The City of Ferndale

Agenda

Pension Boards Meeting

MONDAY, NOVEMBER 16, 2026 @ 8:00 AM

300 E. Nine Mile Road, Ferndale, MI 48220

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1. RESEATING OF NEWLY COMBINED PENSION BOARD

1.A Re-signing of Oaths of Office for Board Members

2. ROLL CALL

3. APPROVAL OF THE AGENDA

4. PRESENTATIONS

4.A GRS Presentation of Valuation Reports for ERS and Police and Fire and Discussion of the Funding Strategy

5. PORTFOLIO REPORTS

5.A Police and Fire Pension Board and Employee Retirement System 2026-2027 Q1 Performance Reports (July - September 2026)

6. RETIREMENTS

7. NEW BUSINESS

7.A Approve Recommended Rebalance / Liquidity Plans for Police and Fire Pension Fund and Employee Retirement System.

8. OLD BUSINESS

9. ADMINISTRATIVE ITEMS

9.A Consideration of the 2027 Meeting Schedule.

10. APPROVAL OF MINUTES

10.A Consider approving the Minutes from the July 22, 2026 Joint Pension Board Meeting

11. ADJOURNMENT

FERNDALE

November 16, 2026 City Clerk

CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION

FROM: Dave Movilla

SUBJECT: Re-signing of Oaths of Office for Board Members

SUGGESTED ACTION
No action required.

Item Background
With the passage of the charter amendments in August, the Police and Fire Pension Board and Employee Retirement System have been combined into the newly formed Pension Board. Board members will sign new oaths of office. Confirmation of the designated Police and Fire trustees to their positions is also attached.

Previous Action

Strategic Goal

Budged Impact
N/A

Budget Amendment Required
false

GL#
N/A

CIP#
N/A

Staff Recommendation

ATTACHMENTS:

FERS.Police.Representative.11.16.2026.pdf
Pension Board of Trustees.pdf

October 15, 2026

To: Pension Board of Trustees – Ferndale Employees' Retirement System
City of Ferndale

Re: Police Member Trustee Appointment

The active police officer members participating in the Ferndale Employees' Pension Plan

hereby recognize **Casey O'Loughlin** as their elected representative to serve as the **Police Member Trustee** on the Pension Board of Trustees.

This appointment is made in accordance with the provisions governing the Pension Board, which provide for a member trustee who shall be a police officer member elected by the police officer members.

Casey O'Loughlin shall serve as the active police officer member representative on the Pension Board for so long as they remain eligible to serve in accordance with the applicable Pension Board provisions, or until such time as they are replaced by the then active members.

Respectfully,

Active Police Officer Members

Casey O'Loughlin

Dennis Emmi

October 15, 2026

To: Pension Board of Trustees – Ferndale Employees' Retirement System
City of Ferndale

Re: Firefighter Member Trustee Appointment

The active firefighter members participating in the Ferndale Employees' Pension Plan

hereby recognize **Matthew Nutt** as their elected representative to serve as the **Firefighter Member Trustee** on the Pension Board of Trustees.

This appointment is made in accordance with the provisions governing the Pension Board, which provide for a member trustee who shall be a firefighter member elected by the firefighter members.

Matthew Nutt shall serve as the active firefighter member representative on the Pension Board for so long as they remain eligible to serve in accordance with the applicable Pension Board provisions, or until such time as they are replaced by the then active members.

Respectfully,

Active Firefighter Members

Miles Bracali

Jared Berousek

Matthew Nutt

Benjamin Mihora

FERNDALE

November 16, 2026 City Clerk

CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION

FROM: Dave Movilla

SUBJECT: GRS Presentation of Valuation Reports for ERS and Police and Fire and Discussion of the Funding Strategy

SUGGESTED ACTION
Motion 1: Accept and file the Police and Fire Pension Board and Employee Retirement Systems valuation reports, as presented by GRS.
Motion 2: Initiate the process of reallocating General Employee assets exceeding the 150% threshold to Police and Fire.
Motion 3: Stop employer contributions to the Ferndale Employees' Retirement System in accordance with the Valuation reports.

Item Background
An actuarial valuation of the assets and liabilities of the retirement systems is required by City Charter and is performed on annual basis. Gabriel, Roeder, Smith (GRS) has submitted the valuations reports for the year ending June 30, 2026. Representatives of GRS will be attending to report their findings to the Boards.
A new funding strategy needs to be accepted by the board as the financial dynamics have changes as a result of the combining of the two plans.

Previous Action

Strategic Goal

Budged Impact
N/A

Budget Amendment Required
false

GL#
N/A

CIP#
N/A

Staff Recommendation

ATTACHMENTS:

2026-06-30 City of Ferndale ERS Actuarial Valuation.pdf
2026-06-30 City of Ferndale ERS GASB 67_68.pdf
Actuarial Funding Policy_VMT DRAFT 11.10.2026 .pdf

City of Ferndale
Employees' Retirement System

Eighty-Fourth Annual Actuarial Valuation Report

June 30, 2026



800.521.0498 | P: 248.799.9000 | www.grsconsulting.com

November 10, 2026

Board of Trustees
City of Ferndale Employees' Retirement System
Ferndale, Michigan

Dear Board Members:

The results of the June 30, 2026 Annual Actuarial Valuation of the City of Ferndale Employees' Retirement System are presented in this report. It was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be distributed to parties other than the Board only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the System's funding progress and to determine the employer contribution rate for the fiscal year ending June 30, 2028. This report should not be relied on for any purposes other than those described above. Determinations of financial results, associated with the benefits described in this report, for purposes other than those identified above may be significantly different. Information required by Statement Nos. 67 and 68 of the Governmental Accounting Standards Board (GASB) is provided in a separate report. **Please see an important note regarding the Police/Fire Actuarial Determined Employer Contribution on page A-1.**

The computed contributions in this report were determined using the actuarial assumptions and methods disclosed in Section D of this report. This report includes risk metrics on pages B-8 through B-10, but does not include a more robust assessment of the risks of future experience not meeting the actuarial assumptions. Additional assessment of risks was outside the scope of this assignment. Please see page A-15 for an important comment regarding future contributions and benefit obligations.

This valuation assumed the continuing ability of the plan sponsor to make any necessary future contributions to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The findings in this report are based on data and other information through June 30, 2026. The valuation was based upon information furnished by the City, concerning Retirement System benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of information provided by the City. Any questions resulting from the review are provided to the City and resolved. Data adjustments needed as a result are made manually by GRS, based on instructions provided by the City.

This report was prepared using assumptions adopted by the Board. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. The combined effect of the assumptions, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e., not significantly optimistic or pessimistic). All actuarial assumptions and methods used in the valuation follow the guidance in the applicable Actuarial Standards of Practice. Additional information about the actuarial assumptions is included in Section D of this report.

We have assessed that the contribution rate calculated under the current funding policy is a reasonable Actuarially Determined Employer Contribution (ADEC) and it is consistent with the plan accumulating adequate assets to make benefit payments when due. This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the City of Ferndale Employees' Retirement System as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

Heidi G. Barry and Kevin T. Noelke are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Heidi G. Barry, ASA, FCA, MAAA

Kevin T. Noelke, ASA, FCA, MAAA

HGB/KTN:rmn

C0022

Contents

Section	Page	
A		**Valuation Results and Comments**
	1	Funding Objective
	2-3	Actuarial Determined Employer Contribution
	4-5	Comparative Funding Statement
	6-7	Actuarial Balance Sheet
	8-9	Development of the Funding Value of Assets
	10-11	Experience Gain/(Loss)
	12-15	Comments
B		**Funding Indicators and Risk Measures**
	1-3	Funding Progress Indicators
	4-5	Benefit Projection
	6	Low-Default-Risk Obligation Measure
	7	Other Observations
	8-10	Risk Measures
C		**Summary of Benefit Provisions and Valuation Data Submitted**
	1-5	Summary of Benefit Provisions
	6-7	Asset Information
	8-14	Retiree and Beneficiary Data
	15	Terminated Vested (Deferred) Data
	16-19	Active Member Data
D		**Actuarial Cost Method, Actuarial Assumptions and Definitions of Technical Terms**
	1	Actuarial Cost Method
	2-9	Actuarial Assumptions Used for the Valuation
	10	Glossary

SECTION A

VALUATION RESULTS AND COMMENTS

Funding Objective

The funding objective of the Retirement System is to establish and receive contributions, expressed as level dollar amounts, which will remain approximately level from year-to-year and will not have to be increased for future generations of citizens. This objective is stated in Chapter XIXA of the City Charter and meets the requirements of the Constitution of the State of Michigan.

The Retirement System is supported by City contributions, member contributions and investment income from Retirement System assets.

Contributions which satisfy the funding objective are determined by the annual actuarial valuation and are sufficient to cover the actuarial costs allocated to the current year by the actuarial cost methods described in Section C.

The Board of Trustees of the City of Ferndale Employees' Retirement System confirms that the System provides for payment of the required employer contribution as described in Section 20m of Michigan Public Act No. 728.

Computed contributions for the fiscal year beginning July 1, 2027 are shown on pages A-2 and A-3.

Please note that the Final Police/Fire results heavily depend on a theoretical asset transfer from General, which has not yet occurred. Without this theoretical asset transfer, the Police/Fire funded status for this valuation would be 78.3% and the Actuarial Determined Employer Contribution for the FY beginning July 1, 2027 would be $1.256 million.

It would be reasonable for the City to cease employer contributions to Police/Fire during the FYE June 30, 2027 *if and only if* the appropriate asset transfer occurs from General to Police/Fire.

Actuarially Determined Employer Contribution – General

Contributions for FY Beginning	July 1, 2026	July 1, 2027	
		Base	Final #
Present Value of Future Benefit Payments	$ 5,232,353	$ 5,178,309	**$ 4,513,508**
Funding Value of Assets	21,058,047	22,000,051	**6,770,400**
Present Value of Future Member Contributions	-	-	**-**
Unfunded Present Value of Future Benefits	$ (15,825,694)	$ (16,821,742)	**$ (2,256,892)**
Five-Year Level Dollar Amortization Factor *	7.83	7.83	**4.31**
Actuarially Determined Employer Contribution	$ -	$ -	**$ -**
Funded Status	402.5%	424.9%	**150.0%**

** 10 years for FY Beginning July 1, 2026; 5 years for FY Beginning July 1, 2027.*

 # The theoretical asset transfer from General to Police/Fire was assumed to be $16,376,463 on a market value basis and $15,229,651 on a funding value basis. Final results also include assumption changes and plan provision changes.

Actuarially Determined Employer Contribution – Police/Fire

Contributions for FY Beginning	July 1, 2026	July 1, 2027	
		Base	Final #
Normal Cost			
Service pensions	$ 235,870	$ 208,242	**$ 223,525**
Disability allowances	36,796	31,705	**33,077**
Pre-retirement survivor allowances	4,468	3,792	**3,933**
Deferred service allowances	5,749	3,268	**4,300**
Medicare Part B	-	-	**-**
Total Normal Cost	$ 282,883	$ 247,007	**$ 264,835**
Members' Contributions			
Gross contributions	$ 38,339	$ 31,787	**$ 31,799**
Less prospective refunds	1,171	1,082	**1,449**
Available for allowances	$ 37,168	$ 30,705	**$ 30,350**
Employer Normal Cost	$ 245,715	$ 216,302	**$ 234,485**
Unfunded Actuarial Accrued Liability (UAAL)^	1,235,205	1,179,451	**(234,485)**
Actuarially Determined Employer Contribution	$ 1,480,920	$ 1,395,753	**$ -**
Present Value of Future Benefits (PVFB)	$ 57,516,360	$ 57,045,729	**$ 55,828,875**
Actuarial Accrued Liability (AAL)	55,135,865	55,439,966	**54,029,935**
Funding Value of Assets (FVA)	41,020,098	42,301,159	**57,530,810**
Funded Status	74.4%	76.3%	**106.5%**

^ For the FY beginning July 1, 2026, the UAAL was amortized as a level dollar amount over a closed period of 19 years and added to the computed normal cost. For the FY beginning July 1, 2027, the FVA is greater than the PVFB and therefore, the excess is an offset to the Employer Normal Cost.

 # The theoretical asset transfer from General to Police/Fire was assumed to be $16,376,463 on a market value basis and $15,229,651 on a funding value basis. Final results also include assumption changes and plan provision changes.

Comparative Funding Statement - General

Valuation Date	Actuarial Value of Assets	Present Value of Future Benefits (PVFB)	Unfunded PVFB (UPVFB)	Funded Status	Covered Payroll	Fiscal Year Ended June 30	City's Dollar Contributions			City Percent of Payroll Contributions	Amortization Period
							Recommended	Actual	Deficiency/ (Excess)		
6/30/2012	$ 16,667,751	$ 9,850,252	$ (6,817,499)	169.2 %	$ 2,313,052	2014	$ -	$ -	$ -	N/A	10 yrs.
6/30/2013	17,463,679	8,954,100	(8,509,579)	195.0	2,100,187	2015	-	-	-	N/A	10
6/30/2014	18,608,627	8,431,712	(10,176,915)	220.7	2,194,974	2016	-	-	-	N/A	10
6/30/2015	19,144,626	8,026,786	(11,117,840)	238.5	2,041,236	2017	-	-	-	N/A	10
6/30/2016	19,881,022	7,947,901	(11,933,121)	250.1	2,505,759	2018	-	-	-	N/A	10
6/30/2017 (a)	20,356,338	8,081,138	(12,275,200)	251.9	2,858,250	2019	-	-	-	N/A	10
6/30/2018	20,441,623	6,863,485	(13,578,138)	297.8	2,927,799	2020	-	-	-	N/A	10
6/30/2019 (a)	20,688,160	7,115,325	(13,572,835)	290.8	3,357,932	2021	-	-	-	N/A	10
6/30/2020	20,728,011	7,053,972	(13,674,039)	293.8	3,680,385	2022	-	-	-	N/A	10
6/30/2021 (a)	21,649,344	6,368,925	(15,280,419)	339.9	3,980,552	2023	-	-	-	N/A	10
6/30/2022	20,570,834	6,121,058	(14,449,776)	336.1	4,091,177	2024	-	-	-	N/A	10
6/30/2023	20,310,067	5,875,958	(14,434,109)	345.6	4,593,855	2025	-	-	-	N/A	10
6/30/2024	20,993,535	5,597,303	(15,396,232)	375.1	4,697,853	2026	-	-	-	N/A	10
6/30/2025	21,058,047	5,232,353	(15,825,694)	402.5	4,315,497	2027	-			N/A	10
6/30/2026 (a)(b)	**$6,770,400**	**4,513,508**	**(2,256,892)**	**150.0**	**3,680,645**	**2028**	**-**			**N/A**	**5**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.

(b) Reflects a theoretical asset transfer from General to Police/Fire.

The final year in which contributions were made was the fiscal year ending June 30, 1998.

Comparative Funding Statement – Police/Fire

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (UAAL)	Funded Status	Covered Payroll	Fiscal Year Ended June 30	City's Dollar Contributions			City Percent of Payroll Contributions	Amortization Period
							Recommended	Actual	Deficiency/ (Excess)		
6/30/2012 (a)	$ 35,906,254	$ 40,213,216	$ 4,306,962	89.3 %	$ 2,769,266	2014	$ 830,704	$ 830,704	$ -	28.32 %	27 yrs.
6/30/2013	37,945,059	40,098,974	2,153,915	94.6	2,874,962	2015	684,938	684,938	-	22.73	26
6/30/2014	40,826,287	40,566,000	(260,287)	100.6	2,740,856	2016	484,953	570,976	(86,023)	17.03	25
6/30/2015	42,045,246	40,877,787	(1,167,459)	102.9	2,511,453	2017	383,765	391,609	(7,844)	14.56	24
6/30/2016	43,321,987	42,597,973	(724,014)	101.7	2,693,336	2018	450,888	412,196	38,692	16.00	30
6/30/2017 (a)	44,219,777	44,926,472	706,695	98.4	2,725,617	2019	525,297	366,416	158,881	19.22	22
6/30/2018 (a)	43,546,386	47,276,631	3,730,245	92.1	2,377,603	2020	719,301	719,301	-	34.38	21
6/30/2019 (a)	42,688,315	51,883,738	9,195,423	82.3	2,282,497	2021	1,247,833	894,822	353,011	N/A	20
6/30/2020	41,896,943	51,567,634	9,670,691	81.2	1,833,807	2022	1,203,824	1,382,879	(179,055)	N/A	19
6/30/2021 (a)	41,773,209	52,399,039	10,625,830	79.7	1,671,782	2023	1,279,993	1,274,644	5,349	N/A	18
6/30/2022 (a)	41,239,296	55,363,735	14,124,439	74.5	1,486,262	2024	1,600,921	1,522,944	77,977	N/A	22
6/30/2023	40,979,343	55,462,000	14,482,657	73.9	1,448,174	2025	1,629,261	1,565,481	63,780	N/A	21
6/30/2024	41,520,682	55,821,261	14,300,579	74.4	1,235,679	2026	1,560,274	1,588,442	(28,168)	N/A	20
6/30/2025	41,020,098	55,135,865	14,115,767	74.4	899,779	2027	1,480,920			N/A	19
6/30/2026 (a)(b)	**57,530,810**	**54,029,935**	**(3,500,875)**	**106.5**	**799,372**	**2028**	**-**			**N/A**	**5**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.

(b) Reflects a theoretical asset transfer from General to Police/Fire.

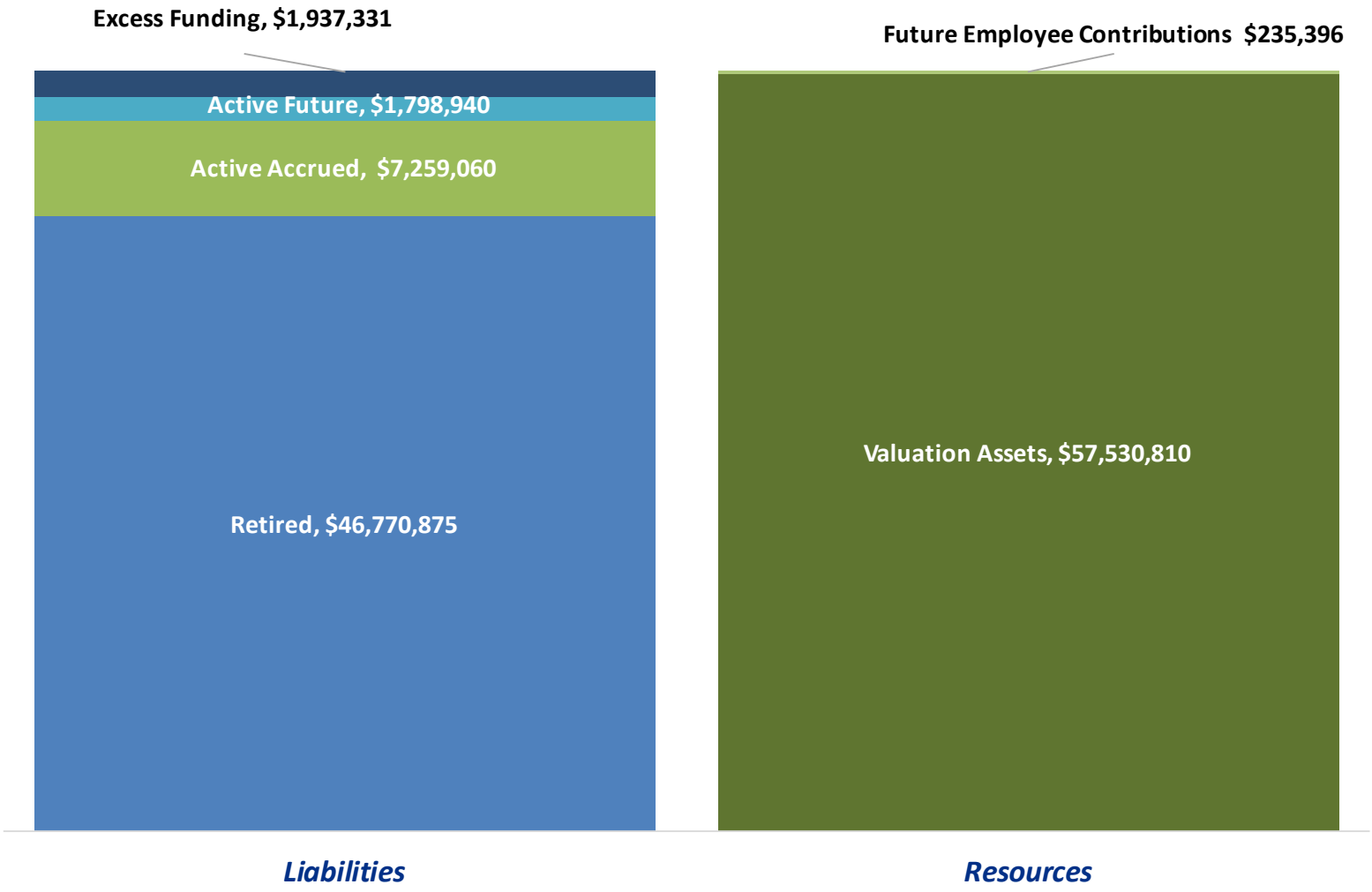
Actuarial Balance Sheet – General

Present Value of Future Benefits, $4,513,508



Actuarial Balance Sheet – Police/Fire

Present Value of Future Benefits, $55,828,875



Development of the Funding Value of Assets – General

Valuation Date June 30:	2025	2026	2027	2028	2029
A. Funding Value Beginning of Year	$ 20,993,535	$ 21,058,047			
B. Market Value End of Year	22,175,461	23,683,597			
C. Market Value Beginning of Year	20,996,485	22,175,461			
D. Non-Investment Net Cash Flow (EE+ER cont.)-(Ret. Ben.+Refunds) + BOY adj.	(779,056)	(948,447)			
E. Investment Return (Net of Expenses)					
E1. Market Total: B-C-D	$ 1,958,032	$ 2,456,583			
E2. Assumed Rate	5.25%	5.25%	6.25%		
E3. Amount for Immediate Recognition	$ 1,081,885	$ 1,080,863			
E4. Amount for Phased-In Recognition	$ 876,147	$ 1,375,720			
F. Phased-In Recognition of Investment Return					
F1. Current Year: 0.25xE4	$ 219,037	$ 343,930			
F2. First Prior Year	213,682	219,037	$ 343,930		
F3. Second Prior Year	32,941	213,682	219,037	$ 343,930	
F4. Third Prior Year	(703,977)	32,939	213,683	219,036	$ 343,930
F5. Total Recognized Investment Gain	$ (238,317)	$ 809,588	$ 776,650	$ 562,966	$ 343,930
G. Funding Value of Assets					
G1. Preliminary Funding Value End of Year: A+D+E3+F5	$ 21,058,047	$ 22,000,051			
G2. Upper Corridor Limit: 120% x B	26,610,553	28,420,316			
G3. Lower Corridor Limit: 80% x B	17,740,369	18,946,878			
H. Funding Value End of Year: A+D+E3+F5	$ 21,058,047	$ 22,000,051			
I. Difference Between Market & Funding Values	1,117,414	1,683,546			
J. Recognized Rate of Return - Funding Value	4.09%	9.18%			
K. Recognized Rate of Return - Market Value	9.50%	11.32%			
L. Ratio of Funding Value to Market Value: G/B	94.96%	92.89%			

The Funding Value of Assets recognizes assumed investment income (line E3) fully each year. Differences between actual and assumed investment income (line E4) are phased-in over a closed four-year period. During periods when investment performance exceeds the assumed rate, Funding Value of Assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, Funding Value of Assets will be greater than market value. The Funding Value of Assets is unbiased with respect to Market Value. At any time, it may be either greater or less than Market Value. If actual and assumed income is exactly equal for three consecutive years, the Funding Value will become equal to Market Value.

Development of the Funding Value of Assets – Police/Fire

Valuation Date June 30:	2025	2026	2027	2028	2029
A. Funding Value Beginning of Year	$41,520,682	$41,020,098			
B. Market Value End of Year	43,114,355	45,715,187			
C. Market Value Beginning of Year	41,479,308	43,114,355			
D. Non-Investment Net Cash Flow (EE+ER cont.)-(Ret. Ben.+Refunds) + BOY adj.	(2,414,703)	(2,913,436)			
E. Investment Return					
E1. Market Total: B-C-D	4,049,750	5,514,268			
E2. Assumed Rate	6.50%	6.50%	6.25%		
E3. Amount for Immediate Recognition	2,620,366	2,571,620			
E4. Amount for Phased-In Recognition	1,429,384	2,942,648			
F. Phased-In Recognition of Investment Return					
F1. Current Year: 0.25 x E4	357,346	735,662			
F2. First Prior Year	492,352	357,346	$ 735,662		
F3. Second Prior Year	37,518	492,352	357,346	$ 735,662	
F4. Third Prior Year	(1,593,463)	37,517	492,350	357,346	$ 735,662
F5. Total Recognized Investment Gain	(706,247)	1,622,877	1,585,358	1,093,008	735,662
G. Funding Value of Assets					
G1. Preliminary Funding Value End of Year: A+D+E3+F5	41,020,098	42,301,159			
G2. Upper Corridor Limit: 120% x B	51,737,226	54,858,224			
G3. Lower Corridor Limit: 80% x B	34,491,484	36,572,150			
H. Funding Value End of Year: A+D+E3+F5	41,020,098	42,301,159			
I. Difference Between Market & Funding Values	2,094,257	3,414,028			
J. Recognized Rate of Return - Funding Value	4.75%	10.60%			
K. Recognized Rate of Return - Market Value	10.06%	13.24%			
L. Ratio of Funding Value to Market Value: G/B	95.14%	92.53%			

The Funding Value of Assets recognizes assumed investment income (line E3) fully each year. Differences between actual and assumed investment income (line E4) are phased-in over a closed four-year period. During periods when investment performance exceeds the assumed rate, Funding Value of Assets will tend to be less than market value. During periods when investment performance is less than the assumed rate, Funding Value of Assets will be greater than market value. The Funding Value of Assets is unbiased with respect to Market Value. At any time, it may be either greater or less than Market Value. If actual and assumed income is exactly equal for three consecutive years, the Funding Value will become equal to Market Value.

Experience Gain/(Loss) - General
Year Ended June 30, 2026

Derivation

(1)	UPVFB at start of year	$ (15,825,694)
(2)	Contributions	-
(3)	Interest on above at 5.25%	(830,849)
(4)	Expected UPVFB before changes	$ (16,656,543)
(5)	Net effect of assumption and cost method changes	(448,249)
(6)	Asset Transfer to Police/Fire	15,229,651
(7)	Effect of benefit changes	(216,552)
(8)	Expected UPVFB after changes	(2,091,693)
(9)	Actual UPVFB	(2,256,892)
(10)	Gain (loss) (8) - (9)	165,199
(11)	As % of PVFB at start of year ($5,232,353)	3.2%
	Gain (loss) attributed to Investments	*15.5%*
	*Gain (loss) attributed to Extra Health Benefits Paid**	*(5.1)%*
	Gain (loss) attributed to Liabilities	*(7.2)%*

* *Due to other health care benefits paid on behalf of the City for retirees in this plan.*

UPVFB represents Unfunded Present Value of Future Benefits.
PVFB represents Present Value of Future Benefits.

Experience Gain/(Loss) – Police/Fire
Year Ended June 30, 2026

Derivation

(1)	UAAL at start of year	$ 14,115,767
(2)	Total Normal Cost from last valuation	293,480
(3)	Contributions	1,625,769
(4)	Interest on above at 6.5%	874,225
(5)	Expected UAAL before changes	$ 13,657,703
(6)	Net effect of assumption and cost method changes	1,710,084
(7)	Asset Transfer from General	(15,229,651)
(8)	Effect of benefit changes/clarifications	(3,120,115)
(9)	Expected UAAL after changes	$ (2,981,979)
(10)	Actual UAAL	(3,500,875)
(11)	Gain (loss): (8) - (9)	$ 518,896
(12)	As % of AAL at start of year ($55,135,865)	0.9%
	Gain (loss) attributed to Investments	*2.8%*
	Gain (loss) attributed to Liabilities	*(1.9)%*

UAAL represents Unfunded Actuarial Accrued Liability.
AAL represents Actuarial Accrued Liability.

Comments

Plan Experience

Actuarial experience was more favorable for both General and Police/Fire than expected for the fiscal year ending June 30, 2026, as indicated by the experience gains shown on pages A-10 and A-11. The favorable experience was primarily attributable to phased-in investment gains. Liability losses were reflected due to lower-than expected retiree mortality, higher-than-expected pay increases for DB and DC active members and higher-than-expected benefit payments for both General and Police/Fire. Benefit payments for General included other health care benefits paid on behalf of the City for retirees.

Plan Merger and Assumption Changes

The City of Ferndale Employees (General) and Policemen and Firemen Retirement Systems were combined into one plan beginning with the June 30, 2026 valuation. In addition, an experience review was performed for both the General and Police/Fire groups. As a result, the following actuarial assumptions were updated:

- Investment return (6.25%)
- Wage inflation (3.00%)
- Price inflation (2.50%)
- Mortality Tables (PubG-2016 and PubS-2016 tables)
- Rates of salary increases
- Rates of termination/withdrawal
- Load for Police/Fire retirement benefits (5.0%)

The above assumption changes decreased General liabilities by about $448 thousand and increased Police/Fire liabilities by about $1.7 million.

As a result of the plan merger, a theoretical market value asset transfer of $16,376,463 ($15,229,651 on a funding value basis) was assumed to be made from General to Police/Fire in order to maintain a 150% funded status for General, and use the excess funds above that measurement in order to fund the Police/Fire group. As a result, the Police/Fire group is now 106.5% funded, and the recommended Police/Fire employer contribution is $0.

Comments

Plan Amendments

The Retirement System was closed to Defined Contribution (DC) new hires effective June 1, 2026. Active members as of that date were permitted to transfer to MERS. All DC active members hired after June 1, 2026 will be covered by MERS for disability benefits. As of the valuation date, 18 General and 37 Police/Fire members elected to transfer to MERS. This decreased General and Police/Fire liabilities by about $217 thousand and $3.1 million, respectively.

Employer Contributions

The recommended employer contribution for Police/Fire is calculated as a level dollar amount each year. The FYE June 30, 2026 recommended contribution was $1,560,274 and the actual amount contributed during the year was $1,588,442 (resulting in an excess amount of $28,168). It is assumed that the City will contribute the recommended contributions on an annual basis.

Extra City Contributions for Health Benefits

The City paid $264,335 of System assets during the FYE 2026 for extra City health care benefits for General retirees in this System. Although these payments are not required from this plan, we recognize it is an effort by the City to use extra funds from this System as a result of its overfunded status. It is our understanding that these payments may only continue if General is over 150% funded and Police/Fire is more than 100% funded. Health care costs for this purpose have not been reflected in this report.

GRS was not asked to opine on these payments or any future impact they may have on the System's ability to pay benefits. A projection of future benefit payments (excluding these extra health care payments) is shown on pages B-4 and B-5. While we will monitor the effect of these payments in subsequent valuations, it is important to note that future contributions may be necessary if these extra heath care payments continue in the future.

Looking Ahead

Market gains and losses will continue to be phased-in over the next three years. Absent future gains/losses, there are gains expected in 2027, 2028 and 2029. Absent future offsetting gains/losses, this will increase the funded status for both groups in these years. On a market value basis, the General funded status is 161.9% and the Police/Fire funded status is 114.9%.

Comments

Medicare Part B

This valuation reflects the Medicare Part B premiums of $202.90 per month for eligible members. Only General members hired before July 1, 1991 and Police/Fire members hired before January 1, 1992 are eligible. There are no remaining active members eligible for this benefit. For purposes of this valuation, we have assumed that the benefit provided by this System will be the standard Medicare Part B premiums, subject to future annual increases.

Investment Return Assumption

The Actuarial Standards of Practice require us to review the investment return assumption on an annual basis and alert the Board ahead of the actuarial valuation if we believe a change is needed. The investment return assumption of 6.25% is reasonable based on the plan's current asset allocation and an analysis based on capital market assumptions from several nationally recognized investment firms. We will review this assumption again in the next actuarial valuation.

Accrued Liability under the EANC Method for General

Under the Entry-Age Normal Cost (EANC) Method, the General, Actuarial Accrued Liability (AAL) is $4,162,666 and the funded ratio would be 162.6%.

Data Used for the Valuation

Member data is received from the System's staff and compared with prior year's data and benefit calculations for general consistency. Any questions resulting from the review are provided to the System's staff and resolved. Any data adjustments needed as a result of this process are made manually by GRS, based on instructions provided by the System's staff.

GASB Statement Nos. 67 and 68

In June 2012, the Governmental Accounting Standards Board issued new accounting Statements No. 67 and No. 68 for pension plan and sponsoring employer reporting. A GASB Statements No. 67 and No. 68 report will be issued separately.

Comments

Michigan Public Act 202 of 2017

The Michigan State Treasurer has established uniform actuarial assumptions as required by Public Act 202 (PA 202) of 2017 for use with the annual Form 5572 (Retirement System Annual Report). The current assumptions meet the requirements of Public Act 202, except for the health care trend.

Under the uniform actuarial assumptions for the FYE 2026, the health care trend uses an initial rate of 6.50% decreasing by 0.25% per year to a 4.50% long-term rate for Medicare premiums. The resulting Actuarial Accrued Liability under the Entry-Age Normal Cost Method is $4,170,219 for General and $54,086,543 for Police/Fire. The required contribution is $0 for both groups. Please note that the Treasurer may change or update the uniform assumptions in the future.

Future Contributions and Benefit Obligations

The excess assets over the Present Value of Future Benefits (PVFB) and the fact that the Retirement System is closed to new members is an indication that no City contributions are expected to be needed for current members over their lifetimes if all assumptions are met.

It is not an appropriate measure of the sufficiency of plan assets to settle all benefit obligations. Future contributions may become necessary for a number of reasons including, but not limited to: changes in plan provisions, significant market declines, significant changes in actuarial assumptions or continued extra health care payments on behalf of the City.

SECTION B

FUNDING INDICATORS AND RISK MEASURES

Funding Progress Indicators

Although there is no single all-encompassing indicator that measures a retirement system's funding progress and current funded status, an aid in understanding funding progress and status can be achieved using the following indicators.

Indicator 1: ***The ratio of valuation assets to liabilities*** – a funding level indicator. The ratio is expected to converge to 100% as the active membership in the plan is eliminated, but the basic trend may be interrupted by certain events such as benefit improvements, changes in actuarial cost method or changes in actuarial assumptions.

Indicator 2: ***The ratio of the unfunded liabilities to member payroll*** – an inflation adjusted funding level indicator. In a soundly financed retirement system, the amount of the unfunded liabilities will be controlled and prevented from increasing in the absence of benefit improvements or strengthening of actuarial assumptions.

However, in an inflationary environment it is seldom practical to impose this control on dollar amounts that are depreciating in value. The ratio is a relative index of condition where inflation is present in both items. The ratio is expected to decrease in the absence of benefit improvements or a decrease in the number of actual members.

Indicator 3: ***The actuarial present value of gains or losses realized in the operation of the retirement system*** – an experience indicator. Gains and losses are expected to cancel each other over a period of years and sizable year-to-year fluctuations are common. Further details on the derivation of the gain (loss) are shown on pages A-10 and A-11.

The Retirement System's funding objective is to meet long-term benefit promises through contributions that remain approximately level from year-to-year as level dollar amounts. ***If the contributions to the System are level in concept and soundly executed, the System will pay all promised benefits when due -- the ultimate indicator of financial soundness.***

Funding Progress Indicators - General
($ Amounts in Thousands)

Valuation Date	Valuation Assets	Funding Level Indicators PVFB	Indicator 1	Unfunded PVFB	Member Payroll	Indicator 2	Indicator 3 Gain (Loss)
6/30/2012	$ 16,668	$ 9,850	169.2 %	$ (6,817)	$ -	N/A	$ (704)
6/30/2013	17,464	8,954	195.0	(8,510)	-	N/A	1,215
6/30/2014	18,609	8,432	220.7	(10,177)	-	N/A	1,072
6/30/2015	19,145	8,027	238.5	(11,118)	-	N/A	229
6/30/2016	19,881	7,948	250.1	(11,933)	-	N/A	37
6/30/2017 (a)	20,356	8,081	251.9	(12,275)	-	N/A	(11)
6/30/2018	20,442	6,863	297.8	(13,578)	-	N/A	505
6/30/2019 (a)	20,688	7,115	290.8	(13,573)	-	N/A	(336)
6/30/2020	20,728	7,054	293.8	(13,674)	-	N/A	(640)
6/30/2021 (a)	21,649	6,369	339.9	(15,280)	-	N/A	1,013
6/30/2022	20,571	6,121	336.1	(14,450)	-	N/A	(1,633)
6/30/2023	20,310	5,876	345.6	(14,434)	-	N/A	(774)
6/30/2024	20,994	5,597	375.1	(15,396)	-	N/A	204
6/30/2025	21,058	5,232	402.5	(15,826)	-	N/A	(379)
6/30/2026 (a)(b)	**6,770**	**4,514**	**150.0**	**(2,257)**	**-**	**N/A**	**165**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.

(b) Reflects a theoretical asset transfer from General to Police/Fire.

Funding Progress Indicators – Police/Fire
($ Amounts in Thousands)

Valuation Date	Valuation Assets	Funding Level Indicators AAL	Indicator 1	Unfunded AAL	Member Payroll	Indicator 2	Indicator 3 Gain (Loss)
6/30/2012 (a)	$ 35,906	$ 40,213	89.3 %	$ 4,307	$ 2,769	155.5 %	$ 967
6/30/2013	37,945	40,099	94.6	2,154	2,875	74.9	2,274
6/30/2014	40,826	40,566	100.6	(260)	2,741	(9.5)	2,219
6/30/2015	42,045	40,878	102.9	(1,167)	2,511	(46.5)	639
6/30/2016	43,322	42,598	101.7	(724)	2,693	(26.9)	(619)
6/30/2017 (a)	44,220	44,926	98.4	707	2,726	25.9	550
6/30/2018 (a)	43,546	47,277	92.1	3,730	2,378	156.9	(1,820)
6/30/2019 (a)	42,688	51,884	82.3	9,195	2,282	402.9	(3,460)
6/30/2020	41,897	51,568	81.2	9,671	1,834	527.4	(121)
6/30/2021 (a)	41,773	52,399	79.7	10,626	1,672	635.6	(269)
6/30/2022 (a)	41,239	55,364	74.5	14,124	1,486	950.3	(2,028)
6/30/2023	40,979	55,462	73.9	14,483	1,448	1000.1	(311)
6/30/2024	41,521	55,821	74.4	14,301	1,236	1,157.3	(5)
6/30/2025	41,020	55,136	74.4	14,116	900	1,568.8	(126)
6/30/2026 (a)(b)	**57,531**	**54,030**	**106.5**	**(3,501)**	**799**	**(438.0)**	**519**

(a) After changes in benefit provisions and/or actuarial assumptions and actuarial cost methods.

(b) Reflects a theoretical asset transfer from General to Police/Fire.

Benefit Projection - General

Year	Expected Benefit	Discounted Expected Benefit
0	$ 530,144	$ 514,314
1	503,341	459,588
2	475,582	408,699
3	447,333	361,809
4	418,701	318,731
5	391,243	280,309
6	364,235	245,609
7	341,879	216,973
8	319,194	190,660
9	298,056	167,561
10	279,089	147,669
11	261,087	130,018
12	244,749	114,712
13	229,817	101,377
14	216,204	89,762
15	202,724	79,215
16	189,809	69,805
17	178,525	61,793
18	168,280	54,821
19	159,754	48,982
20	151,299	43,661
21	144,585	39,269
22	138,984	35,527
23	135,197	32,526
24	128,936	29,195
25	124,105	26,449
26 +	2,326,449	244,474
	$ 9,369,301	**$4,513,508**

This projection does not include any provision for extra health care benefits paid on behalf of the City for retirees in this plan.

Benefit Projection – Police/Fire

Year	Expected Benefit	Discounted Expected Benefit
0	$ 4,124,210	$ 4,024,613
1	4,126,935	3,790,375
2	4,125,193	3,565,906
3	4,176,051	3,397,523
4	4,217,859	3,229,682
5	4,196,522	3,024,324
6	4,172,395	2,830,057
7	4,141,886	2,644,107
8	4,101,765	2,464,465
9	4,058,804	2,295,203
10	4,007,033	2,132,637
11	3,953,446	1,980,345
12	3,901,281	1,839,261
13	3,848,799	1,707,782
14	3,793,566	1,584,258
15	3,731,005	1,466,477
16	3,651,854	1,350,933
17	3,569,866	1,242,921
18	3,484,522	1,141,841
19	3,390,068	1,045,543
20	3,291,797	955,515
21	3,197,858	873,645
22	3,103,930	798,103
23	3,004,144	727,007
24	2,903,779	661,382
25	2,794,855	599,127
26 +	35,282,206	4,455,843
	$132,351,629	**$55,828,875**

This projection does not include any provision for extra health care benefits paid on behalf of the City for retirees in this plan.

Low-Default-Risk Obligation Measure

Introduction

In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*. The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the "Low-Default-Risk Obligation Measure" (LDROM). The rationale that the ASB cited for the calculation and disclosure of the LDROM was included in the Transmittal Memorandum of ASOP No. 4 and is presented below (emphasis added):

> *The ASB believes that the calculation and disclosure of this measure provides* ***appropriate, useful information for the intended user regarding the funded status of a pension plan****. The calculation and disclosure of this additional measure is* ***not intended to suggest that this is the "right" liability measure*** *for a pension plan. However, the ASB does believe that* ***this additional disclosure provides a more complete assessment of a plan's funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.***

Comparing the Valuation Liabilities and the LDROM

One of the fundamental financial objectives of the Retirement System is to finance each member's retirement benefit over the period from the date of hire until the projected date of retirement (entry age actuarial cost method) as a level dollar amount. To fulfill this objective, the discount rate that is used to value the valuation liabilities of the Retirement System is set equal to the **expected return** on the System's diversified portfolio of assets (referred to sometimes as the investment return assumption). For the Retirement System, the investment return assumption is 6.25%.

The LDROM is meant to approximately represent the lump sum cost to a plan to purchase low-default-risk fixed income securities whose resulting cash flows essentially replicate in timing and amount the benefits earned (or the costs accrued) as of the measurement date. The LDROM is very dependent upon market interest rates at the time of the LDROM measurement. The lower the market interest rates, the higher the LDROM, and vice versa. The LDROM results presented in this report are based on the entry age actuarial cost method and discount rates based upon the June 2026 Treasury Yield Curve Spot Rates (end of month). The 1-, 5-, 10- and 30-year rates follow: 4.02%, 4.23%, 4.52% and 5.08%. This measure may not be appropriate for assessing the need for or amount of future contributions. This measure may not be appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the Program's benefit obligation.

The difference between the two measures (Valuation and LDROM) is one illustration of the savings the plan sponsor anticipates by taking on risk in a diversified portfolio:

Group	Valuation Liabilities	LDROM
General	$ 4,513,508	$ 5,105,100
Police/Fire	54,029,935	62,471,369

Other Observations

General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Contributions and Funded Status

Given the Retirement System's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 6.25% on the Funding Value of Assets), it is expected that:

1) There will be no contributions to the plan needed in the foreseeable future.
2) The funded status of the Retirement System will remain over 100% funded.

The computed contribution shown on pages A-2 and A-3 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.

Limitations of Funded Status Measurements and Project Scope

Unless otherwise indicated, a funded status measurement presented in this report is based upon the Present Value of Future Benefits (PVFB) for General, and Actuarial Accrued Liability (AAL) for Police/Fire and the Funding Value of Assets (FVA). Unless otherwise indicated, with regard to any funded status measurements presented in this report:

1) The measurement is inappropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's benefit obligations; in other words, of transferring the obligations to an unrelated third party in an arm's length market value type transaction.
2) The measurement is dependent upon the actuarial cost method which, in combination with the plan's amortization policy, affects the timing and amounts of future contributions. A funded status of 100% is not synonymous with no required future contributions. In an open plan, if the funded status were 100%, the plan would still require future normal cost contributions (i.e., contributions to cover the cost of the active membership accruing an additional year of service credit).
3) The measurement would produce a different result if the Market Value of Assets (MVA) were used instead of the FVA, unless the MVA is used in the measurement.

Actuarial standards do not require the actuary to evaluate the ability of the plan sponsors or other contributing entities to make required contributions to the plan when due. Such an evaluation was not within the scope of this project and is not within the actuary's domain of expertise. Consequently, the actuary performed no such evaluation.

Risks to Future Employer Contribution Requirements

There are ongoing risks to future employer contribution requirements to which the Retirement System is exposed, such as actual and assumed Investment Rate of Return; actual and assumed Mortality Rates; and amortization policy.

Risk Measures – Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; 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 System's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements. Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. **Investment Risk** – actual investment returns may differ from the expected returns;
2. **Asset/Liability Mismatch** – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. **Contribution Risk** – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. **Salary and Payroll Risk** – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. **Healthcare-Related Risk** – actual medical inflation trend rates and/or changes in healthcare plan designs may differ from expected resulting in actual future accrued liability and contributions differing from expected;
6. **Longevity Risk** – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
7. **Other Demographic Risks** – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

Risk Measures - Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

Accrued Liability under EANC

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

General

	2026	2025	2024	2023	2022
Funded Ratio on market value basis *	161.9%	423.8%	375.1%	337.3%	324.7%
Ratio of net cash flow to market value of assets	-4.0%	-3.5%	-3.4%	-6.3%	-10.5%
Duration of the actuarial accrued liability	8.02	9.17	9.53	9.54	9.26

Police/Fire

	2026	2025	2024	2023	2022
Funded Ratio on market value basis *	114.9%	78.2%	74.3%	71.6%	71.2%
Ratio of net cash flow to market value of assets	-6.4%	-5.6%	-6.6%	-6.3%	-6.8%
Duration of the actuarial accrued liability	10.39	11.08	N/A	N/A	N/A

** Reflects a theoretical asset transfer from General to Police/Fire in 2026.*

Funded Ratio

The funded ratio is the most widely known measure of a plan's financial strength, but the trend in the funded ratio is much more important than the absolute ratio. The funded ratio should trend to 100%. As it approaches 100%, it is important to re-evaluate the level of investment risk in the portfolio and potentially to re-evaluate the assumed rate of return.

Risk Measures - Risks Associated with Measuring the Accrued Liability and Actuarially Determined Contribution

Ratio of Net Cash Flow to Market Value of Assets

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

Duration of Actuarial Accrued Liability

The duration of the actuarial accrued liability may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, a duration of 10 indicates that the liability would increase approximately 10% if the assumed rate of return were lowered 1%.

Additional Risk Assessment

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability.

SECTION C

SUMMARY OF BENEFIT PROVISIONS AND VALUATION DATA SUBMITTED

Summary of Benefit Provisions Evaluated – General (June 30, 2026)

Participation

The Retirement System was closed to Defined Benefit (DB) new hires effective July 1, 1996. Active members as of that date were permitted to transfer to the Defined Contribution Plan. Effective with the June 30, 2004 valuation, the only provisions being valued for active members is the disability benefits for transfers from the DC plan.

The Retirement System was closed to Defined Contribution (DC) new hires effective June 1, 2026. Active members as of that date were permitted to transfer to MERS. All DC active members hired after June 1, 2026 will be covered by MERS for disability benefits.

Regular Retirement (No Reduction Factor for Age)

Eligibility - Age 60 with 10 years of service for all members, or age 55 with 33 years of service.

Annual Amount - All members: Total service times 2.0% of the final average compensation.

Type of Final Average Compensation - Highest 2 consecutive years out of last 10.

Deferred Retirement (Vested Benefit)

Eligibility - Any age with 10 or more years of service. Benefit payments begin at age 60.

Annual Amount - Same as regular retirement but based upon service and final average earnings at time of termination.

Duty Disability Retirement

Eligibility - No age or service requirements. DC plan members who become disabled and transfer their DC balances into the Retirement System are also eligible.

Annual Amount – 50% of the final average compensation earned as of the effective date of disability. The City's liability for the disability benefit shall be offset (1) by any amount which may be payable pursuant to the Workers' Compensation Act, (2) by the lifetime annuity value of the employee's 401(a) defined contribution retirement account, determined as of the effective date of the employee's disability-related separation from service, and (3) any amount received by the MERS Defined Benefit Plan.

Summary of Benefit Provisions Evaluated – General (June 30, 2026)

Non-Duty Disability Retirement

Eligibility - 10 or more years of service. DC plan members who become disabled and transfer their DC balances into the Retirement System are also eligible.

Annual Amount – Same as Regular Retirement, up to a maximum of 50%. The City's liability for the disability benefit shall be offset (1) by the lifetime annuity value of the employee's 401(a) defined contribution retirement account, determined as of the effective date of the employee's disability related separation from service, and (2) any amount received by the MERS Defined Benefit Plan.

Duty Death Before Retirement

Eligibility - Payable upon expiration of worker's compensation to the survivors of a member who died in the line of duty.

Annual Amount - Same amount that was paid by worker's compensation to spouse, unmarried children under 18 and dependent parents.

Non-Duty Death Before Retirement

Eligibility - 10 or more years of service payable to a surviving spouse.

Annual Amount - Accrued straight life pension actuarially reduced in accordance with an Option II election.

Member Contributions

None - No active members.

Medicare Part B

Members hired prior to July 1, 1991 are eligible to collect a Medicare Part B benefit from the Retirement System. There are no active members remaining eligible for this benefit.

Summary of Benefit Provisions Evaluated – Police/Fire (June 30, 2026)

Participation

The Retirement System is closed to Defined Benefit (DB) Police Officers, and was closed to DB Firefighters effective June 28, 2017. Effective with the June 30, 2022 valuation, the only provisions being valued for active members is the disability benefits for transfers from the DC plan.

The Retirement System was closed to Defined Contribution (DC) new hires effective June 1, 2026. Active members as of that date were permitted to transfer to MERS. All DC active members hired after June 1, 2026 will be covered by MERS for disability benefits.

Regular Retirement (No Reduction Factor for Age)

Eligibility - **Police:** 25 years of service. **Firefighters:** 25 years of service regardless of age or age 50 with 10 years of service.

Annual Amount – Based on the following:

- **Firefighters hired before July 1, 2011 and Police Captain:** Final Average Compensation (FAC) times 3.0% times the first 25 years of service plus 1.0% times the next 5 years of service.
- **Firefighters hired on or after July 1, 2011:** Final Average Compensation (FAC) times 3.0% times the first 25 years of service.
- **All Others:** Final Average Compensation times 2.5% times the first 30 years of service, or members have the option of Final Average Compensation times 3.0% times the first 25 years of service plus 1.0% times the next 5 years of service by contributing an additional amount.

Type of Final Average Compensation - Highest 2 consecutive years out of last 10.

Deferred Retirement (Vested Benefit)

Eligibility - 10 or more years of service. Benefit begins at age 50.

Annual Amount - Same as regular retirement but based upon service and Final Average Compensation at time of termination.

Summary of Benefit Provisions Evaluated – Police/Fire (June 30, 2026)

Duty Disability Retirement

Eligibility - No age or service requirements. DC Police Officers and Firefighters who become disabled and transfer their DC balance into the Retirement System are also eligible.

Annual Amount - Before Normal Retirement Age: 70% of annual base pay of a patrol officer or firefighter, whichever is higher.

Police Command: calculated at pay rank at time of disability. At Normal Retirement Age: Same as regular retirement but with additional service credit granted for the period in receipt of a disability benefit. Worker's compensation payments offset.

Non-Duty Disability Retirement

Eligibility - 10 or more years of service. DC Police Officers and Firefighters who become disabled and transfer their DC balance into the Retirement System are also eligible.

Annual Amount - Same as regular retirement but based upon service and Final Average Compensation at commencement of disability. The City's liability for the disability benefit shall be offset (1) by the lifetime annuity value of the employee's 401(a) defined contribution retirement account, determined as of the effective date of the employee's disability related separation from service, and (2) any amount received by the MERS Defined Benefit Plan.

Duty Death Before Retirement

Eligibility - No age or service requirements.

Annual Amount - Spouse receives 40% of final compensation (70% of FAC for Fire); unmarried children under 18 - an equal share of 25% of final compensation (5% of FAC for Fire); unmarried children under 18 and no spouse - an equal share of 50% of final compensation. Worker's compensation payments offset.

Firefighters: Effective July 1, 1997, an unmarried member shall have the right to designate a beneficiary eligible to receive the same benefit as the spousal portion of a married member.

