

NETWORK DEPOSITION SERVICES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

- - -
COMPREHENSIVE MUNICIPAL PENSION TRUST FUND
BOARD MEETING:

- - -
City County Building
414 Grant Street
Mayor's Conference Room, 5th floor
Pittsburgh, Pennsylvania 15219

- - -
December 4, 2025
1:00 P.M.

- - -
BOARD MEMBERS PRESENT:

- Ralph Sicuro, Chairperson
- Controller Rachael Heisler, Vice Chairperson
- Deputy Chief of Staff Felicity Williams
- Richard Ruffolo, Treasurer
- Patrick Cornell, Secretary

- - -
ALSO PRESENT:

- Jennifer Gula
- Frederick N. Frank, Esq.
- Jamie Wesner, Marquette Associates
- Jason L. Franken, FSA, EA, MAAA

- - -
The within meeting of the Comprehensive Municipal Pension Trust Fund Board Meeting,, Reported by Jeannie M. Hatok, a Notary Public in and for the Commonwealth of Pennsylvania, was convened at City County Building, 414 Grant Street, Mayor's Conference Room, 5th floor, Pittsburgh, Pennsylvania 15219, on Thursday, December 4, 2025, commencing at 1:00 P.M.

NETWORK DEPOSITION SERVICES

1 P-R-O-C-E-E-D-I-N-G-S

2 MR. SICURO: We will call this meeting to
3 order. Are we okay down there?

4 THE COURT REPORTER: Yes, I'm all set.

5 MR. SICURO: We will do roll call first.
6 Mayor Ed Gainey?

7 Council President, Daniel Lavelle?

8 Controller Rachael Heisler, Vice Chair?

9 MS. HEISLER: Present.

10 MR. SICURO: Deputy Chief of Staff,
11 Felicity Williams?

12 Ralph Sicuro? Here.

13 Richard Ruffolo, Treasurer?

14 MR. RUFFOLO: Here.

15 MR. SICURO: Patrick Cornell, Secretary?

16 MR. CORNELL: Present.

17 MR. SICURO: We have a quorum.

18 Next, we have public comment. Is there
19 anybody here to speak under public comment?

20 Seeing none, we will move to approval of
21 the minutes. Everybody received their minutes
22 from Robin?

23 MR. FRANK: There's a little delay in
24 getting this to us. I noticed a few
25 topographical errors, and I would suggest we

1 approve them -- to correct them.

2 MR. SICURO: So --

3 MR. FRANK: Nothing substantive.

4 MR. SICURO: So the recommendation is to
5 approve the minutes with you to finalize --

6 MR. FRANK: Subject to the solicitor
7 finalizing.

8 MR. SICURO: Subject to the solicitor
9 finalizing.

10 Do I have a motion?

11 MR. CORNELL: So moved.

12 MR. RUFFOLO: I'll second.

13 MR. SICURO: Motion made by Mr. Cornell,
14 seconded by Mr. Ruffolo.

15 Is there any discussion on the motion?

16 MS. HEISLER: Would it be possible for the
17 next minutes to be produced earlier?

18 MR. FRANK: I'll arrange that.

19 MS. HEISLER: Thank you.

20 MR. SICURO: Any other discussion? Seeing
21 none, all those in favor signify by saying, aye.

22 EN MASSE: Aye.

23 MR. SICURO: Opposed? Motion moves.

24 Next, we have bills and communication.

25 We'll have our Executive Director's Report,

NETWORK DEPOSITION SERVICES

1 Ms. Gula.

2 Ms. GULA: Good afternoon. Funding of the
3 pension is at \$1.27 billion which is actually
4 78.3 percent funded as of October 31st, 2025,
5 woo-hoo. The return on the portfolio over the
6 last 12 months ending October 31st, 2025, is 12.8
7 percent for the invested portfolio and 11.3
8 percent for the composite. Year to date, the
9 portfolio is 11.7 percent in the invested
10 portion, and 10.6 percent for the total fund.
11 The parking asset, which was also valued through
12 October 31st, 2025, is valued at \$326.6 million.
13 There's obviously a statement in your packet of
14 the individual pension funding levels and the
15 overall liability as of October 31st, 2025.

16 Anybody have any questions?

17 MR. SICURO: Any questions for anybody?

18 I have one question. So obviously, this is
19 from September, this report, where our funding
20 level is at. Obviously, the market has been
21 doing much better. Are we going to hear what our
22 current status is on our funding level from your
23 report, Jamie?

24 MR. WESNER: The 1.26 billion will be as of
25 end of October, which is very close to where we

NETWORK DEPOSITION SERVICES

1 currently stand, even after -- november was kind
2 of a mixed month, but the funding ratio number is
3 very close to where we actually stand today.

4 MR. SICURO: Okay, I would have thought it
5 would have been a little bit higher with the
6 markets going so well and us not having to draw
7 down on anything.

8 MR. WESNER: The 1.26 is as of October, so
9 maybe we could be a little bit higher, but I
10 wouldn't anticipate it'd be too dramatically
11 higher.

12 MR. SICURO: Okay, thank you both.

13 Anything else?

14 Alrighty, thank you for your reports.

15 Next we have our Investment Consultant
16 Report. Jamie Wesner from Marquette is here to
17 give us our information.

18 MR. WESNER: Great. So within the printed
19 materials, I'll walk through an update on
20 performance, and then also talk through a few
21 action items when we get to new business. So if
22 we go behind exhibit one, you'll see just an
23 update on Marquette. The only thing I want to
24 mention here is that we did have our client
25 symposium back at the end of September. A few of

1 the board members were able to attend, which we
2 greatly appreciate. There are videos of several
3 of the speakers that are available on our
4 website, our YouTube channel. So if anyone wants
5 to get any continuing education hours, or just
6 has an interest in hearing from someone other
7 than me on investments, those videos are
8 available.

9 If we flip behind the next page, you'll see
10 the market tracker through the end of October.
11 And as the Chairman just outlined, markets have
12 been very strong over the last several months.
13 What is reflected here is performance through
14 October. November, we actually saw a decent
15 amount of volatility in November, where equities
16 sold off before the Thanksgiving holiday. A lot
17 of the AI related stocks sold off, but then
18 quickly rallied back. So we were negative.
19 We're down three, four percent for some of the
20 equity indices going into Thanksgiving. And then
21 by the time we finished the month, we were back
22 towards break even. Value stocks outperformed in
23 the month of November, and growth stocks still
24 underperformed a bit. So you did see that the
25 leaders in the market, the AI related technology

1 names, did pull back a little bit.

2 But from the figures that you'll see on the
3 market tracker page, overall, the vast majority
4 are positive numbers, and in most cases
5 significantly positive. And the drivers for the
6 continued move up in the market have been the
7 lowering of interest rates by the Federal
8 Reserve, which helps stimulate the economy.
9 There is discussion as to whether the Fed will
10 cut rates one more time this year at their
11 December meeting, part of the market sell off. I
12 think in November was some comments by Fed
13 officials that appeared to lessen the likelihood
14 of that rate cut. And then as recently, as, you
15 know, the last 24 hours, we saw a weak job report
16 from ADP, the private payroll jobs number, which
17 showed job losses for November. And that was a
18 situation where bad news was good news. And what
19 I mean by that is bad news in terms of the
20 economy losing jobs, that's obviously not a good
21 thing, but the markets perceive that as
22 increasing the likelihood that the Federal
23 Reserve will cut rates again in December, which
24 helps stimulate the markets. So it seems
25 counterintuitive, and it is, but you get bad

1 news, and the markets go up.

2 The Fed, as a reminder, tries to manage
3 interest rates with a dual mandate. They want to
4 keep the economy at full employment. They also
5 want to ensure that we don't have inflation, so
6 that's their price stability, part of their
7 mandate. If you have too much stimulus into an
8 already relatively strong economy, that's how you
9 get inflation, like we saw in 2022 where interest
10 rates went up significantly and inflation was
11 eight, nine percent because you had all the COVID
12 stimulus that was going around in the economy,
13 people started spending money on a limited number
14 of items, and then prices go up. So prices have
15 not come down, just the rate of inflation has
16 come down.

17 And so now inflation is back down towards 3
18 percent, which is obviously a lot better than
19 eight, nine percent where we were, but it's still
20 above the Fed's mandate, which is two percent
21 inflation. And so that's the debate internally.
22 It will likely be a close vote within the Federal
23 Reserve. The Federal Reserve likes to have a
24 unanimous, or close to unanimous decision when
25 they change interest rate policy. I don't think

1 this will be the case at the December meeting.
2 You've had many of the voting members already
3 come out and say which way they're leaning, and
4 it's basically pretty split. There's a few, like
5 the Fed chairman, who do not make their views as
6 well known, and those will likely be the
7 tie-breakers when they sit down and meet and vote
8 over the course of the next week. So a lot of
9 moving pieces continuing, and that affects stocks
10 and bonds.

11 So on the bond market, which is the upper
12 right-hand side of the page, the bond market was
13 pretty resilient during the government shutdown.
14 I went through that whole conversation, didn't
15 even mention that we had the longest government
16 shutdown in history, which typically is not a
17 good thing for the market, because you have
18 people not getting paid who are not able to spend
19 that money. You know, fortunately, all those
20 government employees will get their back pay and
21 will have that money to spend during the holiday
22 season when stores are looking to make the
23 majority of their revenue for the year. But the
24 markets overall have navigated that situation
25 pretty well.

1 The upper right-hand side shows fixed-
2 income returns for October, up six tenths of a
3 percent. Year to date, core bonds are up almost
4 7 percent. And where we stand now in November --
5 through November, we were up another half
6 percent, three quarters of a percent, so we are
7 over 7 percent for core bonds. And when we think
8 of that for our assumed rate of return, that our
9 most conservative part of our portfolio is
10 actually getting us to our assumed rate of
11 return. So we've increased our allocation to
12 fixed income over the last couple of quarters,
13 and we're going to further increase that today
14 when we talk about rebalancing the portfolio.

