



**PENSION FUND TRUSTEES MEETING
LANSING BOARD OF WATER AND LIGHT BOARD OF COMMISSIONERS
AGENDA**

November 18, 2025

5:00 P.M. – 1201 S. Washington Ave., Lansing, MI 48910

The BWL full meeting packet and public notice/agenda is located on the official web site at <https://www.lbwl.com/about-bwl/governance>.

Call to Order

Roll Call

Public Comments

1. Approval of Minutes
 - a. Pension Fund Trustees Meeting (November 19, 2024) – Semone James, Chairperson
2. Table of Contents
3. Pension Memo with Review of External Investment Management
4. Pension Dashboard
5. Defined Benefit Plan (DB) Information
6. Post-Employment Benefit Plan (VEBA)
7. Defined Contribution and Deferred Compensation Plans (DC)
8. Resolution – Acknowledgment/Accept of FY 2025 Audited Financial Statements

Other

Adjourn



**LANSING BOARD OF WATER & LIGHT
PENSION FUND TRUSTEES MEETING MINUTES
November 19, 2024**

The Pension Fund Trustees of the Lansing Board of Water & Light (BWL) met at the BWL Headquarters in the REO Town Depot located at 1201 S. Washington Ave., Lansing, MI) at 5:00 P.M. on Tuesday, November 19, 2024.

Trustee and Board Chairperson David Price called the meeting to order at 5:00 p.m.

Corporate Secretary LaVella Todd called the Roll:

The following Trustees were present: Chairperson David Price, Commissioners Beth Graham (arrived @ 5:13pm), Semone James, DeShon Leek, Tony Mullen, David Price, Dale Schrader, Tracy Thomas, and Sandra Zerkle (arrived @5:13pm). Also present: Non-Voting Commissioner Stuart Goodrich (Delhi Township)

Absent: None

The Corporate Secretary declared a quorum.

Public Comments

There were no public comments.

Approval of Minutes

Motion by Trustee Tracy Thomas and **Seconded** by Trustee Tony Mullen to approve the minutes from the November 14, 2023 Pension Fund Trustees Meeting.

Action: Motion Carried.

Pension Fund

Assistant General Manager Heather Shawa provided an overview of the information from the Pension Memo and Pension Dashboard.

Mr. Scott Taylor, BWL Accounting, Finance and Planning Director, introduced the financial advisory panel. The Panel provided financial plan information.

- 1) Nathan Burk, Director and Senior Consultant with Asset Consulting Group (ACG); ACG has served as investment advisor for BWL's DB & VEBA Plans since 2017. Mr. Burk assists BWL with investment allocation, evaluation of investment managers, reporting of investment performance, and investment policy statements. As a Chartered Financial Analyst (CFA) with over 20 years of investment industry experience, Mr. Burk is well versed regarding DB & VEBA investments.
- 2) Mark Miller, Founder and Principal Consultant with Benassist Retirement Consulting, LLC; Mr. Miller provides actuarial services for the DB & VEBA Plans since 2018. He also assists

with required filings for the State of Michigan and performs calculations for DB employee benefits at retirement. As an expert with over 37 years of actuarial experience, Mark is also well versed regarding the actuarial reports for the DB & VEBA Plans.

- 3) Justin Cohen, CFP, CPA, Financial Advisor/Relationship Manager with CAPTRUST; CAPTRUST assists with fund line up selection and monitoring, investment performance reporting, fee benchmarking and fiduciary compliance for the DC plans. Mr. Cohen is both a NAPA Certified Plan Fiduciary Advisor (CPFA™) and a CERTIFIED FINANCIAL PLANNER™.
- 4) Michael Burkhart, Executive Relationship Manager with Nationwide Retirement Solutions; Mr. Burkhart is responsible for maintaining relationships with Nationwide's largest governmental plan sponsor clients in the Central and West regions. Nationwide became the administrator and recordkeeper for BWL's 401 and 457 Plans in 2021. In addition to maintaining DC investment accounts, Nationwide provides BWL employees and retirees with personalized resources for meeting financial goals. Mr. Burkhart has been with Nationwide for over 28 years and is well versed regarding the range of services which Nationwide provides to participants.

Mr. Nathan Burk gave a capital market update for FY2024. Mr. Burke stated that the focus was on inflation, mobile growth, and interest rates of the Federal Reserve Bank. Mr. Burke noted that bonds were up about 3%, global equities were up about 19%, and there weren't positive returns in the private real estate market. The portfolio for VEBA plan was up over 10% which was better than the policy index and the 6.5% target rate of return. The portfolio for the DB plan was up to nearly 10% which was better than the policy index and the 6% target rate of return. There was recommendation and approval of replacing a non-U.S. manager from Lazar to Marathon, and de-risking the DB Plan to protect the funded status by reducing equity exposure and increasing bond exposure. BWL outperformed a majority of its peers with less management fees. Neither the DB Plan or VEBA Plan are required to follow the federal ERISA law regarding guidelines in corporate defined benefit plans and 401k's.

Mr. Mark Miller spoke about the actuarial work for the DB and VEBA plans funding. He noted that the funded status for the DB plan is 115% which is 4% higher than 2023. The average for DB funded plans in Michigan is 79% and BWL is in the top 4% out of 881 Michigan plans. The funded status for the VEBA plan is 150% which is 4% higher than 2023. The average for VEBA funded plans in Michigan is 46% and BWL is in the top 8% out of 463 Michigan plans.

Mr. Justin Cohen spoke about the roles of CAPTRUST in investment management, fiduciary process, plan fees, and participant choices for the 401(a) and 457(b) plans. Mr. Cohen stated the total investment expenses as a percentage of plan assets is at 1.9% which is low compared to average industry investment expenses. Mr. Cohen added that the current Nationwide fee is 0.01% of plan assets, which is very low compared to the industry average of 0.03% to 0.05% of plan assets, and the advisory fee is 0.02% which is also below the median industry average. Both the 401(a) and 457(b) are not required to follow the federal ERISA law but do follow as closely as possible.

Mr. Michael Burkhardt provided information about the retirement services that Nationwide furnishes. Nationwide provides the daily record keeping for the plans in participant's account balances, transaction processing, and customer service through a call center. Group education, workshops, and individual consultations are provided through a local service representative Ken Kelbel. A custom BWL website has online educational content at mybwlretirement.com. Nationwide also provides retirement planning tools, advisory services through a financial planner, and managed account solutions.

Commissioner Zerkle commended GM Peffley and Ms. Shawa on the presentation and having a good year.

RESOLUTION #2024-11-01

ACCEPTANCE OF 2024 AUDITED FINANCIAL STATEMENTS FOR DEFINED BENEFIT PENSION PLAN, DEFINED CONTRIBUTION PENSION PLAN, AND RETIREE BENEFIT PLAN

Resolved, that the Corporate Secretary receive and place on file the Defined Benefit, Defined Contribution, and Retiree Benefit Plan reports presented during the Pension Trustee Meeting.

Staff comments: All three Plans received clean audit reports.

Motion by Trustee Sandra Zerkle, **Seconded** by Trustee Semone James to approve the Resolution for the Acceptance of 2024 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan at a Board meeting held on November 19, 2024.

Action: Motion Carried.

Other

There was no other business.

Adjourn

There being no further business, the Pension Fund Trustees meeting adjourned at 5:36p.m.

Approved by the Trustees on November __, 2025



**Lansing Board of Water and Light
FY 2025 Pension Trustee Packet for 11-18-2025**

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M E M O R A N D U M

From: Scott Taylor – Chair, Retirement Plan Committee (RPC)

To: Board of Water and Light Trustees

Date: November 12, 2025

Subject: Annual Trustee Meeting – November 18, 2025

At the Annual Trustee Meeting to be held November 18, 2025, staff will summarize FY 2025 performance of the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions ("DB"), the Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light ("VEBA"), and the participant-directed 401(a) Defined Contribution & 457(b) Deferred Compensation Plans and Trusts ("DC"). Representatives from Asset Consulting Group ("ACG") and Benassist Retirement Consulting ("Benassist") will be present to address DB and VEBA. Representatives from Nationwide and Captrust will be present to address DC.

Audited financial reports are included in the meeting packet. BWL's external auditor, Baker Tilly, has issued each report with an unmodified opinion. This indicates that the financial statements present fairly, in all material respects, the fiduciary position as of June 30, 2025, in accordance with accounting principles generally accepted in the United States of America.

DB & VEBA UPDATES

During the fiscal year 2025, the RPC completed the following notable actions:

- Transitioned pension payment processing to Northern Trust in January 2025.
- VEBA Administrative Services Agreement (ASA) - VEBA investment returns and funded status were sufficient to reimburse full benefits paid by BWL in FY2025.
- RPC voted to approve updates to the RPC Charter regarding the RPC Membership. The membership includes:
 - BWL Chief Financial Officer
 - BWL Executive Director of Human Resources
 - BWL Manager of Accounting, Finance and Planning
 - Two voting members of the Board of Commissioners
 - A BWL Retiree
 - An IBEW Local Union 352 employee

- Both plans delivered strong fiscal year performances, despite the market volatility in the third quarter.
 - DB – approximately 10% return
 - VEBA – approximately 10% return

Actuarial Reports Overview

Included in the packet are the actuarial reports for DB and VEBA. These reports were prepared by Benassist using census data as of February 28, 2025, and financial data as of June 30, 2025. Benassist calculated the funding status and actuarially determined contribution (“ADC”) for each plan. ADC is the amount BWL is required to contribute to the Trust annually to provide adequate funding for payment of future benefits. The ADC for both the VEBA and DB remained at \$0 for FY 2025 unchanged from \$0 in FY 2024.

DB	As of 6/30/2024	As of 6/30/2025
Actuarially Determined Contribution	\$0	\$0
Total Pension Liability	\$42.1 million	\$39.3 million
Fiduciary Net Position	\$48.5 million	\$48.0 million
Funded Status	115%	122%
Net Pension (Asset) / Liability	(\$5.1 million)	(\$4.9 million)

VEBA	As of 6/30/2024	As of 6/30/2025
Actuarially Determined Contribution	\$0	\$0
Total OPEB Liability	\$163.4 million	\$188.0 million
Fiduciary Net Position	\$253.4 million	\$268.4 million
Funded Status	150%	143%
Net OPEB (Asset) / Liability	(\$85.0) million	(\$80.3) million

Asset Class Allocation

Investments for DB and VEBA are directed by the plan sponsor, BWL, under the guidance of the Statement of Investment Policies, Procedures and Objectives (“IPS”) for each plan.

Listed below are the asset class allocations for DB and VEBA. All investment allocations fell within target ranges at fiscal year-end.

	<u>Fund Allocation as of 06/30/2025</u>	
<u>Asset Class:</u>	<u>DB</u>	<u>VEBA</u>
<u>US Large Cap Equity:</u>		
Northern Trust S&P 500 Index	20.42%	33.08%

US Small/Mid Cap Equity:

Atlanta Capital	9.37%	11.22%
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Non-US Equity:

Harding Loevner Int'l Equity	7.58%	10.21%
Marathon Int'l Equity	8.46%	9.87%

Fixed Income:

JPMorgan Core Bond	24.27%	11.89%
Fidelity Tactical Bond	14.47%	4.81%
BlackRock Strategic Income	8.71%	5.12%

Real Estate Assets:

AEW Core Property Trust	6.42%	7.22%
Blackstone Property Partners	0.00%	6.41%

Cash & Cash Equivalents:

Cash & Cash Equivalents	0.31%	0.18%
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Management Fees

The IPS prescribes that consideration will be given to fees prior to retaining professionals. The following table lists all fees associated with DB and VEBA funds as of June 30, 2024.

	Manager Fee	Custodial Fee	ACG Fee*	Total Fees
<i>US Large Cap Equity</i>				
Northern Trust S&P 500 Index	0.01 %	0.02 %	0.05 %	0.08%
<i>US Small/Mid Cap Equity</i>				
Atlanta Capital	0.81%	0.02 %	0.05 %	0.88 %
<i>Non-US Equity</i>				
Harding Loevner Int'l Equity	0.73 %	0.02 %	0.05 %	0.80 %
Marathon Int'l Equity	0.35 %	0.02 %	0.05 %	0.42 %
<i>Fixed Income</i>				
JP Morgan Fixed Income	0.30 %	0.02 %	0.05 %	0.37 %
Fidelity Tactical Bond	0.36 %	0.02 %	0.05 %	0.43 %
BlackRock Strategic Income	0.62 %	0.02 %	0.05 %	0.69 %

Real Estate Assets

AEW Core Property Trust	1.11 %	0.02 %	0.05 %	1.18 %
Blackstone Property Partners	1.00 %	0.02 %	0.05 %	1.07 %

*ACG advisory fee is a flat dollar cost. For purposes of this report, this fee is shown as a weighted average of total assets under management.

Performance of Investment Managers

These charts show DB and VEBA net of fee investment returns from inception of BWL investment through June 30, 2025. The charts reflect investment managers employed by the BWL as of June 30, 2025. These returns are compared to the market index that most closely resembles each investment manager's style as described in the current IPS documents for DB and VEBA, respectively. Note that due to differing individual portfolio start dates and investment sectors, the comparative market index will vary between managers.

DB	Inception Date	Return	Index
Northern Trust S&P 500	05/23	21.88%	21.90%
Atlanta Capital	08/18	9.45%	7.37%
Harding Loevner Int'l Equity	09/17	6.42%	6.25%
Marathon Int'l Equity	04/24	13.66%	13.56%
JP Morgan	01/09	3.27%	2.76%
Fidelity Tactical Bond	09/18	3.41%	1.72%
BlackRock Strategic Income	09/17	3.63%	1.36%
AEW Core Property Trust	01/19	3.33%	2.46%

VEBA	Inception Date	Return	Index
Northern Trust S&P 500	05/23	21.89%	21.90%
Atlanta Capital	04/21	6.69%	3.32%
Harding Loevner Int'l Equity	09/17	6.41%	6.25%
Marathon Int'l Equity	04/24	13.64%	13.56%
JP Morgan	01/09	3.30%	2.76%
Fidelity Tactical Bond	09/18	3.30%	1.72%
BlackRock Strategic Income	09/17	3.61%	1.36%
AEW Core Property Trust	01/19	3.33%	2.46%
Blackstone Property Partners	10/19	0.53%	2.24%

DC UPDATES

The BWL continues to sponsor three DC Plans whose participants elect their own investments from a menu designed by the Plan Sponsor:

- The Lansing Board of Water and Light Defined Contribution Plan and Trust 1 (“DC Plan 1”)
- The Lansing Board of Water and Light Defined Contribution Plan and Trust 2 (“DC Plan 2”)
- The Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust (“457 Plan”)

During fiscal year 2025, the RPC completed the following notable actions:

- RPC voted to approve adding the State Street GTC Retirement Income Builder (RIB) Series.
- RPC voted to approve updated plan documents for DC Plan 1, DC Plan 2, and 457 Plan. Updates included legislative changes as well as the change to the normal retirement age for the 457 Plan.
 - Nationwide acquired a new document vendor, which triggered the updates to the previous plan documents.
 - The new plan documents also included the updates regarding the SECURE Act of 2019 and the CARES Act.
- RPC conducted a due diligence exploration of the current retirement plan advisory service market.

Retirement Plans Dashboard: FY 2025

Lansing Board of Water & Light: Defined Benefit Plan - 06/30/2025

Funding Status

Fiduciary Net Position	\$	47,990,407
Total Pension Liability	\$	39,344,155
Funding Status		122%
Average Funding Percentage ¹		76%
Actuarially Determined Contribution (ADC)	\$	-
FY 2025 Total Revenues	\$	468,447,889
ADC as % of Revenues		0.00%

Returns

FY 2025 Return on Assets	9.52%
Expected Return	6.00%
Median Expected Return ²	7.00%
% Over/Under Median	-1.00%

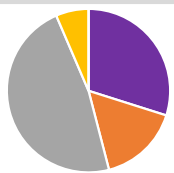
Change in Assets

FY 2025 Beginning Market Value	\$	48,533,776
FY 2025 Contributions	\$	-
FY 2025 Net Investment Income	\$	4,393,389
FY 2025 Distributions	\$	(4,936,758)
FY 2025 Ending Market Value	\$	47,990,407
FY 2025 Inc/(Dec) in Market Value	\$	(543,369)

Participants³

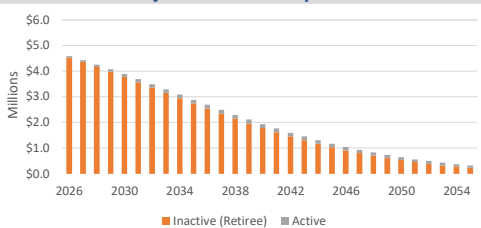
Total Active Participants	3
Total Inactive Participants	1
Total Retiree Participants	236
Total Participants	240

Asset Allocation

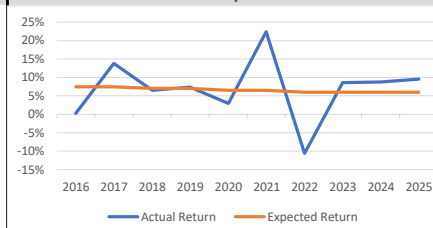


Asset Class	Allocation	Target Allocation
US Equity	30%	20 - 40%
Non-US Equity	16%	10 - 20%
Fixed Income	47%	30 - 60%
Real Assets	6%	0 - 10%
Cash & Equivalents	< 1%	0 - 5%

Projected Benefit Payments



Historical vs Expected Returns⁴



Approximate Plan Fees

Type	Annual Fees Paid	% of Assets
Investment Fees ⁴	\$ 195,900	0.40%
Custodial Fees	\$ 11,589	0.02%
Advisory Fees ⁵	\$ 75,000	0.15%
Total	\$ 282,489	0.58%

Lansing Board of Water & Light: VEBA Plan - 06/30/2025

Funding Status

Fiduciary Net Position	\$	268,356,875
Total OPEB Liability	\$	188,048,537
Funding Status		143%
Prior Year Funding Percentage		150%
Actuarially Determined Contribution (ADC)	\$	-
FY 2025 Total Revenues	\$	468,447,889
ADC as % of Revenues		0.00%

Returns

FY 2025 Return on Assets	9.99%
Expected Return	6.5%

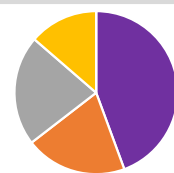
Change in Assets

FY 2025 Beginning Market Value	\$	253,395,981
FY 2025 Contributions	\$	61,852
FY 2025 Net Investment Income	\$	24,832,426
FY 2025 Distributions	\$	(9,933,384)
FY 2025 Ending Market Value	\$	268,356,875
FY 2025 Inc/(Dec) in Market Value	\$	14,960,894

Participants³

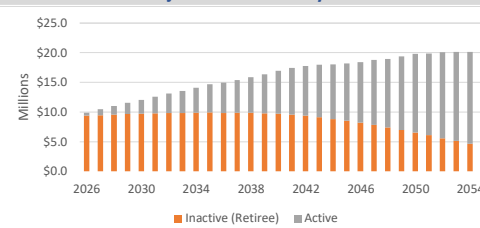
Total Active Participants	791
Total Retiree Participants	748
Total Participants	1,539

Asset Allocation

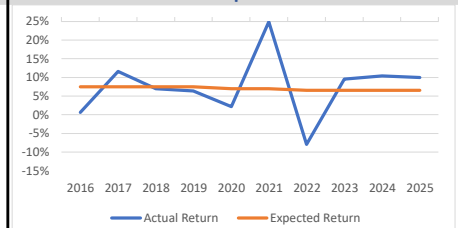


Asset Class	Allocation %	Target Allocation
US Equity	44%	30 - 50%
Non-US Equity	20%	15 - 25%
Fixed Income	22%	10 - 50%
Real Assets	14%	0% - 20%
Cash & Equivalents	< 1%	0% - 5%

Projected Benefit Payments



Historical vs Expected Returns⁷



Approximate Plan Fees

Type	Annual Fees Paid	% of Assets
Investment Fees ⁴	\$ 1,011,402	0.40%
Custodial Fees	\$ 53,899	0.02%
Advisory Fees ⁵	\$ 75,000	0.03%
Total	\$ 1,140,301	0.45%

1 Average funding for state and local pensions nationwide as published September 2025. Data obtained from Public Plans Database and PENDAT as provided by BWL's external advisor, ACG.

