

Response to Request for Proposal – Borough of Brentwood

November 5, 2025
Knox McLaughlin Gornall & Sennett, P.C.
Attn: Brian Seelinger
120 West 10th Street
Erie, PA 16501

Dear Mr. Seelinger,

We are pleased to submit our response to the Borough of Brentwood's Request for Proposal regarding actuarial and administrative services for the Borough's Pension Plans.

Our proposal is organized into three distinct sections:

- **Non-Uniformed Pension Actuarial Services**
- **Police Pension Actuarial Services**
- **Pension Administration for both Pension Plans**

These sections are presented separately to clearly outline the scope and deliverables associated with each area. However, they are offered as a **comprehensive and integrated package**. This unified approach ensures consistency in service delivery, streamlined communication, and efficient management across both pension plans.

Definiti is committed to providing high-quality, responsive, and cost-effective services tailored to the unique needs of our clients, including 28 Pennsylvania municipalities. We appreciate the opportunity to be considered and look forward to the possibility of working together to support the Borough's retirement program objectives.

Please feel free to contact me directly should you have any questions or require additional information.

Sincerely,

Sean M. Gallen, EA, ASA, MAAA, FCA
Consulting Actuary
Definiti
sean.gallen@definiti.com
412-969-5718

Definiti Actuarial Services – Non-Uniformed Plan

The purpose of this proposal is to provide a detailed description of the services Definiti, LLC. (Definiti) is capable of providing the Borough of Brentwood with regard to the administration of the Borough's Non-Uniformed Pension Plan.

Services Requested

Listed below are our proposed fees for completion of the annual administration and reporting for the Borough of Brentwood Non-Uniform Pension Plan. The fees are quoted on a biennial basis because the requirements for public plans vary every other year. We do not charge for initial takeover expenses since we desire a long-term relationship with our clients. These fees are effective January 1, 2026 and would increase based on the annual increase in the November CPI-U, rounded up to the nearest \$5:

Biennial Fees

• Comprehensive Biennial Valuation	\$4,500
• Act 205 Form	\$1,200
• Project Planning Meeting	Included
• Aggregate Gain/Loss Analysis	Included
• Changes in Assumptions adopted in the baseline results	Included

Annual Fees

• GASB 67 and 68 Disclosures	\$1,600
• Minimum Municipal Obligation (MMO)	\$400
• Individual Retirement Benefit Statements	\$50/participant

Non-Recurring Fees

• In-person attendance at meetings	Time and Expense
• Employee Education Sessions	Time and Expense
• Other Actuarial Consulting Services	Time and Expense

Our proposed annual fees cover all routine actuarial administrative and consulting services. Occasionally our clients request cost studies, plan amendments, or employee communications presentations which fall outside the normal required services. When situations arise outside the routine, we charge on a time and expense basis and provide an advance fee quotation. The hourly rates we charge for our individuals are as follows:

Lead Actuary	\$ 400
Actuarial Consultant	\$ 300
Actuarial Analyst	\$ 200

Definiti Actuarial Services – Police Pension Plan

The purpose of this proposal is to provide a detailed description of the services Definiti, LLC. (Definiti) is capable of providing the Borough of Brentwood with regard to the administration of the Borough's Police Pension Plan.

Services Requested

Listed below are our proposed fees for completion of the annual administration and reporting for the Borough of Brentwood Police Pension Plan. The fees are quoted on a biennial basis because the requirements for public plans vary every other year. We do not charge for initial takeover expenses since we desire a long-term relationship with our clients. These fees are effective January 1, 2026 and would increase based on the annual increase in the November CPI-U, rounded up to the nearest \$5:

Biennial Fees

• Comprehensive Biennial Valuation	\$6,000
• Act 205 Form	\$1,200
• Project Planning Meeting	Included
• Aggregate Gain/Loss Analysis	Included
• Changes in Assumptions adopted in the baseline results	Included