Summary of Benefit Provisions Evaluated – Police/Fire (June 30, 2026)

Non-Duty Death Before Retirement

Eligibility - **Police Patrol:** Age 50 with 25 or more years of service or age 55 regardless of service.

All others: 10 years of service regardless of age.

Annual Amount - Same as regular retirement but actuarially reduced in accordance with a 100% joint and survivor election.

Member Contributions

Police Patrol and Police Command: 1.6% of pay for the 2.50% multiplier, 5.35% of pay for the 3.00% multiplier.

Firefighters: 5.35% of pay.

Annuity Withdrawal

Firefighters, Police Command: Members may elect to withdraw their contributions in a lump sum and have their regular retirement benefit reduced by the actuarial equivalent of the amount withdrawn.

Police Patrol: Members with a signed affidavit on file may elect to withdraw their contributions in a lump sum and have their regular retirement benefits reduced by the actuarial equivalent of the amount withdrawn.

Medicare Part B

Members hired prior to January 1, 1992 are eligible to collect a Medicare Part B benefit from the Retirement System. There are no active members remaining eligible for this benefit.

Asset Information
Submitted for the Valuation – General

Total Market Value as of	June 30, 2025	June 30, 2026
Cash (including checking/savings accounts)	$ (378,740)	$ (560,767)
Accrued interest and dividends	92,653	95,696
Short-term Investment Funds	431,344	356,999
Equities		
Common Stock	3,186,351	-
Stock mutual funds	7,971,962	13,226,324
Fixed Income		
U.S. Government/Agency bonds	6,165,535	5,480,541
Corporate bonds	2,657,562	3,005,246
Bond mutual funds	8	-
Mortgages	847,857	149,491
Other	-	1,080,756
Real Estate	1,233,530	881,912
Other - Due from Cash Fund	-	-
Accounts Payable	(32,601)	(32,601)
Market Value - End of Year	**$ 22,175,461**	**$ 23,683,597**

Assets for FYE	June 30, 2025	June 30, 2026
Beginning of Year	$ 20,996,485	$ 22,175,461
Revenues		
Employees' Contributions	-	-
Employer Contributions	-	-
Contributions Receivable	2,138,505	-
Investment Income	240	2,600,192
Expenditures		
Benefit payments (includes Medicare Part B)*	779,056	948,447
Refunds of Member Contributions	-	-
Investment Expenses	87,098	84,651
Administrative Expenses	93,615	58,958
Other - Adjustment	-	-
Market Value - End of Year	**$ 22,175,461**	**$ 23,683,597**

** Includes extra health care benefits paid on behalf of the City for retirees.*

Asset Information
Submitted for the Valuation – Police/Fire

Total Market Value as of	June 30, 2025	June 30, 2026
Cash (incl. checking/savings accounts)	$ 77,696	$ (273,324)
Accrued interest and dividends	127,130	134,921
Short-term Investment Funds	1,634,130	1,139,832
Equities		
Common Stock	5,902,258	-
Stock mutual funds	19,827,666	29,434,433
Fixed Income		
U.S. Government/Agency bonds	8,470,457	7,742,521
Corporate bonds	3,780,990	4,271,047
Bond mutual funds	18	-
Mortgages	1,187,384	212,852
Other		
Real Estate	2,486,610	1,838,826
Other - Prepaid insurance	24,693	1,618,756
Accounts Payable	(404,677)	(404,677)
Market Value - End of Year	**$ 43,114,355**	**$ 45,715,187**

Assets for FYE	June 30, 2025	June 30, 2026
Beginning of Year	$ 41,479,308	$ 43,114,355
Revenues		
Employees' Contributions	45,750	37,327
Employer Contributions	1,565,481	1,588,442
Contributions Receivable	-	-
Investment Income	4,243,922	5,707,668
Expenditures		
Benefit Payments	4,025,934	4,539,205
Refunds of Member Contributions	-	-
Investment Expenses	122,366	117,990
Administrative Expenses	71,806	75,410
Other - Adjustment	-	-
Market Value - End of Year	**$ 43,114,355**	**$ 45,715,187**

Retiree and Beneficiary Comparative Schedule – General

Year Ended	Net Added	Net Removed	Net Increase	End of Year	% Increase	Total Annual Pensions	% Increase in Annual Pensions	Average Annual Pension
6/30/2012	4	3	1	70	1.4 %	$ 919,254	0.3 %	$ 13,132
6/30/2013	0	8	(8)	62	(11.4)	869,535	(5.4)	14,025
6/30/2014	2	4	(2)	60	(3.2)	866,050	(0.4)	14,434
6/30/2015	0	3	(3)	57	(5.0)	835,626	(3.5)	14,660
6/30/2016	0	1	(1)	56	(1.8)	832,975	(0.3)	14,875
6/30/2017	2	4	(2)	54	(3.6)	800,390	(3.9)	14,822
6/30/2018	1	9	(8)	46	(14.8)	666,058	(16.8)	14,480
6/30/2019	0	1	(1)	45	(2.2)	645,862	(3.0)	14,352
6/30/2020	0	1	(1)	44	(2.2)	641,453	(0.7)	14,578
6/30/2021	0	4	(4)	40	(9.1)	558,353	(13.0)	13,959
6/30/2022	2	6	(4)	36	(10.0)	523,791	(6.2)	14,550
6/30/2023	0	2	(2)	34	(5.6)	503,045	(4.0)	14,795
6/30/2024	1	2	(1)	33	(2.9)	481,281	(4.3)	14,584
6/30/2025	0	2	(2)	31	(6.1)	465,315	(3.3)	15,010
6/30/2026	**1**	**2**	**(1)**	**30**	**(3.2)**	**447,926**	**(3.7)**	**14,931**

The above chart excludes Medicare Part B benefits.

Retiree and Beneficiary Comparative Schedule – Police/Fire

Year Ended	Net Added	Net Removed	Net Increase	End of Year	% Increase	Total Annual Pensions	% Increase in Annual Pensions	Average Annual Pension
6/30/2012	2	2	0	91	0.0 %	$ 2,351,620	(3.0) %	$ 25,842
6/30/2013	1	7	(6)	85	(6.6)	2,308,145	(1.8)	27,155
6/30/2014	1	3	(2)	83	(2.4)	2,278,310	(1.3)	27,420
6/30/2015	3	3	0	83	0.0	2,409,754	5.8	29,033
6/30/2016	4	3	1	84	1.2	2,463,975	2.3	29,333
6/30/2017	3	3	0	84	0.0	2,498,349	1.4	29,742
6/30/2018	6	2	4	88	4.8	2,811,074	12.5	31,944
6/30/2019	7	3	4	92	4.5	3,146,942	11.9	34,206
6/30/2020	5	3	2	94	2.2	3,349,374	6.4	35,632
6/30/2021	4	3	1	95	1.1	3,447,488	2.9	36,289
6/30/2022	4	5	(1)	94	(1.1)	3,558,877	3.2	37,860
6/30/2023	1	0	1	95	1.1	3,578,407	0.5	37,667
6/30/2024	1	0	1	96	1.1	3,709,279	3.7	38,638
6/30/2025	2	3	(1)	95	(1.0)	3,834,632	3.4	40,365
6/30/2026	**2**	**4**	**(2)**	**93**	**(2.1)**	**3,870,640**	**0.9**	**41,620**

The above chart excludes Medicare Part B benefits.

Retiree and Beneficiary
Purchasing Power Lost Due to Inflation – General

Year of Retirement	No.	Annual Pensions	Present Value of Pensions	Purchasing Power Lost Due to Inflation
1973	1	$ 2,271	$ 6,807	86.8 %
1986	1	25,653	166,813	67.2
1988	2	25,969	120,892	64.7
1989	1	13,373	79,121	62.8
1991	1	4,649	14,983	59.3
1992	2	22,596	77,791	58.0
1994	3	56,530	236,418	55.7
1995	3	62,195	566,904	54.3
1996	3	58,556	474,410	53.1
1998	1	13,898	70,013	51.2
1999	3	30,300	147,815	50.2
2002	1	24,553	152,694	46.1
2003	1	29,535	162,201	45.0
2005	1	1,902	21,965	41.8
2008	1	8,222	77,394	34.5
2010	1	5,513	61,085	34.7
2012	2	24,219	219,191	31.3
2014	1	14,192	141,851	28.6
2025	1	23,800	233,459	3.4
Totals	**30**	**$ 447,926**	**$ 3,031,808**	

The above chart excludes Medicare Part B benefits.

Retiree and Beneficiary
Purchasing Power Lost Due to Inflation – Police/Fire

Year of Retirement	No.	Annual Pensions	Present Value of Pensions	Purchasing Power Lost Due to Inflation
1976	1	$ 6,995	$ 24,961	83.0 %
1978	1	9,498	29,599	80.5
1981	1	25,456	134,498	72.9
1984	2	49,830	149,990	68.9
1986	3	56,500	389,760	67.2
1987	5	79,420	297,267	66.0
1988	2	43,502	156,155	64.7
1991	1	23,362	141,314	59.3
1992	1	22,234	256,834	58.0
1993	5	154,842	1,032,469	56.8
1994	2	57,558	405,629	55.7
1995	1	27,001	280,817	54.3
1996	13	387,340	3,373,035	53.1
1999	2	48,400	405,635	50.2
2000	6	216,267	1,824,310	48.4
2002	2	82,512	854,997	46.1
2003	2	32,396	354,867	45.0
2004	1	52,210	420,415	43.2
2005	2	56,276	487,056	41.8
2006	3	137,651	1,456,830	39.2
2010	5	158,055	1,732,025	34.7
2011	1	59,146	769,133	32.4
2012	1	60,941	635,875	31.3
2014	1	60,490	852,066	28.6
2015	4	202,827	2,486,158	28.5
2017	4	226,104	3,044,853	26.6
2018	7	470,091	6,250,847	24.5
2019	4	223,031	2,998,483	23.3
2020	4	248,577	3,466,304	22.8
2021	1	119,538	1,710,742	18.6
2022	1	63,400	940,758	11.3
2024	2	203,779	2,982,244	5.9
2025	2	205,416	2,942,437	3.4
Totals	**93**	**$ 3,870,640**	**$ 43,288,363**	

The above chart excludes Medicare Part B benefits.

Retiree and Beneficiary Data
Tabulated by Attained Age and Type of Retirement – General

Attained Age	Age and Service		Casualty		Totals	
	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
65 - 69	1	$ 13,022	1	$ 1,902	2	$ 14,924
70 - 74	4	62,211	2	22,850	6	85,061
75 - 79	3	39,474			3	39,474
80 - 84	3	84,750			3	84,750
85 - 89	7	114,585	2	20,846	9	135,431
90 - 94	5	70,442			5	70,442
95 - 99	1	15,573	1	2,271	2	17,844
Totals	**24**	**$ 400,057**	**6**	**$ 47,869**	**30**	**$ 447,926**

Average Age at Retirement: 57.9 years.

Average Age Now: 81.1 years.

The above chart excludes Medicare Part B benefits.

Retiree and Beneficiary Data
Tabulated by Attained Age and Type of Retirement – Police/Fire

Attained Age	Age and Service		Casualty		Totals	
	No.	Annual Pensions	No.	Annual Pensions	No.	Annual Pensions
45 - 49			1	$ 48,208	1	$ 48,208
50 - 54	4	$ 338,273			4	338,273
55 - 59	10	744,466	2	93,432	12	837,898
60 - 64	6	273,090			6	273,090
65 - 69	15	674,140	1	16,198	16	690,338
70 - 74	9	363,287	2	54,088	11	417,375
75 - 79	13	485,227	2	49,120	15	534,347
80 - 84	10	303,705	3	90,897	13	394,602
85 - 89	5	159,150	2	26,847	7	185,997
90 - 94	2	43,502	1	6,995	3	50,497
95 - 99	4	80,485			4	80,485
100+	1	19,530			1	19,530
Totals	**79**	**$ 3,484,855**	**14**	**$ 385,785**	**93**	**$ 3,870,640**

Average Age at Retirement: 51.2 years.

Average Age Now: 73.3 years.

The above chart excludes Medicare Part B benefits.

Retiree and Beneficiary Data
Tabulated by Type of Pensions Being Paid

Type of Pensions Being Paid	General No.	General Annual Pensions	Police/Fire No.	Police/Fire Annual Pensions
Age and Service Pensions				
Regular pension benefit	9	$ 127,733	16	$ 464,680
Option 1: 10-year certain and life	1	11,302	2	70,835
Option 2: 100% joint/survivor benefit	2	19,411	34	2,004,997
Option 3: 50% joint/survivor benefit	4	80,186	12	605,423
Survivor beneficiary of deceased retiree	8	161,425	14	329,404
Total age and service pensions	**24**	**$ 400,057**	**78**	**$ 3,475,339**
Casualty Pensions				
Non-duty disability				
Regular	0	$ -	2	$ 38,377
Option 2: 100% joint/survivor benefit	0	-	0	-
Survivor beneficiary of deceased retiree	3	22,150	2	16,509
Duty disability				
Regular	0	-	5	132,038
Option 2: 100% joint/survivor benefit	1	14,628	4	165,163
Survivor beneficiary of deceased retiree	1	1,902	1	10,599
Non-duty death				
Survivor beneficiary of deceased retiree	1	9,189	1	32,615
Duty death				
Survivor beneficiary of deceased retiree	0	-	0	-
Total casualty pensions	**6**	**$ 47,869**	**15**	**$ 395,301**
Total Pensions Being Paid	**30**	**$ 447,926**	**93**	**$ 3,870,640**

The above chart excludes Medicare Part B benefits.

Terminated Vested (Deferred) Data

None.

Active Member Data
Defined Benefit (DB) Member Activity – Police/Fire

Period Ending	Number Added During Year		Terminations During Year								Active Members End of Year
			Normal Retirement		Disability Retirement		Died-in-Service		Other Withdrawals		
	A	E	A	E	A	E	A	E	A	E	
6/30/2012	1	1	0	1.1	0	0.3	0	0.1	1	0.2	38
6/30/2013	1	1	1	1.6	0	0.3	0	0.1	0	0.2	38
6/30/2014	0	4	0	2.1	0	0.2	0	0.1	4	0.2	34
6/30/2015	0	3	3	3.2	0	0.2	0	0.1	0	0.1	31
6/30/2016	2	2	1	2.0	1	0.4	0	0.1	0	0.2	31
6/30/2017	3	2	1	2.9	0	0.2	0	0.1	1	0.2	32
6/30/2018	0	0	6	3.4	0	0.2	0	0.1	0	0.3	26
6/30/2019	0	0	5	1.7	1	0.1	0	0.0	0	0.2	20
6/30/2020	0	0	3	1.8	0	0.1	0	0.0	0	0.2	17
6/30/2021	0	0	3	0.8	0	0.1	0	0.0	0	0.1	14
6/30/2022	0	0	2	1.2	0	0.1	0	0.0	0	0.1	12
6/30/2023	0	0	0	1.1	0	0.1	0	0.0	1	0.1	11
6/30/2024	0	0	1	0.8	0	0.1	0	0.0	1	0.0	9
6/30/2025	0	0	2	0.7	0	0.1	0	0.0	0	0.0	7
6/30/2026	**0**	**0**	**1**	**0.6**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**6**
5-year Totals	**0**	**0**	**6**	**4.4**	**0**	**0.2**	**0**	**0.0**	**2**	**0.2**	

Active Member Data
by Attained Age and Years of Service – Police/Fire DB

Attained Age	Years of Service to Valuation Date							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	No.	Payroll
35-39			1					1	$ 119,468
45-49		1			1			2	228,123
50-54						1		1	160,769
55-59					1		1	2	291,012
Totals	**0**	**1**	**1**	**0**	**2**	**1**	**1**	**6**	**$ 799,372**

Average:

Age:	48.9	years
Service:	20.3	years
Annual Pay:	$133,229	

Active Member Data
Defined Benefit (DB) Comparative Schedule – Police/Fire

Valuation Date	No.	Valuation Payroll	Average Pay	% Incr.	Age	Service
6/30/2012	38	$2,769,266	$ 72,875	(7.4) yrs.	44.2 yrs.	17.0 yrs.
6/30/2013	38	2,874,962	75,657	3.8	44.5	17.3
6/30/2014	34	2,740,856	80,613	6.6	47.0	20.0
6/30/2015	31	2,511,453	81,015	0.5	47.2	20.4
6/30/2016	31	2,693,336	86,882	7.2	46.6	20.2
6/30/2017	32	2,725,617	85,176	(2.0)	46.1	19.6
6/30/2018	26	2,377,603	91,446	7.4	45.0	18.8
6/30/2019	20	2,282,497	114,125	24.8	44.0	17.5
6/30/2020	17	1,833,807	107,871	(5.5)	42.6	17.1
6/30/2021	14	1,671,782	119,413	10.7	42.4	17.1
6/30/2022	12	1,486,262	123,855	3.7	42.4	16.8
6/30/2023	11	1,448,174	131,652	6.3	44.7	18.9
6/30/2024	9	1,235,679	137,298	4.3	46.2	20.6
6/30/2025	7	899,779	128,540	(6.4)	45.2	20.1
6/30/2026	**6**	**799,372**	**133,229**	**3.6**	**48.9**	**20.3**

Active Member Data
Defined Contribution (DC) Comparative Schedules

General DC Actives

Valuation Date	No. #	Valuation Payroll	Average Pay	% Incr.	Age	Service
6/30/2012	47	$ 2,313,052	$ 49,214	8.7 yrs.	44.9 yrs.	12.3 yrs.
6/30/2013	41	2,100,187	51,224	4.1	46.4	12.8
6/30/2014	42	2,194,974	52,261	2.0	47.1	11.8
6/30/2015	39	2,041,236	52,339	0.1	47.6	12.7
6/30/2016	48	2,505,759	52,203	(0.3)	44.9	9.9
6/30/2017	52	2,858,250	54,966	5.3	44.0	8.7
6/30/2018	54	2,927,799	54,219	(1.4)	43.0	8.5
6/30/2019	59	3,357,932	56,914	5.0	43.5	8.5
6/30/2020	61	3,680,385	60,334	6.0	43.0	8.6
6/30/2021	65	3,980,552	61,239	1.5	42.5	7.4
6/30/2022	62	4,091,177	65,987	7.8	43.5	7.6
6/30/2023	67	4,593,855	68,565	3.9	43.6	6.9
6/30/2024	66	4,697,853	71,180	3.8	43.4	6.9
6/30/2025	61	4,315,497	70,746	(0.6)	44.7	7.1
6/30/2026	**48**	**3,680,645**	**76,680**	**8.4**	**45.8**	**8.6**

Police/Fire DC Actives

Valuation Date	No. *#	Valuation Payroll	Average Pay	% Incr.	Age	Service
6/30/2019	46	$3,417,421	$ 74,292		37.4 yrs.	9.8 yrs.
6/30/2020	46	3,466,239	75,353	1.4 %	37.5	9.7
6/30/2021	49	4,016,384	81,967	8.8	37.3	8.2
6/30/2022	57	4,599,559	80,694	(1.6)	36.0	6.8
6/30/2023	60	5,120,340	85,339	5.8	36.0	7.2
6/30/2024	61	5,316,733	87,160	2.1	35.8	7.7
6/30/2025	62	5,747,275	92,698	6.4	36.8	8.4
6/30/2026	**29**	**2,928,951**	**100,998**	**9.0**	**40.9**	**11.6**

** Includes Police only prior to the 2022 valuation.*

 # In FYE 2026, 18 General and 37 Police/Fire members transferred to MERS.

SECTION D

ACTUARIAL COST METHOD, ACTUARIAL ASSUMPTIONS AND DEFINITIONS OF TECHNICAL TERMS

Actuarial Cost Method

The actuarial cost method is a procedure for allocating the actuarial present value of pension benefits to time periods. The (General) Employees' Retirement System and the Policemen and Firemen Retirement System merged in 2026.

For General, the method used is known as the Aggregate Actuarial Cost Method. Under the aggregate actuarial cost method, the Present Value of Future Benefits (PVFB), (including liabilities related to disability benefits for DC members) is reduced by the Funding Value of Assets and the present value of future member contributions. The remaining amount would be amortized as a level dollar amount over 5 years.

For Police/Fire, the Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an individual entry-age actuarial cost method having the following characteristics:

- The annual normal costs for each individual active member, payable from the date of employment to the date of retirement, are sufficient to accumulate the value of the member's benefit at the time of retirement; and
- Each annual normal cost is a dollar amount which reflects the declining active population in a closed plan.

The present value of future benefits for liabilities related to disability benefits for DC members was added to Actuarial Accrued Liability (AAL).

Before the plan merger with the (General) Employees' Retirement System, the AAL exceeded the Funding Value of Assets (FVA). In the June 30, 2025 actuarial valuation, the unfunded portion was amortized by level dollar contributions over a closed period of 19 years. The Unfunded Actuarial Accrued Liability (UAAL) payment reflected payments expected to be made between the valuation date and the fiscal year for which the contributions in this report have been calculated.

Beginning with the June 30, 2026 valuation, Police/Fire was overfunded on PVFB basis (i.e., as of the valuation date, no future employer contributions are scheduled to be made). In the event the Police/Fire plan becomes underfunded again, any remaining unfunded liability will be amortized as a level dollar amount over 5 years.

Funding Value of Assets. The valuation assets used for funding purposes is derived as follows: prior year valuation assets are increased by contribution and expected investment income and reduced by refunds, benefit payments and expenses. To this amount is added 25% of the difference between expected and actual investment income for each of the previous four years. Beginning June 30, 2007, valuation assets are restricted to the range of 80% to 120% of market value of assets.

Actuarial Assumptions Used for the Valuation

The contribution requirements and actuarial present values of a retirement system are calculated by applying actuarial assumptions to the benefit provisions and people information of the system, using the actuarial cost method described on page D-1.

The principal areas of risk which require actuarial assumptions about future experiences are:

- Long-term rates of investment return to be generated by the assets of the System;
- Patterns of pay increases to members;
- Rates of mortality among members, retirees and beneficiaries;
- Rates of withdrawal of active members;
- Rates of disability among active members; and
- The age patterns of actual retirements.

The monetary effect of each assumption is calculated for as long as a present covered person survives - - - a period of time which can be as long as a century.

Actual experience of the System will not coincide exactly with assumed experience. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments (usually small) to the computed contribution rate.

From time-to-time one or more of the assumptions are modified to reflect experience trends (but not random or temporary year-to-year fluctuations).

Actuarial assumptions are established by the Board after consulting with the actuary. All actuarial assumptions are based on future expectations, not market measures. The rationale for actuarial assumptions is described in this report and is based upon plan experience. The reasonableness of the economic assumptions was based on capital market expectations provided by various investment consultants and other sources such as the Social Security Trustees report.

Actuarial Assumptions Used for the Valuation

The investment return rate (net of investment and administrative expenses) used for valuation calculations is 6.25% per year, compounded annually. The rate of wage inflation is 3.00% per year. Although not explicitly used in the calculation, the rate of price inflation is 2.50% per year.

This assumption is used to equate the value of payments due at different points in time and was first used for the June 30, 2026 valuation. Approximate investment returns, for the purpose of comparisons with assumed returns, have been as follows:

General

	Year Ended					Compound
	6/30/2026	6/30/2025	6/30/2024	6/30/2023	6/30/2022	5-Year Average
Valuation Assets	**9.18%**	4.09%	7.05%	4.90%	4.94%	6.02%
Market Value of Assets	**11.32%**	9.50%	9.78%	6.13%	(7.65)%	5.57%

Police/Fire

	Year Ended					Compound
	6/30/2026	6/30/2025	6/30/2024	6/30/2023	6/30/2022	5-Year Average
Valuation Assets	**10.60%**	4.75%	8.33%	5.60%	5.34%	6.90%
Market Value of Assets	**13.24%**	10.06%	11.86%	7.20%	(8.41)%	6.48%

The nominal rate of return was computed using the approximate formula i = I divided by 1/2 (A + B - I), where I is actual realized investment income net of expenses plus market value adjustments, A is the beginning of year asset value, and B is the end of year asset value. These rates of return should not be used for measurement of an investment advisor's performance or for comparisons with other systems -- to do so will mislead.

Actuarial Assumptions Used for the Valuation

Rates of salary increases used to project current pays to those upon which a benefit will be based are represented by the following table and were first used for the June 30, 2026 valuation.

Sample Ages	Annual Rate of Salary Increase for Sample Ages				
	Base	Merit & Longevity		Total	
	Wage Inflation	General	Police/Fire	General	Police/Fire
20	3.00 %	10.00 %	9.00 %	13.00 %	12.00 %
25	3.00	7.00	8.50	10.00	11.50
30	3.00	6.00	6.00	9.00	9.00
35	3.00	5.00	4.50	8.00	7.50
40	3.00	4.00	4.00	7.00	7.00
45	3.00	3.00	2.50	6.00	5.50
50	3.00	2.50	2.00	5.50	5.00
55	3.00	2.25	1.50	5.25	4.50
60	3.00	2.00	1.00	5.00	4.00

The salary increase assumptions will produce annual increases in total member payroll of 3.00%. In effect, this assumes no change in the number of active members.

Actuarial Assumptions Used for the Valuation

The mortality tables used for this valuation are detailed below. These tables were first used for the June 30, 2026 valuation. The margin for future mortality improvement is included in the MP-2021 mortality improvement scales.

Healthy Pre-Retirement: The fully generational PubG-2016 and PubS-2016 Amount-Weighted, General (Safety for Police/Fire) Employee, Male and Female tables, with a base year of 2016 and future mortality improvements projected using scale MP-2021. This assumption was used to measure the probabilities of members dying before retirement.

Healthy Post-Retirement: The fully generational PubG-2016 and PubS-2016 Amount-Weighted, General (Safety for Police/Fire) Healthy Retiree, Male and Female tables, with a base year of 2016 and future mortality improvements projected using scale MP-2021. This assumption is used to measure the probabilities of each benefit payment being made after retirement.

Disabled Retirement: The fully generational PubG-2016 and PubS-2016 Amount-Weighted, General (Safety for Police/Fire) Disabled Retiree, Male and Female tables, with a base year of 2016 and future mortality improvements projected using scale MP-2021. This assumption was used to measure the probabilities of each benefit payment being made after disability retirements.

Sample healthy values are shown below:

PubG-2016 Fully Generational Mortality Tables				
Sample Ages in 2026*	Value of $1 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
55	$159.46	$165.64	30.79	33.52
60	148.80	156.07	26.06	28.64
65	135.80	143.81	21.53	23.86
70	119.96	128.47	17.20	19.25
75	101.43	110.26	13.18	14.94
80	81.39	89.96	9.64	11.07

PubS-2016 Fully Generational Safety Mortality Tables				
Sample Ages in 2026*	Value of $1 Monthly for Life		Future Life Expectancy (Years)	
	Men	Women	Men	Women
55	$161.23	$163.98	31.23	32.67
60	150.07	153.49	26.31	27.71
65	136.19	140.59	21.59	22.97
70	119.65	125.04	17.15	18.47
75	101.01	106.93	13.13	14.31
80	81.28	87.12	9.64	10.62

** Applicable to calendar year 2026. Rates and life expectancies in future years are determined by the MP-2021 projection scale.*

Actuarial Assumptions Used for the Valuation

Rates of separation from active membership were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability). This assumption measures the probabilities of members remaining in employment. Age and Service-based rates were first used for the June 30, 2026 valuation.

Sample Ages	Years of Service	% of Active Members Separating Within Next Year		
		General	Police	Fire
ALL	0	23.00 %	17.00 %	8.00 %
	1	20.00	14.00	7.00
	2	15.00	11.00	6.00
	3	12.00	8.00	5.00
	4	10.00	8.00	4.00
25	5 & Over	9.00	2.25	2.10
30		8.25	1.95	1.74
35		6.60	1.15	0.90
40		2.78	0.45	0.36
45		1.88	0.25	0.30
50		1.88	0.25	0.30
55		1.88	0.25	0.30
60		1.88	0.25	0.30

Rates of disability were as follows:

Probability of Active Members Becoming Disabled within Next Year		
Sample Ages	General	
	Men	Women
20	0.08%	0.10%
25	0.08%	0.10%
30	0.08%	0.10%
35	0.08%	0.10%
40	0.20%	0.36%
45	0.27%	0.41%
50	0.49%	0.57%
55	0.89%	0.77%
60	1.41%	1.02%

Probability of Active Members Becoming Disabled within Next Year	
Sample Ages	Police and Fire
20	0.11 %
25	0.18
30	0.37
35	0.61
40	0.85
45	1.09
50	1.33
55	1.58
60	1.83

Seventy-five percent of all Police/Fire disabilities are assumed to be duty related. All General disabilities are assumed to be non-duty related.

Actuarial Assumptions Used for the Valuation

The rates of retirement used to measure the probability of eligible members retiring were as follows:

Retirement Ages	Percent Retiring General	Service at Retirement	Percent Retiring Police	Retirement Ages	Percent Retiring Fire
55	15 %	25	35 %	45	20 %
56	10	26	20	46	20
57	10	27	10	47	20
58	10	28	10	48	20
59	10	29	15	49	20
60	15	30	25	50	20
61	8	31	20	51	10
62	15	32	20	52	10
63	9	33	20	53	10
64	15	34	20	54	10
65	70	35	30	55	20
66	30	36	40	56	20
67	40	37	50	57	25
68	50	38	50	58	35
69	60	39	50	59	40
70	100	40	100	60	100

General members were assumed to be eligible for retirement after attaining age 55 with 33 years of service, or after attaining age 60 with 10 or more years of service.

Police Officers are assumed to be eligible for retirement after attaining 25 or more years of service. Firefighters are assumed to be eligible for retirement after attaining age 45 with 25 or more years of service or age 50 with 10 or more years of service.

Retirement rates for Police and Fire were first used for the June 30, 2022 valuation.

Actuarial Assumptions Used for the Valuation

Medical trends for Medicare Part B premiums are as follows:

Year	Medicare Part B Trend
2026	6.50 %
2027	6.25
2028	6.00
2029	5.75
2030	5.75
2031	5.50
2032	5.25
2033	5.00
2034	4.75
2035	4.50
2036	4.25
2037	4.25
2038	4.00
2039	3.75
2040 & Later	3.50

The Medicare Part B premium increased from $185.00 per month to $202.90 per month in 2026.

Actuarial Assumptions Used for the Valuation

***Marriage Assumption*.** 100% of active members are assumed to be married for purposes of death-in-service benefits. Female spouses are assumed to be three years younger than male spouses.

Pay Increases. Pay Increases are assumed to occur at the beginning of the year.

***Decrement Timing*.** Decrements of all types are assumed to occur mid-year.

***Eligibility Testing*.** Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

***Benefit Service*.** Exact fractional service is used to determine the amount of benefit payable.

***Decrement Operation*.** Disability and mortality decrements do not operate during the first 5 years of service. Disability and turnover do not operate during retirement eligibility.

***Normal Form of Benefit*.** The assumed normal form of benefit is the straight life form. No additional cost resulting from participants electing to receive benefits in a form other than the normal form was assumed.

***Liability Adjustments*.** Beginning with the June 30, 2026 valuation, a 5% liability adjustment was applied to Police/Fire active normal retirement liabilities to reflect low interest rates used for annuity withdrawals.

Incidence of Contributions. Contributions are assumed to be received continuously throughout the year based upon the computed percent-of-payroll shown in this report, and the actual payroll payable at the time contributions are made. New entrant normal cost contributions are applied to the funding of new entrant benefits.

***Future Active Membership*.** All DB and DC groups are closed to new hires and are therefore assumed to have no new entrants.

Data Adjustments. Payroll provided for DC active members hired this fiscal year was annualized based on the hired date provided in the data. The prior year's payroll was used for DB or DC active members who were reported to be on leave of absence, applying for disability or whose reported pay decreased more than 15% from the prior year.

Glossary

Accrued Service - Service credited under the system which was rendered before the date of the actuarial valuation.

Actuarial Accrued Liability - The difference between the actuarial present value of future benefit payments and the actuarial present value of future normal costs. Also, referred to as "accrued liability" or "past service liability."

Actuarial Assumptions - Estimates of expected future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Decrement assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of the underlying rates in an inflation-free environment plus a provision for a long-term average rate of inflation.

Actuarial Cost Method - A mathematical budgeting procedure for allocating the dollar amount of the "actuarial present value of future benefit payments" between future normal costs and actuarial accrued liabilities. Sometimes, referred to as the "actuarial valuation cost method."

Actuarial Equivalent - A single amount or series of amounts of equal actuarial present value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

Actuarial Present Value - The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payment. Also, referred to as "present value."

Amortization - Paying off an interest-discounted amount with periodic payments of interest and principal -- as opposed to paying off with a lump sum payment.

Experience Gain (Loss) - The difference between actual actuarial costs and assumed actuarial costs -- during the period between two valuation dates.

Normal Cost - The actuarial cost allocated to the current year by the actuarial cost method. Sometimes, referred to as "current service cost."

Unfunded Actuarial Accrued Liability - The difference between actuarial accrued liability and the actuarial value of system assets. Sometimes referred to as "unfunded past service liability," "unfunded accrued liability" or "unfunded supplemental present value."

City of Ferndale
Employees' Retirement System

GASB Statement Nos. 67 and 68 Accounting and Financial Reporting for Pensions

June 30, 2026

800.521.0498 | P: 248.799.9000 | www.grsconsulting.com

November 10, 2026

Board of Trustees
City of Ferndale Employees' Retirement System
Ferndale, Michigan

Dear Board Members:

This report provides accounting and financial reporting information that is intended to comply with the Governmental Accounting Standards Board (GASB) Statement Nos. 67 and 68 for the City of Ferndale Employees' Retirement System. These calculations have been made on a basis that is consistent with our understanding of these Statements.

GASB Statement No. 67 is the accounting standard that applies to the stand-alone financial reports issued by retirement systems. GASB Statement No. 68 establishes accounting and financial reporting for state and local government employers who provide their employees (including former employees) pension benefits through a trust.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of providing reporting and disclosure information that satisfies the requirements of GASB Statement Nos. 67 and 68. The calculation of the plan's liability for this report is not applicable for funding purposes of the plan. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement Nos. 67 and 68 may produce significantly different results. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. This report may be provided to parties other than the City of Ferndale Employees Retirement System only in its entirety and only with the permission of the City and the Board. GRS is not responsible for unauthorized use of this report.

This report is based upon information, furnished to us by the City, concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. This information was checked for internal consistency, but it was not audited. We are not responsible for the accuracy or completeness of the information provided by the City.

This report complements the actuarial valuation report that was provided to the City of Ferndale Employees Retirement System and should be considered in conjunction with that report. Please see the actuarial valuation report as of June 30, 2026 for additional discussion of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions.

This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

To the best of our knowledge, the information contained within this report is accurate and fairly represents the actuarial position of the City of Ferndale Employees' Retirement System. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

This information is intended to assist in preparation of the financial statements of the City of Ferndale Employees' Retirement System. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

Heidi G. Barry and Kevin T. Noelke are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company



Heidi G. Barry, ASA, FCA, MAAA



Kevin T. Noelke, ASA, FCA, MAAA

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Table of Contents

Page

Section A **Executive Summary**

Executive Summary....1
Discussion....3

Section B **Financial Statements**

Statement of Pension Expense under GASB Statement No. 68....6
Statement of Outflows and Inflows Arising from Current Reporting Period....7
Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods....9
Recognition of Deferred Outflows and Inflows of Resources....11
Statement of Fiduciary Net Position....13
Statement of Changes in Fiduciary Net Position....15

Section C **Required Supplementary Information**

Schedule of Changes in Net Pension Liability and Related Ratios Current Period....17
Schedule of Changes in Net Pension Liability and Related Ratios Multiyear....19
Schedule of the Net Pension Liability....21
Schedule of Contributions Multiyear....22
Notes to Schedule of Contributions....23
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption....25

Section D **Glossary of Terms**....26

SECTION A

EXECUTIVE SUMMARY

Executive Summary – General

Actuarial Valuation Date		June 30, 2026
Measurement Date of the Net Pension Liability		June 30, 2026
Employer's Fiscal Year Ending Date (Reporting Date)		June 30, 2026
Membership		
Number of		
- Retirees and Beneficiaries @		30
- Inactive, Nonretired Members		-
- Active Members ^		-
- Total		30
Covered Payroll #	$	3,680,645
Net Pension Liability		
Total Pension Liability	$	4,162,666
Plan Fiduciary Net Position		23,683,597
Net Pension Liability	$	(19,520,931)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability		568.95%
Net Pension Liability as a Percentage of Covered Payroll		(530.37)%
Development of the Single Discount Rate		
Single Discount Rate Current Year		6.25%
Single Discount Rate Prior Year		5.25%
Long-Term Expected Rate of Investment Return		6.25%
Long-Term Municipal Bond Rate*		4.67%
Last year ending June 30 in the 2027 to 2126 projection period for which projected benefit payments are fully funded		2126
Total Pension Expense (Income)	$	(735,277)

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	2,077,941
Total	$ -	$ 2,077,941

**Source: "20-Bond GO Index" is The Bond Buyer Index, general obligation, 20 years to maturity, mixed quality. In describing this index, The Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The rate shown is as of June 25, 2026, the most recent date available on or before the measurement date.*

 # Valuation payroll for DC members as of June 30, 2026. DC members are eligible for disability benefits under the DB plan.

@ Excludes retirees only receiving a Medicare Part B benefit.

^ DC active members. There are no DB active members.

Executive Summary – Police/Fire

Actuarial Valuation Date	June 30, 2026
Measurement Date of the Net Pension Liability	June 30, 2026
Employer's Fiscal Year Ending Date (Reporting Date)	June 30, 2026

Membership

Number of	
- Retirees and Beneficiaries	93
- Inactive, Nonretired Members	-
- Active Members	6
- Total	99
Covered Payroll #	$ 799,372

Net Pension Liability

Total Pension Liability	$ 52,494,621
Plan Fiduciary Net Position	45,715,187
Net Pension Liability	$ 6,779,434
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	87.09%
Net Pension Liability as a Percentage of Covered Payroll	848.10%

Development of the Single Discount Rate

Single Discount Rate Current Year	6.25%
Single Discount Rate Prior Year	6.50%
Long-Term Expected Rate of Investment Return	6.25%
Long-Term Municipal Bond Rate*	4.67%
Last year ending June 30 in the 2027 to 2126 projection period for which projected benefit payments are fully funded	2126

Total Pension Expense	$ 2,298,460

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	4,138,713
Total	$ -	$ 4,138,713

**Source:* *"20-Bond GO Index" is The Bond Buyer Index, general obligation, 20 years to maturity, mixed quality. In describing this index, The Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The rate shown is as of June 25, 2026, the most recent date available on or before the measurement date.*

 # Valuation payroll for DB members only as of June 30, 2026.

Discussion

Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a Defined Benefit (DB) pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under GASB Statement No. 68, the employer must account for and disclose the Net Pension Liability, Pension Expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement system and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to DB pension plans to recognize the Net Pension Liability and the pension expense on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The Net Pension Liability is the difference between the Total Pension Liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the Market Value of Assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

Paragraph 57 of GASB Statement No. 68 states, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective Net Pension Liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to the City of Ferndale Employees Retirement System subsequent to the measurement date of June 30, 2026.

The Pension Expense recognized each fiscal year is equal to the change in the Net Pension Liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the certain changes in the liability and investment experience.

Discussion

Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total Pension Expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including:

- A description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs;
- The number and classes of employees covered by the benefit terms;
- For the current year, sources of changes in the Net Pension Liability;
- Significant assumptions and methods used to calculate the Total Pension Liability;
- Inputs to the Single Discount Rate;
- Certain information about mortality assumptions and the dates of experience studies;
- The date of the valuation used to determine the Total Pension Liability;
- Information about changes of assumptions or other inputs and benefit terms;
- The basis for determining contributions to the plan, including a description of the plan's funding policy, as well as member and employer contribution requirements;
- The Total Pension Liability, fiduciary net position, Net Pension Liability, and the pension plan's fiduciary net position as a percentage of the Total Pension Liability;
- The Net Pension Liability using a discount rate that is 1% higher and 1% lower than used to calculate the Total Pension Liability and Net Pension Liability for financial reporting purposes; and
- A description of the system that administers the pension plan.

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- Sources of changes in the Net Pension Liability;
- Information about the components of the Net Pension Liability and related ratios, including the pension plan's fiduciary net position as a percentage of the Total Pension Liability, and the Net Pension Liability as a percent of covered-employee payroll; and
- A comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy.

Discussion

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For employer reporting, the net pension liability and pension expense should be measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The Total Pension Liability shown in this report is based on an actuarial valuation performed as of June 30, 2026 and a measurement date of June 30, 2026.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.25%; the municipal bond rate is 4.67% (based on the weekly rate closest to but not later than the measurement date of The Bond Buyer "20-Bond GO Index"); and the resulting Single Discount Rate is 6.25%.

General and Police/Fire Assumption and Benefit Changes

The General and Police/Fire plans were merged into one plan in August, 2026. It is our understanding that a portion of the General assets are to be transferred to Police/Fire for funding purposes, due to General's overfunded status. This transfer of assets has not been made yet, and therefore is not reflected in this report.

Changes in assumptions were reflected for both plans as of the valuation date as the result of an experience review. Investment return, wage inflation, price inflation, mortality tables, rates of salary increases, rates of withdrawal and the load for Police/Fire retirements were all updated as a result. These changes decreased the General TPL by about $318 thousand and increased the Police/Fire TPL by about $1.2 million.

The Retirement System was closed to Defined Contribution (DC) new hires effective June 1, 2026. Active members as of that date were permitted to transfer to MERS. All DC active members hired after June 1, 2026 will be covered by MERS for disability benefits. This decreased the General and Police/Fire TPL by about $56 thousand and $558 thousand, respectively.

Please see the June 30, 2026 actuarial valuation report for more detail.

SECTION B

FINANCIAL STATEMENTS

Statement of Pension Expense under GASB Statement No. 68
Fiscal Year Ended June 30, 2026 – General

A. Expense		
1. Service Cost	$	39,589
2. Interest on the Total Pension Liability		220,756
3. Current-Period Benefit Changes		(56,141)
4. Employee Contributions (made negative for addition here)		-
5. Projected Earnings on Plan Investments (made negative for addition here)		(1,137,767)
6. Pension Plan Administrative Expense		58,958
7. Other Changes in Plan Fiduciary Net Position		-
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		247,605
9. Recognition of Outflow (Inflow) of Resources due to Assets		(108,277)
10. Total Pension Expense	**$**	**(735,277)**

Statement of Pension Expense under GASB Statement No. 68
Fiscal Year Ended June 30, 2026 – Police/Fire

A. Expense		
1. Service Cost	$	511,844
2. Interest on the Total Pension Liability		3,250,302
3. Current-Period Benefit Changes		(558,291)
4. Employee Contributions (made negative for addition here)		(37,327)
5. Projected Earnings on Plan Investments (made negative for addition here)		(2,705,296)
6. Pension Plan Administrative Expense		75,410
7. Other Changes in Plan Fiduciary Net Position		-
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		1,811,638
9. Recognition of Outflow (Inflow) of Resources due to Assets		(49,820)
10. Total Pension Expense	**$**	**2,298,460**

Statement of Outflows and Inflows Arising from Current Reporting Period
Fiscal Year Ended June 30, 2026 – General

A. Outflows (Inflows) of Resources Due to Liabilities		
1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	$	565,558
2. Assumption Changes (gains) or losses	$	(317,953)
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		1.0000
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	$	565,558
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	$	(317,953)
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	$	247,605
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	$	-
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	$	-
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	$	-
B. Outflows (Inflows) of Resources Due to Assets		
1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	$	(1,377,774)
2. Recognition period for Assets {in years}		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	$	(275,555)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	$	(1,102,219)

Statement of Outflows and Inflows Arising from Current Reporting Period
Fiscal Year Ended June 30, 2026 – Police/Fire

A. Outflows (Inflows) of Resources Due to Liabilities		
1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	$	574,911
2. Assumption Changes (gains) or losses	$	1,236,727
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		1.0000
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	$	574,911
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	$	1,236,727
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	$	1,811,638
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	$	-
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	$	-
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	$	-

B. Outflows (Inflows) of Resources Due to Assets		
1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	$	(2,884,382)
2. Recognition period for Assets {in years}		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	$	(576,876)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	$	(2,307,506)

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods
Fiscal Year Ended June 30 – General

A. Outflows and Inflows of Resources Due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	$ 565,558	$ 317,953	$ 247,605
2. Due to Assets	579,126	687,403	(108,277)
3. Total	**$ 1,144,684**	**$ 1,005,356**	**$ 139,328**

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	$ 565,558	$ -	$ 565,558
2. Assumption Changes	-	317,953	(317,953)
3. Net Difference between projected and actual earnings on pension plan investments	579,126	687,403	(108,277)
4. Total	**$ 1,144,684**	**$ 1,005,356**	**$ 139,328**

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	$ -	$ -	$ -
2. Assumption Changes	-	-	-
3. Net Difference between projected and actual earnings on pension plan investments	-	2,077,941	(2,077,941)
4. Total	**$ -**	**$ 2,077,941**	**$ (2,077,941)**

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2027	$ (687,403)
2028	(645,030)
2029	(469,954)
2030	(275,554)
2031	-
Thereafter	-
Total	**$ (2,077,941)**

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods
Fiscal Year Ended June 30 – Police/Fire

A. Outflows and Inflows of Resources Due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	$ 1,811,638	$ -	$ 1,811,638
2. Due to Assets	1,322,274	1,372,094	(49,820)
3. Total	**$ 3,133,912**	**$ 1,372,094**	**$ 1,761,818**

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	$ 574,911	$ -	$ 574,911
2. Assumption Changes	1,236,727	-	1,236,727
3. Net Difference between projected and actual earnings on pension plan investments	1,322,274	1,372,094	(49,820)
4. Total	**$ 3,133,912**	**$ 1,372,094**	**$ 1,761,818**

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	$ -	$ -	$ -
2. Assumption Changes	-	-	-
3. Net Difference between projected and actual earnings on pension plan investments	-	4,138,713	(4,138,713)
4. Total	**$ -**	**$ 4,138,713**	**$ (4,138,713)**

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2027	$ (1,372,092)
2028	(1,311,626)
2029	(878,117)
2030	(576,878)
2031	-
Thereafter	-
Total	**$ (4,138,713)**

Recognition of Deferred Outflows and Inflows of Resources
Fiscal Year Ended June 30, 2026 – General

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow (Inflow) Due to Differences between Expected and Actual Experience on Liabilities					
2022	$ 1,359,745	1.0000	$ -	$ -	0.0000
2023	614,327	1.0000	-	-	0.0000
2024	132,371	1.0000	-	-	0.0000
2025	183,823	1.0000	-	-	0.0000
2026	565,558	1.0000	565,558	-	0.0000
Total			**$ 565,558**	**$ -**	
Deferred Outflow (Inflow) Due to Assumption Changes					
2022	$ -	1.0000	$ -	$ -	0.0000
2023	-	1.0000	-	-	0.0000
2024	-	1.0000	-	-	0.0000
2025	-	1.0000	-	-	0.0000
2026	(317,953)	1.0000	(317,953)	-	0.0000
Total			**$ (317,953)**	**$ -**	
Deferred Outflow (Inflow) Due to Differences between Projected and Actual Earnings on Plan Investments					
2022	$ 2,895,638	5.0000	$ 579,126	$ -	0.0000
2023	(211,855)	5.0000	(42,371)	(42,371)	1.0000
2024	(875,398)	5.0000	(175,080)	(350,158)	2.0000
2025	(971,987)	5.0000	(194,397)	(583,193)	3.0000
2026	(1,377,774)	5.0000	(275,555)	(1,102,219)	4.0000
Total			**$ (108,277)**	**$ (2,077,941)**	

According to paragraph 33 of GASB No. 68, differences between expected and actual experience and changes in assumptions are recognized in pension expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, there were no active DB employees in the plan. Additionally, the total plan membership (active DC employees and inactive employees) was 31. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 1.0000 year.

Additionally, differences between projected and actual earnings on pension plan investments should be recognized in pension expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the pension expense as a level dollar amount over the closed period identified above.

Recognition of Deferred Outflows and Inflows of Resources
Fiscal Year Ended June 30, 2026 – Police/Fire

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow (Inflow) Due to Differences Between Expected and Actual Experience on Liabilities					
2022	$ 725,447	1.3068	$ -	$ -	0.0000
2023	(365,401)	1.1572	-	-	0.0000
2024	681,010	1.0000	-	-	0.0000
2025	(726,315)	1.0000	-	-	0.0000
2026	574,911	1.0000	574,911	-	0.0000
Total			**$ 574,911**	**$ -**	
Deferred Outflow (Inflow) Due to Assumption Changes					
2022	$ 1,466,085	1.3068	$ -	$ -	0.0000
2023	-	1.1572	-	-	0.0000
2024	-	1.0000	-	-	0.0000
2025	-	1.0000	-	-	0.0000
2026	1,236,727	1.0000	1,236,727	-	0.0000
Total			**$ 1,236,727**	**$ -**	
Deferred Outflow (Inflow) Due to Differences Between Projected and Actual Earnings on Plan Investments					
2022	$ 6,611,362	5.0000	$ 1,322,274	$ -	0.0000
2023	(302,338)	5.0000	(60,468)	(60,466)	1.0000
2024	(2,167,535)	5.0000	(433,507)	(867,014)	2.0000
2025	(1,506,213)	5.0000	(301,243)	(903,727)	3.0000
2026	(2,884,382)	5.0000	(576,876)	(2,307,506)	4.0000
Total			**$ (49,820)**	**$ (4,138,713)**	

According to paragraph 33 of GASB Statement No. 68, differences between expected and actual experience and changes in assumptions are recognized in pension expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the current measurement period, the expected remaining service lives of all active employees in the plan was approximately 102 years. Additionally, the total plan membership (active DB employees and inactive employees) was 102. As a result, the average of the expected remaining service lives for purposes of recognizing the applicable deferred outflows and inflows of resources established in the current measurement period is 1.0 year.

Additionally, differences between projected and actual earnings on pension plan investments should be recognized in pension expense using a systematic and rational method over a closed five-year period. For this purpose, the deferred outflows and inflows of resources are recognized in the pension expense as a level dollar amount over the closed period identified above.

