JOINT GENERAL EMPLOYEE PENSION PLAN BOARD, POLICE PENSION RETIREMENT COMMITTEE, AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) BOARD

A Joint Meeting of the General Employee Pension Plan Board, Police Pension Retirement Committee, and Other Post-Employment Benefits (OPEB) Board was held on February 12, 2026, at 11:12 p.m. with Mr. Gedney, Acting Chair of the General Employee Pension Plan Board, presiding. Members present were Mr. Rocha, Dr. Pillsbury, Ms. Kober, Mr. Welch, Ms. Green (via Webex), Ms. Marney (via Webex), Ms. Poole, Mr. Hugg, and Mr. Mullaney. Mr. Rogers, Mr. Gray, and Chief Johnson were absent.

ADOPTION OF AGENDA

Mr. Rocha moved for adoption of the agenda, seconded by Mr. Gedney, and unanimously carried.

CORRECTION TO JOINT GENERAL EMPLOYEE PENSION PLAN BOARD, POLICE PENSION RETIREMENT COMMITTEE, AND OTHER POST-EMPLOYMENT BENEFITS (OPEB) BOARD MEETING MINUTES OF NOVEMBER 6, 2025.

Mr. Timothy Mullaney, Chair of the Police Pension Retirement Committee, noted two discrepancies in the meeting minutes from November 6, 2025. The first discrepancy was a statement made by him, in which he had remarked that there was some fluctuation in the funding and that the funding was distributed based on the number of active foreign officers in the state. He clarified that the funding was distributed based on the number of active law enforcement officers in the state. The second discrepancy was regarding a statement by Mr. Perry about the Police Pension Funds. He clarified that Mr. Perry had remarked that the Police Pension Plan was essentially the same as the other two (2) plans, but their plan was not tiny, but super mature, and ran off the average age of 87. He stated that the correction of the average age should be 77.

ADOPTION OF MINUTES

Dr. Pillsbury moved for adoption of the minutes as corrected of the Joint General Employee Pension Plan Board, Police Pension Retirement Committee, and Other Post-Employment Benefits (OPEB) Board Meeting of November 6, 2025. The motion was seconded by Mr. Gedney and unanimously carried.

MARKET COMMENTARY

Mr. Alan Perry, Principal and Employee Benefits Consultant, Milliman, Inc., reviewed the Market Commentary for the Quarter Ending December 31, 2025.

QUARTERLY PERFORMANCE REVIEWS (QUARTER ENDING JANUARY 31, 2026) (MILLIMAN, INC.)

Mr. Alan Perry, Principal and Employee Benefits Consultant, Milliman, Inc., reviewed the Quarterly Performance Review for the Quarter Ending December 31, 2025, for the General Employee Pension Plan, Police Pension Plan, and the Other Post-Employment Benefits (OPEB) Plan.

Responding to Mr. Rocha, Mr. Perry clarified that the rankings were relative to the same group of 250 managers. A sixth place ranking over one (1) year meant they ranked sixth for that specific one (1) year period. If they ranked ninth over three (3) years and fourteenth over five (5) years, it reflected their performance relative to others during those timeframes.

Responding to Mr. Rocha, Mr. Perry stated that another thing to focus on was the expense ratio since all the return fees were net of fees. He explained that the two (2) active managers were between 73 and 81 basis points, and the DFA was at 29 basis points, which was a lot less than the active managers because they were quantitative. If they were to look at the index funds, there were between three (3), five (5), and six (6) basis points, which was what was expected.

Mr. Perry stated that having an index fund would make their lives much simpler, and it would be the decision of least regret. He noted that there were downsides to having an index fund, but the index fund earns 2% over the next 10 years. He mentioned that since they have a Vanguard small-cap growth index, if they go with Vanguard small-cap stocks, they would have a nice balanced symmetrical coverage.

Mr. Perry recommended that if they wanted to go with an index fund, his preference would be Vanguard, and they would have all those stocks, and they would not be missing the numbers. He explained that the idea of an index fund was that there was a small number of stocks that were going to determine the return on the entire asset class, and they would need to own all those stocks; they were not going to get it because most of them were going to do nothing.

Responding to Mr. Rocha, Mr. Perry stated that in the 401K world, which has several index funds, if there were a huge company, a giant defense contractor, and they received a billion dollars of their employer's money, in an index fund, it would charge six (6) basis points. He noted that there was another one (1) just as good, charging five (5) base points, and they would get sued for having to pay expenses that were too high.

