194,398	9,206,097
Unfunded accrued liability	20,902,949	20,868,668
Funded ratio	38.7%	30.6%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2026	2024
ADEC	2,804,332	2,505,310
Fiscal year ending	2027	2025
ADEC	2,818,488	2,516,833

STATE of
CONNECTICUT

RETIREMENT SERVICES
DIVISION



RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Waterford Fire Department
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Fire 152-F

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	8.38%
Unfunded Accrued Liability	<u>15.74%</u>
Total	24.12%


- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$2,860. This charge is based on \$130 per active and retired member. Our most recent files show 15 active members and 7 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 24.12% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

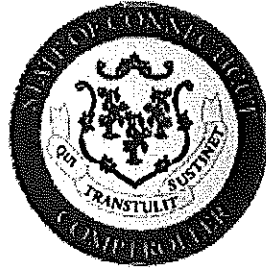
Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:


John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

RETIREMENT SERVICES
DIVISION



RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Police 152-P

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	8.38%
Unfunded Accrued Liability	<u>15.74%</u>
Total	24.12%

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$13,520. This charge is based on \$130 per active and retired member. Our most recent files show 52 active members and 52 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 24.12% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

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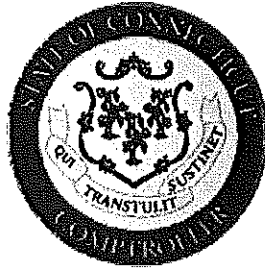
THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

RETIREMENT SERVICES
DIVISION



RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Gen Gov Admin 152-T

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	11.11%
Total	16.71%

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$6,890. This charge is based on \$130 per active and retired member. Our most recent files show 20 active members and 33 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

Very truly yours,

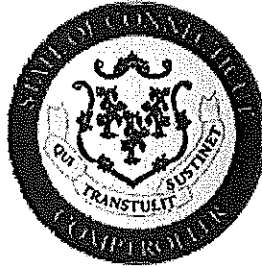
THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

RETIREMENT SERVICES
DIVISION



RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Town 152-W

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	11.11%
Total	16.71%

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$11,180. This charge is based on \$130 per active and retired member. Our most recent files show 40 active members and 46 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

Very truly yours,

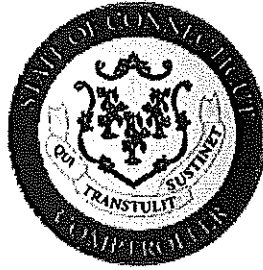
THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

RETIREMENT SERVICES
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OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Local 1303 152-B

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	11.11%
Total	16.71%

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$19,630. This charge is based on \$130 per active and retired member. Our most recent files show 69 active members and 82 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

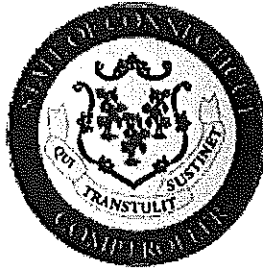
Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

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RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Town of Waterford
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Cust & Main Asst 152-E

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	11.11%
Total	16.71%

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$8,450. This charge is based on \$130 per active and retired member. Our most recent files show 32 active members and 33 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

Very truly yours,

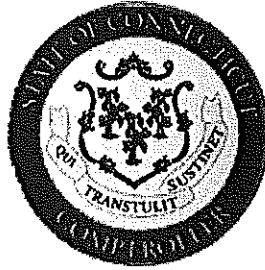
THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

RETIREMENT SERVICES
DIVISION



RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Paraprofessionals 152-N

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	<u>11.11%</u>
Total	<u>16.71%</u>

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$17,290. This charge is based on \$130 per active and retired member. Our most recent files show 87 active members and 46 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

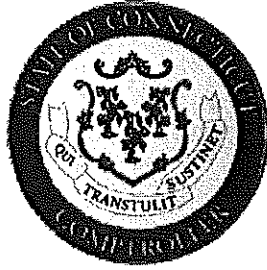
Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

RETIREMENT SERVICES
DIVISION



RETIREMENT SERVICES DIVISION
OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Café RI0224 152-L

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	<u>11.11%</u>
Total	16.71%


- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$4,810. This charge is based on \$130 per active and retired member. Our most recent files show 16 active members and 21 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

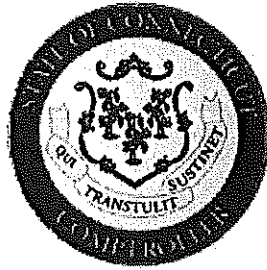
Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:


John Herrington, Director
Retirement Services Division

STATE of
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DIVISION



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OFFICE of the STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Waterford Non-union Educ 152-S

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	11.11%
Total	16.71%

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$7,800. This charge is based on \$130 per active and retired member. Our most recent files show 39 active members and 21 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

Very truly yours,

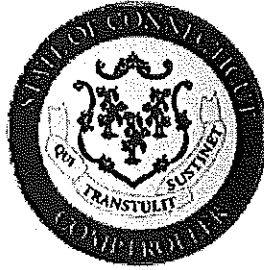
THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM

BY:

John Herrington, Director
Retirement Services Division

STATE of
CONNECTICUT

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165 Capitol Ave.
Hartford, CT 06106

January 31, 2025

Ms. Christy Gregg
Director of HR
Waterford Public Schools
15 Rope Ferry Road
Waterford, CT 06385
cgregg@waterfordct.org

RE: Water Local RI 161 152-H

Dear Ms. Gregg:

The purpose of this letter is to advise you of the costs for the above referenced unit to participate in the Connecticut Municipal Employees Retirement System (CMERS) for the fiscal year beginning July 1, 2025. The State of Connecticut Retirement Commission has authorized the contributions rates below to be effective for the July 1, 2025 to June 30, 2026 fiscal year.