2 Median investment return assumption for public pensions from 2025 data obtained from NASRA Public Fund Survey Summary of Findings as provided by BWL's external advisor, ACG.

3 Participant data from actuarial census date of February 28, 2025.

4 Aggregate of explicit payments as well as underlying expense ratios. Certain investment fees are charged on a "% of Assets" basis and have been converted to an estimated dollar amount for purposes of this comparison.

5 Advisory fees are a flat dollar amount and have been converted to a "% of Assets" basis for purposes of this comparison.

6 In FY 2022, the expected return for the DB plan was reduced from 6.5% to 6.00%.

7 In FY 2022, the expected return for the VEBA plan was reduced from 7.00% to 6.50%.

Investment manager and advisory fees are accounted for on an accrual basis for purposes of this dashboard, but on a cash basis for purposes of external audit.

Due to rounding, sums and percentages in this dashboard may not precisely reflect absolute figures or those found in other reports.

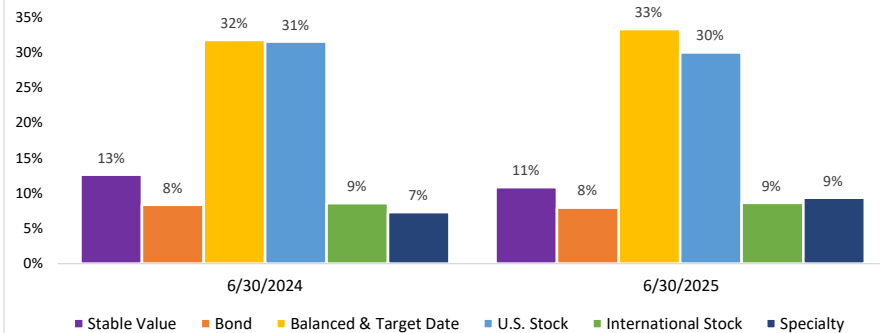
Retirement Plans Dashboard: FY 2025

Lansing Board of Water & Light: Defined Contribution 401(a) Plans & Deferred Compensation 457(b) Plan

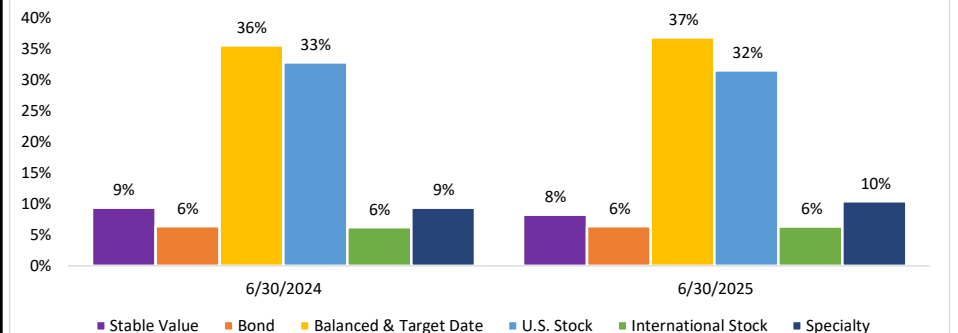
Total Participants		401(a) Loan Statistics		Aggregate Education Statistics		
Plan Type	Participants	Active Loans		Retirement Specialists	Certified Financial Planner	Seminars
401 Plans ¹	1,132	Total Loan Balance	\$ 3,010,486	66 days in service		17 Seminars On Site
457 Plan ²	1,033	Avg Active Loan Balance	\$ 11,806	427 attendees	12 Attendees	87 Attendees

Participants & Assets by Age Group: 401(a) Plans				Participants and Assets by Age Group: 457(b) Plan			
Age Group	Average Balance	Total Participants	Total Assets	Age Group	Average Balance	Total Participants	Total Assets
Under 30	\$ 28,425	92	\$ 2,615,058	Under 30	\$ 29,739	97	\$ 2,884,657
30 - 39	\$ 66,497	217	\$ 14,429,765	30 - 39	\$ 67,104	219	\$ 14,695,769
40 - 49	\$ 138,476	231	\$ 31,987,988	40 - 49	\$ 145,099	216	\$ 31,341,361
50 - 59	\$ 241,558	275	\$ 66,428,463	50 - 59	\$ 212,448	262	\$ 55,661,290
60 - 69	\$ 356,929	214	\$ 76,382,843	60 - 69	\$ 249,422	187	\$ 46,641,946
70 & Up	\$ 368,624	101	\$ 37,230,985	70 & Up	\$ 267,742	51	\$ 13,654,864
N/A	\$ 560,975	2	\$ 1,121,950	N/A	\$ 208	1	\$ 208
Total	\$ 203,354	1,132	\$ 230,197,052	Total	\$ 159,613	1,033	\$ 164,880,095

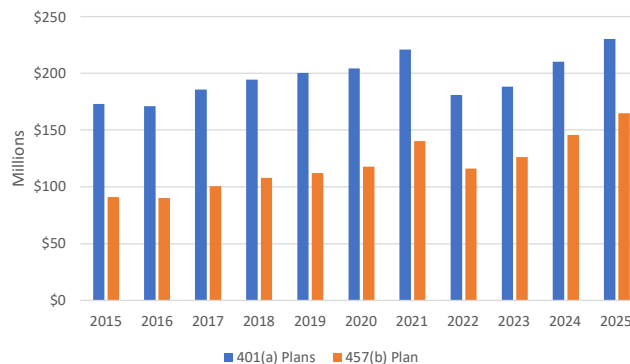
Asset Allocation in 401(a) Plans



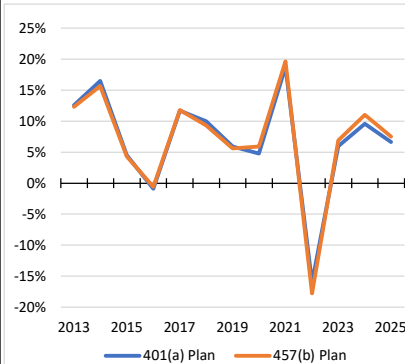
Asset Allocation in 457(b) Plan



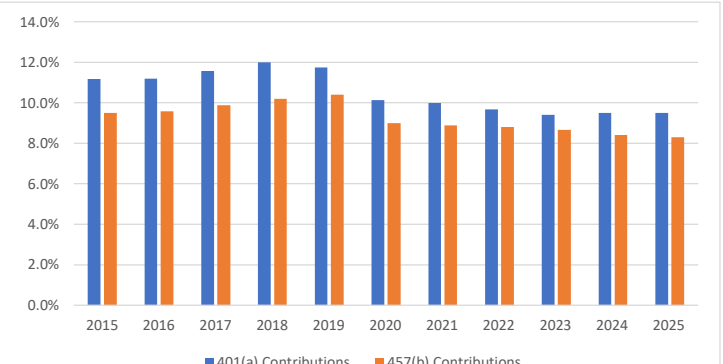
Historical Asset Values



Historical Returns



Employer/Employee Contributions as % of Payroll



¹ 401(a) Plans are employer contribution only.

² 457(b) Plan is employee contribution with an employer contribution of \$1,000 and an additional employer match up to \$1,500 per calendar year.

Due to rounding, sums and percentages in this dashboard may not precisely reflect absolute figures or those found in other reports

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Financial Statements and
Required Supplementary Information

June 30, 2025 and 2024

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

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June 30, 2025 and 2024

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Independent Auditors' Report

To the Honorable Mayor, Members of the City Council and Commissioners of the Lansing Board of Water and Light

Opinion

We have audited the financial statements of the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pension (the Plan), a fiduciary fund of the Lansing Board of Water and Light, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2025 and 2024, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Plan is presenting only the financial statements of the Plan and does not purport to, and does not, present fairly the financial position of the Lansing Board of Water and Light, as of June 30, 2025 and 2024, and the changes in financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
October 3, 2025

Lansing Board of Water and Light

Defined Benefit Plan and Trust for Employees' Pensions

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Using this Annual Report

The annual report consists of two parts: (1) Management's Discussion and Analysis (this section) and (2) the financial statements. The financial statements include notes that explain information in the statements and provide more detail.

Condensed Financial Information

The table below compares key financial information in a condensed format between the current year and the prior two years:

	2025	2024	2023
Assets:			
Cash and cash equivalents	\$ 605,254	\$ 437,821	\$ 778,163
Mutual funds, bonds	22,554,739	23,149,441	18,695,086
Mutual funds, equities	21,790,236	21,335,946	26,132,357
Real estate fund investment	3,038,367	3,668,689	3,932,003
Interest and dividend receivables	116,055	-	1,100
Total assets held in trust	<u>\$ 48,104,651</u>	<u>\$ 48,591,897</u>	<u>\$ 49,538,709</u>
Liabilities, accrued liabilities	\$ 114,244	\$ 58,122	\$ 15,476
Net position restricted for pension	<u>47,990,407</u>	<u>48,533,775</u>	<u>49,523,233</u>
Total liabilities and net position	<u>\$ 48,104,651</u>	<u>\$ 48,591,897</u>	<u>\$ 49,538,709</u>
Changes in net position:			
Net investment income (loss)	\$ 4,393,389	\$ 4,133,681	\$ 4,133,847
Benefits payments	(4,771,884)	(4,995,541)	(5,142,408)
Administrative fees	(164,873)	(127,599)	(126,978)
Net change in net position	<u>\$ (543,368)</u>	<u>\$ (989,459)</u>	<u>\$ (1,135,539)</u>

Investment Results

The fiscal year ended June 30, 2025 saw a net investment gain of \$4.4 million. The fiscal year 2024 had a net investment gain of \$4.1 million, fiscal year 2023 had a net investment gain of \$4.1 million. We believe this performance is consistent with the experience of similarly situated employee benefit funds.

The Lansing Board of Water & Light's ("BWL") actuarially determined contribution (ADC) as determined by the BWL's actuary was \$0 in fiscal years 2025, 2024 and 2023.

The discount rate was 6.0% in fiscal years 2025, 2024 and 2023.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Investment Objectives and Asset Allocation

The Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions ("Plan") assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plan, the BWL has considered the time horizon available for investment, the nature of the Plan's cash flows and liabilities and other factors that affect the Plan's risk tolerance.

The investment of Plan assets is intended to result in moderate, long-term capital appreciation through moderate risk-taking. The Plan's overall investment objective is to earn an average, annual return of 6.0% over five-year rolling periods. Achievement of this objective is likely to result in stable contribution rates and ensure its ability to pay retirement benefits for all plan participants.

Consistent with the advice of the investment advisor, the BWL has selected the following target asset allocation strategy:

Asset Class	Target Asset Allocation
Core bonds	25 %
Multi-sector	15
Liquid absolute return fixed income	10
U.S. large cap equity	20
U.S. small/mid cap equity	10
Non-U.S. Equity	15
Core real estate	5
Total	100 %

Future Events

The Plan is currently overfunded, with a funded ratio (fiduciary net position divided by total pension liability) of 122%. This funding level results in an actuarially determined contribution of \$0 for fiscal year 2026. As a result, the BWL does not expect to make contributions to the trust in fiscal year 2026.

The Plan expects to make an annual withdrawal of approximately \$4,600,000 to cover participant benefits in fiscal year 2026.

Contacting the Plan's Management

The financial report is intended to provide a general overview of the Plan's finances and to demonstrate accountability for the funds it administers. Questions about this report should be submitted to Lansing Board of Water & Light Defined Benefit Plan and Trust for Employees' Pensions, Attn: Retirement Plan Committee, P.O. Box 13007, Lansing, Michigan 48901-3007.

Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions

Statements of Plan Fiduciary Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents	\$ 605,254	\$ 437,821
Investments at fair value:		
Mutual funds, bonds	22,554,739	23,149,441
Mutual funds, equities	21,790,236	21,335,946
Real estate fund investment	3,038,367	3,668,689
	<u>47,383,342</u>	<u>48,154,076</u>
Total investments at fair value	47,383,342	48,154,076
Receivable, investment interest receivable	<u>116,055</u>	<u>-</u>
Total assets	48,104,651	48,591,897
Liabilities		
Trade payable, due to broker/other	<u>114,244</u>	<u>58,122</u>
Net position restricted for pensions	<u><u>\$ 47,990,407</u></u>	<u><u>\$ 48,533,775</u></u>

See notes to financial statements

Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions

Statements of Changes in Plan Fiduciary Net Position
Years Ended June 30, 2025 and 2024

	2025	2024
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ 3,355,509	\$ 2,980,011
Interest and dividend income	1,037,880	1,153,670
	<u>4,393,389</u>	<u>4,133,681</u>
Total investment income	<u>4,393,389</u>	<u>4,133,681</u>
Deductions		
Retiree benefits paid	4,771,884	4,995,541
Administrative expenses	164,873	127,598
	<u>4,936,757</u>	<u>5,123,139</u>
Total deductions	<u>4,936,757</u>	<u>5,123,139</u>
Net decrease in net position	(543,368)	(989,458)
Net Position Restricted for Pensions, Beginning	<u>48,533,775</u>	<u>49,523,233</u>
Net Position Restricted for Pensions, Ending	<u><u>\$ 47,990,407</u></u>	<u><u>\$ 48,533,775</u></u>

See notes to financial statements

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

1. Summary of Significant Accounting Policies

Reporting Entity

The Lansing Board of Water & Light (BWL) sponsors the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions (Plan), which is a noncontributory single employer defined benefit, public employee retirement system established and administered by the BWL under Section 5-203.10 of the City Charter. A participant's interest shall be fully vested when the participant has been credited with seven years of vesting service. The Plan was established in 1939 and has been amended and restated several times, with the latest amendment and restatement effective July 1, 2010. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

Accounting and Reporting Principles

The Plan follows accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Basis of Accounting

Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Employer contributions to the Plan are recognized when due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Report Presentation

This report includes the fund-based statements of the Plan.

Investment Valuation and Income Recognition - Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales prices. Investments that do not have an established market are reported at estimated fair value.

Purchases and sales of securities are recorded on a trade-date basis.

Appreciation or depreciation of investments is calculated based on the beginning of year fair value of investments.

Expenses

Substantially all Plan expenses are paid by the Plan.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Regulatory Status

The Plan is not subject to the reporting requirements of the Employee Retirement Income Security Act of 1974 (ERISA) as it has been established for the benefit of a governmental unit.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

2. Plan Description

Plan Administration

The BWL administers the Plan - a noncontributory single-employer defined benefit pension plan for employees of the BWL. The benefit terms were established by the BWL and may be amended by future BWL actions.

Management of the Plan is vested in the BWL Board of Commissioners, which consists of eight members appointed by the mayor of the City of Lansing, Michigan. Board members have by resolution delegated administrative and investment duties to the BWL's Retirement Plan Committee (RPC).

Plan Membership

At February 28, 2025 and February 29, 2024 (the most recent actuarial valuation for funding purposes), Plan membership consisted of the following:

	2025	2024
Inactive Plan members or beneficiaries currently receiving benefits	236	255
Inactive Plan members entitled to but not yet receiving benefits	1	1
Active Plan members	3	3
Total	240	259

The Plan, by resolution of the Board of Commissioners, was closed to employees hired subsequent to December 31, 1996, and a defined contribution retirement savings plan was established for employees hired after December 31, 1996. Effective December 1, 1997, all active participants in this Plan were required to make an irrevocable choice to either remain in this Plan (defined benefit) or move to the newly established defined contribution plan. Those participants who elected to move to the defined contribution plan received lump-sum distributions from this Plan that were rolled into their accounts in the newly established defined contribution plan. Of the 760 employees who were required to make this election, 602 elected to convert their retirement benefits to the newly established defined contribution plan. As a result of this action, effective December 1, 1997, the Board of Commissioners transferred \$75,116,470 to the newly established defined contribution plan, reflecting the Plan participants' accumulated benefits as of said date.

Benefits Provided

The Plan provides retirement, early retirement, disability, termination and death benefits. The Plan provides for an annual benefit upon normal retirement age equal to the product of the employee's pension service credit (service credited on an elapsed time basis) multiplied by a percentage equal to 1.80% of the employee's annual pay (base pay plus bonus received during the year in which the base pay was the highest within the last ten years of employment), paid in equal monthly installments.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

Payments will either be nonincreasing or increase only as follows: (a) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics; (b) to the extent of the reduction in the amount of the employee's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 9 of the Plan document dies or is no longer the employee's beneficiary pursuant to a qualified domestic relations order within the meaning of Internal Revenue Code Section 414(p); (c) to provide cash refunds of employee contributions upon the employee's death; or (d) to pay increased benefits that result from a Plan amendment.

Contributions

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, the BWL retains an independent, external actuary to determine the annual contribution. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. There was no contribution required for the years ended June 30, 2025 and 2024. Plan documents do not require participant contributions.

Plan Termination

Although the BWL has not expressed any intent to terminate the Plan, the BWL has the right to do so at any time. If the Plan is terminated, each employee who has a pension benefit under the Plan will be fully vested in that benefit. Those benefits shall be calculated on Plan termination as though each person had elected to receive his or her accrued benefit as a lump sum amount, although no employee would be required to accept his or her Plan termination distribution in the form of a lump sum. The lump sum amount to be paid to each individual in any of the forms permitted by the Plan would be calculated in accordance with the Plan document. On termination of the Plan, each employee would have recourse toward satisfaction of his or her nonforfeitable benefit from the Plan assets and from the general assets of the BWL and its successor, if any.

The Plan is also authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, bonds, mutual funds, collective investment funds, diversified investment companies, annuity investment contracts, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations and certain other specified investment vehicles.

3. Cash and Cash Equivalents, Investments

The Plan's deposits and investment policies are in accordance with PA 196 of 1997; the Plan has authorized the investments according to Michigan PA 314 of 1965, as amended. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and noninterest bearing).

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Plan requires that financial institutions must meet minimum criteria to offer adequate safety to the Plan. At June 30, 2025 and 2024, the BWL had \$208,638 and \$324,269, respectively, of bank deposits that were uninsured and uncollateralized. The Plan evaluates each financial institution with which it deposits funds and only those institutions meeting minimum established criteria are used as depositories.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan's investment policy addresses this risk by requiring the Plan to hold all investments subject to custodial credit risk in its name. At year-end, all investments of the Plan were held in the name of the Plan and are therefore not subject to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Plan's investment policy does not restrict investment maturities, other than commercial paper, which can only be purchased with maturities 270 days or less.

At June 30, 2025, the average maturities of investments are as follows:

Investment	Fair Value	Weighted Average Maturity
Mutual funds, bonds	\$ 22,554,739	9.7 years

At June 30, 2024, the average maturities of investments are as follows:

Investment	Fair Value	Weighted Average Maturity
Mutual funds, bonds	\$ 23,149,441	9.8 years

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Plan has no investment policy that would further limit its investment choices. As of June 30, 2025, the credit quality ratings of investments subject to credit risk are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds, bonds	\$ 22,554,739	Not rated	Not rated

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

As of June 30, 2024, the credit quality ratings of investments subject to credit risk are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds, bonds	\$ 23,149,441	Not rated	Not rated

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Plan has no investments subject to concentration of credit risk as of June 30, 2025 and June 30, 2024. The Plan's investment policy does not address concentration of credit risk.

4. 401(h) Account

Effective July 1, 1999, the Plan was amended to include a medical-benefit component, in addition to the normal retirement benefits, to fund a portion of the postretirement obligations for certain retirees and their beneficiaries in accordance with Section 401(h) of the Internal Revenue Code (IRC). A separate account has been established and maintained in the Plan for the net assets related to the medical-benefit component 401(h) account. In accordance with IRC Section 401(h), the Plan's investments in the 401(h) account may not be used for, or diverted to, any purpose other than providing health benefits for retirees and their beneficiaries. Employer contributions or qualified transfers to the 401(h) account are determined annually and are at the discretion of the Plan sponsor. At June 30, 2025 and 2024, there were no excess Plan assets available for transfer.