Annual Fees

• GASB 67 and 68 Disclosures	\$1,600
• Minimum Municipal Obligation (MMO)	\$400
• Individual Retirement Benefit Statements	\$50/participant

Non-Recurring Fees

• In-person attendance at meetings	Time and Expense
• Employee Education Sessions	Time and Expense
• Other Actuarial Consulting Services	Time and Expense

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Lead Actuary	\$ 400
Actuarial Consultant	\$ 300
Actuarial Analyst	\$ 200

Specifications Relating to Services Requested

BIENNIAL ACTUARIAL VALUATION SERVICES

- Meeting to discuss initial project planning for the Fund's biennial actuarial valuation.
- Measure aggregate actuarial gain/loss analysis of plan assets and liabilities.
- Prepare annual accounting disclosure information in accordance with GASB Nos. 67 and 68.
- Prepare Act 205 filing and all applicable attachments.
- Prepare the Minimum Municipal Obligation.
- Present final comprehensive actuarial report.

OTHER ACTUARIAL SERVICES

- Attendance at additional meetings and conferences as requested by client.
- Special consulting on plan administration, including individual benefit calculations, tax exclusion ratio calculations, QDRO review and development of actuarial factor tables.
- Preparation of annual employee benefit statements.
- Analysis of alternative actuarial assumptions and methods.
- Study of plan design changes.
- Study of proposed changes in governmental accounting pronouncements.
- Study of proposed changes in legislation, administrative rules or court cases.
- Forecast valuations under additional alternative economic scenarios requested by client.
- Data editing and consolidation of information not supplied according to Definiti format.
- Preparation of plan amendment drafts for review by legal counsel.
- Plan auditor assistance beyond standard information request.

Firm Description

Definiti is a full service actuarial and retirement benefits consulting firm, offering public and private-sector clients fully customized benefit plan design and implementation, regulatory compliance, actuarial services, and ongoing plan administration. At Definiti we work closely with our clients to ensure our services are tailored to your program strategy and support your objectives as well as the financial security needs of your members.

Originally founded as Retirement Horizons Inc (RHI) in 1997, RHI became part of Group RHI, a national retirement services firm, in 2015. In 2020, Group RHI rebranded as Definiti, and we are owned by Lovell Minnick Partners. Altogether our company has over 350 total retirement professionals across the nation. Boetger & Associates Inc. was acquired by Definiti in 2021.

The company's actuarial professionals average over 20 years of experience. Definiti is a truly independent consulting firm, with no financial ties to any asset manager, investment advisor, insurance company, trust company or other financial services company. Definiti will always work on a fee for service basis, to ensure our independence and objectivity.

PUBLIC SECTOR CLIENTS

Definiti currently provides recurring actuarial consulting and retirement plan administration services to more than 300 actuarial and retirement plan clients including more than 100,000 members and almost \$12 billion in plan assets. Included in those totals, Definiti's Pennsylvania actuarial operation is committed to public sector retirement systems as an industry focus. Below are a few Pennsylvania municipalities in your area that we currently work with:

- Mt.Oliver Borough
- New Kensington Municipal Authority
- North Franklin Township

WHAT TO CONSIDER

Highlighted below are some of the important factors to be considered when selecting an actuary.

- Ability to provide technical service.
- Timeliness of service and reports.
- Cost associated with the service.
- Comfort level with the actuary.
- Location and availability.

Summary

Each year, Definiti helps hundreds of companies to administer their employee benefit programs. They span the financial, manufacturing, trade, medical, and service sectors of the economy as well as municipal and non-profit organizations. Through this diversified experience, we have developed an array of services that are sensitive to our clients' objectives and concerns and responsive to their needs.

We appreciate the opportunity to quote for the consulting, actuarial and administrative tasks associated with maintaining the plan and are hopeful you will conclude to use our services.