- Monthly contribution payments, as a percentage of payroll, will be as follows:

Normal Cost	5.60%
Unfunded Accrued Liability	<u>11.11%</u>
Total	<u>16.71%</u>

- There is no annual amortization payment for prior service.
- The CMERS administrative charge is \$7,540. This charge is based on \$130 per active and retired member. Our most recent files show 23 active members and 35 retired members.

The Municipal Employees Retirement System Commission approved the above total contribution rate of 16.71% at its January 16, 2025 meeting. A copy of the June 30, 2024 actuarial valuation report can be found on the Office of the State Comptroller's website at <https://www.osc.ct.gov/rbsd/reports/index.html>.

If you have any questions regarding the information provided in this letter, please contact Kathryn Balut, a CMERS staff member, at (860)702-3565.

Very truly yours,

THE CONNECTICUT MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
BY:


John Herrington, Director
Retirement Services Division



Town of Waterford Retirement Plan

Actuarial Valuation Report

as of July 1, 2025

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Report Prepared By:

Stephen Chykirda
Associate Vice President & Consulting Actuary
860.856.2047
stephen.chykirda@usi.com

Jonathan Plumb
Senior Actuarial Consultant
860.856.2103
jon.plumb@usi.com

Executive Summary

	July 1, 2025	July 1, 2023
Number of members		
Active employees	0	0
Terminated vested members	0	0
Retired, disabled and beneficiaries	6	6
Total	6	6
Covered employee payroll	N/A	N/A
Average plan salary	N/A	N/A
Actuarial present value of future benefits	746,381	717,948
Actuarial accrued liability	746,381	717,948
Plan assets		
Market value of assets	494,695	509,200
Actuarial value of assets	488,041	554,662
Unfunded accrued liability	258,340	163,286
Funded ratio	65.4%	77.3%
Actuarially determined employer contribution (ADEC)		
Fiscal year ending	2027	2025
ADEC	38,396	22,450
Fiscal year ending	2028	2026
ADEC	38,396	22,450

Valuation Results and Highlights

Purpose of the Valuation

The purpose of the valuation is to develop the Actuarially Determined Employer Contribution (ADEC). The ultimate cost of a pension plan is based primarily on the level of benefits promised by the plan. The pension fund's investment earnings serve to reduce the cost of plan benefits and expenses. Thus,

$$\text{Ultimate cost} = \text{Benefits Paid} + \text{Expenses Incurred} - \text{Investment Return} - \text{Employee Contributions}$$

The actuarial cost method distributes this ultimate cost over the working lifetime of current plan participants. By means of this budgeting process, costs are allocated to both past and future years, and a cost is assigned to the current year. The current year's allocated cost, or normal cost, is the building block upon which the actuarially determined employer contribution is developed. The July 1, 2025 valuation produces the contributions for the fiscal years ending 2027 and 2028.

Information Available in the Valuation Report

The Executive Summary is intended to emphasize the notable results of the valuation from the perspective of the Plan Sponsor. Supporting technical detail is documented in Results of the Valuation, Supporting Exhibits and Description of Actuarial Methods and Assumptions. A concise summary of the principal provisions of the Plan is outlined in Summary of Plan Provisions.

Changes Reflected in the Valuation

This valuation reflects a change in the mortality assumption.

Cash Contribution for Fiscal Years Ending 2027 and 2028

The Town cost is:	2027 Fiscal Year	2028 Fiscal Year
General Employees	\$7,542	\$7,542
Policemen	26,408	26,408
Firefighters	4,446	4,446
Total	\$38,396	\$38,396

Liability Experience During Period Under Review

The plan experienced a net actuarial loss on liabilities of \$136,109 since the prior valuation.

Asset Experience During Period Under Review

The plan's assets provided the following rates of return during the past two fiscal years:

	2024 Fiscal Year	2025 Fiscal Year
Market Value Basis	11.8%	11.6%
Actuarial Value Basis	5.5%	6.6%

The Actuarial Value of assets, rather than the Market Value, is used to determine plan contributions. The Actuarial Value spreads the asset volatility by recognizing 20% of the difference each year, thereby smoothing out fluctuations that are inherent in the Market Value.

Assessment and Measurement of Risks

Financial Significance of Plan

It is important to understand the size of the pension plan compared to the size of the sponsor of that plan. Additional pension contributions may be required at inopportune times for the plan sponsor. In general, a plan sponsor with assets or revenue that are much larger than the liabilities in its pension plans will be better able to withstand increases in required pension contributions.