15 But fixed income still has yields of four
16 to five percent. The extra return that we've
17 gotten this far this year is because interest
18 rates have come down, so you get the interest on
19 the bonds, but you also get the price
20 appreciation. So when interest rates go down,
21 bond prices go up, and that little two three
22 percent in price appreciation helps get us to
23 that 7 percent total return for bonds.

24 On the equity side, a lot more volatile,
25 but we've seen significant movements from when

1 the markets bottomed at the second week in April.
2 So it was that reminder we had the day in early
3 April when the President announced tariffs. They
4 were not well received by the markets. The
5 markets went down significantly, both the stock
6 and the bond market. Since they modified those
7 positions, and we continue to get more clarity on
8 trade negotiations with all these various
9 countries, equities have rebounded significantly.
10 Equities across the board have rebounded, but
11 they've rebounded the most within the growth
12 parts of the US market.

13 So anything that has been AI related has
14 gotten pretty expensive. There's been plenty of
15 headlines and newsletters out there that have
16 talked about bubbles in AI. There will be some
17 companies that are AI related, that their
18 technology will be deemed to not be the best, and
19 they will likely struggle or go away or get
20 absorbed by another competitor. But the larger
21 names like Nvidia and such will -- they will be
22 in existence five, ten years from now. Nvidia is
23 the largest company in the history of the world.
24 We just don't know how much they'll continue to
25 grow, because we have to see the adoption of AI

1 and what the impacts will be from all of this
2 build out.

3 But you can see there in the upper left-
4 hand table that the NASDAQ, the third benchmark
5 listed there, which is the tech heavy benchmark,
6 year to date, was up 23 and a half percent
7 through October, where the Dow Jones Industrial,
8 which is the more conservative, we call it, "old
9 school" benchmark, it was only up 13.3 percent.
10 So it really highlights the difference between
11 growth and value. Lower quality names, again,
12 something else that's counterintuitive, since the
13 markets bottomed at the end of that second week
14 in April, lower quality stocks have significantly
15 outperformed high quality stocks. The biggest
16 effect of that is that active managers typically
17 want to own high quality stocks that have growing
18 earnings, that are stable. Most active managers,
19 and by most I mean 70 to 80 percent of active
20 managers, have underperformed their benchmarks
21 this year in the US equity space. So we're going
22 to look at a couple of your active managers in a
23 moment, and you're going to see some pretty
24 decent under performance. It's very commonplace
25 right now. So we're talking with managers quite

1 a bit. We're not necessarily alarmed by it. The
2 only times where we're getting alarmed and taking
3 action, if managers are changing the way they
4 manage money and basically trying to chase
5 trends. We want managers to have conviction,
6 hold to their long-standing investment
7 philosophies, and not have anything that actually
8 changes.

9 International equities are the second table
10 down on the left-hand side. This theme has been
11 consistent the whole year, and that theme is that
12 international equities have outperformed US
13 equities. So the second row in that table, the
14 AcquiX US you can see, year to date, is up 28.6
15 percent, so that's almost a full, you know, 10
16 percent, 9 percent or 11 percent, I guess, better
17 than the S&P 500. Most of that out performance
18 of international has been currency related.

19 When we buy international stocks, we
20 actually buy them in that international currency.
21 When we bring those stocks back and price them in
22 US dollars, if those foreign currencies have
23 appreciated versus US dollar, we get that
24 currency bump. So we've gotten a 10 percent
25 currency bump this year. We've gone through

1 about a 10-year period where that currency effect
2 was detrimental to us as US dollar investors
3 abroad. So it's reversed pretty significantly.
4 Those trends typically last for a long time. So
5 if we are at the start of a new trend, you know,
6 we could see international equities outperform US
7 equities going forward.

8 MR. SICURO: Just to clarify, that means
9 their dollar is stronger than our dollar?

10 MR. WESNER: Their currencies are stronger
11 than our currencies, yeah, have strengthened
12 versus ours over the last year.

13 As we look at the, kind of, rest of the
14 markets that are out there, anything that has a
15 feature that's designed to hedge risk has caused
16 those strategies to not go up as much as this
17 year as equity strategies, and that obviously
18 makes sense. In 2022, when stocks were negative
19 and bonds were negative, hedge strategies,
20 private markets, they all protected to the
21 downside. So we'll see that your individual
22 manager returns.

23 If you look at the hedge fund table in the
24 middle of the right-hand column, you can see that
25 most of those strategies up kind of six to nine

1 percent, so again, nicely positive, just not up
2 as much as the US benchmarks. Fortunately, most
3 of your strategies are up more than those
4 benchmarks that are listed there, so we'll see
5 that.

6 And then a couple other pieces that we'll
7 talk about, the bottom left-hand side of the
8 page, real estate. Real Estate has rebounded.
9 We've seen returns be positive for the last four
10 quarters. So we're going to talk today about
11 rebalancing a little bit of money back into real
12 estate to get back towards our asset allocation.
13 But real estate's been something that has made
14 clients nervous over the last three four years,
15 and rightfully so. But outside of the office
16 market, which is only 15 percent of the broad
17 real estate market, the other pieces of the real
18 estate market have been performing much more
19 strongly, and as interest rates come down, that
20 helps those real estate prices as well. So there
21 are some light tailwinds for real estate as we go
22 forward over the next couple of years.

23 And then the commodities in the bottom
24 right, I don't typically go through commodities
25 because you don't direct exposure, but it is a

1 proxy for inflation and just a kind of fear gage
2 within the market. Commodities as a whole, the
3 top line there, which is a Goldman Sachs
4 Commodities Index, the GSCI total, up seven and a
5 half percent this year. But as you look at some
6 of the different components, they're all over the
7 board. Gold, which is measured in the bottom
8 row, or the precious metal, up 50 percent this
9 year. Energy, though, is negative. Energy is
10 down 30 percent. Oils, most of that energy
11 composite, also down three to four percent, but
12 certain grocery prices, you can see agriculture
13 is flat, only up 1.6 percent, but livestock up 20
14 percent. So when people talk about prices coming
15 down, prices have come down in some parts of the
16 market, but there's other parts of the market
17 where inflation is still been quite stubborn, and
18 those are all specific issues that are going on
19 with either the export markets for some of these
20 farmers and ranchers. If we can't export to
21 markets like China for our soybeans, that
22 obviously hurts agricultural prices, and so it's
23 helpful from an inflationary standpoint, it's not
24 helpful to our farmers in the US. So again, just
25 some of the challenges that different parts of

1 the market are facing.

2 Any questions? I don't want to go in too
3 deep into any particular topic, but I want to
4 make sure I cover the basis.

5 So moving forward, we'll go behind exhibit
6 two to look at the flash report. So this is a
7 flash report for October, and so we see returns
8 year to date through October for the total fund
9 up a little less than 11 percent. You've heard
10 me mention before that based on the timing of
11 cash flows from the parking asset, that the
12 parking assets return will vary a little bit, but
13 the parking asset in strong up years for stocks,
14 the parking asset is going to be dilutive to our
15 overall performance, and then in down years, it's
16 actually accretive to overall performance.

17 So the invested portfolio is up almost 12
18 percent through the end of October. Some of the
19 components there, you'll see within fixed income,
20 you'll see that we are, you know, up 6.1 percent
21 for our composite a little bit behind the
22 benchmark, and the main reason for that is we
23 have more short-term bonds in the portfolio, so 4
24 percent of our fixed income allocation is within
25 short-term bonds. That's held us back a little

1 bit this year.

2 But if you look at the five-year return,
3 that short-term bond portfolio with Vanguard is
4 up 3.1 percent per year, where the core bond
5 benchmark, which actually is the row above it,
6 the Bloomberg US Aggregate Index, was negative on
7 average for those five years. So that short-term
8 strategy actually got you an extra 3 percent per
9 year for the last five years. So we don't like
10 to guess on interest rates, but that one worked
11 out pretty much in -- pretty well in our favor.

12 You see the two newer investments with CS
13 McKee and Loop, we're going to top off those
14 investments today potentially when we talk about
15 rebalancing.

16 As we go into the next page with equities,
17 this is where we have a little bit more
18 volatility and manager performance. And so
19 you'll see that on the mid cap side, with
20 Frontier, Frontier has been one of the best
21 performing mid cap managers, beating the
22 benchmark, up 15 and a half percent year to date,
23 versus 10 for the benchmark. On our small cap
24 equities, we have that mandate split between an
25 index fund and Palisade, which is an active

1 manager. And you see Palisade's performance,
2 negative six percent year to date net of fees, so
3 obviously, significantly below the benchmark.
4 They had some periods of out performance that's
5 not quite yet showing in the three-year number,
6 because they've not been a manager for quite yet
7 three years.

8 But one data point that I want to put out
9 on the small cap market, as we saw the markets
10 rebound after April 9th, and this is its data
11 point, first, just through the end of September,
12 going from the market low up until the end of
13 September, unprofitable small cap stocks were up
14 60 percent. Profitable small cap stocks were up
15 30 percent. So again, active managers, and
16 especially managers that's focused on quality,
17 like Palisade, under performing because the junk
18 that they're not going to buy has performed the
19 best.

20 So we're watching these strategies very
21 closely. I'm not recommending any action today
22 on this yet, but just -- because those numbers
23 are eye catching, we want to make sure that we're
24 addressing it. We had always talked about
25 potentially moving the index money down to

1 Palisade after a few years. I think we're going
2 to continue to hold that money in the index
3 strategy for now, but we'll update you at future
4 meetings.

5 But the strategy with Frontier,
6 fortunately, that strategy does have over twice
7 as much money in it as Palisade, and they
8 outperformed by 5 percent than -- year to date.