Statement of Fiduciary Net Position
as of June 30, 2026 – General

Assets		
Cash (incl. checking/savings accounts)	$	(560,767)
Receivables		
Accrued interest and dividends	$	95,696
Short-term investment funds		356,999
Total Receivables	$	452,695
Investments		
U.S. Government/Agency bonds	$	5,480,541
Corporate bonds		3,005,246
Other Fixed Income		1,080,756
Mortgages		149,491
Common Stocks		-
Stock mutual funds		13,226,324
Real estate investment trusts		881,912
Total Investments	$	23,824,270
Total Assets	**$**	**23,716,198**
Liabilities		
Payables		
Accounts Payable	$	32,601
Total Liabilities	**$**	**32,601**
Net Position Restricted for Pensions	**$**	**23,683,597**

Statement of Fiduciary Net Position
as of June 30, 2026 – Police/Fire

Assets		
Cash (incl. checking/savings accounts)	$	(273,324)
Receivables		
Accrued interest and dividends	$	134,921
Short-term investment funds		1,139,832
Total Receivables	$	1,274,753
Investments		
Common Stocks	$	-
Stock mutual funds		29,434,433
U.S. Government/Agency bonds		7,742,521
Corporate bonds		4,271,047
Bond mutual funds		-
Mortgages		212,852
Real estate investment funds		1,838,826
Other - Prepaid Insurance		1,618,756
Total Investments	$	45,118,435
Total Assets	$	46,119,864
Liabilities		
Payables		
Accounts Payable	$	404,677
Total Liabilities	$	404,677
Net Position Restricted for Pensions	$	45,715,187

Statement of Changes in Fiduciary Net Position for Year Ended June 30, 2026 – General

Additions		
Contributions		
Employer	$	-
Employee		-
Total Contributions	$	-
Investment Income		
Net Appreciation in Fair Value of Investments	$	1,995,670
Interest and Dividends		604,522
Less Investment Expense		(84,651)
Net Investment Income	$	2,515,541
Other - Misc. Income		-
Total Additions	**$**	**2,515,541**
Deductions		
Benefit Payments, Including Refunds of Employee Contributions	$	948,447
Pension Plan Administrative Expense		58,958
Other		-
Total Deductions	**$**	**1,007,405**
Net Increase in Net Position	**$**	**1,508,136**
Net Position Restricted for Pensions		
Beginning of Year	$	22,175,461
End of Year	$	23,683,597

Statement of Changes in Fiduciary Net Position for Year Ended June 30, 2026 – Police/Fire

Additions		
Contributions		
Employer	$	1,588,442
Employee		37,327
Total Contributions	$	1,625,769
Investment Income		
Net Appreciation in Fair Value of Investments	$	4,554,559
Interest and Dividends		1,153,109
Other		-
Less Investment Expense		(117,990)
Net Investment Income	$	5,589,678
Total Additions	$	7,215,447
Deductions		
Benefit Payments, Including Refunds of Employee Contributions	$	4,539,205
Pension Plan Administrative Expense		75,410
Other		-
Total Deductions	$	4,614,615
Net Increase in Net Position	$	2,600,832
Net Position Restricted for Pensions		
Beginning of Year	$	43,114,355
End of Year	$	45,715,187

SECTION C

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in Net Pension Liability and Related Ratios
Current Period
Fiscal Year Ended June 30, 2026 – General

A. Total Pension Liability		
1. Service cost	$	39,589
2. Interest on the Total Pension Liability		220,756
3. Changes of benefit terms		(56,141)
4. Difference between expected and actual experience of the Total Pension Liability		565,558
5. Changes of assumptions		(317,953)
6. Benefit payments, including refunds of employee contributions		(948,447)
7. Net change in Total Pension Liability	$	(496,638)
8. Total Pension Liability – beginning		4,659,304
9. Total Pension Liability – ending	**$**	**4,162,666**
B. Plan Fiduciary Net Position		
1. Contributions – employer	$	-
2. Contributions – employee		-
3. Net investment income		2,515,541
4. Benefit payments, including refunds of employee contributions		(948,447)
5. Pension Plan Administrative Expense		(58,958)
6. Other		-
7. Net change in plan fiduciary net position	$	1,508,136
8. Plan Fiduciary Net Position – beginning		22,175,461
9. Plan Fiduciary Net Position – ending	**$**	**23,683,597**
C. Net Pension Liability	**$**	**(19,520,931)**
D. Plan Fiduciary Net Position as a percentage of the Total Pension Liability		**568.95%**
E. Covered-employee payroll *	**$**	**3,680,645**
F. Net Pension Liability as a percentage of covered-employee payroll *		**(530.37)%**

** Valuation payroll for DC members. DC members are eligible for disability benefits under the DB plan.*

Schedule of Changes in Net Pension Liability and Related Ratios
Current Period
Fiscal Year Ended June 30, 2026 – Police/Fire

A. Total Pension Liability		
1. Service Cost	$	511,844
2. Interest on the Total Pension Liability		3,250,302
3. Changes of benefit terms		(558,291)
of the Total Pension Liability		
of the Total Pension Liability		574,911
5. Changes of assumptions		1,236,727
6. Benefit payments, including refunds		
of employee contributions		(4,539,205)
7. Net change in Total Pension Liability	$	476,288
8. Total Pension Liability – Beginning		52,018,333
9. Total Pension Liability – Ending	**$**	**52,494,621**
B. Plan Fiduciary Net Position		
1. Contributions – employer (incl. receivables)	$	1,588,442
2. Contributions – employee		37,327
3. Net investment income		5,589,678
4. Benefit payments, including refunds		
of employee contributions		(4,539,205)
5. Pension Plan Administrative Expense		(75,410)
6. Other		-
7. Net change in Plan Fiduciary Net Position	$	2,600,832
8. Plan Fiduciary Net Position – Beginning		43,114,355
9. Plan Fiduciary Net Position – Ending	**$**	**45,715,187**
C. Net Pension Liability	**$**	**6,779,434**
D. Plan Fiduciary Net Position as a percentage of the Total Pension Liability		**87.09%**
E. Covered-employee payroll *	**$**	**799,372**
F. Net Pension Liability as a percentage of covered-employee payroll *		**848.10%**

** Valuation payroll for DB members only as of June 30, 2026.*

Schedules of Required Supplementary Information – General
Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Fiscal year ending June 30,	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability										
Service Cost	$ 39,589	$ 52,340	$ 56,301	$ 52,677	$ 49,372	$ 36,228	$ 32,278	$ 23,943	$ 21,713	$ 18,809
Interest on the Total Pension Liability	220,756	241,367	257,467	260,179	255,679	346,891	352,152	405,284	487,623	513,117
Benefit Changes	(56,141)	-	-	-	-	-	-	-	-	-
Difference between Expected and Actual Experience	565,558	183,823	132,371	614,327	1,359,745	(539,994)	262,587	76,716	(954,790)	58,126
Assumption Changes	(317,953)	-	-	-	-	37,850	5,664	467,682	-	457,291
Benefit Payments	(948,447)	(779,056)	(722,583)	(1,238,724)	(1,922,737)	(726,438)	(774,177)	(846,166)	(798,641)	(955,647)
Refunds	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	(496,638)	(301,526)	(276,444)	(311,541)	(257,941)	(845,463)	(121,496)	127,459	(1,244,095)	91,696
Total Pension Liability - Beginning	4,659,304	4,960,830	5,237,274	5,548,815	5,806,756	6,652,219	6,773,715	6,646,256	7,890,351	7,798,655
Total Pension Liability - Ending (a)	$ 4,162,666	$ 4,659,304	$ 4,960,830	$ 5,237,274	$ 5,548,815	$ 5,806,756	$ 6,652,219	$ 6,773,715	$ 6,646,256	$ 7,890,351
Plan Fiduciary Net Position										
Employer Contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employee Contributions	-	-	-	-	-	-	-	-	-	-
Pension Plan Net Investment Income	2,515,541	2,051,407	1,898,794	1,221,739	(1,706,750)	4,265,023	272,859	1,471,813	846,306	1,301,029
Benefit Payments	(948,447)	(779,056)	(722,583)	(1,238,724)	(1,922,737)	(726,438)	(774,177)	(846,166)	(798,641)	(955,647)
Refunds	-	-	-	-	-	-	-	-	-	-
Pension Plan Administrative Expense	(58,958)	(93,615)	(68,559)	(27,692)	(28,568)	(14,800)	(14,800)	(14,950)	-	-
Other	-	240	71,966	(14,555)	(172,529)	133,750	-	(5,268)	(21,856)	(8,932)
Net Change in Plan Fiduciary Net Position	1,508,136	1,178,976	1,179,618	(59,232)	(3,830,584)	3,657,535	(516,118)	605,429	25,809	336,450
Plan Fiduciary Net Position - Beginning	22,175,461	20,996,485	19,816,867	19,876,099	23,706,683	20,049,148	20,565,266	19,959,837	19,934,028	19,597,578
Plan Fiduciary Net Position - Ending (b)	$ 23,683,597	$ 22,175,461	$ 20,996,485	$ 19,816,867	$ 19,876,099	$ 23,706,683	$ 20,049,148	$ 20,565,266	$ 19,959,837	$ 19,934,028
Net Pension Liability - Ending (a) - (b)	(19,520,931)	(17,516,157)	(16,035,655)	(14,579,593)	(14,327,284)	(17,899,927)	(13,396,929)	(13,791,551)	(13,313,581)	(12,043,677)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	568.95 %	475.94 %	423.25 %	378.38 %	358.20 %	408.26 %	301.39 %	303.60 %	300.32 %	252.64 %
Covered-Employee Payroll *	$ 3,680,645	$ 4,315,497	$ 4,697,853	$ 4,593,855	$ 4,091,177	$ 3,980,552	$ 3,680,385	$ 3,357,932	$ 2,927,799	$ 2,858,250
Net Pension Liability as a Percentage of Covered-Employee Payroll *	(530.37)%	(405.89)%	(341.34)%	(317.37)%	(350.20)%	(449.68)%	(364.01)%	(410.72)%	(454.73)%	(421.37)%
Notes to Schedule:										

** Valuation payroll for DC members. DC members are eligible for disability benefits under the DB plan.*

Schedules of Required Supplementary Information – Police/Fire
Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Fiscal year ending June 30,	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total Pension Liability										
Service Cost	$ 511,844	$ 612,183	$ 690,149	$ 678,864	$ 591,120	$ 546,555	$ 645,107	$ 621,176	$ 715,033	$ 667,860
Interest on the Total Pension Liability	3,250,302	3,323,332	3,294,529	3,322,829	3,188,435	3,168,418	3,211,331	3,001,957	2,947,950	2,974,617
Benefit Changes	(558,291)	-	-	-	19,913	263,163	-	267,541	42,029	-
Difference between Expected and Actual Experience	574,911	(726,315)	681,010	(365,401)	725,447	382,696	(726,568)	2,918,317	863,284	(597,098)
Assumption Changes	1,236,727	-	-	-	1,466,085	-	24,168	-	(164,539)	4,288,227
Benefit Payments	(4,539,205)	(4,025,934)	(4,341,219)	(3,813,414)	(4,121,138)	(4,029,175)	(3,500,752)	(3,698,894)	(3,352,993)	(2,713,638)
Refunds	-	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	476,288	(816,734)	324,469	(177,122)	1,869,862	331,657	(346,714)	3,110,097	1,050,764	4,619,968
Total Pension Liability - Beginning	52,018,333	52,835,067	52,510,598	52,687,720	50,817,858	50,486,201	50,832,915	47,722,818	46,672,054	42,052,086
Total Pension Liability - Ending (a)	$ 52,494,621	$ 52,018,333	$ 52,835,067	$ 52,510,598	$ 52,687,720	$ 50,817,858	$ 50,486,201	$ 50,832,915	$ 47,722,818	$ 46,672,054
Plan Fiduciary Net Position										
Employer Contributions	$ 1,588,442	$ 1,565,481	$ 1,522,944	$ 1,274,644	$ 1,382,879	$ 894,822	$ 719,301	$ 366,416	$ 412,196	$ 391,609
Employee Contributions	37,327	45,750	60,600	63,980	67,358	3,553	94,136	121,255	125,944	146,961
Pension Plan Net Investment Income	5,589,678	4,121,556	4,654,385	2,783,785	(3,717,533)	9,781,350	332,462	2,584,629	2,134,547	3,499,049
Benefit Payments	(4,539,205)	(4,025,934)	(4,341,219)	(3,813,414)	(4,121,138)	(4,029,175)	(3,500,752)	(3,698,894)	(3,352,993)	(2,713,638)
Refunds	-	-	-	-	-	-	-	-	-	-
Pension Plan Administrative Expense	(75,410)	(71,806)	(110,946)	(34,355)	(28,568)	(21,425)	(19,525)	(27,725)	(25,513)	-
Other #	-	-	-	(23,538)	(21,462)	(490,306)	-	(9,120)	(41,762)	(15,614)
Net Change in Plan Fiduciary Net Position	2,600,832	1,635,047	1,785,764	251,102	(6,438,464)	6,138,819	(2,374,378)	(663,439)	(747,581)	1,308,367
Plan Fiduciary Net Position - Beginning	43,114,355	41,479,308	39,693,544	39,442,442	45,880,906	39,742,087	42,116,465	42,779,904	43,527,485	42,219,118
Plan Fiduciary Net Position - Ending (b)	$ 45,715,187	$ 43,114,355	$ 41,479,308	$ 39,693,544	$ 39,442,442	$ 45,880,906	$ 39,742,087	$ 42,116,465	$ 42,779,904	$ 43,527,485
Net Pension Liability - Ending (a) - (b)	6,779,434	8,903,978	11,355,759	12,817,054	13,245,278	4,936,952	10,744,114	8,716,450	4,942,914	3,144,569
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	87.09 %	82.88 %	78.51 %	75.59 %	74.86 %	90.29 %	78.72 %	82.85 %	89.64 %	93.26 %
Covered-Employee Payroll *	$ 799,372	$ 899,779	$ 1,235,679	$ 1,448,174	$ 1,486,262	$ 1,671,782	$ 1,833,807	$ 2,282,497	$ 2,377,603	$ 2,725,617
Net Pension Liability as a Percentage of Covered-Employee Payroll *	848.10 %	989.57 %	918.99 %	885.05 %	891.18 %	295.31 %	585.89 %	381.88 %	207.89 %	115.37 %

Notes to Schedule:

** Valuation payroll for DB members only as of the FY Ending June 30.*

 # FY 2018 includes beginning of year adjustment of $266; FY 2021 includes beginning of year adjustment of $490,306.

Schedule of Required Supplementary Information
Schedule of the Net Pension Liability – General

FY Ending June 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll *
2017	$ 7,890,351	$ 19,934,028	$ (12,043,677)	252.64%	$ 2,858,250	(421.37)%
2018	6,646,256	19,959,837	(13,313,581)	300.32	2,927,799	(454.73)
2019	6,773,715	20,565,266	(13,791,551)	303.60	3,357,932	(410.72)
2020	6,652,219	20,049,148	(13,396,929)	301.39	3,680,385	(364.01)
2021	5,806,756	23,706,683	(17,899,927)	408.26	3,980,552	(449.68)
2022	5,548,815	19,876,099	(14,327,284)	358.20	4,091,177	(350.20)
2023	5,237,274	19,816,867	(14,579,593)	378.38	4,593,855	(317.37)
2024	4,960,830	20,996,485	(16,035,655)	423.25	4,697,853	(341.34)
2025	4,659,304	22,175,461	(17,516,157)	475.94	4,315,497	(405.89)
2026	4,162,666	23,683,597	(19,520,931)	568.95	3,680,645	(530.37)

** Valuation payroll for DC members. DC members are eligible for disability benefits under the DB plan.*

Schedule of Required Supplementary Information
Schedule of the Net Pension Liability – Police/Fire

FY Ending June 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll *	Net Pension Liability as a % of Covered Payroll
2017	$ 46,672,054	$ 43,527,485	$ 3,144,569	93.26%	$ 2,725,617	115.37%
2018	47,722,818	42,779,904	4,942,914	89.64%	2,377,603	207.89%
2019	50,832,915	42,116,465	8,716,450	82.85%	2,282,497	381.88%
2020	50,486,201	39,742,087	10,744,114	78.72%	1,833,807	585.89%
2021	50,817,858	45,880,906	4,936,952	90.29%	1,671,782	295.31%
2022	52,687,720	39,442,442	13,245,278	74.86%	1,486,262	891.18%
2023	52,510,598	39,693,544	12,817,054	75.59%	1,448,174	885.05%
2024	52,835,067	41,479,308	11,355,759	78.51%	1,235,679	918.99%
2025	52,018,333	43,114,355	8,903,978	82.88%	899,779	989.57%
2026	52,494,621	45,715,187	6,779,434	87.09%	799,372	848.10%

** Valuation payroll for DB members only as of the FY Ending June 30.*

Schedule of Contributions Multiyear – General

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll *	Actual Contribution as a % of Covered Payroll
2017	$ -	$ -	$ -	$ 2,858,250	0.00%
2018	-	-	-	2,927,799	0.00
2019	-	-	-	3,357,932	0.00
2020	-	-	-	3,680,385	0.00
2021	-	-	-	3,980,552	0.00
2022	-	-	-	4,091,177	0.00
2023	-	-	-	4,593,855	0.00
2024	-	-	-	4,697,853	0.00
2025	-	-	-	4,315,497	0.00
2026	-	-	-	3,680,645	0.00

** Valuation payroll for DC members. DC members are eligible for disability benefits under the DB plan.*

Schedule of Contributions Multiyear – Police/Fire

FY Ending June 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll *	Actual Contribution as a % of Covered Payroll #
2017	$ 383,765	$ 391,609	$ (7,844)	$ 2,725,617	14.37%
2018	450,888	412,196	38,692	2,377,603	17.34%
2019	525,297	366,416	158,881	2,282,497	16.05%
2020	719,301	719,301	-	1,833,807	39.22%
2021	1,247,833	894,822	353,011	1,671,782	53.53%
2022	1,203,824	1,382,879	(179,055)	1,486,262	93.04%
2023	1,279,993	1,274,644	5,349	1,448,174	88.02%
2024	1,600,921	1,522,944	77,977	1,235,679	123.25%
2025	1,629,261	1,565,481	63,780	899,779	173.99%
2026	1,560,274	1,588,442	(28,168)	799,372	198.71%

** Valuation payroll for DB members only as of the FY Ending June 30.*

 # Actual contributions are based on covered payroll at the time of the contribution prior to the FY Ending June 30. This payroll is not reported to the actuary. The covered payroll shown on this page is the valuation payroll.

Notes to Schedule of Contributions – General

Valuation Date:	June 30, 2024
Notes	Actuarially determined contribution amounts are calculated as of June 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates for FY Ended June 30, 2026:

Actuarial Cost Method	Aggregate
Amortization Method	Level Dollar, Open
Remaining Amortization Period	10 years
Asset Valuation Method	4-Year smoothed market
Wage Inflation	2.75%
Salary Increases	4.60% to 10.30% including inflation
Investment Rate of Return	5.25%
Retirement Age	Age-based table of rates that are specific to the type of eligibility condition.
Mortality	Fully generational PubG-2010 Amount Weighted Employee, Healthy Retiree and Disabled tables for males and females with a base year of 2010 and improvement scales MP-2021.

Other Information:

Notes

Actuarial assumptions were updated in conjunction with the experience review as of June 30, 2026. The following changes are reflected in the TPL as of June 30, 2026:

Investment return increased to 6.25%; wage inflation increased to 3.00%

Mortality tables updated to fully generational PubG-2016 Amount Weighted Employee, Healthy Retiree and Disabled tables for males and females with a base year of 2016 and improvement scales MP-2021

Withdrawal rates and Merit and Seniority rates were adjusted to reflect recent experience.

Benefit Changes were reflected in the TPL as of June 30, 2026:

The Retirement System was closed to DC new hires effective June 1, 2026. Active members as of that date were permitted to transfer to MERS. All DC active members hired after June 1, 2026 will be covered by MERS for disability benefits.

Notes to Schedule of Contributions – Police/Fire

Valuation Date:	June 30, 2024
Notes	Actuarially determined contribution amounts are calculated as of June 30 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine Contribution Rates for FY Ending June 30, 2026:

Actuarial Cost Method	Entry-Age
Amortization Method	Level percent, closed
Remaining Amortization Period	20 years
Asset Valuation Method	4-Year smoothed market for funding
Wage Inflation	3.25%
Salary Increases	4.75% to 13.25% including inflation
Investment Rate of Return	6.50%
Retirement Age	Age-based table of rates that are specific to the type of eligibility condition.
Mortality	Fully generational PubS-2010 Amount Weighted Saftey Employee, Healthy Retiree and Disabled tables for males and females with a base year of 2010 and improvement scales MP-2021.

Other Information:

Notes

Actuarial assumptions were updated in conjunction with the experience review as of June 30, 2026. The following changes are reflected in the TPL as of June 30, 2026:

Investment return decreased to 6.25%; wage inflation decreased to 3.00%

Mortality tables updated to fully generational PubS-2016 Amount Weighted Safety Employee, Healthy Retiree and Disabled tables for males and females with a base year of 2016 and improvement scales MP-2021

Withdrawal rates and Merit and Seniority rates were adjusted to reflect recent experience.

Load for PF retirement benefits decreased to 5.0%

Benefit Changes were reflected in the TPL as of June 30, 2026:

The Retirement System was closed to DC new hires effective June 1, 2026. Active members as of that date were permitted to transfer to MERS. All DC active members hired after June 1, 2026 will be covered by MERS for disability benefits.

Single Discount Rate

A Single Discount Rate of 6.25% was used to measure the Total Pension Liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 6.25%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Regarding the sensitivity of the Net Pension Liability to changes in the Single Discount Rate, the following presents the plan's Net Pension Liability, calculated using a Single Discount Rate of 6.25%, as well as what the plan's Net Pension Liability would be if it were calculated using a Single Discount Rate that is 1-percentage-point lower or 1-percentage-point higher:

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption – General

	1% Decrease 5.25%	Current Single Discount Rate Assumption 6.25%	1% Increase 7.25%
Total Pension Liability	$ 4,439,922	$ 4,162,666	$ 3,916,598
Plan Fiduciary Net Position	23,683,597	23,683,597	23,683,597
Net Pension Liability/(Asset)	$ (19,243,675)	$ (19,520,931)	$ (19,766,999)

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption – Police/Fire

	1% Decrease 5.25%	Current Single Discount Rate 6.25%	1% Increase 7.25%
Total Pension Liability	$ 57,898,414	$ 52,494,621	$ 47,928,946
Plan Fiduciary Net Position	45,715,187	45,715,187	45,715,187
Net Pension Liability/(Asset)	$ 12,183,227	$ 6,779,434	$ 2,213,759

SECTION D

GLOSSARY OF TERMS

Glossary of Terms

Accrued Service	Service credited under the system which was rendered before the date of the actuarial valuation.
Actuarial Accrued Liability (AAL)	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
Actuarial Assumptions	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
Actuarial Cost Method	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
Actuarial Equivalent	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
Actuarial Gain (Loss)	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
Actuarial Present Value (APV)	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
Actuarial Valuation	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, Total Pension Liability, and related actuarial present value of projected benefit payments for pensions.
Actuarial Valuation Date	The date as of which an actuarial valuation is performed.
Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically, the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

Glossary of Terms

Amortization Method	The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be "open" (meaning, reset each year) or "closed" (the number of years remaining will decline each year).
Amortization Payment	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
Cost-of-Living Adjustments	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
Covered-Employee Payroll	The payroll of employees that are provided with pensions through the pension plan.
Deferred Inflows and Outflows	The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.
Deferred Retirement Option Program (DROP)	A program that permits a plan member to elect a calculation of benefit payments based on service credits and salary, as applicable, as of the DROP entry date. The plan member continues to provide service to the employer and is paid for the service by the employer after the DROP entry date; however, the pensions that would have been paid to the plan member are credited to an individual member account within the defined benefit pension plan until the end of the DROP period. Other variations for DROP exist and will be more fully detailed in the plan provision section of the valuation report.
Discount Rate	For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically: 1. The benefit payments to be made while the pension plans' fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and 2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

Glossary of Terms

Entry Age Actuarial Cost Method (EAN)	The EAN is a cost method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit age(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.
Fiduciary Net Position	The fiduciary net position is the market value of the assets of the trust dedicated to the defined benefit provisions.
GASB	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
Long-Term Expected Rate of Return	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
Money-Weighted Rate of Return	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 67, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
Multiple-Employer Defined Benefit Pension Plan	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
Municipal Bond Rate	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
Net Pension Liability (NPL)	The NPL is the liability of employers and non-employer contributing entities to plan members for benefits provided through a defined benefit pension plan.
Non-Employer Contributing Entities	Non-employer contributing entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB accounting statements, plan members are not considered non-employer contributing entities.
Normal Cost	The portion of the actuarial present value allocated to a valuation year is called the normal cost. For purposes of application to the requirements of this Statement, the term normal cost is the equivalent of service cost.

Glossary of Terms

Other Postemployment Benefits (OPEB)	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment health care benefits regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits.
Real Rate of Return	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
Service Cost	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
Total Pension Expense	The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year: 1. Service Cost 2. Interest on the Total Pension Liability 3. Current-Period Benefit Changes 4. Employee Contributions (made negative for addition here) 5. Projected Earnings on Plan Investments (made negative for addition here) 6. Pension Plan Administrative Expense 7. Other Changes in Plan Fiduciary Net Position 8. Recognition of Outflow (Inflow) of Resources due to Liabilities 9. Recognition of Outflow (Inflow) of Resources due to Assets
Total Pension Liability (TPL)	The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.
Unfunded Actuarial Accrued Liability (UAAL)	The UAAL is the difference between actuarial accrued liability and valuation assets.
Valuation Assets	The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of GASB Statement Nos. 67 and 68, the valuation assets are equal to the Market Value of Assets.

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M E M O R A N D U M

TO: **THE BOARD OF TRUSTEES OF THE CITY OF FERNDALE EMPLOYEES' RETIREMENT SYSTEM**

FROM: **VMT LAW, P.C.**

RE: **ACTUARIAL FUNDING POLICY**

DATE: **NOVEMBER 10, 2026**

On August 4, 2026, voters approved a charter amendment to combine the General Employee Retirement System and the Police and Fire Retirement System. Following voter approval, the Ferndale City Council, at its September 14, 2026 meeting, adopted an ordinance combining the aforementioned retirement systems into the City of Ferndale Employees' Retirement System (the "Retirement System") and establishing a Board of Trustees of the Retirement System. Accordingly, it is necessary for the Board to establish an Actuarial Funding Policy to address the funding objectives and actuarial assumptions to be utilized in determining the funding status of the Retirement System.

In light of the foregoing, this office has prepared the following draft Actuarial Funding Policy for the Board's review and consideration in consultation with its Actuary. The attached draft is presented for discussion purposes only. I have highlighted those items that should be discussed and considered.

The actuary has indicated its intention to discuss the framework of this policy with the Board at the meeting on November 16th. The actuary would then provide its suggestions after receiving input from the Board at the meeting. Both the General and Police/Fire groups will be overfunded in the 2026 actuarial valuation. The actuary would like to hear how the Board would prefer to handle any unfunded situations that may occur in the future. After discussion and input, formal action on the policy will be considered at a future meeting. The attached draft policy is intended to guide that discussion.

As always please do not hesitate to contact this office if you have any questions or concerns.

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Adopted: _____

CITY OF FERNDALE EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL FUNDING POLICY

WHEREAS, the City of Ferndale Employees' Retirement System (the "Retirement System") is established and administered pursuant to City of Ferndale Code of Ordinances, Chapter 2, Article 2-VII, Employees' Retirement System as amended, applicable collective bargaining agreements, and applicable state and federal laws including, but not limited to Public Act 314 of 1965, as amended ("Act 314") [MCL 38.1132 *et seq*.], and

WHEREAS, the Board of Trustees of the Retirement System (the "Board") is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, and

WHEREAS, the Board, in consultation with its Actuary, has an obligation to establish the economic and demographic assumptions to be utilized in performing the required actuarial valuation of the Retirement System and in determining the required annual employer contribution to the Retirement System, and

WHEREAS, the Board wishes to establish a formal Actuarial Funding Policy addressing the funding objectives and actuarial assumptions to be utilized in determining the funding status of the Retirement System, therefore be it

RESOLVED, that the Board hereby adopts the following Actuarial Funding Policy:

I. GENERAL

A. Purpose

(1) In light of the creation of the City of Ferndale Employees' Retirement System, the Board of Trustees of the Retirement System desires to establish a formal Actuarial Funding Policy to ensure the systematic funding of future pension obligations of the Retirement System.

B. Policy Objectives

(1) Maintain adequate levels of assets sufficient to fund all benefits expected to be paid to members and beneficiaries when due.

(2) Maintain stability of employer contributions rates, consistent with other funding objectives.

(3) Support the public policy goals of accountability and transparency.

(4) Monitor material risks to assist in any risk management strategies the Board deems appropriate.

(5) Promote intergenerational equity. Each generation of members and employers should incur the cost of benefits for the employees who provide services to them, rather than deferring costs to future members and employers.

(6) Provide a reasonable margin for adverse experience to offset risk.

(7) Review the Plan's investment return assumption, potentially in conjunction with a periodic asset liability study and in consideration of the Board's risk profile.

(8) Continue the systematic reduction of the Plan's Unfunded Actuarial Accrued Liabilities (UAAL).

(9) Provide the funding objective and transfer of assets between the general employee, police and fire groups.

II. LEGAL

A. Annual Actuarial Valuation

(1) Section 20h(4) of Act 314 [MCL 38.1140h(4)], requires the Retirement System to have an actuarial valuation performed annually as follows:

> Except as otherwise provided in this subsection, a system shall have an annual actuarial valuation with assets valued on a market-related basis. The actuarial present value of total projected benefits shall include all pension benefits to be provided by the system to members or beneficiaries pursuant to the terms of the system and any additional statutory or contractual agreements to provide pension benefits through the system that are in force at the actuarial valuation date, including, but not limited to, service credits purchased by members, deferred retirement option plans, early retirement programs, and postretirement adjustment programs. A system that has less than $20,000,000.00 is only required to have an actuarial valuation as required under this subsection done every other year.

B. Annual Employer Contribution

(1) The Board is required, pursuant to Section 20m of Act 314 [MCL 38.1140m], to annually certify the annual required contribution to be made by the employer as follows:

The governing board vested with the general administration, management, and operation of a system or other decision-making body that is responsible for implementation and supervision of any system shall confirm in the annual actuarial valuation required under section 20h and the summary annual report required under section 13 that each system under this act provides for the payment of the required employer contribution as provided in this section and shall confirm in the summary annual report that the system has received the required employer contribution for the year covered in the summary annual report. The required employer contribution is the actuarially determined contribution amount. An annual required employer contribution in a system under this act shall consist of a current service cost payment and a payment of at least the annual accrued amortized interest on any unfunded actuarial liability and the payment of the annual accrued amortized portion of the unfunded principal liability. For fiscal years that begin before January 1, 2006, the required employer contribution shall not be determined using an amortization period greater than 40 years. Except as otherwise provided in this section, for fiscal years that begin after December 31, 2005, the required employer contribution shall not be determined using an amortization period greater than 30 years. . . . In a plan year, any current service cost payment may be offset by a credit for amortization of accrued assts, if any, in excess of actuarial accrued liability. A required employer contribution for a system administered under this act shall allocate the actuarial present value of future plan benefits between the current service costs to be paid in the future and the actuarial accrued liability. The governing board vested with the general administration, management, and operation of a system or other decision-making body that is responsible for implementation and supervision of a system shall act upon the recommendation of an actuary and the board and the actuary shall take into account the standards of practice of the actuarial standards board of the American academy of actuaries in making the determination of the required employer contribution.

III. POLICY

A. Actuarial Cost Method

(1) General Employees (Aggregate Actuarial Cost Method)

The aggregate actuarial cost method of valuation shall be utilized in determining actuarial accrued liability and aggregate cost with the following characteristics:

(a) the present value of future benefits is reduced by the funding value of assets and the present value of future member contributions.

(b) with the remaining amount amortized as a level dollar amount over a closed 10-year period.

(2) Police Officers and Firefighters (Individual Entry Age)

Normal cost and the allocation of benefit values between service rendered before and after the valuation date are to be determined using an individual entry-age actuarial cost method having the following characteristics:

(a) The annual normal cost for each individual active member, payable from the date of employment to the date of retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement; and

(b) Each annual normal cost is a dollar amount which reflects the declining active population in a closed plan.

(3) Both General Employees and Police and Firefighters

Differences in the past between assumed experience and actual experience (actuarial gains and losses) shall be factored into the actuarial accrued liability as provided for in Section B of this Policy.

B. Asset Smoothing Method

(1) Both General Employees and Police Officers and Firefighters

The investment gains or losses of each valuation period, resulting from the difference between actual investment return and assumed investment return, shall be recognized annually in level amounts over a period not to exceed four (4) years (25 % per year) in calculating the funding value of assets.

The valuation assets used for funding purposes shall be derived as follows:

(a) Prior year valuation assets are increased by contribution and expected investment income and reduced by refunds, benefits payments and expenses.

(b) To this amount is added 25% of the difference between expected and actual investment income for each of the previous four years.

(2) Police Officers and Firefighters (Only)

Beginning June 30, 2007, valuation assets are restricted to the range of 80% to

120% of the actual market value of assets allocated to the Police & Firefighters.

C. Amortization Method

(1) General Employees

A level dollar amortization method shall be used to systematically pay off the unfunded actuarial accrued liabilities over an open amortization period of 10 years.

(2) Police Officers and Firefighters

A level dollar amortization method shall be used to systematically pay off the unfunded actuarial accrued liabilities over a closed amortization period of 20 years.

(3) General Employees Amortization Provisions

(a) Unfunded liabilities associated with benefit changes or assumption changes shall be funded over a period determined by the Board in consultation with its actuary.

(b) Unfunded liabilities arising from benefit changes provided to retirees or in conjunction with early retirement incentive programs offered by the employer shall be separately funded over a period determined by the Board in consultation with its actuary.

(c) In the event that the Retirement System's assets exceed its liabilities, all amortization schedules other than those related to benefit changes for retirees or early retirement incentive programs offered by the employer shall be considered completed, and employer contributions will be set based upon the normal cost and the completion of any remaining amortizations due to benefit changes for retirees or early retirement incentive programs offered by the employer, without regard to the overfunding status of the Retirement System.

D. Assumptions

(1) The economic and demographic actuarial assumptions utilized to determine the contribution requirements and benefit values of the Retirement System shall be determined by the Board in consultation with its actuary. The assumed rate of investment return utilized for valuation calculations shall be compounded annually as adopted by the Board in consultation with its investment consultant and its Actuary.

Commented [VL1]: Does GRS want the 6.25% rate of return included in the policy?

E. Funding Target

(1) The targeted funded ratio of the Retirement System shall be 100%.

(2) The employer contribution rate shall at least be equal to the aggregate cost unless the funded ratio of the General Employees Retirement System exceeds 150%.

(3) The employer contribution rate shall at least be equal to the aggregate cost unless the funded ration of the Police Officers and Firefighters Retirement System exceeds 125%.

(4) A funding plan shall be developed by the Board in consultation with its actuary if the funded ratio of the Retirement System falls below 90%, which may include additional funding requirements.

F. Risk Management

(1) Assumption Changes

(a) The actuarial assumptions utilized to determine the annual contribution requirements and valuations shall be those last adopted by the Board based on the most recent experience study and upon the advice and recommendation of the Board's actuary. The Board's actuary shall conduct an experience study at least once every five years. The results of the experience study shall be the basis for the actuarial assumptions recommended to the Board.

(b) The actuarial assumptions may be revised during the five-year period between experience studies if significant plan design changes or other significant economic events occur, as advised by the actuary.

(2) Risk Measures. The following risk measures will be annually determined to provide quantifiable measurements of risk as it applies to the Retirement System.

(a) Funded ratio;

(b) Unfunded actuarial accrued liabilities – the years required to pay down the unfunded liabilities of the Retirement System based upon the current funding schedule;

(c) Total unfunded actuarial accrued liabilities as a percentage of total payroll;

(d) Total assets as a percentage of total payroll; and

(e) Total actuarial accrued liabilities as a percentage of total payroll.

(3) Risk Control

(a) The Board shall carefully monitor the risk measures identified above and shall consider steps to mitigate risk, particularly as the funded ratio increases.

(b) If the Police Officers and Firefighters Member Group becomes fully funded resulting in a negative UAAL payment, the full Employer Normal Cost shall continue while there are still active DB members in the Plan.

G. Asset Transfers and Separate Accounting

(1) Asset Transfers

The Board is authorized to execute internal transfer of excess valuation assets between distinct member groups to improve funded status and maintain healthy funded values for each member group subject to the following restrictions:

(a) No asset transfer shall be executed that reduces the General Employees Member Group below 150% funded, as determined by the Board.

(b) Transferred assets shall be applied directly to reduce the Unfunded Actuarial Accrued Liability (UAAL) of the Police Officers and Firefighters Member Group.

(2) Internal Revenue Code Section 420 Transfer

If the Plan becomes fully funded and has excess assets, the Board may approve a qualified transfer of excess assets into a health benefits account, pursuant to Internal Revenue Code (IRC) Section 420, to pay for retiree healthcare expenses. No more than one qualified transfer shall occur annually. This provision shall expire on December 21, 2032, unless further extended by Congress.

(3) Separate Accounting

Notwithstanding the legal combination of plan assets into the City of Ferndale Employees' Retirement System, each member group shall be separately experience-rated. The Plan's actuary shall maintain separate asset and liability accounting allocations for each distinct member group and actuarially determined employer contribution requirements annually for each member group. The actuarial assumptions, the investment return assumption may vary between member groups based on their distinct demographic experience, target asset allocations and open vs closed plan status.

Commented [VL2]: Do we need to add this in based on the page 6/9 of the GRS Supplemental Report?

ACTUARIAL STATEMENT
(Concluded)
After Asset Transfer
Not less than zero. A negative UAAL payment (i.e., a credit towards offsetting the Employer Normal Cost) can happen in plans that
are very close to 100% funded due to Money-in-the-Pipes. We recommend contributing the full Employer Normal Cost while there
are still active DB members in the Plan. Positive projected UAAL balances are amortized over a closed period of 10 years.

Commented [VL3]: Provisions to allow transfers, acknowledge separate accounting as outlined in the Supp report, and to allow transfer to fund retiree healthcare.

IV. REVIEW AND AMENDMENT

A. Periodic Review

(1) This Actuarial Funding Policy shall be reviewed no less frequently than once every five years in conjunction with the required experience study performed by the Board's actuary, and may be reviewed at any time in the Board's discretion.

B. Amendment

(1) The Board, in consultation with its Actuary and Legal Counsel, may amend this Actuary Funding Policy at any time as deemed necessary to address changes in the makeup, benefit structure and/or funding status of the Retirement System.

November 16, 2026 City Clerk

CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION

FROM: Dave Movilla

SUBJECT: Police and Fire Pension Board and Employee Retirement System 2026-2027 Q1 Performance Reports (July - September 2026)

SUGGESTED ACTION
Receive and file the first quarter Police and Fire Pension Board and Employee Retirement System performance reports, as presented by Brian Green.

Item Background
Mariner has submitted the 2026-2027 Q1 Performance Reports for Police and Fire Pension Board and Employee Retirement System to be received and filed.

Previous Action

Strategic Goal

Budged Impact
N/A

Budget Amendment Required
false

GL#
N/A

CIP#
N/A

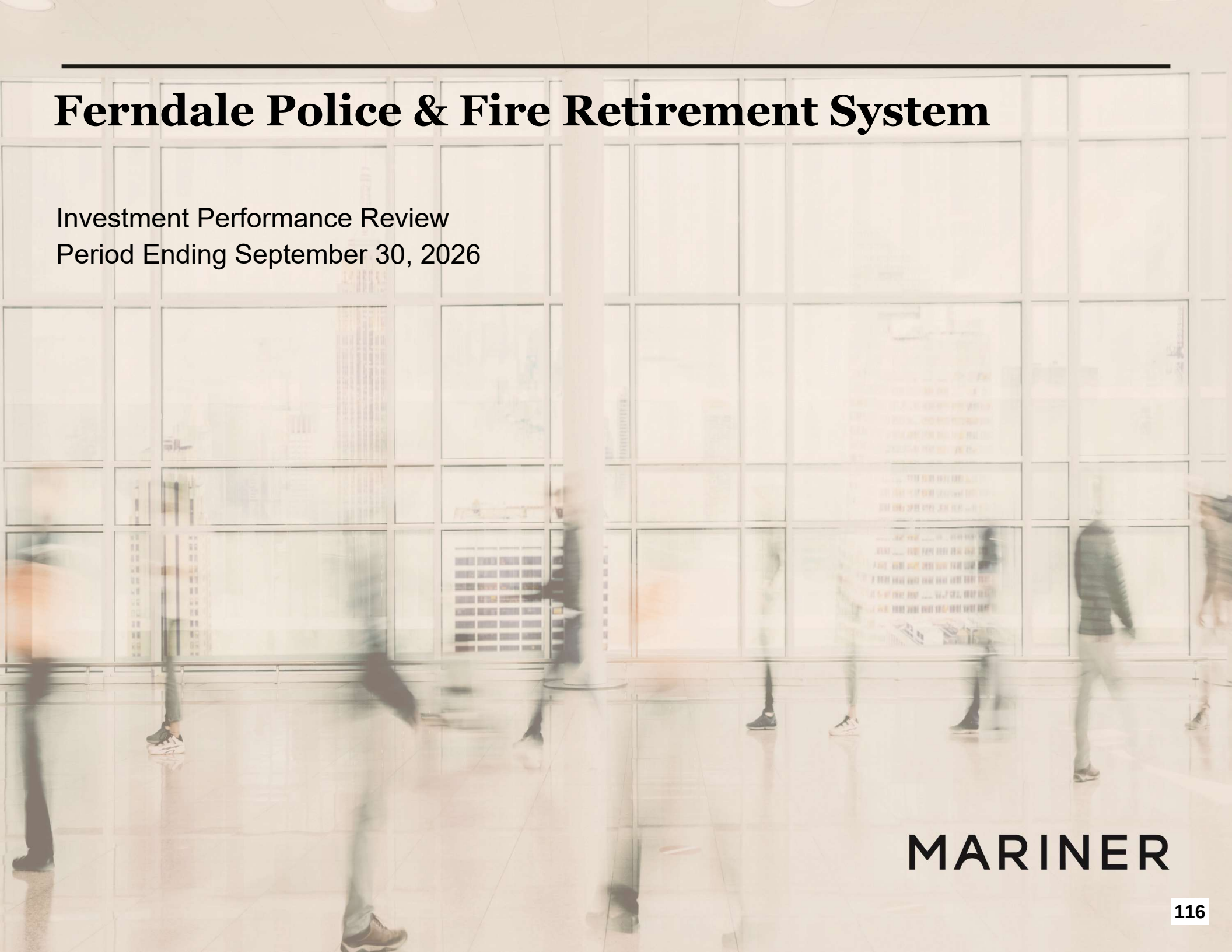
Staff Recommendation

ATTACHMENTS:

2026-09-30 Ferndale P&F RS Quarterly Report.pdf
2026-09-30 Ferndale ERS Quarterly Report.pdf

Ferndale Police & Fire Retirement System

Investment Performance Review
Period Ending September 30, 2026



MARINER

Equities	Index Returns (%) Month	3 M	YTD	1 Year	3 Yr Ann	5 Yr Ann
S&P 500 Total Return	(0.35)	2.30	12.75	15.74	22.89	13.79
Russell Midcap Index	(4.17)	(3.00)	11.84	12.02	17.20	8.04
Russell 2000 Index	(5.25)	(7.23)	13.71	16.20	17.72	6.34
Russell 1000 Growth Index	2.16	0.92	6.30	7.50	24.26	13.66
Russell 1000 Value Index	(3.13)	2.61	19.27	23.81	20.07	11.92
Russell 3000 Index	(0.84)	1.41	12.42	15.13	22.26	12.64
MSCI EAFE NR	(3.05)	0.81	10.33	15.69	18.40	9.32
MSCI EM NR	(0.56)	(0.37)	23.38	29.22	24.09	8.94

Russell Indices Style Returns

YTD

	V	B	G
L	19.3	12.3	6.3
M	15.3	11.8	1.0
S	17.0	13.7	10.7

2025

	V	B	G
L	15.9	17.4	18.6
M	11.0	10.6	8.7
S	12.6	12.8	13.0

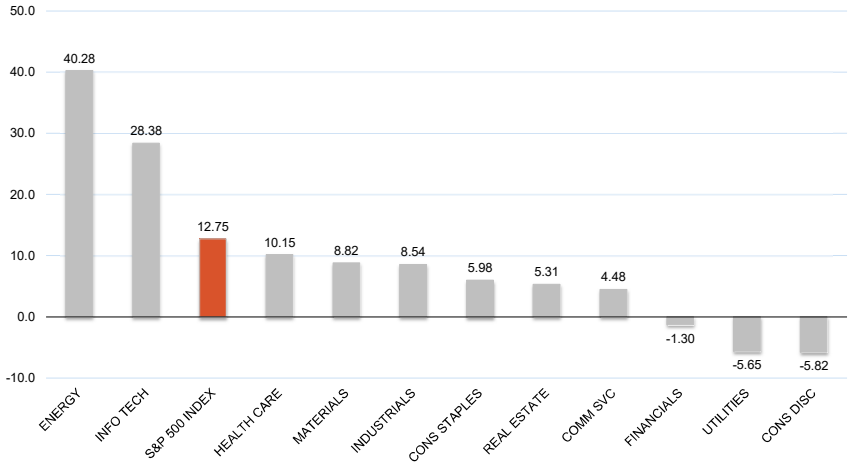
Fixed Income	Index Returns (%) Month	3 M	YTD	1 Year	Mod. Adj. Duration	Yield to Worst
U.S. Aggregate	(2.61)	(3.51)	(2.91)	(1.84)	5.77	5.56
U.S. Corporate Investment Grade	(2.72)	(3.94)	(3.11)	(2.30)	6.41	6.04
U.S. Corporate High Yield	(2.52)	(1.82)	0.10	1.41	3.20	8.35
Global Aggregate	(2.38)	(2.46)	(2.67)	(2.43)	6.09	4.44

Currencies	Levels 09/30/26	12/31/25	12/31/24
Euro Spot	1.13	1.17	1.10
British Pound Spot	1.33	1.35	1.27
Japanese Yen Spot	157.41	156.71	141.04
Swiss Franc Spot	0.84	0.79	0.84
U.S. Dollar Index	1,219.60	1,203.56	1,309.66

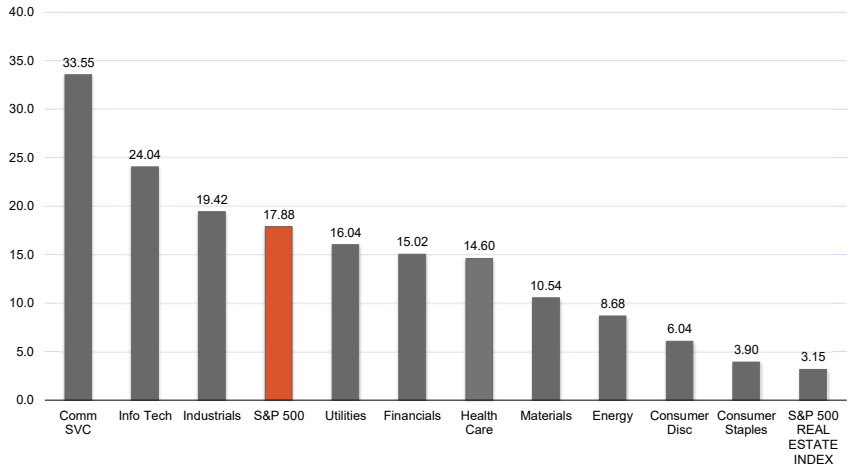
Key Rates	Levels (%) 09/30/26	12/31/25	12/31/24	12/31/23	12/31/22
US Generic Govt 3 Mth	4.11	3.63	4.31	5.33	4.34
US Generic Govt 2 Yr	4.89	3.47	4.24	4.25	4.43
US Generic Govt 10 Yr	5.28	4.17	4.57	3.88	3.87
US Generic Govt 30 Yr	5.63	4.84	4.78	4.03	3.96
Secured Overnight Financing Rate	3.90	3.87	4.49	5.38	4.30
Euribor 3 Month ACT/360	2.62	2.03	2.71	3.91	2.13
Bankrate 30Y Mortgage Rates Na	7.23	6.25	7.28	6.99	6.66
Prime	7.00	6.75	7.50	8.50	7.50

Commodities	Levels 09/30/26	12/31/25	12/31/24
Oil	90.42	57.42	71.65
Gasoline	4.41	2.83	3.11
Natural Gas	3.03	3.69	2.51
Gold	4,186.70	4,341.10	2,071.80
Silver	60.57	70.60	24.09
Copper	662.15	568.20	389.05
Corn	500.75	440.25	471.25
BBG Commodity TR Idx	367.05	276.25	226.43

YTD Sector Returns



2025 Sector Returns



Source: Bloomberg, Investment Metrics, & Federal Reserve Bank of St. Louis. For informational purposes only and should not be regarded as investment advice. Information is based on sources and data believed to be reliable, but Mariner Institutional cannot guarantee the accuracy, adequacy or completeness of the information. The material provided herein is valid only as of the date of distribution and not as of any future date.

*Heat maps are displayed utilizing a 9-color scale, with green as the highest return for the time period noted and red as the lowest return for the time period noted. Color scales within each time period are mutually exclusive.

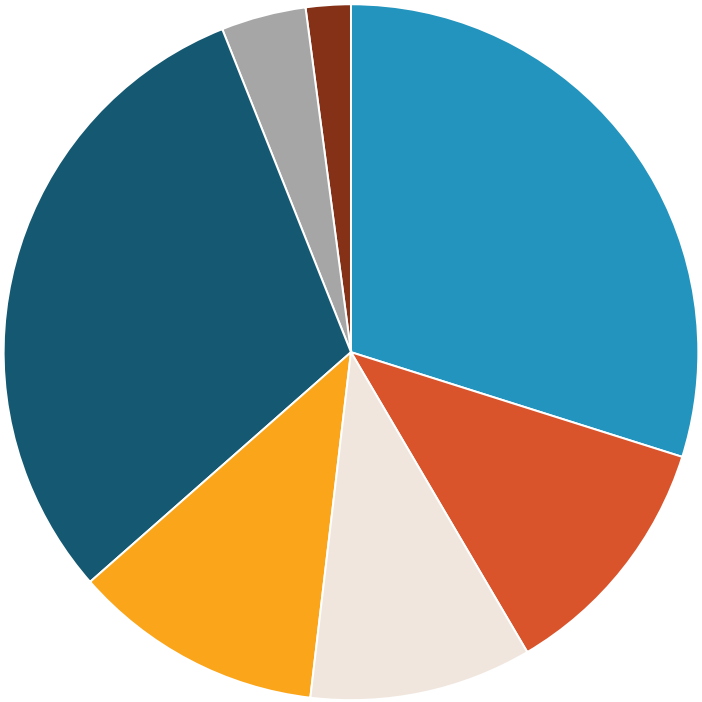
Market Summary:

The third quarter was marked by several notable market reversals, including rising oil prices and shifting leadership within domestic equities. Market leadership rotated among large-cap value, small-cap, and large-cap growth stocks, reflecting changing investor sentiment and economic expectations. Despite this volatility, the S&P 500 Index generated a solid 2.30% return, while small-cap stocks struggled, with the Russell 2000 Index declining 7.23%. International equity markets delivered mixed results, as modest gains in developed markets were partially offset by losses in emerging markets. Fixed income markets also faced significant headwinds during the quarter. Persistent inflationary pressures, Federal Reserve monetary policy, and increased Treasury issuance contributed to rising interest rates, with yields reaching levels not seen in more than two decades. The sharp increase in yields weighed heavily on bond prices, resulting in a 3.51% decline for the Bloomberg U.S. Aggregate Bond Index. Overall, the quarter highlighted the challenges of an evolving economic environment, as shifting equity market leadership and rising interest rates created significant performance differences across asset classes.

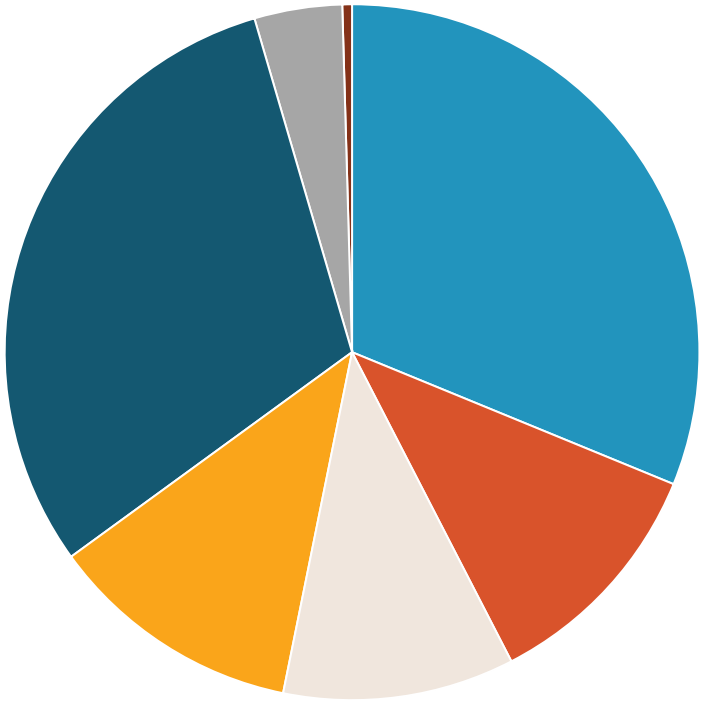
Portfolio Comments

1. Total fund results lagged the policy index for the quarter at -0.49% vs. -0.36%. Longer term returns remain inline with policy index.
2. Within the US Equity allocation, the S&P 500 returned 2.30%. Small / Mid Cap stocks, represented in the portfolio by the Vanguard Extended Market Index fund returned -5.74%.
3. GQG International outperformed for the quarter, returning -2.00% vs. +0.48% for their index. Outperformance was driven by an overweight to Information Technology and Energy. The Vanguard Developed Market Index returned -0.68%.
4. The Loomis Intermediate portfolio was inline with their index for the for the quarter.
5. Within the real estate allocation, the UBS Property fund returned +1.97% for the quarter We have entered the redemption queue for the allocation and continue to receive proceeds on a quarterly basis.
6. At quarter end, the portfolio was in compliance with Public Act 314.

