**TOWN OF WEST HARTFORD PENSION BOARD SPECIAL MEETING AGENDA**

Monday, February 2, 2026 at 7:45 a.m.

Room 217 Town Hall

I. Roll Call/Attendance
Guests: Mayor Shari Cantor; Rick Ledwith, Town Manager; Lori Kearney, Human Resources Specialist; Alexis Davidoff, Personnel Analyst; Chris Kachmar, Fiducient Advisors; Yelena Pelletier, Milliman; Jenn Castelhano, Milliman.

II. Lazaro Guzman, Chair
A. Opening Comments

III. Milliman, Yelena Pelletier and Jenn Castelhano
A. Pension Plan Actuarial Valuation Presentation

IV. Chris Kachmar, Fiducient Advisors
A. Asset Allocation Analysis and Discussion

V. Meeting Adjournment
**"Motion to adjourn."**

FIDUCIENT Advisors A Wealthspire Company

# Asset Allocation Analysis

Town of West Hartford Pension Plan

January 2026

*This report is intended for sophisticated investors and accredited investors only. Please review the Hypothetical Performance Disclosures at the end of this document for more information.*

# Disclosure

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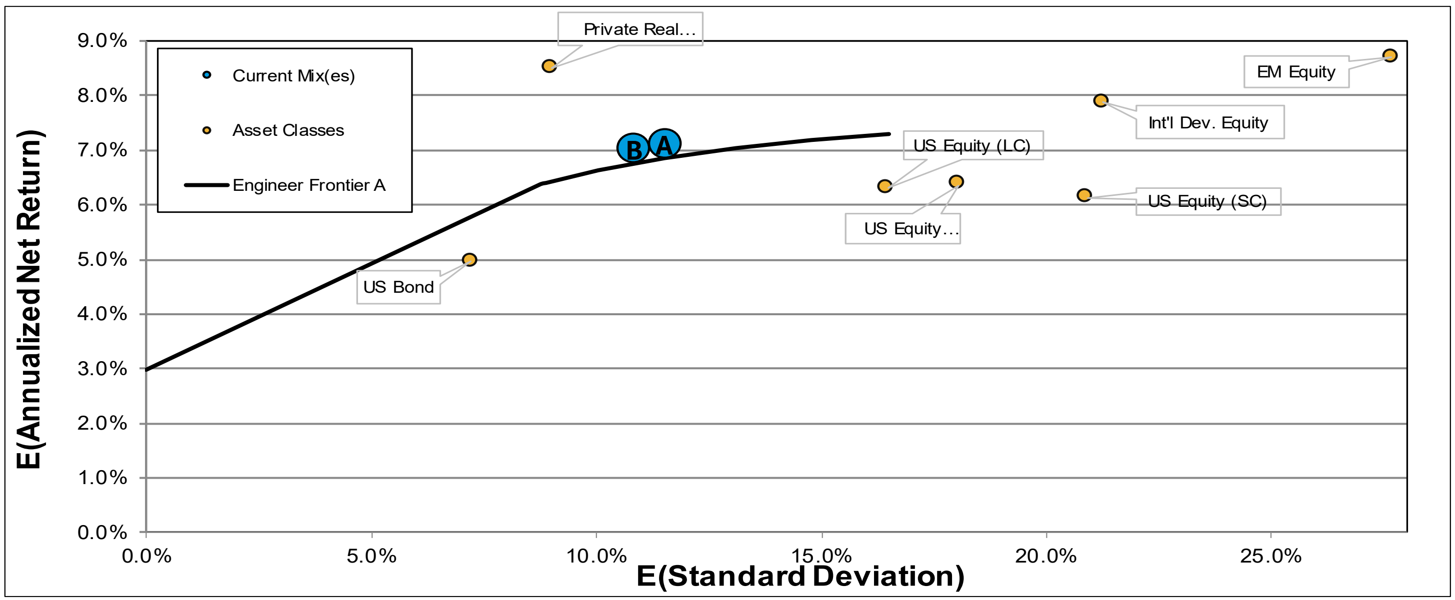
# Frontier Engineer® Analysis: Twenty-Year Forecasted Returns

| 12/31/2025 | Asset Allocation | | | | | | | | | | | Forecasts | | | | Past (1/88-12/25) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Fixed Income | Equity | Real Assets | Alternatives | US Bond | US Equity (LC) | US Equity (MC) | US Equity (SC) | Int'l Dev. Equity | EM Equity | Private Real Estate | Annualized Return | Annualized Volatility | Normal 100 Year Flood* | Non-Normal 100 Year Flood** | Annualized Net Return | Annualized Volatility |
| Current Mix (A) | 35.0% | 60.0% | 5.0% | | 35.0% | 23.5% | 6.5% | 10.0% | 17.5% | 2.5% | 5.0% | 7.1% | 11.5% | -19% | -26% | 8.8% | 10.0% |
| Current Mix 2 (B) | 40% | 55% | 5% | 0% | 40.0% | 21.5% | 6.0% | 9.0% | 16.0% | 2.5% | 5.0% | 7.0% | 10.9% | -18% | -23% | 8.6% | 9% |




*The expected one in a hundred worst case calendar year return based on normally distributed capital market assumptions. Greater losses are possible (1% expected likelihood).*

***The expected one in a hundred worst case calendar year return based on non-normally distributed capital market assumptions (factoring in skewness & kurtosis). Greater losses are possible (1% expected likelihood).*

*Historical Returns and Risk Metrics for each Mix represent back-tested calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are net of fees. Historical returns are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see the Frontier Engineer® Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class. Please ask for a copy of Fiducient Advisors', A Wealthspire Company, white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing. Please refer to the Capital Markets Assumptions Slide for the hypothetical alpha and hypothetical fee inputs used in the calculation methodology.*

# Current vs Proposed Target Allocation – Town of West Hartford Pension Plan

| Investment | Current Target Allocation | Potential Target Allocation #1 | Potential Target Allocation #2 | IPS Allocation Range |
|---|---|---|---|---|
| ***Cash*** | **0.0%** | **0.0%** | **0.0%** | |
| Cash (AllSpring Govt Money Market Fund) | 0.0% | 0.0% | 0.0% | |
| ***Fixed Income*** | **35.0%** | **40.0%** | **40.0%** | **25.0% - 45.0%** |
| Vanguard Total Bond Market Index I | 15.0% | 17.5% | 17.5% | |
| Dodge & Cox Income | 20.0% | 22.5% | 22.5% | |
| ***Domestic Equity*** | **40.0%** | **36.5%** | **36.5%** | **25.0% - 55.0%** |
| Vanguard Total Stock Market Index Index I | 33.0% | 30.0% | 0.0% | |
| Fidelity 500 Index | 0.0% | 0.0% | 21.5% | |
| Fidelity Mid Cap Index | 0.0% | 0.0% | 8.0% | |
| Vanguard Small Cap Value Index I | 3.5% | 3.25% | 3.5% | |
| Pier Capital Small Cap Growth | 3.5% | 3.25% | 3.5% | |
| ***International Equity*** | **20.0%** | **18.5%** | **18.5%** | **10.0% - 30.0%** |
| Acadian Non-US All Cap Equity (USD Hedged) | 5.0% | 4.5% | 4.5% | |
| Causeway International Value I | 7.5% | 7.0% | 7.0% | |
| Vanguard International Growth Adm | 7.5% | 7.0% | 7.0% | |
| ***Real Estate*** | **5.0%** | **5.0%** | **5.0%** | **0.0% - 10.0%** |
| Barings Core Property Fund | 2.5% | 2.5% | 2.5% | |
| TA Realty Core Property Fund | 2.5% | 2.5% | 2.5% | |
| **Investment Portfolio Total** | **100.0%** | **100.0%** | **100.0%** | |