5. Tax Status

The Plan obtained, from the Internal Revenue Service, a determination letter dated November 4, 2011. The letter affirmed that the Plan complied with the requirements of Internal Revenue Code section 401(a). The Plan continues to operate as a qualified plan.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

6. Plan Investments - Policy and Rate of Return

Investment Policy

The Plan's policy in regard to the allocation of invested assets is established and may be amended by the BWL by a majority vote of its members. It is the policy of the board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the BWL's adopted asset allocation policy as of June 30, 2025 and 2024:

Asset Class	2025 Target Allocation	2024 Target Allocation
Core bonds	25 %	25 %
Multi-sector	15	15
Liquid absolute return	10	10
U.S. large cap equity	20	20
U.S. small cap equity	10	10
Non-U.S. equity	15	15
Core real estate	5	5

Rate of Return

For the year ended June 30, 2025, the annual money-weighted rate of return on plan investments, net of plan investment expense, was 9.52%. For the year ended June 30, 2024, the annual money-weighted rate of return on plan investments, net of plan investment expense, was 8.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

7. Net Pension Asset of the BWL

The components of the net pension asset of the BWL at June 30, 2025 and 2024 were as follows (in thousands):

	2025	2024
Total pension liability	\$ 39,344	\$ 42,054
Plan fiduciary net position	47,990	48,534
Plan's net pension asset	<u>\$ (8,646)</u>	<u>\$ (6,480)</u>
Plan fiduciary net position as a percentage of the total pension liability	121.98 %	115.41 %

Lansing Board of Water and Light

Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

Actuarial Assumptions

The June 30, 2025 total pension liability was determined by an actuarial valuation as of February 28, 2025, which used updated procedures to roll forward the estimated liability to June 30, 2025. The June 30, 2024 total pension liability was determined by an actuarial valuation as of February 29, 2024, which used updated procedures to roll forward the estimated liability to June 30, 2024. The total pension liability is determined by the Plan's independent actuary and is that amount that results from applying actuarial assumptions to adjust the total pension liability to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. Benassist Retirement Consulting, LLC was the actuary for the February 28, 2025 and February 29, 2024 valuations, respectively. The inflation rate used was 2.25% for the February 28, 2025 and February 29, 2024 valuations. Salary increase used was 3.5% for both the February 28, 2025 and February 29, 2024 valuations, respectively. The most recent experience review was completed in 2014. Since the Plan only covered 17 active participants in fiscal year 2014, assumptions like termination, retirement and disability have an immaterial impact on the results and have not been changed.

The mortality table was based on the PUB-2010 General Mortality Table, Male and Female, projected generationally using the MP-2021 projection scale for the June 30, 2025 and June 30, 2024 valuations.

Discount Rate

The discount rate used to measure the total pension liability was 6.0% for June 30, 2025 and June 30, 2024. The projection of cash flows used to determine the discount rate in both years assumed that BWL contributions will be made at rates equal to the actuarially determined contribution rates.

Projected Cash Flows Section

Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Lansing Board of Water and Light

Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return as of June 30, 2025 and 2024 for each major asset class included in the Plan's target asset allocation, as disclosed in Note 6, are summarized in the following table:

Asset Class	2025 Long-Term Expected Real Rate of Return	2024 Long-Term Expected Real Rate of Return
Core bonds	2.52 %	2.56 %
Multi-sector	3.44	3.50
Liquid absolute return	3.25	3.25
U.S. large cap equity	7.20	7.15
U.S. small/mid cap equity	8.59	8.58
Non-U.S. equity	8.20	8.26
Core real estate	6.45	6.49

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following presents the net pension asset of the BWL at June 30, 2025, calculated using the discount rate of 6.00%, as well as what the BWL's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net pension liability (asset) of the BWL	\$ (4,981,548)	\$ (8,646,252)	\$ (10,354,287)

The following presents the net pension asset of the BWL at June 30, 2024, calculated using the discount rate of 6.00%, as well as what the BWL's net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net pension liability (asset) of the BWL	\$ (2,557,349)	\$ (6,479,599)	\$ (8,368,884)

Lansing Board of Water and Light

Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

8. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three Levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- if the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024:

Real estate fund investment: Valued by a certified independent appraiser and an internal expert group. There is also another level of verification by an independent valuation advisor to audit and review both the external and internal valuations performed.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily fair value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Lansing Board of Water and Light

Defined Benefit Plan and Trust for Employees' Pensions

Notes to Financial Statements
June 30, 2025 and 2024

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2025 and 2024:

Investment Type	2025			Total
	Level 1	Level 2	Level 3	
Mutual funds, bonds	\$ -	\$ 22,554,739	\$ -	\$ 22,554,739
Mutual funds, equity	14,164,838	7,625,398	-	21,790,236
Total investments by fair value level	\$ 14,164,838	\$ 30,180,137	\$ -	44,344,975
Investments measured at the net asset value (NAV):				
Real estate fund investment				3,038,367
Total investments measured at fair value				\$ 47,383,342

Investment Type	2024			Total
	Level 1	Level 2	Level 3	
Mutual funds, bonds	\$ -	\$ 23,149,441	\$ -	\$ 23,149,441
Mutual funds, equity	14,259,485	7,076,461	-	21,335,946
Total investments by fair value level	\$ 14,259,485	\$ 30,225,902	\$ -	44,485,387
Investments measured at the net asset value (NAV):				
Real estate fund investment				3,668,689
Total investments measured at fair value				\$ 48,154,076

9. Risks and Uncertainties

The total pension liability is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

In addition, the Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Plan Fiduciary Net Position.

10. Subsequent Events

The Plan has evaluated subsequent events occurring through October 3, 2025, the date that the Plan's financial statements were approved and available to be issued, for events requiring recording or disclosure in the Plan's financial statements. There are no subsequent events warranting disclosures.

REQUIRED SUPPLEMENTARY INFORMATION

**Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions**

Required Supplementary Information (Unaudited)
Schedule of Changes in the BWL's
Net Pension Asset and Related Ratios
Last Ten Fiscal Years
(In Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service cost	\$ 32	\$ 31	\$ 29	\$ 26	\$ 26	\$ 42	\$ 60	\$ 50	\$ 113	\$ 223
Interest	2,382	2,523	2,721	2,974	3,212	3,566	3,691	4,031	4,317	4,625
Differences between expected and actual experience	(352)	(18)	(981)	179	(968)	(919)	(743)	(230)	(383)	299
Changes in assumptions	-	-	-	1,730	(366)	1,555	1,210	1,419	(857)	(1,468)
Benefit payments, including refunds	(4,772)	(4,996)	(5,142)	(5,466)	(5,658)	(5,872)	(6,143)	(6,414)	(7,473)	(7,896)
Net Change in Total Pension Liability	(2,710)	(2,460)	(3,373)	(557)	(3,754)	(1,628)	(1,925)	(1,144)	(4,283)	(4,217)
Total Pension Liability, Beginning	42,054	44,514	47,887	48,444	52,198	53,826	55,751	56,895	61,178	65,395
Total Pension Liability, Ending	39,344	42,054	44,514	47,887	48,444	52,198	53,826	55,751	56,895	61,178
Plan Net Position										
Net investment income	4,393	4,134	4,134	(5,399)	11,853	1,658	4,381	3,112	8,272	47
Administrative expenses	(165)	(128)	(127)	(134)	(123)	(145)	(183)	(255)	(317)	(388)
Benefit payments, including refunds	(4,772)	(4,996)	(5,142)	(5,466)	(5,658)	(5,872)	(6,143)	(6,414)	(7,473)	(7,896)
Other	-	-	-	-	-	(477)	-	-	-	-
Net Change in Net Position Held in Trust	(544)	(989)	(1,136)	(10,999)	6,072	(4,836)	(1,945)	(3,557)	482	(8,237)
Net Position Restricted for Pensions, Beginning	48,534	49,523	50,659	61,658	55,586	60,422	62,367	65,924	65,442	73,679
Net Position Restricted for Pensions, Ending	47,990	48,534	49,523	50,659	61,658	55,586	60,422	62,367	65,924	65,442
BWL Net Pension Asset, Ending	\$ (8,646)	\$ (6,480)	\$ (5,009)	\$ (2,772)	\$ (13,214)	\$ (3,388)	\$ (6,596)	\$ (6,616)	\$ (9,029)	\$ (4,264)
Plan Net Position as a % of Total Pension Liability	122%	115%	111%	106%	127%	106%	112%	112%	116%	107%
Covered Employee Payroll	\$ 266	\$ 262	\$ 248	\$ 238	\$ 237	\$ 240	\$ 406	\$ 603	\$ 586	\$ 772
BWL's Net Pension Asset as a % of Covered Employee Payroll	(3,250%)	(2,473%)	(2,020%)	(1,165%)	(5,576%)	(1,412%)	(1,625%)	(1,097%)	(1,541%)	(552%)

See notes to required supplementary information

Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions

Required Supplementary Information (Unaudited)
Schedule of Employer Contributions
Last Ten Fiscal Years
(In Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 266	\$ 262	\$ 248	\$ 238	\$ 237	\$ 240	\$ 406	\$ 603	\$ 586	\$ 772
Contributions as a Percentage of Covered Employee Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

See notes to required supplementary information

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Required Supplementary Information (Unaudited)
Year Ended June 30, 2025 and 2024

Actuarial valuation information relative to the determination of contributions:

Valuation date	June 30, 2025, based on roll-forward of February 28, 2025 valuation
----------------	---

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age method
Amortization method	Level dollar over a 15-year period
Remaining amortization period	15 years
Asset valuation method	Market value of the assets
Inflation	2.25%
Salary increases	3.5% per year
Investment rate of return	6.0% per year compounded annually
Mortality	PUB-2010 General Mortality Table with MP-2021 Improvement Scale

Actuarial valuation information relative to the determination of contributions:

Valuation date	June 30, 2024, based on roll-forward of February 29, 2024 valuation
----------------	---

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age method
Amortization method	Level dollar over a 15-year period
Remaining amortization period	15 years
Asset valuation method	Market value of the assets
Inflation	2.25%
Salary increases	3.5% per year
Investment rate of return	6.0% per year compounded annually
Mortality	PUB-2010 General Mortality Table with MP-2021 Improvement Scale

Lansing Board of Water and Light

Defined Benefit Plan and Trust for Employees' Pensions

Notes to Required Supplementary Information (Unaudited)
Year Ended June 30, 2025 and 2024

Significant Changes

June 30, 2025

- *Difference Between Actual and Expected Experience* - The \$352.4K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2025 is attributable to favorable demographic experience.
- *Assumption Change* - None.
- *Investment gain* - The plan experienced a \$1.63M gain on plan assets during the fiscal year ending June 30, 2025 due to the actual return on assets equaling 9.52% vs. an expected return of 6.00%.

June 30, 2024

- *Difference Between Actual and Expected Experience* - The \$18.1K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2024 is attributable to favorable demographic experience.
- *Assumption Change* - None.

June 30, 2023

- *Difference Between Actual and Expected Experience* - The \$981K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2023 is primarily attributable to participant deaths.
- *Assumption Change* - None.

June 30, 2022

- *Difference Between Actual and Expected Experience* - The \$179K actuarial loss on the Total Pension Liability for the fiscal year ending June 30, 2022 is primarily attributable to the difference between actual experience and demographic assumptions.
- *Assumption Change* - The Plan experienced a \$1.73MM actuarial loss due to the change in the mortality improvement scale and the decrease in the discount rate from 6.50% to 6.00%. Updating the mortality improvement scale to the MP-2021 scale resulted in a \$120K actuarial loss and decreasing the discount rate resulted in a \$1.61MM actuarial loss. The combination of these two changes resulted in an overall actuarial loss of \$1.73MM.

June 30, 2021

- *Difference Between Actual and Expected Experience* - The \$968K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2021 is primarily attributable to participant deaths.
- *Assumption Change* - The Plan experienced a \$366K actuarial gain due to the change in the mortality improvement scale.

Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions

Notes to Required Supplementary Information (Unaudited)
Year Ended June 30, 2025 and 2024

June 30, 2020

- *Difference Between Actual and Expected Experience* - The \$.92MM actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2020 is primarily attributable to participant deaths.
- *Assumption Change* - The Plan experienced a \$1.55MM actuarial loss due to the change in the mortality improvement scale and decrease in the discount rate from 7.00% to 6.50%. Updating the mortality improvement scale to the MP-2019 scale resulted in a \$.22MM actuarial gain and decreasing the discount rate resulted in a \$1.77MM actuarial loss. The combination of these two changes resulted in an overall actuarial loss of \$1.55MM.

June 30, 2019

- *Difference Between Actual and Expected Experience* - The \$.74MM gain on the Total Pension Liability for the fiscal year ending June 30, 2019 is primarily attributable to participant deaths.
- *Assumption Change* - The Plan experienced a \$1.21MM loss due to the change of the mortality assumption from the RP-2014 Total Dataset Mortality adjusted to 2006 and projected generationally using the MP-2017 improvement scale to the PUB-2010 General Employees Mortality, projected generationally using the MP-2018 improvement scale.

June 30, 2018

- *Difference Between Actual and Expected Experience* - The \$230,000 gain on the Total Pension Liability for the fiscal year ending June 30, 2018 is primarily attributable to participant deaths.
- *Assumption Change* - Assumptions for the discount rate and expected return on assets were decreased from 7.50% to 7.00% to reflect the expected long-term rate of return on the trust.

June 30, 2017

- *Difference Between Actual and Expected Experience* - The \$383,000 gain on the Total Pension Liability for the fiscal year ending June 30, 2017 is primarily attributable to participant deaths.
- *Assumption Change* - The Plan experienced a \$.86MM gain due to the change of the mortality assumption from the RP-2014 table projected generationally with Scale MP-2014 with MP-2016 Improvement Scale.

June 30, 2016

- *Difference Between Actual and Expected Experience* - The \$299,000 loss on the Total Pension Liability for the fiscal year ending June 30, 2016 is primarily attributable to participant deaths.
- *Assumption Change* - The Plan experienced a \$1.47MM gain due to the change of the mortality assumption from the RP-2014 table projected generationally with Scale MP-2014 with MP-2015 Improvement Scale.

Lansing Board of Water and Light
Defined Benefit Plan and Trust for Employees' Pensions

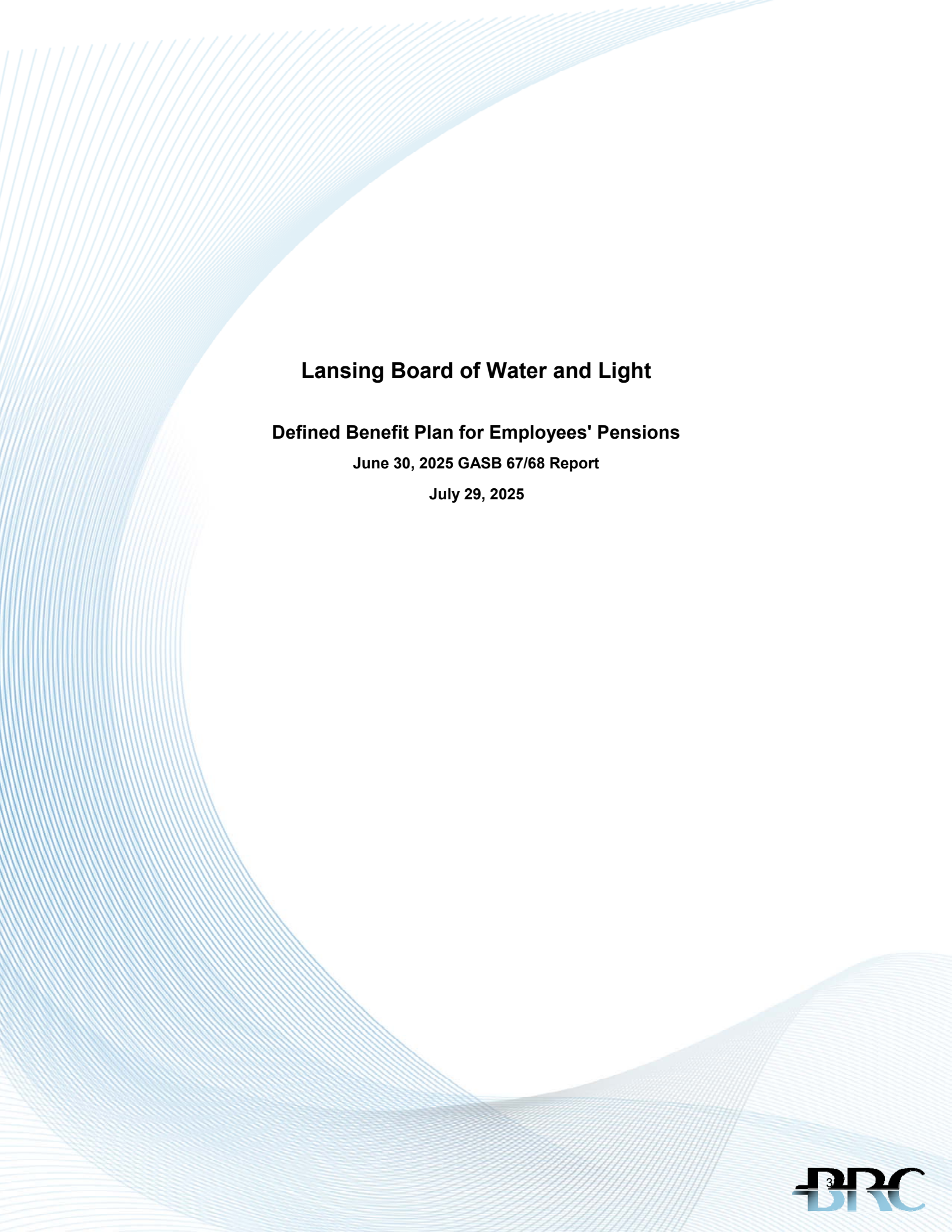
Required Supplementary Information (Unaudited)

Schedule of Investment Returns

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return net of investment expense	9.52%	8.79%	8.59%	(9.18%)	22.42%	2.90%	7.39%	4.97%	12.10%	(0.49%)

See notes to required supplementary information



Lansing Board of Water and Light

Defined Benefit Plan for Employees' Pensions

June 30, 2025 GASB 67/68 Report

July 29, 2025

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
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Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Executive Summary

Governmental accounting requirements and purpose of this report

The Governmental Accounting Standards Board Statements No. 67 and No. 68 require trusts (GASB 67) and employers (GASB 68) to accrue the cost associated with pension benefits while eligible employees are providing services to the employer. The purpose of this actuarial valuation report is to provide the Lansing Board of Water and Light (the "Board") with:

- 1) The amount of accrued liability related to the Board's pension plan (Total Pension Liability) using the most recent census data and discount rate;
- 2) The funded status of the plan;
- 3) The actuarial determined contribution; and
- 4) The GASB 67/68 expense and disclosure information needed to fulfill the Board's financial reporting requirements for the current fiscal year.

Key measures for the prior and current fiscal years	6/30/2024	6/30/2025
Active participants	3	3
Terminated vested participants	1	1
Retired, disabled and surviving participants	<u>255</u>	<u>236</u>
Total	259	240
Present value of future benefits (PVFB)	\$ 42,130,047	\$ 39,417,186
Total pension liability (TPL)	\$ 42,054,177	\$ 39,344,155
Fiduciary net position (FNP)	\$ 48,533,776	\$ 47,990,407
Net pension liability (NPL)	\$ (6,479,599)	\$ (8,646,252)
Funded status	115.41%	121.98%
Pension expense	\$ (39,352)	\$ (1,217,045)
Actuarially determined contribution	\$ 0	\$ 0

Key assumptions

Census date	2/29/2024	2/28/2025
Valuation date	2/29/2024	2/28/2025
Measurement date	6/30/2024	6/30/2025
Discount rate	6.00%	6.00%
Expected long term rate of return on plan assets	6.00%	6.00%
Actuarial cost method	Entry Age Normal	Entry Age Normal

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Executive Summary (continued)

Discount rate

Pursuant to GASB 67/68, projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on plan investments is 6.00%; the municipal bond rate is 4.71% (based on the daily rate closest to but not later than the measurement date of the Fidelity Municipal AA 20 year published yield); and the resulting Single Discount Rate is 6.00%. The plan's projected fiduciary net position covers all future pension benefit payments. Therefore, the discount rate is equal to the long-term expected rate of return on plan investments.

Assumption and method changes from the prior year - None.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Actuarial Certification

July 29, 2025

This report presents actuarial and accounting results related to the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions (the "Plan"). The results herein were prepared pursuant to Governmental Accounting Standards Board Statements 67 and 68 ("GASB 67/68").