9 Our emerging managers, kind of our local
10 teams, Gridiron and Twin, Gridiron is fixed
11 income focused, a bit behind the benchmark. They
12 have a tremendous amount of cash in their
13 portfolio right now. They are waiting for
14 opportunities to buy things at a pullback, very
15 consistent with their strategy. They've always
16 been very transparent with us, so we're not
17 concerned with that market under performance.

18 Twin Capital, basically pretty close to the
19 benchmark. They outperformed nicely in November
20 as we saw value outperform. That's what we would
21 expect, and it was nice to see that they actually
22 performed as expected.

23 MR. SICURO: Real quick on that, Jamie.

24 So Twin, being an actively managed fund,
25 has seemed to just come in line with the

1 benchmark of an index. Where's the value that we
2 get because we pay more fees for the active
3 management versus the index fund when we're
4 dealing with something like that.

5 MR. WESNER: So great question. They are a
6 enhanced index strategy. So they are meant to
7 modestly outperform the benchmark. They still
8 aren't modestly outperforming the benchmark.
9 Their fees are a lot less than a traditional
10 active manager, but their process typically
11 rewards stocks or overweighs the stocks and the
12 index that have value, that are priced more
13 attractively. And in a market where growth is
14 outperformed, we've been in this rather long
15 cycle where their strategy is has not been in
16 favor, so we would actually, over the long term,
17 want them to be outperforming by maybe a half a
18 percent in -- we're never going to see big
19 deviations with them. But the reason why they've
20 underperformed for a lot of this short-term
21 period has now been because growth has been so
22 much in favor. But that's why I was -- in
23 November, I was very happy to see them
24 outperform, because had they not, that would have
25 generated a lot of questions on our side.

1 On the international front, we went through
2 a long period where, you know, international was
3 just kind of the rock within your portfolio, it
4 consistently outperformed. We've kind of had a
5 little bit of a reversal this year, where your
6 active managers here have underperformed a little
7 bit more significantly. You can see that, you
8 know, year to date, we're up 20 percent versus
9 the benchmark, up in the 28 percent area. If we
10 go back to the five-year basis though, we're
11 still outperforming. So it just highlights how
12 much your international portfolio had
13 outperformed in the past.

14 The ABS portfolio, as a reminder in here,
15 is a hedged portfolio. So the comments I made
16 earlier about anything being hedged being diluted
17 to performance, if that holds true there. As we
18 continue down to page five with some of our hedge
19 strategies, two out of the three are
20 significantly outperforming. ABS up 13 and a
21 half percent year to date versus the 9 percent
22 benchmark, and then Parametric up 11 and a half
23 percent versus a five and a half percent
24 benchmark. So very strong out performance from
25 those two managers and trust with a little bit

1 more conservative positioning, you know,
2 under performing on the year to date basis, you
3 can still see, for the five year basis, they're
4 still outperforming. So we're still comfortable
5 with that strategy.

6 And then rounding out the alternatives on
7 page five with real estate, you see both managers
8 up about three, three and a half percent year to
9 date, as they're moving in the right direction.
10 Obviously, we had some challenges over the last
11 couple of years, but real estate in this
12 portfolio is really designed to be an income
13 producing alternative. And over the 10-year
14 basis, and we've gotten 4.8 percent out of real
15 estate where, you know, our returns, the returns
16 for the core bond benchmark over that same
17 10-year period are less than 2 percent, so you
18 have gotten more income, and hopefully, we see
19 price appreciation coming back to us over the
20 next couple of years.

21 And then just wrapping up with our private
22 debt managers on page six, we have Partners Group
23 and Brightwood. Partners Group with the one year
24 up 7 percent, Brightwood up almost 10. We're
25 gonna talk today about re-upping in Brightwood's

1 next fund, but you can see their performance has
2 been very strong. So, you know, I'm very happy
3 to see that there.

4 We have had a little bit of an elevated
5 position in cash, partly because of, you know,
6 you are cash flow positive, which is great.
7 We've also been underweight to fixed income.
8 Cash has been yielding four plus percent, so
9 we've been getting, you know, a pretty nice yield
10 off of cash, but we'll discuss that when we get
11 into rebalancing in a moment.

12 Any questions?

13 Just to be conscious of time, I won't go
14 through the quarterly report. It's really just
15 kind of here for your records, you know, there's
16 more detail in the quarterly report, so I'll hold
17 on to that. And then just to follow the agenda,
18 I might wait until after the Solicitor's Report
19 and the Presentation of Resolutions before we go
20 and cover the rebalancing in new business.

21 MR. SICURO: Did I miss the rankings to our
22 peer group sheet?

23 MR. WESNER: That's in the quarterly. So
24 that's in the quarterly report. If we look at --

25 MR. SICURO: Behind tab two?

1 MR. WESNER: Behind tab three, it will be
2 page 11.

3 MR. SICURO: Thank you.

4 MR. WESNER: And if you look down at the
5 invested portfolio rankings, you'll see that kind
6 of longer term rankings are kind of pretty
7 solidly in the top third of the peer group. You
8 know, obviously, historically, we've had a little
9 bit better performance. It's been maybe more
10 towards the top quartile. But this is a
11 comparison group of just public defined benefit
12 plans. If you go up to the top rankings of the
13 total fund composite, you're about towards the
14 median, but that does include the parking asset,
15 so that has, over this long term of strong market
16 performance, it's been a bit dilutive, but that's
17 the goal, is to keep us in that kind of either
18 first or second quartile for those five, seven
19 and ten-year rankings.

20 And then the final thing that's just in the
21 quarterly that's, I think, always good just for
22 the record, on pages 24 and 25, just highlighting
23 the fees that you pay in total. You know, you
24 manage the portfolio at a very reasonable fee.
25 All the fees are always disclosed that you pay to

1 all the underlying managers, but you're very
2 thoughtful in terms of utilizing indexing to keep
3 costs as low as possible.

4 MR. SICURO: End of your report?

5 MR. WESNER: Yes.

6 MR. SICURO: Is there any questions for
7 Jamie?

8 Seeing none, thank you very much.

9 For the record, can we note that Deputy
10 Chief of Staff, Felicity Williams has joined us.

11 All right, our next item will be the
12 Solicitor Report, Mr. Frank.

13 MR. FRANK: Thank you, Mr. Chair.

14 Good afternoon, everyone. Since our last
15 board meeting, with our respect for investing in
16 the Singular Opportunities Fund, the General
17 Partnership's documents that I received provided
18 the venue for any action that would be brought in
19 a jurisdiction other than Pennsylvania or
20 Allegheny County, if there was a dispute between
21 the Fund and Singular. With the assistance of
22 Marquette, we entered into a side letter where it
23 was agreed that any such action would be brought
24 in the Allegheny County Court of Common Pleas and
25 Pennsylvania law, of course, will apply. We

1 typically do this in all of our investments. I
2 work for a side letter to that effect.

3 There was a good deal of activity related
4 to the Carlyle litigation, where the Fund is the
5 lead plaintiff. In the normal course of such
6 litigation, the defendant took the deposition of
7 a representative in the lawsuit as lead
8 plaintiff, and they took the deposition of our
9 executive director. This is, again, a standard
10 practice. She acquitted herself very well at the
11 deposition. There were general questions about
12 the action, where the Fund has been, as lead
13 plaintiff and other instances, the operation of
14 the Fund and the decision to serve as the lead
15 plaintiff.

16 For various reasons, it was necessary to
17 file a second amendment complaint in the Carlyle
18 litigation. I reviewed the draft and assisted in
19 its execution. The draft was done by our
20 securities counsel. I can detail to any of the
21 Board who wish after the meeting, the reasons for
22 the second amended complaint. They're somewhat
23 complicated. The status of the litigation is
24 that our counsel are working with the defendants
25 for a time period to respond to our amended

1 complaint.

2 I received a request from counsel to
3 ALCOSAN, which is looking to develop its own
4 defined benefit plan, similar to the three city
5 plans. They had sent a right to know law request
6 to the city about how the three plans; the
7 firefighters, the police, the municipal, operate,
8 and the city in turn directed ALCOSAN to me, as
9 solicitor for the Fund, looking to us as an
10 example. I felt it was most time efficient to
11 produce the information as this is one of our
12 related government agencies, rather than putting
13 either them or us through a formal right to know
14 law request. They wanted the governing statutes
15 for each of the three plans, and I provided that
16 to them.

17 Any questions?

18 MR. SICURO: Seeing none. Thank you very
19 much, Mr. Frank.

20 Next item will be Presentation of
21 Resolutions. We have just one resolution it
22 looks like, the resolution authorizing the
23 payment for professional services rendered by
24 Frank, Gale, Bails, Pocrass, P.C., for the months
25 of September 2025, through November 2025, in the

1 amount of \$9,257.

2 Do I have a motion?

3 MS. HEISLER: Motion to pay our bills upon
4 the receipt of all proper paperwork.

5 MR. CORNELL: Second with discussion.

6 MR. SICURO: Motion made by Ms. Heisler,
7 seconded by Mr. Cornell.

8 Any discussion on the motion?

9 MR. CORNELL: Yeah, sorry, that dollar
10 amount, could you repeat it? I think it's a
11 little different.

12 MR. FRANK: The dollar amount in the
13 resolution is less than what's on the agenda,
14 because in doing the bills, I noticed that there
15 was one extra charge, which I took off.