Plan Maturity Measurements

	July 1, 2025	July 1, 2023
Actuarial accrued liability for members currently in pay status as a percentage of the total actuarial accrued liability	100.0%	100.0%

- A lower percentage results in greater volatility as the investment return assumption changes.
- A higher percentage results in greater demand on cash due to a proportionately higher percentage of benefits being in pay status.

	July 1, 2025
Duration of benefit payments using an investment rate of return of 6.25%	6.2 years

- A higher duration will occur if the plan's percentage of members in pay status decreases. A plan with a higher duration will have a liability that is more sensitive to changes in the investment return assumption.

	July 1, 2025	July 1, 2023
Ratio of market value of assets to covered payroll	N/A	N/A

- A higher ratio is more typical of relatively mature plans with a larger percentage of inactive members and may cause more potential contribution volatility as pension fund assets fluctuate.

Risks to Assess

Overriding Minimum Contribution

	Fiscal Year Ending 2027
Actuarially determined employer contribution (ADEC)	38,396
Overriding minimum contribution (OMC)*	45,054
Surplus (deficit) - ADEC vs. OMC	(6,658)

- A deficit suggests that a plan's current funding policy contribution approach may result in little to no progress being made towards: (1) reducing the plan's unfunded liability; and (2) increasing the plan's funded ratio in the near-term.

* As defined in "Public Pension Plan Funding Policy" (Society of Actuaries, 2010).

Estimated Impact of a 5% Reduction in Market Value of Assets

	Fiscal Year Ending 2027	Fiscal Year Ending 2028
Increase in actuarially determined employer contribution (ADEC)	735	735

- Plans would generally be subject to a larger amortization payment if the market value of assets were 5% smaller. As a result, the ADEC would generally be higher for up to 9 years.

Due to the asset smoothing method, the ADEC will additionally increase by the same amount in each of the next few years. Each of these additional contributions will continue for up to 9 years.

Low-Default-Risk Obligation Measure

	July 1, 2025
Low-default-risk obligation measure (LDROM)*	797,939
Total actuarial accrued liability (AAL) for all members**	746,381
Difference between LDROM and AAL	51,558

- This exhibit illustrates the impact on the ongoing funding liability if the plan decided to invest completely in low-default-risk securities.

* The LDROM discount rate is 5.20%. The discount rate used for this purpose is equal to the published Bond Buyer GO 20-Bond Municipal Index effective as of June 30, 2025. Other than the discount rate, the assumptions and methods are consistent with those used in the actuarial valuation. The disclosure of the LDROM is for illustrative purposes and does not necessarily imply that the associated discount rate should be used for funding purposes.

** The discount rate used in the valuation is 6.25%.

Historical Results

Valuation Year Beginning	Investment Return Assumption	Annual Effective Rate of Return on Market Value of Assets	Market Value of Assets as a % of Actuarial Accrued Liability	Benefit Payments as a % of Market Value of Assets
2025	6.25%	N/A	66.3%	N/A
2024	N/A	11.6%	N/A	17.6%
2023	6.25%	11.8%	70.9%	17.0%
2022	N/A	11.0%	N/A	17.4%
2021	6.25%	-16.1%	81.3%	13.5%
2020	N/A	20.7%	N/A	17.6%
2019	6.25%	6.0%	52.5%	20.8%

Implications of Contribution Allocation Procedure or Funding Policy

I have assessed the impact of the funding policy on the anticipated employer contributions and the plan's funded status. The funding policy is described in the Description of Actuarial Methods section of this report.

I have estimated the approximate length of time before the unfunded accrued liability, if any, will become fully amortized. The period is estimated to be 9 years. Subsequent to the end of this period, the future anticipated employer contributions will be the corresponding annual normal costs.

I have assessed whether the funding policy will be sufficient to cover future benefit payments and administrative expenses. The current funding policy is anticipated to cover these costs indefinitely.

Certification

This report presents the results of the July 1, 2025 Actuarial Valuation for Town of Waterford Retirement Plan (the Plan) for the purpose of estimating the funded status of the Plan and determining the Actuarially Determined Employer Contribution (ADEC) for the fiscal years ending June 30, 2027 and June 30, 2028. This report may not be appropriate for any other purpose.

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

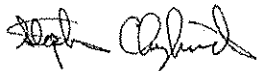
I certify that the actuarial assumptions and methods that were selected by me and represent my best estimate of anticipated actuarial experience under the Plan. The combined effect of the actuarial assumptions and methods is not expected to contain significant bias, meaning it is not overly optimistic or pessimistic.

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

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

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 this report, an analysis of the potential range of such future measurements has not been performed.