The primary purpose of this report is to provide financial statement information pursuant to GASB 67/68 for the fiscal year ending June 30, 2025. The results of our calculations are set forth in this report, as are the actuarial assumptions and methods and a brief summary of the eligibility criteria and benefits for retirees.

To the best of our knowledge, the information supplied in this report is complete and accurate. The analysis and calculations were conducted in a manner consistent with the Standards of Professional Conduct, Qualifications, and Practice of the American Academy of Actuaries and consistent with the standards of practice of the Actuarial Standards Board.

All costs, liabilities, rates of interest, and other factors under the Plan have been determined on the basis of actuarial assumptions and methods which are reasonable and consistent with our understanding of GASB 67/68. All assumptions have been discussed with Lansing Board of Water and Light and appear to represent the best estimate of anticipated experience under the Plan. In preparing this report we relied on the census data, plan provisions, and other plan financial information provided by the Lansing Board of Water and Light. Actuarial computations under GASB 67/68 are for purposes of fulfilling employer financial accounting requirements. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results contained in this report.

Respectfully Submitted,

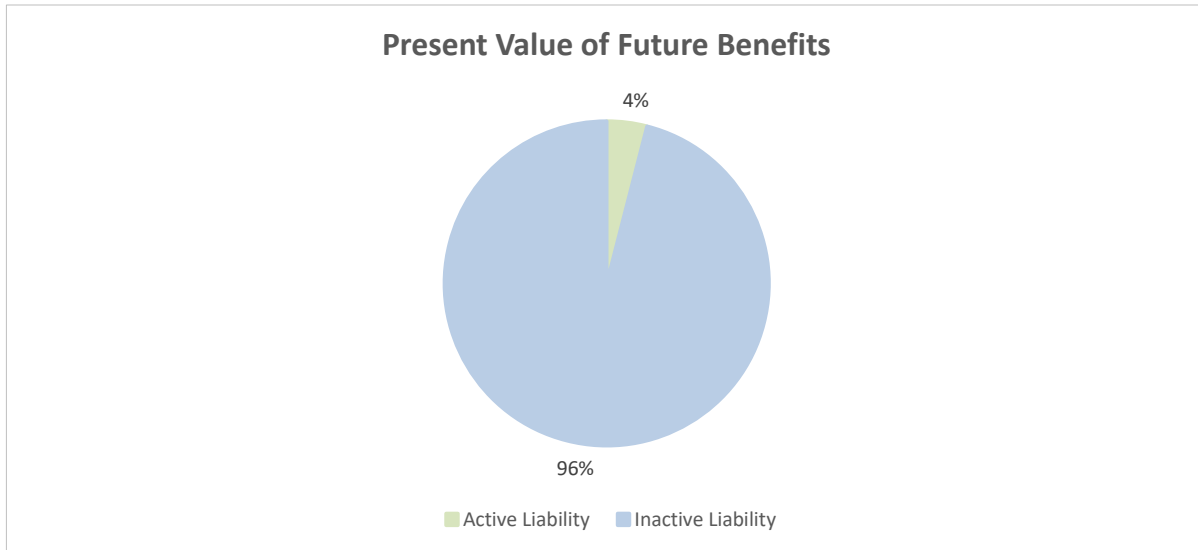


Mark W. Miller, FCA, EA, ASA, MAAA
Benassist Retirement Consulting, LLC

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Summary of Key Results

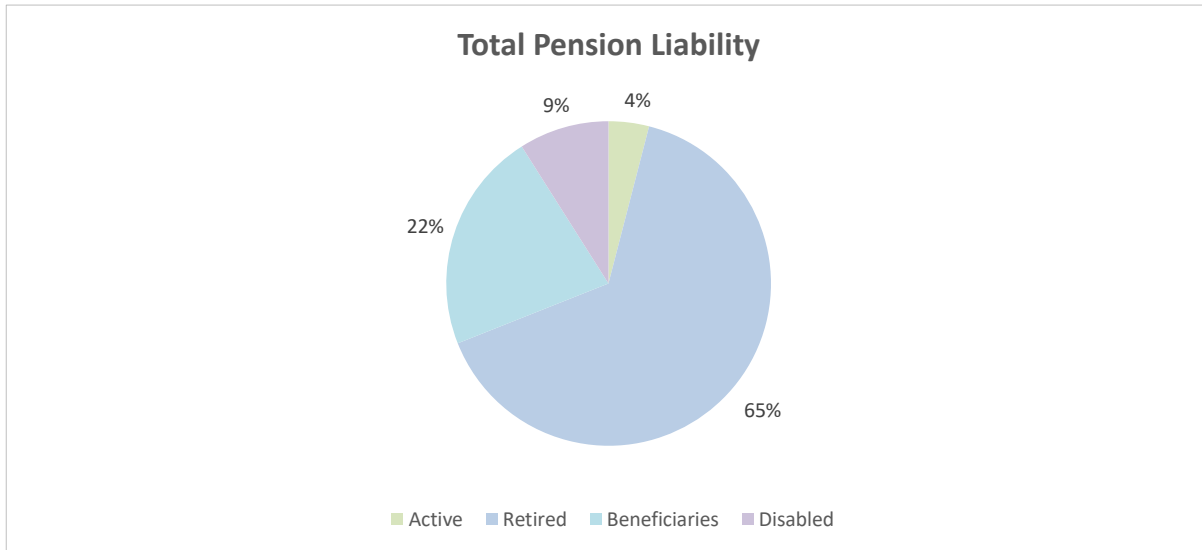
	6/30/2024	6/30/2025
Census data summary		
Active participants	3	3
Terminated vested participants	1	1
Retired, disabled and surviving participants	<u>255</u>	<u>236</u>
Total	259	240
 Covered payroll	 \$ 261,551	 \$ 266,094
 Present value of future benefits (PVFB)		
Active participants	\$ 1,653,742	\$ 1,712,798
Terminated vested participants	\$ 93,615	92,124
Retired, disabled and surviving participants	<u>40,382,690</u>	<u>37,612,264</u>
Total	<u>\$ 42,130,047</u>	<u>\$ 39,417,186</u>
 Present value of future normal costs (PVFNC)	 \$ 75,870	 \$ 73,031
 Total pension liability (TPL)		
Active participants	\$ 1,577,872	\$ 1,639,767
Terminated vested participants	\$ 93,615	92,124
Retired, disabled and surviving participants	<u>40,382,690</u>	<u>37,612,264</u>
Total	<u>\$ 42,054,177</u>	<u>\$ 39,344,155</u>
 Fiduciary net position (FNP)	 \$ 48,533,776	 \$ 47,990,407
 Net pension liability (NPL)	 \$ (6,479,599)	 \$ (8,646,252)
 Funded status	 115.41%	 121.98%
 Pension expense	 \$ (39,352)	 \$ (1,217,045)
 Contribution		
Actuarially determined contribution	\$ 0	\$ 0
Actuarially determined contribution as a % of covered payroll	0.00%	0.00%

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Present Value of Future Benefits



	6/30/2024	6/30/2025
Present value of future benefits		
Active participants	\$ 1,653,742	\$ 1,712,798
Inactive participants		
Retired	\$ 27,975,990	\$ 25,603,905
Beneficiaries	9,064,270	8,710,987
Disabled	3,342,430	3,297,372
Terminated vested	<u>93,615</u>	<u>92,124</u>
Total inactive	40,476,305	37,704,388
Total	<u>\$ 42,130,047</u>	<u>\$ 39,417,186</u>
Fiduciary net position (FNP)	\$ 48,533,776	\$ 47,990,407
Unfunded present value of future benefits (surplus)	\$ (6,403,729)	\$ (8,573,221)

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Total Pension Liability



	6/30/2024	6/30/2025
Total pension liability		
Active participants	\$ 1,577,872	\$ 1,639,767
Inactive participants		
Retired	\$ 27,975,990	\$ 25,603,905
Beneficiaries	9,064,270	8,710,987
Disabled	3,342,430	3,297,372
Terminated vested	<u>93,615</u>	<u>92,124</u>
Total inactive	40,476,305	37,704,388
Total	<u>\$ 42,054,177</u>	<u>\$ 39,344,155</u>
Fiduciary net position (FNP)	\$ 48,533,776	\$ 47,990,407
Net pension liability (NPL)	\$ (6,479,599)	\$ (8,646,252)
Service cost	\$ 30,251	\$ 30,648

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Statement of Fiduciary Net Position

	6/30/2024	6/30/2025
Assets		
Cash and deposits	\$ 437,821	\$ 605,254
Receivables		
Contributions	0	0
Due from broker for investments sold	0	1,173
Net receivable on investments	<u>0</u>	<u>116,055</u>
Total receivables	\$ 0	\$ 117,228
Investments		
U.S. government and agencies	0	0
Corporate bonds and notes	0	0
U.S. common stocks	14,259,486	14,164,838
Common collective fund - other	7,076,461	7,625,398
Mutual funds	23,149,441	22,554,739
Real estate	<u>3,668,689</u>	<u>3,038,367</u>
Total investments	\$ 48,154,076	\$ 47,383,342
Total assets	\$ 48,591,897	\$ 48,105,824
Liabilities		
Payables:		
Investment management fees	\$ 0	\$ (1,173)
Due to broker for investments purchased	(58,121)	(114,244)
Other	<u>0</u>	<u>0</u>
Total payables	\$ (58,121)	\$ (115,417)
Total liabilities	\$ (58,121)	\$ (115,417)
Net position restricted for pensions	<u>\$ 48,533,776</u>	<u>\$ 47,990,407</u>

Investment Policy - A detailed description of the investment policy for the plan can be found in the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions Statement of Investment Policies, Procedures and Objectives.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Statement of Changes in Fiduciary Net Position

	6/30/2024	6/30/2025
Additions		
Contributions		
Employer	\$ 0	\$ 0
Employee	<u>0</u>	<u>0</u>
Total contributions	\$ 0	\$ 0
Investment income		
Net increase in fair value of investments	\$ 2,980,012	\$ 3,355,509
Interest and dividends	1,153,670	1,037,880
Less investment expense	<u>0</u>	<u>0</u>
Net investment income	\$ 4,133,682	\$ 4,393,389
Total additions	\$ 4,133,682	\$ 4,393,389
Deductions		
Benefit payments	\$ (4,995,541)	\$ (4,771,884)
Administrative expenses	<u>(127,599)</u>	<u>(164,874)</u>
Total deductions	\$ (5,123,140)	\$ (4,936,758)
Net increase in net position	\$ (989,458)	\$ (543,369)
Net position restricted for pensions		
Beginning of year	\$ 49,523,234	\$ 48,533,776
End of year	<u>\$ 48,533,776</u>	<u>\$ 47,990,407</u>

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 6/30/2024	\$ 42,054,177	\$ 48,533,776	\$ (6,479,599)
Changes for the year			
Service cost	32,066	0	32,066
Interest	2,382,179	0	2,382,179
Change of benefit terms	0	0	0
Differences between expected and actual experience	(352,383)	0	(352,383)
Change in assumptions and other inputs	0	0	0
Contributions - employer	0	0	0
Contributions - retiree	0	0	0
Net investment income	0	4,393,389	(4,393,389)
Benefit payments and refunds of employee contributions	(4,771,884)	(4,771,884)	0
Administrative expense	0	(164,874)	164,874
Other changes	0	0	0
Net changes	\$ (2,710,022)	\$ (543,369)	\$ (2,166,653)
Balances at 6/30/2025	\$ 39,344,155	\$ 47,990,407	\$ (8,646,252)

Notes

The Net Pension Liability (NPL) is equal to the Total Pension Liability (TPL) minus the Fiduciary Net Position (FNP), or market value of assets. Pension Expense includes amounts for: service cost, interest on the TPL, changes in the benefit structure, recognition of increases/decreases in liability due to actual vs. expected experience, actuarial assumption changes, investment gains/losses on the market value of assets and expected return on plan assets. The impact of actual experience and assumption changes are recognized over the average expected remaining service life of the plan participants, while investment gains/losses are recognized equally over five years.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Schedule of Changes in the Net Pension Liability

	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Total pension liability							
Service cost	\$ 32,066	\$ 30,527	\$ 29,266	\$ 25,631	\$ 26,036	\$ 42,363	\$ 60,468
Interest	2,382,179	2,523,165	2,721,176	2,973,995	3,211,895	3,565,796	3,691,180
Change of benefit terms	0	0	0	0	0	0	0
Difference between expected and actual experience	(352,383)	(18,110)	(980,591)	178,944	(967,935)	(918,913)	(743,020)
Change in assumptions and other inputs	0	0	0	1,730,457	(366,222)	1,554,711	1,209,610
Benefit payments	(4,771,884)	(4,995,541)	(5,142,408)	(5,466,158)	(5,658,372)	(5,871,654)	(6,142,622)
Refunds of contributions	0	0	0	0	0	0	0
Net change in total pension liability	<u>\$ (2,710,022)</u>	<u>\$ (2,459,959)</u>	<u>\$ (3,372,557)</u>	<u>\$ (557,131)</u>	<u>\$ (3,754,598)</u>	<u>\$ (1,627,697)</u>	<u>\$ (1,924,384)</u>
Total pension liability - beginning	<u>42,054,177</u>	<u>44,514,136</u>	<u>47,886,693</u>	<u>48,443,824</u>	<u>52,198,422</u>	<u>53,826,119</u>	<u>55,750,503</u>
Total pension liability - ending (a)	<u>\$ 39,344,155</u>	<u>\$ 42,054,177</u>	<u>\$ 44,514,136</u>	<u>\$ 47,886,693</u>	<u>\$ 48,443,824</u>	<u>\$ 52,198,422</u>	<u>\$ 53,826,119</u>
Fiduciary net position							
Contributions - employer	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions - non-employer	0	0	0	0	0	0	0
Contributions - member	0	0	0	0	0	0	0
Net investment income	4,393,389	4,133,682	4,133,847	(5,398,558)	11,852,723	1,657,912	4,380,721
Benefit payments	(4,771,884)	(4,995,541)	(5,142,408)	(5,466,158)	(5,658,372)	(5,871,654)	(6,142,622)
Administrative expense	(164,874)	(127,599)	(126,978)	(134,610)	(123,147)	(145,084)	(183,238)
Refunds of contributions	0	0	0	0	0	0	0
Other - 2/29/2020 COLA	0	0	0	0	0	(476,125)	0
Net change in fiduciary net position	<u>(543,369)</u>	<u>(989,458)</u>	<u>(1,135,539)</u>	<u>(10,999,326)</u>	<u>6,071,204</u>	<u>(4,834,951)</u>	<u>(1,945,139)</u>
Fiduciary net position - beginning	<u>48,533,776</u>	<u>49,523,234</u>	<u>50,658,773</u>	<u>61,658,099</u>	<u>55,586,895</u>	<u>60,421,846</u>	<u>62,366,985</u>
Fiduciary net position - ending (b)	<u>\$ 47,990,407</u>	<u>\$ 48,533,776</u>	<u>\$ 49,523,234</u>	<u>\$ 50,658,773</u>	<u>\$ 61,658,099</u>	<u>\$ 55,586,895</u>	<u>\$ 60,421,846</u>
Net pension liability - ending (a)-(b)	<u>\$ (8,646,252)</u>	<u>\$ (6,479,599)</u>	<u>\$ (5,009,098)</u>	<u>\$ (2,772,080)</u>	<u>\$ (13,214,275)</u>	<u>\$ (3,388,473)</u>	<u>\$ (6,595,727)</u>
Plan fiduciary net position as a percentage of the total pension liability	121.98%	115.41%	111.25%	105.79%	127.28%	106.49%	112.25%
Covered payroll	266,094	261,551	248,070	237,506	236,973	240,482	405,694
Net pension liability as a percentage of covered payroll	-3249.32%	-2477.37%	-2019.23%	-1167.16%	-5576.28%	-1409.03%	-1625.79%
Census date	2/28/2025	2/29/2024	2/28/2023	2/28/2022	2/28/2021	2/29/2020	2/28/2019
Measurement date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Reporting date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Schedule of Changes in the Net Pension Liability (continued)

	6/30/2018	6/30/2017	6/30/2016
Total pension liability			
Service cost	\$ 50,072	\$ 112,672	\$ 223,219
Interest	4,030,924	4,316,565	4,625,283
Change of benefit terms	0	0	0
Difference between expected and actual experience	(229,751)	(383,137)	299,179
Change in assumptions and other inputs	1,418,554	(856,662)	(1,469,174)
Benefit payments	(6,413,954)	(7,472,625)	(7,895,767)
Refunds of contributions	0	0	0
Net change in total pension liability	\$ (1,144,155)	\$ (4,283,187)	\$ (4,217,260)
Total pension liability - beginning	56,894,658	61,177,845	65,395,105
Total pension liability - ending (a)	<u>\$ 55,750,503</u>	<u>\$ 56,894,658</u>	<u>\$ 61,177,845</u>
Fiduciary net position			
Contributions - employer	\$ 0	\$ 0	\$ 0
Contributions - non-employer	0	0	0
Contributions - member	0	0	0
Net investment income	3,112,090	8,271,674	46,762
Benefit payments	(6,413,954)	(7,472,625)	(7,895,767)
Administrative expense	(254,964)	(317,071)	(388,495)
Refunds of contributions	0	0	0
Other - 2/29/2020 COLA	0	0	0
Net change in fiduciary net position	(3,556,828)	481,978	(8,237,500)
Fiduciary net position - beginning	65,923,813	65,441,835	73,679,335
Fiduciary net position - ending (b)	<u>\$ 62,366,985</u>	<u>\$ 65,923,813</u>	<u>\$ 65,441,835</u>
Net pension liability - ending (a)-(b)	<u>\$ (6,616,482)</u>	<u>\$ (9,029,155)</u>	<u>\$ (4,263,990)</u>
Plan fiduciary net position as a percentage of the total pension liability	111.87%	115.87%	106.97%
Covered payroll	603,382	586,181	771,810
Net pension liability as a percentage of covered payroll	-1096.57%	-1540.34%	-552.47%
Census date	2/28/2018	2/28/2017	2/28/2016
Measurement date	6/30/2018	6/30/2017	6/30/2016
Reporting date	6/30/2018	6/30/2017	6/30/2016

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Development of Net Pension Liability (Gain) / Loss

	6/30/2024	6/30/2025
Total pension liability		
Total pension liability at BOY	\$ 44,514,136	\$ 42,054,177
Service cost	30,527	32,066
Benefit payments	(4,995,541)	(4,771,884)
Expected interest	2,523,165	2,382,179
Assumption change	0	0
Expected total pension liability at EOY	42,072,287	39,696,538
Actual total pension liability at EOY	42,054,177	39,344,155
Total pension liability (gain) / loss	<u>\$ (18,110)</u>	<u>\$ (352,383)</u>
Fiduciary net position		
Fiduciary net position at BOY	\$ 49,523,234	\$ 48,533,776
Employer contributions	0	0
Employee contributions	0	0
Benefit payments	(4,995,541)	(4,771,884)
Administrative expenses	(127,599)	(164,874)
Expected net investment income	2,819,939	2,766,081
Expected fiduciary net position at EOY	47,220,033	46,363,099
Actual fiduciary net position at EOY	\$ 48,533,776	47,990,407
Fiduciary net position (gain) / loss	<u>\$ (1,313,743)</u>	<u>\$ (1,627,308)</u>
Net pension liability (gain) / loss	<u>\$ (1,331,853)</u>	<u>\$ (1,979,691)</u>

Note

Notes for the fiscal years shown above are provided on page 15.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Notes to Schedule of Changes in the Net Pension Liability

June 30, 2025

- Difference between actual and expected experience - The \$352.4K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2025 is attributable to favorable demographic experience.
- Assumption change - None.
- Investment gain - The plan experienced a \$1.63M gain on plan assets during the fiscal year ending June 30, 2025 due to the actual return on assets equaling 9.52% vs. an expected return of 6.00%.

June 30, 2024

- Difference between actual and expected experience - The \$18.1K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2024 is attributable to favorable demographic experience.
- Assumption change - None.
- Investment gain - The plan experienced a \$1.31M gain on plan assets during the fiscal year ending June 30, 2024 due to the actual return on assets equaling 8.79% vs. an expected return of 6.00%.