16 MR. CORNELL: Okay, so it's the resolution
17 Amount, which is the lower.

18 MR. SICURO: Can we have that --

19 MR. CORNELL: For the record, I will update
20 it. It's \$9,137.

21 MR. FRANK: Correct.

22 MR. CORNELL: Thank you.

23 MR. SICURO: Any further discussion? Put a
24 lot of work in, Mr. Frank. You're working hard
25 for us. We like it.

NETWORK DEPOSITION SERVICES

1 MR. FRANK: I enjoy it. I love working for
2 you.

3 MR. SICURO: All those in favor, signify by
4 saying aye.

5 EN MASSE: Aye.

6 MR. SICURO: Opposed? And the motion
7 moves.

8 Okay, we have a couple items under New
9 Business. First is consideration of investment
10 in Brightwood Capital Fund Six. I'm not good at
11 my roman numerals. Is that six?

12 MR. WESNER: Yes, correct.

13 So, and I'm going to take these two, not
14 necessarily out of order, but I'm going to
15 highlight behind exhibit four first, just this is
16 the rebalancing page, but I want to use this to
17 kind of set the stage for the discussion on
18 Brightwood.

19 So what is outlined on this page, I know
20 there's a lot of numbers here, the middle column
21 is the current market values as of the end of
22 November, just for the invested portfolio. And
23 then you see what that is as a percentage of the
24 total portfolio, and then you see a columnist
25 labeled, Policy, which is your current approved

1 asset allocation. You'll notice that within that
2 current approved asset allocation, we are off in
3 some areas, and we are most notably underweight
4 in fixed income and overweight in equities. That
5 overweight to equities has served us well. We
6 have trimmed that back a couple of times this
7 year, but we are still, you know, almost six and
8 a half percent overweight to equities, which is,
9 you know, about, you know, probably 40 plus
10 million dollars.

11 So as we look at that, we need to rebalance
12 away from equities and back more into fixed
13 income. Equities are tremendously outperformed
14 fixed income this year, so that's been
15 beneficial, but we don't want to get greedy. We
16 want to make sure we're holding to our asset
17 allocation and rebalancing when necessary.

18 So you can see the changes column; this has
19 the changes that we're looking to make. You'll
20 notice that, as you go down, about three quarters
21 of the way down the page, that, for Brightwood,
22 there's no change there, because we're looking to
23 make a commitment to Brightwood that would take
24 time for them to call. It doesn't get put to
25 work right away. But you'll notice that, in

1 under private credit, that we are 1 percent
2 underweight to that allocation. So we're about
3 \$10 million underweight to private credit. So
4 we're going to recommend, and I'll go into the
5 memo in a moment, a \$20 million allocation to
6 Brightwood Fund Six. They are just in their
7 initial fundraising process for this fund. It
8 might seem a little close than what we're making
9 as a new investment, a new commitment for Fund
10 Six, versus when we made the investment in Fund
11 Five. We were coming in at the very tail end of
12 Fund Five. We basically entered that fund and
13 then that fund closed, and now they've invested
14 that fund up. They've called 16, or probably
15 about 15, of the \$20 million. It's performed
16 very well. They've seen a lot of appreciation
17 and strong performance.

18 This commitment to Fund Six, the reason why
19 I'm bringing it to you a bit early is because
20 that there are several fee discounts that we can
21 realize if we come into the fund now. Most
22 notably in the one that's time sensitive, is a
23 first close discount. So all investors in the
24 first close would get a 10 percent discount on
25 fees for the life of the fund. You get another

1 10 percent discount for being a Marquette client
2 based on the aggregate assets that our clients
3 have with Brightwood, and then you would also get
4 a third discount based on being a returning
5 client. So all those attractive fees and with
6 the exceptionally strong performance that they've
7 had in their fund that you're invested in, you
8 know, drive us to the recommendation to re-up.

9 Behind exhibit five --

10 MS. WILLIAMS: And they're one of our
11 MBE's, correct --

12 MR. WESNER: Yes.

13 MS. WILLIAMS: -- that also benefits our
14 diverse investment managers policy.

15 MR. WESNER: They're an African American
16 owned firm out of New York, correct.

17 If we look at the underwriting memo, I'm
18 not going to go through this underwriting memo,
19 but I just want to highlight that our research
20 team at Marquette re-underwrites a firm every
21 time they bring a new fund. So just because you
22 were invested in their last fund doesn't mean
23 that we automatically recommend that you invest
24 in their next fund. If you recall back to your
25 other investments in private equity, you've had

1 invested in three different Crescent Capital
2 funds in a kind of a private debt, mezzanine debt
3 space. We have not re-upped with them for
4 several years. Siguler Guff, who is your private
5 equity manager, you just re-upped earlier this
6 year in their new funds. It's not even listed on
7 the market value page yet, because they have not
8 called any capital. But you made an additional
9 \$15 million commitment there, but we
10 re-underwrote them. Their performance was
11 exceptionally strong, and we recommended that
12 investment.

13 So this memorandum that's behind exhibit
14 five just outlines the firm, the previous
15 products, their performance, the new product, how
16 much they're looking to invest, the types of
17 companies they're looking to invest in. Our
18 research team at Marquette is responsible for
19 ensuring that the type of investments that they
20 are going to do in this fund are consistent with
21 the types of investments that they've made in
22 their previous funds. We also want to make sure
23 that the same people are going to be there. So
24 there are in the documents, there are key man
25 provisions, there are restrictions that make sure

1 they don't do things that deviate from how they
2 generated their strong performance in the past.
3 So again, those highlights are there in the
4 memorandum.

5 I will also highlight on page 10, the
6 investment performance. So if we look on the
7 right-hand side of the table that's in the middle
8 of page 10, you notice the various rankings. It
9 very much depends on the market environment for
10 how a fund does. In private debt, as a reminder,
11 these are floating rate loans, so the loan rate,
12 or the interest that we receive as lenders, is
13 short-term interest rates. So there used to be
14 LIBOR, now it's SOFR, but think of kind of the
15 Fed funds rate. Right now, it's about 4 percent.
16 It's that plus a premium, which is typically five
17 to 6 percent. So we went through a long period
18 of time, you know, so think about the kind of the
19 2018's where interest rates were near zero. So
20 you were getting zero plus 6 percent. There's
21 typically floors on there where you get 1 percent
22 floor. But you'll see those 2014 and 2013 funds
23 where the returns were, you know, six and a half
24 to eight percent. Those still ranked as first or
25 second quartile funds. Those were still

1 exceptionally strong funds in that environment.

2 So I just want to highlight that this
3 investment performance, although you see it
4 varied, it's all very strong versus peers and
5 given the market environment. And their most
6 recent fund that you're invested in, 14.2 percent
7 net IRR, top quartile based on the IRR, second
8 quartile based on kind of a return of capital,
9 but again, a very strong performance. So we have
10 a lot of confidence in this group. We work with
11 them very closely, and have numerous clients
12 invested with them.

13 So our recommendation, which is outlined in
14 the memo, is to re-up with Brightwood Capital
15 Fund Six, and the recommended amount would be the
16 same amount that we committed to the first fund,
17 which is \$20 million. That will keep us within
18 our Investment Policy Statement and will keep us
19 within the Investment Policy Statement and not go
20 over in terms of our allocation to private
21 credit.

22 Any questions on --

23 MS. HEISLER: Is there any concern about
24 moving that much away from cash just to --

25 MR. WESNER: So the cash balance right now

1 is actually -- it is --

2 MS. HEISLER: Unhealthy, high?

3 MR. WESNER: It's not unhealthy, but it's
4 just abnormally high right now, but the reason
5 why we allowed it to sit a little bit higher than
6 normal is because we were funding those two new
7 core fixed income managers, CS McKee and Loop
8 Capital. Now we're going to fund those more
9 fully, so it's kind of transferring that cash up
10 into Loop Capital, or Loop and CS McKee.

11 MS. HEISLER: Okay, thank you.

12 MS. WILLIAMS: I have a question about the
13 US equity composite changes, because we're making
14 some pretty big shifts, pulling money out of
15 those. And you mentioned that this is around --
16 I think this is where you mentioned this is
17 around rebalancing, because we've been so
18 successful in those spaces and want to not take
19 that for granted, I guess is kind of how you
20 summarized that; is that correct?

21 MR. WESNER: Yes, and we want to hold to
22 it. At the end of the day, the asset allocation,
23 which is memorialized in the Investment Policy
24 Statement, is kind of our guiding star, and we
25 need to stay within our investment policy

1 statement and make efforts to be as close as
2 possible, and studies have shown that over the
3 long run, you know, rebalancing two targets,
4 which is traditionally trimming your winners and
5 allocating to your more recent under performers,
6 actually reduces volatility and generates better
7 returns over the long run.

8 We have previously -- when we funded
9 EXPEDANCE (phonetic spelling), there's your S&P
10 500 index fund provider, we originally funded
11 them with \$200 million. I don't have it off the
12 top of my head, but we took -- we rebalanced out
13 at least \$50 million before. And so we're taking
14 more so they've -- S&P Fund, index fund, so it's
15 very low cost to you, but it's gone up, we trim
16 back. It's kind of -- it's worked out very well.

17 So this is just another opportunity to trim
18 back down. US equities are, again, richly
19 valued. We will be even after this rebalancing.
20 We will still have 32 percent in US equities.
21 Our policy target would be 29, so we would still
22 be above policy target. We are not rebalancing
23 all the way back to policy targets. We're close,
24 and we'll see how things -- the markets responded
25 to the end of the year. Early next year, we may

1 do a small additional rebalancing in February,
2 maybe we hold off until May, but we'll have the
3 ability to have those discussions.

4 MR. CORNELL: Jamie, if we're considering
5 the Brightwood Fund Six, how does that factor in?
6 I know there's interplay, but, you know, it would
7 come on at some point and then how would we see
8 those changes come?

9 MR. WESNER: The funding with private
10 markets is a little bit of an art and a science.
11 We do not know when we make a commitment to a
12 manager, I always like to be conservative,
13 because we don't know how quickly the old fund
14 will return capital and how quickly the new fund
15 will call capital. In a perfect world, it kind
16 of aligns pretty closely; the old fund returns
17 money, the new fund calls money, and they kind of
18 just -- it won't be dollar for dollar.