# Historical Annualized Total Return

| *Annualized net returns as of 12/31/2025* | Fixed Income | Equity | Real Assets | Alternatives | Past 3 Months (Not Annualized) | 1-Year Return | 3-Year Return | 5-Year Return | 7-Year Return | 10-Year Return | 15-Year Return | 20-Year Return | 25-Year Return | 30-Year Return | 38-Year Return |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Current Mix (A) | 35% | 60% | 5% | 0% | 2.2% | 15.5% | 13.7% | 7.0% | 9.7% | 8.4% | 8.1% | 7.4% | 7.2% | 7.9% | 8.8% |
| Current Mix 2 (B) | 40% | 55% | 5% | 0% | 2.1% | 14.9% | 13.0% | 6.4% | 9.1% | 8.0% | 7.7% | 7.1% | 7.0% | 7.6% | 8.6% |
| Cash | 100% | | | | 1.0% | 4.4% | 5.0% | 3.3% | 2.8% | 2.2% | 1.5% | 1.7% | 1.8% | 2.4% | 3.1% |
| TIPS | 100% | | | | 0.1% | 7.0% | 4.2% | 1.1% | 3.5% | 3.1% | 2.9% | 3.5% | 4.5% | 4.6% | 5.7% |
| US Bond | 100% | | | | 1.1% | 7.3% | 4.7% | -0.4% | 2.0% | 2.0% | 2.4% | 3.3% | 3.8% | 4.2% | 5.4% |
| US Bonds - Dynamic | 100% | | | | 1.0% | 6.0% | 6.7% | 2.8% | 3.8% | 3.8% | 3.5% | 4.0% | 4.3% | 4.6% | 5.6% |
| For. Dev. Bond | 100% | | | | 0.0% | 5.2% | 3.7% | -2.9% | -0.1% | 1.0% | 1.2% | 2.3% | 3.1% | 3.5% | 4.6% |
| Global Bonds | 100% | | | | 0.2% | 8.2% | 4.0% | -2.1% | 0.7% | 1.3% | 1.1% | 2.5% | 3.3% | 3.4% | 4.9% |
| HY Bond | 100% | | | | 1.3% | 8.6% | 10.1% | 4.5% | 6.2% | 6.5% | 6.0% | 6.7% | 7.2% | 6.7% | 7.7% |
| EM Bond | 100% | | | | 3.3% | 19.3% | 9.5% | 1.1% | 3.0% | 3.9% | 1.4% | 4.1% | 6.0% | 7.2% | 7.7% |
| Global Equity | | 100% | | | 3.4% | 22.9% | 21.2% | 11.7% | 14.5% | 12.3% | 10.4% | 8.7% | 7.7% | 8.3% | 8.7% |
| US Equity (AC) | | 100% | | | 2.4% | 17.1% | 22.2% | 13.1% | 16.6% | 14.3% | 13.6% | 10.8% | 8.9% | 10.2% | 11.4% |
| US Equity (LC) | | 100% | | | 2.7% | 17.9% | 23.0% | 14.4% | 17.3% | 14.8% | 14.1% | 11.0% | 8.8% | 10.4% | 11.5% |
| US Equity (MC) | | 100% | | | 0.2% | 10.6% | 14.4% | 8.7% | 12.8% | 11.0% | 11.2% | 9.5% | 9.3% | 10.5% | 11.7% |
| US Equity (SC) | | 100% | | | 2.2% | 12.8% | 13.7% | 6.1% | 10.6% | 9.6% | 9.5% | 8.2% | 8.2% | 8.6% | 9.9% |
| Non-US Equity (ACWI) | | 100% | | | 5.1% | 33.1% | 18.0% | 8.5% | 10.7% | 8.9% | 6.4% | 6.1% | 6.2% | 6.3% | 6.6% |
| Int'l Dev. Equity | | 100% | | | 4.9% | 31.9% | 17.8% | 9.5% | 11.1% | 8.7% | 7.1% | 6.1% | 5.8% | 6.1% | 6.3% |
| EM Equity | | 100% | | | 4.8% | 34.4% | 17.0% | 4.7% | 8.5% | 8.9% | 4.2% | 6.4% | 8.9% | 6.6% | 10.1% |
| Real Estate | | | 100% | | -2.1% | 2.3% | 6.1% | 4.8% | 6.4% | 5.8% | 7.8% | 6.6% | 9.0% | 9.2% | 9.5% |
| Broad Real Assets | | | 100% | | 1.6% | 13.2% | 8.1% | 5.6% | 6.5% | 6.1% | 5.0% | 5.8% | 7.6% | 7.5% | 6.7% |
| Marketable Alternatives | | | | 100% | 3.3% | 10.3% | 8.5% | 5.1% | 6.4% | 4.8% | 3.9% | 3.5% | 4.0% | 5.1% | 7.0% |
| Private Equity | | | | 100% | 0.0% | 2.9% | 2.6% | 5.7% | 10.6% | 11.1% | 12.0% | 11.2% | 9.3% | 13.8% | 14.0% |

*Historical Returns and Risk Metrics for each Mix represent back-tested calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are net of fees. Historical returns are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see the Frontier Engineer® Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class. Please ask for a copy of Fiducient Advisors', A Wealthspire Company, white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing.*