June 30, 2023

- Difference between actual and expected experience - The \$981K actuarial gain on the Total Pension Liability for the fiscal year ending June 30, 2023 is primarily attributable to participant deaths.
- Assumption change - None.
- Investment gain - The plan experienced a \$1.25M gain on plan assets during the fiscal year ending June 30, 2023 due to the actual return on assets equaling 8.59% vs. an expected return of 6.00%.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Sensitivity Analysis

Sensitivity of the net pension liability to changes in the discount rate - The following presents the net pension liability, calculated using the discount rate of 6.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.00%) or 1-percentage point higher (7.00%) than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net pension liability (asset)	\$ (4,981,548)	\$ (8,646,252)	\$ (10,354,287)

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Pension Expense

	6/30/2024	6/30/2025
Service cost with interest	\$ 30,527	\$ 32,066
Interest on the total pension liability	2,523,165	2,382,179
Change of benefit terms	0	0
Expensed portion of current-period difference between expected and actual experience in the total pension liability	(18,110)	(352,383)
Expensed portion of current-period changes in assumptions	0	0
Expensed portion of current-period difference between expected and actual earnings on plan investments	(262,749)	(325,462)
Employee contributions	0	0
Expected earnings on pension plan investments	(2,819,939)	(2,766,081)
Administrative expenses	127,599	164,874
Recognition of deferred inflows	(1,934,923)	(2,197,673)
Recognition of deferred outflows	<u>2,315,078</u>	<u>1,845,435</u>
Pension expense	<u><u>\$ (39,352)</u></u>	<u><u>\$ (1,217,045)</u></u>
Census date	2/29/2024	2/28/2025
Measurement date	6/30/2024	6/30/2025
Reporting date	6/30/2024	6/30/2025
Discount rate	6.00%	6.00%
Expected return on assets	6.00%	6.00%

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Deferred Inflows and Outflows

The following table provides a summary of the deferred inflows and outflows as of 6/30/2025.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 0
Changes of assumptions or other inputs	0	0
Net difference between projected and actual earnings on plan investments	<u>1,845,435</u>	<u>(2,590,131)</u>
Total	\$ 1,845,435	\$ (2,590,131)

Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2026	\$ 1,845,435	\$ (838,231)
2027	0	(838,231)
2028	0	(588,209)
2029	0	(325,460)
2030	0	0
Thereafter	0	0

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Amortization Schedule

Date Established	Description	Initial Amount	Outstanding Balance	Years Remaining	2025 Installment
6/30/2017	Actuarial (Gain)/Loss	\$ (383,137)	\$ 0	0.00	\$ 0
6/30/2018	Actuarial (Gain)/Loss	(229,751)	0	0.00	0
6/30/2019	Actuarial (Gain)/Loss	(743,020)	0	0.00	0
6/30/2020	Actuarial (Gain)/Loss	(918,913)	0	0.00	0
6/30/2021	Actuarial (Gain)/Loss	(967,935)	0	0.00	0
6/30/2022	Actuarial (Gain)/Loss	178,944	0	0.00	0
6/30/2023	Actuarial (Gain)/Loss	(980,591)	0	0.00	0
6/30/2024	Actuarial (Gain)/Loss	(18,110)	0	0.00	0
6/30/2025	Actuarial (Gain)/Loss	(352,383)	0	0.00	(352,383)
Total			\$ 0		\$ (352,383)
6/30/2017	Assumption Change	\$ (856,662)	\$ 0	0.00	\$ 0
6/30/2018	Assumption Change	1,418,554	0	0.00	0
6/30/2019	Assumption Change	1,209,610	0	0.00	0
6/30/2020	Assumption Change	1,554,711	0	0.00	0
6/30/2021	Assumption Change	(366,222)	0	0.00	0
6/30/2022	Assumption Change	1,730,457	0	0.00	0
6/30/2023	Assumption Change	0	0	0.00	0
6/30/2024	Assumption Change	0	0	0.00	0
6/30/2025	Assumption Change	0	0	0.00	0
Total			\$ 0		\$ 0
6/30/2017	Investment (Gain)/Loss	\$ (3,655,650)	\$ 0	0.00	\$ 0
6/30/2018	Investment (Gain)/Loss	1,586,633	0	0.00	0
6/30/2019	Investment (Gain)/Loss	(232,693)	0	0.00	0
6/30/2020	Investment (Gain)/Loss	2,348,211	0	0.00	0
6/30/2021	Investment (Gain)/Loss	(8,424,516)	0	0.00	(1,684,904)
6/30/2022	Investment (Gain)/Loss	9,227,175	1,845,435	1.00	1,845,435
6/30/2023	Investment (Gain)/Loss	(1,250,100)	(500,040)	2.00	(250,020)
6/30/2024	Investment (Gain)/Loss	(1,313,743)	(788,245)	3.00	(262,749)
6/30/2025	Investment (Gain)/Loss	(1,627,308)	(1,301,846)	4.00	(325,462)
Total			\$ (744,696)		\$ (677,700)

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Rate of Return

The long-term expected rate of return on plan investments was determined using a building-block method where expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2025 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core bonds	25.00%	2.52%
Multi-sector	15.00%	3.44%
Liquid absolute return	10.00%	3.25%
U.S. large cap equity	20.00%	7.20%
U.S. small cap equity	10.00%	8.59%
Non-U.S. equity	15.00%	8.20%
Core real estate	5.00%	6.45%
Total	100.00%	

Notes

- (1) The amounts shown above were provided ACG Asset Consulting Group.
- (2) The Long-Term Expected Real Rate of Return equals the Long-Term Arithmetic Average Nominal Return minus an average annual inflation rate of 2.75%.
- (3) The long-term expected rate of return for the June 30, 2025 measurement date is 6.00%.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Actuarially Determined Contribution

	FYE 6/30/2025	FYE 6/30/2026
Normal cost	\$ 29,669	\$ 30,058
Actuarial accrued liability (beginning of year)	42,884,439	40,152,584
Actuarial value of assets (beginning of year)	49,797,465	48,146,344
Unfunded actuarial accrued liability	(6,913,026)	(7,993,760)
Net amortization charges / (credits)	(671,495)	(776,471)
Administrative expenses	128,000	143,000
Actuarially determined contribution (beginning of year)	<u>\$ 0</u>	<u>\$ 0</u>
 Covered payroll	 \$ 261,551	 \$ 266,094
 Percentage of covered payroll	 0.00%	 0.00%
 Discount rate	 6.00%	 6.00%
Amortization period	15 Years	15 Years
	Closed	Closed

Notes

(1) Administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

(2) Disclosure of the actuarial methods and assumptions to develop the Actuarially Determined Contribution for the fiscal year ending June 30, 2026 can be found in the Lansing Board of Water and Light Defined Benefit Plan for Employees' Pensions February 28, 2025 Actuarial Valuation for Funding Purposes dated July, 11, 2025.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Schedule of Contributions

	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020	FYE 2019	FYE 2018	FYE 2017	FYE 2016
Actuarially determined employer contribution	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Actual employer contributions	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Annual contribution deficiency (excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered payroll	\$ 266,094	\$ 261,551	\$ 248,070	\$ 237,506	\$ 236,973	\$ 240,482	\$ 603,382	\$ 586,181	\$ 771,810	\$ 1,017,849
Actual contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Actuarial Assumptions and Methods Used for Funding Policy

The following actuarial methods and assumptions were used in the February 28, 2025 funding valuation. Please see that valuation report dated July 11, 2025 for further details.

Actuarial Cost Method - Individual Entry Age Normal

Amortization Method - 15 year closed level dollar amortization of Unfunded Actuarial Accrued Liability.

Asset Valuation Method - The Actuarial Value of Assets is equal to the Market Value of Assets plus a five year smoothing of gains and losses on the Market Value of Assets, subject to a 20% corridor around the Market Value of Assets.

Inflation Rate - 2.25% per year.

Salary Increase Rate - 3.50% per year.

Discount Rate and Expected Long-Term Rate of Return on Investments - 6.00% per year.

Retirement Rates - See Table A on page 30.

Mortality Rates - PUB-2010 General Mortality, male and female, projected generationally using the MP-2021 improvement scale.

Disability Rates - 1985 Pension Disability Incident Class 1 rates for males and females. See table of sample rates in Table B on page 30.

Termination Rates - None assumed.

Expenses - Administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

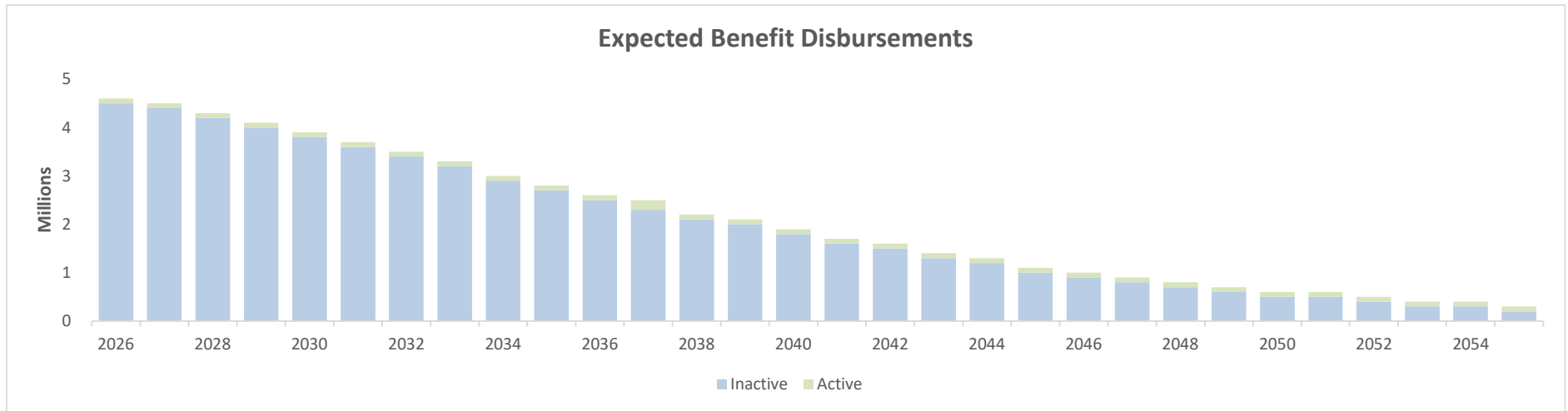
Benefit Commencement Age for Deferred Vested Participants - Age 65.

Spouse Assumptions - (1) 100% of the male participants are assumed to be married with the spouse assumed to be 3 years younger; (2) 100% of the female participants are assumed to be married with the spouse assumed to be 3 years older.

Form of Payment - All active participants are assumed to elect a 100% joint and survivor annuity.

Assumption and Method Changes from Prior Year - None.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Expected Benefit Disbursements



FYE	Inactive	Active	Total	FYE	Inactive	Active	Total	FYE	Inactive	Active	Total
2026	\$ 4,524,714	\$ 64,022	\$ 4,588,736	2036	\$ 2,537,417	\$ 148,231	\$ 2,685,648	2046	\$ 913,612	\$ 132,070	\$ 1,045,682
2027	4,353,955	72,660	4,426,615	2037	2,339,462	150,903	2,490,365	2047	802,843	128,202	931,045
2028	4,167,579	84,857	4,252,436	2038	2,147,357	149,971	2,297,328	2048	701,744	123,987	825,731
2029	3,973,606	99,900	4,073,506	2039	1,962,124	148,824	2,110,948	2049	610,019	119,459	729,478
2030	3,773,617	111,278	3,884,895	2040	1,784,649	147,424	1,932,073	2050	527,298	114,654	641,952
2031	3,569,242	119,727	3,688,969	2041	1,615,675	145,739	1,761,414	2051	453,135	109,606	562,741
2032	3,362,107	127,586	3,489,693	2042	1,455,793	143,738	1,599,531	2052	387,030	104,337	491,367
2033	3,153,817	133,839	3,287,656	2043	1,305,428	141,389	1,446,817	2053	328,449	98,857	427,306
2034	2,945,957	139,496	3,085,453	2044	1,164,861	138,669	1,303,530	2054	276,854	93,169	370,023
2035	2,740,022	143,808	2,883,830	2045	1,034,252	135,563	1,169,815	2055	231,808	87,268	319,076

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Census Data Summary

	2/29/2024	2/28/2025
Number of participants		
Active	3	3
Terminated vested	1	1
Retired	133	123
Beneficiaries	100	91
Disabled	<u>22</u>	<u>22</u>
Total	259	240
Active demographics		
Average age	62.3	63.3
Average past service	34.2	35.2
Average future service	4.8	4.5
Average compensation	\$ 87,184	\$ 88,698
Covered payroll	\$ 261,551	\$ 266,094
Average monthly accrued benefit	\$ 4,280	\$ 4,454
Total monthly accrued benefits	\$ 12,840	\$ 13,362
Terminated vested demographics		
Average age	60.2	61.2
Average monthly accrued benefit	\$ 629	\$ 629
Total monthly accrued benefits	\$ 629	\$ 629
Retiree demographics		
Average age	79.3	79.6
Average monthly accrued benefit	\$ 2,062	\$ 2,071
Total monthly accrued benefits	\$ 274,246	\$ 254,736
Beneficiary demographics		
Average age	83.3	83.1
Average monthly accrued benefit	\$ 1,100	\$ 1,154
Total monthly accrued benefits	\$ 109,958	\$ 104,996
Disabled demographics		
Average age	75.3	75.7
Average monthly accrued benefit	\$ 1,287	\$ 1,295
Total monthly accrued benefits	\$ 28,316	\$ 28,491

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Age & Service Distribution - Active Participants

	Years of Service											
Attained Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over	Total	
Under 25											0	
25 to 29											0	
30 to 34											0	
35 to 39											0	
40 to 44											0	
45 to 49											0	
50 to 54											0	
55 to 59							1	1			2	
60 to 64											0	
65 to 69											0	
70+										1	1	
Total	0	0	0	0	0	0	1	1	0	1	3	

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Census Data Reconciliation

	<u>Active</u>	<u>Term Vested</u>	<u>Retired</u>	<u>Benef</u>	<u>Disabled</u>	<u>Total</u>
February 29, 2024	3	1	133	100	22	259
Vested terminations	0	0	0	0	0	0
Retirements	0	0	0	0	0	0
Disabled	0	0	0	0	0	0
Death with survivor	0	0	(5)	5	0	0
Death without survivor	0	0	(5)	(14)	(1)	(20)
New entrants	0	0	0	0	0	0
Rehires	0	0	0	0	0	0
Data corrections	0	0	0	0	1	1
February 28, 2025	3	1	123	91	22	240

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Summary of Assumptions and Methods

Cost Method - Individual entry age normal level percent of salary.

Dates of Calculations

Actuarial valuation date: February 28, 2025

Census date: February 28, 2025

Measurement date GASB 67 and GASB 68: June 30, 2025

Reporting date GASB 67 and GASB 68: June 30, 2025

Employees Included in the Calculations - All active employees who are eligible to receive pension benefits as a retiree. Retired, disabled, beneficiaries and terminated vested participants who are receiving benefits or entitled to receive benefits in the future.

Source of Data - Data is as of the valuation date and was supplied by the Lansing Board of Water and Light. While we have not audited this data, we believe the census data and financial information to be accurate and complete.

Discount Rate - Pursuant to GASB 67/68, projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on plan investments is 6.00%; the municipal bond rate is 4.71% (based on the daily rate closest to but not later than the measurement date of the Fidelity Municipal AA 20 year published yield) and the resulting Single Discount Rate is 6.00%.

The plan's fiduciary net position was projected to cover all future pension benefit payments. Therefore, the discount rate is equal to the long-term expected rate of return on plan investments.

Inflation Rate - 2.25% per year.

Salary Increase Rate - 3.50% per year.

Mortality Rates - Pre and Post retirement - PUB-2010 General Mortality, male and female, projected generationally using the MP-2021 improvement scale.

Retirement Rates - Sample rates are listed on Table A herein.

Termination Rates - None assumed.

Disability Rates - The 1985 Pension Disability Incidence Class 1 rates for males and females. Sample rates are listed on Table B herein.

Expenses - Administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

Benefit Commencement Age for Deferred Vested Participants - Age 65.

Spouse Assumptions - (1) 100% of the male participants are assumed to be married with the spouse assumed to be 3 years younger; (2) 100% of the female participants are assumed to be married with the spouse assumed to be 3 years older.

Form of Payment - All active participants are assumed to elect a 100% joint and survivor annuity.

Assumption and Method Changes from Prior Year - None.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Summary of Actuarial Assumptions and Methods (continued)

Benefits Not Valued - All benefits described in the Plan Provisions section of this report were valued. Benassist Retirement Consulting has reviewed the plan provisions with the Lansing Board of Water and Light and based on that review, is not aware of any significant benefits that were not valued.

Rationale for Significant Economic Assumptions

Discount rates - As required by GASB 67 and 68, the discount rate was chosen by the plan sponsor based on market information on the measurement date.

Expected return on plan assets - It is our understanding that the expected return on assets assumption reflects the plan sponsor's estimate of future returns based on: (a) the plan's current asset allocation and any upcoming changes; and (b) current and expected market conditions. We have relied on capital market projections provided by Asset Consulting Group, the Plan's investment consultant, to evaluate the investment return assumption.

Rationale for Significant Demographic Assumptions

Mortality - This assumption was selected by the plan sponsor and represents a best estimate of future experience.

Retirement rates - Professional judgement along with (a) employer-specific or job-related factors such as occupation, employment policies, work environment and location of employment; (b) the plan design, where specific incentives may influence when participants retire; (c) the design of, and date of anticipated payment from Social Security and Medicare; (d) the availability of other employer-sponsored postretirement benefit programs; and (e) plan experience. Analysis of the experience (gain)/loss is conducted on an annual basis to identify any unusual trends in demographic assumptions.

ASOP 56 - Model Disclosure

Benassist Retirement Consulting uses a proprietary actuarial valuation system to perform actuarial valuations of defined benefit and OPEB plans. The system processes census data, calculates benefit amounts and develops associated actuarial liabilities. The system has the flexibility to accommodate various populations, plan designs, demographic, economic and benefit related assumptions. Actuarial liabilities are calculated using standard actuarial techniques. The actuarial liabilities generated by the system rely on the assumptions selected and entered by the user. The system does not evaluate any assumptions for reasonableness, consistency or probability of occurrence. The system is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuary signing this report has performed a limited review of the results to ensure that the system has been set up appropriately and the plan provisions have been coded correctly.

Certain demographic tables described above are standard published tables.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Summary of Assumptions and Methods (continued)

Table A - Retirement Rates

Age	Rate	Age	Rate
50	4.00%	61	14.00%
51	4.00%	62	25.00%
52	8.00%	63	25.00%
53	4.00%	64	20.00%
54	10.00%	65	25.00%
55	5.00%	66	25.00%
56	8.00%	67	33.00%
57	10.00%	68	33.00%
58	12.00%	69	50.00%
59	14.00%	70	100.00%
60	10.00%		

Table B - Disability Rates

Age	Male	Female
20	0.03%	0.03%
25	0.04%	0.05%
30	0.05%	0.08%
40	0.12%	0.21%
50	0.36%	0.53%
55	0.72%	0.95%
60	1.26%	1.16%

Lansing Board of Water and Light
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Summary of Plan Provisions

Effective Date and Plan Year – The most recent effective date is July 1, 2010. The plan year is from July 1 through June 30.

Participation and Eligibility - Eligible employees are those who were participating in the plan on December 31, 1996 and who elected to remain in the plan as of December 1, 1997.

Employer Contributions - The employer contributes the entire cost of the Plan. Participant contributions are not required.

Pension Service Credit - Service is credited on an elapsed time basis.

Annual Pay - Annual pay equals the base pay plus bonus received during the year in which the base pay was the highest within the last ten years of employment.

Normal Retirement Date - The normal retirement date for employees hired prior to July 1, 1990 is the earlier of (1) the first day of the month on or after attainment of age 60, and (2) the first day of the month on or after completion of 30 years of Pension Service Credit and attainment of age 55. If an employee who was hired before July 1, 1990 terminates employment after attainment of age 45 and completion of 25 years of Pension Service Credit, the normal retirement date is the first day of the month on or after the date he has attained age 55 and would have completed 30 years of Pension Service Credit if he had remained employed.