19 And for Siguler Guff, if you look at
20 Siguler Guff here, you'll see Fund four and Fund
21 Five and private equity is different because
22 those assets are longer tenured assets. So we
23 wouldn't anticipate Siguler Guff Fund Four
24 returning capital, a ton of capital yet, but
25 you'll see we've made \$15 million commitments to

1 each of those two funds. Fund Four, has
2 performed exceptionally well. They're both
3 have -- like, I think they're 15, 16 percent net
4 IRRs. But you have not seen them come back
5 exactly into alignment.

6 I think with Brightwood, you are going to
7 see a higher likelihood of Fund Five return of
8 capital matching up with Fund Six's calling of
9 capital. We would still be -- we have the
10 ability to go even a little bit higher, because
11 we are still 1 percent underweight to private
12 debt as an asset class. The other nice feature
13 that we have here is that Partners Group, your
14 other manager, is an open ended fund, which
15 allows us to put money in and take it out on a
16 monthly basis, which is very nice. You give up
17 some return with that liquidity. That's why
18 Brightwood has strongly outperformed Partners
19 Group. But should we ever get over allocated to
20 the asset class, we have the Partners Group lever
21 to pull to pull a little bit of cash out, and
22 then we don't want that to happen, but we could
23 manage it accordingly.

24 MR. SICURO: Thank you. Jamie, you
25 mentioned it earlier, and even in this discussion

1 you talked about it, with the interest rates and
2 the Feds potentially making a change, is there
3 any concerns that we need to have, that there
4 could be a change in the negative to this type of
5 investment right now?

6 MR. WESNER: It's an investment of going
7 into this, we know that the exceptionally strong
8 returns that we've seen in Fund Five across
9 private debt managers, we're likely to see
10 returns being a couple of percent less because of
11 interest rates being -- base rates being lower.
12 Just like when we went into Fund Five, we kind of
13 had that hope that Fund Five was going outperform
14 its predecessors, because rates were so low for
15 so long.

16 I think the thing that gives us extra
17 comfort in this environment is there is less of
18 an expectation that interest rates go back down
19 to zero. They're likely to stop within kind of
20 the three to three and a half percent range, and
21 that is a base rate, and then getting the 6
22 percent yield on top of that still gives us a
23 nice kind of nine to 11 percent net return, which
24 makes us and those managers, pretty, pretty
25 happy.

1 MR. SICURO: Thank you. Is there any other
2 questions right now?

3 MR. FRANK: We need a motion to approve the
4 rebalancing, which is under tab four. So if
5 somebody wants to, if there is a desire to
6 approve it, we need a motion.

7 MR. SICURO: Separate, from the Brightwood?

8 MR. FRANK: Yes.

9 MR. SICURO: Alright. So let's start with
10 the first one. Do we have a motion to do the
11 rebalancing, and that's in two categories, two
12 different funds, correct?

13 MR. WESNER: So that is, it affects --

14 MR. SICURO: CS McKee, and Loop?

15 MR. WESNER: -- the money going in there,
16 and then there's additional money going into
17 RREEF America two, which is your stronger
18 performing real estate manager, and then the
19 money coming --

20 MS. HEISLER: Out of, right?

21 MR. WESNER: No, going into the real
22 estate, so there's a positive 15 million there,
23 but then coming out of the four equity strategies
24 and then 30 million coming out of cash as well.

25 MS. HEISLER: So this whole chart?

1 MR. WESNER: Yes.

2 MR. SICURO: So then that's easier.

3 MR. WESNER: Yes.

4 MR. SICURO: You actually summed it up much
5 better.

6 (Multiple speakers.)

7 MR. SICURO: If we could have this attached
8 for the record, it'd make it a lot easier.

9 MR. WESNER: Yes.

10 MR. SICURO: Do we have a motion to
11 rebalance on the recommendation made by Marquette
12 as exhibited in this chart we have before us?

13 MR. RUFFOLO: I'll make the motion.

14 MS. HEISLER: Second.

15 MR. RUFFOLO: Do you want me to explain it
16 all again, or --

17 MR. SICURO: Motion made by Mr. Ruffolo,
18 seconded by Ms. Heisler. Is there any discussion
19 on the motion?

20 MR. CORNELL: Just that, I repeat this
21 every time we have these meetings, I think that
22 this rebalancing, the method in which it's
23 presented, is so easy to follow. And you said
24 there's a lot of numbers, that's what I always
25 say to City Council, it helps them, like set the

1 stage, but I think this is a really good way to
2 explain it to us as the Board, so thank you.

3 MR. SICURO: One number's guide to another.

4 MS. HEISLER: You're appreciated.

5 MR. SICURO: All right, seeing no other
6 discussion, all those in favor, please signify by
7 saying aye.

8 EN MASSE: Aye.

9 MR. SICURO: Opposed? So moved.

10 All right. Now our next motion will be on
11 the second matter, which would be the \$20 million
12 allocation to Brightwood Fund Six.

13 Do I have a motion to allocate \$20 million
14 to Brightwood Capital fund Six?

15 MS. HEISLER: I will make a motion to --
16 allocate or reallocate?

17 MR. SICURO: Allocate.

18 MS. HEISLER: I make a motion to allocate
19 \$20 million to Brightwood Capital Fund Six.

20 MS. WILLIAMS: Second.

21 MR. SICURO: Motion made by Ms. Heisler,
22 seconded by Ms. Felicity.

23 MR. WESNER: Can we add in, just real
24 quick, can we add in, contingent upon review of
25 Council.

1 MS. HEISLER: Contingent upon review of
2 Council. So do I need to say it again?

3 MR. WESNER: No.

4 MS. HEISLER: No?

5 MR. FRANK: We're good.

6 MR. SICURO: So we have a motion. We have
7 it seconded. Is there any discussion on the
8 motion?

9 Seeing none, all those in favor, signify by
10 saying, aye.

11 EN MASSE: Aye.

12 MR. SICURO: Opposed? Motion moves.

13 We actually went a little out of order
14 because we already did the Rebalancing, which was
15 on the New Business Two or B, so we're now on New
16 Business C, which is approval of dates for 2026
17 board meetings.

18 I'll read those off for the record.
19 February 5th, 2026, May 7th, 2026, September 3rd,
20 2026, and December 3rd, 2026, all to be at
21 1:00 p.m., at this location, unless otherwise
22 determined.

23 MR. CORNELL: Motion to approve.

24 MS. HEISLER: Second.

25 MR. SICURO: Motion made by Mr. Cornell,

1 seconded by Ms. Heisler. Do we have any
2 discussion on the motion?

3 Seeing none, all those in favor signify by
4 saying aye.

5 EN MASSE: Aye.

6 MR. SICURO: Opposed? Motion moves.

7 We have one last order of business, which
8 was added to our agenda. Last month, we were not
9 able to get the valuation summary, or report, I
10 guess you could call it. Frank could not be
11 here, so I'll turn it over to you to give us
12 our --

13 MR. FRANKEN: Okay, so I think everyone
14 should have a copy of the -- it's a brief
15 PowerPoint. I have a few copies, if anyone else
16 would like. If you want to share, I got three
17 left, I think.

18 Okay, so you've all received the actuarial
19 valuations as of January 1st, 2025. This is --
20 you know, this isn't -- you know, this six or
21 seven page summary here is just meant to boil it
22 all down to, you know, a couple of slides. The
23 actuarial valuation reports are about 40 pages
24 each. If you have specific questions about that,
25 I'm happy to address those. But rather than

1 spending hours going through these reports, you
2 know, hitting the highlights, I thought was
3 important.

4 So if you just flip to page two, just how
5 does an actuarial valuations work? So valuation
6 is, well, an annual process for most plans, I
7 guess, but here, we actually do it every other
8 year. So it's a biannual evaluation. The last
9 one was completed in January, as of January 1st,
10 2023.

11 In the valuation, you know, the goal of it
12 is to review and monitor the plan, the financial
13 status of the plan, with each valuation. To do
14 this, we measure the fund status by comparing the
15 assets to the liabilities at each valuation date,
16 and we determine the actuarial required
17 contribution, the ARC, as well as the MMO.
18 That's the statutory amount. You know, I'm not
19 going to spend much time on the MMO. That's not
20 a number that's being contributed to your plan.
21 And frankly, you know, like most states, the MMO,
22 with the statutory requirement for funding, is
23 very unsound.

24 The MMO, you know, over the next few years,
25 is probably going to creep down to about zero,

1 which doesn't make sense, and then go to 30 or 35
2 million over the 10 years that follow that. So
3 we're not funding on that basis, and so I'm not
4 going to spend much time on it.

5 The valuation consists of a number of
6 steps. The first thing we do is collect the
7 member data from -- you know, from the city, you
8 know, for all three plans. We review it for
9 reasonableness. We ask questions. Once we're
10 comfortable and we reconcile the data, once we're
11 comfortable with that, we measure the liabilities
12 based on each member. You know, they're based on
13 the provisions of their particular plan, as well
14 as their demographic information: What's their
15 salary, what's their date of birth, how much
16 service they have; all of those things contribute
17 to the liability. The assets, we get that from
18 the staff.

19 You know, there's two pieces to it.
20 There's really the part that Jamie's been talking
21 about, the invested portion of the assets. But
22 then we also have the parking revenue tax asset,
23 and that is a number that, you know, we're
24 getting -- each fund is getting annual
25 contributions to the plan based on this, you

1 know, this agreement, and we are able to
2 recognize those future payments that we're going
3 to get through 2051 as an asset in our valuation.
4 And so the amount, you know, we're -- the funded
5 ratios that I'm going to be showing are including
6 that receivable for the parking tax revenue that
7 will be received over the next, you know, 20, 26,
8 years. So once we have the assets, we have the
9 liabilities, we do all of the necessary
10 calculations to determine the funded ratio, the
11 actuarial required contribution, you know, and
12 all of the other various funding or financial
13 factors that you see, then we produce the report
14 that, you know, we sent out, you know, a couple
15 months ago.