Jun-2026 : $46,336,095



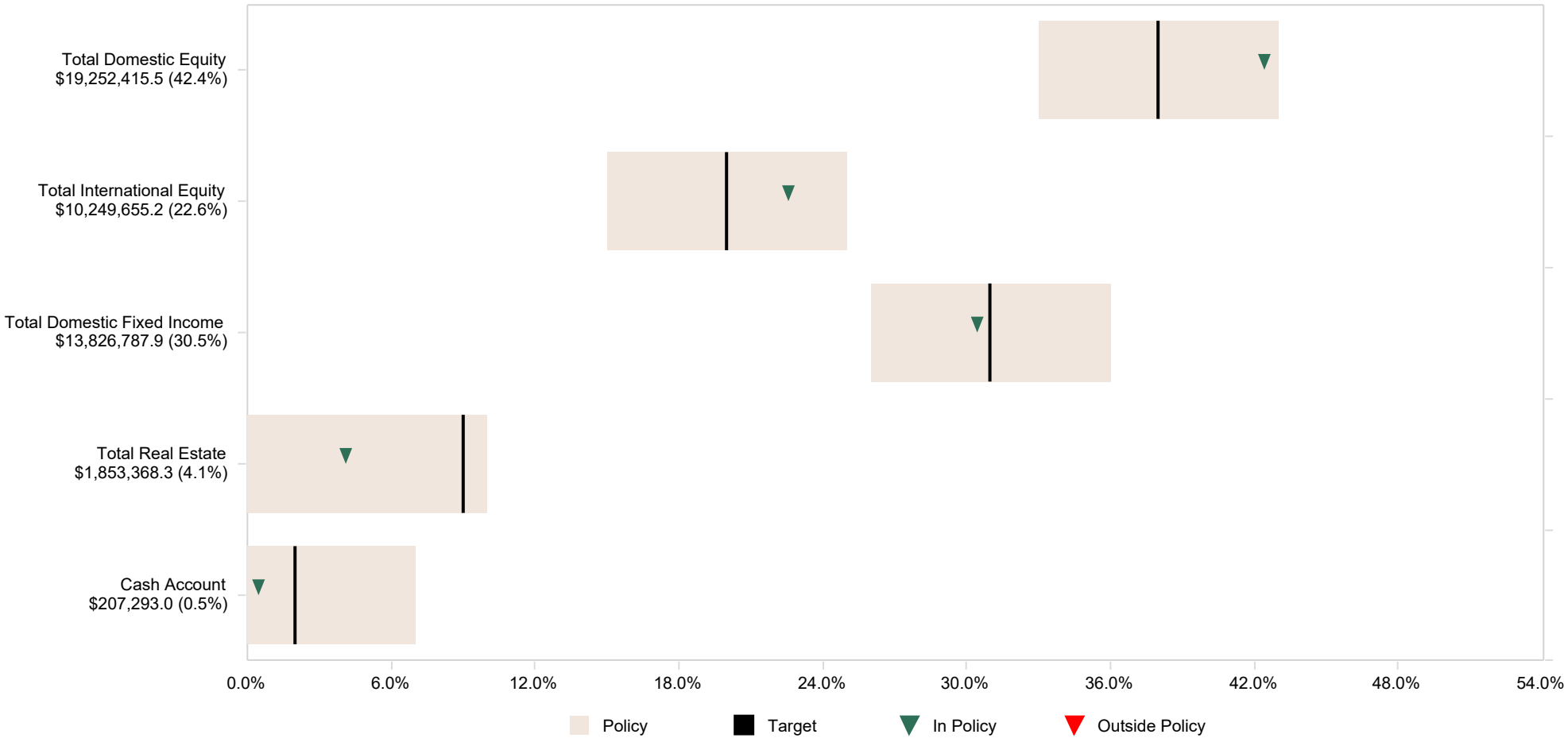
Sep-2026 : $45,389,520



Allocation	Market Value	Allocation
Fidelity 500 Index (FXAIX)	13,837,830	29.9
Vanguard Extended Mkt Index (VIEIX)	5,406,230	11.7
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	4,791,205	10.3
Vanguard FTSE Developed Markets Index (VTMGX)	5,399,169	11.7
Loomis Sayles Fixed Income	14,100,238	30.4
UBS Trumbull Property Fund	1,831,311	4.0
Cash Account	970,113	2.1

Allocation	Market Value	Allocation
Fidelity 500 Index (FXAIX)	14,155,853	31.2
Vanguard Extended Mkt Index (VIEIX)	5,096,562	11.2
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	4,886,947	10.8
Vanguard FTSE Developed Markets Index (VTMGX)	5,362,708	11.8
Loomis Sayles Fixed Income	13,826,788	30.5
UBS Trumbull Property Fund	1,853,368	4.1
Cash Account	207,293	0.5

Executive Summary



Asset Allocation Compliance

	Asset Allocation $	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Rebal. ($000)
Total Fund	**45,389,520**	**100.0**	**100.0**	**N/A**	**N/A**	**-**
Total Domestic Equity	19,252,416	42.4	38.0	33.0	43.0	-2,004,398
Total International Equity	10,249,655	22.6	20.0	15.0	25.0	-1,171,751
Total Domestic Fixed Income	13,826,788	30.5	31.0	26.0	36.0	243,963
Total Real Estate	1,853,368	4.1	9.0	0.0	10.0	2,231,689
Cash Account	207,293	0.5	2.0	0.0	7.0	700,497

Comparative Performance	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Fund (Gross)	**-0.33**	**(25)**	**7.06**	**(44)**	**9.48**	**(39)**	**12.87**	**(66)**	**6.76**	**(43)**	**8.43**	**(60)**	**8.03**	**(67)**	**7.84**	**(23)**	**01/01/1992**
Total Fund Policy	-0.24	(20)	7.69	(25)	10.24	(24)	13.14	(60)	6.78	(42)	8.17	(70)	7.75	(75)	7.88	(22)	
All Public Plans-Total Fund Median	-0.87		6.87		9.05		13.49		6.59		8.63		8.45		7.47		
Total Domestic Equity																	
Fidelity 500 Index (FXAIX)	**2.30**	**(33)**	**12.73**	**(25)**	**15.72**	**(24)**	**N/A**		**N/A**		**N/A**		**N/A**		**18.28**	**(23)**	**09/01/2025**
S&P 500 Index	2.30	(32)	12.75	(25)	15.74	(24)	22.89	(N/A)	13.79	(N/A)	16.17	(N/A)	15.33	(N/A)	18.30	(22)	
Large Blend Median	1.72		11.36		14.25		N/A		N/A		N/A		N/A		16.29		
Vanguard Extended Mkt Index (VIEIX)	**-5.73**	**(53)**	**11.62**	**(35)**	**11.79**	**(42)**	**18.74**	**(13)**	**6.19**	**(75)**	**11.71**	**(21)**	**N/A**		**9.30**	**(37)**	**09/01/2018**
S&P Completion Index	-5.76	(55)	11.44	(39)	11.59	(46)	18.55	(16)	6.03	(77)	11.57	(24)	11.05	(N/A)	9.16	(42)	
Mid-Cap Blend Median	-5.52		9.82		11.38		14.71		7.56		10.62		N/A		8.81		
Total International Equity																	
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	**2.00**	**(2)**	**6.81**	**(50)**	**11.05**	**(32)**	**15.18**	**(42)**	**8.56**	**(5)**	**N/A**		**N/A**		**7.91**	**(6)**	**07/01/2021**
MSCI AC World ex USA	0.57	(10)	14.66	(7)	20.52	(2)	21.15	(9)	10.11	(2)	11.06	(N/A)	9.78	(N/A)	9.00	(2)	
Foreign Large Growth Median	-2.84		6.80		7.58		14.53		4.42		N/A		N/A		3.94		
Vanguard FTSE Developed Markets Index (VTMGX)	**-0.68**	**(62)**	**14.21**	**(20)**	**20.76**	**(17)**	**20.91**	**(26)**	**10.30**	**(28)**	**11.26**	**(27)**	**N/A**		**9.49**	**(25)**	**09/01/2018**
FTSE Developed All Cap ex-U.S. Index	0.39	(42)	14.92	(17)	21.96	(13)	21.35	(22)	10.63	(26)	11.67	(22)	10.13	(N/A)	9.85	(18)	
Foreign Median	0.00		10.15		14.59		18.36		8.25		9.94		N/A		8.29		

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Domestic Fixed Income																	
Loomis Sayles Fixed Income	**-1.83**	**(17)**	**-1.37**	**(47)**	**-0.23**	**(53)**	**4.44**	**(80)**	**1.10**	**(52)**	**1.92**	**(34)**	**2.27**	**(25)**	**5.10**	**(3)**	**01/01/1992**
Bloomberg Intermediate US Govt/Credit Idx	-1.88	(28)	-1.49	(58)	-0.31	(64)	4.31	(90)	0.83	(83)	1.42	(91)	1.71	(91)	4.25	(88)	
IM U.S. Intermediate Duration (SA+CF) Median	-2.08		-1.39		-0.19		4.72		1.12		1.77		2.05		4.64		
Total Real Estate																	
UBS Trumbull Property Fund	**1.97**	**(1)**	**4.71**	**(32)**	**6.12**	**(12)**	**1.49**	**(80)**	**0.59**	**(90)**	**1.29**	**(86)**	**2.13**	**(N/A)**	**3.49**	**(N/A)**	**12/01/2007**
NCREIF Fund Index-Open End Diversified Core Equity (VW)	0.00	(84)	2.75	(79)	3.69	(79)	0.01	(93)	1.42	(84)	3.21	(78)	4.42	(N/A)	4.61	(N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.35		4.51		5.66		2.07		2.22		3.94		N/A		N/A		
Total Fund (Net)	**-0.35**		**6.99**		**9.37**		**12.76**		**6.65**		**8.27**		**7.83**		**7.20**		**01/01/2014**

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

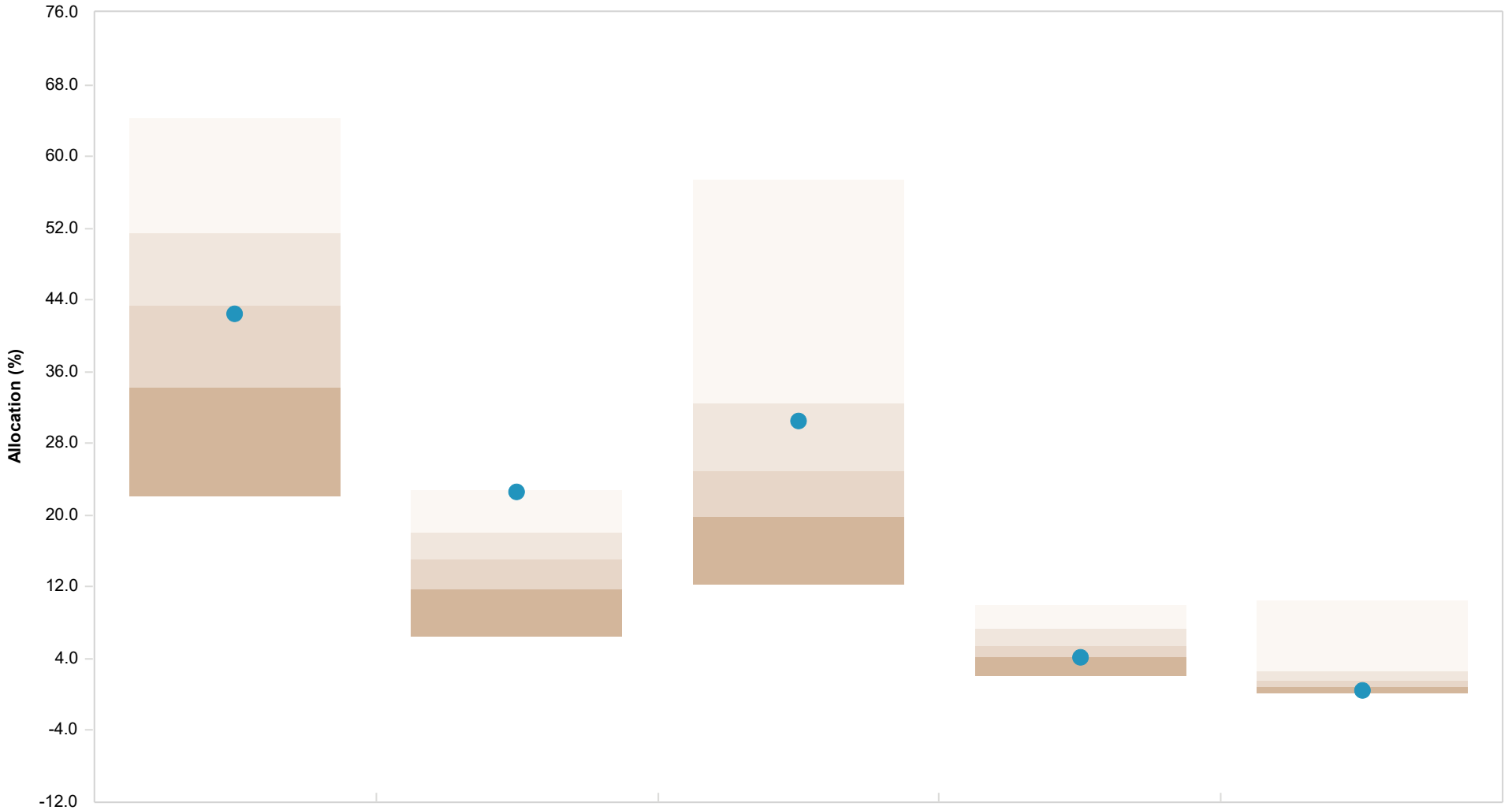
Comparative Performance Fiscal Year Returns	FYTD		FY2025		FY2024		FY2023		FY2022		FY2021		FY2020		FY2019		FY2018		FY2017		FY2016		FY2015	
Total Fund (Gross)	**7.06**	**(44)**	**10.77**	**(62)**	**11.56**	**(48)**	**7.46**	**(75)**	**-8.25**	**(25)**	**27.03**	**(45)**	**1.16**	**(84)**	**6.78**	**(33)**	**5.49**	**(93)**	**9.15**	**(87)**	**5.34**	**(3)**	**3.41**	**(40)**
Total Fund Policy	7.69	(25)	11.93	(25)	8.65	(86)	6.73	(84)	-7.61	(20)	24.48	(75)	1.15	(84)	6.61	(39)	5.41	(93)	8.90	(89)	6.02	(1)	2.96	(51)
All Public Plans-Total Fund Median	6.87		11.18		11.43		8.69		10.98		26.61		3.49		6.34		8.13		11.66		0.58		2.98	
Total Domestic Equity																								
Fidelity 500 Index (FXAIX)	**12.73**	**(25)**	**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**	
S&P 500 Index	12.75	(25)	15.16	(24)	24.56	(37)	19.59	(27)	10.62	(33)	40.79	(47)	7.51	(24)	10.42	(27)	14.37	(35)	17.90	(45)	3.99	(17)	7.42	(30)
Large Blend Median	11.36		13.60		23.55		18.45		11.73		40.59		5.89		8.84		13.66		17.68		0.55		6.72	
Vanguard Extended Mkt Index (VIEIX)	**11.62**	**(35)**	**15.60**	**(14)**	**14.97**	**(26)**	**15.22**	**(41)**	**29.94**	**(99)**	**61.63**	**(4)**	**1.19**	**(14)**	**N/A**		**N/A**		**N/A**		**N/A**		**N/A**	
S&P Completion Index	11.44	(39)	15.57	(15)	14.66	(29)	15.00	(45)	30.00	(100)	61.60	(4)	1.08	(15)	1.88	(59)	16.72	(9)	21.49	(16)	-5.56	(74)	6.17	(36)
Mid-Cap Blend Median	9.82		9.37		12.80		14.56		14.41		48.83		-5.50		3.38		11.60		17.25		-2.37		5.68	
Total International Equity																								
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	**6.81**	**(50)**	**4.17**	**(95)**	**29.42**	**(2)**	**12.19**	**(84)**	**11.54**	**(1)**	**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**	
MSCI AC World ex USA	14.66	(7)	18.38	(26)	12.17	(28)	13.33	(79)	19.01	(9)	36.29	(40)	-4.39	(99)	1.80	(51)	7.79	(71)	21.00	(24)	-9.80	(72)	-4.85	(94)
Foreign Large Growth Median	6.80		14.34		9.04		16.65		26.79		34.43		5.58		1.87		10.07		16.82		-7.72		-1.19	
Vanguard FTSE Developed Markets Index (VTMGX)	**14.21**	**(20)**	**19.25**	**(44)**	**10.59**	**(49)**	**16.52**	**(45)**	**18.15**	**(37)**	**35.81**	**(46)**	**-4.26**	**(55)**	**N/A**		**N/A**		**N/A**		**N/A**		**N/A**	
FTSE Developed All Cap ex-U.S. Index	14.92	(17)	19.26	(44)	11.36	(38)	16.90	(42)	18.27	(38)	36.77	(41)	-4.46	(57)	0.14	(42)	8.04	(37)	20.81	(35)	-8.62	(44)	-4.69	(74)
Foreign Median	10.15		18.49		10.44		15.71		20.09		35.17		-3.20		-0.65		6.78		19.27		-9.26		-2.83	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

	FYTD		FY2025		FY2024		FY2023		FY2022		FY2021		FY2020		FY2019		FY2018		FY2017		FY2016		FY2015	
Total Domestic Fixed Income																								
Loomis Sayles Fixed Income	**-1.37**	**(47)**	**6.91**	**(54)**	**4.70**	**(50)**	**0.68**	**(34)**	**-7.30**	**(53)**	**1.25**	**(49)**	**8.51**	**(6)**	**7.47**	**(12)**	**-0.04**	**(58)**	**1.13**	**(24)**	**4.51**	**(45)**	**1.78**	**(46)**
Bloomberg Intermediate US Govt/Credit Idx	-1.49	(58)	6.74	(70)	4.19	(75)	-0.10	(83)	-7.28	(52)	0.19	(88)	7.12	(47)	6.93	(44)	-0.58	(98)	-0.21	(84)	4.33	(61)	1.68	(58)
IM U.S. Intermediate Duration (SA+CF) Median	-1.39		6.93		4.67		0.46		-7.26		1.21		7.06		6.87		0.01		0.39		4.43		1.75	
Total Real Estate																								
UBS Trumbull Property Fund	**4.71**	**(32)**	**4.06**	**(49)**	**-7.76**	**(30)**	**14.84**	**(92)**	**24.62**	**(70)**	**2.01**	**(91)**	**-1.06**	**(91)**	**0.04**	**(97)**	**7.70**	**(69)**	**5.58**	**(84)**	**10.67**	**(86)**	**12.65**	**(80)**
NCREIF Fund Index-ODCE (VW)	4.51	(51)	3.54	(63)	-9.25	(59)	-9.97	(59)	29.51	(38)	8.02	(65)	2.22	(57)	6.41	(77)	8.44	(55)	7.87	(54)	11.82	(68)	14.43	(53)
IM U.S. Open End Private Real Estate (SA+CF) Median	4.51		4.03		-8.60		-9.74		28.87		9.01		2.68		7.45		8.62		8.05		12.48		14.66	
Total Fund (Net)	**6.99**		**10.65**		**11.44**		**7.29**		**-8.33**		**26.66**		**0.96**		**6.53**		**5.16**		**8.79**		**4.86**		**2.80**	
Total Fund Policy	7.69		11.93		8.65		6.73		-7.61		24.48		1.15		6.61		5.41		8.90		6.02		2.96	

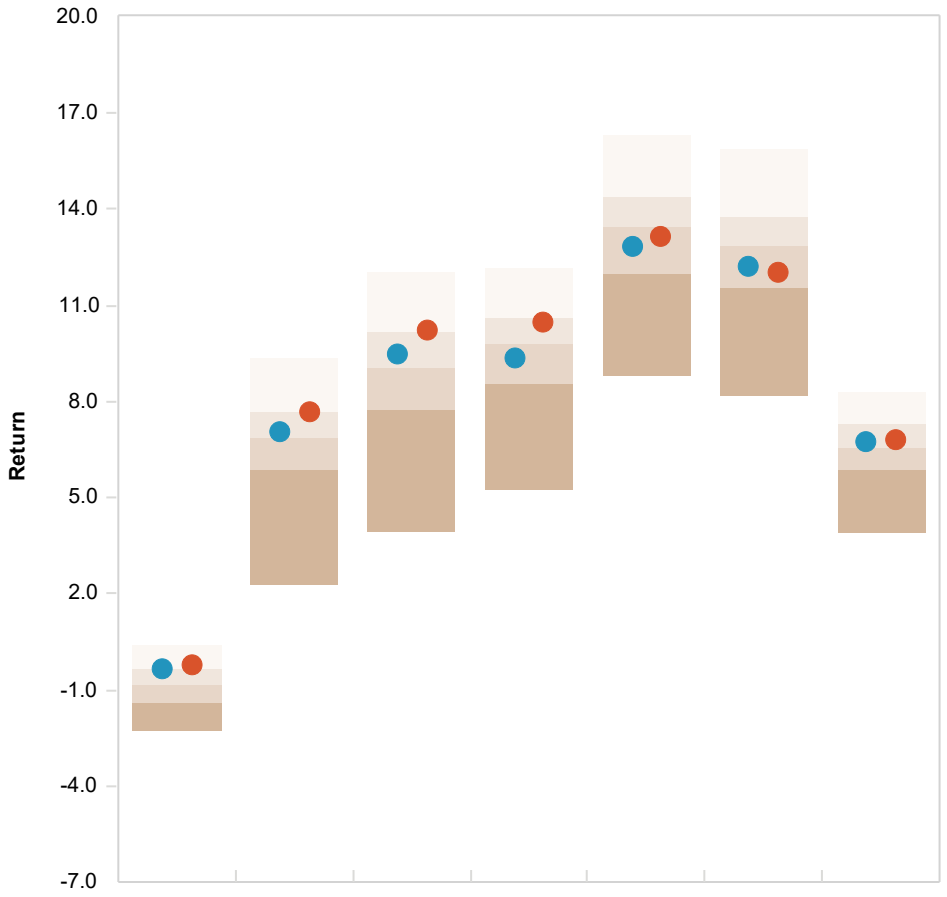
Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

Plan Sponsor Total Fund vs.All Public Plans-Total Fund



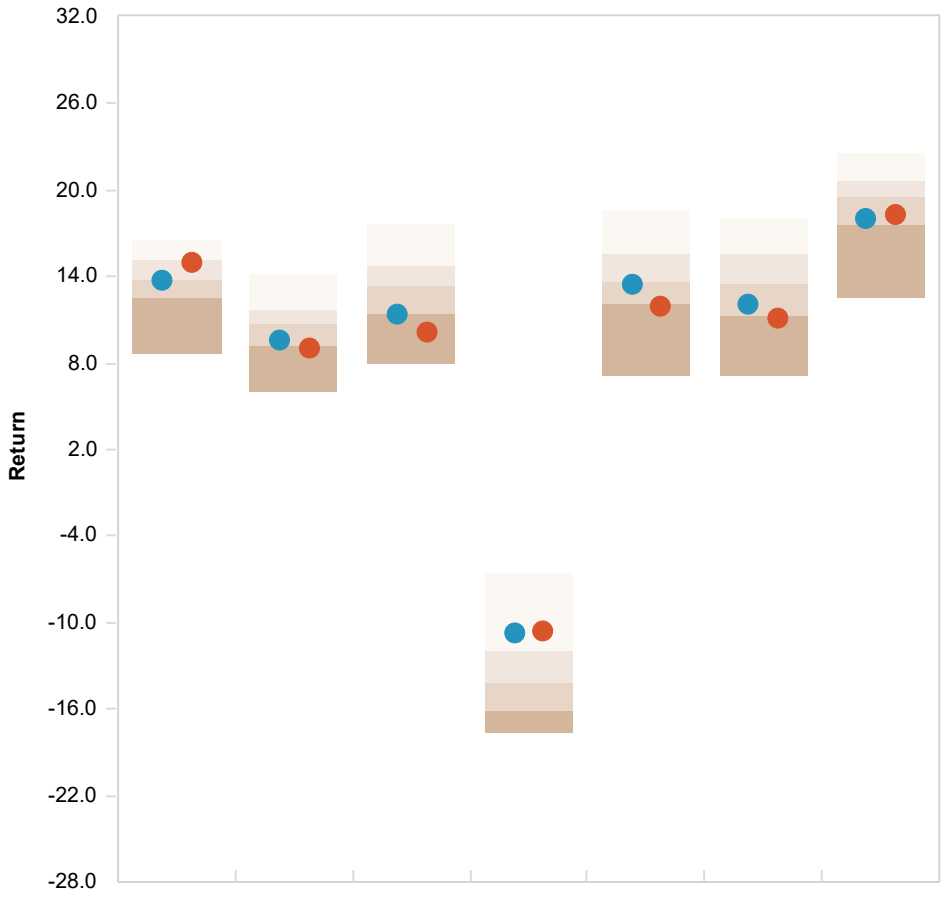
	US Equity	Global ex-US Equity	US Fixed	Total Real Estate	Cash & Equivalents
Total Fund	42.42 (53)	22.58 (6)	30.46 (33)	4.08 (77)	0.46 (88)
5th Percentile	64.16	22.86	57.36	9.98	10.47
1st Quartile	51.37	18.05	32.43	7.37	2.62
Median	43.36	15.05	24.82	5.42	1.49
3rd Quartile	34.15	11.71	19.77	4.22	0.80
95th Percentile	22.01	6.49	12.25	1.98	0.09

Peer Group Analysis - All Public Plans-Total Fund



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-0.33 (25)	7.06 (44)	9.48 (39)	9.35 (62)	12.87 (66)	12.21 (67)	6.76 (43)
Index	-0.24 (20)	7.69 (25)	10.24 (24)	10.49 (30)	13.14 (60)	12.04 (70)	6.78 (42)
Median	-0.87	6.87	9.05	9.79	13.49	12.83	6.59

Peer Group Analysis - All Public Plans-Total Fund



	2025	2024	2023	2022	2021	2020	2019
Investment	13.73 (52)	9.57 (71)	11.38 (77)	-10.77 (18)	13.48 (54)	12.10 (67)	18.08 (72)
Index	14.94 (30)	9.02 (78)	10.13 (88)	-10.55 (17)	11.95 (77)	11.15 (77)	18.36 (69)
Median	13.78	10.69	13.37	-14.21	13.66	13.47	19.52

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	8.08 (70)	-0.61 (28)	2.25 (32)	3.90 (83)	5.16 (85)	1.80 (4)
Index	9.38 (35)	-1.31 (56)	2.37 (21)	5.01 (44)	5.50 (81)	1.35 (8)
Median	8.93	-1.18	2.04	4.87	6.69	-0.03

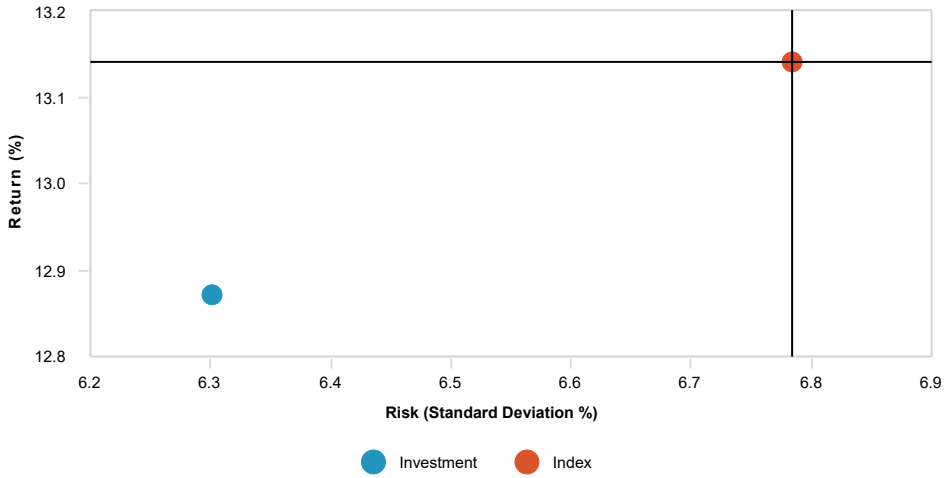
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	**12.87**	**6.30**	**1.30**	**97.54**	**9**	**93.66**	**3**
Index	13.14	6.78	1.24	100.00	9	100.00	3

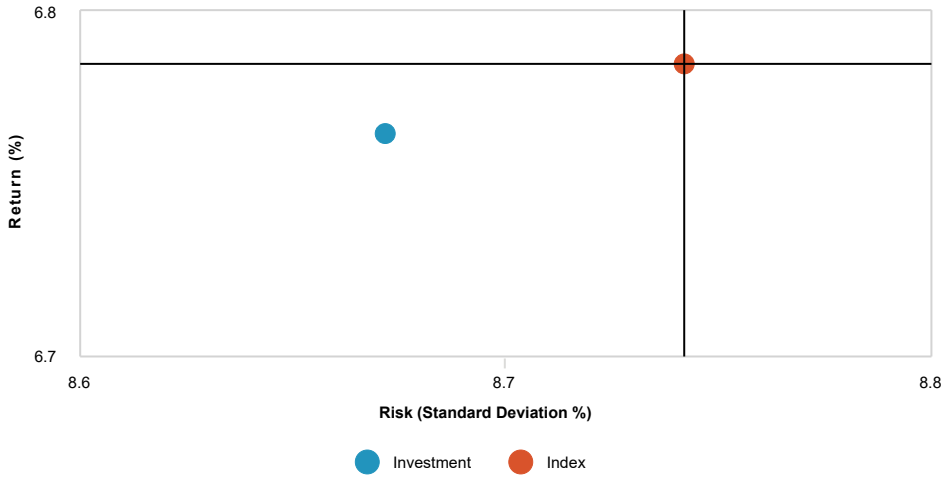
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	**6.76**	**8.67**	**0.40**	**99.87**	**13**	**100.20**	**7**
Index	6.78	8.74	0.40	100.00	13	100.00	7

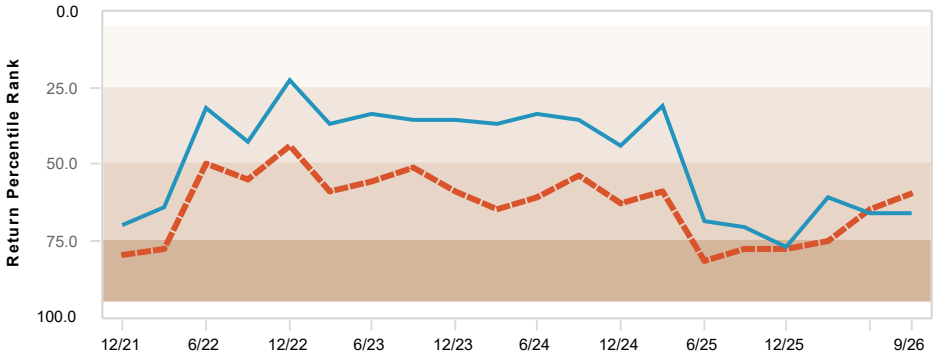
Risk and Return 3 Years



Risk and Return 5 Years

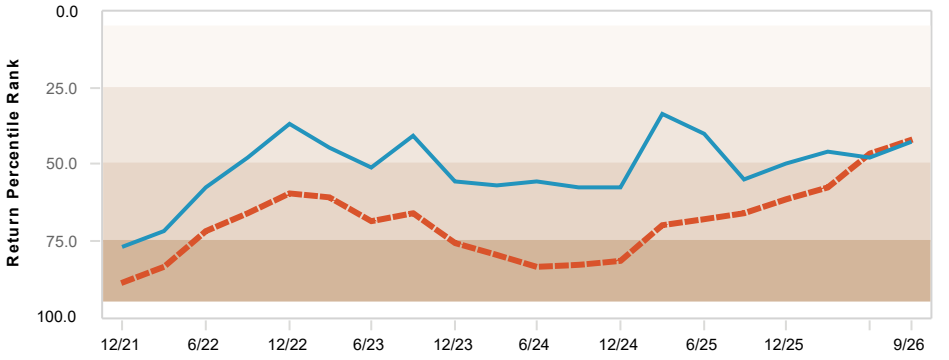


3 Years Rolling Percentile Ranking vs. All Public Plans-Total Fund



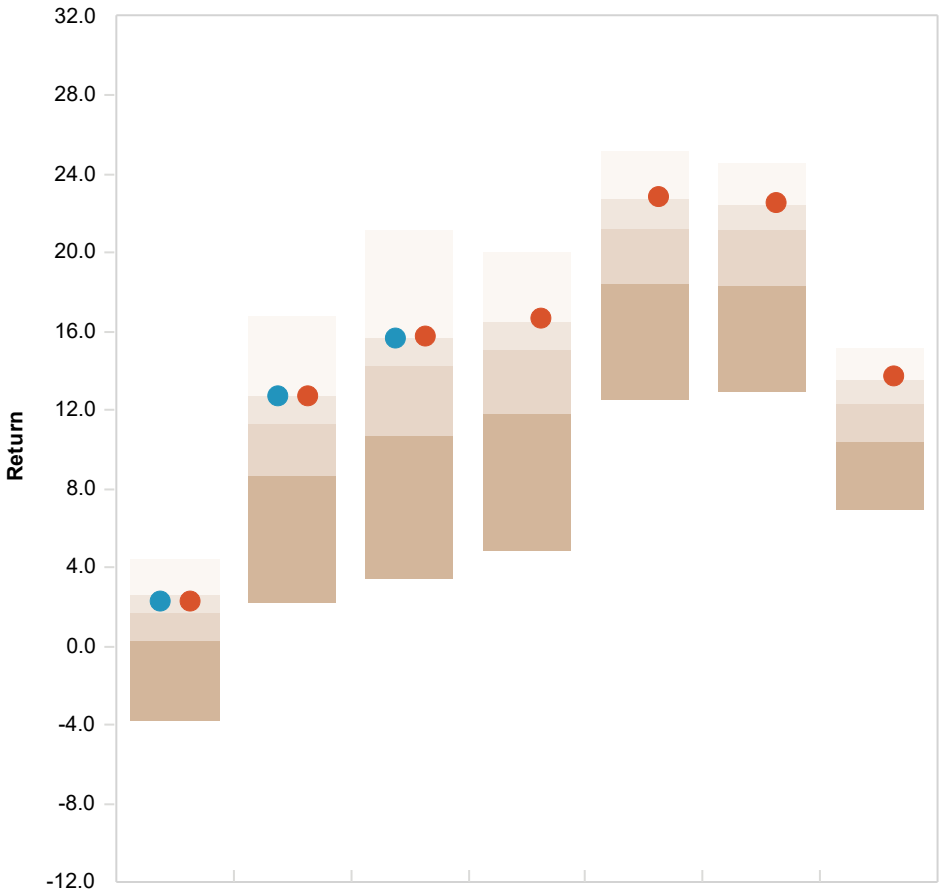
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	**20**	**1 (5%)**	**11 (55%)**	**7 (35%)**	**1 (5%)**
Index	20	0 (0%)	2 (10%)	13 (65%)	5 (25%)

5 Years Rolling Percentile Ranking vs. All Public Plans-Total Fund



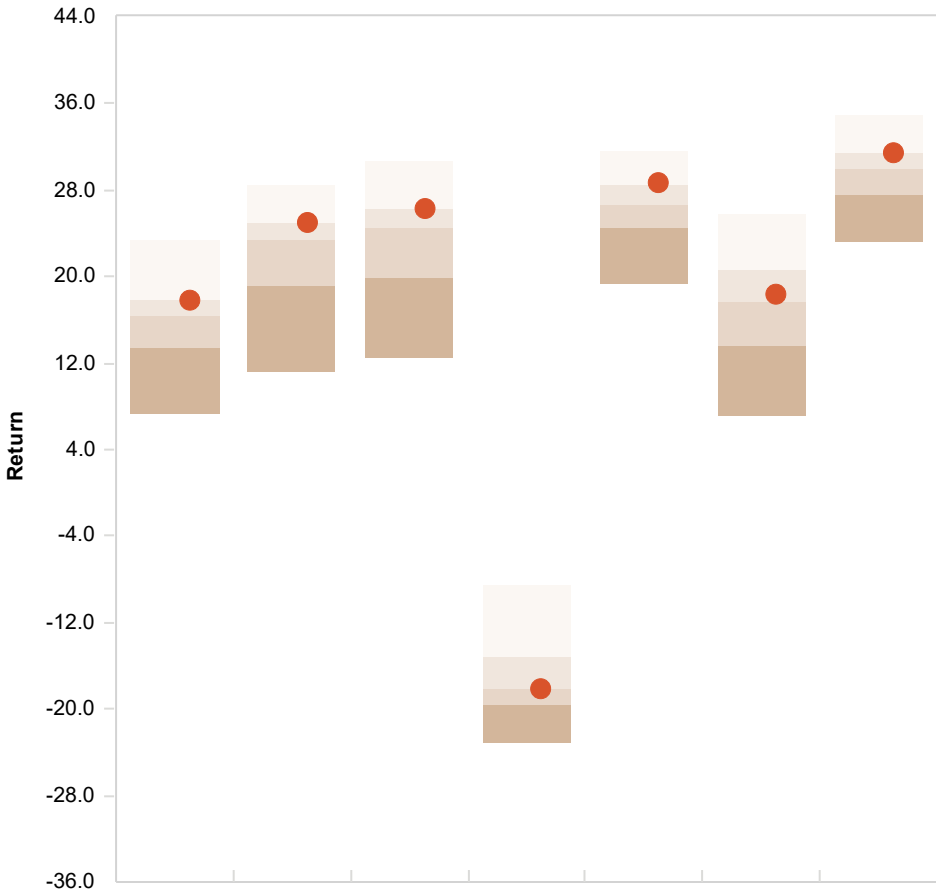
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	**20**	**0 (0%)**	**10 (50%)**	**9 (45%)**	**1 (5%)**
Index	20	0 (0%)	2 (10%)	11 (55%)	7 (35%)

Peer Group Analysis - Large Blend



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	2.30 (33)	12.73 (25)	15.72 (24)	N/A	N/A	N/A	N/A
Index	2.30 (32)	12.75 (25)	15.74 (24)	16.66 (21)	22.89 (21)	22.57 (22)	13.79 (18)
Median	1.72	11.36	14.25	15.05	21.27	21.14	12.37

Peer Group Analysis - Large Blend



	2025	2024	2023	2022	2021	2020	2019
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	17.88 (24)	25.02 (25)	26.29 (25)	-18.11 (48)	28.71 (21)	18.40 (40)	31.49 (24)
Median	16.44	23.29	24.52	-18.19	26.65	17.63	29.98

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	15.20 (36)	-4.34 (48)	2.65 (33)	N/A	N/A	N/A
Index	15.20 (36)	-4.33 (48)	2.66 (33)	8.12 (21)	10.94 (42)	-4.27 (42)
Median	14.60	-4.37	2.42	7.31	10.80	-4.39

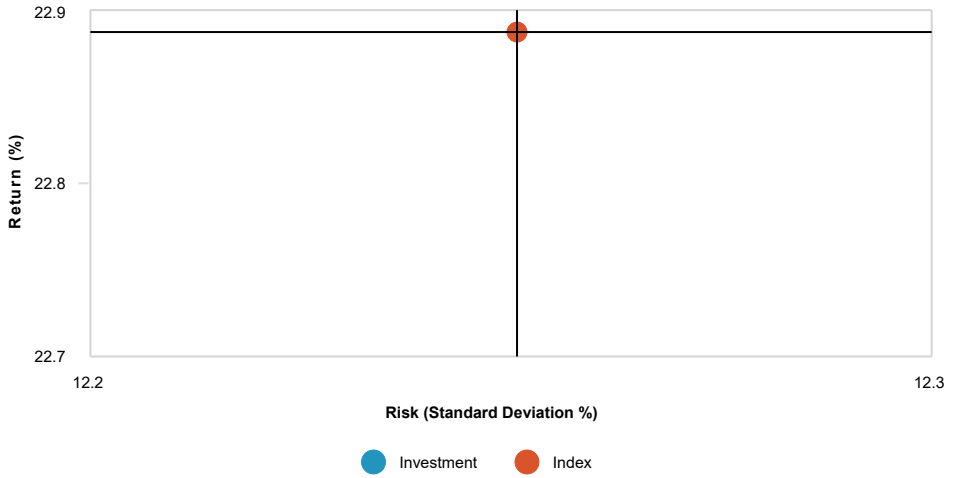
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	22.89	12.25	1.40	100.00	10	100.00	2

Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	13.79	15.51	0.68	100.00	14	100.00	6

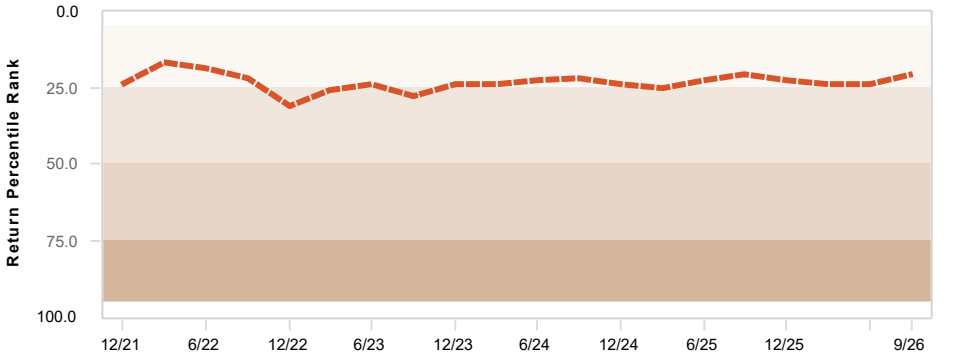
Risk and Return 3 Years



Risk and Return 5 Years

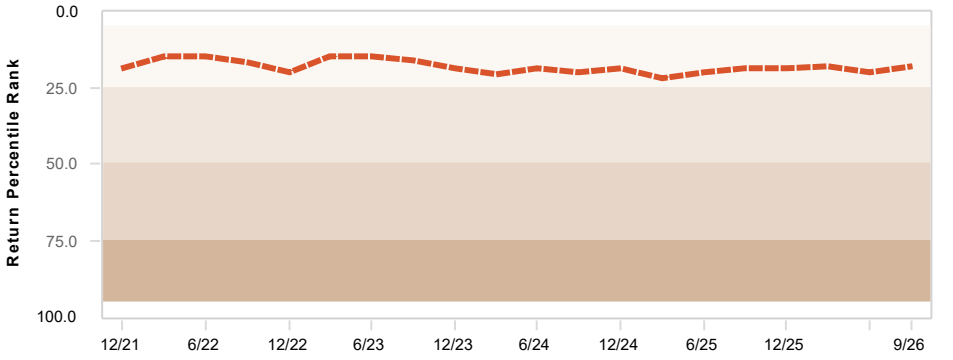


3 Years Rolling Percentile Ranking vs. Large Blend



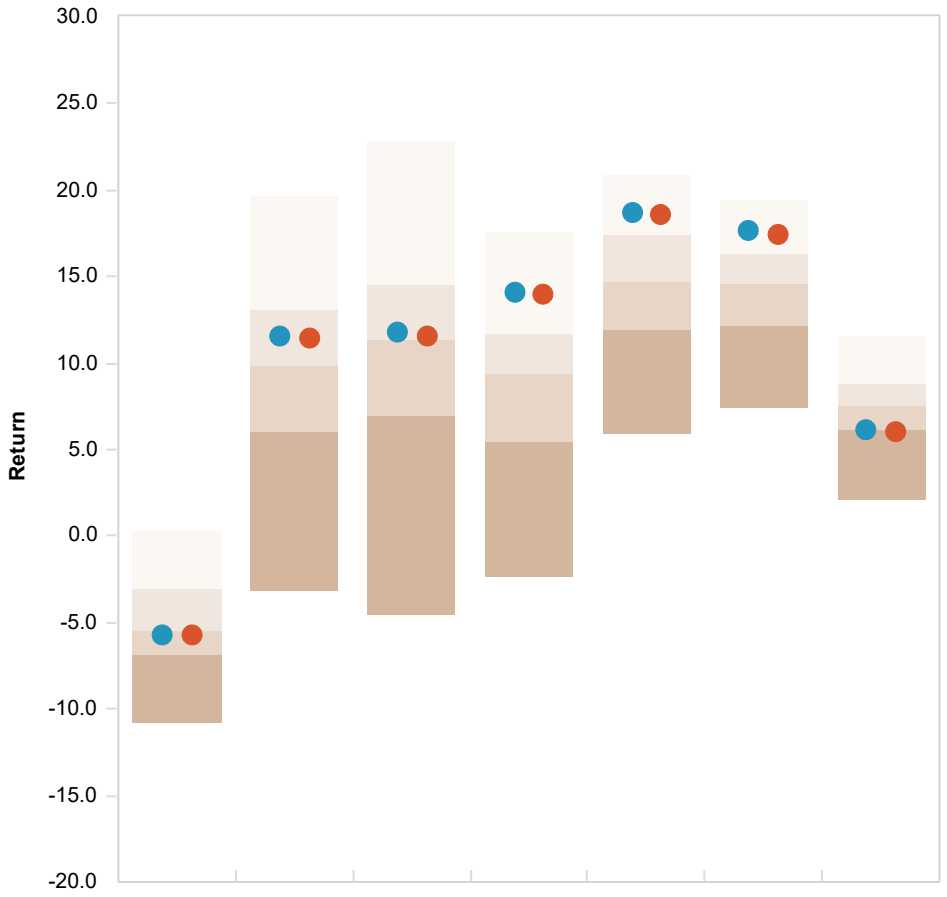
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	17 (85%)	3 (15%)	0 (0%)	0 (0%)

5 Years Rolling Percentile Ranking vs. Large Blend



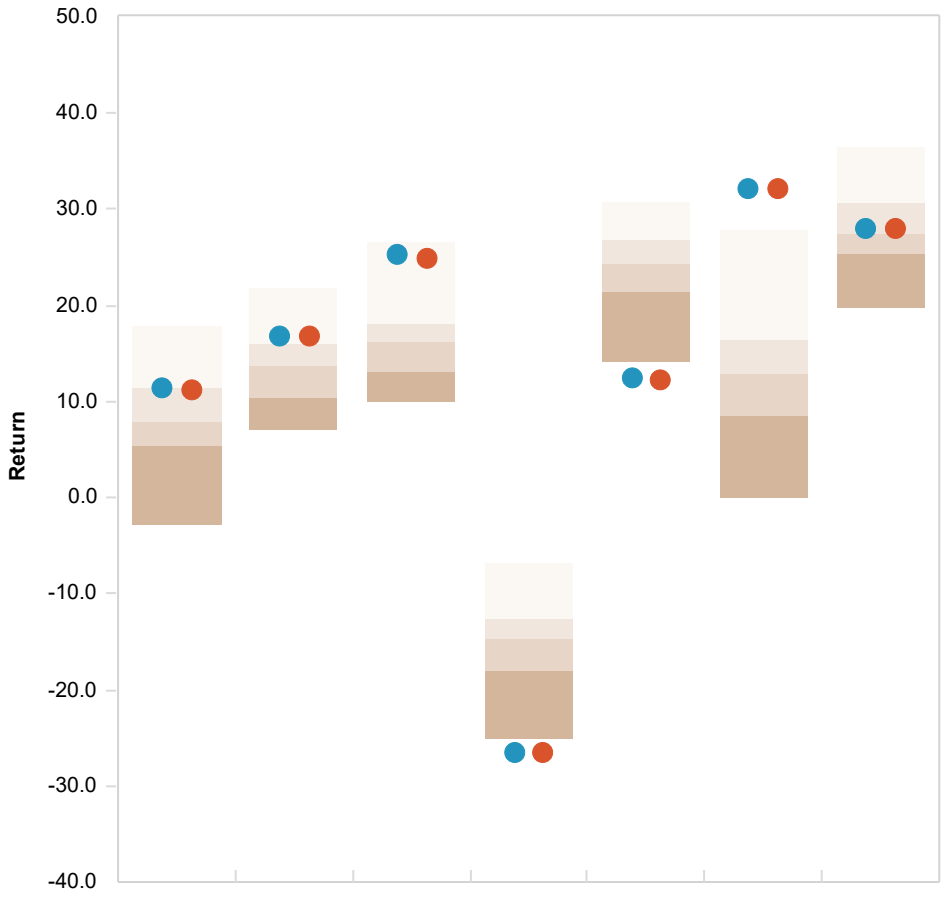
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)

Peer Group Analysis - Mid-Cap Blend



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-5.73 (53)	11.62 (35)	11.79 (42)	14.10 (12)	18.74 (13)	17.66 (14)	6.19 (75)
Index	-5.76 (55)	11.44 (39)	11.59 (46)	13.98 (13)	18.55 (16)	17.47 (17)	6.03 (77)
Median	-5.52	9.82	11.38	9.33	14.71	14.52	7.56

Peer Group Analysis - Mid-Cap Blend



	2025	2024	2023	2022	2021	2020	2019
Investment	11.42 (25)	16.91 (20)	25.41 (7)	-26.46 (100)	12.45 (98)	32.23 (2)	28.05 (43)
Index	11.32 (26)	16.88 (20)	24.97 (10)	-26.54 (100)	12.35 (99)	32.17 (2)	27.95 (46)
Median	7.93	13.65	16.10	-14.62	24.38	12.79	27.35

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	19.91 (14)	-1.26 (75)	0.15 (70)	8.91 (9)	12.17 (9)	-8.93 (98)
Index	19.79 (15)	-1.28 (75)	0.13 (71)	8.87 (9)	12.16 (10)	-8.95 (99)
Median	14.25	0.86	1.22	5.19	7.00	-4.59

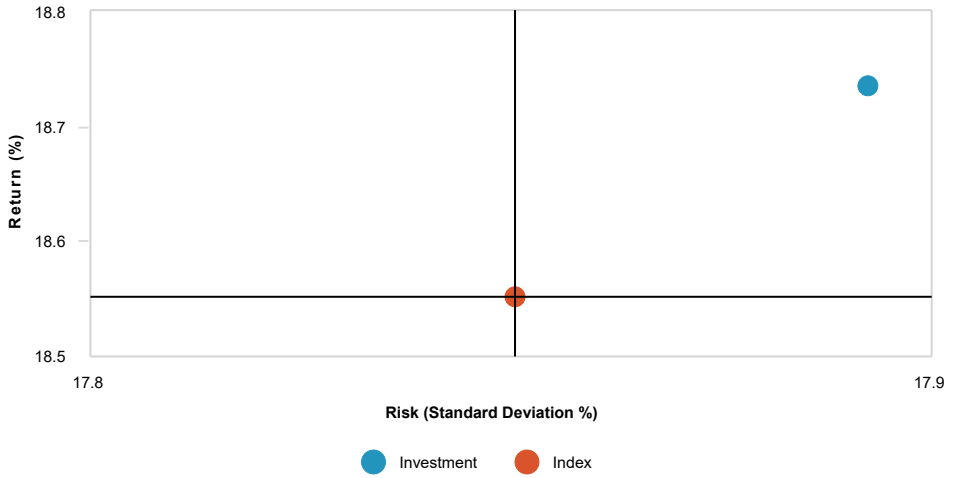
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	18.74	17.89	0.81	100.40	8	99.86	4
Index	18.55	17.85	0.80	100.00	8	100.00	4

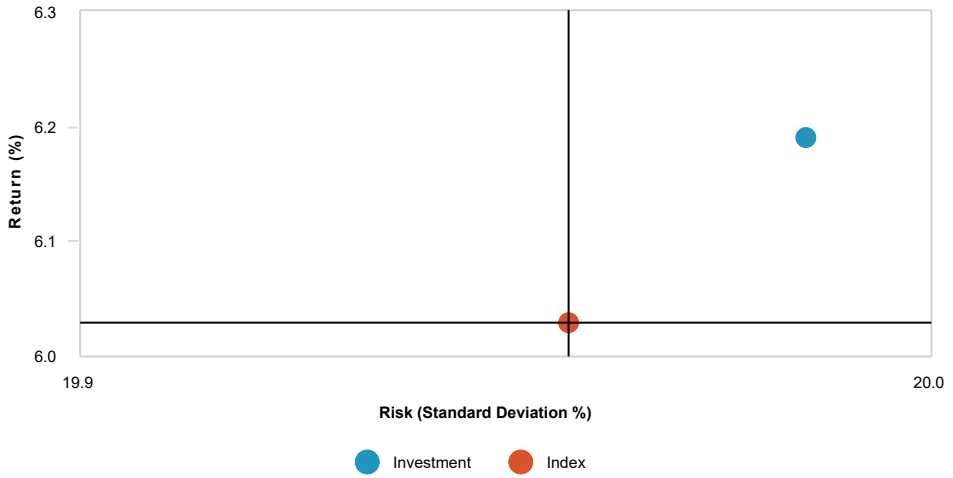
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	6.19	19.99	0.22	100.35	12	99.81	8
Index	6.03	19.96	0.21	100.00	12	100.00	8