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



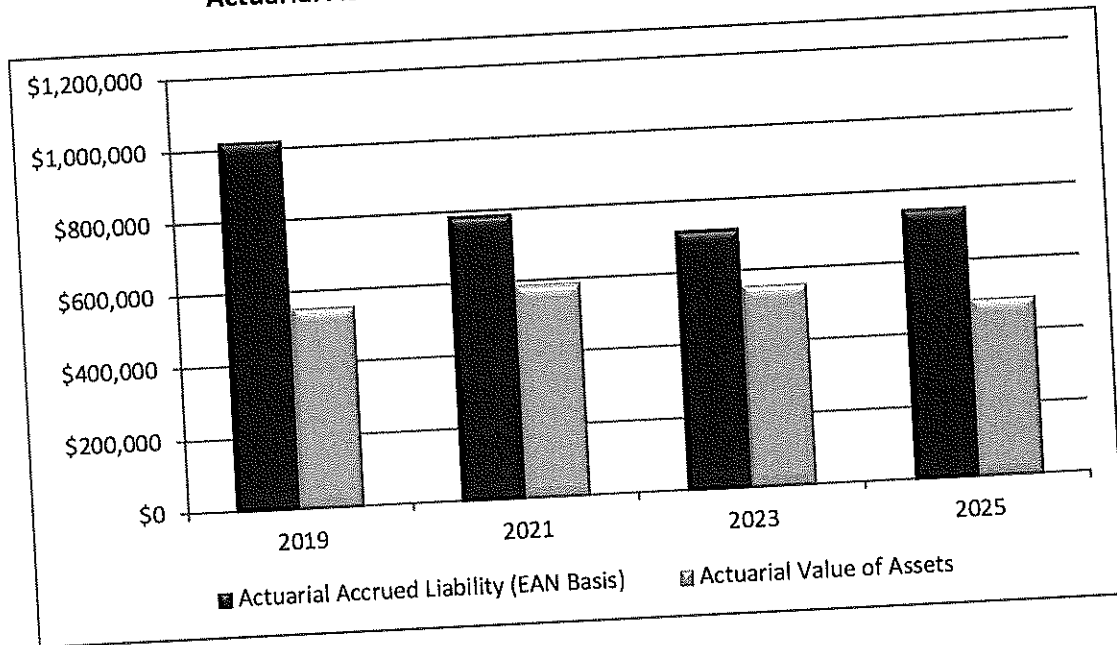
Stephen Chykirda, ASA, FCA, MAAA
Enrolled Actuary 23-07517

September 8, 2025

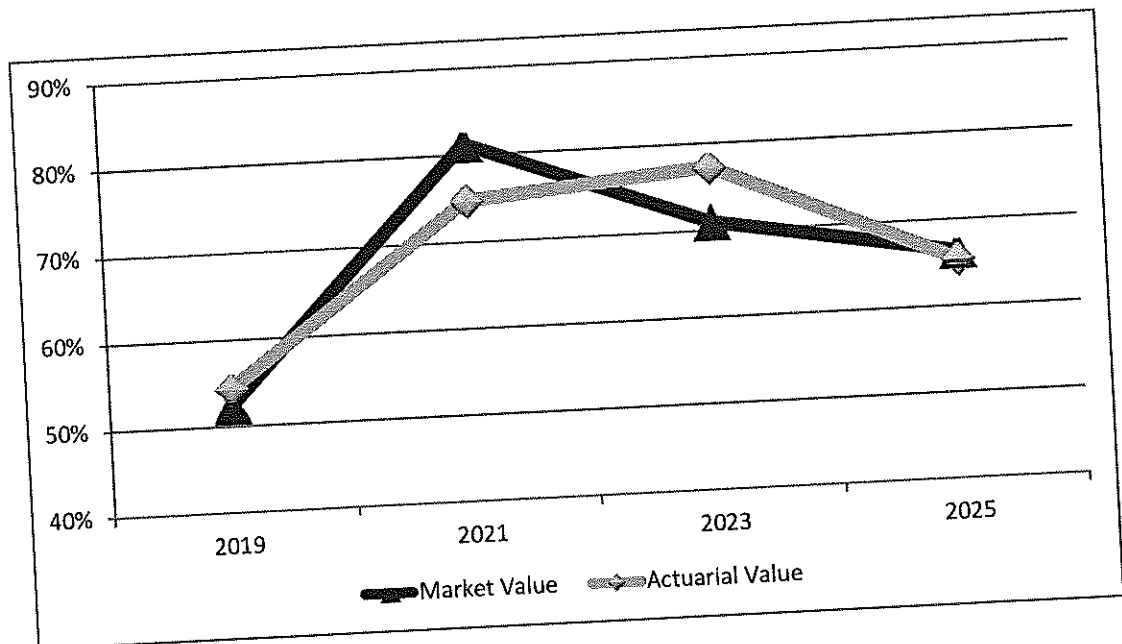
Development of Unfunded Accrued Liability and Funded Ratio

	July 1, 2025	July 1, 2023
Actuarial accrued liability for inactive members		
Retired, disabled and beneficiaries	\$746,381	\$717,948
Terminated vested members	0	0
Total	746,381	717,948
Actuarial accrued liability for active employees	0	0
Total actuarial accrued liability	746,381	717,948
Actuarial value of assets	488,041	554,662
Unfunded accrued liability	258,340	163,286
Funded ratio	65.4%	77.3%