Individuals Providing Services

Sean Gallen will be assigned primary responsibility for the administration and related benefit consulting to be provided as well as overall responsibility for the quality and timeliness of the services delivered. Domenic Ellis will assist Sean in the completion of client deliverables, from a production standpoint. David Sawyer will assist Sean from a consulting standpoint and will be available in the absence of Sean. A brief biographical summary of each individual is set forth below.

Sean Gallen, EA, ASA, MAAA, FCA

Sean Gallen is an Actuarial Consultant with almost a decade of experience in employee retirement benefits, specializing in Pennsylvania municipal pension plans. He has provided actuarial services for over 200 Pennsylvania municipal clients over the course of his career. He has had direct contact with the Department of the Auditor General. Sean is located in Mechanicsburg, Pennsylvania which allows him access to reasonable travel to all areas of Pennsylvania.

He is a graduate of Robert Morris University, earning a Bachelor of Science degree in Actuarial Science. He began working for Definiti October 2023 as an Actuarial Consultant, bringing 8 years of prior experience. Sean handles a large group of municipal clients in the Western PA region. He has been an Associate of the Society of Actuaries since 2020 and an Enrolled Actuary since 2023.

Domenic Ellis

Domenic is an Actuarial Analyst, spending the entirety of his professional career with Definiti. Domenic is a graduate of Gannon University. He graduated with a Bachelor's degree in Mathematics. A majority of his responsibilities include completing actuarial reports for Pennsylvania municipal clients. He assists the team in automating processes, so we can be as efficient as possible for our clients. Domenic still resides in the Western Pennsylvania area.

David Sawyer, FSA MAAA EA FCA

David Sawyer is the Actuarial Practice Leader at Definiti with more than 25 years of actuarial consulting experience including working with many public-sector retirement systems. David has broad experience in the actuarial field as well as expertise in the following areas:

- Plan design, implementation, maintenance and administration of retirement programs.
- Comprehensive actuarial valuation services for public and private sector retirement programs to determine funding requirements including performance of experience studies and consulting on the underlying valuation assumptions.
- Consulting on and preparation of the financial reporting and disclosures under GASB 67 and 68.
- Consulting on actuarial issues related to the on-going administration of defined benefit plans including Funding Soundness Restoration Plans, QDROs, and compliance with regulatory filings.

Prior to joining Definiti, David was an Actuarial Consultant with Hewitt Associates, where he worked in the retirement financial management group. He became an Associate of the Society of Actuaries in 2001 and a Fellow of the Society of Actuaries in 2007. Sawyer became a Joint Board enrolled actuary in 2000 and a Member of the American Academy of Actuaries in 2006. He graduated from Central Washington University with a Bachelor of Science degree in Actuarial Science and from Washington State University with a Bachelor of Arts degree in Business Administration.

As noted above, three staff members will be assigned to the recurring actuarial and consulting services. In determining which staff to assign, we first look at expertise and experience and then at workload. For the services described herein, the staff assigned is our team that handles almost all of the actuarial services for the Pennsylvania municipal retirement plans. Because the amount of work requested from clients varies, there is no simple rule to assess capacity based on the number of client assignments. For example, most of our public sector clients perform biennial valuations, so a large number of clients don't require as much time as if they each performed annual valuations.

We have assessed the client load for the team listed in our proposal, and confirm they have the capacity to provide the requested services. In addition, we have other actuarial analysts on our team that can assist with special projects as needed.

Quality Assurance

Actuarial consulting and retirement plan administration are not just our core business, but our only business. Definiti delivers quality assurance and proactive consulting with a Firm-wide commitment to peer review and client service standards:

- Strict adherence to the Code of Professional Conduct promulgated by the Society of Actuaries (SOA) and Actuarial Standards of Practice published by the Actuarial Standards Board (ASB).
- Regular participation in professional continuing education courses offered by the American Academy of Actuaries (AAA) and the Conference of Consulting Actuaries (CCA).
- Firm-wide policy requiring peer review of all client correspondence and a rigorous three-tiered quality control process (do, check and review) of all actuarial valuation work and analysis.
- 24-hour response to client phone calls and emails.
- Periodic client conference to monitor service quality and client satisfaction.