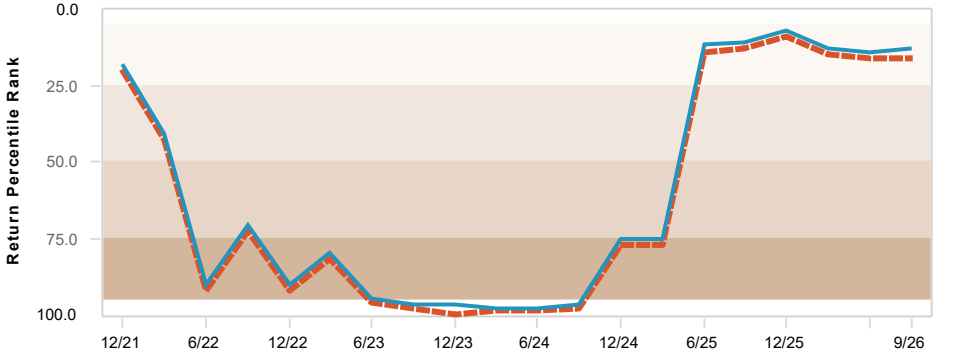
Risk and Return 3 Years



Risk and Return 5 Years

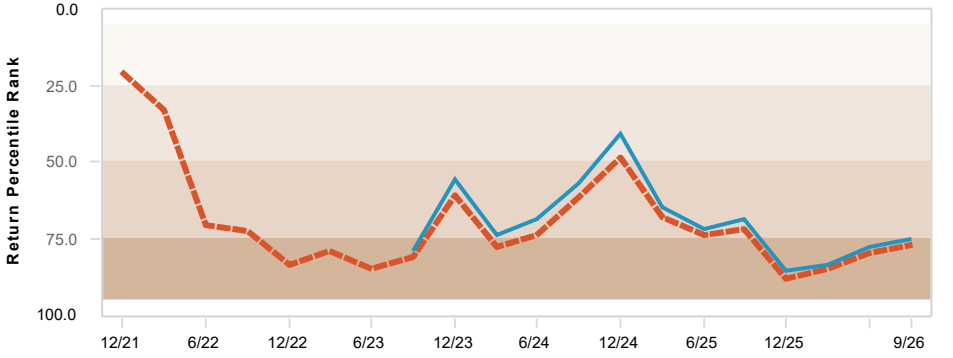


3 Years Rolling Percentile Ranking vs. Mid-Cap Blend



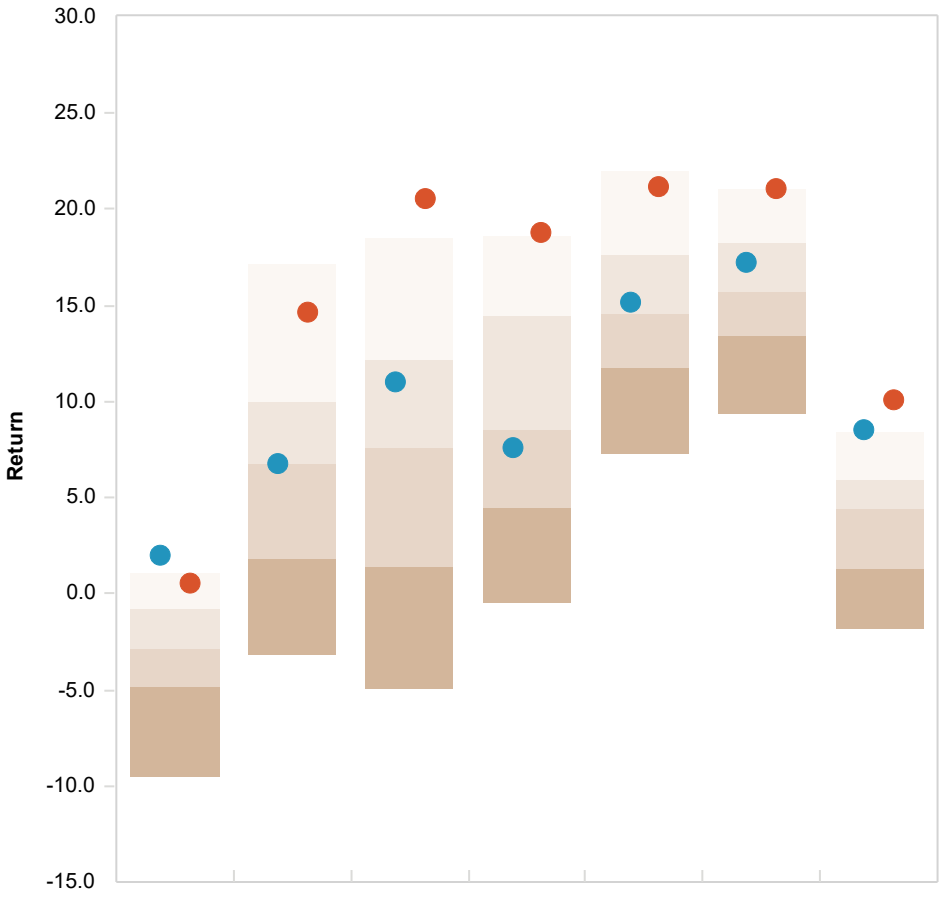
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	7 (35%)	1 (5%)	3 (15%)	9 (45%)
Index	20	7 (35%)	1 (5%)	1 (5%)	11 (55%)

5 Years Rolling Percentile Ranking vs. Mid-Cap Blend



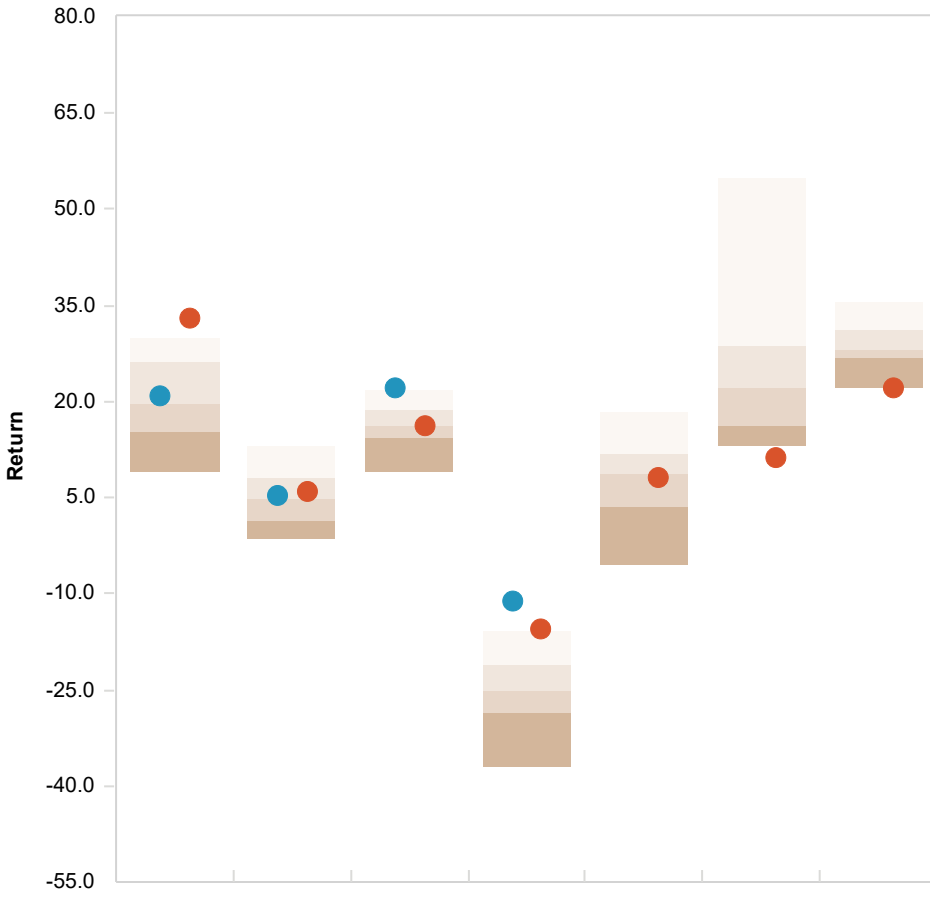
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	13	0 (0%)	1 (8%)	8 (62%)	4 (31%)
Index	20	1 (5%)	2 (10%)	8 (40%)	9 (45%)

Peer Group Analysis - Foreign Large Growth



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	2.00 (2)	6.81 (50)	11.05 (32)	7.58 (57)	15.18 (42)	17.22 (33)	8.56 (5)
Index	0.57 (10)	14.66 (7)	20.52 (2)	18.82 (5)	21.15 (9)	21.12 (5)	10.11 (2)
Median	-2.84	6.80	7.58	8.59	14.53	15.71	4.42

Peer Group Analysis - Foreign Large Growth



	2025	2024	2023	2022	2021	2020	2019
Investment	20.88 (41)	5.21 (44)	22.09 (5)	-11.03 (1)	N/A	N/A	N/A
Index	33.11 (4)	6.09 (39)	16.21 (50)	-15.57 (5)	8.29 (55)	11.13 (97)	22.13 (96)
Median	19.67	4.86	16.15	-25.10	8.85	22.25	28.16

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	-0.04 (99)	4.76 (2)	3.97 (12)	0.35 (70)	7.04 (97)	8.24 (3)
Index	14.69 (43)	-0.60 (14)	5.11 (2)	7.03 (4)	12.30 (65)	5.36 (17)
Median	14.40	-3.72	1.32	2.39	13.01	2.35

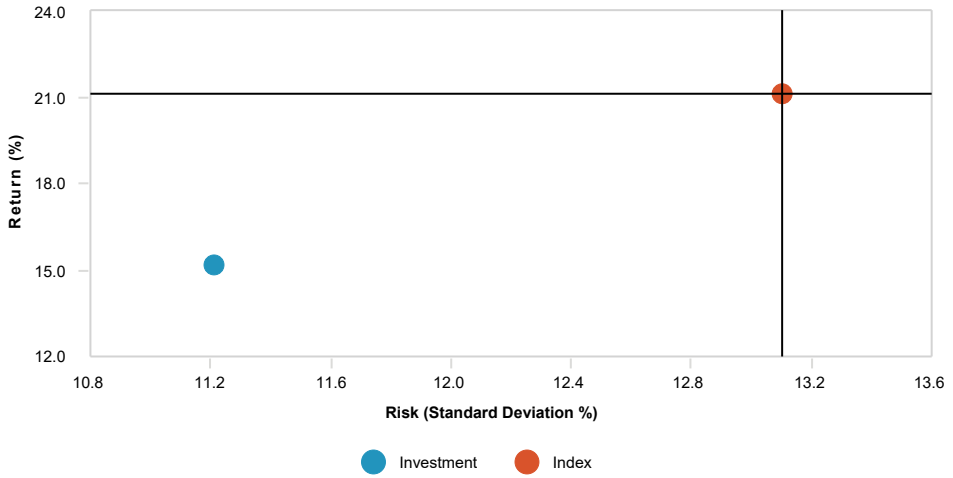
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	15.18	11.21	0.93	66.39	10	51.36	2
Index	21.15	13.10	1.21	100.00	10	100.00	2

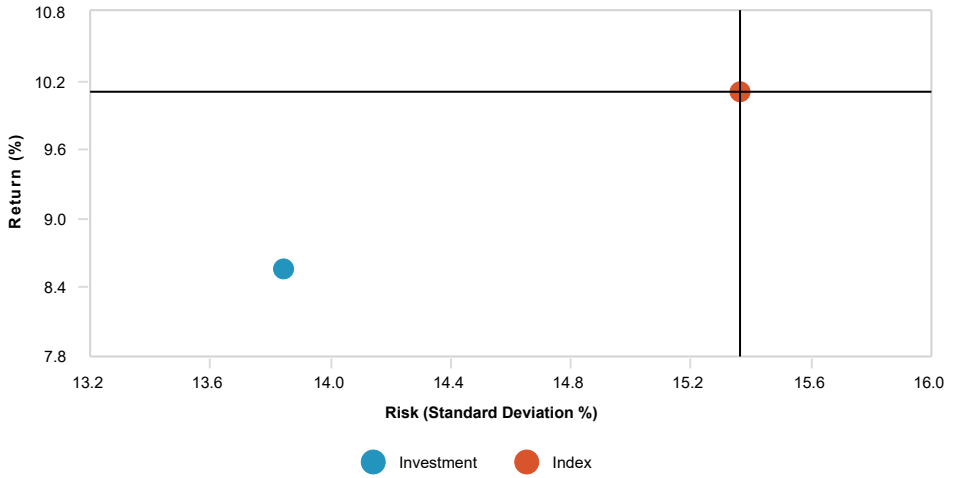
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	8.56	13.84	0.40	80.68	14	77.97	6
Index	10.11	15.36	0.47	100.00	14	100.00	6

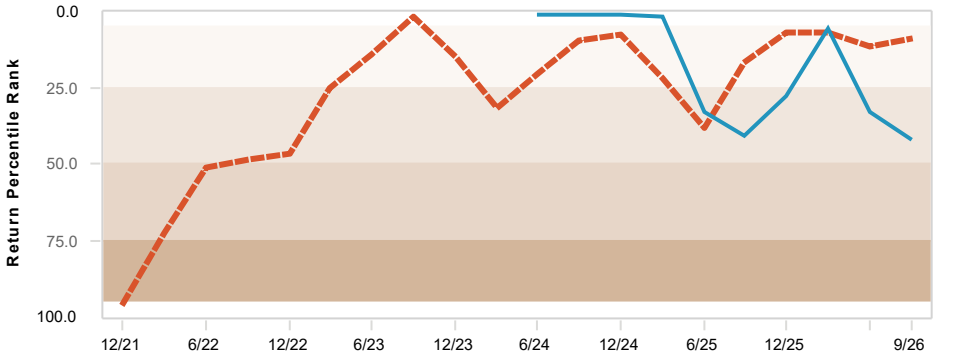
Risk and Return 3 Years



Risk and Return 5 Years

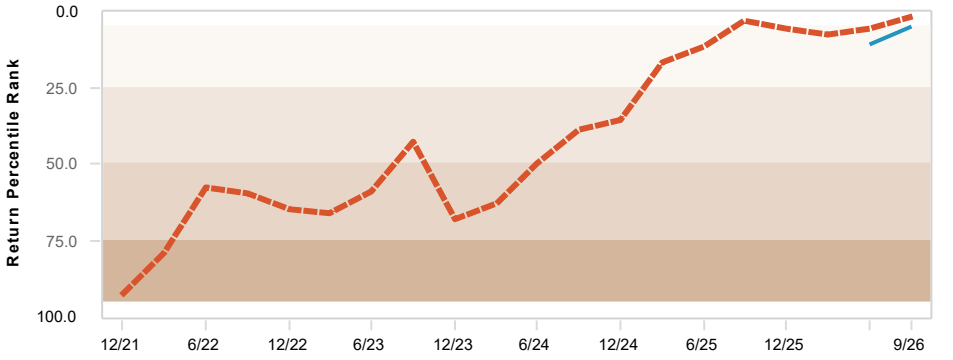


3 Years Rolling Percentile Ranking vs. Foreign Large Growth



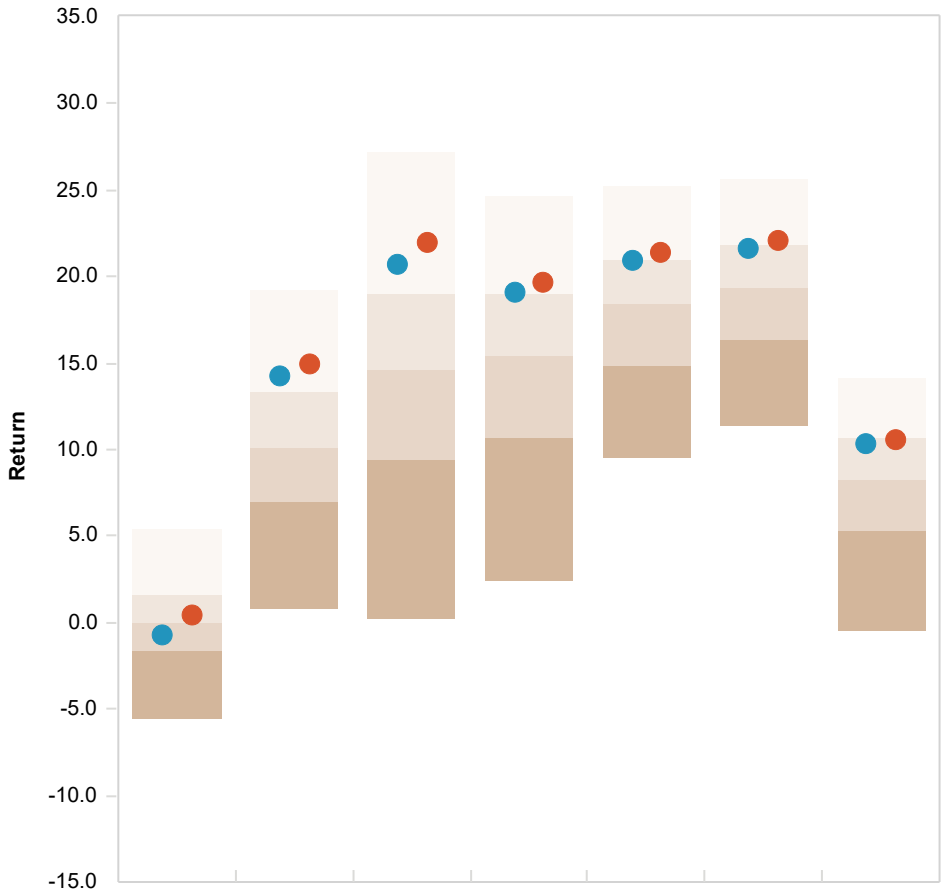
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	10	5 (50%)	5 (50%)	0 (0%)	0 (0%)
Index	20	13 (65%)	4 (20%)	2 (10%)	1 (5%)

5 Years Rolling Percentile Ranking vs. Foreign Large Growth



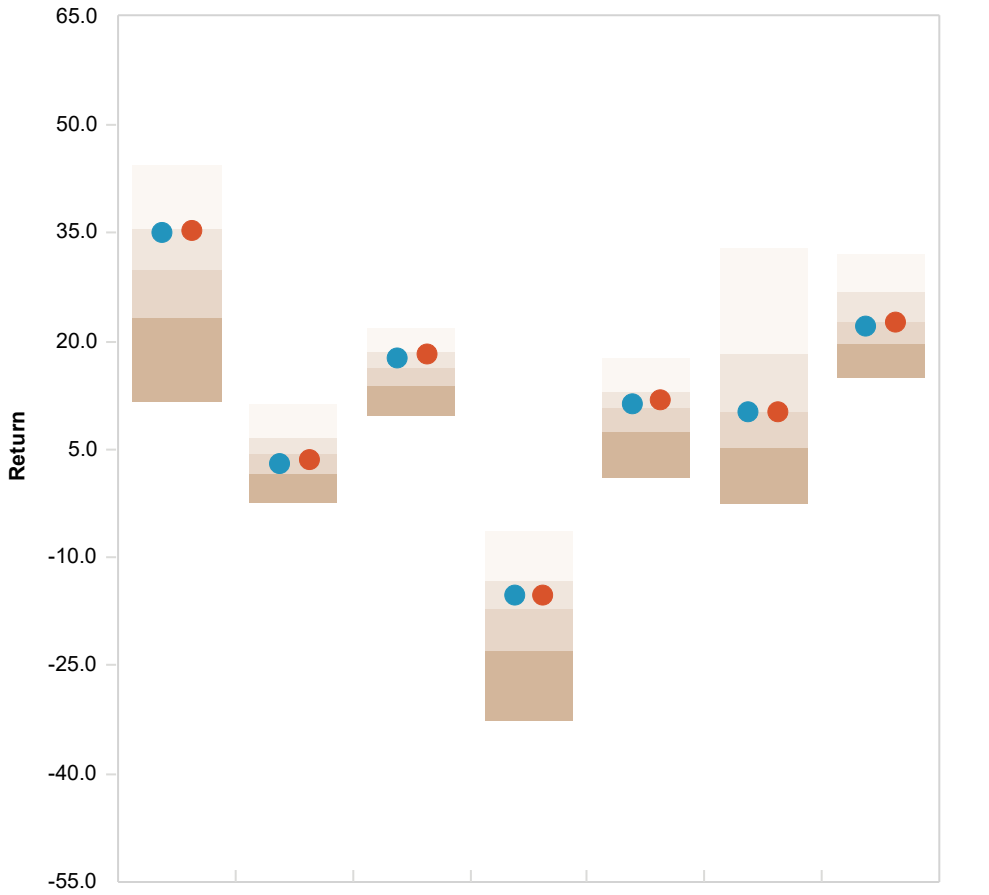
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	2	2 (100%)	0 (0%)	0 (0%)	0 (0%)
Index	20	7 (35%)	4 (20%)	7 (35%)	2 (10%)

Peer Group Analysis - Foreign



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-0.68 (62)	14.21 (20)	20.76 (17)	19.09 (25)	20.91 (26)	21.68 (28)	10.30 (28)
Index	0.39 (42)	14.92 (17)	21.96 (13)	19.69 (22)	21.35 (22)	22.05 (24)	10.63 (26)
Median	0.00	10.15	14.59	15.39	18.36	19.37	8.25

Peer Group Analysis - Foreign



	2025	2024	2023	2022	2021	2020	2019
Investment	35.17 (27)	3.04 (65)	17.67 (36)	-15.32 (40)	11.43 (41)	10.26 (51)	22.05 (56)
Index	35.28 (27)	3.68 (58)	18.33 (28)	-15.32 (40)	11.88 (37)	10.29 (50)	22.71 (51)
Median	29.95	4.33	16.23	-17.07	10.72	10.27	22.73

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	12.22 (31)	2.47 (23)	5.74 (21)	5.79 (36)	13.07 (36)	6.87 (42)
Index	14.15 (22)	0.28 (52)	6.12 (17)	6.00 (33)	13.55 (29)	5.91 (54)
Median	10.05	0.43	4.03	4.62	12.23	6.23

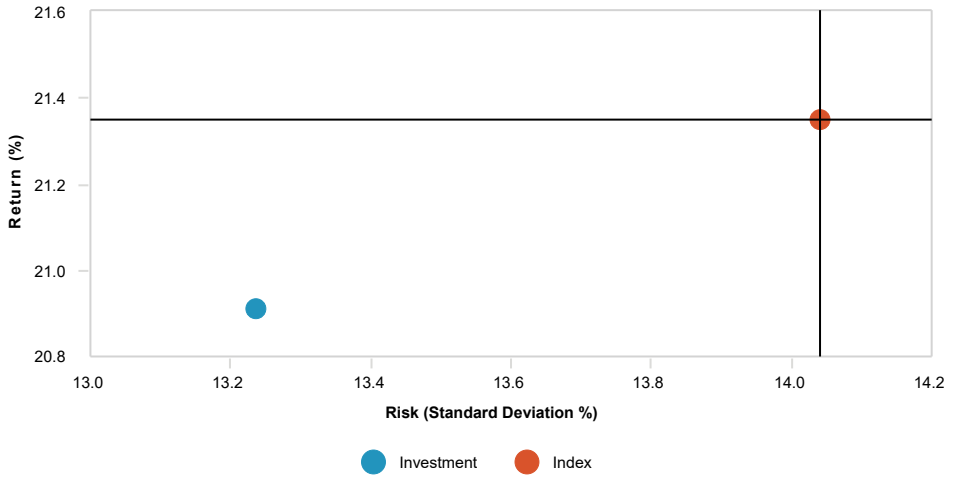
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	20.91	13.23	1.18	98.72	9	100.73	3
Index	21.35	14.04	1.15	100.00	10	100.00	2

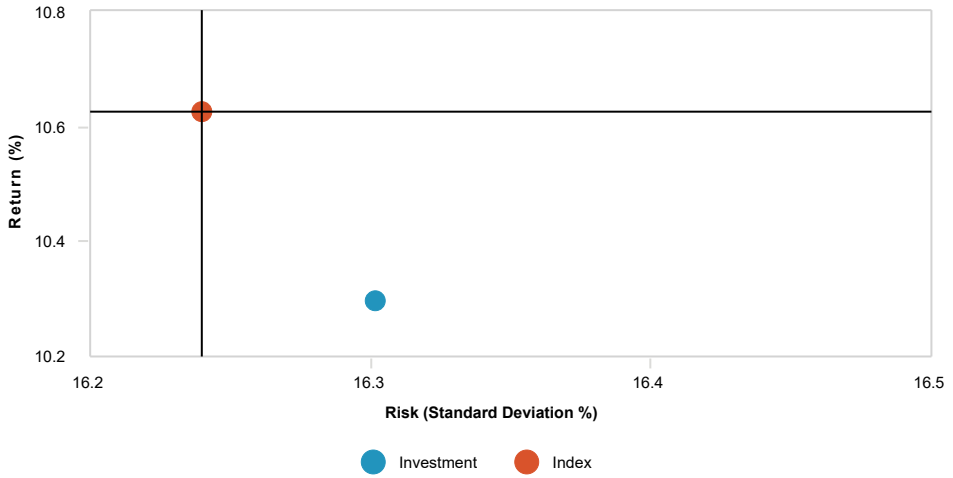
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	10.30	16.30	0.46	101.65	13	104.40	7
Index	10.63	16.24	0.48	100.00	14	100.00	6

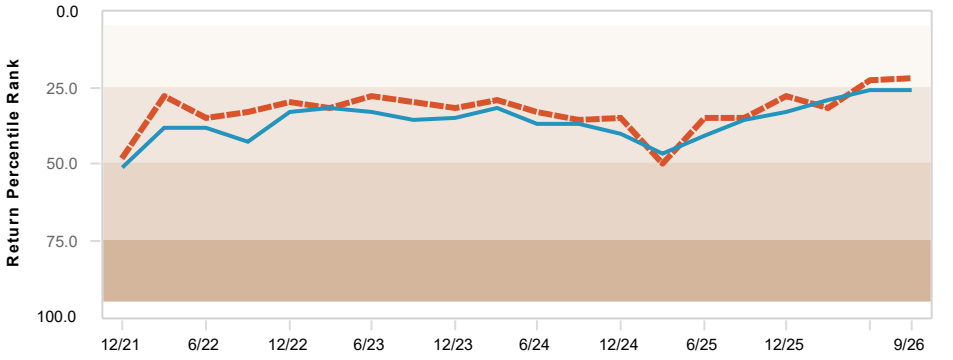
Risk and Return 3 Years



Risk and Return 5 Years

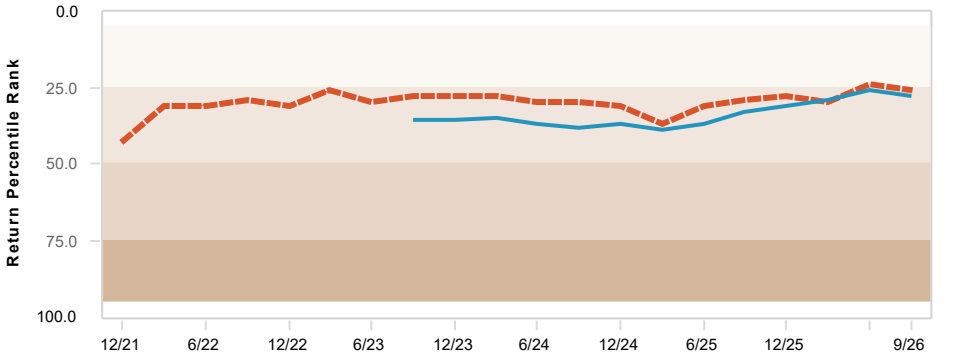


3 Years Rolling Percentile Ranking vs. Foreign



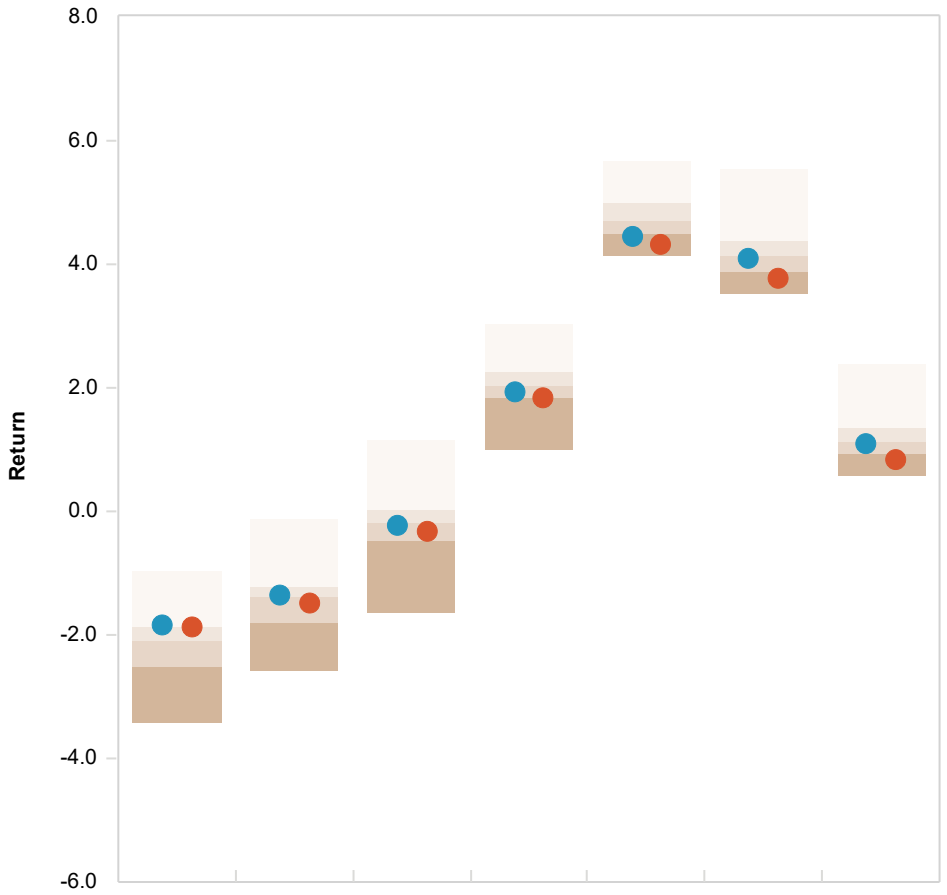
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	0 (0%)	19 (95%)	1 (5%)	0 (0%)
Index	20	2 (10%)	18 (90%)	0 (0%)	0 (0%)

5 Years Rolling Percentile Ranking vs. Foreign



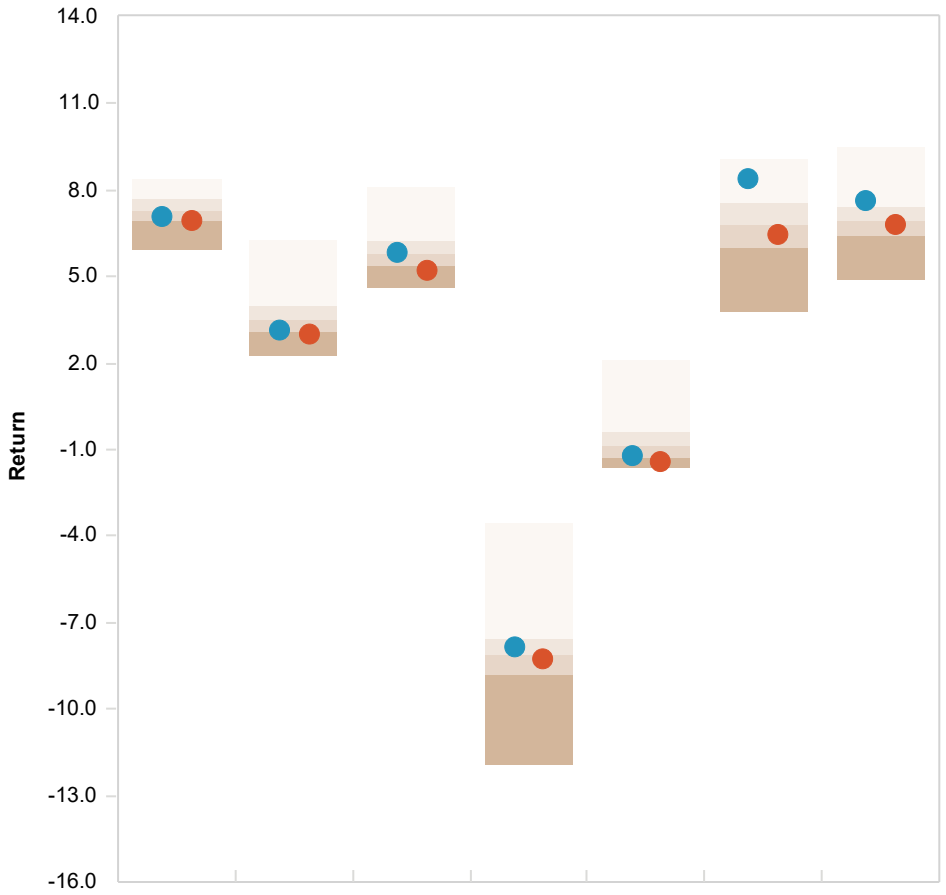
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	13	0 (0%)	13 (100%)	0 (0%)	0 (0%)
Index	20	1 (5%)	19 (95%)	0 (0%)	0 (0%)

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-1.83 (17)	-1.37 (47)	-0.23 (53)	1.94 (63)	4.44 (80)	4.08 (54)	1.10 (52)
Index	-1.88 (28)	-1.49 (58)	-0.31 (64)	1.83 (77)	4.31 (90)	3.78 (87)	0.83 (83)
Median	-2.08	-1.39	-0.19	2.04	4.72	4.12	1.12

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	2025	2024	2023	2022	2021	2020	2019
Investment	7.06 (68)	3.13 (75)	5.81 (44)	-7.81 (34)	-1.19 (69)	8.42 (9)	7.63 (21)
Index	6.97 (75)	3.00 (79)	5.24 (81)	-8.24 (59)	-1.44 (88)	6.43 (66)	6.80 (61)
Median	7.29	3.50	5.74	-8.13	-0.90	6.81	6.95

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	0.58 (61)	-0.11 (93)	1.16 (77)	1.43 (91)	1.66 (59)	2.63 (21)
Index	0.43 (89)	-0.02 (86)	1.20 (68)	1.51 (84)	1.67 (56)	2.42 (61)
Median	0.62	0.12	1.24	1.72	1.68	2.46

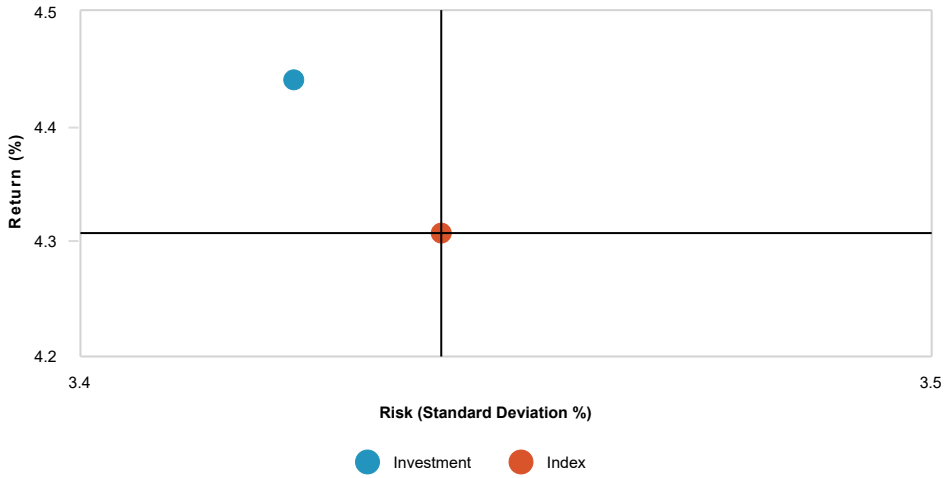
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	4.44	3.43	0.00	100.93	9	97.94	3
Index	4.31	3.44	-0.04	100.00	8	100.00	4

Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.10	4.16	-0.62	101.39	11	96.66	9
Index	0.83	4.19	-0.68	100.00	10	100.00	10

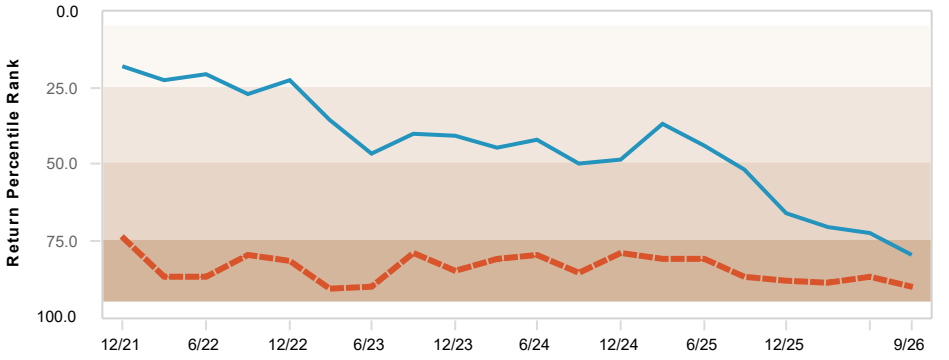
Risk and Return 3 Years



Risk and Return 5 Years

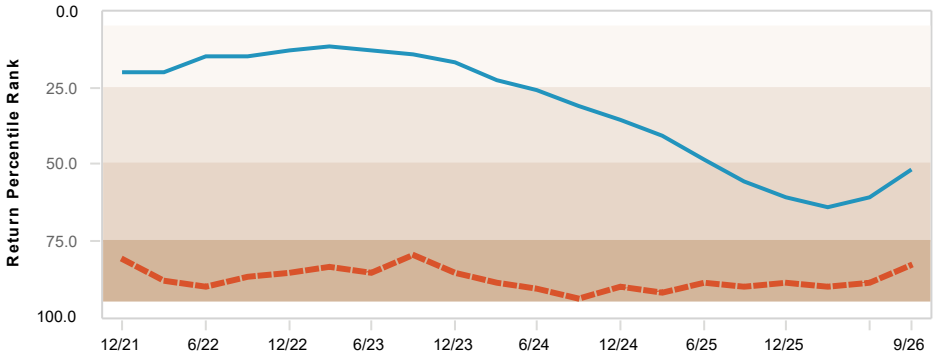


3 Years Rolling Percentile Ranking vs. IM U.S. Intermediate Duration (SA+CF)



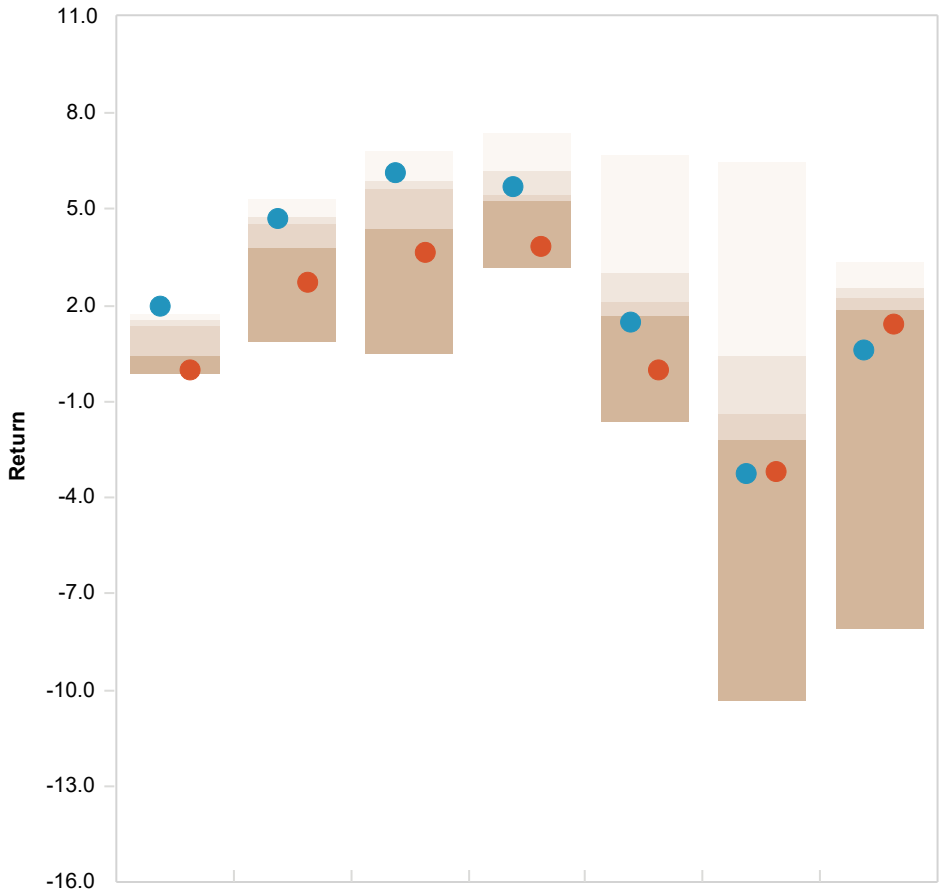
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	4 (20%)	11 (55%)	4 (20%)	1 (5%)
Index	20	0 (0%)	0 (0%)	1 (5%)	19 (95%)

5 Years Rolling Percentile Ranking vs. IM U.S. Intermediate Duration (SA+CF)



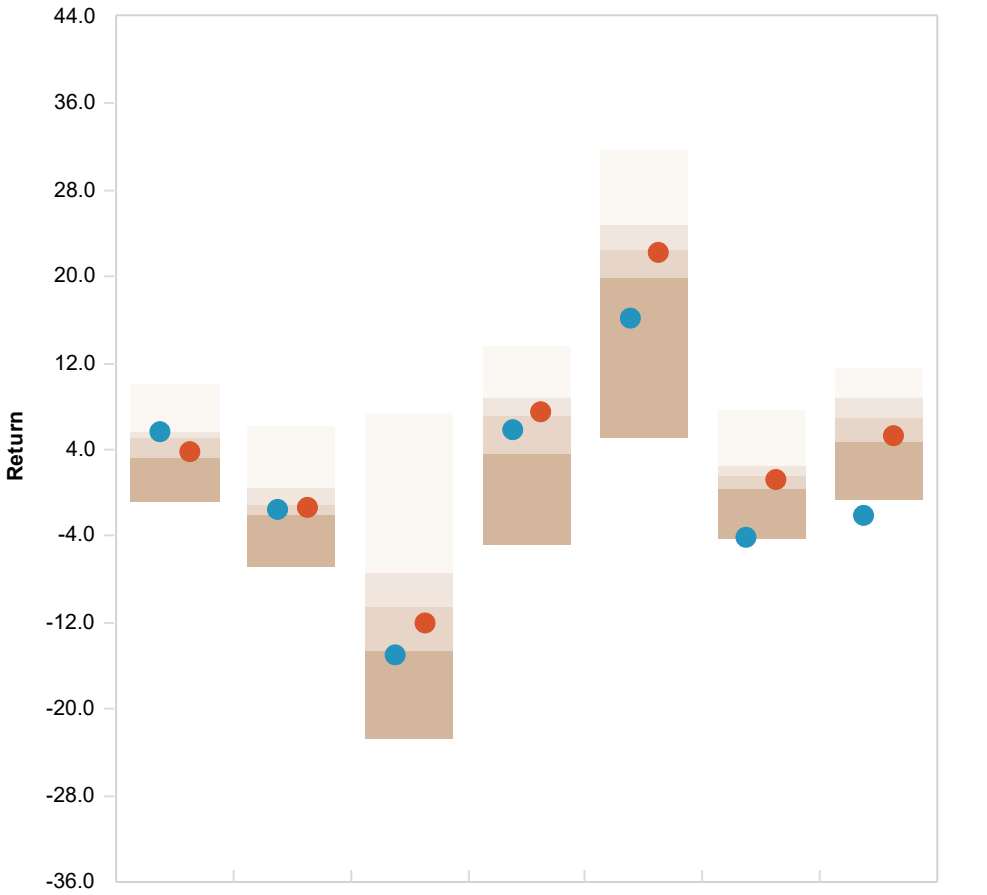
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	10 (50%)	5 (25%)	5 (25%)	0 (0%)
Index	20	0 (0%)	0 (0%)	0 (0%)	20 (100%)

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	1.97 (1)	4.71 (32)	6.12 (12)	5.69 (37)	1.49 (80)	-3.22 (92)	0.59 (90)
Index	0.00 (84)	2.75 (79)	3.69 (79)	3.86 (92)	0.01 (93)	-3.18 (92)	1.42 (84)
Median	1.35	4.51	5.66	5.49	2.07	-1.37	2.22

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	2025	2024	2023	2022	2021	2020	2019
Investment	5.65 (26)	-1.59 (67)	-14.98 (83)	5.90 (57)	16.22 (81)	-4.03 (94)	-2.11 (97)
Index	3.79 (70)	-1.43 (61)	-12.02 (58)	7.47 (45)	22.17 (53)	1.19 (60)	5.34 (72)
Median	5.11	-1.21	-10.49	7.13	22.49	1.56	6.93

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	1.54 (56)	1.13 (67)	1.35 (28)	1.17 (57)	1.55 (44)	1.47 (32)
Index	1.49 (64)	1.25 (56)	0.91 (61)	0.73 (85)	1.03 (75)	1.06 (62)
Median	1.61	1.28	1.13	1.28	1.30	1.18

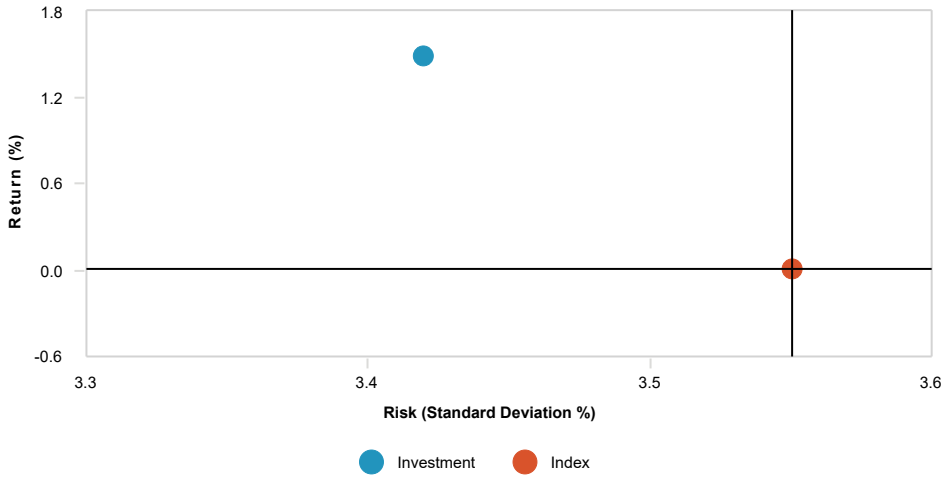
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.49	3.42	-0.81	141.80	9	85.74	3
Index	0.01	3.55	-1.19	100.00	9	100.00	3

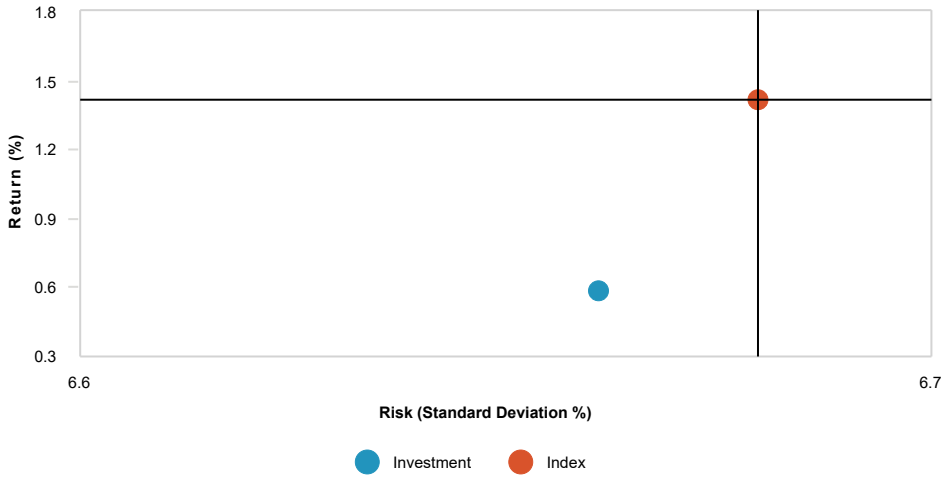
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	0.59	6.66	-0.41	96.94	13	115.93	7
Index	1.42	6.68	-0.29	100.00	13	100.00	7

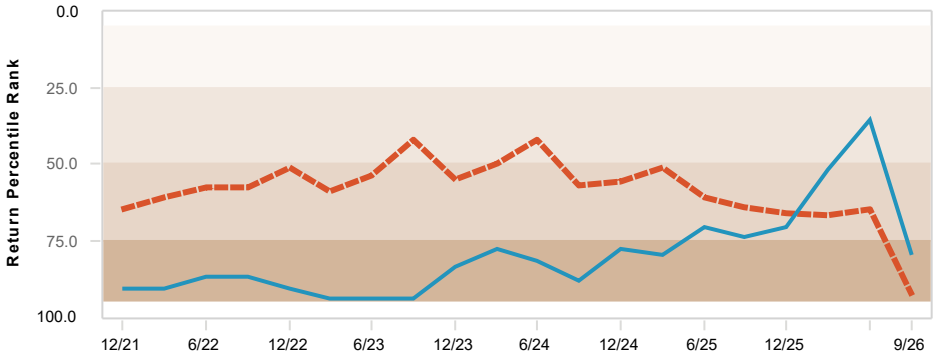
Risk and Return 3 Years



Risk and Return 5 Years

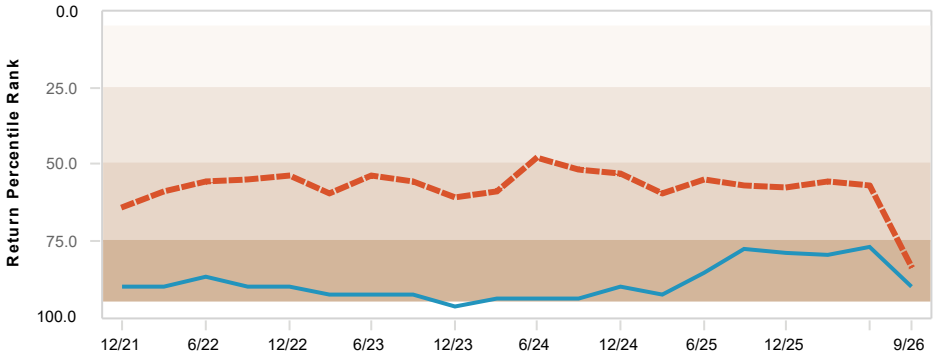


3 Years Rolling Percentile Ranking vs. IM U.S. Open End Private Real Estate (SA+CF)



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	0 (0%)	1 (5%)	4 (20%)	15 (75%)
Index	20	0 (0%)	3 (15%)	16 (80%)	1 (5%)

5 Years Rolling Percentile Ranking vs. IM U.S. Open End Private Real Estate (SA+CF)



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	0 (0%)	0 (0%)	0 (0%)	20 (100%)
Index	20	0 (0%)	1 (5%)	18 (90%)	1 (5%)

	Estimated Annual Fee (%)	Market Value ($)	Estimated Annual Fee ($)	Fee Schedule
Fidelity 500 Index (FXAIX)	0.02	14,155,853	2,123	0.02 % of Assets
Vanguard Extended Mkt Index (VIEIX)	0.05	5,096,562	2,548	0.05 % of Assets
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	0.77	4,886,947	37,629	0.77 % of Assets
Vanguard FTSE Developed Markets Index (VTMGX)	0.07	5,362,708	3,754	0.07 % of Assets
Loomis Sayles Fixed Income	0.20	13,826,788	27,654	0.20 % of Assets
UBS Trumbull Property Fund	0.90	1,853,368	16,680	0.90 % of Assets
Cash Account		207,293	-	
Total Fund	**0.20**	**45,389,520**	**90,389**	

Fee information on this page is an illustrative estimate of management fees based on current reported portfolio values. Fee estimates do not reflect actual calculation methodologies or applicable carried interest.