Actuarial Accrued Liability vs. Actuarial Value of Assets



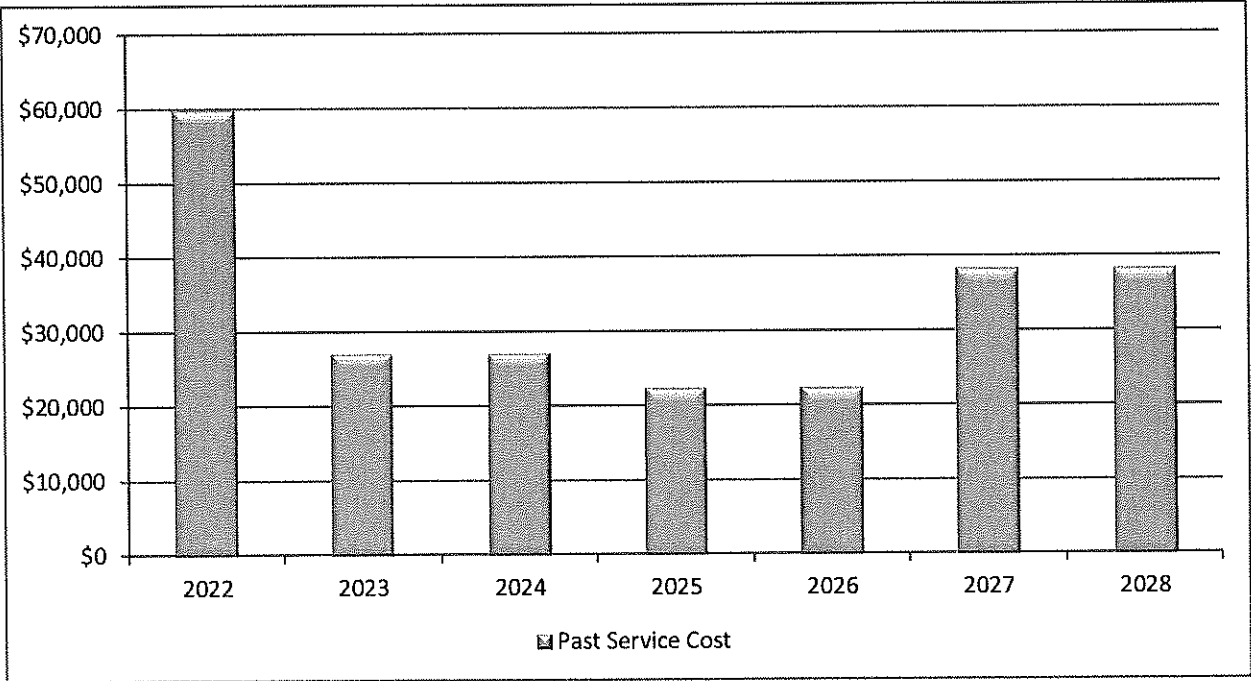
Funded Ratio



Determination of Normal Cost and Actuarially Determined Employer Contribution

	July 1, 2025	July 1, 2023
Town's normal cost	\$0	\$0
Amortization of unfunded accrued liability	<u>36,137</u>	<u>21,128</u>
Contribution before adjustment as of the valuation date	36,137	21,128
Fiscal year ending	2027	2025
Adjustment for interest and inflation	2,259	1,322
Actuarially determined employer contribution	38,396	22,450
Fiscal year ending	2028	2026
Adjustment for interest and inflation	0	0
Actuarially determined employer contribution	38,396	22,450

Actuarially Determined Employer Contribution



Actuarially Determined Employer Contribution per Group

	General Employees	Policemen	Firefighters	Total
Town's normal cost	\$0	\$0	\$0	\$0
Actuarial accrued liability	146,613	513,360	86,408	746,381
Actuarial value of assets	<u>95,867</u>	<u>335,674</u>	<u>56,500</u>	<u>488,041</u>
Unfunded accrued liability	50,746	177,686	29,908	258,340
Amortization of unfunded accrued liability	7,098	24,855	4,184	36,137
Contribution before adjustment as of the valuation date	7,098	24,855	4,184	36,137
Fiscal year ending June 30, 2027				
Adjustment for interest and inflation	<u>444</u>	<u>1,553</u>	<u>262</u>	<u>2,259</u>
Actuarially determined employer contribution	7,542	26,408	4,446	38,396
Fiscal year ending June 30, 2028				
Adjustment for interest and inflation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Actuarially determined employer contribution	7,542	26,408	4,446	38,396

Determination of Actuarial Gain/Loss

The Actuarial Gain/Loss is the difference between the expected unfunded accrued liability and the actual unfunded accrued liability, without regard to any changes in actuarial methods, actuarial assumptions or plan provisions. This can also be referred to an Experience Gain/Loss, since it reflects the difference between what was expected and what was actually experienced.