Mr. Perry stated that for the Police Pension and the General Employee Pension Plan, their plan was at two (2) and a half percent of the fund, so they could hire Columbia and could burn an extra 500 basis points, but they would only be two (2) and a half percent of the 500 basis points. He noted that every little bit counts.

Mr. Mullaney stated that, from the police perspective, they wanted to have less risk.

Mr. Mullaney made a motion to replace the American Century Small Cap Value with the Vanguard Small Cap Value Index for the Police Pension Plan. The motion was seconded by Dr. Pillsbury and unanimously carried.

Mr. Gedney made a motion to replace the American Century Small Cap Value with the Vanguard Small Cap Value Index for the General Employee Pension Plan. The motion was seconded by Mr. Rocha and unanimously carried.

Mr. Rocha made a motion to replace the American Century Small Cap Value with the Vanguard Small Cap Value Index for the Other Post-Employment Benefits (OPEB) Plan. The motion was seconded by Dr. Pillsbury and unanimously carried.

Mr. Gedney moved for acceptance of the Quarterly Performance Review for the General Employee Pension Plan, seconded by Mr. Welch, and unanimously carried.

Mr. Mullaney moved for acceptance of the Quarterly Performance Review for the Police Pension Plan, seconded by Mr. Rocha, and unanimously carried.

Mr. Rocha moved for acceptance of the Quarterly Performance Review for the Other Post-Employment Benefits (OPEB) Plan, seconded by Dr. Pillsbury, and unanimously carried.

ACTUARY UPDATE FROM BOLTON GROUP

Mr. Jordan McClane, Consulting Actuary, Bolton Group, reviewed the Actuary Report for the General Employee Pension Plan and Police Pension Plan. Mr. Tim Barry, Consulting Actuary, Bolton Group, reviewed the Actuary Report for the Other Post-Employment Benefits (OPEB) Plan.

Mr. Gedney moved for acceptance of the Actuary Report Review for the General Employee Pension Plan, seconded by Mr. Welch, and unanimously carried.

Mr. Mullaney moved for acceptance of the Actuary Report Review for the Police Pension Plan, seconded by Mr. Rocha, and unanimously carried.

Dr. Pillsbury moved for acceptance of the Actuary Report Review for the Other Post-Employment Benefits (OPEB) Plan, seconded by Mr. Rocha, and unanimously carried.

QUARTERLY EXPENDITURES REPORT

Ms. Patricia Marney, Interim Controller / Treasurer, reviewed the General Employee Pension Plan and Police Pension Plan for the Quarter Ending December 31, 2025, for the General Employee Pension Plan and Police Pension Plan.

Responding to Ms. Green, Ms. Marney clarified that the $5.5 million payroll contribution transfer on June 28, 2024, represented payroll contributions that were transferred into their investment funds.

Responding to Ms. Green, Ms. Marney clarified that the process was periodic and that the funds were set aside in accordance with actuarial recommendations. She explained that the contribution required by the city to fund the pension was calculated as a function of payroll, based on employees' current salaries and the Actuarially Determined Contribution (ADC) reflected in the actuarial reports. She stated that the transfer was for Fiscal Year 2024, with additional transfers forthcoming for investment purposes.

Responding to Ms. Green, Ms. Marney clarified that for Fiscal Year 2025, all payments received from July 2024 through July 2025 were included in the report. She noted that in the report, the line items labeled "General Pension Payroll Contributions," when totaled, represented the amount to be transferred to the investment funds. She added that she did not have the total number available at the time but could provide it.

Responding to Ms. Marney, Ms. Green stated that she has asked for the last five years of the Quarterly Expenditures Reports for the past five (5) years.

Responding to Ms. Green, Ms. Marney stated that they were in the process of compiling the historical data from the Quarterly Expenditure Reports for her.

Mr. Gedney moved for acceptance of the General Pension Expenditure Report for the General Employee Pension Plan, seconded by Mr. Welch, and unanimously carried.

FUTURE MEETING DATE

Mr. Gedney moved for approval of the future meeting date of May 7, 2026, at 11:00 a.m. The motion was seconded by Dr. Pillsbury and unanimously carried.

ADJOURNMENT

Dr. Pillsbury moved for an adjournment of the Joint Pension Meeting. The motion was seconded by Mr. Gedney and unanimously carried.

The Joint Pension Meeting adjourned at 12:32 p.m.

Christina Kober
Chair, General Employee Pension Plan Committee

CK/CW