	Market Value 07/01/2026	Net Transfers	Contributions	Distributions	Management Fees	Return On Investment	Market Value 09/30/2026
Total Fund	**46,336,095**	**-**	**255,544**	**-1,021,247**	**-9,963**	**-148,669**	**45,389,520**
Total Domestic Equity	**19,244,060**	**-**	**-**	**-**	**-**	**8,356**	**19,252,416**
Fidelity 500 Index (FXAIX)	13,837,830	-	-	-	-	318,023	14,155,853
Vanguard Extended Mkt Index (VIEIX)	5,406,230	-	-	-	-	-309,667	5,096,562
Total International Equity	**10,190,374**	**-**	**-**	**-**	**-**	**59,282**	**10,249,655**
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	4,791,205	-	-	-	-	95,743	4,886,947
Vanguard FTSE Developed Markets Index (VTMGX)	5,399,169	-	-	-	-	-36,461	5,362,708
Total Domestic Fixed Income	**14,100,238**	**-**	**-**	**-**	**-7,050**	**-257,950**	**13,826,788**
Loomis Sayles Fixed Income	14,100,238	-	-	-	-7,050	-257,950	13,826,788
Total Real Estate	**1,831,311**	**-10,892**	**-**	**-**	**-2,913**	**35,862**	**1,853,368**
UBS Trumbull Property Fund	1,831,311	-10,892	-	-	-2,913	35,862	1,853,368
Cash Account	**970,113**	**10,892**	**255,544**	**-1,021,247**	**-**	**5,781**	**207,293**

	Market Value 01/01/2026	Net Transfers	Contributions	Distributions	Management Fees	Return On Investment	Market Value 09/30/2026
Total Fund	**44,446,716**	**-**	**1,166,189**	**-3,231,969**	**-32,624**	**3,097,483**	**45,389,520**
Total Domestic Equity	**17,510,962**	**-420,000**	**-**	**-**	**-**	**2,161,454**	**19,252,416**
Fidelity 500 Index (FXAIX)	12,833,248	-300,000	-	-	-	1,622,605	14,155,853
Vanguard Extended Mkt Index (VIEIX)	4,677,714	-120,000	-	-	-	538,848	5,096,562
Total International Equity	**9,629,664**	**-400,000**	**-**	**-**	**-**	**1,019,991**	**10,249,655**
Goldman Sachs GQG Partners Intl Opp R6 (GSIYX)	4,575,274	-	-	-	-	311,673	4,886,947
Vanguard FTSE Developed Markets Index (VTMGX)	5,054,390	-400,000	-	-	-	708,318	5,362,708
Total Domestic Fixed Income	**14,552,403**	**-500,000**	**-**	**-**	**-21,358**	**-187,402**	**13,826,788**
Loomis Sayles Fixed Income	14,552,403	-500,000	-	-	-21,358	-187,402	13,826,788
Total Real Estate	**1,838,820**	**-58,452**	**-**	**-**	**-11,265**	**84,266**	**1,853,368**
UBS Trumbull Property Fund	1,838,820	-58,452	-	-	-11,265	84,266	1,853,368
Cash Account	**914,867**	**1,378,452**	**1,166,189**	**-3,231,969**	**-**	**19,175**	**207,293**

Total Fund

Allocation Mandate	Weight (%)
Jan-1976	
S&P 500 Value	45.00
Blmbg. U.S. Aggregate Index	55.00
Jan-2002	
S&P 500 Value	40.00
Blmbg. U.S. Aggregate Index	50.00
Russell 2000 Index	10.00
Apr-2003	
S&P 500 Value	50.00
Blmbg. U.S. Aggregate Index	40.00
Russell 2000 Index	10.00
Apr-2004	
S&P 500 Value	27.50
Russell 1000 Growth Index	17.50
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	40.00
Jan-2006	
S&P 500 Value	22.50
Russell 1000 Growth Index	22.50
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	40.00
Jan-2007	
S&P 500 Value	17.50
Russell 1000 Growth Index	27.50
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	40.00
Jan-2008	
S&P 500 Value	17.50
Russell 1000 Growth Index	27.50
Russell 2000 Index	5.00
Bloomberg Intermediate US Govt/Credit Idx	35.00
MSCI AC World ex USA	10.00
NCREIF Fund Index-ODCE (VW)	5.00

Allocation Mandate	Weight (%)
Jan-2009	
S&P 500 Value	20.00
Russell 1000 Growth Index	25.00
Russell 2000 Index	5.00
Bloomberg Intermediate US Govt/Credit Idx	35.00
MSCI AC World ex USA	10.00
NCREIF Fund Index-ODCE (VW)	5.00
Jul-2012	
S&P 500 Value	20.00
Russell 1000 Growth Index	20.00
Russell 2000 Index	5.00
Bloomberg Intermediate US Govt/Credit Idx	32.50
Blmbg. U.S. Corp High Yield	2.50
NCREIF Fund Index-ODCE (VW)	5.00
MSCI AC World ex USA	15.00
Jul-2014	
S&P 500 Value	25.00
S&P 500 Low Volatility Index TR	20.00
Bloomberg Intermediate US Govt/Credit Idx	30.00
Blmbg. U.S. Corp High Yield	10.00
NCREIF Fund Index-ODCE (VW)	5.00
MSCI AC World ex USA	10.00
Jan-2016	
S&P 500 Value	20.00
S&P 500 Low Volatility Index TR	25.00
Bloomberg Intermediate US Govt/Credit Idx	25.00
Blmbg. U.S. Corp High Yield	10.00
NCREIF Fund Index-ODCE (VW)	10.00
MSCI AC World ex USA	10.00
Sep-2018	
S&P 500 Low Volatility Index TR	11.50
S&P 500 Index	11.50
S&P Completion Index	15.00
FTSE Developed All Cap ex-U.S. Index	10.00
MSCI AC World ex USA (Net)	10.00
Bloomberg Intermediate US Govt/Credit Idx	21.00
Blmbg. U.S. Corp High Yield	10.00
NCREIF Fund Index-ODCE (VW)	9.00
90 Day U.S. Treasury Bill	2.00

Allocation Mandate	Weight (%)
Jan-2021	
S&P 500 Low Volatility Index TR	14.00
S&P 500 Index	14.00
S&P Completion Index	10.00
FTSE Developed All Cap ex-U.S. Index	10.00
MSCI AC World ex USA (Net)	10.00
Bloomberg Intermediate US Govt/Credit Idx	31.00
NCREIF Fund Index-ODCE (VW)	9.00
90 Day U.S. Treasury Bill	2.00
Aug-2025	
S&P 500 Index	28.00
S&P Completion Index	10.00
FTSE Developed All Cap ex-U.S. Index	10.00
MSCI AC World ex USA (Net)	10.00
Bloomberg Intermediate US Govt/Credit Idx	31.00
NCREIF Fund Index-ODCE (VW)	9.00
90 Day U.S. Treasury Bill	2.00

Active Return - Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.

Alpha - A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.

Beta - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.

Consistency - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.

Distributed to Paid In (DPI) - The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.

Down Market Capture - The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance

Downside Risk - A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.

Excess Return - Arithmetic difference between the manager's performance and the risk-free return over a specified time period.

Excess Risk - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

Information Ratio - This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.

Public Market Equivalent (PME) - Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.

R-Squared - The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.

Return - Compounded rate of return for the period.

Sharpe Ratio - Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.

Standard Deviation - A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.

Total Value to Paid In (TVPI) - The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life

Tracking Error - This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.

Treynor Ratio - Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.

Up Market Capture - The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

IMPORTANT DISCLOSURE INFORMATION

Mariner Institutional compiled this report for the sole use of the client for which it was prepared. Mariner Institutional is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. Mariner Institutional uses the results from this evaluation to make observations and recommendations to the client.

Mariner Institutional uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. Mariner Institutional analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides Mariner Institutional with a reasonable basis for the performance information presented. This methodology of evaluating and measuring performance provides Mariner Institutional with a practical foundation for our observations and recommendations.

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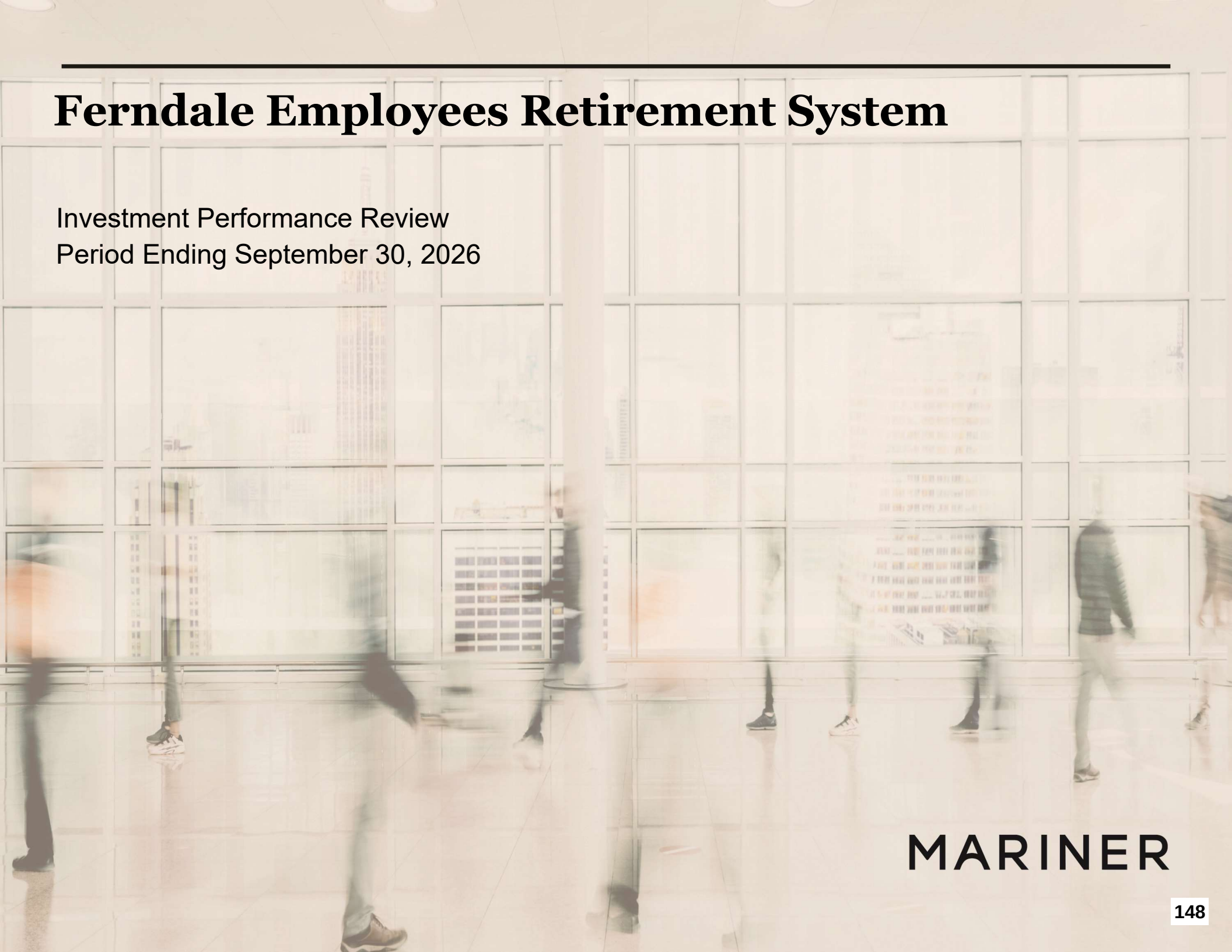
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MARINER

Access is everything.

Ferndale Employees Retirement System

Investment Performance Review
Period Ending September 30, 2026



MARINER

Equities	Index Returns (%) Month	3 M	YTD	1 Year	3 Yr Ann	5 Yr Ann
S&P 500 Total Return	(0.35)	2.30	12.75	15.74	22.89	13.79
Russell Midcap Index	(4.17)	(3.00)	11.84	12.02	17.20	8.04
Russell 2000 Index	(5.25)	(7.23)	13.71	16.20	17.72	6.34
Russell 1000 Growth Index	2.16	0.92	6.30	7.50	24.26	13.66
Russell 1000 Value Index	(3.13)	2.61	19.27	23.81	20.07	11.92
Russell 3000 Index	(0.84)	1.41	12.42	15.13	22.26	12.64
MSCI EAFE NR	(3.05)	0.81	10.33	15.69	18.40	9.32
MSCI EM NR	(0.56)	(0.37)	23.38	29.22	24.09	8.94

Russell Indices Style Returns

YTD

	V	B	G
L	19.3	12.3	6.3
M	15.3	11.8	1.0
S	17.0	13.7	10.7

2025

	V	B	G
L	15.9	17.4	18.6
M	11.0	10.6	8.7
S	12.6	12.8	13.0

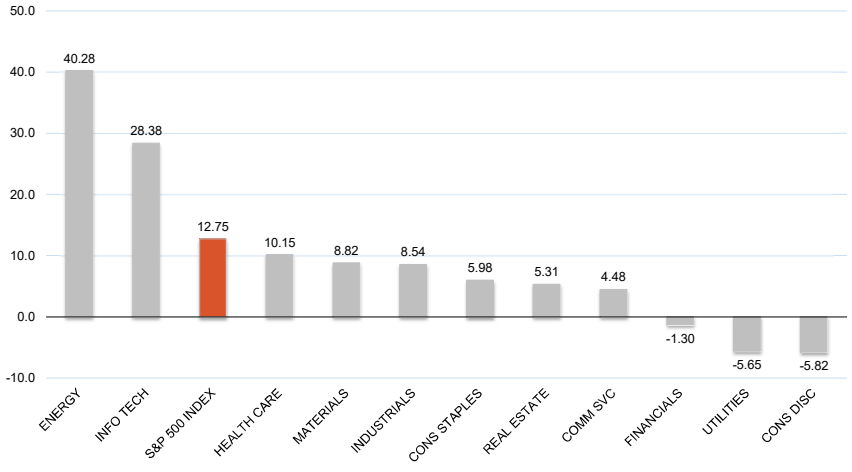
Fixed Income	Index Returns (%) Month	3 M	YTD	1 Year	Mod. Adj. Duration	Yield to Worst
U.S. Aggregate	(2.61)	(3.51)	(2.91)	(1.84)	5.77	5.56
U.S. Corporate Investment Grade	(2.72)	(3.94)	(3.11)	(2.30)	6.41	6.04
U.S. Corporate High Yield	(2.52)	(1.82)	0.10	1.41	3.20	8.35
Global Aggregate	(2.38)	(2.46)	(2.67)	(2.43)	6.09	4.44

Currencies	Levels 09/30/26	12/31/25	12/31/24
Euro Spot	1.13	1.17	1.10
British Pound Spot	1.33	1.35	1.27
Japanese Yen Spot	157.41	156.71	141.04
Swiss Franc Spot	0.84	0.79	0.84
U.S. Dollar Index	1,219.60	1,203.56	1,309.66

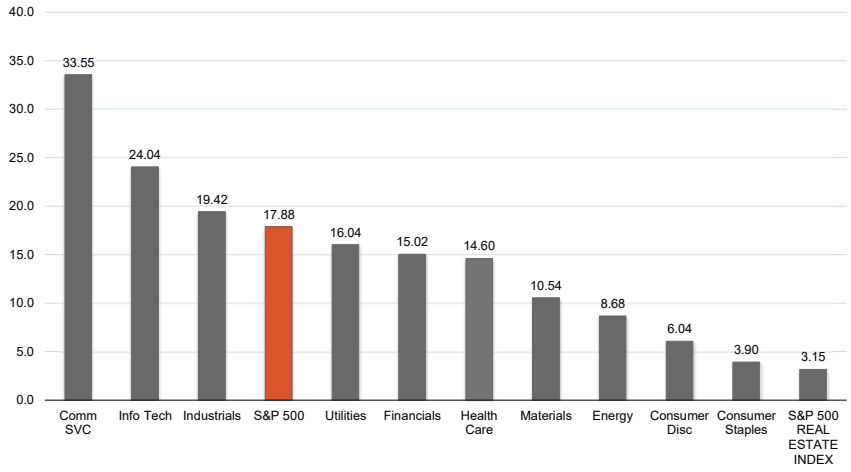
Key Rates	Levels (%) 09/30/26	12/31/25	12/31/24	12/31/23	12/31/22
US Generic Govt 3 Mth	4.11	3.63	4.31	5.33	4.34
US Generic Govt 2 Yr	4.89	3.47	4.24	4.25	4.43
US Generic Govt 10 Yr	5.28	4.17	4.57	3.88	3.87
US Generic Govt 30 Yr	5.63	4.84	4.78	4.03	3.96
Secured Overnight Financing Rate	3.90	3.87	4.49	5.38	4.30
Euribor 3 Month ACT/360	2.62	2.03	2.71	3.91	2.13
Bankrate 30Y Mortgage Rates Na	7.23	6.25	7.28	6.99	6.66
Prime	7.00	6.75	7.50	8.50	7.50

Commodities	Levels 09/30/26	12/31/25	12/31/24
Oil	90.42	57.42	71.65
Gasoline	4.41	2.83	3.11
Natural Gas	3.03	3.69	2.51
Gold	4,186.70	4,341.10	2,071.80
Silver	60.57	70.60	24.09
Copper	662.15	568.20	389.05
Corn	500.75	440.25	471.25
BBG Commodity TR Idx	367.05	276.25	226.43

YTD Sector Returns



2025 Sector Returns



Source: Bloomberg, Investment Metrics, & Federal Reserve Bank of St. Louis. For informational purposes only and should not be regarded as investment advice. Information is based on sources and data believed to be reliable, but Mariner Institutional cannot guarantee the accuracy, adequacy or completeness of the information. The material provided herein is valid only as of the date of distribution and not as of any future date.

*Heat maps are displayed utilizing a 9-color scale, with green as the highest return for the time period noted and red as the lowest return for the time period noted. Color scales within each time period are mutually exclusive.

Market Summary:

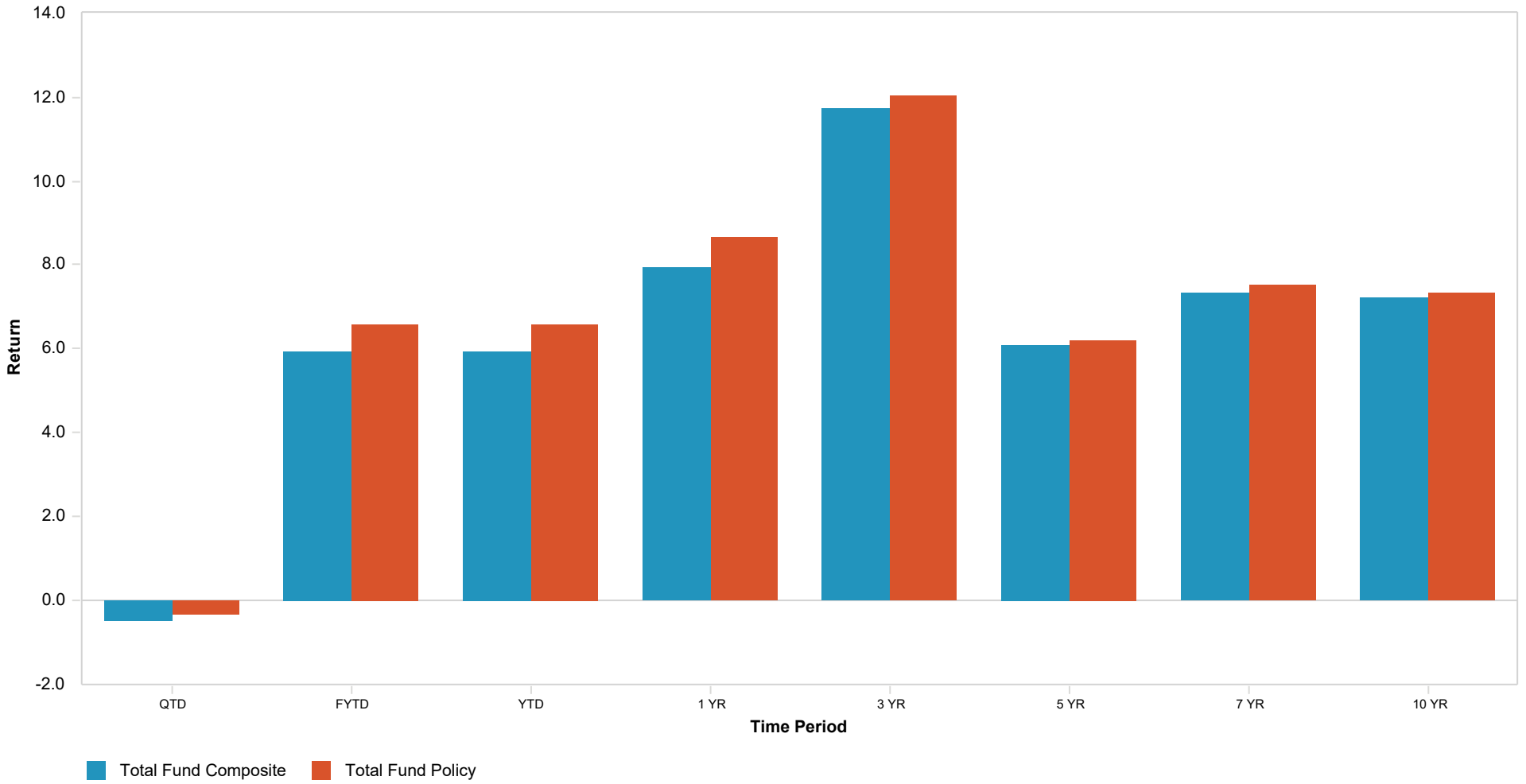
The third quarter was marked by several notable market reversals, including rising oil prices and shifting leadership within domestic equities. Market leadership rotated among large-cap value, small-cap, and large-cap growth stocks, reflecting changing investor sentiment and economic expectations. Despite this volatility, the S&P 500 Index generated a solid 2.30% return, while small-cap stocks struggled, with the Russell 2000 Index declining 7.23%. International equity markets delivered mixed results, as modest gains in developed markets were partially offset by losses in emerging markets. Fixed income markets also faced significant headwinds during the quarter. Persistent inflationary pressures, Federal Reserve monetary policy, and increased Treasury issuance contributed to rising interest rates, with yields reaching levels not seen in more than two decades. The sharp increase in yields weighed heavily on bond prices, resulting in a 3.51% decline for the Bloomberg U.S. Aggregate Bond Index. Overall, the quarter highlighted the challenges of an evolving economic environment, as shifting equity market leadership and rising interest rates created significant performance differences across asset classes.

Portfolio Comments

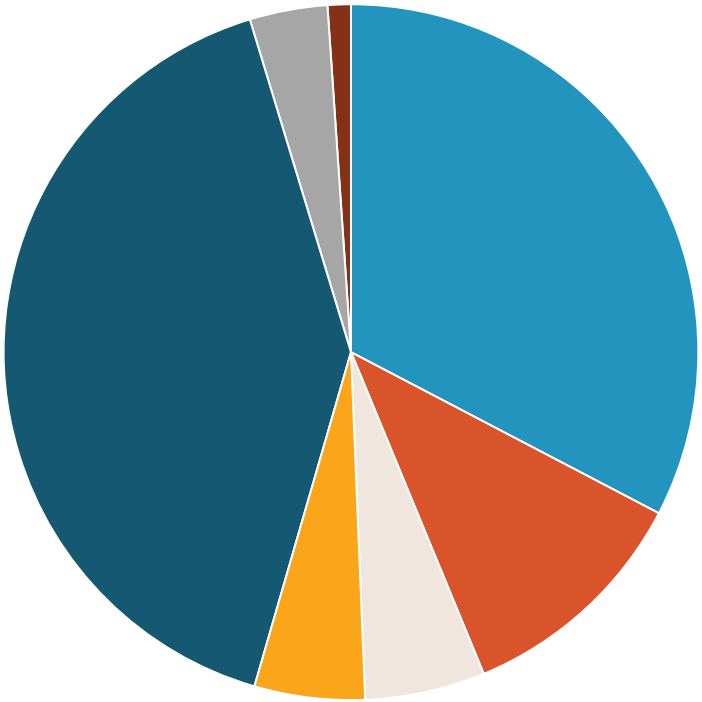
1. Total fund results lagged the policy index for the quarter at -0. 33% vs. -0.24%. Longer term returns remain inline with policy index.
2. Within the US Equity allocation, the S&P 500 returned 2.30%. Small / Mid Cap stocks, represented in the portfolio by the Vanguard Extended Market Index fund returned -5.73%.
3. GQG International outperformed for the quarter, returning +2.00% vs. +0.57% for their index. Outperformance was driven by an overweight to Information Technology and Energy. The Vanguard Developed Market Index returned -0.68%.
4. The Loomis Intermediate portfolio was inline with their index for the for the quarter.
5. Within the real estate allocation, the UBS Property fund returned +1.97% for the quarter We have entered the redemption queue for the allocation and continue to receive proceeds on a quarterly basis.
6. At quarter end, the portfolio was in compliance with Public Act 314.

Gain/Loss Summary	QTD	YTD	1 YR	3 YR	5 YR	7 YR	10 YR
Total Fund Composite							
Beginning Market Value	**24,273,398**	**23,391,925**	**23,234,368**	**19,397,882**	**22,914,677**	**20,783,357**	**19,491,275**
Net Contributions	-129,590	-706,540	-966,685	-2,449,149	-4,986,975	-7,131,723	-9,621,086
Gain/Loss	-141,340	1,317,083	1,734,785	7,053,735	6,074,766	10,350,834	14,132,279
Ending Market Value	**24,002,468**	**24,002,468**	**24,002,468**	**24,002,468**	**24,002,468**	**24,002,468**	**24,002,468**

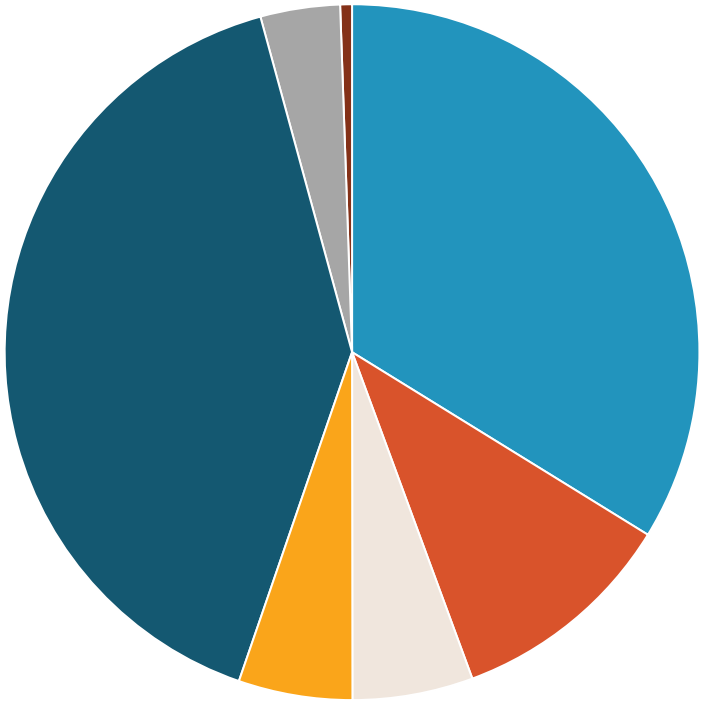
Comparative Performance



Jun-2026 : $24,273,398



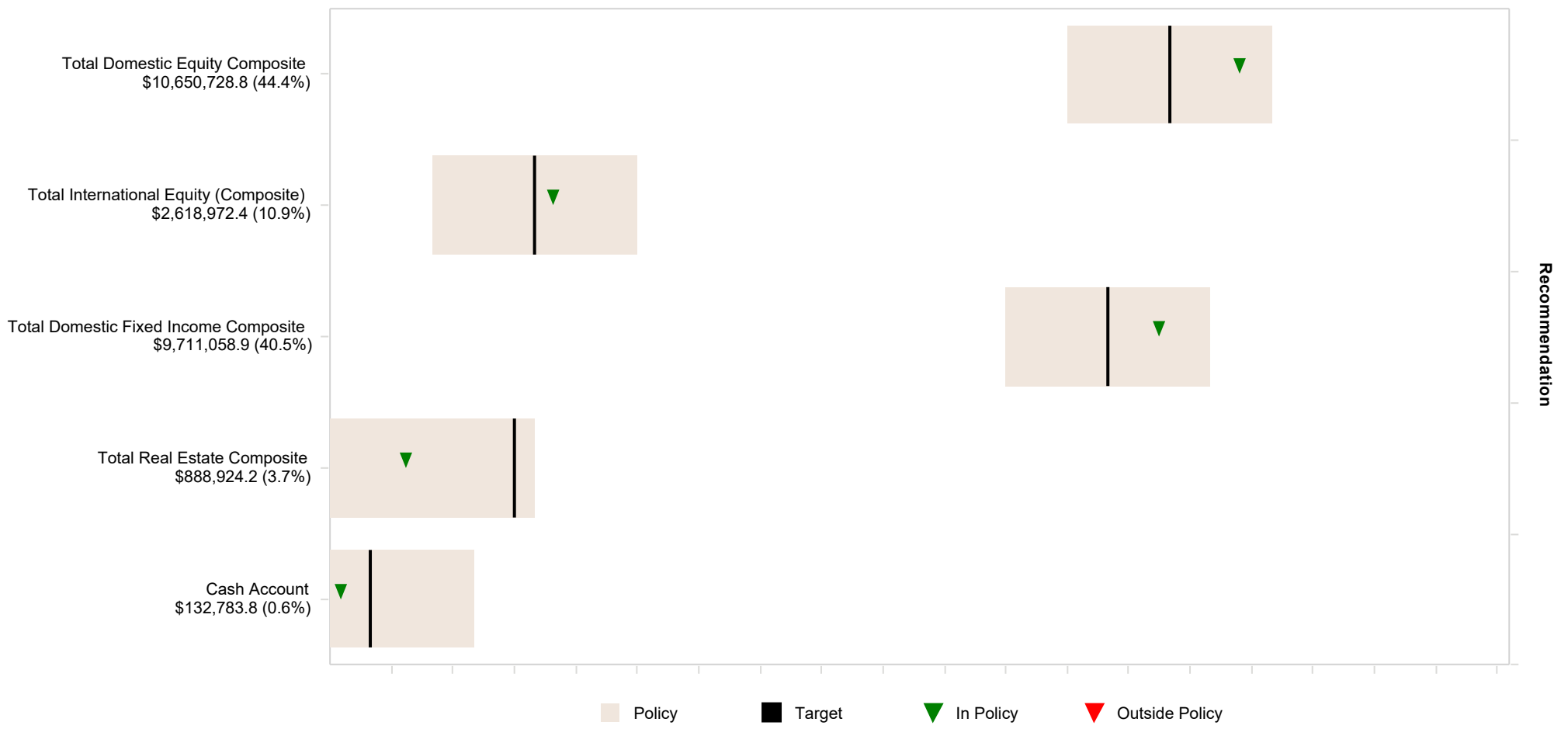
Sep-2026 : $24,002,468



Allocation	Market Value	Allocation
Fidelity 500 Index (FXAIX)	7,927,797	32.7
Vanguard Extended Market Index (VEXAX)	2,695,313	11.1
Vanguard Developed Markets Index (VTMNX)	1,356,319	5.6
GS GQG Intl Opps (GSIYX)	1,246,896	5.1
Loomis Sayles Fixed Income	9,905,167	40.8
UBS Trumbull Property Fund	878,345	3.6
Cash Account	263,562	1.1

Allocation	Market Value	Allocation
Fidelity 500 Index (FXAIX)	8,109,995	33.8
Vanguard Extended Market Index (VEXAX)	2,540,734	10.6
Vanguard Developed Markets Index (VTMNX)	1,347,159	5.6
GS GQG Intl Opps (GSIYX)	1,271,813	5.3
Loomis Sayles Fixed Income	9,711,059	40.5
UBS Trumbull Property Fund	888,924	3.7
Cash Account	132,784	0.6

Executive Summary



Asset Allocation Compliance

	Asset Allocation $	Current Allocation (%)	Target Allocation (%)	Minimum Allocation (%)	Maximum Allocation (%)	Target Rebal. ($000)	Target Allocation $
Total Fund Composite	**24,002,468**	**100.0**	**100.0**				**24,002,468**
Total Domestic Equity Composite	10,650,729	44.4	41.0	36.0	46.0	-809,717	9,841,012
Total International Equity (Composite)	2,618,972	10.9	10.0	5.0	15.0	-218,726	2,400,247
Total Domestic Fixed Income Composite	9,711,059	40.5	38.0	33.0	43.0	-590,121	9,120,938
Total Real Estate Composite	888,924	3.7	9.0	0.0	10.0	1,271,298	2,160,222
Cash Account	132,784	0.6	2.0	0.0	7.0	347,266	480,049

Comparative Performance	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Total Fund Composite (Gross)	**-0.49**	**(33)**	**5.94**	**(73)**	**7.96**	**(71)**	**11.72**	**(80)**	**6.09**	**(68)**	**7.35**	**(89)**	**7.24**	**(90)**	**8.05**	**(34)**	**01/01/1990**
Total Fund Policy	-0.36	(27)	6.58	(58)	8.66	(56)	12.02	(75)	6.20	(64)	7.52	(86)	7.32	(89)	7.88	(43)	
All Public Plans-Total Fund Median	-0.87		6.87		9.05		13.49		6.59		8.63		8.45		7.63		
Domestic Equity																	
Fidelity 500 Index (FXAIX)	**2.30**	**(33)**	**12.73**	**(25)**	**15.72**	**(24)**	**N/A**		**N/A**		**N/A**		**N/A**		**18.28**	**(23)**	**09/01/2025**
S&P 500 Index	2.30	(32)	12.75	(25)	15.74	(24)	22.89	(N/A)	13.79	(N/A)	16.17	(N/A)	15.33	(N/A)	18.30	(22)	
Large Blend Median	1.72		11.36		14.25		N/A		N/A		N/A		N/A		16.29		
Vanguard Extended Market Index (VEXAX)	**-5.74**	**(54)**	**11.61**	**(35)**	**11.78**	**(42)**	**18.73**	**(14)**	**6.18**	**(75)**	**11.70**	**(22)**	**N/A**		**9.30**	**(38)**	**09/01/2018**
S&P Completion Index	-5.76	(55)	11.44	(39)	11.59	(46)	18.55	(16)	6.03	(77)	11.57	(24)	11.05	(N/A)	9.16	(42)	
Mid-Cap Blend Median	-5.52		9.82		11.38		14.71		7.56		10.62		N/A		8.81		
International Equity																	
GS GQG Intl Opps (GSIYX)	**2.00**	**(22)**	**6.81**	**(77)**	**11.05**	**(69)**	**15.18**	**(73)**	**8.56**	**(47)**	**N/A**		**N/A**		**7.92**	**(46)**	**07/01/2021**
MSCI AC World ex USA (Net)	0.48	(40)	14.22	(20)	20.00	(20)	20.54	(29)	9.55	(35)	10.52	(N/A)	9.25	(N/A)	8.45	(38)	
Foreign Median	0.00		10.15		14.59		18.36		8.25		N/A		N/A		7.47		
Vanguard Developed Markets Index (VTMNX)	**-0.68**	**(62)**	**14.21**	**(20)**	**20.76**	**(17)**	**20.91**	**(26)**	**10.30**	**(28)**	**11.26**	**(27)**	**N/A**		**9.49**	**(25)**	**09/01/2018**
FTSE Developed All Cap ex-US Index (NET)	0.31	(44)	14.45	(19)	21.38	(15)	20.73	(27)	10.06	(30)	11.12	(28)	9.59	(N/A)	9.31	(28)	
Foreign Median	0.00		10.15		14.59		18.36		8.25		9.94		N/A		8.29		

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

	QTR		YTD		1 YR		3 YR		5 YR		7 YR		10 YR		Inception		Inception Date
Domestic Fixed Income																	
Loomis Sayles Fixed Income	**-1.83**	**(16)**	**-1.40**	**(52)**	**-0.26**	**(58)**	**4.41**	**(84)**	**1.14**	**(49)**	**1.91**	**(35)**	**2.24**	**(27)**	**5.50**	**(4)**	**01/01/1990**
Bloomberg Intermediate US Govt/Credit Idx	-1.88	(28)	-1.49	(58)	-0.31	(64)	4.31	(90)	0.83	(83)	1.42	(91)	1.71	(91)	4.65	(92)	
IM U.S. Intermediate Duration (SA+CF) Median	-2.08		-1.39		-0.19		4.72		1.12		1.77		2.05		5.03		
Real Estate																	
UBS Trumbull Property Fund	**1.97**	**(1)**	**4.71**	**(32)**	**6.12**	**(12)**	**1.48**	**(80)**	**0.58**	**(90)**	**1.28**	**(86)**	**2.12**	**(N/A)**	**3.62**	**(N/A)**	**07/01/2007**
NCREIF Fund Index-Open End Diversified Core Equity (VW)	0.00	(84)	2.75	(79)	3.69	(79)	0.01	(93)	1.42	(84)	3.21	(78)	4.42	(N/A)	4.73	(N/A)	
IM U.S. Open End Private Real Estate (SA+CF) Median	1.35		4.51		5.66		2.07		2.22		3.94		N/A		N/A		
Total Fund Composite (Net)	**-0.52**		**5.84**		**7.84**		**11.59**		**5.96**		**7.21**		**7.08**		**6.60**		**01/01/2014**

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

Comparative Performance	2025		2024		2023		2022		2021		2020		2019		2018		2017		2016	
Total Fund Composite (Gross)	**11.58**	**(84)**	**9.94**	**(63)**	**10.32**	**(86)**	**-10.64**	**(18)**	**12.62**	**(68)**	**9.84**	**(85)**	**16.82**	**(79)**	**-2.46**	**(14)**	**10.18**	**(95)**	**7.52**	**(40)**
Total Fund Policy	13.03	(66)	9.26	(74)	9.09	(93)	-10.03	(15)	11.57	(81)	10.91	(76)	17.68	(69)	-2.73	(16)	9.58	(96)	8.90	(11)
All Public Plans-Total Fund Median	13.78		10.67		13.35		-13.86		13.70		12.90		19.13		-4.38		15.02		7.09	
Domestic Equity																				
Fidelity 500 Index (FXAIX)	**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**	
S&P 500 Index	17.88	(24)	25.02	(25)	26.29	(25)	-18.11	(48)	28.71	(21)	18.40	(40)	31.49	(24)	-4.38	(24)	21.83	(34)	11.96	(25)
Large Blend Median	16.44		23.29		24.52		-18.19		26.65		17.63		29.98		-5.61		21.18		10.27	
Vanguard Extended Market Index (VEXAX)	**11.42**	**(25)**	**16.91**	**(20)**	**25.38**	**(8)**	**-26.47**	**(100)**	**12.46**	**(98)**	**32.21**	**(2)**	**28.04**	**(44)**	**N/A**		**N/A**		**N/A**	
S&P Completion Index	11.32	(26)	16.88	(20)	24.97	(10)	-26.54	(100)	12.35	(99)	32.17	(2)	27.95	(46)	-9.57	(36)	18.11	(34)	15.95	(43)
Mid-Cap Blend Median	7.93		13.65		16.10		-14.62		24.38		12.79		27.35		-11.23		16.04		14.87	
International Equity																				
GS GQG Intl Opps (GSIYX)	**20.88**	**(83)**	**5.21**	**(51)**	**22.11**	**(8)**	**-11.03**	**(24)**	**N/A**		**N/A**		**N/A**		**N/A**		**N/A**		**N/A**	
MSCI AC World ex USA (Net)	32.39	(43)	5.53	(45)	15.62	(71)	-16.00	(48)	7.82	(78)	10.65	(53)	21.51	(72)	-14.20	(42)	27.19	(59)	4.50	(24)
Foreign Median	31.28		5.25		17.25		-16.32		11.46		11.13		23.83		-14.80		28.06		1.52	
Vanguard Developed Markets Index (VTMNX)	**35.17**	**(27)**	**3.05**	**(65)**	**17.67**	**(36)**	**-15.32**	**(40)**	**11.43**	**(41)**	**10.26**	**(51)**	**22.05**	**(56)**	**N/A**		**N/A**		**N/A**	
FTSE Developed All Cap ex-US Index (NET)	34.56	(29)	3.14	(65)	17.70	(36)	-15.75	(43)	11.38	(42)	9.78	(53)	22.07	(55)	-14.97	(43)	26.05	(56)	2.87	(27)
Foreign Median	29.95		4.33		16.23		-17.07		10.72		10.27		22.73		-15.67		26.94		0.50	

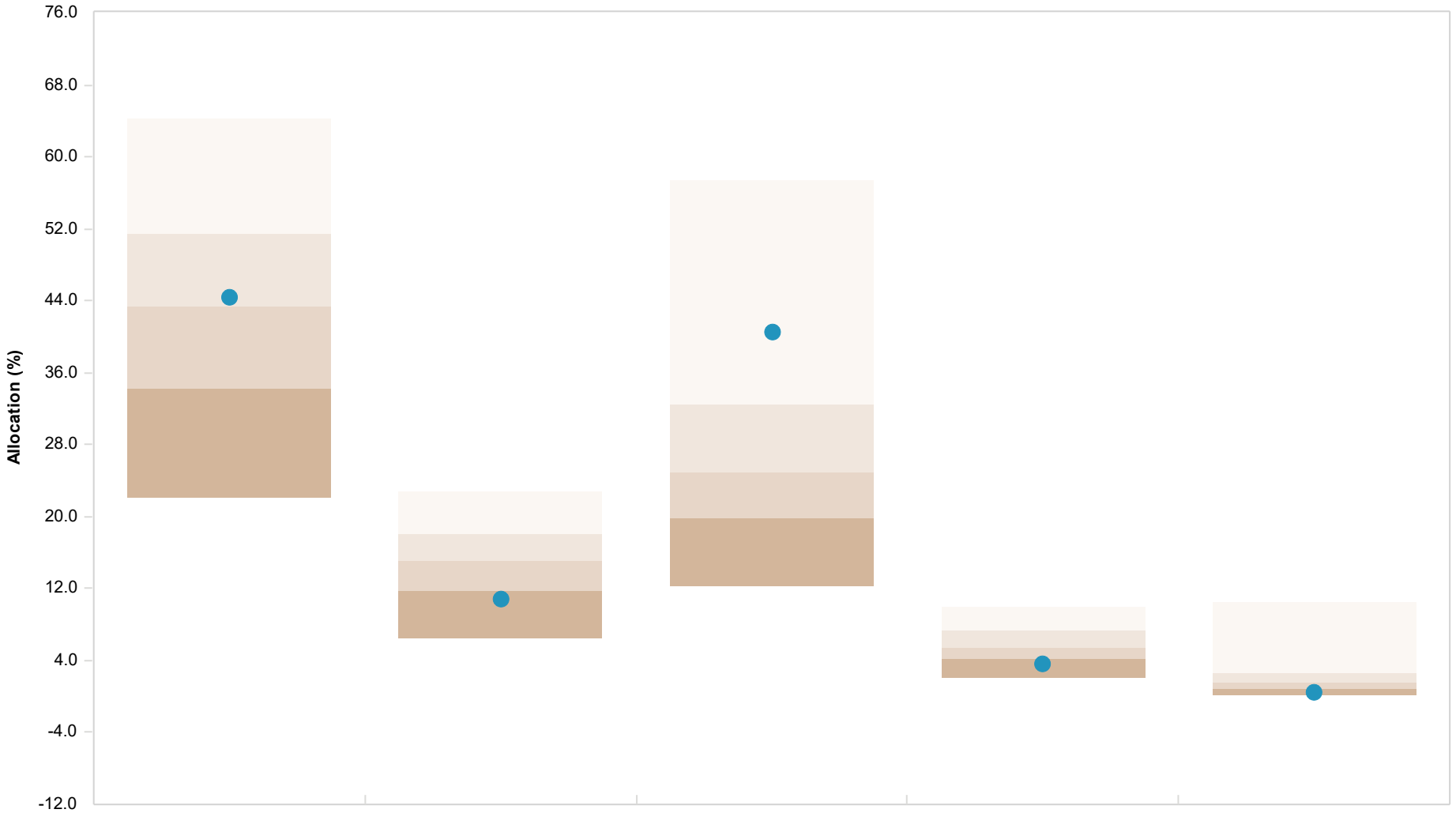
Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

	2025		2024		2023		2022		2021		2020		2019		2018		2017		2016	
Domestic Fixed Income																				
Loomis Sayles Fixed Income	**7.06**	**(67)**	**3.05**	**(77)**	**6.13**	**(29)**	**-7.88**	**(38)**	**-1.06**	**(61)**	**8.10**	**(13)**	**7.52**	**(24)**	**1.10**	**(38)**	**2.73**	**(39)**	**3.74**	**(15)**
Bloomberg Intermediate US Govt/Credit Idx	6.97	(75)	3.00	(79)	5.24	(81)	-8.24	(59)	-1.44	(88)	6.43	(66)	6.80	(61)	0.88	(57)	2.14	(84)	2.08	(72)
IM U.S. Intermediate Duration (SA+CF) Median	7.29		3.50		5.74		-8.13		-0.90		6.81		6.95		0.92		2.58		2.39	
Real Estate																				
UBS Trumbull Property Fund	**5.64**	**(26)**	**-1.60**	**(68)**	**-14.98**	**(83)**	**5.88**	**(57)**	**16.21**	**(81)**	**-4.03**	**(94)**	**-2.11**	**(97)**	**6.97**	**(72)**	**6.29**	**(85)**	**7.18**	**(88)**
NCREIF Fund Index-ODCE (VW)	3.79	(70)	-1.43	(61)	-12.02	(58)	7.47	(45)	22.17	(53)	1.19	(60)	5.34	(72)	8.35	(49)	7.62	(55)	8.77	(74)
IM U.S. Open End Private Real Estate (SA+CF) Median	5.11		-1.21		-10.49		7.13		22.49		1.56		6.93		8.27		7.78		9.23	
Total Fund Composite (Net)	**11.45**		**9.82**		**10.19**		**-10.74**		**12.49**		**9.68**		**16.65**		**-2.70**		**9.96**		**7.21**	

Returns for periods greater than one year are annualized.
Returns are expressed as percentages.

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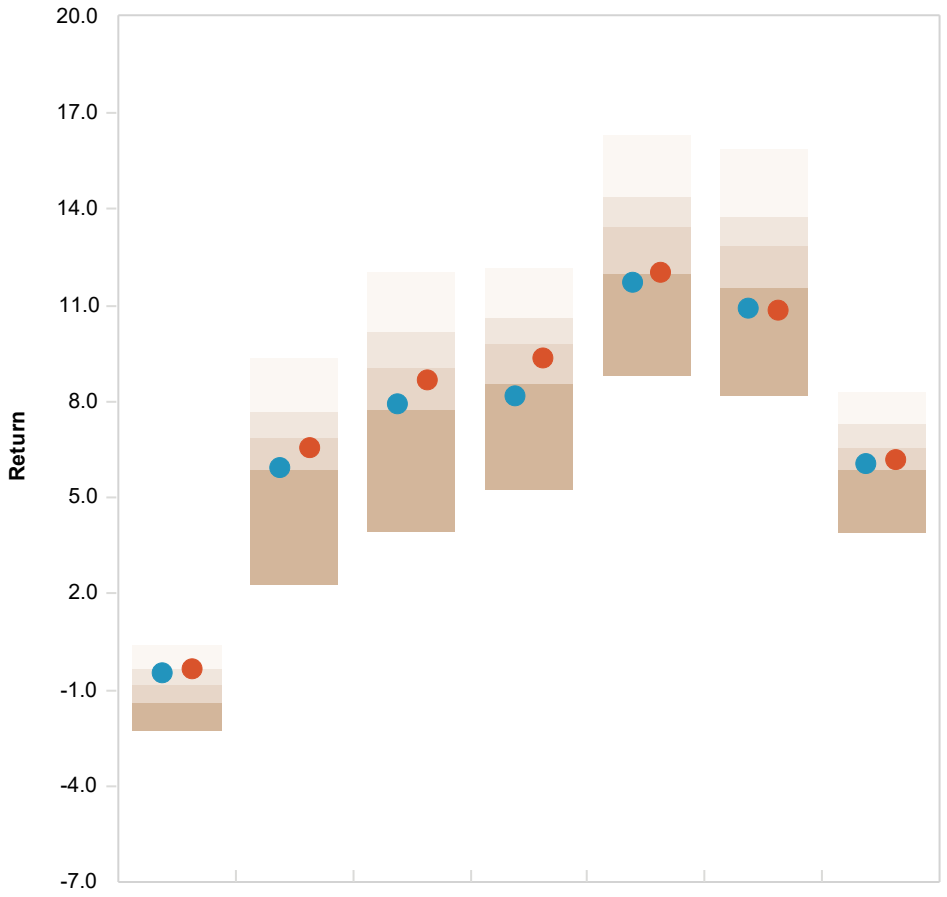
Plan Sponsor TF Asset Allocation vs. All Public Plans-Total Fund



	US Equity	Global ex-US Equity	US Fixed	Total Real Estate	Cash & Equivalents
Total Fund Composite	44.37 (48)	10.91 (79)	40.46 (11)	3.70 (82)	0.55 (83)
5th Percentile	64.16	22.86	57.36	9.98	10.47
1st Quartile	51.37	18.05	32.43	7.37	2.62
Median	43.36	15.05	24.82	5.42	1.49
3rd Quartile	34.15	11.71	19.77	4.22	0.80
95th Percentile	22.01	6.49	12.25	1.98	0.09

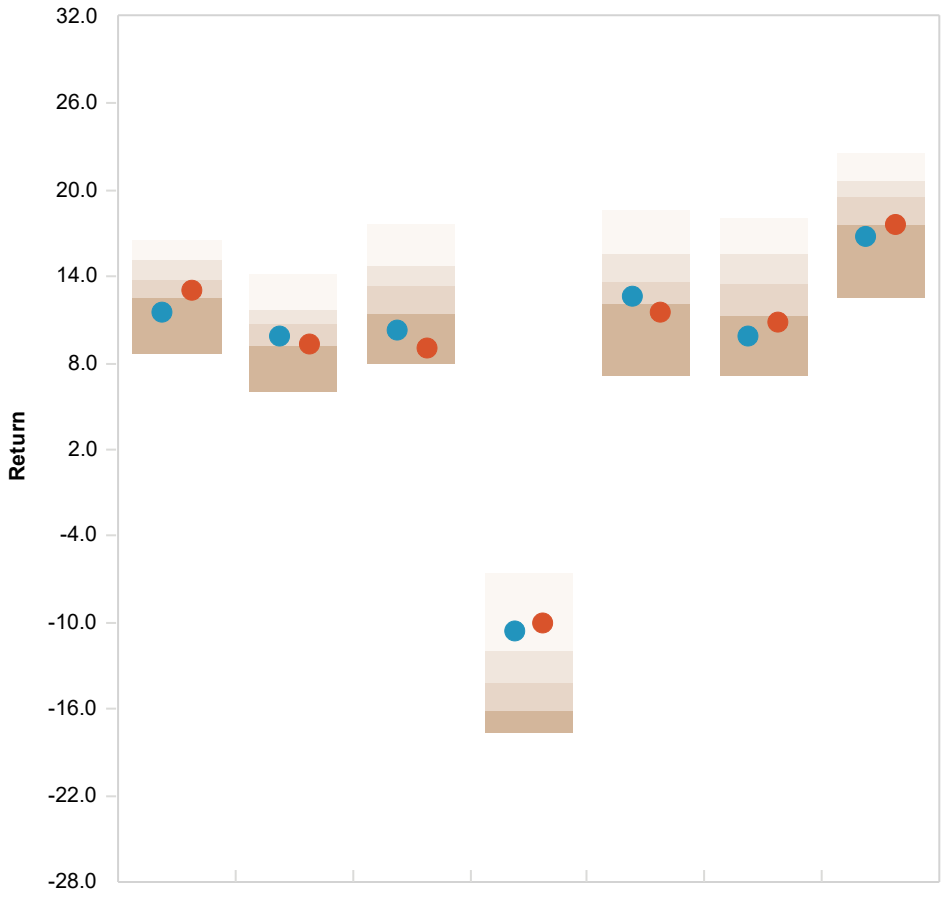
Parentheses contain percentile rankings.
Calculation based on quarterly periodicity.