For employees hired after July 1, 1990, the normal retirement date is the first day of the month on or after attainment of age 65.

Normal Retirement Benefit - 1.8% of Annual Pay multiplied by the Pension Service Credit and payable as a life annuity.

Early Retirement Date - A reduced early retirement benefit is payable during the 10 years prior to a participant's Normal Retirement Date upon completion of 25 years of Pension Service Credit or 5 years prior to a participant's normal retirement date upon completion of 15 years of Pension Service Credit.

Early Retirement Benefit - The Normal Retirement Benefit is reduced 0.25% per month for the first 60 months and then reduced 0.4167% per month for the next 60 months.

Disability Retirement Benefit - A disability benefit is payable upon disability after completion of at least 10 years of service. The disability benefit is equal to the Normal Retirement Benefit accrued as of the date of disability and is payable immediately. The disability benefit is offset for any workers' compensation payments.

Deferred Vested Benefit - If a participant terminates employment for any reason other than death or disability prior to his or her Normal or Early Retirement Date, and if the participant has completed at least three (3) years service on his or her date of termination of employment, then the participant will become vested in his or her accrued Normal Retirement Benefit subject to a 7 year graded vesting schedule.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Summary of Plan Provisions (continued)

Death in Service Benefit - If a vested employee dies while still an employee and has a spouse, the Board will assume that the employee retired on the day preceding his or her death on a disability pension and elected a 100% Joint and Survivor form of payment.

Forms of Payment - The following actuarially equivalent forms of payment are available under the plan:

- a) a monthly benefit payable for the participant's lifetime;
- b) a monthly benefit payable for the participant's lifetime with 15% up to 100% of such benefit continued to a surviving contingent annuitant following the participant's death;
- c) a monthly benefit payable for the participant's lifetime with 15% up to 100% of such benefit continued to a surviving contingent annuitant following the participant's death. If the beneficiary dies first, the pension amount will revert back to the life annuity amount;
- d) a lump sum payment

Cost of Living Increases - None

Actuarial Equivalence - The plan's definition of Actuarial Equivalence is as follows:

- a) Non-decreasing annuities: Actuarial Equivalence is computed using the 1983 Group Annuity Mortality Table applied on a unisex basis and 7.50% interest.
- b) Accelerated forms of payments: Actuarial Equivalence is computed using the 1983 Group Annuity Mortality Table applied on a unisex basis and the annual rate of interest on a 30 year constant maturity U.S. Treasury securities for the month of December immediately preceding the start of the calendar year in which distribution occurs.

Maximum Compensation - Annual Pay for any 12-month period used to determine a participant's accrued benefit may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins.

Maximum Benefit - Annual benefit amounts payable under the plan may not exceed the limits in IRC Section 415.

Changes in Plan Provisions Since Last Valuation - None.

Lansing Board of Water and Light

Defined Benefit Plan for Employees' Pensions

June 30, 2025 GASB 67/68 Report

Glossary

Actuarial Assumptions - Assumptions relating to future experience under the plan. These include assumptions about the occurrence of future events affecting costs or liabilities, such as:

- mortality, withdrawal, disablement, and retirement;
- future increases in salary;
- future rates of investment earnings and future investment and administrative expenses;
- characteristics of members not specified in the data, such as marital status;
- characteristics of future members;
- future elections made by members; and
- other relevant items.

Actuarial Cost Method - A procedure for allocating the Actuarial Present Value of Future Benefits to various time periods; a method used to determine the Normal Cost and the Total Pension Liability (TPL).

Actuarial (Gain) or Loss - A measure of the difference between actual experience and experience expected under a set of Actuarial Assumptions, during the period between two Actuarial Valuation dates. Through the actuarial assumptions, rates of decrements, rates of salary increases, and rates of fund earnings that have been forecasted. To the extent that actual experience differs from that assumed, actuarial accrued liabilities emerge which may be the same as forecasted, or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., the plan's assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results that produce actuarial liabilities which are larger than projected. Actuarial gains will shorten the time required for funding of the actuarial balance sheet deficiency while actuarial losses will lengthen the funding period.

Actuarially Equivalent - Of equal actuarial present value, determined as of a given date and based on a given set of Actuarial Assumptions.

Actuarial Present Value (APV) - The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions. For purposes of this standard, each such amount or series of amounts is:

- adjusted for the probable financial effect of certain intervening events (such as changes in marital status, etc.)
- multiplied by the probability of the occurrence of an event (such as survival, death, disability, termination of employment, etc.) on which the payment is conditioned, and
- discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Actuarial Present Value of Future Benefits - The Actuarial Present Value of those benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future benefit increases. The Actuarial Present Value of Future Benefits includes the liabilities for active members, retired members and spouses receiving benefits. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.

Actuarial Present Value of Future Earnings - The Actuarial Present Value of a participant's expected future earnings.

Actuarial Present Value of Future Normal Costs - The portion of the Actuarial Present Value of Future Benefits allocated to future years.

Lansing Board of Water and Light
Defined Benefit Plan for Employees' Pensions
June 30, 2025 GASB 67/68 Report
Glossary (continued)

Actuarial Valuation - The determination, as of a valuation date, of the Normal Cost, Total Pension Liability (TPL), Fiduciary Net Position (FNP), and related Actuarial Present Values for a plan. An Actuarial valuation for a retirement system typically includes calculations that provide financial information for the plan, such as the funded status, unfunded actuarial accrued liability and the contribution amounts.

Actuarially Determined - Values which have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the law.

Covered Payroll - Payroll as of the valuation date for active participants who have not attained normal retirement age.

Decrement - Those causes/events due to which a member's status (active-inactive-retiree-spouse) changes, that is: death, retirement, disability, or termination.

Entry Age Normal Cost Method - The EAN cost method is a standard actuarial funding method. The annual cost of benefits under EAN cost method is comprised of two components:

- Normal cost
- Amortization of the unfunded liability

The normal cost is determined on an individual basis, from a member's age at plan entry, and is designed to be a level percentage of pay throughout a member's career.

Fiduciary Net Position - The value of the plan's assets as of a given date, used by the actuary for valuation purposes. This usually equals the market value of plan assets.

Funded Status - The ratio of the Fiduciary Net Position (FNP) to the Total Pension Liability (TPL).

Net Pension Liability (NPL) - The excess of the Total Pension Liability (TPL) over the Fiduciary Net Position (FNP). This value may be negative in which case it may be expressed as a negative Fiduciary Net Position, also called the funding surplus.

Normal Cost - The portion of the Actuarial Present Value of Future Benefits allocated to a valuation year by the Actuarial Cost Method. Any payment in respect of an unfunded actuarial accrued liability is not part of Normal Cost. Under the entry age normal cost method, the Normal Cost is intended to be the level cost (when expressed as a percentage of pay) needed to fund the benefits of a member from hire until ultimate termination, death, disability or retirement.

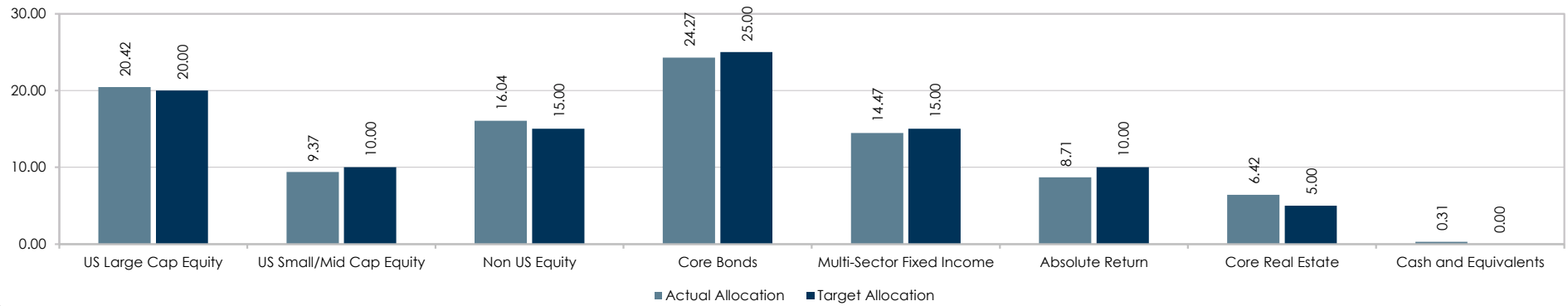
Total Pension Liability (TPL) - The portion of the Actuarial Present Value of Future Benefits which is not provided for by future Normal Costs. It is equal to the Actuarial Present Value of Future Benefits minus the actuarial present value of future Normal Costs.

Valuation Date or Actuarial Valuation Date - The date on which the value of plan assets, the Actuarial Present Value of Future Benefits, the Total Pension Liability (TPL) and Normal Cost are determined. The expected future benefits are discounted to this date.

LBWL Defined Benefit Plan and Trust for Employees' Pensions

For the Periods Ending June 30, 2025

Actual vs. Target Allocation (%)



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)	Range Min - Max (%)	
Total Portfolio	47,547	100.00	100.00			
Equity	21,790	45.83	45.00	0.83	30.00	60.00
US Large Cap Equity	9,710	20.42	20.00	0.42	15.00	25.00
US Small/Mid Cap Equity	4,455	9.37	10.00	-0.63	5.00	15.00
Non US Equity	7,625	16.04	15.00	1.04	10.00	20.00
Fixed Income	22,555	47.44	50.00	-2.56	30.00	60.00
Core Bonds	11,537	24.27	25.00	-0.73	15.00	35.00
Multi-Sector Fixed Income	6,878	14.47	15.00	-0.53	10.00	20.00
Absolute Return	4,139	8.71	10.00	-1.29	5.00	15.00
Real Assets	3,053	6.42	5.00	1.42	0.00	10.00
Core Real Estate	3,053	6.42	5.00	1.42	0.00	10.00
Cash and Equivalents	148	0.31	0.00	0.31	0.00	5.00

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	47,547	100.00	2.37	4.87	5.81	9.47	9.39	7.42	--	7.13
Total Portfolio (07/04)			2.40	4.97	6.01	9.89	9.87	7.93	6.98	6.48
Policy Index ¹			2.80	5.46	6.10	10.01	8.87	6.78	6.59	6.87

LBWL Defined Benefit Plan and Trust for Employees' Pensions

For the Periods Ending June 30, 2025

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	47,547	100.00	2.37	4.87	5.81	9.47	9.39	7.42	--	7.13
Total Portfolio (07/04)			2.40	4.97	6.01	9.89	9.87	7.93	6.98	6.48
Policy Index ¹			2.80	5.46	6.10	10.01	8.87	6.78	6.59	6.87
US Large Cap Equity (01/17) *	9,710	20.42	5.08	10.93	6.19	15.14	21.20	15.89	--	14.46
Blended US LC Benchmark ²			5.09	10.94	6.20	15.16	19.57	16.29	--	14.44
US Small/Mid Cap Equity (01/17) *	4,455	9.37	2.09	3.39	-1.38	5.41	11.56	12.32	--	9.09
Blended US SMID Benchmark ³			4.61	8.59	0.44	9.91	11.31	11.44	--	7.82
Non US Equity (01/17) *	7,625	16.04	2.38	10.79	17.33	16.95	13.35	9.12	--	7.44
MSCI EAFE NetDiv			2.20	11.78	19.45	17.73	15.97	11.16	6.51	8.36
Fixed Income (01/17) *	22,555	47.44	1.59	1.67	4.35	6.90	3.97	1.44	--	2.68
Bloomberg US Aggregate			1.54	1.21	4.02	6.08	2.55	-0.73	1.76	1.68
Real Assets (01/19) * ⁴	3,053	6.42	0.49	0.49	1.27	1.32	-4.53	3.58	--	3.33
NFI ODCE Net			0.81	0.81	1.67	2.66	-6.22	2.54	4.42	2.46
Cash and Equivalents (01/17)	148	0.31	0.36	1.09	2.19	4.74	4.54	2.74	--	2.17
US T-Bills 90 Day			0.33	1.04	2.07	4.68	4.56	2.76	1.98	2.28

LBWL Defined Benefit Plan and Trust for Employees' Pensions

For the Periods Ending June 30, 2025

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Equity (01/17) *	21,790	45.83	3.51	9.25	8.14	13.68	16.46	12.77	--	11.03
US Large Cap Equity										
Northern Trust S&P 500 (05/23) *	9,710	20.42	5.08	10.93	6.19	15.14	--	--	--	21.88
<i>S&P 500</i>			5.09	10.94	6.20	15.16	19.71	16.64	13.65	21.90
US Small/Mid Cap Equity										
Atlanta Capital (08/18) *	4,455	9.37	2.09	3.39	-1.38	5.41	11.56	12.32	--	9.45
<i>Russell 2500</i>			4.61	8.59	0.44	9.91	11.31	11.44	8.39	7.37
Non US Equity										
Harding Loevner Int'l Equity (09/17) *	3,605	7.58	2.02	9.03	15.31	15.01	12.30	8.05	--	6.42
<i>MSCI ACWI ex US NetDiv</i>			3.39	12.03	17.90	17.72	13.99	10.13	6.12	6.25
Marathon International Equity (04/24) *	4,021	8.46	2.70	12.41	19.23	18.85	--	--	--	13.66
<i>MSCI EAFE NetDiv</i>			2.20	11.78	19.45	17.73	15.97	11.16	6.51	13.56
Fixed Income (01/17) *	22,555	47.44	1.59	1.67	4.35	6.90	3.97	1.44	--	2.68
Core Bonds										
JP Morgan Fixed Income (01/09)	11,537	24.27	1.61	1.35	4.27	6.67	3.21	0.22	2.18	3.27
<i>Bloomberg US Aggregate</i>			1.54	1.21	4.02	6.08	2.55	-0.73	1.76	2.76
Multi-Sector Fixed Income										
Fidelity Tactical Bond (09/18) *	6,878	14.47	1.71	1.68	4.54	6.69	4.41	1.93	--	3.41
<i>Bloomberg US Aggregate</i>			1.54	1.21	4.02	6.08	2.55	-0.73	1.76	1.72
Absolute Return										
BlackRock Strategic Income Opp (09/17) *	4,139	8.71	1.34	2.87	4.69	8.57	5.77	3.91	--	3.63
<i>Bloomberg US Aggregate</i>			1.54	1.21	4.02	6.08	2.55	-0.73	1.76	1.36
Real Assets (01/19) * 4	3,053	6.42	0.49	0.49	1.27	1.32	-4.53	3.58	--	3.33
Core Real Estate										
AEW Core Property Trust (01/19) * 4	3,053	6.42	0.49	0.49	1.27	1.32	-4.53	3.58	--	3.33
<i>NFI ODCE Net</i>			0.81	0.81	1.67	2.66	-6.22	2.54	4.42	2.46
Cash & Equivalents (01/17)	148	0.31	0.36	1.09	2.19	4.74	4.54	2.74	--	2.17
Cash & Equivalents (01/17)	148	0.31	0.36	1.09	2.19	4.74	4.54	2.74	--	2.17
<i>US T-Bills 90 Day</i>			0.33	1.04	2.07	4.68	4.56	2.76	1.98	2.28

All returns prior to 12/31/2016 were calculated by the prior consultant.

* Net of Fee return data.

1 Policy Index: Effective February 2024, the index consists of 20.00% S&P 500, 10.00% Russell 2500, 15.00% MSCI ACWI ex US NetDiv, 50.00% Bloomberg US Aggregate, 5.00% NFI ODCE Net.

2 Blended US LC Benchmark: Effective May 2023, the index consists of 100.0% S&P 500.

3 Blended US SMID Benchmark: Effective August 2018, the index consists of 100.0% Russell 2500.

4 Valuation and performance are assessed quarterly.

The Fiscal Year End is June.

Market Overview

For the Periods Ending June 30, 2025

	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)
Equity Markets - Core							
S&P 500	5.09	10.94	6.20	15.16	19.71	16.64	13.65
Russell 1000	5.06	11.11	6.12	15.66	19.59	16.30	13.35
Russell 2000	5.44	8.50	-1.79	7.68	10.00	10.04	7.12
Russell 2500	4.61	8.59	0.44	9.91	11.31	11.44	8.39
Equity Markets - Growth							
S&P 500 Growth	6.34	18.94	8.86	19.88	23.39	17.29	15.95
Russell 1000 Growth	6.38	17.84	6.09	17.22	25.76	18.15	17.01
Russell 2000 Growth	5.89	11.97	-0.48	9.73	12.38	7.42	7.14
Russell 2500 Growth	4.81	11.31	-0.71	8.81	12.05	7.50	8.53
Equity Markets - Value							
S&P 500 Value	3.69	3.00	3.28	9.63	14.89	15.02	10.41
Russell 1000 Value	3.42	3.79	6.00	13.70	12.76	13.93	9.19
Russell 2000 Value	4.95	4.97	-3.16	5.54	7.45	12.47	6.72
Russell 2500 Value	4.52	7.29	1.03	10.47	10.69	13.96	7.73
International Markets							
MSCI ACWI NetDiv	4.49	11.53	10.05	16.17	17.35	13.65	9.99
MSCI ACWI ex US NetDiv	3.39	12.03	17.90	17.72	13.99	10.13	6.12
MSCI EAFE NetDiv	2.20	11.78	19.45	17.73	15.97	11.16	6.51
MSCI EAFE Growth NetDiv	2.66	13.54	15.96	11.39	13.57	7.90	6.70
MSCI EAFE Value NetDiv	1.74	10.11	22.84	24.24	18.38	14.29	6.05
MSCI EM NetDiv	6.01	11.99	15.27	15.29	9.70	6.81	4.81
MSCI World NetDiv	4.32	11.47	9.47	16.26	18.31	14.55	10.66
MSCI World ex US NetDiv	2.34	12.05	18.99	18.70	15.73	11.51	6.65
Fixed Income							
ICE BofA 1 Yr Treasury Note	0.42	0.90	1.96	4.79	3.90	2.07	1.81
ICE BofA High Yield Master II	1.86	3.57	4.55	10.28	9.85	6.01	5.29
Bloomberg US Aggregate	1.54	1.21	4.02	6.08	2.55	-0.73	1.76
Bloomberg Intermediate G/C	1.07	1.67	4.13	6.74	3.57	0.64	2.04
Bloomberg 10 Yr Municipal	0.87	0.78	1.04	2.32	2.75	0.71	2.42
Bloomberg US Credit	1.83	1.82	4.22	6.83	4.19	0.12	2.80
Real Assets							
NFI ODCE Net	0.81	0.81	1.67	2.66	-6.22	2.54	4.42

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The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) & Public Act 530 of 2016 Pension Report

Enter Local Government Name	LANSING CITY BOARD OF WATER & LIGHT	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	337537	
Unit Type	Authority	
Fiscal Year End Month	June	
Fiscal Year (four-digit year only, e.g. 2019)	2025	
Contact Name (Chief Administrative Officer)	Scott Taylor	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Title if not CAO	Chief Financial Officer	
CAO (or designee) Email Address	SCOTT.TAYLOR@LBWL.COM	
Contact Telephone Number	517-702-6104	
Pension System Name (not division) 1	and Trust for Employees' Pensions	If your pension system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
Pension System Name (not division) 2		
Pension System Name (not division) 3		
Pension System Name (not division) 4		
Pension System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	NO	NO	NO	NO	NO
2	Provide the name of your retirement pension system	Calculated from above	Lansing Board of Water and Light Defined Benefit Pension Trust for Employees' Pensions				
3 Financial Information							
4	Enter retirement pension system's assets (system fiduciary net position ending)	Most Recent Audit Report	47,990,407				
5	Enter retirement pension system's liabilities (total pension liability ending)	Most Recent Audit Report	39,344,155				
6	Funded ratio	Calculated	122.0%				
7	Actuarially Determined Contribution (ADC)	Most Recent Audit Report	-				
8	Governmental Fund Revenues	Most Recent Audit Report	468,447,889				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
10 Membership							
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	3				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report	1				
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	236				
14 Investment Performance							
15	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.89%				
16	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.93%				
17	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	6.98%				
18 Actuarial Assumptions							
19	Actuarial assumed rate of investment return	Actuarial Funding Valuation used in Most Recent Audit Report	6.00%				
20	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
21	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
22	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	Yes				
23 Uniform Assumptions							
24	Enter retirement pension system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	48,146,344				
25	Enter retirement pension system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	40,152,584				
26	Funded ratio using uniform assumptions	Calculated	119.9%				
27	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	-				
28	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
29 Pension Trigger Summary							
30	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 60% funded <u>AND</u> greater than 10% ADC/Governmental fund revenues. Non-Primary government triggers: Less than 60% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)

Local governments must post the current year report on their website or in a public place.