Actuarial Gain / Loss	
Expected unfunded accrued liability July 1, 2025	
Expected unfunded accrued liability July 1, 2024	
Unfunded accrued liability July 1, 2023	\$163,286
Gross normal cost July 1, 2023	0
Town and employee contributions for 2023-2024	(27,280)
Interest at 6.25% to July 1, 2024	8,548
Expected unfunded accrued liability July 1, 2024	144,554
Expected unfunded accrued liability July 1, 2025	
Expected unfunded accrued liability July 1, 2024	144,554
Expected gross normal cost July 1, 2024	0
Town and employee contributions for 2024-2025	(22,450)
Interest at 6.25% to July 1, 2025	7,746
Expected unfunded accrued liability July 1, 2025	129,850
Actuarial (gain) / loss July 1, 2025	141,426
Actual unfunded accrued liability July 1, 2025, prior to plan provision, assumption and method changes	271,276
Sources of (gain) / loss	
Assets	5,317
Liabilities	136,109
Total (gain) / loss	141,426
Assumption and method changes since prior valuation	(12,936)
Actual unfunded accrued liability July 1, 2025, after plan provision, assumption and method changes	258,340

Development of Asset Values

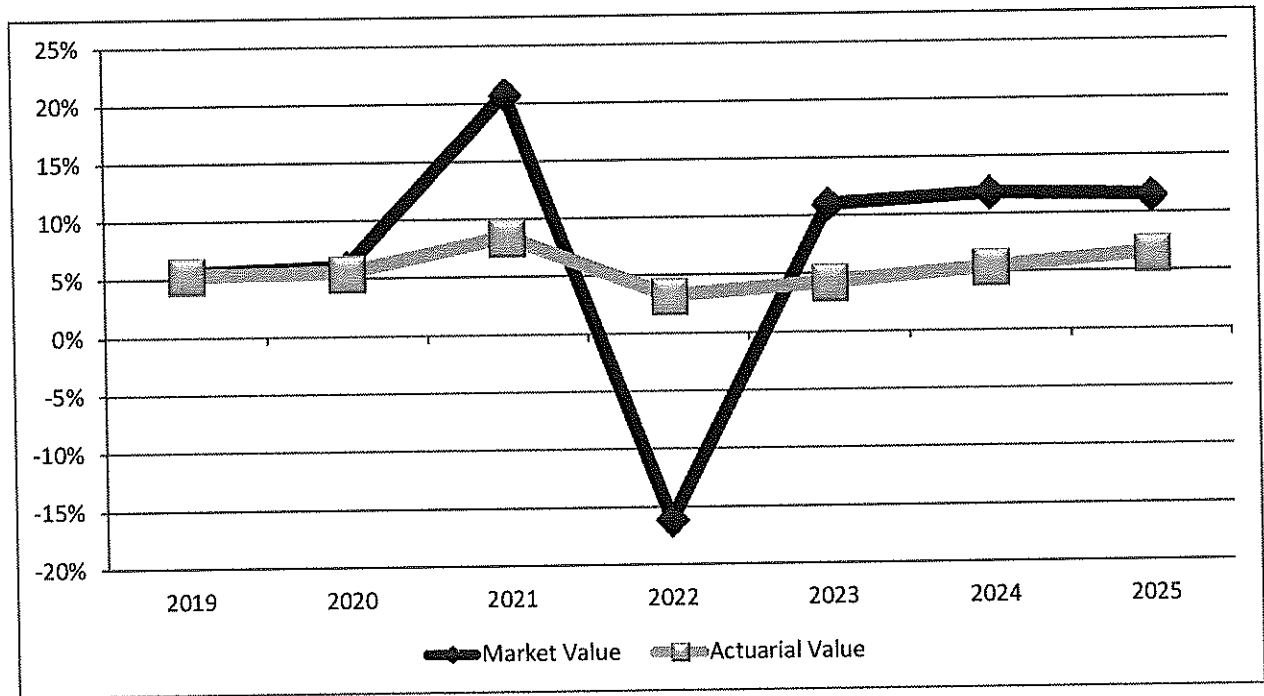
Summary of Fund Activity		
	July 1, 2023 - June 30, 2024	July 1, 2024 - June 30, 2025
1. Beginning market value of assets		
Trust assets	\$509,200	\$506,792
2. Contributions		
Town contributions during year	27,280	22,450
Employee contributions during year	0	0
Total for plan year	27,280	22,450
3. Disbursements		
Benefit payments during year	86,806	89,164
Administrative expenses during year	1,417	1,368
Total for plan year	88,223	90,532
4. Net investment return		
Interest and dividends	0	0
Net appreciation (depreciation)	61,112	58,661
Investment-related expenses	(2,577)	(2,676)
Total for plan year	58,535	55,985
5. Ending market value of assets		
Trust assets: (1) + (2) - (3) + (4)	506,792	494,695
6. Approximate rate of return	11.8%	11.6%