As a professional services firm, Definiti maintains standard industry levels of Errors and Omissions Insurance. If selected as your provider or for a finalist presentation, we would be happy to provide proof of our coverage and the applicable coverage levels.

ACT 44 of 2009 Disclosures

Confirming with the disclosure provisions of Act 44 of 2009, please identify any individuals employed or contract by your firm who:

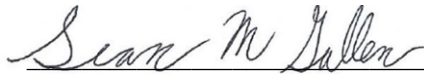
- Are current or former employees of the Borough
- Are registered State or Federal lobbyists
- Have been hired as a third party to communicate with the Borough
- Have made political contributions to any Department officials or candidates for the Borough offices after December 17, 2009
- Have solicited contributions for any Borough official or any official's political party or political action committee
- Have a direct business, commercial or financial relationship with any Borough officials
- Have bestowed any gifts beyond a nominal value to any Borough officials

We confirm that no employees of Definiti can be identified under any of these categories.

Verification

I, Sean M. Gallen, hereby state that I am the Consulting Actuary for Definiti LLC. and I am authorized to make this verification. I hereby verify that the facts set forth in the foregoing Act 44 Disclosure Form for Entities Providing Professional Service to the Borough of Brentwood Non-Uniformed Pension Plan and the Borough of Brentwood Police Pension Plan are true and correct to the best of my knowledge, information and belief. I also understand that knowingly making material misstatements or omissions in this form could subject the responding Contractor to the penalties under Section 705-A(e) of Act 44. I understand that false statements herein are made subject to the penalties of 18 P.A.C.S Section 4904 relating to unsworn falsification to the authorities.

November 5, 2025



Sean M. Gallen, EA, ASA, MAAA, FCA
Consulting Actuary



Pension Outsourcing Proposal

The Borough of Brentwood

November 5, 2025

At Definiti, our focus on robust administration documentation and procedures is key in creating efficiencies and reducing risk for Defined Benefit plans. Hallmarks of our partnership with plan sponsors include operational excellence, trusted administration practices and execution, sharing market and plan knowledge, maintaining our service-level reputation and strong relationships that delight our clients and their plan participants alike. Our outsourcing solution for retirement plan administration offers both a web portal and call center for participants.

Web Based Service Model

The Definiti retirement plan administration system is designed to administer the full spectrum of defined benefit retirement plans. The web-based option offers the following features:

- Direct load of HRIS information to produce up-to-date real-time pension calculations.
- Tracking of all participant pension data over the pension lifecycle.
- Plan sponsor web access for ad hoc/standard report generation and benefit modeling.
- Participant web access for benefit modeling and final benefit commencement using a single calculation engine, access to basic pension plan data for employee self-service, and access to all plan documents and administration forms.
- Multi-Factor Authentication for login
- Outgoing data file generation to be used to feed any external system and to be used for the annual actuarial valuation.
- Batch processing for groups of participants for activity such as early retirement windows, annual benefit statements, and annual actuarial data extract.
- Broadcast and news feature via the web to inform participants of upcoming events.
- Secure email functionality to send calculation results, notices, and forms directly to a participant.

Benefit Calculation and Fulfillment:

- Benefit requests will be taken through the web-based system. If a participant prefers not to use the web, requests for benefit calculations will be taken by the Definiti Participant Service Center. Data will be verified, and a calculation will be run on the Definiti pension system by our team. Definiti will assemble a full retirement kit and send the retirement kit directly to plan participant via US mail or email.
- Returned retirement kits will be checked for completeness in the event of a commencement and entered into the trust system via one of the methods discussed below.
- Definiti will also serve as the "pension expert" to answer questions and provide administration support to the HR staff as needed.
- There are some calculations that require special handling because they do not lend themselves to self-service website, for example QDRO splits and special employment agreements. These special calculations will be performed by the Definiti administration team, including review and certification by Definiti actuaries.