The local government must electronically submit the form to its governing body.

Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years.

Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Financial Statements and
Required Supplementary Information

June 30, 2025 and 2024

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

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June 30, 2025 and 2024

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Independent Auditors' Report

To the Honorable Mayor, Members of the City Council and Commissioners of
Lansing Board of Water and Light

Opinion

We have audited the financial statements of the Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (the Plan), a fiduciary fund of the Lansing Board of Water and Light, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2025 and 2024, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Plan is presenting only the financial statements of the Plan and does not purport to, and does not, present fairly the financial position of the Lansing Board of Water and Light, as of June 30, 2025 and 2024, and the changes in financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
October 3, 2025

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Using This Annual Report

The annual report consists of two parts: (1) Management's Discussion and Analysis (this section) and (2) the financial statements. The financial statements include notes that explain information in the statements and provide more detail.

Condensed Financial Information

The table below compares key financial information in a condensed format between the current year and the prior three years:

	2025	2024	2023
Assets:			
Cash and cash equivalents	\$ 495,903	\$ 1,857,276	\$ 338,130
Mutual funds, bonds	59,643,501	55,835,109	53,353,849
Mutual funds, equity	176,020,497	159,831,296	144,658,390
Real estate fund investment	37,206,523	38,565,204	42,471,497
Interest and dividend receivable	699,657	14,641	13,772
Total plan assets	274,066,081	256,103,526	240,835,638
Liabilities:			
Trade payable, due to broker	697,927	259,187	-
Reimbursement for benefits paid by employer	5,011,279	2,448,357	2,365,067
Net position restricted for pensions	\$ 268,356,875	\$ 253,395,982	\$ 238,470,571
Changes in net position:			
Net investment income	\$ 24,832,426	\$ 24,300,066	\$ 21,225,768
Employer contributions	61,852	65,286	68,076
Retiree benefits paid	(9,562,998)	(9,180,680)	(10,627,788)
Administrative fees	(370,387)	(259,200)	(335,579)
Net change in net position	\$ 14,960,893	\$ 14,925,412	\$ 10,330,477

Investment Results

The fiscal year ended June 30, 2025 saw a net investment gain of \$24.8 million. The fiscal year 2024 had a net investment gain of \$24.3 million, fiscal year 2023 had a net investment gain of \$21.2 million. We believe this performance is consistent with the experience of similarly situated employee benefit funds.

The Lansing Board of Water & Light ("BWL") actuarially determined contribution ("ADC") as determined by the BWL's actuary was \$0 in fiscal years 2025, 2024 and 2023.

The discount rate was 6.5% in fiscal year 2025, 2024 and 2023.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Investment Objectives and Asset Allocation

The Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (Plan) assets shall be invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing the investment objectives of the Plan, the BWL has considered the time horizon available for investment, the nature of the Plan's cash flows and liabilities, and other factors that affect the Plan's risk tolerance.

The investment of Plan assets is intended to result in moderate, long-term capital appreciation through moderate risk-taking. The Plan's overall investment objective is to earn an average, annual return of 6.5% over five-year rolling periods. Achievement of this objective is likely to result in stable to declining future contribution rates and ensure the ability to pay retirement benefits for all plan participants.

Consistent with the advice of its investment advisor, the BWL has selected the following target asset allocation strategy:

Asset Class	Target Asset Allocation
Core fixed income	15 %
Multi-sector	5
Liquid absolute return	5
U.S. large cap equity	25
U.S. small/mid cap equity	15
Non-U.S. equity	20
Real estate	15
Total	100 %

Future Events

The Plan is currently overfunded, with a funded status (fiduciary net position divided by total pension liability) of 143%. This funding level results in an actuarially determined contribution of \$0 for fiscal year 2026. As a result, the BWL does not expect to make contributions to the trust in fiscal year 2026.

Contacting the Plan's Management

The financial report is intended to provide a general overview of the Plan's finances and to demonstrate accountability for the funds it administers. Questions about this report should be submitted to Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light, Attn: Retirement Plan Committee, P.O. Box 13007, Lansing, Michigan 48901-3007.

**Postretirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

Statements of Fiduciary Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents	\$ 495,903	\$ 1,857,276
Investments, fair value:		
Mutual funds, bonds	59,643,501	55,835,109
Mutual funds, equities	176,020,497	159,831,296
Real estate fund investment	37,206,523	38,565,204
	<u>272,870,521</u>	<u>254,231,609</u>
Total investments at fair value		
Investment interest and dividend receivable	<u>699,657</u>	<u>14,641</u>
	<u>274,066,081</u>	<u>256,103,526</u>
Total assets		
Liabilities		
Trade payable, due to broker/other	697,927	259,187
Reimbursement for benefits paid by employer	5,011,279	2,448,357
	<u>5,709,206</u>	<u>2,707,544</u>
Total liabilities		
Net position restricted for retiree benefits	<u>\$ 268,356,875</u>	<u>\$ 253,395,982</u>

See notes to financial statements

**Postretirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ 19,493,611	\$ 19,047,703
Interest and dividend income	5,338,815	5,252,303
	<u>24,832,426</u>	<u>24,300,006</u>
Total investment income	24,832,426	24,300,006
Employer contributions	61,852	65,286
	<u>24,894,278</u>	<u>24,365,292</u>
Total additions	24,894,278	24,365,292
Deductions		
Retiree benefits paid	9,562,998	9,180,680
Administrative expenses	370,387	259,200
	<u>9,933,385</u>	<u>9,439,880</u>
Total deductions	9,933,385	9,439,880
Net increase in net position	14,960,893	14,925,412
Net Position Restricted for Retiree Benefits, Beginning	<u>253,395,982</u>	<u>238,470,571</u>
Net Position Restricted for Retiree Benefits, Ending	<u><u>\$ 268,356,875</u></u>	<u><u>\$ 253,395,982</u></u>

See notes to financial statements

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

1. Summary of Significant Accounting Policies

Reporting Entity

The Lansing Board of Water & Light (BWL) sponsors the Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light (Plan), which is a single-employer retiree benefit plan. The Plan was established on October 20, 1999, effective as of July 1, 1999, for the purpose of accumulating assets to fund retiree healthcare insurance costs in future years.

Accounting and Reporting Principles

The Plan follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

Basis of Accounting

Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Employer contributions to the Plan are recognized when due pursuant to legal requirements.

Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Report Presentation

This report includes the fund-based statements of the Plan.

Investment Valuation and Income Recognition

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price.

Purchases and sales of investments are recorded on a trade-date basis.

Appreciation or depreciation of investments is calculated based on the beginning of the period's fair value of investments.

Expenses

Substantially all Plan expenses are paid by the Plan.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

Reimbursement for Benefits Paid by Employer

This balance represents amounts due from the Plan to the Lansing Board of Water & Light (BWL) to reimburse the BWL for benefits paid on behalf of the Plan.

2. Plan Description

The following description of the Plan provides only general information. Participants should refer to the Plan and Trust Documents for a more complete description of the Plan's provisions.

General

The Plan was established by the Lansing Board of Water & Light on October 20, 1999 under Section 5-203 of the City Charter. The Plan became effective July 1, 1999. Eligible Participants of the Plan may include BWL employees, former BWL employees and their spouses, dependents or beneficiaries.

The Plan provides medical, dental and life insurance benefits to eligible Participants. Substantially all BWL employees may become eligible Participants of the Plan if they reach normal retirement age while actively employed full-time by the BWL. There were 748 participants eligible to receive benefits at June 30, 2025 and 755 participants eligible at June 30, 2024.

Trustees

Each voting member of the BWL Board of Commissioners is a Trustee during the term of office as a commissioner. The Trustees had appointed Fifth Third Bank as custodian of the Plan's assets for a portion of FY 2024. Effective March 1, 2024, this role was transitioned to the Northern Trust Company.

Agreement

The Lansing Board of Water & Light (the Employer) entered into an Administrative Services Agreement (the Agreement) with the Trust for Postretirement Benefit Plan for Eligible Employees of Lansing Board of Water & Light (the VEBA or Trust) effective January 1, 2022. The Agreement obligates the Employer to provide the administrative services necessary to pay Plan benefits. The Agreement also governs the conditions related to Trust contributions and disbursements.

Benefits

Plan benefits shall not be paid to participants or their beneficiaries during a plan year in which there has been a "qualified transfer" pursuant to Internal Revenue Code Section 420(e)(1)(8) from the Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions, except that once the "qualified transfer" has been exhausted for the purpose of paying qualified current retiree health liabilities, benefit payments may be made under this Plan consistent with Internal Revenue Code Section 420(e)(1)(B). After "qualified transfers" have been exhausted, benefits paid under the Plan shall be those benefits described in the Plan Document.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

Contributions

Section 5-203 of the City Charter grants the authority to establish and amend the contribution requirement of the City and Plan members to BWL. The retiree benefits are paid by BWL's general cash flow to the third-party administrators who process participant claims. These payments represent contributions to the Plan. Employer contribution amounts are quantified in the statement of changes in net position. During the years ended June 30, 2025 and 2024, BWL incurred \$61,852 and \$65,286 in contributions to the Plan, respectively.

The BWL may make additional contributions in such a manner and at such times as appropriate per the Plan and Trust documents. All contributions received, together with the income thereon, are held, invested, reinvested and administered by the Trustees pursuant to the terms of the Plan. No employee contributions are allowed under this Plan.

Contributions are recognized when due and when the amount to be contributed is committed by the BWL. For the years ended June 30, 2025 and 2024, the contribution rates of the employer were 0.08% and 0.08% of covered-employee payroll, respectively.

Participation

Participation is determined in accordance with the terms of the Plan. At June 30, 2025, there were 791 active participants (not yet eligible to receive benefits), 65 disabled participants, 534 retired participants and 149 surviving spouses participating in the Plan. At June 30, 2024, there were 778 active participants (not yet eligible to receive benefits), 67 disabled participants, 532 retired participants and 156 surviving spouses participating in the Plan.

Vesting

Benefits become payable in accordance with the terms of the Plan. At no time will benefits of the Plan be vested. The BWL may reduce or eliminate any or all Plan benefits at any time, subject to the requirements of any collective bargaining agreement.

Termination

In the event of Plan termination, all Plan assets shall be used to purchase additional eligible benefits in accordance with the terms of the Plan. In the event of dissolution, merger, consolidation or reorganization of the BWL, the Plan shall terminate and liquidate in a manner consistent with the Plan agreement unless the Plan is continued by a successor to the BWL.

3. Cash, Cash Equivalents and Investments

The Plan is authorized through Public Act 149 of 1999 to invest in accordance with Public Act 314. Public Act 314 of 1965, as amended, allows the Plan to invest in certain reverse repurchase agreements, stocks, bonds, mutual funds, collective investment funds, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations and certain other specified investment vehicles. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and noninterest bearing).

The Plan's deposits and investment policies are in accordance with PA 196 of 1997 and have authorized the investments according to Michigan PA 314 of 1965, as amended.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

The Plan's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Plan requires that financial institutions must meet minimum criteria to offer adequate safety to the Plan. At June 30, 2025 and 2024, the Plan had \$245,903 and \$1,607,276, respectively, of bank deposits that were uninsured and uncollateralized. The Plan evaluates each financial institution with which it deposits funds and only those institutions meeting minimum established criteria are used as depositories.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan's investment policy addresses this risk by requiring the Plan to hold all investments subject to custodial credit risk in its name. At year-end, all investments of the Plan were held in the name of the Plan and are therefore not subject to custodial credit risk.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Plan's investment policy does not restrict investment maturities. The Plan's investment policy does not address interest rate risk.

At June 30, 2025, the average maturities of investments are as follows:

Investment	Fair Value	Average Weighted Maturity
Mutual funds, bonds	\$ 59,643,501	9.2 years

At June 30, 2024, the average maturities of investments are as follows:

Investment	Fair Value	Average Weighted Maturity
Mutual funds, bonds	\$ 55,835,109	9.1 years

Credit Risk

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Plan has no investment policy that would further limit its investment choices. As of June 30, 2025, the credit quality ratings of investments subject to credit risk are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds, bonds	\$ 59,643,501	Not rated	Not rated

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

As of June 30, 2024, the credit quality ratings of investments subject to credit risk are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds, bonds	\$ 55,835,109	Not rated	Not rated

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Plan has no investments subject to concentration of credit risk as of June 30, 2025 and June 30, 2024. The Plan's investment policy does not address concentration of credit risk.

4. Tax Status

The Plan is exempt under Internal Revenue Code Section 501(c)(9) and received an exemption letter as of February 9, 2000. The Plan has since been amended. Management believes the Plan continues to operate as a qualified plan.

5. Plan Investments - Policy and Rate of Return

BWL's policy regarding the allocation of invested assets is established and may be amended by the BWL Board by a majority vote of its members. It is the policy of the BWL Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's adopted asset allocation policy as of June 30, 2025 and 2024:

Asset Class	2025 Target Allocation	2024 Target Allocation
Core bonds	15.00 %	15.00 %
Multi-sector	5.00	5.00
Liquid absolute return	5.00	5.00
U.S. large cap equity	25.00	25.00
U.S. small/mid cap equity	15.00	15.00
Non-U.S. equity	20.00	20.00
Core real estate	8.00	8.00
Value add real estate	7.00	7.00

Rate of Return

For the years ended June 30, 2025 and 2024 the annual money-weighted rate of return on investments, net of investment expense, was 9.99% and 10.39%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

6. Net OPEB Liability (Asset) of BWL

The components of the net OPEB liability (asset) for BWL at June 30, 2025 and 2024 were as follows:

	<u>2025</u>	<u>2024</u>
Total OPEB liability	\$ 188,048,537	\$ 168,403,443
Plan fiduciary net position	<u>268,356,875</u>	<u>253,395,981</u>
BWL's net OPEB liability (asset)	<u>\$ (80,308,338)</u>	<u>\$ (84,992,538)</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	142.71 %	150.47 %

Actuarial Assumptions

The June 30, 2025 total OPEB liability was determined by an actuarial valuation as of June 30, 2025, based on a roll-forward of February 28, 2025 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Payroll growth	9.0% growth at age 25 and decreases to 5.3% for ages 60+. This percentage includes general wage inflation and merit / productivity increases
Long-term expected rate of return	6.5%
Healthcare cost trend rates	7.50% for 2025, decreasing 0.25% per year to an ultimate rate of 4.50% in 2037 and later years

Actuarial Assumptions

The June 30, 2024 total OPEB liability was determined by an actuarial valuation as of June 30, 2024, based on a roll-forward of February 29, 2024 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Payroll growth	9.0% growth at age 25 and decreases to 5.3% for ages 60+. This percentage includes general wage inflation and merit / productivity increases
Long-term expected rate of return	6.5%
Healthcare cost trend rates	7.25% for 2024, decreasing 0.25% per year to an ultimate rate of 4.50% in 2036 and later years

For the June 30, 2025 and 2024 valuation, mortality rates were based on the PUBH-2010 General Mortality Table projected generationally using MP-2021 scale.

Best actuarial practices call for a periodic assumption review and BWL had completed a performance study in 2022.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

For the June 30, 2025 valuation, the long-term expected rate of return was 6.5%. The rate was determined using a building-block method where expected future real rates of return are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2025 are as follows:

Asset Class	Long-Term Expected Real Rate of Return
Core bonds	2.52 %
Multi-sector	3.44
Liquid absolute return	3.25
U.S. large cap equity	7.20
U.S. small/mid cap equity	8.59
Non-U.S. equity	8.20
Core real estate	6.45
Value add real estate	7.95

For the June 30, 2024 valuation, the long-term expected rate of return was 6.5%. The rate was determined using a building-block method where expected future real rates of return are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2024 are as follows:

Asset Class	Long-Term Expected Real Rate of Return
Core bonds	2.56 %
Multi-sector	3.50
Liquid absolute return	3.25
U.S. large cap equity	7.15
U.S. small/mid cap equity	8.58
Non-U.S. equity	8.26
Core real estate	6.49
Value add real estate	7.99

Discount Rate

The discount rate used to measure the total OPEB liability was 6.5% for June 30, 2025 and 2024. The discount rate is based on the long-term expected rate of return on OPEB plan investments that are expected to be used to finance future benefit payments to the extent that (a) they are sufficient to pay for the projected benefit payments and (b) the OPEB plan assets are invested using a strategy that will achieve that return. When the OPEB plan investments are insufficient to cover future benefit payments, a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA /Aa or higher (or equivalent quality on another rating scale) must be used.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of BWL, as well as what BWL's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.5%) or 1-percentage-point higher (7.5%) than the current discount rate (6.5%) as of June 30, 2025:

	2025		
	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability (asset)	\$ (56,789,611)	\$ (80,308,338)	\$ (99,892,293)

The following presents the net OPEB liability (asset) of BWL, as well as what BWL's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.5%) or 1-percentage-point higher (7.5%) than the current discount rate (6.5%) as of June 30, 2024:

	2024		
	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability (asset)	\$ (65,718,636)	\$ (84,992,538)	\$ (101,207,086)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability (asset) of BWL, as well as what BWL's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates as of June 30, 2025 and 2024:

	2025		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability (asset)	\$ (101,368,187)	\$ (80,308,338)	\$ (54,595,655)
	2024		
	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability (asset)	\$ (102,871,148)	\$ (84,992,538)	\$ (63,323,723)

7. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- if the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024:

Real estate fund investment: Valued by a certified independent appraiser and an internal expert group. There is also another level of verification by an independent valuation advisor to audit and review both the external and internal valuations performed.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily fair value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Financial Statements
June 30, 2025 and 2024

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2025 and 2024:

Investment Type	2025			Total
	Level 1	Level 2	Level 3	
Mutual funds, bonds	\$ 59,643,501	\$ -	\$ -	\$ 59,643,501
Mutual funds, equities	121,118,627	54,901,870	-	176,020,497
Total investments by fair value level	<u>\$ 180,762,128</u>	<u>\$ 54,901,870</u>	<u>\$ -</u>	235,663,998
Investments measured at the net asset value (NAV):				
Real estate fund investment				<u>37,206,523</u>
Total investments measured at fair value				<u>\$ 272,870,521</u>

Investment Type	2024			Total
	Level 1	Level 2	Level 3	
Mutual funds, bonds	\$ 55,835,109	\$ -	\$ -	\$ 55,835,109
Mutual funds, equities	112,847,988	46,983,308	-	159,831,296
Total investments by fair value level	<u>\$ 168,683,097</u>	<u>\$ 46,983,308</u>	<u>\$ -</u>	215,666,405
Investments measured at the net asset value (NAV):				
Real estate fund investment				<u>38,565,204</u>
Total investments measured at fair value				<u>\$ 254,231,609</u>

8. Risks and Uncertainties

Plan contributions are made and the accrued actuarial liability is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

In addition, the Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

9. Subsequent Events

The Plan has evaluated subsequent events occurring through October 3, 2025, the date that the Plan's financial statements were approved and available to be issued, for events requiring recording or disclosure in the Plan's financial statements. There are no subsequent events warranting disclosures.