# Calendar Year Total Return

| *Calendar Net Year Returns* | Fixed Income | Equity | Real Assets | Alternatives | YTD 12/31/2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 | 1992 | 1991 | 1990 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Current Mix (A) | 35% | 60% | 5% | 0% | 16% | 10% | 16% | -16% | 13% | 13% | 21% | -5% | 15% | 8% | 0% | 8% | 17% | 13% | 1% | 14% | 23% | -25% | 6% | 15% | 8% | 13% | 25% | -8% | -3% | 1% | 14% | 13% | 16% | 13% | 23% | 1% | 17% | 6% | 25% | -6% |
| Current Mix 2 (B) | 40% | 55% | 5% | 0% | 15% | 9% | 15% | -16% | 12% | 12% | 20% | -5% | 14% | 8% | 0% | 8% | 15% | 12% | 2% | 14% | 22% | -23% | 6% | 15% | 7% | 13% | 24% | -6% | -2% | 1% | 13% | 12% | 16% | 12% | 23% | 0% | 17% | 6% | 24% | -5% |
| Cash | 100% | | | | 4% | 5% | 5% | 2% | 0% | 1% | 2% | 2% | 1% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 2% | 5% | 5% | 3% | 1% | 1% | 2% | 4% | 6% | 5% | 5% | 5% | 5% | 6% | 4% | 3% | 4% | 6% | 8% |
| TIPS | 100% | | | | 7% | 2% | 4% | -12% | 6% | 11% | 8% | -1% | 3% | 5% | -1% | 4% | -9% | 7% | 14% | 6% | 11% | -2% | 12% | 0% | 3% | 8% | 8% | 17% | 8% | 13% | 2% | 4% | 3% | 4% | 18% | -3% | 10% | 7% | 16% | 9% |
| US Bond | 100% | | | | 7% | 1% | 6% | -13% | -2% | 8% | 9% | 0% | 4% | 3% | 1% | 6% | -2% | 4% | 8% | 7% | 6% | 5% | 7% | 4% | 2% | 4% | 4% | 10% | 8% | 12% | -1% | 9% | 10% | 4% | 18% | -3% | 10% | 7% | 16% | 9% |
| US Bonds - Dynamic | 100% | | | | 6% | 6% | 9% | -7% | 1% | 5% | 8% | 1% | 4% | 7% | -1% | 3% | 2% | 7% | 4% | 7% | 19% | -7% | 4% | 7% | 3% | 6% | 10% | 3% | 6% | 3% | 3% | 6% | 9% | 8% | 14% | 0% | 10% | 9% | 21% | 1% |
| For. Dev. Bond | 100% | | | | 5% | -1% | 7% | -18% | -6% | 8% | 7% | 1% | 6% | 3% | -2% | 4% | -2% | 4% | 5% | 4% | 3% | 9% | 8% | 5% | -2% | 9% | 10% | 14% | 1% | 4% | -1% | 15% | 3% | 8% | 19% | 1% | 14% | 6% | 14% | 9% |
| Global Bonds | 100% | | | | 8% | -2% | 6% | -16% | -5% | 9% | 7% | -1% | 7% | 2% | -3% | 1% | -3% | 4% | 6% | 6% | 7% | 5% | 9% | 7% | -4% | 9% | 13% | 17% | 2% | 3% | -5% | 14% | 4% | 5% | 20% | 0% | 11% | 6% | 16% | 11% |
| HY Bond | 100% | | | | 9% | 8% | 13% | -11% | 5% | 7% | 14% | -2% | 8% | 17% | -4% | 2% | 7% | 16% | 5% | 15% | 58% | -26% | 2% | 12% | 3% | 11% | 29% | -1% | 5% | -6% | 2% | 2% | 13% | 11% | 19% | -1% | 17% | 16% | 46% | -10% |
| EM Bond | 100% | | | | 19% | -2% | 13% | -12% | -9% | 3% | 13% | -6% | 15% | 10% | -15% | -6% | -9% | 17% | -2% | 16% | 22% | -5% | 18% | 15% | 6% | 23% | 17% | 14% | 10% | 13% | 20% | -8% | 11% | 38% | 27% | -19% | 17% | 16% | 46% | -10% |
| Global Equity | | 100% | | | 23% | 18% | 23% | -18% | 19% | 17% | 27% | -9% | 25% | 8% | -2% | 5% | 23% | 17% | -7% | 13% | 35% | -42% | 12% | 22% | 11% | 16% | 35% | -19% | -16% | -14% | 27% | 22% | 15% | 13% | 19% | 5% | 25% | -4% | 20% | -16% |
| US Equity (AC) | | 100% | | | 17% | 24% | 26% | -19% | 26% | 21% | 31% | -5% | 21% | 13% | 0% | 13% | 34% | 16% | 1% | 17% | 28% | -37% | 5% | 16% | 6% | 12% | 31% | -22% | -11% | -7% | 21% | 24% | 32% | 22% | 37% | 0% | 11% | 10% | 34% | -5% |
| US Equity (LC) | | 100% | | | 18% | 25% | 26% | -18% | 29% | 18% | 31% | -4% | 22% | 12% | 1% | 14% | 32% | 16% | 2% | 15% | 26% | -37% | 5% | 16% | 5% | 11% | 29% | -22% | -12% | -9% | 21% | 29% | 33% | 23% | 38% | 1% | 10% | 8% | 30% | -3% |
| US Equity (MC) | | 100% | | | 11% | 15% | 17% | -17% | 23% | 17% | 31% | -9% | 19% | 14% | -2% | 13% | 35% | 17% | -2% | 25% | 40% | -41% | 6% | 15% | 13% | 20% | 40% | -16% | -6% | 8% | 18% | 10% | 29% | 19% | 34% | -2% | 14% | 16% | 42% | -11% |
| US Equity (SC) | | 100% | | | 13% | 12% | 17% | -20% | 15% | 20% | 26% | -11% | 15% | 21% | -4% | 5% | 39% | 16% | -4% | 27% | 27% | -34% | -2% | 18% | 5% | 18% | 47% | -20% | 2% | -3% | 21% | -3% | 22% | 16% | 28% | -2% | 19% | 18% | 46% | -19% |
| Non-US Equity (ACWI) | | 100% | | | 33% | 6% | 16% | -16% | 8% | 11% | 22% | -14% | 28% | 5% | -5% | -3% | 16% | 17% | -13% | 12% | 42% | -45% | 17% | 27% | 17% | 21% | 41% | -15% | -19% | -15% | 31% | 14% | 2% | 7% | 10% | 7% | 35% | -11% | 14% | -23% |
| Int'l Dev. Equity | | 100% | | | 32% | 4% | 19% | -14% | 12% | 8% | 23% | -13% | 26% | 2% | 0% | -4% | 23% | 18% | -12% | 8% | 32% | -43% | 12% | 27% | 14% | 21% | 39% | -16% | -21% | -14% | 27% | 20% | 2% | 6% | 12% | 8% | 33% | -12% | 12% | -23% |
| EM Equity | | 100% | | | 34% | 8% | 10% | -20% | -2% | 19% | 19% | -14% | 38% | 12% | -15% | -2% | -2% | 19% | -18% | 19% | 79% | -53% | 40% | 33% | 35% | 26% | 56% | -6% | -2% | -31% | 66% | -25% | -12% | 6% | -5% | -7% | 75% | 11% | 60% | -11% |
| Real Estate | | | 100% | | 2% | 5% | 11% | -25% | 41% | -5% | 29% | -4% | 9% | 9% | 3% | 28% | 3% | 20% | 8% | 28% | 28% | -38% | -16% | 35% | 12% | 32% | 37% | 4% | 14% | 26% | -5% | -18% | 20% | 35% | 15% | 3% | 20% | 15% | 36% | -15% |
| Broad Real Assets | | | 100% | | 13% | 4% | 8% | -10% | 15% | 1% | 17% | -6% | 11% | 11% | -10% | 5% | 4% | 14% | 3% | 15% | 33% | -28% | 11% | 23% | 10% | 20% | 26% | 25% | -3% | 28% | 10% | -14% | 2% | 14% | 14% | 4% | 4% | 4% | 4% | -6% |
| Marketable Alternatives | | | | 100% | 10% | 9% | 6% | -5% | 6% | 11% | 8% | -4% | 8% | 1% | 0% | 3% | 9% | 5% | -6% | 6% | 11% | -21% | 10% | 10% | 7% | 7% | 12% | 1% | 3% | 4% | 26% | -5% | 16% | 14% | 11% | -3% | 26% | 12% | 14% | 18% |
| Private Equity | | | | 100% | 3% | 4% | 1% | -12% | 40% | 32% | 16% | 13% | 16% | 9% | 8% | 15% | 23% | 12% | 12% | 18% | 10% | -20% | 18% | 25% | 21% | 22% | 14% | -16% | -21% | 10% | 125% | 21% | 32% | 33% | 32% | 14% | 23% | 14% | 14% | 4% |

*Historical Returns for each Mix based on back-tested return calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are net of fees. Historical returns used are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see the Frontier Engineer® Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class. For additional information on forecast methodologies, please ask for a copy of Fiducient Advisors', A Wealthspire Company, white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing.*

# Capital Market Assumptions

| Return & Risk Assumptions (Forecasts) | Arithmetic Return | Geometric Return | Standard Deviation | Skewness | Kurtosis |
|---|---|---|---|---|---|
| US Bond | 5.2% | 5.0% | 7.2% | -0.33 | 1.67 |
| For. Dev. Bond | 5.6% | 4.5% | 14.6% | 0.00 | 0.41 |
| US Equity (LC) | 7.7% | 6.3% | 16.5% | -0.57 | 0.83 |
| US Equity (MC) | 8.0% | 6.4% | 18.0% | -0.65 | 1.97 |
| US Equity (SC) | 8.3% | 6.1% | 20.9% | -0.41 | 0.99 |
| Int'l Dev. Equity | 10.1% | 7.9% | 21.3% | -0.54 | 1.34 |
| EM Equity | 12.5% | 8.7% | 27.7% | -0.65 | 2.15 |
| Private Real Estate | 8.9% | 8.5% | 9.0% | -0.75 | 6.78 |
| 0 | | | | | |

| Correlation Assumptions (Forecasts) | US Bond | For. Dev. Bond | US Equity (LC) | US Equity (MC) | US Equity (SC) | Int'l Dev. Equity | EM Equity | Private Real Estate |
|---|---|---|---|---|---|---|---|---|
| US Bond | 1.00 | 0.52 | 0.24 | 0.24 | 0.15 | 0.21 | 0.12 | 0.25 |
| For. Dev. Bond | 0.52 | 1.00 | 0.13 | 0.12 | 0.06 | 0.45 | 0.21 | 0.22 |
| US Equity (LC) | 0.24 | 0.13 | 1.00 | 0.94 | 0.84 | 0.70 | 0.66 | 0.61 |
| US Equity (MC) | 0.24 | 0.12 | 0.94 | 1.00 | 0.94 | 0.69 | 0.68 | 0.69 |
| US Equity (SC) | 0.15 | 0.06 | 0.84 | 0.94 | 1.00 | 0.63 | 0.65 | 0.67 |
| Int'l Dev. Equity | 0.21 | 0.45 | 0.70 | 0.69 | 0.63 | 1.00 | 0.71 | 0.52 |
| EM Equity | 0.12 | 0.21 | 0.66 | 0.68 | 0.65 | 0.71 | 1.00 | 0.46 |
| Private Real Estate | 0.25 | 0.22 | 0.61 | 0.69 | 0.67 | 0.52 | 0.46 | 1.00 |

*Historical mix return calculations assume a w eighted average excess return assumption of 0.5% w ith a Fiducient Advisors' hyp

*For additional information on forecast methodologies, please speak with your advisor. Please see Index Proxy Summary slide at the end of this presentation for summary of indexes used to represent each asset class. Past performance does not indicate future performance. Please see the Frontier Engineer® Hypothetical Performance Disclosures at the end of the presentation for additional information.*