Peer Group Analysis - All Public Plans-Total Fund



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-0.49 (33)	5.94 (73)	7.96 (71)	8.21 (81)	11.72 (80)	10.91 (84)	6.09 (68)
Index	-0.36 (27)	6.58 (58)	8.66 (56)	9.37 (62)	12.02 (75)	10.84 (85)	6.20 (64)
Median	-0.87	6.87	9.05	9.79	13.49	12.83	6.59

Peer Group Analysis - All Public Plans-Total Fund



	2025	2024	2023	2022	2021	2020	2019
Investment	11.58 (84)	9.94 (63)	10.32 (86)	-10.64 (17)	12.62 (68)	9.84 (86)	16.82 (83)
Index	13.03 (66)	9.26 (74)	9.09 (93)	-10.03 (14)	11.57 (81)	10.91 (80)	17.68 (76)
Median	13.78	10.69	13.37	-14.21	13.66	13.47	19.52

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	7.68 (75)	-1.14 (48)	1.91 (62)	3.77 (86)	4.14 (92)	1.32 (8)
Index	8.45 (63)	-1.37 (59)	1.95 (59)	4.72 (56)	4.65 (90)	1.17 (10)
Median	8.93	-1.18	2.04	4.87	6.69	-0.03

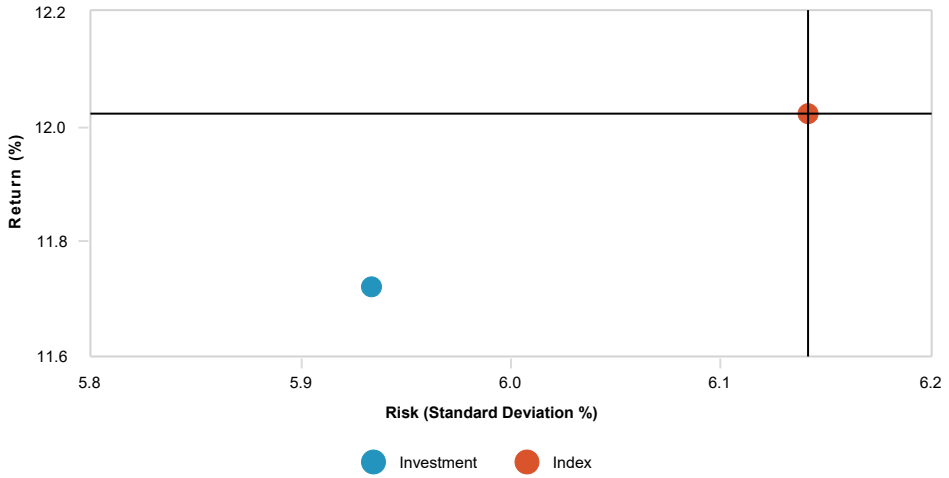
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	**11.72**	**5.93**	**1.20**	**98.05**	**9**	**105.75**	**3**
Index	12.02	6.14	1.20	100.00	9	100.00	3

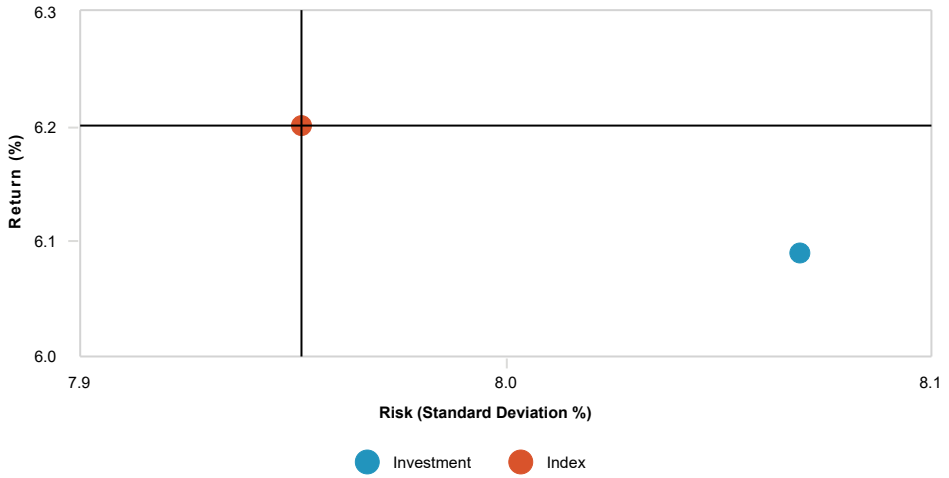
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	**6.09**	**8.07**	**0.34**	**100.39**	**13**	**103.36**	**7**
Index	6.20	7.95	0.36	100.00	13	100.00	7

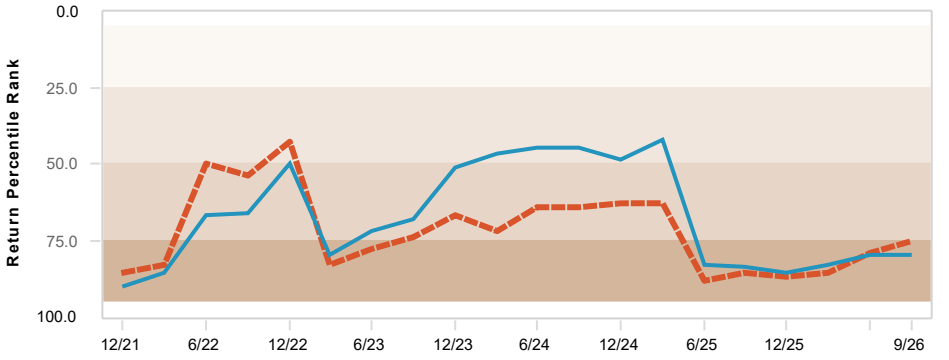
Risk and Return 3 Years



Risk and Return 5 Years

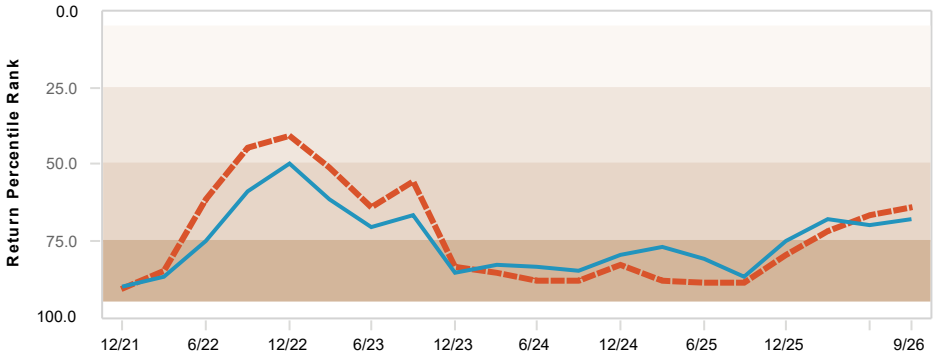


3 Years Rolling Percentile Ranking vs. All Public Plans-Total Fund



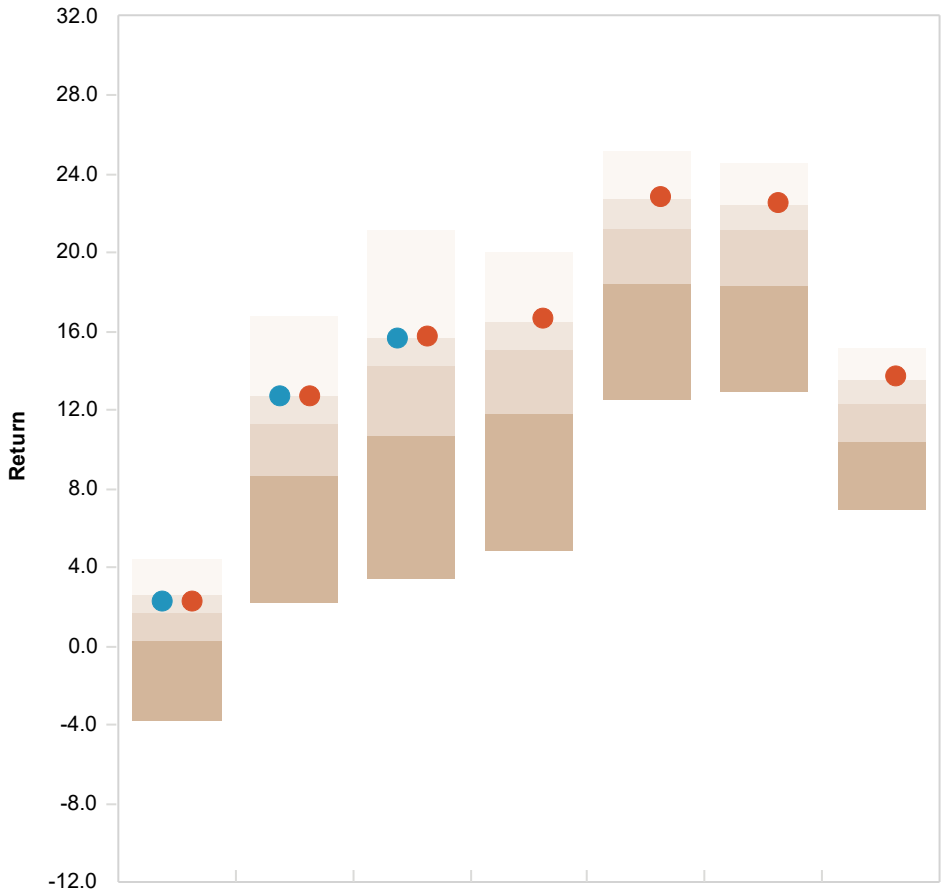
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	**20**	**0 (0%)**	**6 (30%)**	**5 (25%)**	**9 (45%)**
Index	20	0 (0%)	2 (10%)	9 (45%)	9 (45%)

5 Years Rolling Percentile Ranking vs. All Public Plans-Total Fund



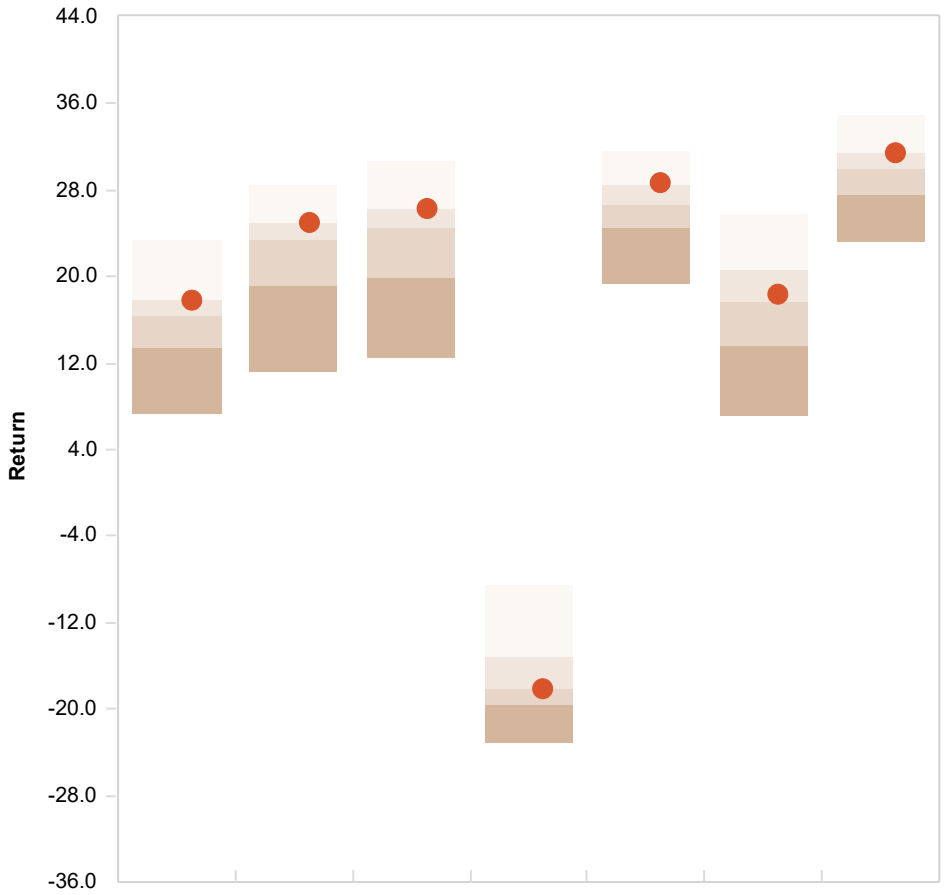
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	**20**	**0 (0%)**	**1 (5%)**	**9 (45%)**	**10 (50%)**
Index	20	0 (0%)	2 (10%)	7 (35%)	11 (55%)

Peer Group Analysis - Large Blend



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	2.30 (33)	12.73 (25)	15.72 (24)	N/A	N/A	N/A	N/A
Index	2.30 (32)	12.75 (25)	15.74 (24)	16.66 (21)	22.89 (21)	22.57 (22)	13.79 (18)
Median	1.72	11.36	14.25	15.05	21.27	21.14	12.37

Peer Group Analysis - Large Blend



	2025	2024	2023	2022	2021	2020	2019
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	17.88 (24)	25.02 (25)	26.29 (25)	-18.11 (48)	28.71 (21)	18.40 (40)	31.49 (24)
Median	16.44	23.29	24.52	-18.19	26.65	17.63	29.98

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	15.20 (36)	-4.34 (48)	2.65 (33)	N/A	N/A	N/A
Index	15.20 (36)	-4.33 (48)	2.66 (33)	8.12 (21)	10.94 (42)	-4.27 (42)
Median	14.60	-4.37	2.42	7.31	10.80	-4.39

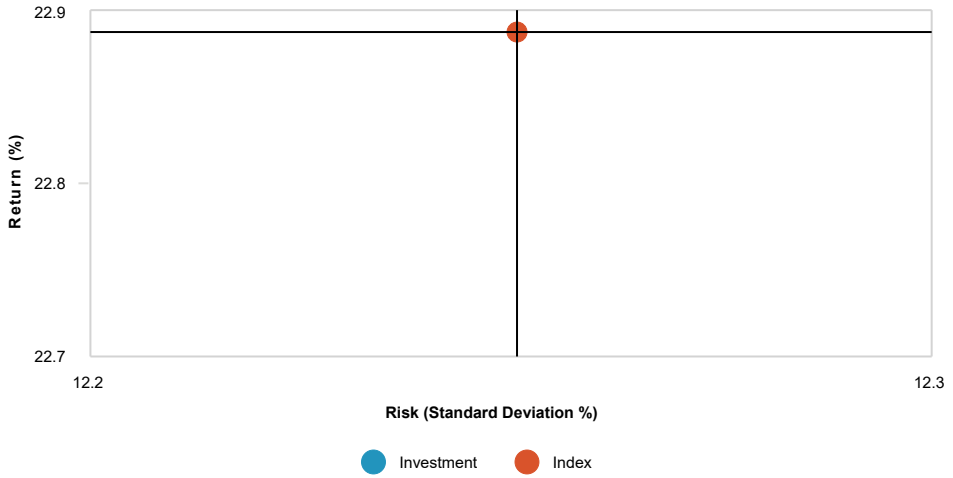
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	22.89	12.25	1.40	100.00	10	100.00	2

Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index	13.79	15.51	0.68	100.00	14	100.00	6

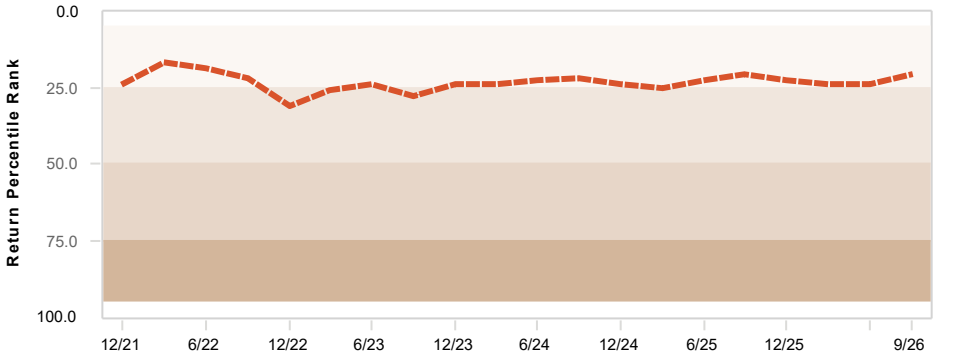
Risk and Return 3 Years



Risk and Return 5 Years

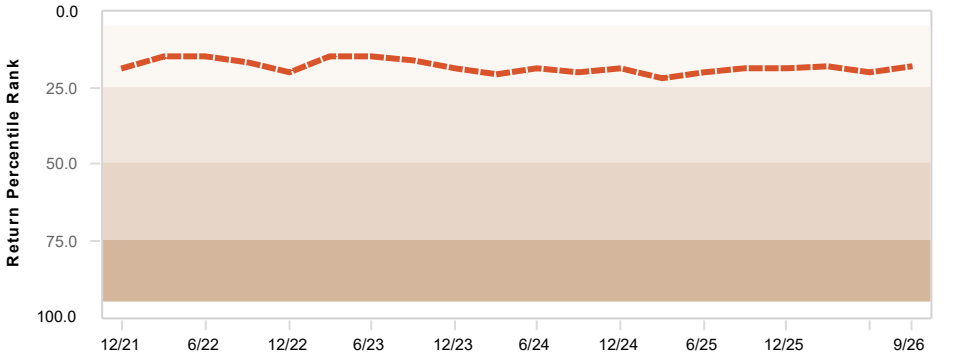


3 Years Rolling Percentile Ranking vs. Large Blend



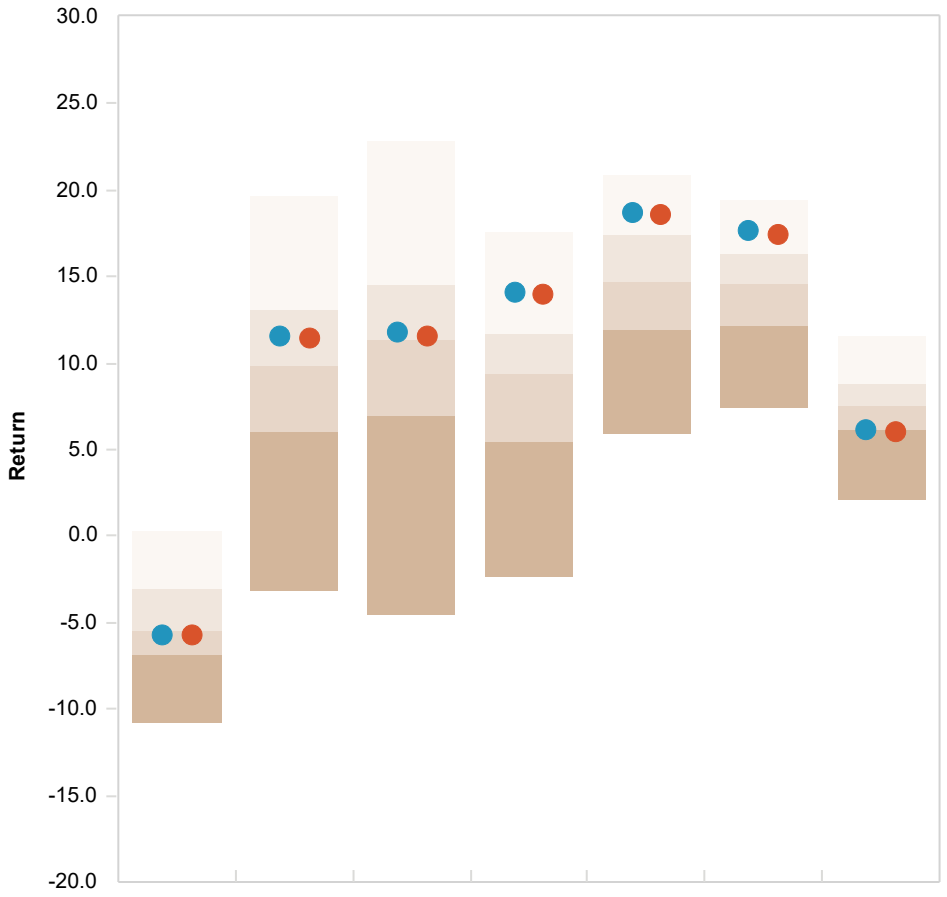
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	17 (85%)	3 (15%)	0 (0%)	0 (0%)

5 Years Rolling Percentile Ranking vs. Large Blend



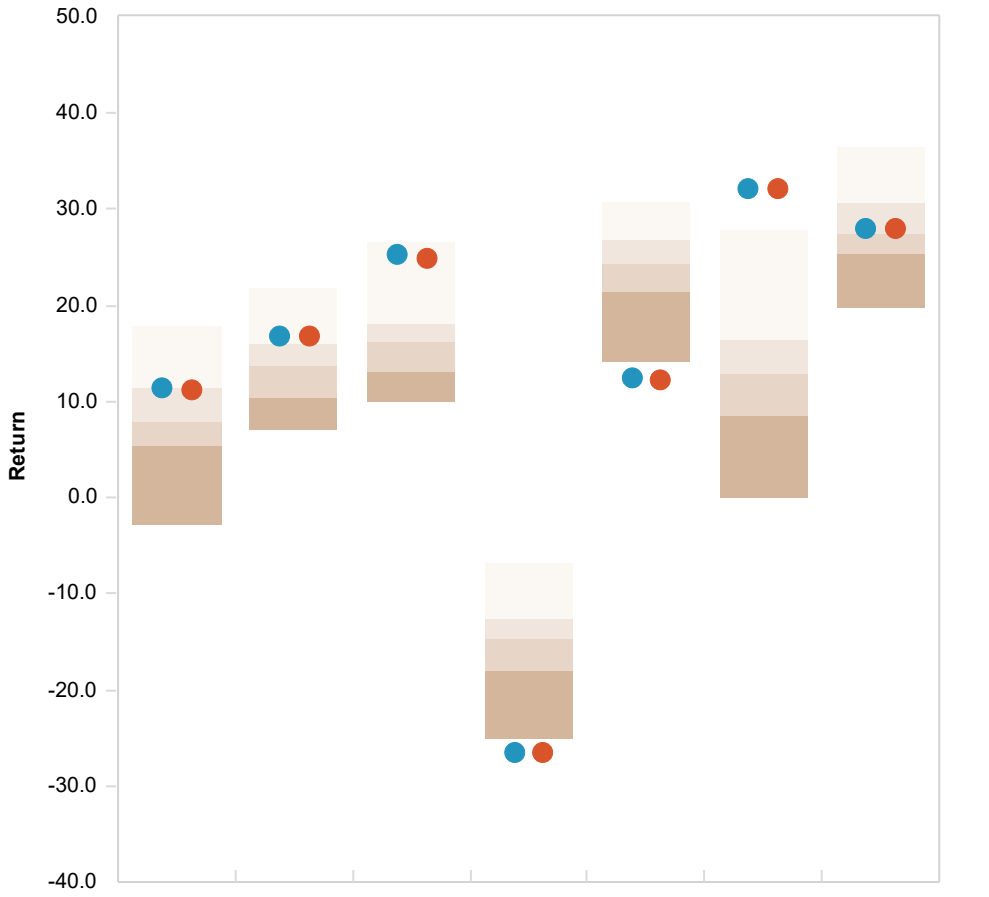
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	0	0	0	0	0
Index	20	20 (100%)	0 (0%)	0 (0%)	0 (0%)

Peer Group Analysis - Mid-Cap Blend



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-5.74 (54)	11.61 (35)	11.78 (42)	14.10 (13)	18.73 (14)	17.65 (14)	6.18 (75)
Index	-5.76 (55)	11.44 (39)	11.59 (46)	13.98 (13)	18.55 (16)	17.47 (17)	6.03 (77)
Median	-5.52	9.82	11.38	9.33	14.71	14.52	7.56

Peer Group Analysis - Mid-Cap Blend



	2025	2024	2023	2022	2021	2020	2019
Investment	11.42 (25)	16.91 (20)	25.38 (8)	-26.47 (100)	12.46 (98)	32.21 (2)	28.04 (44)
Index	11.32 (26)	16.88 (20)	24.97 (10)	-26.54 (100)	12.35 (99)	32.17 (2)	27.95 (46)
Median	7.93	13.65	16.10	-14.62	24.38	12.79	27.35

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	19.91 (14)	-1.26 (74)	0.15 (69)	8.91 (9)	12.16 (9)	-8.93 (98)
Index	19.79 (15)	-1.28 (75)	0.13 (71)	8.87 (9)	12.16 (10)	-8.95 (99)
Median	14.25	0.86	1.22	5.19	7.00	-4.59

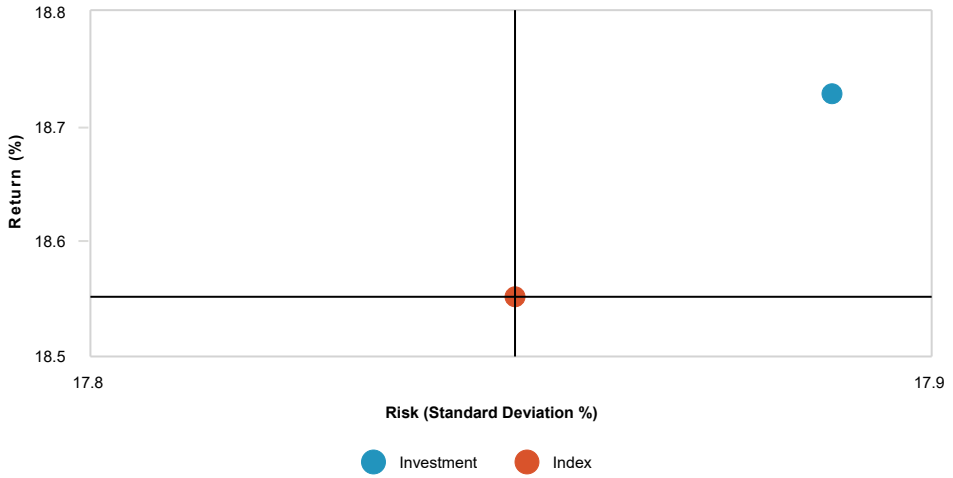
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	18.73	17.89	0.81	100.37	8	99.85	4
Index	18.55	17.85	0.80	100.00	8	100.00	4

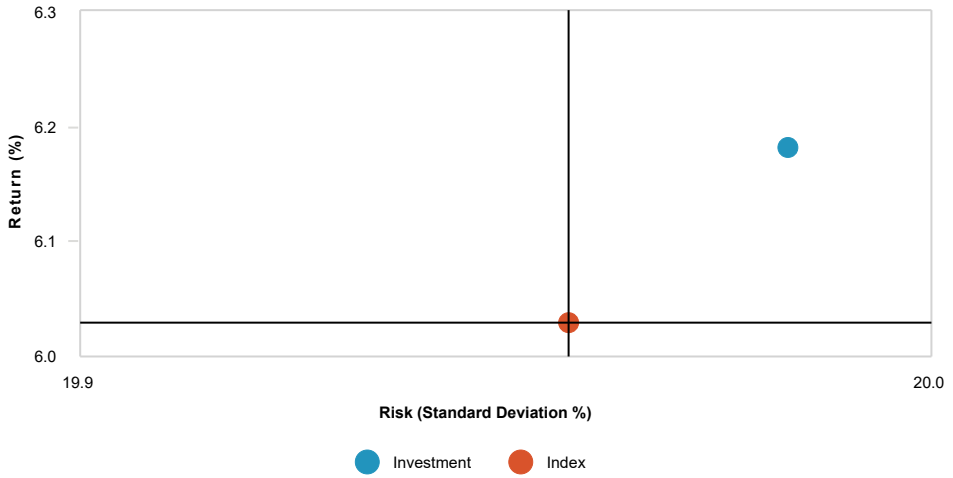
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	6.18	19.98	0.22	100.33	12	99.83	8
Index	6.03	19.96	0.21	100.00	12	100.00	8

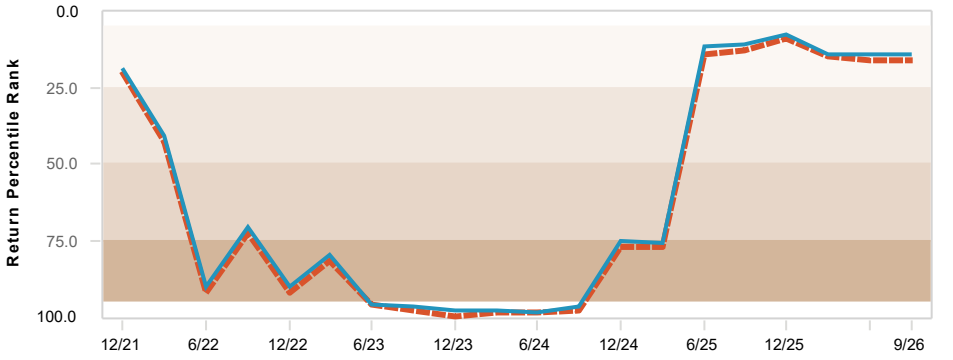
Risk and Return 3 Years



Risk and Return 5 Years

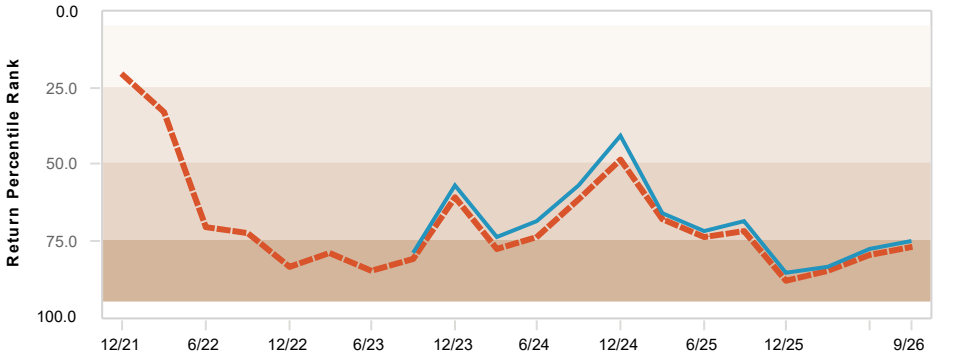


3 Years Rolling Percentile Ranking vs. Mid-Cap Blend



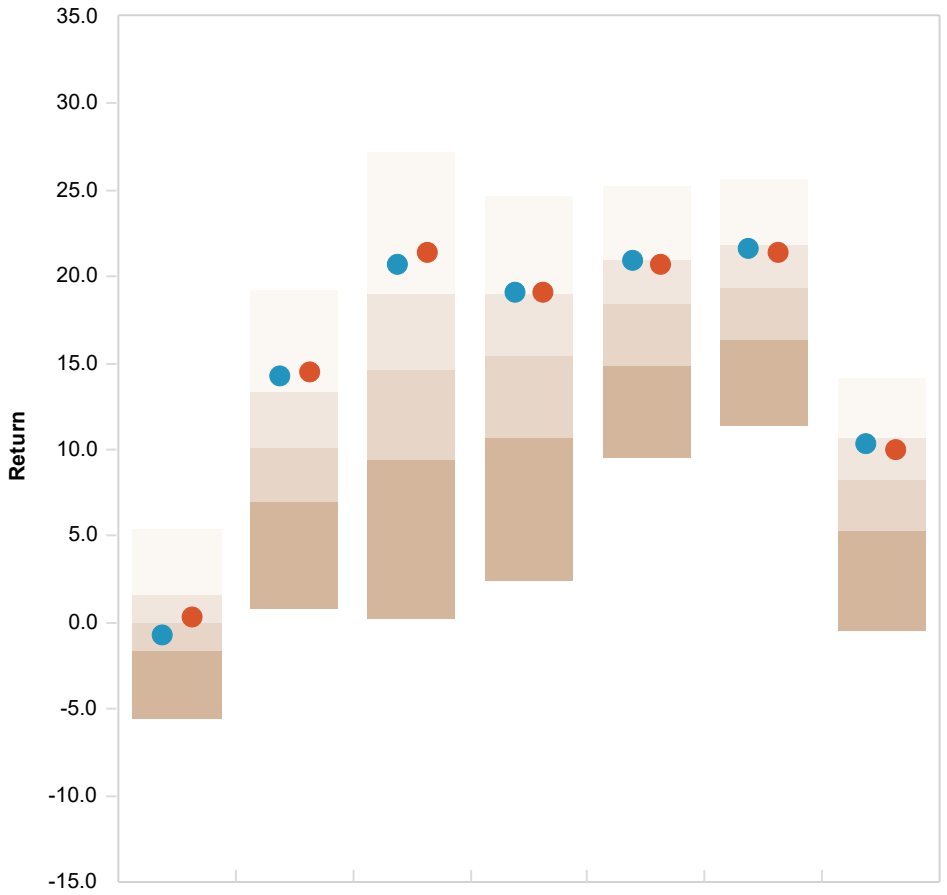
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	7 (35%)	1 (5%)	2 (10%)	10 (50%)
Index	20	7 (35%)	1 (5%)	1 (5%)	11 (55%)

5 Years Rolling Percentile Ranking vs. Mid-Cap Blend



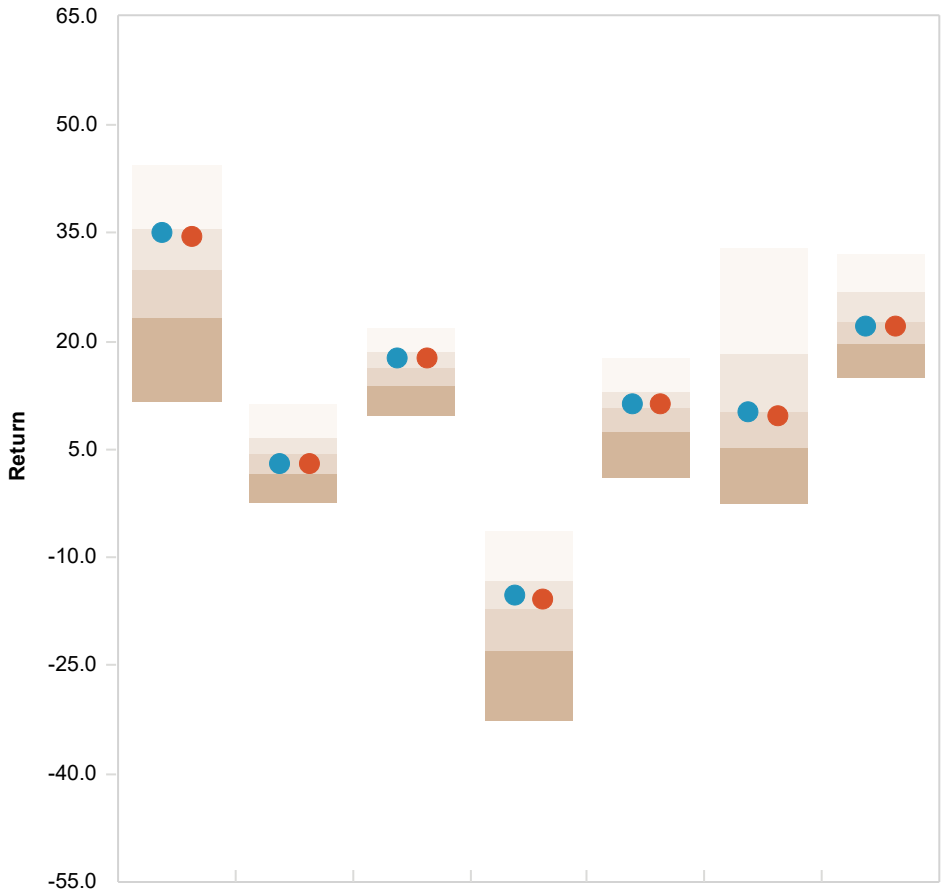
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	13	0 (0%)	1 (8%)	8 (62%)	4 (31%)
Index	20	1 (5%)	2 (10%)	8 (40%)	9 (45%)

Peer Group Analysis - Foreign



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-0.68 (62)	14.21 (20)	20.76 (17)	19.09 (25)	20.91 (26)	21.68 (28)	10.30 (28)
Index	0.31 (44)	14.45 (19)	21.38 (15)	19.09 (25)	20.73 (27)	21.42 (29)	10.06 (30)
Median	0.00	10.15	14.59	15.39	18.36	19.37	8.25

Peer Group Analysis - Foreign



	2025	2024	2023	2022	2021	2020	2019
Investment	35.17 (27)	3.05 (65)	17.67 (36)	-15.32 (40)	11.43 (41)	10.26 (51)	22.05 (56)
Index	34.56 (29)	3.14 (65)	17.70 (36)	-15.75 (43)	11.38 (42)	9.78 (53)	22.07 (55)
Median	29.95	4.33	16.23	-17.07	10.72	10.27	22.73

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	12.22 (31)	2.47 (23)	5.74 (21)	5.79 (36)	13.07 (36)	6.87 (42)
Index	13.91 (23)	0.16 (52)	6.06 (18)	5.91 (34)	13.26 (33)	5.76 (56)
Median	10.05	0.43	4.03	4.62	12.23	6.23

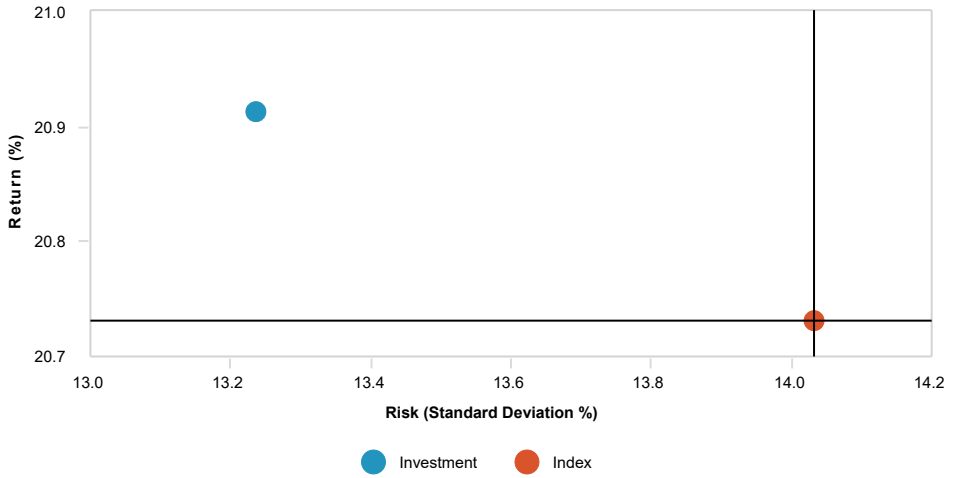
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	20.91	13.24	1.18	99.86	9	99.24	3
Index	20.73	14.03	1.11	100.00	10	100.00	2

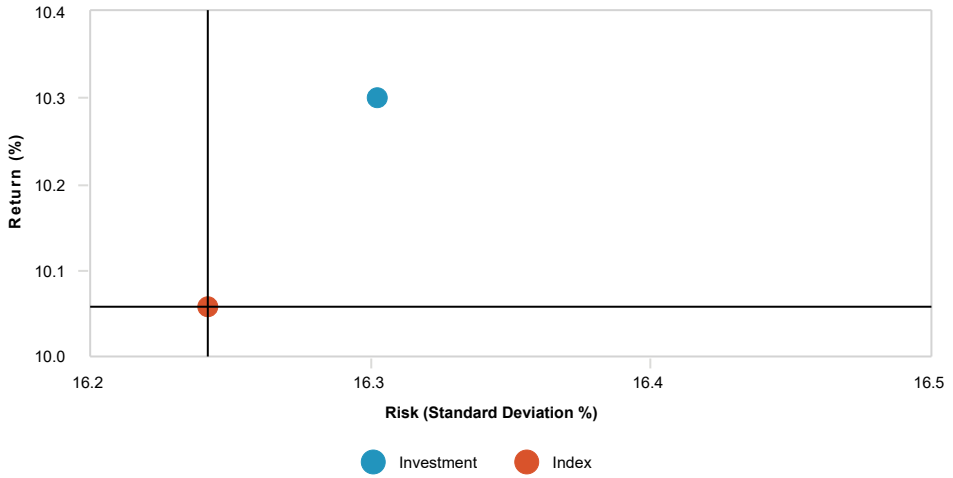
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	10.30	16.30	0.46	102.84	13	103.32	7
Index	10.06	16.24	0.45	100.00	14	100.00	6

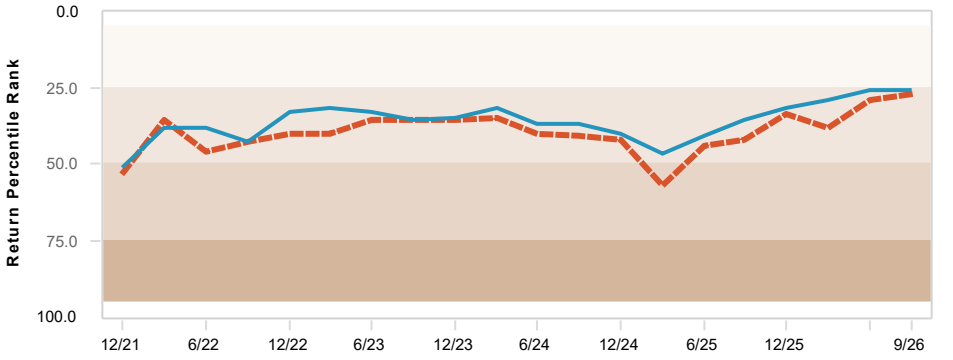
Risk and Return 3 Years



Risk and Return 5 Years

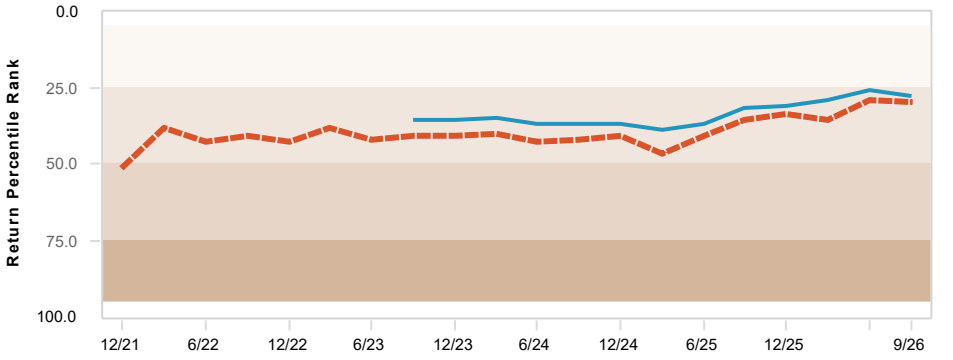


3 Years Rolling Percentile Ranking vs. Foreign



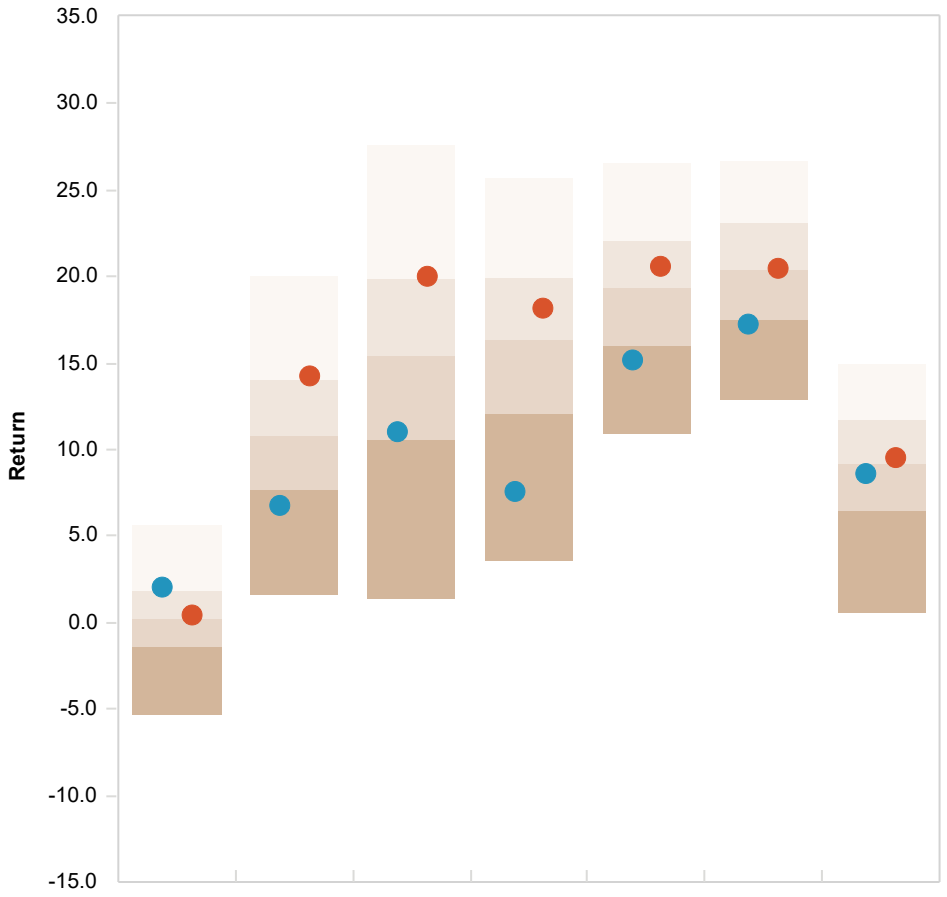
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	0 (0%)	19 (95%)	1 (5%)	0 (0%)
Index	20	0 (0%)	18 (90%)	2 (10%)	0 (0%)

5 Years Rolling Percentile Ranking vs. Foreign



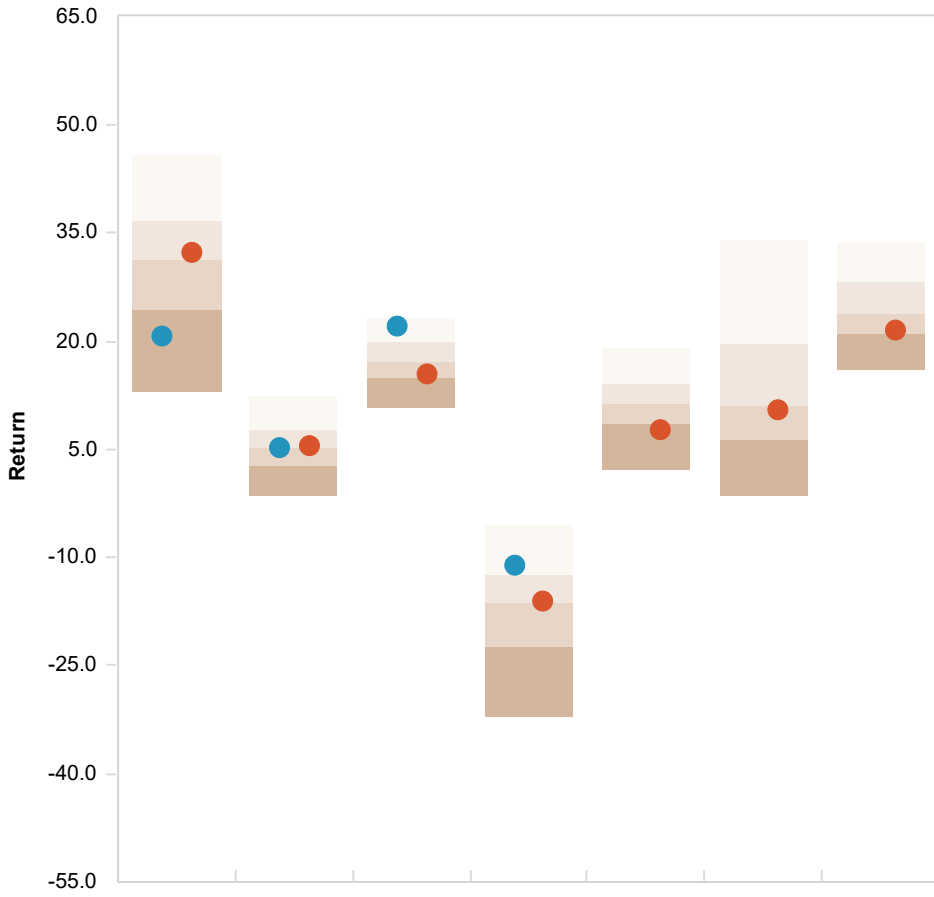
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	13	0 (0%)	13 (100%)	0 (0%)	0 (0%)
Index	20	0 (0%)	19 (95%)	1 (5%)	0 (0%)

Peer Group Analysis - Foreign



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	2.00 (24)	6.81 (82)	11.05 (73)	7.58 (89)	15.18 (82)	17.23 (78)	8.56 (56)
Index	0.48 (44)	14.22 (24)	20.00 (24)	18.21 (40)	20.54 (39)	20.50 (48)	9.55 (43)
Median	0.24	10.76	15.43	16.37	19.29	20.40	9.23

Peer Group Analysis - Foreign



	2025	2024	2023	2022	2021	2020	2019
Investment	20.88 (83)	5.21 (51)	22.11 (8)	-11.03 (24)	N/A	N/A	N/A
Index	32.39 (43)	5.53 (45)	15.62 (71)	-16.00 (48)	7.82 (78)	10.65 (53)	21.51 (72)
Median	31.28	5.25	17.25	-16.32	11.46	11.13	23.83

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	-0.04 (99)	4.76 (10)	3.97 (55)	0.35 (89)	7.04 (98)	8.24 (28)
Index	14.49 (22)	-0.71 (62)	5.05 (34)	6.89 (23)	12.03 (56)	5.23 (64)
Median	10.22	0.60	4.26	4.83	12.51	6.47

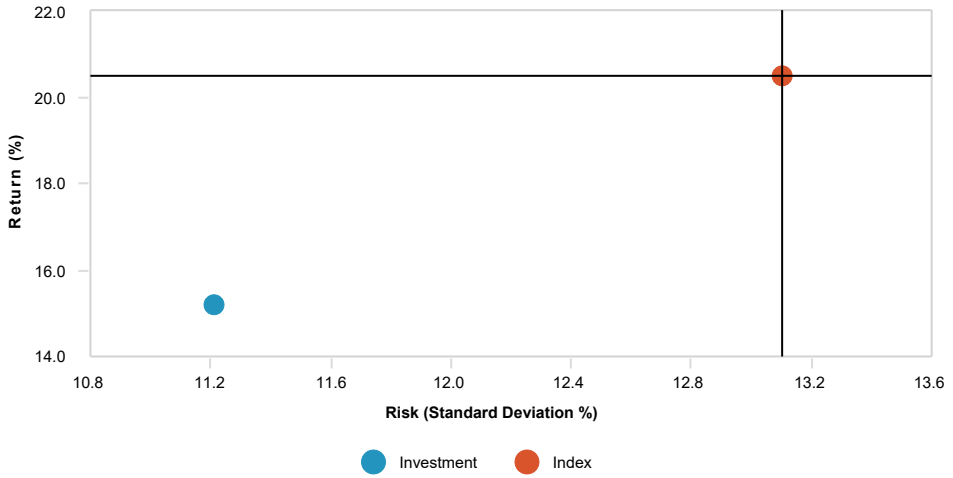
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	15.18	11.21	0.93	67.14	10	50.41	2
Index	20.54	13.10	1.17	100.00	10	100.00	2

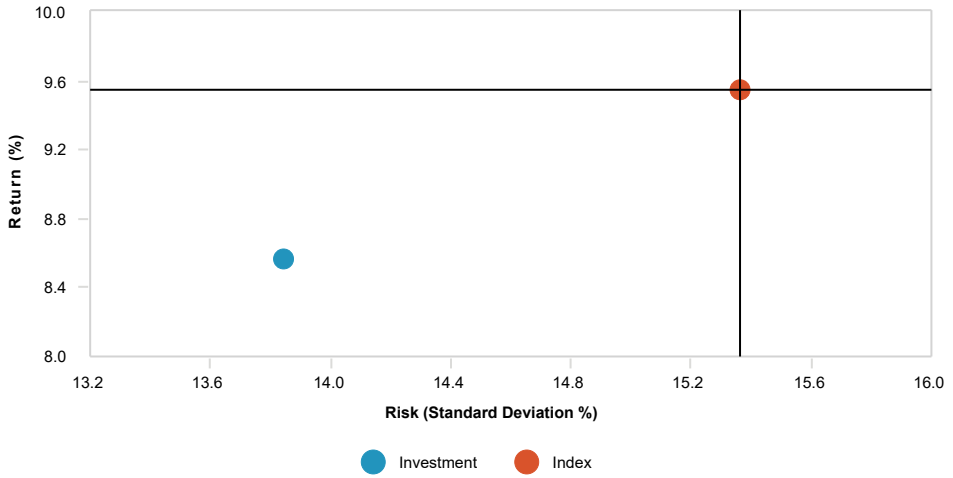
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	8.56	13.84	0.40	81.65	14	77.06	6
Index	9.55	15.36	0.44	100.00	14	100.00	6