Participant Service Center

Definiti offers a toll-free phone number and email inbox for plan participants to get answers to questions related to the plan and to obtain assistance with the commencement process. Below are the groups that our customer service representatives support.

CALLER	REASON	ACTION
Active employees	Calling to request retirement plan information, request an estimate, or commence payment	Handled by Definiti Call Center at time of call.
Terminated vested	Calling to commence benefit payments, report address changes, or request an estimate	Handled by Definiti Call Center for calculation and package fulfillment as necessary
Retirees & beneficiaries receiving payments	Calling to report a change in address, tax withholding, direct deposit instructions, etc.	Handled by Definiti or Trustee for direct entry into payment system or other processing as needed
Third party requests (<i>Government/social agencies, assisted care, family members, etc.</i>)	Pension income verification, court orders, report a death.	Handled by the Definiti Call Center

Definiti has a fully functional call center dedicated to serving retirement plan participants and their benefit needs. Normal hours of operation are from 8:00 a.m. to 5:00 p.m. Central Time, Monday through Friday, excluding Definiti holidays. Our Participant Service Center personnel are experts on retirement plans, and we offer bi-lingual capabilities (English and Spanish).

The Definiti Participant Service Center will assist participants by answering any questions about basic plan information, initiating the retirement calculation and benefit commencement process, and helping to resolve any payment issues or changes for participants receiving payments. Under our proposed service model, the Definiti Participant Service Center will operate as follows:

- Participants will call a toll-free phone number.
- A Definiti customer service representative (CSR) will answer the phone and assist the caller.
- If all CSRs are busy, the caller will have an option to hold or leave a voicemail message.
- Definiti will return all calls during normal business hours on the same business day.
- Callers will be informed that the call will be recorded and can be retrieved to resolve any questions.
- Email requests received from participants are responded to within 2 business days.

Trustee Interface and Pension Payroll

- Definiti will take responsibility for communicating benefit payment instructions to the trustee according to current requirements and reconcile the monthly activity to confirm that all benefit payment instructions were executed properly. For example, Definiti can provide pension payroll instructions to the Trustee by providing an electronic file of all payments required for each month. Alternatively, Definiti can transmit changes only for additions/deletions via electronic feed or direct online entry.
- Retiree maintenance services including tax withholding updates, verification of income, direct deposit updates, death audits, survivor elections

Process Documentation and Review:

- Definiti will complete a review of all plan documents, amendments, administration policies and procedures, employee communications and sample calculations. This will ensure set administration processes and system functionality will adhere to your pension administration requirements.
- During our implementation process there will be a formal and detailed requirements document and process flow document created. These documents will serve as the basis for coding the pension plan administration system for your retirement plans.

Plan Sponsor and Actuarial support

- Prepare census data extract to facilitate annual actuarial valuation.
- Prepare Plan Sponsor reports summarizing administration statistics.
- Reconcile participant census data and summarize demographic statistics.
- Annual required mailing (approaching normal retire, Annual funding notice, etc) (if applicable).
- Standard Plan auditor information package (10 hours of audit support included).

Out of Scope Projects

- A statement of work will be provided and agreed upon prior to any work being performed.

Billing and Costs

FIXED FEES

<input type="checkbox"/> Implementation <i>Based on 65 hours of work; discovery, calculation auditing, loading data, creating forms/letter and training of call center</i>	Waived
<input type="checkbox"/> Website Development	\$5,500
<input type="checkbox"/> Service Fee - <i>Or \$13,800 annually</i>	\$1,150 monthly

VARIABLE FEES

QDRO Determination Fee	\$500
Out of Scope Projects	Statement of Work to be provided with fees