

**Pension Trustees
Meeting Minutes
February 11, 2026**

The quarterly meeting of the Trustees of the Tredyffrin Township Police Pension Fund (TTPPF), Deferred Compensation Plan, and the OPEB Trust, to discuss the results of the previous quarter, was held on the above date at the Township Building. Trustees participating were Trustees Richard Veith, Warren Hyams, and Stanford Nishikawa. Also in attendance were Township Manager William Martin, Chief Operating Officer Dean Dortone, Chief Financial Officer Joseph DiRocco; Chief of Police Mike Beaty; Board of Supervisors Liaison David Miller (via Microsoft Teams); and Recording Secretary Patricia Hoffman. Attending from PFM Advisors was Donald Grant.

The meeting dates for the year were advertised in the 11/20/2025 issue of Daily Local and the 11/27/2025 issue of the Main Line Suburban. The meetings dates for the year were published on the Township website by 12/31/2025 and were printed in the Township's newsletter 1/31/2026.

The meeting was called to order at 7:32 AM.

Mr. Dortone introduced himself to the group.

Approval of Minutes

A motion was made by Mr. Nishikawa, seconded by Mr. Hyams and passed unanimously to approve the minutes of the December 4, 2025, meeting.

PFM Review

Mr. Grant reported PFM's overview of the market in the fourth quarter of 2025, and provided additional updates year-to-date, stating that 2025 started with uncertainty but ended with resilience. He added that AI and data centers are large areas to watch for the beginning of 2026. By the end of 2025, inflation appeared to be cooling, job creation was down, unemployment ticked up, GDP accelerated sharply by year-end, and the US dollar lost value. However, the overall market performed well.

Small Cap Funds are seeing strength at the start of 2026. In discretionary portfolios, PFM moved to overweighted into small caps, drawing from fixed income. When asked for clarification on how PFM watches the AI trade, the response was that large cap funds need to be invested in AI names at this time. When asked about the real estate market, the response was that the US REIT index was the least performing asset class in 2025, adding that there has been a flip on the labor market, and businesses are bringing employees back into the office and lowering remote working, creating a need for data centers and commercial office space.

Geopolitical events and policy changes are seen to be a big continuing risk factor over the next 6-12 months, as well as inflation and the labor market.

TTPPF returned 14.22% annually for the 3 years ended 12/31/2025, gross of fees, which was in the top quartile of PFM's Plan sponsor peer group for all public plans >\$50m and <\$100m (with no alternative investments).

Mr. DiRocco stated that the next actuarial valuation will be as of 1/1/2027. There was discussion among the trustees regarding recommending lowering the interest rate of return for the next valuation. When asked, Mr. DiRocco stated there were no cash needs at this time, hence no rebalancing.

There was discussion of the possibility of replacing Aristotle International Equity, as Aristotle is currently on PFM's watchlist. The Trustees discussed the guidelines of TTPPF's manager search process with Mr. Grant, and decided not to make any manager changes at this time.

It was noted that TTPPF is the only PFM client remaining with MetWest, which is on probation.

Chief Beaty left the meeting at 8 AM.

457 Plan

Motion made by Mr. Nishikawa, seconded by Mr. Hyams, and passed unanimously to approve the addition of Roth after-tax contributions to the plan for the employees.

2026 Meeting

The remaining 2026 schedule for meetings is May 13, August 12, and November 18.

Adjournment

The meeting was adjourned at 9:12 AM.

Respectfully submitted,

Patricia Hoffman
Recording Secretary