16 Okay, on page three, you know, the changes
17 from the last valuation, which was in 2023, the
18 biggest thing is that there's -- the assumptions
19 were changed. Back at the September meeting, my
20 colleague went over in the experience study,
21 those assumption changes, recommendations were
22 adopted. The state law requires that we do a
23 funded, sorry, an experience study every four
24 years to make -- you know, the goal of it is to
25 make sure that our assumptions remain reasonable,

1 and to the extent that new trends emerge, that
2 the valuation recognizes those new trends to
3 produce as accurate of a liability calculation as
4 possible. Before this fall, the last one was
5 completed -- the last experience study was
6 completed in 2021, so we were due for that. And
7 as I mentioned, it was approved at the September
8 meeting.

9 The impact in the middle of the page, I
10 know you went over this, but just looking at the
11 unfunded liability, you have two of the plans,
12 the Municipal and Police, actually saw a
13 liability increase due to changes to the
14 assumptions. The experience was a little bit
15 different than our assumptions. When we updated
16 those assumptions, it led to a cost increase, and
17 the mortality for the Police, the salary
18 increases, and the retirement rates were the
19 biggest driver for that increase. For the
20 Municipal plan, it was really the mortality table
21 that -- you know, the update to the mortality
22 table had the biggest impact there. For Fire,
23 the unfunded liability actually went down because
24 the salary and retirement rates were on the other
25 side of the expectation, and so we made those

1 changes that actually lowered the liability a
2 little bit. There were no changes to the
3 benefits during -- you know, since 2023.

4 On page four, what we've shown is the
5 funded -- the left table shows the funded status,
6 and the right table shows the unfunded liability,
7 and we've shown each three plans, the last three
8 valuations, from 2021 '23, and '25. If you look
9 for the Municipal plan, the funded ratio actually
10 went up this year, from 77.2 up to 80.1. The
11 Police went down slightly from 70.4 to 69.9.
12 This was primarily driven by the larger increase
13 of the liabilities that we saw as a result of the
14 assumption changes. And then the Fire went up
15 considerably from 63.7 to 70.6, and this is -- we
16 talked about the liabilities going down as a
17 result of the experience study, those changes, we
18 saw a bigger increase there. So at the end of
19 the day, the Fire and Police funded ratios are
20 virtually identical.

21 One other thing, just to note, that, like,
22 if you look at the ==well, I'll get back to in a
23 second.

24 So on the right-hand column, or right-hand
25 table, you'll see the unfunded liability. The

NETWORK DEPOSITION SERVICES

1 Municipal plan, it went down from 97 to 91
2 million. You know, we talked about -- the
3 experience study actually increased our
4 liabilities. Well, one of the drivers here for
5 all three of the plans is that the contributions
6 going into the plan are significantly higher than
7 the requirement. And so those additional
8 contributions in excess of the requirement are
9 lowering our unfunded liability over time. And
10 so you see that as well in the Fire. It went
11 from 206 down to 172, contributions, plus, you
12 know, those changes that we saw. The Police
13 actually did see a little bit of an increase.
14 And that, again, was -- you know, they just had a
15 bigger impact due to the experience study on
16 their liabilities.

17 On page five, the left table shows the
18 normal cost rates. The normal cost rates are
19 the, you know, the value of the benefits that are
20 being accrued by active employees. So each year
21 they earn an additional year of service, their
22 salary increases, so their pension benefit at the
23 end of the year is higher than what it was at the
24 beginning of the year. And you'll notice that,
25 for Municipal, it went down, you know, to 8.4

1 percent. It went down a little bit. On the
2 Police side, it went up a little bit, 9.9
3 percent, and then, you know, the Fire went to
4 17 -- went down a little bit as a result of the
5 changes to the assumption to 17.4. You know, I
6 guess the biggest question that most people have
7 is they see that 19.9 versus 7.4. The benefits
8 are pretty similar. The biggest difference is
9 that they're -- between the Fire and the Police
10 accrual rates is that the salary that's included
11 for the Fire plan is different than what it is
12 for the Police. The Police includes base.

13 MR. SICURO: Yeah, I thought you said that
14 the benefits are similar.

15 MR. FRANKEN: The pension benefits, yeah,
16 in terms of the -- what do you mean by not --

17 MR. SICURO: Well, that's why I was gonna
18 ask you to clarify that, because I don't view
19 that the benefits are similar. That's why I was
20 curious to the statements.

21 MR. FRANKEN: I'm just looking at -- okay,
22 so, you know, if I look at the normal retirement
23 benefit, it's 50 percent of average compensation.
24 That's --

25 MR. SICURO: The structural --

1 MR. FRANKEN: The structure of it is the
2 same, or very similar for both. And so you might
3 see that, you know, you look and see the normal
4 retirement benefit is 50 percent of average
5 compensation. Well, why is there such a big
6 difference between those two? And it comes down
7 to the salary that's included. That's what's
8 driving the difference between the Police and the
9 Fire, normal cost rates.

10 MR. SICURO: The wages versus salary?

11 MR. FRANKEN: Yep.

12 MR. CORNELL: State law has the overtime
13 for Fire.

14 MR. FRANKEN: Yeah, so for Fire, the
15 overtime is included, and it's not for Police.
16 Does that answer your question?

17 MR. SICURO: Yes, thank you.

18 MR. FRANKEN: Okay, then the ARC, that's
19 the Annual Required Contribution Amounts, those,
20 you know, are, you know, fairly similar to last
21 year. For the Municipal plan, it's 20.7 million;
22 for Police, it's 22.3; and for Fire, it's 35.4.
23 So one of the things about the ARC, you know,
24 each year, there's a layer that's added, an
25 amortization payment. Whether there's a gain or

1 loss or assumption changes or benefit changes,
2 those are paid off over periods of time. You
3 know, if I look at one, you know, in 2013, there
4 was an experience study that was done. That was
5 amortized over about, what, 15 years, and that
6 layer is going to be paid off within the next
7 three years.

8 So if we just look at the ARC as it sits
9 today, in, you know, three years, so in 2028, we
10 would expect that the Municipal ARC would go down
11 by 3.3 million; the Police would go down by 4.3;
12 and the Fire would go down by 4.3 because those
13 layers are going to be paid off.

14 MR. SICURO: So there's no correlation
15 between the ARC and the normal cost?

16 MR. FRANKEN: Well, the normal cost is part
17 of the ARC.

18 MR. SICURO: But one going up and the other
19 part going down, it's not connected to it?

20 MR. FRANKEN: Yes, yep, it's not
21 necessarily connected, because the normal cost
22 generally is fairly consistent over time. The
23 amortization piece, which is the other, the big
24 driver, you know, that can be significantly
25 different between plans. So, you know, one could

1 go up in the ARC state and the other go down
2 depending on the various layers that are created.

3 And so I guess my point of bringing this up
4 is, you know, we would expect that the ARC could
5 be -- due to these amortization layers being
6 retired, the debt being retired, we would expect
7 to see a \$3 to \$4 million decrease to the ARC
8 across the board. But what that doesn't consider
9 are there other losses, some investment losses,
10 that are in the system currently that are going
11 to create potentially new layers of unfunded
12 liability. And so while we expect this to go
13 down based on that layer of debt being retired,
14 it's not a certainty that we go down, because
15 there could be new losses that replace those that
16 would sort of keep it at the current level.

17 MR. SICURO: And that's represented in your
18 full study as actuarially accrued unfunded
19 liability; is that correct?

20 MR. FRANKEN: Well, so, yeah, that's one --
21 that's the piece that's amortized. And so when
22 we look at the amortization, I'm just looking
23 at -- I have Fire up. You know, the unfunded
24 liability in the plan is 20 -- oh, wait, sorry,
25 is 172 million. There are roughly 15 different

1 layers that that 172 million is being paid off
2 under. So there's -- you know, some of them,
3 some of those bases, have as many as 18 years,
4 and another one has three years. And so they're
5 all -- you know, that 172 million is made up of
6 all of these different layers that are each
7 individually being paid off over a specific
8 period of time.

9 MR. SICURO: Now, those three 18 years, did
10 they all start out at the same amount of years?

11 MR. FRANKEN: No, there's one -- sorry, I
12 answered the question before I heard it. Did
13 they all start out at the same amount of years?
14 Is that what you're asking?

15 MR. SICURO: Correct. Are they all
16 amortized over the same amount of time? And the
17 three year is just, it's coming to the end of its
18 time, versus the 18 year just started?

19 MR. FRANKEN: Yeah, that's what it is. The
20 three and 18, you know, one is just about ready
21 to be paid off, and the other one is just
22 starting. But they didn't all necessarily start
23 with the same number of years. Because of just
24 the state law, a benefit change can be paid
25 off -- is generally paid off over 20 years, where

1 some of the gain losses are paid off over 13
2 years. So in the state law, it tells you that if
3 it's an assumption change, it has to be paid off
4 in this many years at most. If it's a gain loss,
5 it's this many years, which can be different.
6 And so there are different lengths of the
7 amortization periods, but there are new --
8 there's a new amortization layer added every
9 single time we do a valuation. And so they are
10 in varying points of repayment. And that's why
11 you see some of them from three all the way to
12 18.