Determination of the Actuarial Value of Assets	
1. Actuarial value of assets July 1, 2023	\$554,662
2. Town contributions during 2023-2024	27,280
3. Employee contributions during 2023-2024	-
4. Benefit payments and administrative expenses during 2023-2024	(88,223)
5. Expected return during 2023-2024	33,623
6. Expected actuarial value of assets July 1, 2024	527,342
7. Market value of assets July 1, 2024	506,792
8. Appreciation (depreciation) recognized: 20% x [(7) - (6)]	(4,110)
9. Actuarial value of assets July 1, 2024: (6) + (8)	523,232
10. Town contributions during 2024-2025	22,450
11. Employee contributions during 2024-2025	-
12. Benefit payments and administrative expenses during 2024-2025	(90,532)
13. Expected return during 2024-2025	31,228
14. Expected actuarial value of assets July 1, 2025	486,378
15. Market value of assets July 1, 2025	494,695
16. Appreciation (depreciation) recognized: 20% x [(15) - (14)]	1,663
17. Preliminary actuarial value of assets July 1, 2025: (14) + (16)	488,041
18. Preliminary actuarial value of assets as a percentage of market value of assets	98.7%
19. Actuarial value of assets July 1, 2025	488,041
2023-2024 return on actuarial value of assets	5.5%
2024-2025 return on actuarial value of assets	6.6%

Rate of Return on Market Value of Assets				
Period Ending June 30	Average Annual Effective Rate of Return			
	1 Year	3 Years	5 Years	10 Years
2016	1.8%	N/A	N/A	N/A
2017	10.0%	N/A	N/A	N/A
2018	5.2%	5.6%	N/A	N/A
2019	5.5%	6.9%	N/A	N/A
2020	6.0%	5.6%	5.7%	N/A
2021	20.7%	10.5%	9.3%	N/A
2022	-16.1%	2.4%	3.6%	N/A
2023	11.0%	4.0%	4.7%	N/A
2024	11.8%	1.4%	5.9%	N/A
2025	11.6%	11.5%	7.0%	6.3%

Rate of Return on Actuarial Value of Assets				
Period Ending June 30	Average Annual Effective Rate of Return			
	1 Year	3 Years	5 Years	10 Years
2016	4.7%	N/A	N/A	N/A
2017	5.6%	N/A	N/A	N/A
2018	5.4%	5.2%	N/A	N/A
2019	5.4%	5.5%	N/A	N/A
2020	5.5%	5.4%	5.3%	N/A
2021	8.5%	6.4%	6.1%	N/A
2022	3.2%	5.7%	5.6%	N/A
2023	4.3%	5.3%	5.4%	N/A
2024	5.5%	4.3%	5.4%	N/A
2025	6.6%	5.5%	5.6%	5.5%

Actual Rate of Return on Assets



Target Allocation and Expected Rate of Return July 1, 2025

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*	Weighting
TIPS	2.00%	2.50%	0.05%
Core Fixed Income	27.00%	2.90%	0.78%
Dynamic Bonds	9.50%	3.00%	0.29%
High Yield Bonds	1.50%	4.50%	0.07%
US Large Cap	25.00%	4.30%	1.08%
US Mid Cap	7.50%	4.40%	0.33%
US Small Cap	4.50%	4.10%	0.18%
International Equity Developed	17.25%	6.10%	1.05%
Emerging Markets	5.75%	7.20%	0.41%
	100.00%		4.24%
Long-Term Inflation Expectation			2.40%
Long-Term Expected Nominal Return			6.64%

**Long-Term Real Returns are provided by Fiducient Advisors. The returns are geometric means.*

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

The information above is based on geometric means and does not reflect additional returns through investment selection, asset allocation and rebalancing. An expected rate of return of 6.25% was used.

Amortization of Unfunded Liability

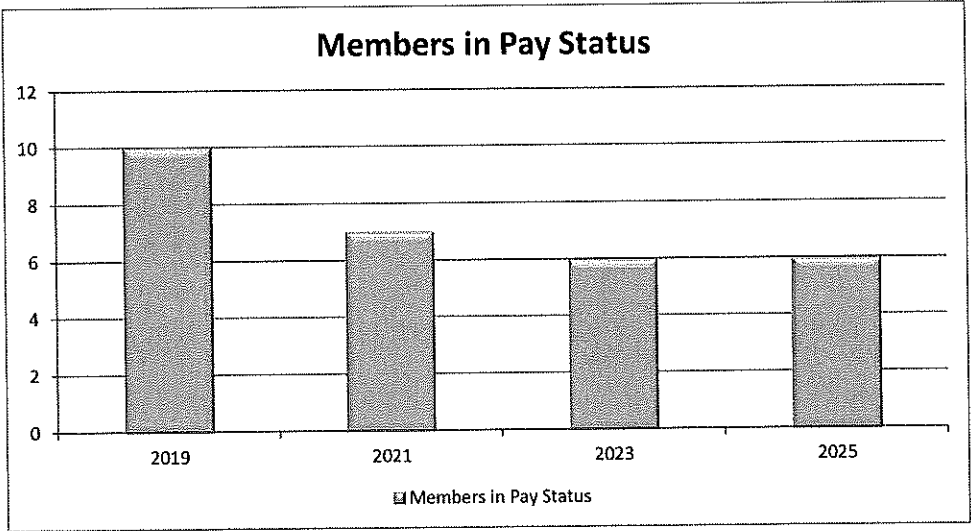
Schedule of Amortization Bases				
	Date established	Amortization installment	Years remaining	Present value of remaining installments as of July 1, 2025
2025 base	July 1, 2025	36,137	9	258,340

Member Data

The data reported by the Plan Sponsor for this valuation includes 0 active employees who met the Plan's minimum age and service requirements as of July 1, 2025.