# Indices for Past Return & Risk Metrics

| Indices used to generate historical risk and return metrics | Most Recent Index | Index Dates | Linked Index 1 | Index Dates | Linked Index 2 | Index Dates | Linked Index 2 | Index Dates |
|---|---|---|---|---|---|---|---|---|
| US Bond | Bloomberg US Agg Bond TR USD | 12/25 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| For. Dev. Bond | 50%CITIWGBINonUSD Hdg 50%CITIWGBINonUSD | 12/25 - 1/85 | Bloomberg US Agg Bond TR USD | 12/84 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| US Equity (LC) | S&P 500 TR USD | 12/25 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| US Equity (MC) | Russell Mid Cap TR USD | 12/25 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| US Equity (SC) | Russell 2000 TR USD | 12/25 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| Int'l Dev. Equity | MSCI EAFE GR USD | 12/25 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| EM Equity | MSCI EM GR USD | 12/25 - 1/88 | MSCI EAFE GR USD | 12/87 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| Private Real Estate | Wilshire US RESI TR USD | 12/25 - 1/79 | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. | N.A. | N.A. - N.A. |
| | | | | | | | | |
| 0.25%. | | | | | | | | |

*Note: Private Equity Index is frequently 3-6 months behind the other indices. For historical return calculation purposes, it is given 0% returns during the most recent period where gaps may exist. Past performance, actual or hypothetical, is no guarantee of future results and there is a possibility of a loss. Please see Frontier Engineer® Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class.*

# Appendix: Frontier Engineer® Disclosures

# Frontier Engineer® Hypothetical Performance Disclosures

**Disclosure**

The historical performance information derived from the Frontier Engineer® and used or presented in charts, tables, or graphs represent simulated historical performance, which has been derived by retroactively applying an asset allocation modeling process in its most recently developed form with its most recently derived ten-year (forward-looking) capital market assumptions. Such historical return simulations (or back testing) was performed by simulating the combination of actual index returns for the historical period with a buy and hold strategy effective January 1, 1988, through the most recently available month-end date with simulated rebalancing occurring every month-end (with the reinvestment of dividends and capital gains from each index).

Back tested performance is hypothetical and does not reflect actual trades or actual client performance. As with all models, there are inherent limitations which are derived from the retroactive application developed with the benefit of hindsight, including the risk that certain factors such as material economic and market conditions could have contributed to materially different (either higher or lower) performance results than those depicted, or that certain material factors may have been included or excluded from consideration. As such, actual results during the applicable back tested period would have been different than those depicted.

The asset allocation modeling process currently used was initially developed in 2002 and was not offered as a strategy prior to that time. The output of a forward-looking model (or process) is a representation of allocation percentages among specific asset classes. Clients cannot invest directly in a target allocation, but rather, in underlying securities within designated asset classes. Advisor may change its models from time to time and regularly updates its model as additional capital market assumption information becomes available or to increase or decrease relative weightings or emphasis on certain factors. Consequently, the Advisor may choose to deviate from a stated model over time as the model itself is revised, which could have a materially positive or negative impact on performance.

During the period represented, numerous modelling changes were made, including the regular changes in (ten-year) forward-looking expected returns, expected volatilities, expected non-normal return distribution assumptions, as well as tracking-error assumptions and risk budgets. Furthermore, such assumptions can be modified client-by-client depending on certain preferences, priorities, constraints or unique considerations applicable to each client.

Other economic and market factors may have impacted decision-making when using the model to manage client funds, including the list of approved asset classes by a client or client type as well as any client-directed or Advisor implemented constraints.

All investments bear the risk of loss, including the loss of principal. Past performance, actual or hypothetical, is no guarantee of future results.

Hypothetical performance would be reduced by investment advisory fees and other expenses that may be incurred in the management of the client's portfolio. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) $1,000,000 investment, (c) portfolio return of 8% a year, and (d)0.50% annual investment advisory fee would be $5,228 in the first year, and cumulative effects of $30,342 over five years and$73,826 over ten years. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.

# Disclosure

**INDEX DEFINITIONS**

**FTSE Treasury Bill 3 Month** measures return equivalents of yield averages and are not marked to market. It is an average of the last three three-month Treasury bill month-end rates.

**Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.

**Bloomberg Muni 5 Year Index** is the 5 year (4-6) component of the Municipal Bond index.

**Bloomberg High Yield Municipal Bond Index** covers the universe of fixed rate, non-investment grade debt.

**Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

**FTSE World Government Bond Index (WGBI) (Unhedged)** provides a broad benchmark for the global sovereign fixed income market by measuring the performance of fixed-rate, local currency, investment-grade sovereign debt from over 20 countries,

**FTSE World Government Bond Index (WGBI) (Hedged)** is designed to represent the FTSE WGBI without the impact of local currency exchange rate fluctuations.

**Bloomberg US Corporate High Yield TR USD** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

**JP Morgan Government Bond Index-Emerging Market Index (GBI-EMI)** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.

**JPMorgan EMBI Global Diversified** is an unmanaged, market-capitalization weighted, total-return index tracking the traded market for U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

**MSCI ACWI** is designed to represent performance of the full opportunity set of large- and mid-cap stocks across multiple developed and emerging markets, including cross-market tax incentives.

**The S&P 500** is a capitalization-weighted index designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

**Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.

**Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.

**Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.

**MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

**MSCI Emerging Markets** captures large and mid-cap representation across Emerging Markets countries. The index covers approximately 85% of the free-float adjusted market capitalization in each country

**The Wilshire US Real Estate Securities Index (Wilshire US RESI)** is comprised of publicly-traded real estate equity securities and designed to offer a market-based index that is more reflective of real estate held by pension funds.

**Alerian MLP Index** is a float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.

**Bloomberg Commodity Index (BCI)** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.

**Treasury Inflation-Protected Securities (TIPS)** are Treasury bonds that are indexed to inflation to protect investors from the negative effects of rising prices. The principal value of TIPS rises as inflation rises.

**HFRI Fund of Funds Composite** is an equal-weighted index consisting of over 800 constituent hedge funds, including both domestic and offshore funds.

**Cambridge Associates U.S. Private Equity Index (67% Buyout vs. 33% Venture)** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.

**HFN Hedge Fund Aggregate Average** is an equal weighted average of all hedge funds and CTA/managed futures products reporting to the HFN Database. Constituents are aggregated from each of the HFN Strategy Specific Indices.

**Goldman Sachs Commodity Index (GSCI)** is a broadly diversified, unleveraged, long-only composite index of commodities that measures the performance of the commodity market.

# Disclosure

**Material Risk Disclosures**

**Fixed Income** securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.

**Cash** may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.

**Domestic Equity** can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

**International Equity** can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impact by currency and/or country specific risks which may result in lower liquidity in some markets.

**Real Assets** can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

**Private Equity** involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

**Private Credit** involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

**Private Real Estate** involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrow.

**Marketable Alternatives** involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation

## AGENDA

**The factors that determine the plan's liability**

- The plan's membership
- The benefits provided by the plan
- Actuarial assumptions about what will happen in the future

**The plan's assets**

- Investment performance
- Changes in asset balances
- How the portfolio is invested

**Setting the contribution level**

- Systematic plan for setting aside funds so benefits are secure
- Balancing the costs borne by different generations of taxpayers
- Minimizing year-over-year volatility

**Opening up the actuarial 'black box'**

- Answering your questions
- Giving you a full appreciation of the financial dynamics of your plan
- Helping you to make sound decisions

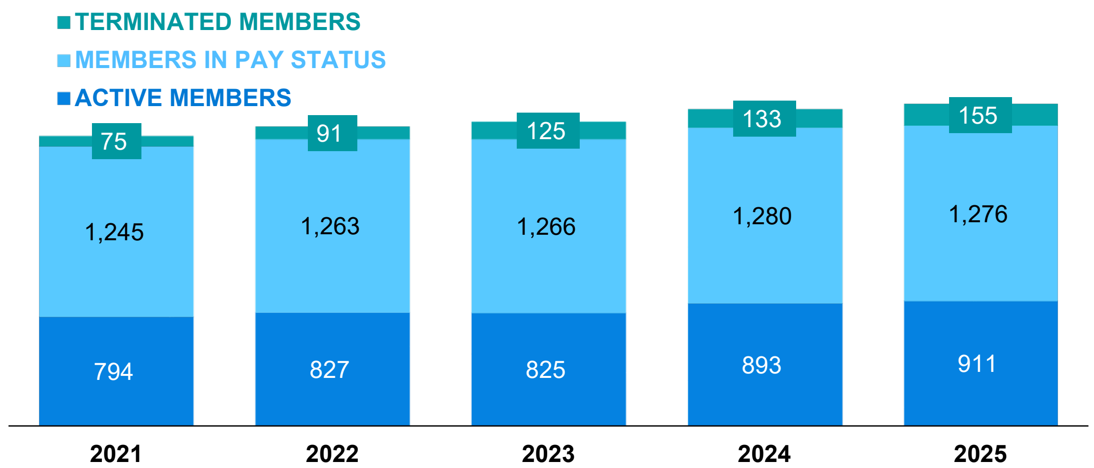
### Key Takeaways

- ✓ Assets earned 11.51%
- ✓ Funded ratio moved from 92.4% to 92.0%
- ✓ We updated the mortality tables from Pub-2010 to Pub-2016 and tweaked the salary scale assumption for the next 3 fiscal years
- ✓ FY 2026-27 Actuarially Determined Contribution is $10.5m; split $9.3m from Operating Budget plus $1.2m from Reserve Fund

# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation



### HISTORICAL HEADCOUNTS




### TERMINATED MEMBERS ON JULY 1, 2025

| | |
|---|---|
| Count due a vested benefit at retirement | 69 |
| Count due a refund of member contributions | 86 |

### MEMBERS IN PAY STATUS ON JULY 1, 2025

| | Service Retirees | Disabled Retirees | Beneficiaries |
|---|---|---|---|
| Count | 1,089 | 34 | 153 |
| Average Age | 71.6 | 66.3 | 76.6 |
| Total Annual Benefit | $38,917,353 | $856,506 | $2,454,870 |
| Average Annual Benefit | 35,737 | 25,191 | 16,045 |

### ACTIVE MEMBERS ON JULY 1, 2025

| | Years of Service | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Age** | 0-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30+ | **Total** |
| < 25 | 22 | | | | | | | 22 |
| 25-29 | 85 | 12 | | | | | | 97 |
| 30-34 | 66 | 30 | 10 | | | | | 106 |
| 35-39 | 45 | 34 | 32 | 9 | | | | 120 |
| 40-44 | 37 | 27 | 21 | 25 | 5 | | | 115 |
| 45-49 | 21 | 27 | 10 | 14 | 5 | 3 | | 80 |
| 50-54 | 35 | 20 | 7 | 11 | 11 | 6 | 1 | 91 |
| 55-59 | 31 | 28 | 19 | 14 | 17 | 5 | 2 | 116 |
| 60-64 | 20 | 30 | 11 | 17 | 8 | 13 | 3 | 102 |
| 65+ | 15 | 7 | 6 | 9 | 14 | 6 | 5 | 62 |
| Total | 377 | 215 | 116 | 99 | 60 | 33 | 11 | 911 |

**Average Age**
45.9

**Average Service**
9.5

**Total Payroll**
$78,135,025

**Average Payroll**
$85,768

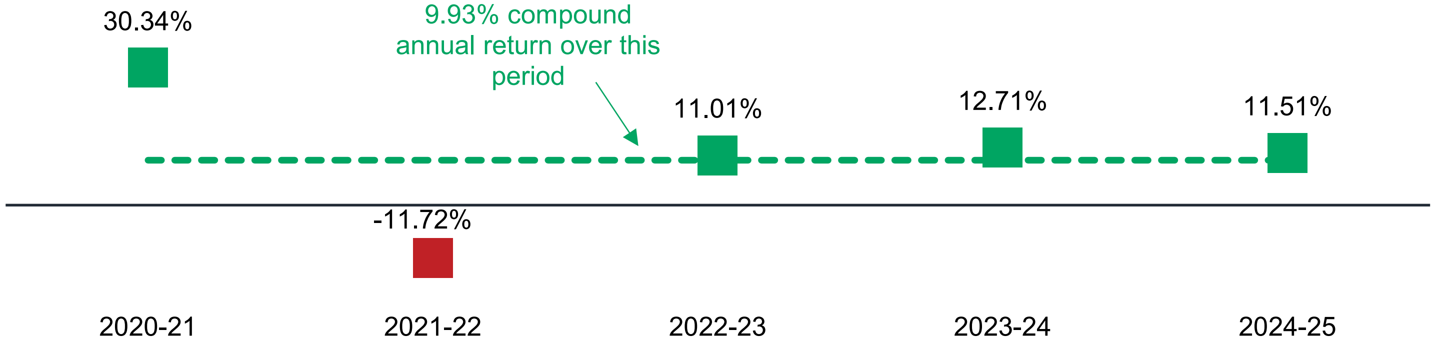
| **Active Member Count By Group** | |
|---|---|
| Part A | 0 |
| Part B | 218 |
| Part B1 | 13 |
| Part C | 89 |
| Part D | 128 |
| Part E | 463 |
| Total | 911 |
| | |
| BOE | 466 |
| Town | 445 |
| Total | 911 |

# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation



### HISTORICAL INVESTMENT RETURNS

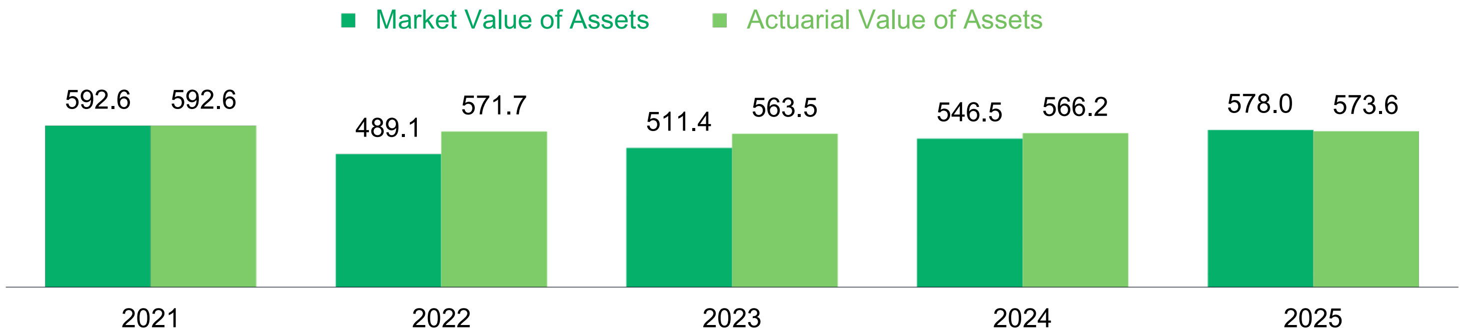
2024-25 saw a year of strong market performance following last year's similarly strong performance, with a rate of return of 11.51% on a Market Value basis. The chart below illustrates the ups and downs in the plan's investment returns.




| | |
|---|---|
| **MARKET VALUE, 07/01/2024** | **$546,470,155** |
| Town Contributions | 9,171,619 |
| Member Contributions | 3,745,115 |
| Net Investment Income | 61,186,230 |
| Benefit Payments | (42,077,082) |
| Administrative Expenses | (452,303) |
| **MARKET VALUE, 07/01/2025** | **578,043,734** |
| Expected rate of return | 6.50% |
| Expected investment income | 34,553,475 |
| Market (gains)/losses | (26,632,755) |

### HISTORICAL ASSET BALANCES ($ millions)

In order to dampen the volatility of the market and prevent large swings in annual contributions, we smooth investment gains or losses over five years. The resulting Actuarial Value of Assets is shown alongside the Market Value of Assets in the chart below.



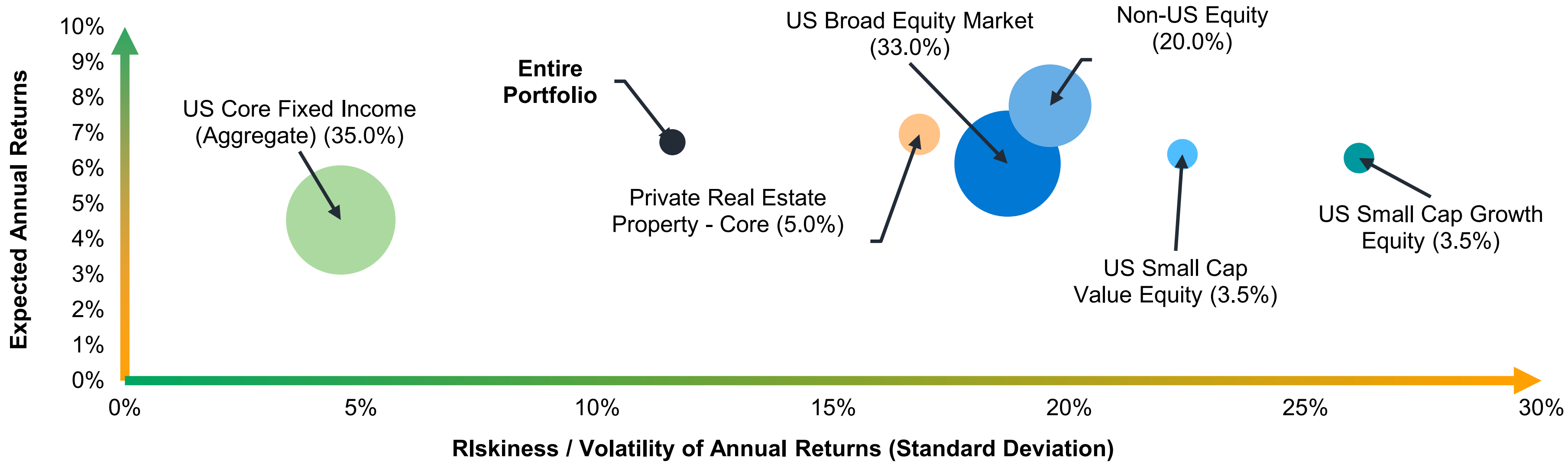

As of July 1, 2025, the Actuarial Value is less than the Market Value by $4.5 million. This figure represents investment gains that will be gradually recognized over the next five years. This process will exert downward pressure on the Town's contribution, unless there are offsetting market losses.

# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation



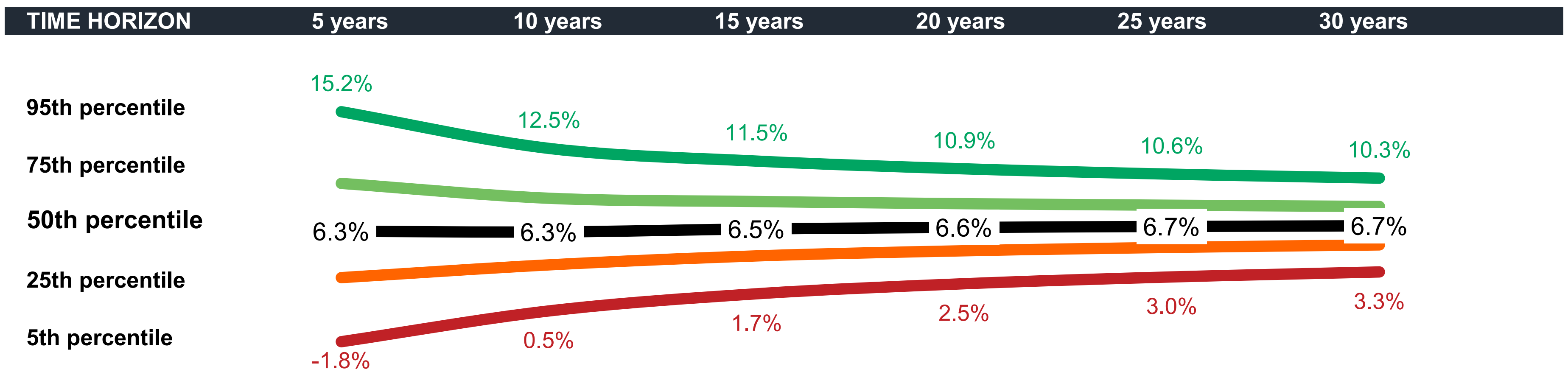
### ASSET ALLOCATION

This chart illustrates the plan's target asset allocation as of June 30, 2025. The bubble colors indicate fixed income (greens), equities (blue), and other asset classes (browns). The size of each bubble denotes how much of the portfolio is allocated to the asset class. The expected returns and riskiness are based on Milliman's June 30, 2025 Capital Market Assumptions.




### DISTRIBUTION OF EXPECTED RETURNS

In any given year, the plan's investment return can range from very high to very low. As we look at longer and longer periods, the high and low years balance out and the annualized return should converge to the 50th percentile, or median. Using Milliman's June 30, 2025 Capital Market Assumptions, the expected long-term annualized median return of the portfolio, without reflecting a margin for manager alpha, is 6.7%.

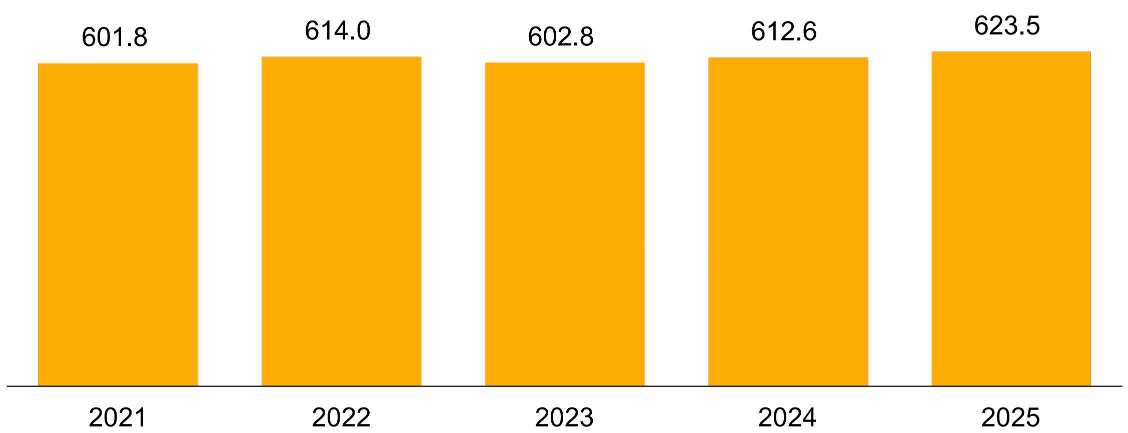


# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation

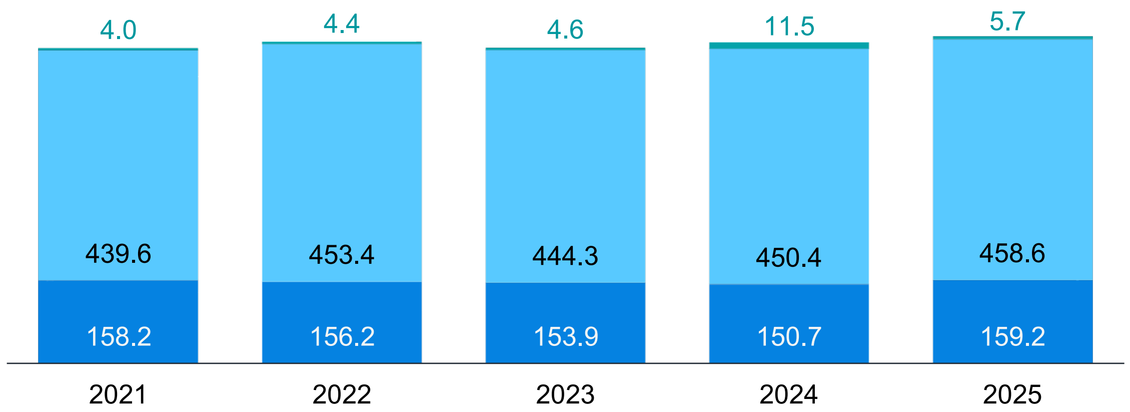
## FUNDED STATUS



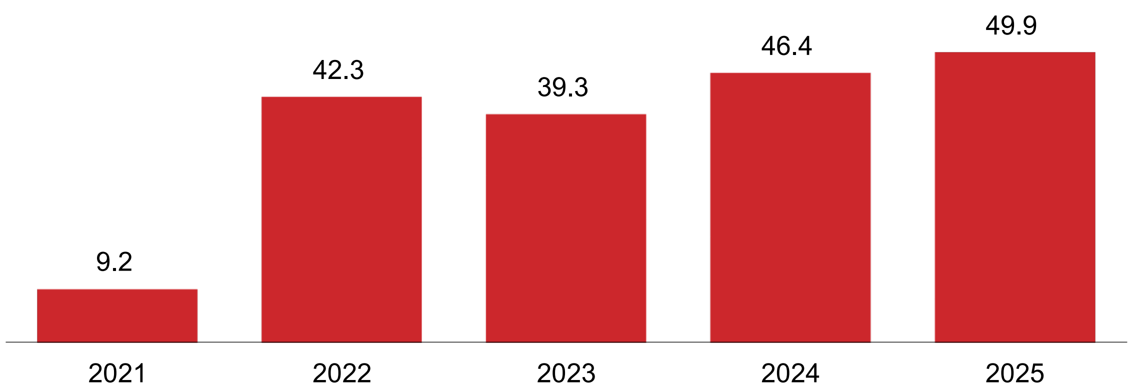
**ACCRUED LIABILITY ($ millions)**
Grows as active members earn benefits, goes down as retired members receive benefits