13 MR. SICURO: But the difference in the
14 amount of time is, if it's a benefit change, you
15 said, it can be paid off in --

16 MR. FRANKEN: I think we pay that off over
17 20 years.

18 MR. SICURO: But if it's a loss, an
19 investment loss, it's 13 years?

20 MR. FRANKEN: Well --

21 MR. SICURO: That seems like an odd number.

22 MR. FRANKEN: Well, the 13 years is -- so
23 the state says that experience, the investment
24 gain loss has to be paid off over 15 years.
25 However, it's been -- the funds practice to use

NETWORK DEPOSITION SERVICES

1 the shorter period between 15 years and the
2 average remaining service of the active
3 employees.

4 And so -- and then there's a caveat that as
5 long as, collectively, the city's funded ratio is
6 above 70 percent, we're going to use that -- you
7 know, in this case, it's 13 years. If the
8 collected funded ratio falls below 70 percent,
9 then we would default to the 15 year
10 amortization. So it -- you know, the 13 years is
11 kind of a -- you know, it's not a set number.
12 It's based on your population and how many years
13 left they have in their career on average.

14 MR. SICURO: Okay, that's unusual, but --

15 MR. FRANKEN: Yeah, like I said, that's the
16 way it's operated, so --

17 MR. SICURO: Thank you.

18 MR. FRANKEN: You're welcome.

19 MS. GULA: That's why we hire an actuary.

20 MR. SICURO: Absolutely. If I remember, in
21 our distress days, there was special legislation
22 that even gave us a greater length of time than
23 even a 15. Was that correct that --

24 (Cross-talk.)

25 MR. FRANKEN: Yeah, yeah, yep, yeah,

1 there's --

2 MS. HEISLER: To spread the debt out longer
3 to have less of an impact --

4 MR, FRANKEN: Which it's -- that's good
5 from a budgetary perspective, extending your
6 amortizations, but for the plan, you defer
7 payments over a longer period of time, and
8 pensions are pay now or pay later, and when you
9 pay later, you have to pay a whole bunch more
10 later, because you have to pay compound interest
11 on all that money you didn't put in the plan.
12 And so while it helps municipalities with their
13 budgets, from the pension perspective, it isn't
14 advantageous to extend those amortization periods
15 over -- you know, longer than what they should
16 be.

17 MR. SICURO: Thank you.

18 MR. RUFFOLO: Since you're talking about
19 that chart, and this was a question in an email
20 was sent to you guys regarding this, that the
21 Police show a 26 million loss. What is the --
22 what is the driving point of that? The gains at
23 the Municipal and Fire --

24 MR. FRANKEN: Yeah, So I think the biggest
25 difference is the retirement rates, and we saw

1 this as part of our experience study, where that
2 we had to change our retirement rates. People
3 were retiring earlier than what was expected, and
4 so when they retire earlier than expected,
5 generally they're getting more pension payments,
6 so the liability goes up. And so that's
7 really -- what the biggest driver for that number
8 is the, you know, some of the issues we saw on
9 the experience study with retirement rates and
10 even the mortality, you know, people living
11 longer than expected. So that's what's
12 driving --

13 MR. RUFFOLO: Compared to Municipal and
14 Fire, we have a larger group that leave?

15 MR. FRANKEN: Yeah, and so it's not
16 necessarily -- you can't necessarily compare --
17 you're not comparing Police to Fire, Police to
18 Municipal. For each of those groups, you have to
19 compare the Police, the old assumption versus the
20 experience. And so they all have different
21 assumptions, and so for each group, you're doing
22 a comparison. And so everyone could retire at
23 the same exact age, but it could have a different
24 impact on the three plans, depending on what the
25 assumptions are. So everything's based on,

1 here's what our assumptions are; this has been
2 the experience.

3 And for Police, you know, I'm just going
4 to, you know, use a general number here. It's
5 not necessarily the number, but we have been
6 assuming that -- I'm just looking at the
7 experience study here. So if I go back to the
8 retirement rates, you know, we were expecting
9 that, you know, 17 percent of the people were
10 going to retire, you know, when we expected them
11 to, and it turned out that 18 percent of the
12 people retired. And so people retired earlier,
13 and you know, just looking at the average, you
14 know, like for the 54 to 59 age bucket, you know,
15 we expected 8 percent of the people to retire.
16 Over 16 percent of the people retired in that
17 bucket.

18 And so when we adjust that assumption, you
19 know, we change it from 8 percent retired to 12
20 percent, now, all of those people, you know,
21 between 54 and 55, now are becoming more -- you
22 know, they're retiring earlier, so they're
23 becoming more costly.

24 And the Police -- or, the Fire has
25 different assumptions. So you know, so for

1 that --

2 MR. SICURO: If I can interrupt you --

3 MR. FRANKEN: Yep.

4 MR. SICURO: That loss that you're speaking
5 of, did that happen over the four-year period
6 since the last -- that wasn't -- I'm sorry, did
7 you say --

8 MR. FRANKEN: Yeah, that was for this
9 particular valuation.

10 MR. SICURO: But over four years?

11 MR. FRANKEN: No, that's just a one year.

12 MR. SICURO: Was it assumed to be
13 compounded over the four years, the same kind of
14 losses?

15 MR. FRANKEN: No, no, that's the loss for
16 that -- that's the loss that was created in this
17 particular year. And it's not all retirement
18 rates. There's retirement rates, there's the
19 salary. I think the salaries might have been
20 higher than what we expected. You know, there's,
21 you know, a dozen factors that go into it, but
22 the biggest piece of it was the retirement rates.

23 And so we, you know, adjusted our
24 assumption going forward to better align with
25 what we -- you know, based on what the experience

1 has been, so that those losses wouldn't continue
2 to occur. And by doing so, our liability goes
3 up, because now, you know, we were assuming that
4 they were going to retire later. Now that
5 they're retiring earlier, you know, those people
6 in the future -- you know, the loss that was
7 created was based on the people that actually
8 retired in the last year.

9 MR. SICURO: So I could see that would
10 affect the normal cost rate, because you're
11 making it -- you have to make a change now going
12 forward.

13 MR. FRANKEN: Yep.

14 MR. SICURO: So you see the increase in
15 their normal cost, and you said their liabilities
16 went up as well. Then why would the ARC go down?
17 Because aren't you now assuming another added
18 layer. Is that --

19 MR. FRANKEN: Yes, but it was offset. You
20 know, some of the ARC was offset by the fact that
21 we had larger contributions that came in than
22 what were expected.

23 MS. HEISLER: From new Police officers?

24 MR. FRANKEN: From city parking tax, state,
25 all of the money that came in was more than we

1 expected.

2 MR. CORNELL: right, so I mean, if I can
3 jump in, too, when we have the city general fund
4 budget, it is the amount that we have to do for
5 the state -- plus an amount to get to the
6 actuarial recommended contribution as a chunk.
7 Then there's also the part -- like, there's more
8 that goes in beyond that. So we're really doing,
9 and we have been for several years, more than
10 that amount.

11 MR. SICURO: It's just -- I would have
12 thought that the ARC would have increased because
13 there was a loss that just seems more --

14 MR. FRANKEN: Yeah, so there's --
15 (Cross-talk.)

16 MR. SICURO: -- that gap.

17 MR. FRANKEN: Yeah, there's a loss, but the
18 actuarial gain loss is what the -- you know,
19 based on the experience, right? But then there's
20 this other component, the contributions. So the
21 contributions, we don't have -- you know, we have
22 an expectation of what that's going to be, but
23 that's not part of the -- you know, necessarily
24 part of the gain loss. It's just, okay, this is
25 what the contribution is. We earned this much

NETWORK DEPOSITION SERVICES

1 more -- or, this much more was contributed than
2 expected, so that offsets some of our unfunded
3 liability. So our unfunded liability didn't go
4 up by nearly as much as you would have expected.

5 You know, it went from 158 for Police to
6 174. Well, with the \$26 million loss, or
7 whatever it was, plus the \$8 million in increase
8 liability due to the assumption changes, that
9 gets you like \$34 million. You would have
10 expected that unfunded liability to go up. It
11 only went up by 16 because we had more money
12 coming in than what we were anticipating.

13 MR. SICURO: Thank you.

14 MR. FRANKEN: Okay, on page six, you know,
15 this just lists the assumptions. For interest
16 rate, we're using the same 7 percent. For salary
17 increases, this is -- you know, this is a, you
18 know, a difference from what it was in the past.
19 What used to be a flat percentage, now your
20 grading from -- based on service. When you first
21 come in, you know, you're getting higher bumps
22 generally than when you've been here for 20
23 years, and then so that assumption reflects that.
24 We are using the most recent mortality tables,
25 the PubG. So we are using mortality tables

1 specific to the group.

2 So PubG is general employees. So we're
3 using a general employees table for the Municipal
4 plan. And then PubS, that's public safety.
5 We're using those tables for the Police and the
6 Fire. We're using the mortality projection
7 scale. So the projection scale projects how much
8 mortality is going to improve over time. We are
9 using the 21 projection scale. That's the most
10 recent scale. They used to produce it every
11 year.

12 MR. SICURO: And those are specific to the
13 PubG and PubS, correct?

14 MR. FRANKEN: There's just one, it's just
15 one --

16 MR. SICURO: There's one?

17 MR. FRANKEN: Yeah, there's not --

18 MR. SICURO: You would think, because if
19 they're doing a projection, it would be different
20 for Police and Fire projection --

21 MR. FRANKEN: Yeah, yeah.

22 MR. SICURO: -- versus general employee.

23 MR. FRANKEN: Yeah, it's -- yeah, they do
24 just produce one table. And they haven't
25 produced tables since 2021 because the model that

1 they were using, this is the -- these tables are
2 put out by the Society of Actuaries. And so the
3 tables that they were using, or the model they
4 were using for the projection scale, COVID
5 essentially broke it. And you know, if they had
6 continued to use the same model, you know, they
7 would have had seen like mortality, you know,
8 improvements being extremely negative, meaning
9 that people would start living significantly
10 shorter lives. And we don't think that that's
11 reasonable. So they have not -- they haven't
12 corrected that yet and released new tables, but I
13 think they're working on that.