Member Data				
	Active	Terminated vested	Members in pay status	Total
Total members July 1, 2023	0	0	6	6
Adjustments	0	0	0	0
Retirements	0	0	0	0
Disabilities	0	N/A	0	0
Terminations				
Vested	0	0	N/A	0
Non-vested	0	0	N/A	0
Deaths				
With death benefit	0	0	0	0
Without death benefit	0	0	0	0
Transfers	0	0	N/A	0
Rehires	0	0	N/A	0
New beneficiaries	N/A	N/A	0	0
New entrants	0	N/A	N/A	0
Total members July 1, 2025	0	0	6	6

Member Counts by Status



Member Data			
	Active	Terminated vested	Members in pay status
Average age			
July 1, 2023	N/A	N/A	82.7
July 1, 2025	N/A	N/A	84.7
Average service			
July 1, 2023	N/A	N/A	N/A
July 1, 2025	N/A	N/A	N/A
Total annual benefits			
July 1, 2023	N/A	N/A	\$79,467
July 1, 2025	N/A	N/A	91,304

Expected Benefit Payments from Trust Fund

An important consideration in formulating short-term or intermediate-term investment policy is the need for liquidity to meet the payment requirements of the Plan. The Plan's investment advisors may wish to compare expected benefit payments and expenses with anticipated cash income from investments and employer contributions.

The table below presents projected annual benefit payments for the next ten plan years. The following assumptions are reflected in this table:

- Retirements among active participants will occur at the valuation's assumed retirement date.
- Benefits will continue to accrue based on the current Plan.
- Plan salaries will increase in accordance with the valuation's assumption.
- Benefits will be paid monthly.
- Participants will receive the normal form of benefit.

Differences between actual experience and that assumed will affect the pattern of benefit payments.

Participant categories reflect status as of July 1, 2025.

Year	Active as of July 1, 2025	Retired and Terminated as of July 1, 2025	Total Benefit Payments
2025	\$0	\$88,636	\$88,636
2026	0	85,041	85,041
2027	0	81,693	81,693
2028	0	78,503	78,503
2029	0	75,391	75,391
2030	0	72,286	72,286
2031	0	69,130	69,130
2032	0	65,874	65,874
2033	0	62,482	62,482
2034	0	58,932	58,932

Description of Actuarial Methods

Asset Valuation Method

The Actuarial Value of assets used in the development of plan contributions phases in the recognition of differences between the Market Value and Expected Actuarial Value by recognizing 20% of the difference each year.

The assets attributable to retired Policemen, Firefighters and General City Employees are combined in a single Fund.

Assets are allocated to each group based on the ratio of the group's actuarial liability in relation to the total plan actuarial liability.

Actuarial Cost Method

Changes in Actuarial Cost Method: None.

Description of Current Actuarial Cost Method: Entry Age Normal (level percentage of salary)

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

Past Service Liability: The present value of future benefits that relates to service before the valuation date is the total past service liability. The unfunded past service liability is the difference between the total past service liability and any assets (including accumulated member contributions). This amount is amortized over the average expected lifetime of remaining participants.

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

Description of Actuarial Assumptions

Changes in Actuarial Assumptions

There have been no changes in the actuarial assumptions in this valuation. (The assumptions used are more fully described in the next section.)

- **Mortality**

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

Investment rate of return (net of investment-related and administrative expenses)

6.25%.

Inflation

2.40%.

This assumption is consistent with the Social Security Administration's current best estimate of the ultimate long-term (75-year horizon) annual percentage increase in CPI, as published in the 2025 OASDI Trustees Report.

Mortality

Pub-2016 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2021.

(Prior: Pub-2010 Public Retirement Plans Amount-Weighted Mortality Tables (with separate tables for General Employees, Public Safety and Teachers), projected to the valuation date with Scale MP-2021.)

Mortality Improvement

Projected to date of decrement using Scale MP-2021 (generational).

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

Administrative expenses

No loading for expenses has been included. It is assumed that administrative expenses will be paid by the Town.

Cost of living increases

2.40% per year.

Summary of Plan Provisions

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

Plan identification

Single-employer pension plan.

Effective Date

August 30, 1965 (most recent Pension Ordinance enacted August 5, 2002).

Eligibility

This plan covers only a closed group of vested terminations and retirees.

Benefits

Accrued benefits for terminated vested participants have been calculated by the Town.

Normal Form of Payment

Unless the Participant elects otherwise, the benefit will normally be paid for the lifetime of the Participant only.

Retiree Benefit Increase

Effective in 2002, benefit payments to retirees were increased 30%, but will not be less than \$6,000 per year.

Cost of Living

Benefits to retirees will be increased each September 1st based on the percentage increase in the Consumer Price Index capped at 5% per year.

Retirement Bonus

A one-time bonus payment of \$5,000 will be paid upon retirement to all new retirees effective August 5, 2002.