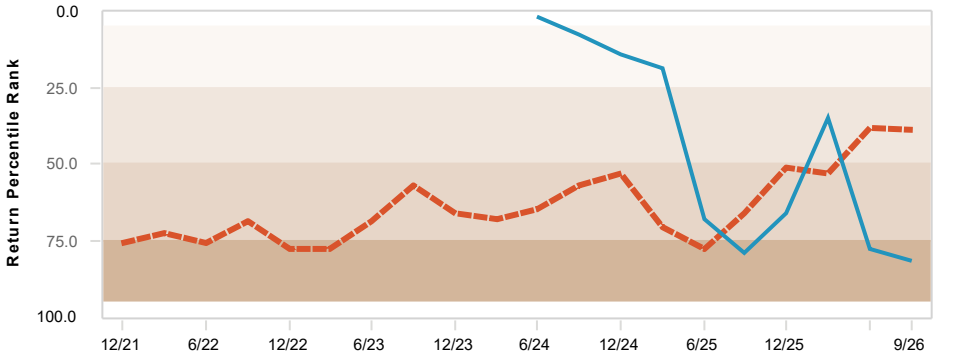
Risk and Return 3 Years



Risk and Return 5 Years

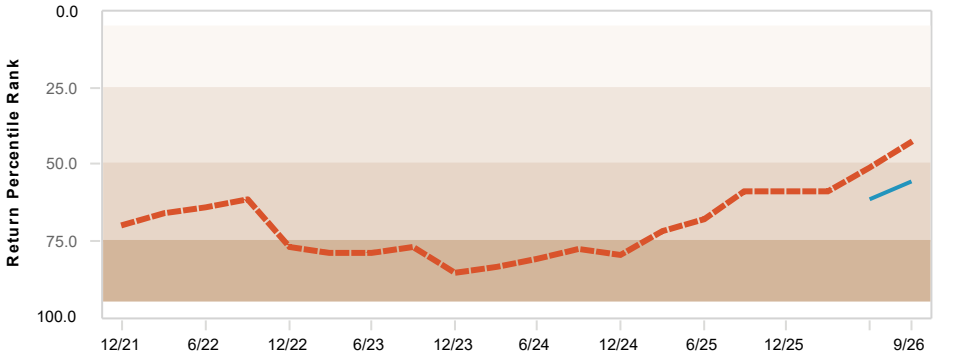


3 Years Rolling Percentile Ranking vs. Foreign



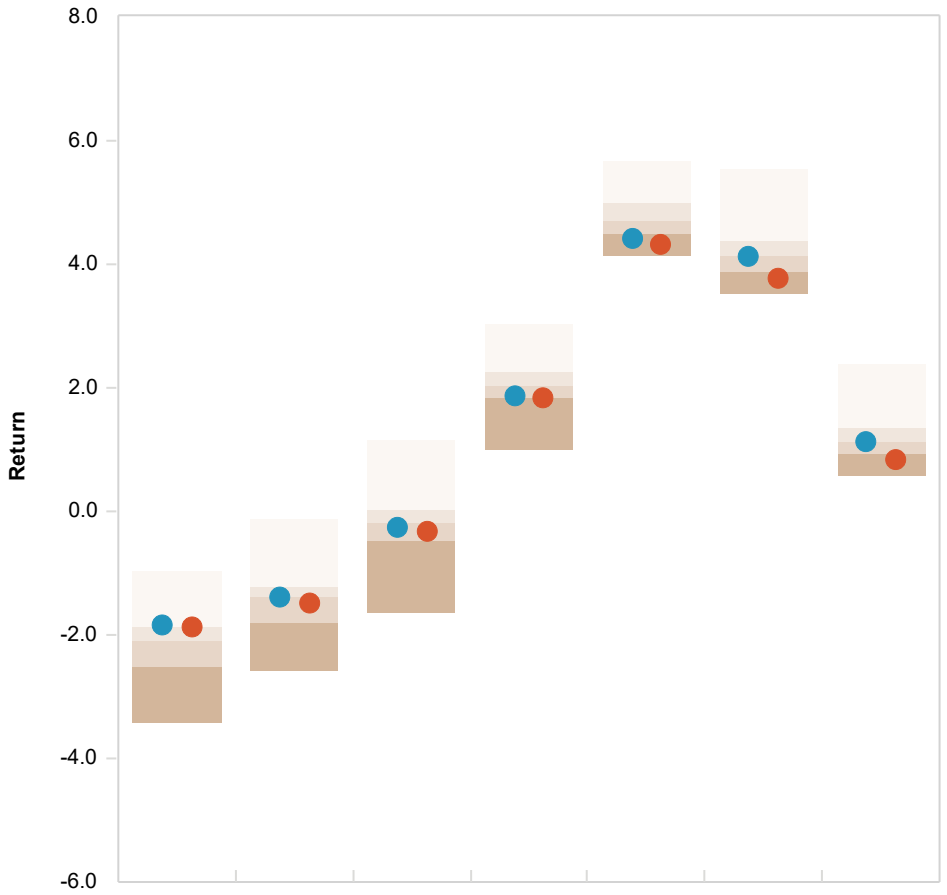
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	10	4 (40%)	1 (10%)	2 (20%)	3 (30%)
Index	20	0 (0%)	2 (10%)	13 (65%)	5 (25%)

5 Years Rolling Percentile Ranking vs. Foreign



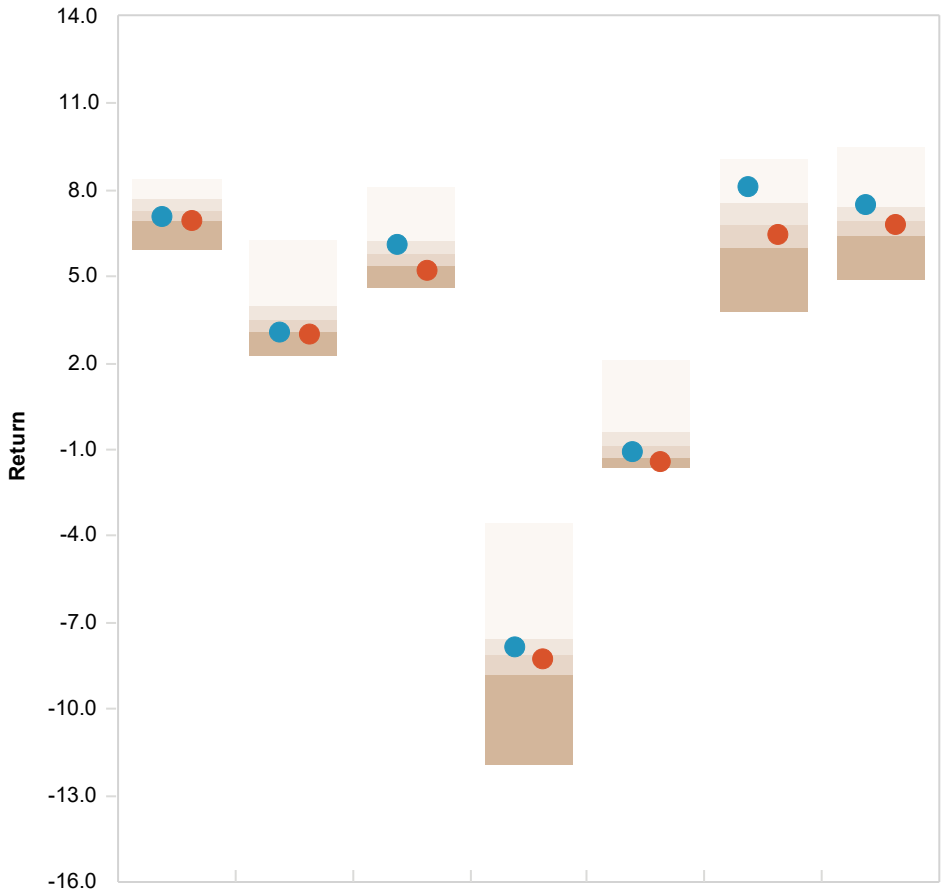
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	2	0 (0%)	0 (0%)	2 (100%)	0 (0%)
Index	20	0 (0%)	1 (5%)	10 (50%)	9 (45%)

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	-1.83 (16)	-1.40 (52)	-0.26 (58)	1.89 (70)	4.41 (84)	4.13 (48)	1.14 (49)
Index	-1.88 (28)	-1.49 (58)	-0.31 (64)	1.83 (77)	4.31 (90)	3.78 (87)	0.83 (83)
Median	-2.08	-1.39	-0.19	2.04	4.72	4.12	1.12

Peer Group Analysis - IM U.S. Intermediate Duration (SA+CF)



	2025	2024	2023	2022	2021	2020	2019
Investment	7.06 (67)	3.05 (77)	6.13 (29)	-7.88 (38)	-1.06 (61)	8.10 (13)	7.52 (24)
Index	6.97 (75)	3.00 (79)	5.24 (81)	-8.24 (59)	-1.44 (88)	6.43 (66)	6.80 (61)
Median	7.29	3.50	5.74	-8.13	-0.90	6.81	6.95

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	0.58 (61)	-0.14 (95)	1.16 (78)	1.40 (96)	1.66 (58)	2.67 (17)
Index	0.43 (89)	-0.02 (86)	1.20 (68)	1.51 (84)	1.67 (56)	2.42 (61)
Median	0.62	0.12	1.24	1.72	1.68	2.46

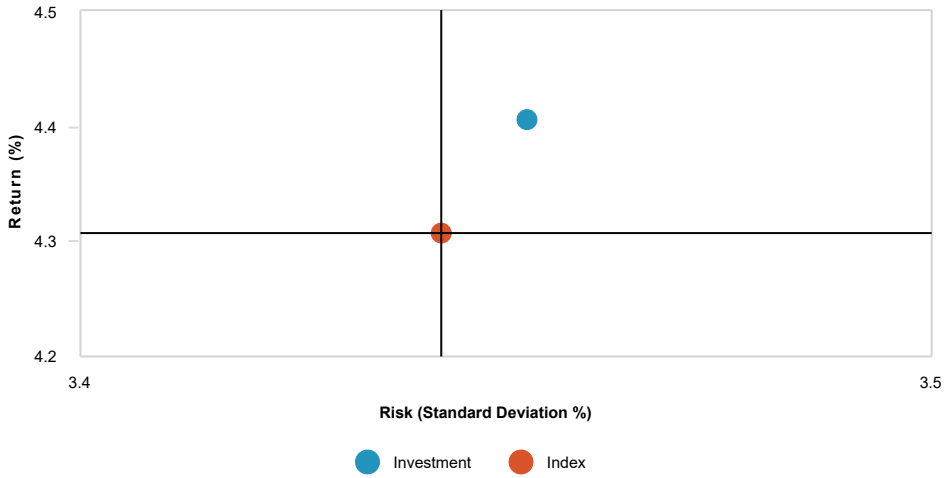
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	4.41	3.45	-0.01	101.28	9	99.85	3
Index	4.31	3.44	-0.04	100.00	8	100.00	4

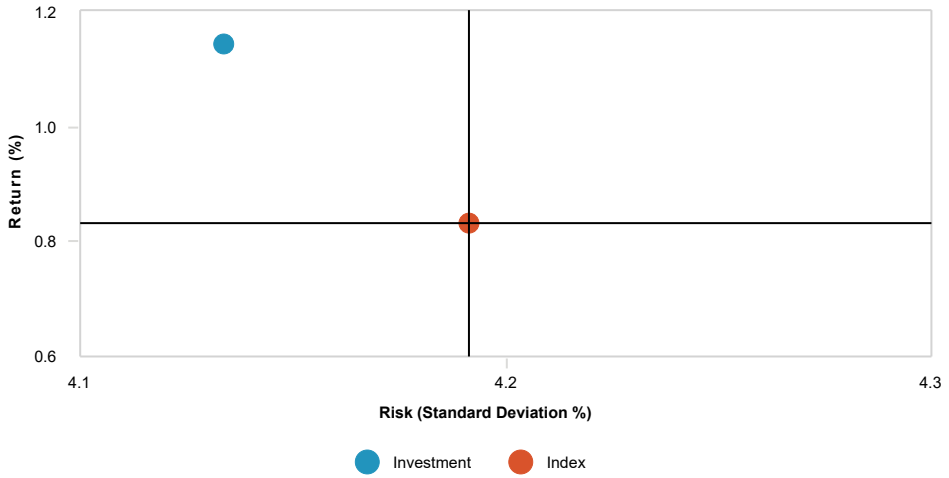
Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.14	4.13	-0.61	101.22	11	95.68	9
Index	0.83	4.19	-0.68	100.00	10	100.00	10

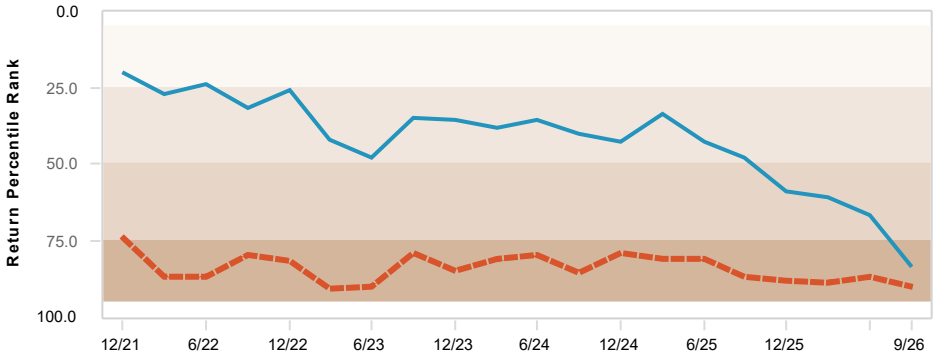
Risk and Return 3 Years



Risk and Return 5 Years

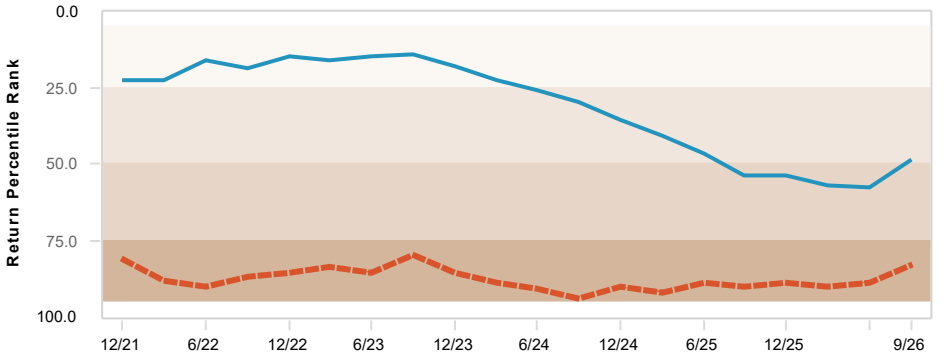


3 Years Rolling Percentile Ranking vs. IM U.S. Intermediate Duration (SA+CF)



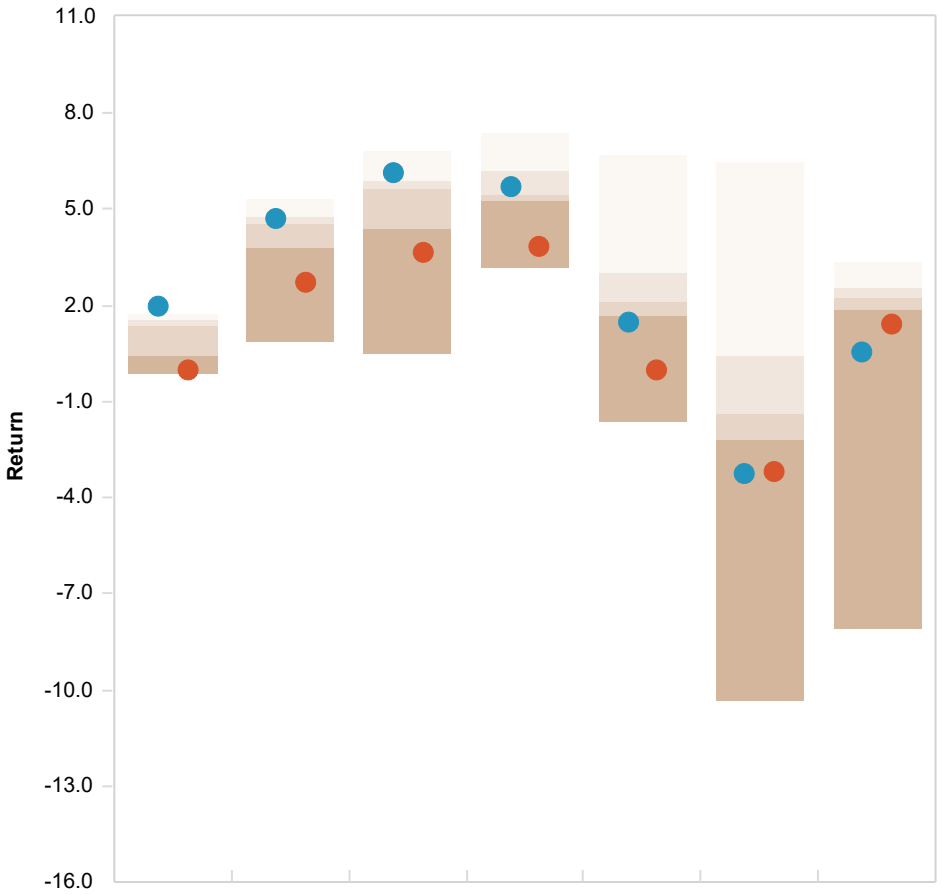
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	2 (10%)	14 (70%)	3 (15%)	1 (5%)
Index	20	0 (0%)	0 (0%)	1 (5%)	19 (95%)

5 Years Rolling Percentile Ranking vs. IM U.S. Intermediate Duration (SA+CF)



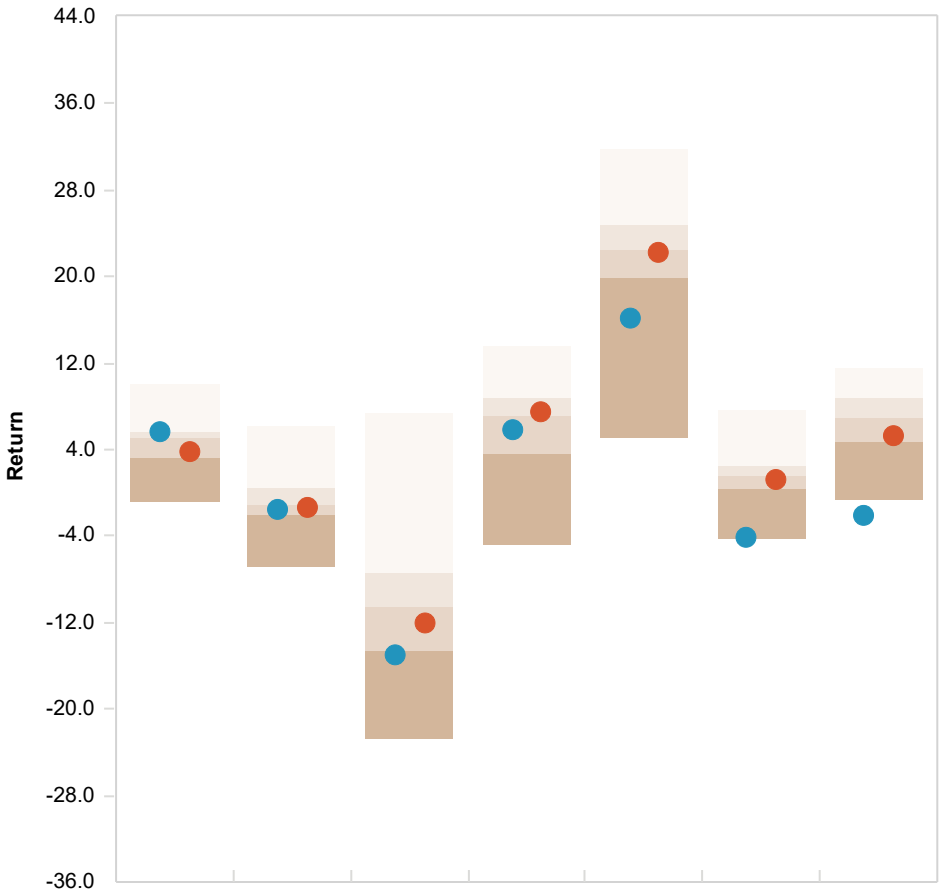
	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	10 (50%)	6 (30%)	4 (20%)	0 (0%)
Index	20	0 (0%)	0 (0%)	0 (0%)	20 (100%)

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	QTR	YTD	1 YR	2 YR	3 YR	4 YR	5 YR
Investment	1.97 (1)	4.71 (32)	6.12 (12)	5.68 (38)	1.48 (80)	-3.22 (92)	0.58 (90)
Index	0.00 (84)	2.75 (79)	3.69 (79)	3.86 (92)	0.01 (93)	-3.18 (92)	1.42 (84)
Median	1.35	4.51	5.66	5.49	2.07	-1.37	2.22

Peer Group Analysis - IM U.S. Open End Private Real Estate (SA+CF)



	2025	2024	2023	2022	2021	2020	2019
Investment	5.64 (26)	-1.60 (68)	-14.98 (83)	5.88 (57)	16.21 (81)	-4.03 (94)	-2.11 (97)
Index	3.79 (70)	-1.43 (61)	-12.02 (58)	7.47 (45)	22.17 (53)	1.19 (60)	5.34 (72)
Median	5.11	-1.21	-10.49	7.13	22.49	1.56	6.93

Comparative Performance

	1 Qtr Ending Jun-2026	1 Qtr Ending Mar-2026	1 Qtr Ending Dec-2025	1 Qtr Ending Sep-2025	1 Qtr Ending Jun-2025	1 Qtr Ending Mar-2025
Investment	1.54 (56)	1.13 (67)	1.35 (28)	1.17 (57)	1.55 (44)	1.46 (32)
Index	1.49 (64)	1.25 (56)	0.91 (61)	0.73 (85)	1.03 (75)	1.06 (62)
Median	1.61	1.28	1.13	1.28	1.30	1.18

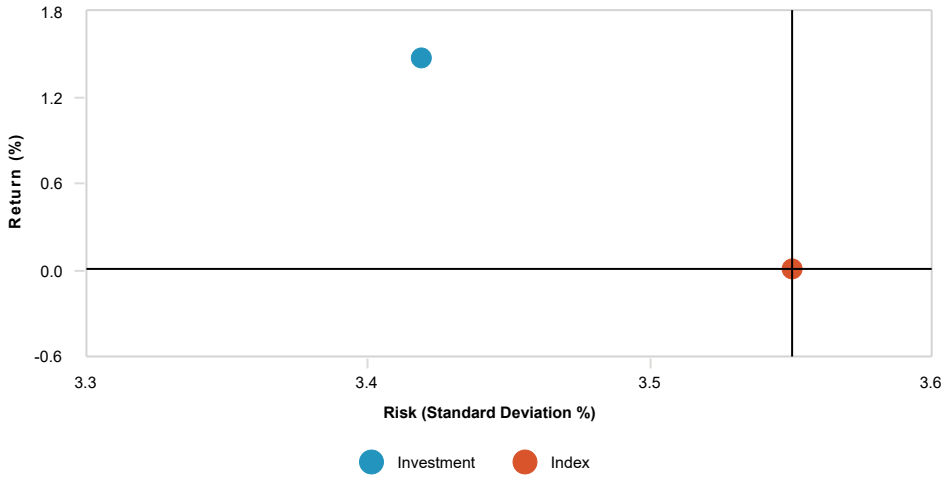
Historical Statistics 3 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	1.48	3.42	-0.81	141.58	9	85.84	3
Index	0.01	3.55	-1.19	100.00	9	100.00	3

Historical Statistics 5 Years

	Return	Standard Deviation	Sharpe Ratio	Up Market Capture	Up Quarters	Down Market Capture	Down Quarters
Investment	0.58	6.65	-0.41	96.73	13	115.88	7
Index	1.42	6.68	-0.29	100.00	13	100.00	7

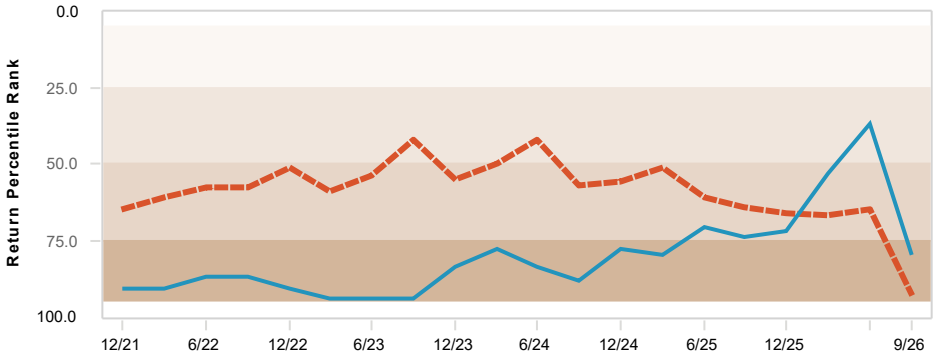
Risk and Return 3 Years



Risk and Return 5 Years

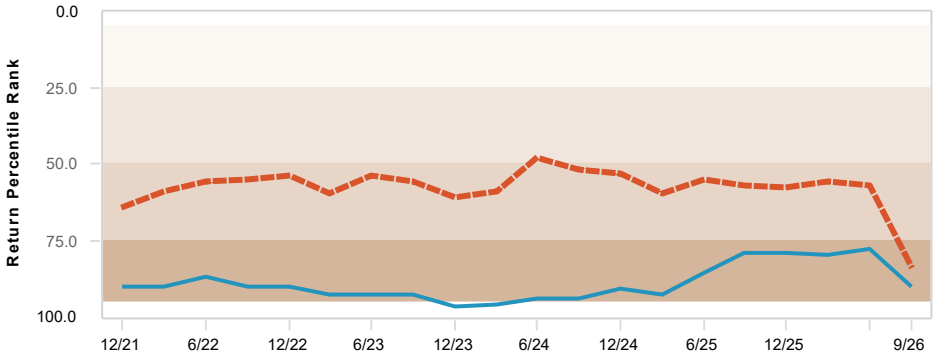


3 Years Rolling Percentile Ranking vs. IM U.S. Open End Private Real Estate (SA+CF)



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	0 (0%)	1 (5%)	4 (20%)	15 (75%)
Index	20	0 (0%)	3 (15%)	16 (80%)	1 (5%)

5 Years Rolling Percentile Ranking vs. IM U.S. Open End Private Real Estate (SA+CF)



	Total Period	5-25 Count	25-Median Count	Median-75 Count	75-95 Count
Investment	20	0 (0%)	0 (0%)	0 (0%)	20 (100%)
Index	20	0 (0%)	1 (5%)	18 (90%)	1 (5%)

	Estimated Annual Fee (%)	Market Value ($)	Estimated Annual Fee ($)	Fee Schedule
Fidelity 500 Index (FXAIX)	0.02	8,109,995	1,217	0.02 % of Assets
Vanguard Extended Market Index (VEXAX)	0.08	2,540,734	2,033	0.08 % of Assets
Vanguard Developed Markets Index (VTMNX)	0.07	1,347,159	943	0.07 % of Assets
GS GQG Intl Opps (GSIYX)	0.81	1,271,813	10,302	0.81 % of Assets
Loomis Sayles Fixed Income	0.20	9,711,059	19,422	0.20 % of Assets
UBS Trumbull Property Fund	0.90	888,924	8,000	0.90 % of Assets
Cash Account		132,784	-	
Total Fund Composite	**0.17**	**24,002,468**	**41,916**	

Fee information on this page is an illustrative estimate of management fees based on current reported portfolio values. Fee estimates do not reflect actual calculation methodologies or applicable carried interest.

	Market Value 07/01/2026	Net Transfers	Contributions	Distributions	Management Fees	Return On Investment	Market Value 09/30/2026
Total Fund Composite	**24,273,398**	**-**	**6,867**	**-136,457**	**-6,350**	**-118,566**	**24,002,468**
Total Domestic Equity Composite	**10,623,109**	**-**	**-**	**-**	**-**	**27,620**	**10,650,729**
Fidelity 500 Index (FXAIX)	7,927,797	-	-	-	-	182,198	8,109,995
Vanguard Extended Market Index (VEXAX)	2,695,313	-	-	-	-	-154,578	2,540,734
Total International Equity (Composite)	**2,603,215**	**-**	**-**	**-**	**-**	**15,757**	**2,618,972**
Vanguard Developed Markets Index (VTMNX)	1,356,319	-	-	-	-	-9,159	1,347,159
GS GQG Intl Opps (GSIYX)	1,246,896	-	-	-	-	24,917	1,271,813
Total Domestic Fixed Income Composite	**9,905,167**	**-**	**-**	**-**	**-4,953**	**-181,027**	**9,711,059**
Loomis Sayles Fixed Income	9,905,167	-	-	-	-4,953	-181,027	9,711,059
Total Real Estate Composite	**878,345**	**-5,224**	**-**	**-**	**-1,397**	**17,200**	**888,924**
UBS Trumbull Property Fund	878,345	-5,224	-	-	-1,397	17,200	888,924
Cash Account	**263,562**	**5,224**	**6,867**	**-136,457**	**-**	**1,883**	**132,784**

	Market Value 01/01/2026	Net Transfers	Contributions	Distributions	Management Fees	Return On Investment	Market Value 09/30/2026
Total Fund Composite	**23,391,925**	**-**	**9,741**	**-716,280**	**-20,336**	**1,377,786**	**24,002,468**
Total Domestic Equity Composite	**9,747,142**	**-300,000**	**-**	**-**	**-**	**1,203,587**	**10,650,729**
Fidelity 500 Index (FXAIX)	7,424,193	-250,000	-	-	-	935,801	8,109,995
Vanguard Extended Market Index (VEXAX)	2,322,949	-50,000	-	-	-	267,786	2,540,734
Total International Equity (Composite)	**2,504,838**	**-150,000**	**-**	**-**	**-**	**264,135**	**2,618,972**
Vanguard Developed Markets Index (VTMNX)	1,314,136	-150,000	-	-	-	183,023	1,347,159
GS GQG Intl Opps (GSIYX)	1,190,701	-	-	-	-	81,112	1,271,813
Total Domestic Fixed Income Composite	**10,077,804**	**-200,000**	**-**	**-**	**-14,933**	**-135,803**	**9,711,059**
Loomis Sayles Fixed Income	10,077,804	-200,000	-	-	-14,933	-135,803	9,711,059
Total Real Estate Composite	**881,946**	**-28,035**	**-**	**-**	**-5,403**	**40,416**	**888,924**
UBS Trumbull Property Fund	881,946	-28,035	-	-	-5,403	40,416	888,924
Cash Account	**180,195**	**678,035**	**9,741**	**-716,280**	**-**	**5,452**	**132,784**

Total Fund Policy

Allocation Mandate	Weight (%)
Jan-1990	
Blmbg. U.S. Aggregate Index	55.00
S&P 500 Value	45.00
Jan-2002	
Russell 2000 Index	10.00
Blmbg. U.S. Aggregate Index	50.00
S&P 500 Value	40.00
Apr-2003	
Russell 2000 Index	10.00
Blmbg. U.S. Aggregate Index	40.00
S&P 500 Value	50.00
Apr-2004	
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	40.00
S&P 500 Value	27.50
Russell 1000 Growth Index	17.50
Jan-2006	
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	40.00
S&P 500 Value	22.50
Russell 1000 Growth Index	22.50
Jan-2007	
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	40.00
S&P 500 Value	17.50
Russell 1000 Growth Index	27.50
Jul-2007	
Russell 2000 Index	15.00
Bloomberg Intermediate US Govt/Credit Idx	35.00
S&P 500 Value	17.50
Russell 1000 Growth Index	27.50
NCREIF Fund Index-ODCE (VW)	5.00

Allocation Mandate	Weight (%)
Jan-2008	
Russell 2000 Index	5.00
Bloomberg Intermediate US Govt/Credit Idx	35.00
S&P 500 Value	17.50
Russell 1000 Growth Index	27.50
NCREIF Fund Index-ODCE (VW)	5.00
MSCI AC World ex USA	10.00
Jan-2009	
Russell 2000 Index	10.00
Bloomberg Intermediate US Govt/Credit Idx	35.00
S&P 500 Value	25.00
Russell 1000 Growth Index	15.00
NCREIF Fund Index-ODCE (VW)	5.00
MSCI AC World ex USA	10.00
Oct-2012	
Russell 2000 Index	10.00
Bloomberg Intermediate US Govt/Credit Idx	35.00
S&P 500 Value	20.00
Russell 1000 Growth Index	15.00
NCREIF Fund Index-ODCE (VW)	5.00
MSCI AC World ex USA	15.00
Jan-2014	
Russell 2000 Index	10.00
Bloomberg Intermediate US Govt/Credit Idx	30.00
S&P 500 Value	20.00
S&P 500 Low Volatility Index TR	25.00
NCREIF Fund Index-ODCE (VW)	5.00
Blmbg. U.S. Corp High Yield	10.00
Jan-2016	
Bloomberg Intermediate US Govt/Credit Idx	30.00
S&P 500 Value	15.00
S&P 500 Low Volatility Index TR	30.00
NCREIF Fund Index-ODCE (VW)	10.00
Blmbg. U.S. Corp High Yield	10.00
90 Day U.S. Treasury Bill	5.00

Allocation Mandate	Weight (%)
Sep-2018	
Bloomberg Intermediate US Govt/Credit Idx	28.00
S&P 500 Index	15.00
S&P 500 Low Volatility Index TR	15.00
NCREIF Fund Index-ODCE (VW)	10.00
Blmbg. U.S. Corp High Yield	10.00
90 Day U.S. Treasury Bill	2.00
S&P Completion Index	10.00
MSCI AC World ex USA	10.00
Jan-2021	
S&P 500 Low Volatility Index TR	15.50
S&P 500 Index	15.50
S&P Completion Index	10.00
FTSE Developed All Cap ex-U.S. Index	5.00
MSCI AC World ex USA	5.00
Bloomberg Intermediate US Govt/Credit Idx	38.00
NCREIF Fund Index-ODCE (VW)	9.00
90 Day U.S. Treasury Bill	2.00
Aug-2025	
S&P 500 Index	31.00
S&P Completion Index	10.00
FTSE Developed All Cap ex-U.S. Index	5.00
MSCI AC World ex USA	5.00
Bloomberg Intermediate US Govt/Credit Idx	38.00
NCREIF Fund Index-ODCE (VW)	9.00
90 Day U.S. Treasury Bill	2.00

Active Return - Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.

Alpha - A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.

Beta - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.

Consistency - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.

Distributed to Paid In (DPI) - The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.

Down Market Capture - The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance

Downside Risk - A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.

Excess Return - Arithmetic difference between the manager's performance and the risk-free return over a specified time period.

Excess Risk - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

Information Ratio - This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.

Public Market Equivalent (PME) - Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.

R-Squared - The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.

Return - Compounded rate of return for the period.

Sharpe Ratio - Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.

Standard Deviation - A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.

Total Value to Paid In (TVPI) - The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life

Tracking Error - This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.

Treynor Ratio - Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.

Up Market Capture - The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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MARINER

Access is everything.

FERNDALE

November 16, 2026 City Clerk

CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION

FROM: Dave Movilla

SUBJECT: Approve Recommended Rebalance / Liquidity Plans for Police and Fire Pension Fund and Employee Retirement System.

SUGGESTED ACTION
Adopt the rebalance/liquidity plans, as recommended for the Police and Fire Pension Board and Employee Retirement System.

Item Background
See attachments and reference in-person presentation from Brian Green for recommendations on the liquidity/rebalance plans for Police and Fire and Employee Retirement System to be considered.

Previous Action

Strategic Goal

Budged Impact
None

Budget Amendment Required
false

GL#
N/A

CIP#
N/A

Staff Recommendation

ATTACHMENTS:

Ferndale Genl Employees Liquidity Matrix 2026-10-31.pdf
Ferndale P&F 2026-10-31.pdf

City of Ferndale General **As of: 10/31/2026**

Asset / Manager Summary

Asset Class/Manager	Current Market Value and Allocation $	(%)	Rebalance	Market Value After Rebalance $	%	Target Market Value and Allocation $	(%)	Variance from Target $	%
Fidelity S&P 500 Index	$8,039,103	33.6%	($225,000)	$7,814,103	32.7%	$7,412,744	31.0%	$401,359	1.7%
Vanguard Extended Market Index	$2,529,741	10.6%	$0	$2,529,741	10.6%	$2,391,208	10.0%	$138,533	0.6%
Total US Equity	**$10,568,844**	**44.2%**	**($225,000)**	**$10,343,844**	**43.3%**	**$9,803,952**	**41.0%**	**$539,892**	**2.3%**
Vanguard Dev Mkts Index	$1,321,652	5.5%	$0	$1,321,652	5.5%	$1,195,604	5.0%	$126,048	0.5%
GQG International Equity	$1,191,231	5.0%	$0	$1,191,231	5.0%	$1,195,604	5.0%	($4,373)	0.0%
Total Intl Equity	**$2,512,883**	**10.5%**	**$0**	**$2,512,883**	**10.5%**	**$2,391,208**	**10.0%**	**$121,675**	**0.5%**
Total Global Equity	**$13,081,727**	**54.7%**	**($225,000)**	**$12,856,727**	**53.8%**	**$12,195,160**	**51.0%**	**$661,567**	**2.8%**
Loomis Intermediate Core Plus	$9,853,396	41.2%	$0	$9,853,396	41.2%	$9,086,590	38.0%	$766,806	3.2%
Total Fixed Income	**$9,853,396**	**41.2%**	**$0**	**$9,853,396**	**41.2%**	**$9,086,590**	**38.0%**	**$766,806**	**3.2%**
UBS Trumbull	$888,924	3.7%	$0	$888,924	3.7%	$888,924	3.7%	$0	0.0%
Unfunded Real Estate	$0	0.0%	$0	$0	0.0%	$1,263,163	5.3%	($1,263,163)	-5.3%
Total Real Estate	**$888,924**	**3.7%**	**$0**	**$888,924**	**3.7%**	**$2,152,087**	**9.0%**	**($1,263,163)**	**-5.3%**
Cash Account	**$88,031**	**0.4%**	**$225,000**	**$313,031**	**1.3%**	**$478,242**	**2.0%**	**($165,211)**	**-0.7%**
Total Fund	**$23,912,078**	**100.0%**	**$0**	**$23,912,078**	**100.0%**	**$23,912,078**	**100.0%**	**$0**	

Source: Fifth Third Bank

UBS Trumbull as of 9/30/2026

	QTD	CYTD	FYTD
Total Fund	**-0.2%**	**5.7%**	**-0.7%**
Policy Index	-0.6%	5.9%	-1.0%

Asset Class/Manager	Market Value 10/31/2026	Market Value 9/30/2026	$ Change	Cash Flow	% Change	Benchmark % Change	Difference
Fidelity S&P 500 Index	$8,039,103	$8,109,995	($70,892)	$0	-0.9%	-3.5%	2.6%
Vanguard Extended Market Index	$2,529,741	$2,540,734	($10,993)	$0	-0.4%	-0.4%	0.0%
Total US Equity	**$10,568,844**	**$10,650,729**	($81,885)	**$0**	-0.8%		
Vanguard Dev Mkts Index	$1,321,652	$1,347,159	($25,507)	$0	-1.9%	-1.9%	0.0%
GQG International Equity	$1,191,231	$1,271,813	($80,582)	$0	-6.3%	-1.9%	-4.4%
Total Intl Equity	**$2,512,883**	**$2,618,972**	($106,089)	**$0**	-4.1%	-1.9%	
Total Global Equity	**$13,081,727**	**$13,269,701**	($187,974)	**$0**	-1.4%		
Loomis Intermediate Core Plus	$9,853,396	$9,711,059	$142,337	$0	1.5%	1.9%	-0.4%
Total Fixed Income	**$9,853,396**	**$9,711,059**	$142,337	**$0**	1.5%		
UBS Trumbull	$888,924	$888,924	$0	$0	0.0%	0.0%	0.0%
Unfunded Real Estate	$0	$0	$0	$0			
Total Real Estate	**$888,924**	**$888,924**	**$0**	**$0**			
Cash Account	**$88,031**	**$132,784**	$0	($44,753)	0.0%	0.0%	0.0%
Total Fund	**$23,912,078**	**$24,002,468**	**($45,637)**	**($44,753)**	**-0.19%**	**-0.61%**	**0.42%**

Ferndale General Liquidity Funding Strategy

Manager	November	December	January	February	March	April	10/31/2026
US Equity							
Fidelity S&P 500 Index							Monthly Need
Vanguard Extended Market							($45,355)
International Equity							Annual Need
Vanguard Developed Markets Index							($544,260)
GQG International Equity							
US Fixed Income							
Loomis Sayles Intermediate							
Real Estate							
UBS Trumbull							
Cash Equivalents							
Comerica Short-term Invest Fund							
Forecast Beginning Cash Balance	$313,031	$261,676	$210,321	$158,966	$107,611	$56,256	
Funds Withdrawn from Managers	$0	$0	$0	$0	$0	$0	
Anticipated Contributions	$0	$0	$0	$0	$0	$0	
Total Funds Available	$313,031	$261,676	$210,321	$158,966	$107,611	$56,256	**Assumptions**
Benefit payments (1)	($45,355)	($45,355)	($45,355)	($45,355)	($45,355)	($45,355)	Benefit Payments 4/2026 Actual
401h Transfer	$0	$0	$0	$0	$0	$0	401h transfer expected May 2027
Retirement Specialist Transfer	$0	$0	$0	$0	$0	$0	
Plan expenses	($6,000)	($6,000)	($6,000)	($6,000)	($6,000)	($6,000)	Expenses: $18,000 per quarter
Total Funds Needed	($51,355)	($51,355)	($51,355)	($51,355)	($51,355)	($51,355)	
Forecast Ending Cash Balance	$261,676	$210,321	$158,966	$107,611	$56,256	$4,901	

(1) Benefit payments occur on last day of the month. Cash needs to be available 4 business days before the end of the month.

City of Ferndale Police and Fire **As of: 10/31/2026**

Asset / Manager Summary

Asset Class/Manager	Current Market Value and Allocation $	(%)	Rebalance	Market Value After Rebalance $	%	Target Market Value and Allocation $	(%)	Variance from Target $	%
Fidelity S&P 500 Index	$13,491,469	30.2%	($1,000,000)	$12,491,469	27.9%	$12,516,338	28.0%	($24,869)	-0.1%
Vanguard Extended Market Index	$5,074,509	11.4%	$0	$5,074,509	11.4%	$4,470,121	10.0%	$604,388	1.4%
Total US Equity	**$18,565,978**	**41.5%**	**($1,000,000)**	**$17,565,978**	**39.3%**	**$16,986,458**	**38.0%**	**$579,520**	**1.3%**
Vanguard Developed Markets Index	$5,261,168	11.8%	$0	$5,261,168	11.8%	$4,470,121	10.0%	$791,047	1.8%
GQG International Equity	$4,577,312	10.2%	$0	$4,577,312	10.2%	$4,470,121	10.0%	$107,191	0.2%
Total Intl Equity	**$9,838,480**	**22.0%**	**$0**	**$9,838,480**	**22.0%**	**$8,940,241**	**20.0%**	**$898,239**	**2.0%**
Total Global Equity	**$28,404,458**	**63.5%**	**($1,000,000)**	**$27,404,458**	**61.3%**	**$25,926,699**	**58.0%**	**$1,477,759**	**3.3%**
Loomis Intermediate Core Plus	$14,032,274	31.4%	$0	$14,032,274	31.4%	$13,857,374	31.0%	$174,900	0.4%
Total Fixed Income	**$14,032,274**	**31.4%**	**$0**	**$14,032,274**	**31.4%**	**$13,857,374**	**31.0%**	**$174,900**	**0.4%**
UBS Trumbull	$1,853,368	4.1%	$0	$1,853,368	4.1%	$1,853,368	4.1%	$0	0.0%
Unfunded Real Estate	$0	0.0%	$0	$0	0.0%	$2,169,741	4.9%	($2,169,741)	-4.9%
Total Real Estate	**$1,853,368**	**4.1%**	**$0**	**$1,853,368**	**4.1%**	**$4,023,109**	**9.0%**	**($2,169,741)**	**-4.9%**
Cash Account	**$411,106**	**0.9%**	**$1,000,000**	**$1,411,106**	**3.2%**	**$894,024**	**2.0%**	**$517,082**	**1.2%**
Total Fund	**$44,701,206**	**100.0%**	**$0**	**$44,701,206**	**100.0%**	**$44,701,206**	**100.0%**	**$0**	

Source: Fifth Third Bank

UBS Trumbull as of 9/30/2026

	QTD	CYTD	FYTD
Total Fund	**-0.8%**	**6.3%**	**-1.1%**
Policy Index	-0.2%	7.5%	-0.5%

Asset Class/Manager	Market Value 10/31/2026	Market Value 9/30/2026	$ Change	Cash Flow	% Change	Benchmark % Change	Difference
Fidelity S&P 500 Index	$13,491,469	$14,155,853	($114,384)	($550,000)	-0.8%	-0.8%	0.0%
Vanguard Extended Market Index	$5,074,509	$5,096,562	($22,053)	$0	-0.4%	-0.4%	0.0%
Total US Equity	**$18,565,978**	**$19,252,415**	**($136,437)**	**($550,000)**	**-0.7%**		
Vanguard Developed Markets Index	$5,261,168	$5,362,708	($101,540)	$0	-1.9%	-1.9%	0.0%
GQG International Equity	$4,577,312	$4,886,947	($309,635)	$0	-6.3%	-1.9%	-4.4%
Total Intl Equity	**$9,838,480**	**$10,249,655**	**($411,175)**	**$0**	-4.0%	-1.9%	
Total Global Equity	**$28,404,458**	**$29,502,070**	($1,097,612)	**$0**	-3.7%		
Loomis Intermediate Core Plus	$14,032,274	$13,826,788	$205,486	$0	1.5%	1.4%	0.1%
Total Fixed Income	**$14,032,274**	**$13,826,788**	**$205,486**	**$0**			
UBS Trumbull	$1,853,368	$1,853,368	$0	$0	0.0%	0.0%	0.0%
Unfunded Real Estate	$0	$0	$0	$0			
Total Real Estate	**$1,853,368**	**$1,853,368**	**$0**	**$0**			
Cash Account	**$411,106**	**$207,293**	**$0**	**$203,813**	**0.0%**	**0.0%**	**0.0%**
Total Fund	**$44,701,206**	**$45,389,519**	**($342,126)**	**($346,187)**	**-0.8%**	**-0.2%**	**-0.5%**

Ferndale P&F Liquidity Funding Strategy

Manager	November	December	January	February	March	April	10/31/2026
US Equity							
Fidelity S&P 500 Index							
Vanguard Extended Market Index							
Intl Equity							
Vanguard Developed Markets							
GQG International							
US Fixed Income							
Loomis Sayles Intm Core Plus							
Real Estate							
UBS Trumbull				$10,000			Dividend and Redemption Proceeds
Cash Equivalents							
Comerica Short-term Invest Fund							
Forecast Beginning Cash Balance	$1,411,106	$1,064,015	$716,924	$369,832	$32,741	($314,350)	
Funds Withdrawn from Managers	$0	$0	$0	$10,000	$0	$0	
Anticipated Contributions							Based upon FYTD Avg of $134,107
Total Funds Available	$1,411,106	$1,064,015	$716,924	$379,832	$32,741	($314,350)	**Assumptions**
Cash Account							
Benefit payments (1)	($337,091)	($337,091)	($337,091)	($337,091)	($337,091)	($337,091)	Benefit Payments: October 2026 Actual
Retirement Specialist Transfer	$0	$0	$0	$0	$0	$0	One time annual transfer
Plan expenses	($10,000)	($10,000)	($10,000)	($10,000)	($10,000)	($10,000)	Expenses: $30,000 per quarter
Lump Sum Payments	$0	$0	$0	$0	$0	$0	
Total Funds Needed	($347,091)	($347,091)	($347,091)	($347,091)	($347,091)	($347,091)	
Forecast Ending Cash Balance	$1,064,015	$716,924	$369,832	$32,741	($314,350)	($661,441)	

(1) Benefit payments occur on 15th and last day of the month. Cash needs to be available 3 business days before mid-month and 4 business days prior to month-end.

FERNDALE

November 16, 2026 City Clerk

CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION

FROM: Dave Movilla

SUBJECT: Consideration of the 2027 Meeting Schedule.

SUGGESTED ACTION
Approve the 2027 Pension Board meeting schedule, as submitted by the Deputy City Clerk.

Item Background
The Joint Pension Board met on the second Wednesday of each quarter at 8AM for all of 2026 with exceptions in the 3rd and 4th quarters due to scheduling conflicts. The proposed dates would have the board meeting quarterly on the second Wednesday of the month at 8 a.m. except the first and third quarters where the board will be meeting on the first Wednesday.

The proposed 2027 requested meeting schedule is February 3, May 12, August 4, and November 10 with 8 a.m. start times.

Previous Action

Strategic Goal

Budged Impact
N/A

Budget Amendment Required
false

GL#
N/A

CIP#
N/A

Staff Recommendation

ATTACHMENTS:

2027_Joint_Pension_Board_Meeting_Schedule_-_PROPOSED.pdf

City Clerk – City of Ferndale
300 East Nine Mile Rd
Ferndale MI 48220
248.546.2525
www.ferndalemi.gov

2027 Joint Pension Board Meeting Schedule – PROPOSED

Quarter	Proposed Date	Proposed Time	Location
1	02/3/2027	8:00 AM	300 E. Nine Mile Road, Ferndale, MI 48220
2	05/12/2027	8:00 AM	300 E. Nine Mile Road, Ferndale, MI 48220
3	08/4/2027	8:00 AM	300 E. Nine Mile Road, Ferndale, MI 48220
4	11/10/2026	8:00 AM	300 E. Nine Mile Road, Ferndale, MI 48220

FERNDALE

November 16, 2026 City Clerk

CITY OF FERNDALE
REQUEST FOR COUNCIL ACTION

FROM: Dave Movilla

SUBJECT: Consider approving the Minutes from the July 22, 2026 Joint Pension Board Meeting

SUGGESTED ACTION
Approve the minutes from the July 22, 2026 Joint Pension Board Meeting.

Item Background
Review and consider the minutes for the May 13, 2026 Joint Pension Board as presented.

Previous Action

Strategic Goal

Budged Impact
N/A

Budget Amendment Required
false

GL#
N/A

CIP#
N/A

Staff Recommendation

ATTACHMENTS:

2026 07 22 Joint Pension Boards - Draft Minutes.pdf

The City of Ferndale

Minutes
Joint Pension Boards Meeting
WEDNESDAY, JULY 22, 2026 @ 8:07 AM
300 E. Nine Mile Road, Ferndale, MI 48220

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1. ROLL CALL

ERS
Present: Leaks-May, O'Toole, Sabatini
Absent:

POLICE & FIRE PENSION BOARD
Present: Leaks-May, Meade, O'Loughlin, O'Toole, Sabatini,
Absent: Berousek

2. APPROVAL OF THE AGENDA

Motion by Leak-May, seconded by Sabatini, to approve the agenda as presented for the July 22, 2026, Joint Pension Board Meeting for the Employee Retirement System Pension Board.

Voice Vote.

Motion Carried for ERS.

Motion by Meade, seconded by Sabatini, to approve the agenda as presented for the July 22, 2026, Joint Pension Board Meeting for the Police and Fire Pension Board.

Voice Vote.

Motion Carried for Police and Fire.

3. PRESENTATIONS

4. PORTFOLIO REPORTS

4.A Police and Fire Pension Board 2025-2026 Q4 Performance Reports (April - June 2026)

Motion by Meade, supported by O'Toole, to Receive and file the third quarter Police and Fire Pension Board performance reports, as presented by Brian Green.

Voice Vote.

Motion Carried for P&F.

4.B Employee Retirement System 2025-2026 Q4 Performance Reports (April - June 2026)

Motion by O'Toole, supported by Sabatini, to Receive and file the third quarter Employee Retirement System Pension Board performance reports, as presented by Brian Green.

Voice Vote.

Motion Carried for ERS.

5. RETIREMENTS

6. NEW BUSINESS

6.A Review of the proposed Ferndale Employees' Retirement System Ordiannce

7. OLD BUSINESS

8. ADMINISTRATIVE ITEMS

9. APPROVAL OF MINUTES

9.A Consider approving the Minutes from the May 13, 2026 Joint Pension Board Meeting

Motion by Sabatini, supported by Leaks-May, to Approve the minutes from the May 13, 2026 Joint Pension Board Meeting for the Employee Retirement System.

Voice Vote.

Motion Carried for ERS.

Motion by Meade, supported by O'Toole, to Approve the minutes from the May 13, 2026 Joint Pension Board Meeting for the Police and Fire Pension Board.

Voice Vote.

Motion Carried for P&F.

10. ADJOURNMENT AT 8:43 A.M.