14 The demographic tables, that was all based
15 on our experience study. The asset -- actuarial
16 asset method, we assume we smooth investment
17 gains and losses over six years. I think I
18 mentioned earlier, five years earlier, but it's
19 six years that we smooth the gains and losses are
20 over when we're calculating our asset value, the
21 smooth asset value. That's different than the
22 layers, you know, that we talked about. That's
23 a -- that 13 year period. This is -- when we're
24 calculating our asset value, we smooth over six
25 years, and then we're using the level dollar

1 amortization based on the -- with the
2 requirements that the state have with the
3 different lengths of time.

4 So those are the highlights. Are there any
5 other questions?

6 MS. HEISLER: Is the -- is it biannual?

7 MR. SICURO: Yeah, biannual.

8 MS. HEISLER: Biannual, is that in our
9 bylaws?

10 MR. SICURO: Which part?

11 MS. HEISLER: It's done every two years,
12 the state law?

13 (Cross-talk.)

14 MR. SICURO: But the experience studies are
15 every four years.

16 MS. HEISLER: Four.

17 MR. FRANKEN: Yeah.

18 MR. SICURO: But the evaluation is done
19 every two.

20 MR. CORNELL: That was actually what I was
21 gonna jump in on that. I know you said it's an
22 annual process for most groups. Pennsylvania,
23 correct me if I'm wrong, it has to be two, could
24 be more. Are there pros or cons for this board
25 to consider starting to do it every year? Like I

1 know -- before you jump in, I know what this
2 means for the city in terms of budgeting, is --
3 this is a '25 valuation, but what we have
4 certified before the end of September is still
5 based on '23. So everything lags for almost two
6 full years.

7 MR. FRANKEN: Yeah, yeah, yeah.

8 MS. HEISLER: Yeah.

9 MR. FRANKEN: And so the issue with doing
10 it every two years is you're not getting that
11 interim, you know, update. In most states where
12 we work, it has annual valuations. Pennsylvania
13 is every two, except for counties. I believe
14 they do every year. You know, I don't know, you
15 know, I can't speak whether it's a requirement or
16 if you could do them more frequently, but the
17 initial issue is the lag that occurs, and so --
18 especially if you have two really good years of
19 investment returns, you're using a report from
20 two plus years ago. You know, your contribution
21 that's going into the plan could be more than
22 what would actually be required. To me, that's
23 not necessarily a bad thing. You're contributing
24 more.

25 It's the other way that causes the issue

1 where, if you have two really bad years in a row,
2 you know, your ARC could, you know, go up by 10
3 percent or 15 percent, but you're contributing
4 the lower amount before those losses occurred.
5 And when you're shorting the plan relative to the
6 ARC, that's when I start to get indigestion,
7 because you're putting less money in than what
8 should be going into the plan.

9 MR. SICURO: But isn't that where smooth it
10 comes into play anyways?

11 MR. FRANKEN: Yeah, but that doesn't
12 really --

13 MR. SICURO: So if we get two years of
14 great returns, do we fully realize those returns,
15 or do we smooth those out more?

16 MR. FRANKEN: You smooth those out over six
17 years.

18 MR. SICURO: Okay.

19 MR. FRANKEN: But -- so yes, there is
20 smoothing that goes into it. There's multiple
21 levels of smoothing, right? You have the six
22 year smoothing of the gains and losses, and then
23 as those gains and losses are recognized, you're
24 amortizing it over a 13-year period. So there
25 are definitely, you know, definitely layers of

1 smoothing that keep the contribution as stable
2 and predictable as it can be.

3 But when you have -- I'll go to 2008, for
4 example. You have two really bad years, you
5 know, you're losing 25 percent. All the
6 smoothing in the world doesn't make up for that.
7 And so if you have normal, you know, normal
8 experience, normal years, every other year,
9 valuations aren't that big of a deal. But when
10 you have those dramatic, you know, once every 25
11 year events, that's when it can cause problems.

12 MR. SICURO: So we talked about smooth
13 instability to potential gains on the market,
14 gains or losses on the market. If we can go back
15 to page three real quick on your presentation.

16 MR. FRANKEN: Yep.

17 MR. SICURO: Each fund had either an
18 increase or decrease of their unfunded liability,
19 right?

20 MR. FRANKEN: Yep.

21 MR. SICURO: And Municipal and Police both
22 had increases. Fire had a decrease. Are we
23 smoothing those changes going forward? Are we
24 realizing those right away?

25 MR. FRANKEN: No, the liabilities that are

NETWORK DEPOSITION SERVICES

1 shown there, the changes to the liabilities, are
2 amortized over a period of time, and so for
3 Police and Fire, those increases are both -- well
4 actually, for Fire --

5 MR. SICURO: Municipal and Police --

6 MR. FRANKEN: For Fire, it's amortized over
7 15 years; for Police, it's amortized over 13
8 years; and for Municipal, it's amortized over
9 nine years, based on that average remaining
10 service that we talked about. So these numbers
11 like that 5.8 -- or let's look at the Fire, that
12 \$8.5 million credit, that's how much your
13 liability goes down by. In the ARC, the annual
14 contribution, that \$8.5 million, turns into an
15 \$870,000 credit. So it lowers your ARC by
16 \$870,000 for the next 15 years.

17 So it is -- you know, these numbers are --
18 we're not fully recognizing, but they are brought
19 in over time.

20 MR. CORNELL: And that's just one of those
21 layers that you were talking about?

22 MR. FRANKEN: Yeah, it's just one of the
23 layers.

24 MR. SICURO: It happens to be a positive
25 layer.

1 MR. FRANKEN: Yeah, yes.

2 MR. SICURO: Are there any more questions?

3 MR. CORNELL: How was the processing, you
4 know, did you have any difficulties getting
5 information and working through things this year,
6 you know, just general processing?

7 MR. FRANKEN: Yeah, no, I think that -- I
8 think the process went pretty smoothly this year.
9 And I think we're -- you know, last time was our
10 first time, and I think getting the data, getting
11 all the necessary data, took a lot longer, but I
12 think this year is much more smoother than the
13 first time we did it.

14 MS. HEISLER: I apologize, these are from
15 the end of 2020 through 2024?

16 MR. FRANKEN: Yes, as of January 1st,
17 2025 --

18 MS. HEISLER: Got it.

19 MR. FRANKEN: -- or, you know, the end of
20 -- you know, through 12-31-2024. So the asset
21 value, the invested asset values, as of 12-31-24.

22 MS. HEISLER: Do we vote to accept it?

23 MR. SICURO: We did last --

24 MR. FRANKEN: Well, the assumptions, you
25 voted for, but the -- you know, I don't know what

1 the process is for -- except, you know, the
2 valuation report.

3 MS. HEISLER: Okay.

4 MR. SICURO: But there's no -- the changes
5 that were talked about here were adopted in our
6 September --

7 (Cross-talk.)

8 MR. FRANKEN: All of the assumption
9 changes, yes.

10 MR. SICURO: So this is just us getting a
11 better explanation, because he was not able to be
12 at the September meeting.

13 MS. HEISLER: All right.

14 MR. SICURO: So that's what this is about.

15 Alright, do we have any other questions?

16 Seeing none, thank you, Mr. Franken,
17 appreciate that, and that's it for you.

18 And I think we're under an adjournment,
19 unless we have anything else?

20 MS. WILLIAMS: One thing.

21 MR. SICURO: Go ahead.

22 MS. WILLIAMS: I just want to say, this is
23 my last Comprehensive Municipal Pension Trust
24 Fund meeting, representing the mayor on behalf of
25 the city of Pittsburgh. So I just wanted to say

1 thank you all. It's been a pleasure and an honor
2 serving with you. I'm really proud of the work
3 that we have done together, managing the city's
4 assets so well with all of your support. And so
5 I look forward to staying in touch with you all
6 in my next endeavors.

7 MR. SICURO: I wanted to compliment you and
8 your service here, the willingness to be on our
9 subcommittees, which is not always easy for
10 everybody, to make sure we have things get done
11 in a timely manner, and what you brought here to
12 bring a more diverse operation into our
13 investments, we appreciate that.

14 And even though the mayor is not here
15 today, still wanted to say thank you to his
16 commitment, his administration, into properly
17 funding our pension over his tenure here. We
18 cannot get out of this by investments alone, no
19 offense, Jamie. We have to properly fund the
20 pensions, and he has been committed to do that,
21 so thank you, thank you both.

22 If there's nothing else, I'd like to ask
23 for a motion to adjourn.

24 MS. HEISLER: Motion to adjourn.

25 MR. SICURO: Motion.

NETWORK DEPOSITION SERVICES

1 MR. CORNELL: Second.

2 MR. SICURO: Seconded, any discussion?

3 Seeing none, all those in favor.

4 EN MASSE: Aye.

5 (Thereupon, at 2:29 p.m., the matter
6 regarding the Comprehensive Municipal Pension
7 Trust Fund Board Meeting was concluded.)

8 - - -

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

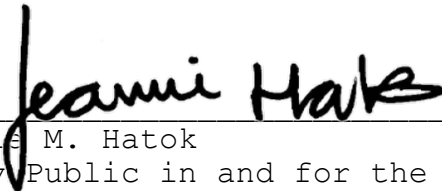
25

NETWORK DEPOSITION SERVICES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C-E-R-T-I-F-I-C-A-T-E

I, Jeannie M. Hatok, the undersigned, do hereby certify that the foregoing seventy-six (76) pages are a true and correct transcript of my stenotypy notes taken of the Comprehensive Municipal Pension Trust Fund Board Meeting, held on Thursday, December 4, 2025.



Jeannie M. Hatok
Notary Public in and for the
Commonwealth of Pennsylvania
My Commission expires: January 5, 2030

- - -