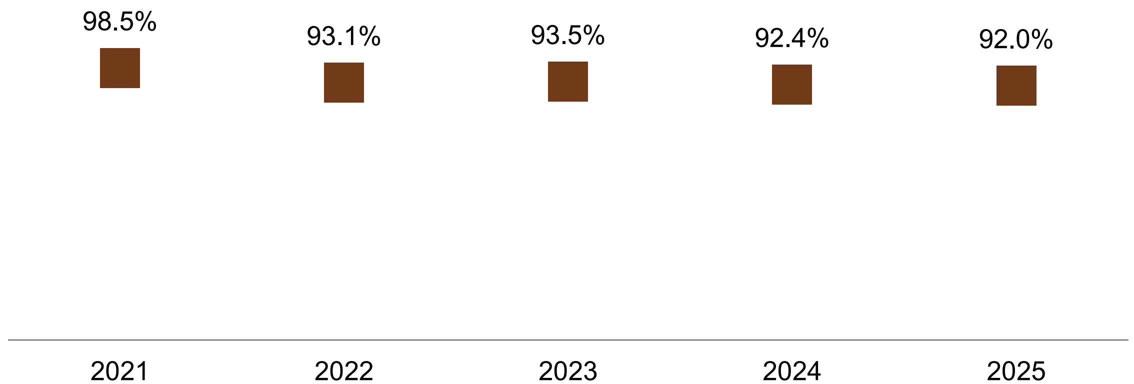

**ACCRUED LIABILITY BY MEMBER GROUP**
TERMINATED MEMBERS MEMBERS IN PAY STATUS ACTIVE MEMBERS




**UNFUNDED ACCRUED LIABILITY ($ millions)**
Dollar difference between the Accrued Liability and the Actuarial Value of Assets




**FUNDED RATIO**
Ratio of the Actuarial Value of Assets to the Accrued Liability

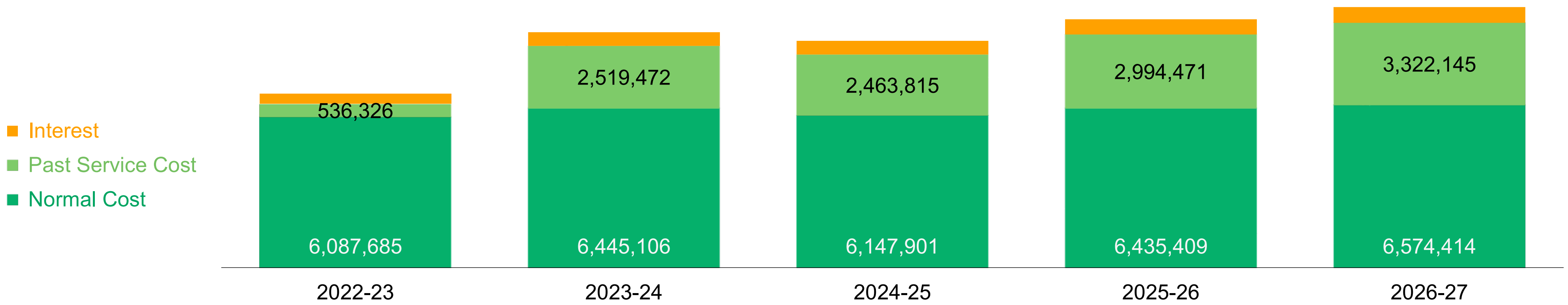


# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation

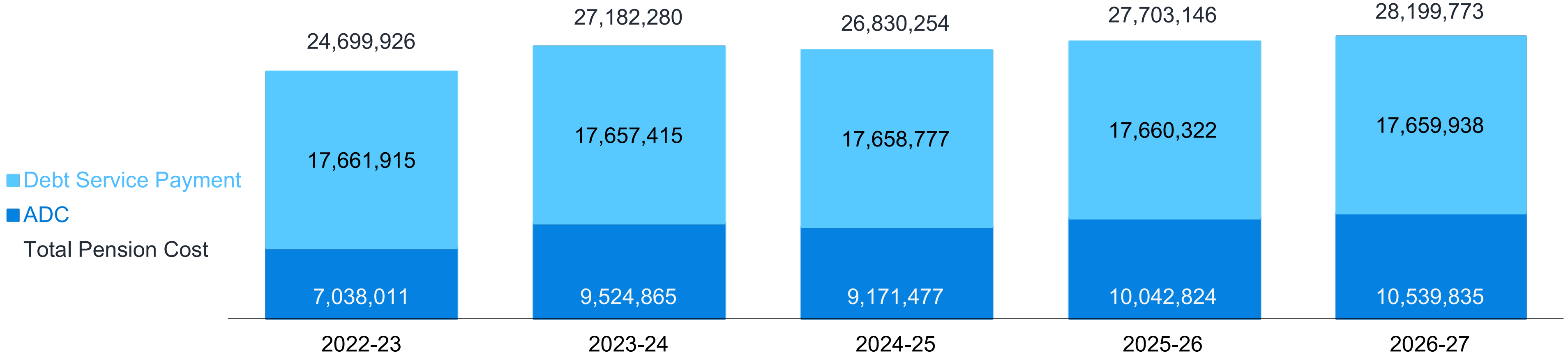
## ACTUARIALLY DETERMINED CONTRIBUTION



The Actuarially Determined Contribution consists of three pieces: Normal Cost plus a Past Service Cost payment to gradually eliminate the Unfunded Accrued Liability plus Interest to reflect the timing of the contribution relative to the valuation date.




Each valuation determines the Actuarially Determined Contribution for the fiscal year starting one year later; that is, the July 1, 2025 valuation determines the Actuarially Determined Contribution for FY 2026-27. Starting with the 2022-23 Fiscal Year, the Town also has a debt service payment for the Pension Obligation Bonds.



# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation

## SUMMARY OF KEY RESULTS



| | 2024 VALUATION | 2025 VALUATION Baseline | 2025 VALUATION Plus Plan Changes[1] | 2025 VALUATION Plus Assumption Changes[2] |
|---|---|---|---|---|
| **Interest Rate** | 6.50% | 6.50% | 6.50% | 6.50% |
| **Employee Contribution Rates** | | Same as 2024 | **Updated** | Updated |
| **Mortality Table** | | Pub-2010 | Pub-2010 | **Pub-2016** |
| **Salary Scale** | | Same as 2024 | Same as 2024 | **Extra 25 bps for 3 yrs** |
| | | | | |
| Accrued Liability | $612,599,137 | $623,662,885 | $623,662,951 | $623,461,041 |
| Actuarial Value of Assets | 566,205,958 | 573,556,173 | 573,556,173 | 573,556,173 |
| Unfunded Accrued Liability | 46,393,179 | 50,106,712 | 50,106,778 | 49,904,868 |
| Funded Ratio | 92.4% | 92.0% | 92.0% | 92.0% |
| Amortization Period | 22 | 21 | 21 | 21 |
| Amortization Growth Rate | 2.75% | 2.75% | 2.75% | 2.75% |
| Past Service Cost | 2,994,471 | 3,335,582 | 3,335,586 | 3,322,145 |
| | | | | |
| Total Normal Cost | 9,526,349 | 9,805,889 | 9,805,890 | 9,814,410 |
| Expected Member Contributions | 3,562,940 | 3,686,744 | 3,695,340 | 3,703,996 |
| Expected Administrative Expenses | 472,000 | 464,000 | 464,000 | 464,000 |
| Net Normal Cost | 6,435,409 | 6,583,145 | 6,574,550 | 6,574,414 |
| | | | | |
| Interest | 612,944 | 644,718 | 644,159 | 643,276 |
| | | | | |
| **Actuarially Determined Contribution** | 10,042,824 | 10,563,445 | 10,554,295 | 10,539,835 |
| For Fiscal Year | 2025-26 | 2026-27 | 2026-27 | 2026-27 |
| | | | | |
| Paid by Operating Budget (ADC capped at prior year Operating Budget plus 8%) | 8,619,593 | | | 9,309,160 |
| Paid by Pension Reserve Fund (remainder of ADC) | 1,423,231 | | | 1,230,675 |
| | | | | |
| Allocated to BOE | 1,783,837 | | | 1,775,919 |
| Allocated to Town | 8,258,987 | | | 8,763,916 |

[1] Updated employee contribution rates for several groups.

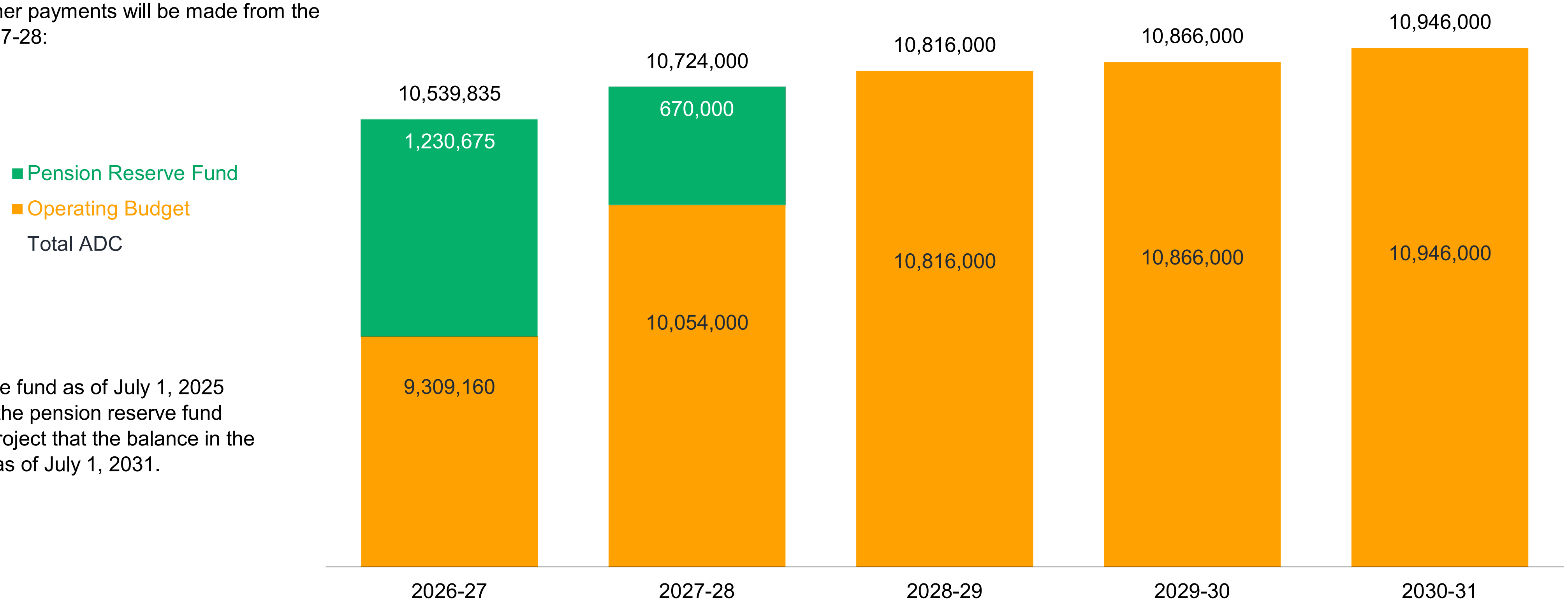
[2] Updated the mortality table from the Pub-2010 table to the Pub-2016 table. Also updated the salary increase assumption to add 25 basis points to all rates for pay increases for FYE 2026-2028.

# Town of West Hartford Pension Plan:  Highlights of the July 1, 2025 Valuation

## CONTRIBUTION FORECAST



According to the current pension reserve fund spending policy, the Operating Budget's annual payment to the pension trust is equal to the current year Actuarially Determined Contribution (ADC) capped at the prior year payment from the Operating Budget plus 8%; in years when this cap applies, the remainder of the ADC is paid out of the pension reserve fund.  Assuming that the pension trust earns 6.50% in future years and there are no changes in the plan provisions or actuarial assumptions, we project the following contribution amounts over the next five years;  we project that no further payments will be made from the pension reserve fund after FY 2027-28:




The balance in the pension reserve fund as of July 1, 2025 was $27.2 million. Assuming that the pension reserve fund earns 3.10% in future years, we project that the balance in the reserve fund will be $28.7 million as of July 1, 2031.

# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation



## OUR TEAM

**Yelena Pelletier, ASA, EA, MAAA**
**Jennifer M. Castelhano, FSA, EA, MAAA**
**Joliene Deskus; Mike Lindberg; Sharad Arora; Lauren Stock**

handles day-to-day services we provide to the Town

## THOUGHT LEADERSHIP

**Dear Actuary** *Milliman.com/en/periodicals/dear-actuary*

**Public Pension Funding Study** *Milliman.com/PPFS*

**Public Pension Funding Index** *Milliman.com/PPFI*

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**Milliman Medical Index** *Milliman.com/MMIfamilies*

**Underwriting Risk and Innovation** *Milliman.com/en/insight/Cities-Underwriting-risk-and-innovation*

**CT Gov't Finance Officers Ass'n** *Jenn Castelhano: Managing Contribution Volatility in a Well-Funded DB Plan*

**CT Public Pension Forum** *Becky Sielman: Defined Benefit Plans and Why Cities and Towns are Considering Going Back*

**International Foundation of Employee Benefit Plans** *Ryan Falls: Public Sector Funding Policies—What You Need to Know*

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## ABOUT MILLIMAN

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| **1,100+** | pension outsourcing clients |
| **Top 10** | largest pension administrators in mid to large market |
| **64 million** | healthcare data for plan members |
| **$1.64 B** | firm revenues in 2024 |
| **5,100** | company employees |
| **67** | offices around the globe |

**Practice areas**
Employee Benefits
Healthcare
Property & Casualty
Life & Financial Risk Management

## OUR MISSION

**We serve our clients to protect the health and financial well-being of people everywhere.**

# Town of West Hartford Pension Plan: Highlights of the July 1, 2025 Valuation

## IMPORTANT INFORMATION



As part of our engagement with the Town of West Hartford ("Town"), we have performed an actuarial valuation of the Plan as of July 1, 2025. Our findings are set forth in this actuary's report. The main purposes of this valuation are to determine funding for fiscal year 2026-27, to review the Plan's experience since the prior valuation, and to assess the funded position of the Plan.

Actuarial computations presented in this report are for the purposes of determining the recommended funding amounts for the Plan. The calculations in this report have been made on a basis consistent with our understanding of the Plan's funding policy and on our understanding of the plan provisions as summarized in this report. Determinations for purposes other than meeting these requirements, such as for financial reporting in accordance with GASB standards, may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

We believe that the measures of funded status contained herein are appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plan's benefit obligations and for assessing the need for or the amount of future contributions. Note that a Plan's funded status is dependent on the selection of both the actuarial cost method and the asset smoothing method; different measurements would result if, for instance, the Market Value of Assets were used in place of the Actuarial Value of Assets.

Actuarial assumptions, including interest rates, mortality tables, and others identified in this report, and actuarial cost methods are adopted by the Town, who is responsible for selecting the Plan's funding policy, actuarial cost methods, asset valuation methods, and actuarial assumptions. The policies, methods, and assumptions used in this valuation are those that have been so adopted and are described in this report. The Town is solely responsible for communicating to Milliman any changes thereto. All costs, liabilities, rates of interest, and other factors for the Plan have been determined on the basis of actuarial assumptions and methods which, in our professional opinion, are individually reasonable (taking into account the experience of the Plan and reasonable expectations); and which, in combination, offer a reasonable estimate of anticipated future experience affecting the Plan and are expected to have no significant bias.

This valuation is only an estimate of the Plan's financial condition as of a single date. It can neither predict the Plan's future condition nor guarantee future financial soundness. Actuarial valuations do not affect the ultimate cost of Plan benefits, only the timing of Plan contributions. While the valuation is based on an array of individually reasonable assumptions, other assumption sets may also be reasonable and valuation results based on those assumptions would be different. No one set of assumptions is uniquely correct. Determining results using alternative assumptions is outside the scope of our engagement.

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 modifications to contribution calculations 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 future measurements.

In preparing this report, we relied, without audit, on information (some oral and some in writing) supplied by the Town. This information includes, but is not limited to, benefit provisions, member census data, and financial information. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different, and our calculations may need to be revised. Figures for periods prior to July 1, 2019 have been obtained from actuarial valuation reports prepared by Hooker & Holcombe and from the City's Comprehensive Annual Financial Reports.

Milliman's work is prepared solely for the use and benefit 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 exceptions: (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. The consultants who worked on this assignment are actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel. The signing actuaries are independent of the plan sponsor. We are not aware of any relationship that would impair the objectivity of our work.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the principles prescribed by the Actuarial Standards Board and the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States, published by the American Academy of Actuaries. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

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Consulting Actuary

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