REQUIRED SUPPLEMENTARY INFORMATION

**Postretirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

Required Supplemental Information (Unaudited)
Schedule of Changes in BWL's -
Net OPEB Liability (Asset) and Related Ratios
Last Ten Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability									
Service cost	\$ 4,479	\$ 4,201	\$ 3,452	\$ 3,299	\$ 3,396	\$ 3,245	\$ 4,403	\$ 4,827	\$ 3,130
Interest	10,640	10,355	9,827	9,871	10,535	10,804	14,920	15,039	14,226
Changes in benefit terms	-	-	-	-	-	-	(415)	-	-
Differences between expected and actual experience	11,189	(801)	4,770	(1,084)	(8,794)	(6,093)	(5,231)	(9,880)	5,281
Changes in assumptions	2,901	-	-	10,173	(3,752)	7,254	(59,336)	(1,728)	(2,027)
Benefit payments, including refunds	(9,563)	(9,181)	(10,628)	(13,493)	(8,344)	(9,157)	(9,278)	(10,395)	(9,574)
Net Change in Total OPEB Liability	19,646	4,574	7,421	8,766	(6,959)	6,053	(54,937)	(2,137)	11,036
Total OPEB Liability, Beginning	168,403	163,829	156,410	147,644	154,603	148,550	203,487	205,624	194,588
Total OPEB Liability, Ending	188,049	168,403	163,831	156,410	147,644	154,603	148,550	203,487	205,624
Trust Net Position									
Contributions, employer	62	65	68	13,493	8,344	9,157	9,278	10,395	9,574
Net investment income	24,832	24,300	21,226	(19,247)	49,387	4,158	11,688	11,039	18,040
Administrative expenses	(370)	(259)	(336)	(354)	(449)	(512)	(569)	(634)	(705)
Benefit payments, including refunds	(9,563)	(9,181)	(10,628)	(13,493)	(8,344)	(9,157)	(9,278)	(10,395)	(9,574)
Net Change in Net Position Held in Trust	14,961	14,925	10,330	(19,601)	48,938	3,646	11,119	10,405	17,335
Trust Fiduciary Net Position, Beginning	253,396	238,471	228,142	247,743	198,805	195,159	184,040	173,635	156,300
Trust Fiduciary Net Position, Ending	268,357	253,396	238,472	228,142	247,743	198,805	195,159	184,040	173,635
BWL Net OPEB Liability (Asset), Ending	<u>\$ (80,308)</u>	<u>\$ (84,993)</u>	<u>\$ (74,641)</u>	<u>\$ (71,732)</u>	<u>\$ (100,099)</u>	<u>\$ (44,202)</u>	<u>\$ (46,609)</u>	<u>\$ 19,447</u>	<u>\$ 31,989</u>
Trust Fiduciary Net Position as a % of Total OPEB Liability (Asset)	142.71%	150.47%	145.56%	145.86%	167.80%	128.59%	131.38%	90.44%	84.44%
Covered Employee Payroll	\$ 82,440	\$ 77,109	\$ 69,744	\$ 62,976	\$ 60,269	\$ 58,198	\$ 56,785	\$ 55,650	\$ 54,383
BWL's Net OPEB Liability (Asset) as a % of Covered Employee Payroll	(97.41%)	(110.22%)	(107.02%)	(113.90%)	(166.09%)	(75.95%)	(82.08%)	34.95%	58.82%

*GASB Statement No. 74 was implemented as of June 30, 2017. Information from 2016 is not available and this schedule will be presented on a prospective basis.

See notes to required supplementary information

**Postretirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

Required Supplemental Information (Unaudited)
Schedule of Employer Contributions
Last Ten Fiscal Years
(In Thousands)

Fiscal Year Ended	Employer Contributions		Difference of Required to Actual Contributions	Covered Employee Payroll	Percentage of Actual Contributions to Covered
	Required	Actual			
6/30/2015	\$ 5,762	\$ 9,671	\$ 3,909	\$ 50,885	19.01%
6/30/2016	5,788	9,423	3,635	53,893	17.48%
6/30/2017	7,508	9,574	2,066	54,383	17.60%
6/30/2018	7,535	10,395	2,860	55,650	18.68%
6/30/2019	7,031	9,278	2,247	56,785	16.34%
6/30/2020	-	9,157	9,157	58,198	15.73%
6/30/2021	220	8,344	8,124	60,269	13.84%
6/30/2022	-	13,493	13,493	62,976	21.43%
6/30/2023	-	68	68	69,744	0.10%
6/30/2024	-	65	65	77,109	0.08%
6/30/2025	-	62	62	82,440	0.08%

See notes to required supplementary information

**Postretirement Benefit Plan and Trust for
Eligible Employees of Lansing Board of Water and Light**

Required Supplemental Information (Unaudited)
Schedule of Investment Returns
Last Ten Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	9.99%	10.39%	9.52%	(7.77%)	24.87%	2.13%	6.36%	6.37%	10.01%	0.32%

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information
Year Ended June 30, 2025 and 2024
(Unaudited)

Actuarial valuation information relative to the determination of contributions:

Valuation date	June 30, 2025, based on roll-forward of February 28, 2025 valuation
----------------	---

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal level % of salary method
Amortization method	Level dollar over a 30-year closed period
Remaining amortization period	23 years
Inflation	2.25%
Salary increases	9.0% growth at age 25 and decreases to 5.3% for ages 60+. This percentage includes general wage inflation and merit / productivity increases.
Investment rate of return	6.5% per year compounded annually
Mortality	PUBH-2010 General Mortality Table projected generationally using MP-2021 scale

Actuarial valuation information relative to the determination of contributions:

Valuation date	June 30, 2024, based on roll-forward of February 29, 2024 valuation
----------------	---

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal level % of salary method
Amortization method	Level dollar over a 30-year closed period
Remaining amortization period	24 years
Inflation	2.25%
Salary increases	9.0% growth at age 25 and decreases to 5.3% for ages 60+. This percentage includes general wage inflation and merit / productivity increases.
Investment rate of return	6.5% per year compounded annually
Mortality	PUBH-2010 General Mortality Table projected generationally using MP-2021 scale

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information
Year Ended June 30, 2025 and 2024
(Unaudited)

Significant Changes

June 30, 2025

- *Difference between actual and expected experience* - The \$11.2M actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2025 is primarily attributable to higher than expected 2025 per capita claims cost. The 2025 Humana premiums for post-65 participants increased 46% when compared to premiums for 2024.
- *Assumption Change* - The \$2.9M actuarial loss on the Total OPEB Liability for the fiscal year ending June 30, 2025 is attributable to updating the medical trend assumptions to those described in the Michigan Uniform Assumptions for 2025.
- *Investment gain* - The \$8.7M investment gain during the fiscal year ending June 30, 2025 is attributable an actual return on assets of 9.99% vs. an expected return of 6.50%.

June 30, 2024

- *Difference between actual and expected experience* - The \$800.9K actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2024 is attributable to the combination of favorable demographic experience and lower than expected 2024 per capita claims cost.
- *Assumption Change* - None.
- *Investment gain* - The \$9.1M investment gain during the fiscal year ending June 30, 2024 is attributable an actual return on assets of 10.39% vs. an expected return of 6.50%.

June 30, 2023

- *Difference Between Actual and Expected Experience* - The \$4.77M actuarial loss on the Total OPEB Liability for the fiscal year ending June 30, 2023 is attributable to the combination of unfavorable demographic experience and unfavorable claims experience for the pre-Medicare retirees. \$1.86M of the actuarial loss is associated with demographic experience. The remaining \$2.91M of the actuarial loss is due to higher than expected 2023 per capita claims cost.
- *Assumption Change* - None.
- *Investment Gain* - The \$6.75M investment gain during the fiscal year ending June 30, 2023 is attributable an actual return on assets of 9.52% vs. an expected return of 6.50%.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

Notes to Required Supplementary Information
Year Ended June 30, 2025 and 2024
(Unaudited)

June 30, 2022

- *Difference Between Actual and Expected Experience* - The \$1.08MM actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2022 is attributable to favorable demographic experience. The favorable demographic experience is mainly attributable to deaths (25 participants), termination of active participants and changes in coverage elections.
- *Assumption Change* - The \$10.17MM actuarial loss on the Total OPEB liability for the fiscal year ending June 30, 2022 is attributable to updating the mortality improvement scale to the MP-2022 scale, updating the demographic assumptions to reflect the results of the 2022 experience analysis and decreasing the discount rate from 7.0% to 6.5%. Updating the mortality improvement scale resulted in a \$.38MM actuarial loss. Updating the demographic assumptions resulted in a \$1.73MM actuarial loss. The remaining \$8.06MM of actuarial loss is attributable to decreasing the discount rate from 7.0% to 6.5%.

June 30, 2021

- *Difference Between Actual and Expected Experience* - The \$8.79MM actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2021 is attributable to the combination of favorable demographic experience and lower than expected 2021 per capita claims cost. \$3.94MM of the actuarial gain is associated with demographic experience and is mainly attributable to deaths (37 participants), termination of active participants and changes in coverage elections. The remaining \$4.85MM of the actuarial gain is due to less than expected 2021 per capita claims cost. The 2021 Humana premiums are slightly lower than what was expected for 2021 (\$321.92 per month vs. \$347.80 per month)
- *Assumption Change* - The \$3.75MM actuarial gain on the Total OPEB liability for the fiscal year ending June 30, 2021 is attributable to updating the mortality improvement scale to the MP-2021 scale and reflecting the updated healthcare trend assumptions set forth in the Michigan Uniform Assumptions memo for the 2021 fiscal year. Updating the mortality improvement scale resulted in a \$1.18MM actuarial gain. The remaining \$2.57MM of the actuarial gain is attributable to reflecting the updated trend assumptions.

June 30, 2020

- *Difference Between Actual and Expected Experience* - The \$6.09MM gain on the Total OPEB Liability for the fiscal year ending June 30, 2020 is attributable to the combination of unfavorable demographic experience and a reduction in the per capita claims cost used in the June 30, 2020 valuation. The \$1.13MM loss associated with demographic experience is mainly attributable to active participant retirements. The \$7.22MM gain due to a reduction in per capita claims cost is attributable a decrease in the Pre-65 medical and prescription drug premiums for 2020. The 2019 Pre-65 medical and Rx monthly premium for a retiree was \$1,073.13. For 2020, the Pre-65 medical and Rx monthly premium for a retiree is \$957.99, an 11% reduction in monthly premium. The combination of the demographic loss and the reduction in monthly premiums resulted in the overall \$6.09MM actuarial gain.
- *Assumption Change* - The \$7.25MM loss on the Total OPEB liability for the fiscal year ending June 30, 2020 is attributable to updating the mortality improvement scale to the MP-2019 scale and decreasing the discount rate from 7.50% to 7.00%. Updating the mortality improvement scale resulted in a \$.53MM actuarial gain. Whereas, decreasing the discount rate resulted in a \$7.78MM actuarial loss. The combination of these changes resulted in the overall \$7.25MM actuarial loss.

Postretirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light

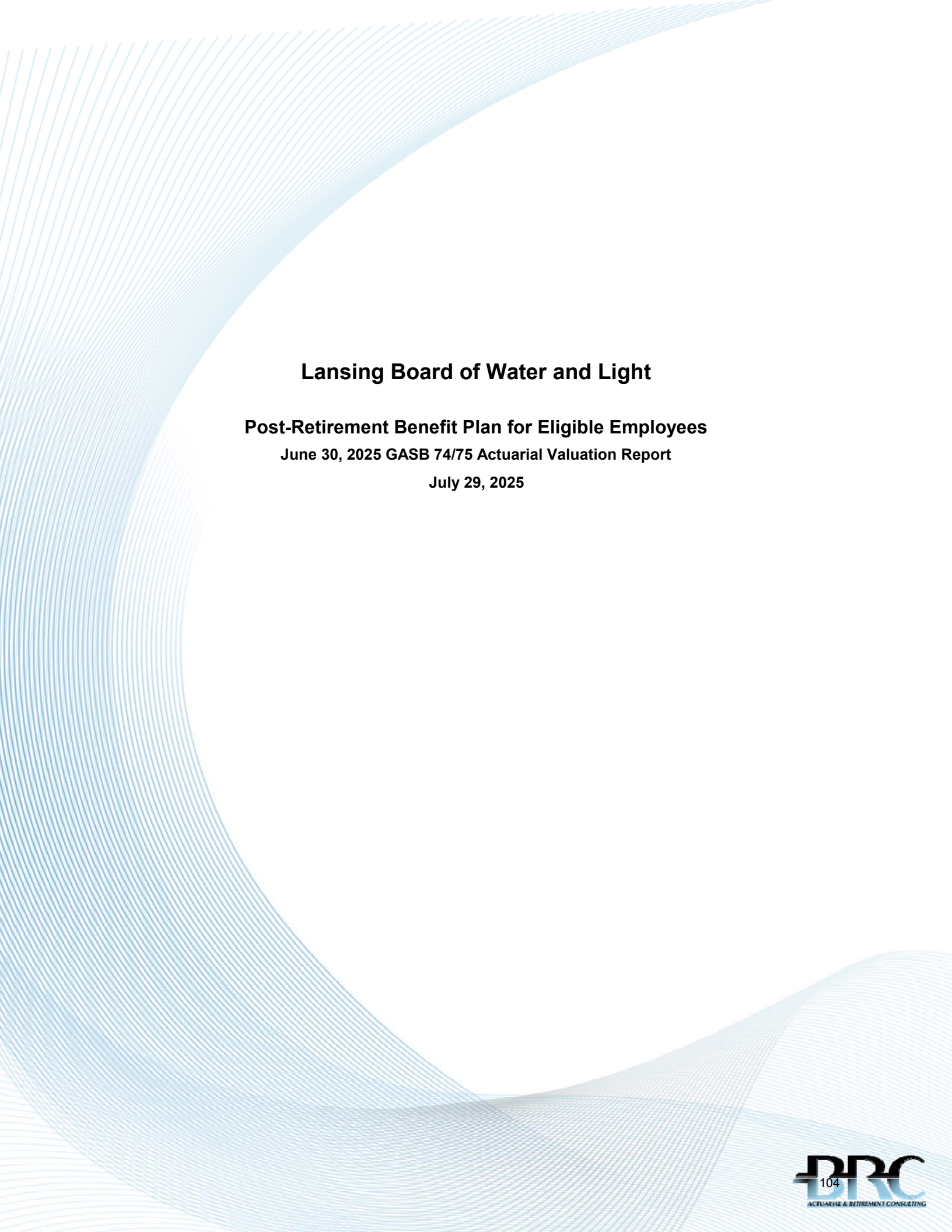
Notes to Required Supplementary Information
Year Ended June 30, 2025 and 2024
(Unaudited)

June 30, 2019

- *Difference Between Actual and Expected Experience* - The \$5.2 million gain on the Total OPEB Liability for the fiscal year ending June 30, 2019 is primarily due to favorable demographic experience. The favorable experience is mainly attributable to terminations of active participants and deaths of participants with and without beneficiaries.
- *Assumption Changes* - (1) The Plan experienced a \$54.4 million gain on the Total OPEB Liability due to a change of the assumed per capita claims cost. The Board changed the Plan's insurance provider for Medicare eligible participants from The Hartford and Envision Insurance to Humana. Doing so resulted in a dramatic decrease in both the medical and prescription drug monthly premiums from the prior fiscal year (\$98.99 per month vs. \$219.54 per month for medical coverage and \$213.47 per month vs. \$305.00 per month for prescription drug coverage); (2) The Plan experienced a \$3.8 million loss on the mortality assumption change. The mortality assumption was updated from the RPH-2014 Total Dataset mortality, adjusted to 2006 and projected generationally using the MP-2017 improvement scale to the PUBH-2010 General Employees Mortality, projected generationally using the MP-2018 improvement scale; and (3) The Plan experienced a \$8.7 million gain on a change to the medical and prescription drug trend assumptions. The trend assumptions were changed to those prescribed under the Michigan Uniform Assumptions for the 2019 fiscal year.
- *Change in Benefit Terms* - The Plan experienced a \$.4 million gain due to an expected increase in the retiree contribution percentage for employees hired on or after January 1, 2009. The expected contribution percentage was increased from 14% to 20% of the premium charged to active employees.

June 30, 2018

- *Difference Between Actual and Expected Experience* - The \$9.9 million gain on the Total OPEB Liability for the fiscal year ending June 30, 2018 is attributable to a reduction in the per capita claims cost used in the 6/30/2018 valuation. Better than expected claims experience during the fiscal year resulted in a decrease in the projected claims when compared to those used in the 6/30/2017 valuation.
- *Assumption Change* - The mortality improvement scale was updated to the MP-2017 scale.



Lansing Board of Water and Light

Post-Retirement Benefit Plan for Eligible Employees

June 30, 2025 GASB 74/75 Actuarial Valuation Report

July 29, 2025

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
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Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Executive Summary

Governmental accounting requirements and purpose of this report

The Governmental Accounting Standards Board Statements No. 74 and No. 75 require trusts (GASB 74) and employers (GASB 75) to accrue the cost associated with other post-employment benefits ("OPEB") while eligible employees are providing services to the employer. Lansing Board of Water and Light (the "Board") adopted GASB 74/75 for the fiscal year ending June 30, 2018.

The purpose of this actuarial valuation report is to provide the Board with:

- 1) The amount of accrued liability related to the Board's OPEB plan (Net OPEB Liability) using the most recent census data, discount rate and healthcare trend rates;
- 2) Projected cash contributions (pay-as-you-go costs); and
- 3) The GASB 74/75 expense and disclosure information needed to fulfill the Board's financial reporting requirements for the current fiscal year.

Key measures for the prior and current fiscal years	6/30/2024	6/30/2025
Active participants	778	791
Retired participants	<u>755</u>	<u>748</u>
Total	1,533	1,539
Present value of future benefits (PVFB)	\$ 217,057,204	\$ 233,871,654
Total OPEB liability (TOL)	\$ 168,403,443	\$ 188,048,537
Fiduciary net position (FNP)	253,395,981	268,356,875
Net OPEB liability (NOL)	(84,992,538)	(80,308,338)
Funded ratio	150.47%	142.71%
OPEB expense	\$ (11,728,112)	\$ (6,536,734)
Expected contributions in upcoming fiscal year	\$ 65,000	\$ 62,000

Key assumptions

Census date	2/28/2024	2/28/2025
Valuation date	6/30/2024	6/30/2025
Measurement date	6/30/2024	6/30/2025
Discount rate	6.50%	6.50%
Healthcare trend rates		
Year 1	7.25%	7.50%
Year 2	7.00%	7.25%
Ultimate	4.50%	4.50%
Year ultimate trend rate is achieved	2035	2037
Actuarial cost method	Entry Age Normal	Entry Age Normal

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Executive Summary (continued)

Discount rate

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

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.50%; the municipal bond rate is 4.71% (based on the daily rate closest to but not later than the measurement date of the Fidelity Municipal AA 20 year published yield); and the resulting Single Discount Rate is 6.50%.

The projection of cash flow used to determine the discount rate assumes that Lansing Board of Water and Light will make contributions based on its VEBA Funding Policy. Based on this policy, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate is equal to long-term expected rate of return on OPEB plan investments.

Assumption and method changes since the prior valuation

The healthcare trend assumption was updated to reflect the rates set forth in the Michigan Uniform Assumptions memo for the 2025 fiscal year.

The assumed Medicare Part B premium reimbursement was increased from \$1,887 per year to \$1,998 per year.

Plan provision changes since the prior valuation - None.

Funding policy

The Board funds the plan in accordance with the provisions of the Lansing Board of Water and Light VEBA Funding Policy.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Actuarial Certification

July 29, 2025

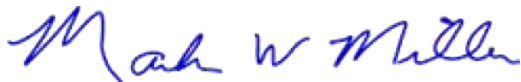
This report presents actuarial and accounting results related to the Lansing Board of Water and Light Post-Retirement Benefit Plan for Eligible Employees (the "Plan"). Results herein were prepared pursuant to Governmental Accounting Standards Board Statements 74 and 75 ("GASB 74/75").

The primary purpose of this report is to provide financial statement information pursuant to GASB 74/75 for the fiscal year ending June 30, 2025. The results of our calculations are set forth in this report, as are the actuarial assumptions and methods and a brief summary of the eligibility criteria and benefits for retirees.

To the best of our knowledge, the information supplied in this report is complete and accurate. The analysis and calculations were conducted in a manner consistent with the Standards of Professional Conduct, Qualifications, and Practice of the American Academy of Actuaries and consistent with the standards of practice of the Actuarial Standards Board.

All costs, liabilities, rates of interest, and other factors under the Plan have been determined on the basis of actuarial assumptions and methods which are reasonable and consistent with our understanding of GASB 74/75. All assumptions have been discussed with the Lansing Board of Water and Light and appear to represent the best estimate of anticipated experience under the Plan. In preparing this report we relied on the census data, plan provisions, and other plan financial information provided by the Lansing Board of Water and Light. Actuarial computations under GASB 74/75 are for purposes of fulfilling employer financial accounting requirements. Determinations for purposes other than meeting employer financial accounting requirements may be significantly different from the results contained in this report.

Respectfully Submitted,

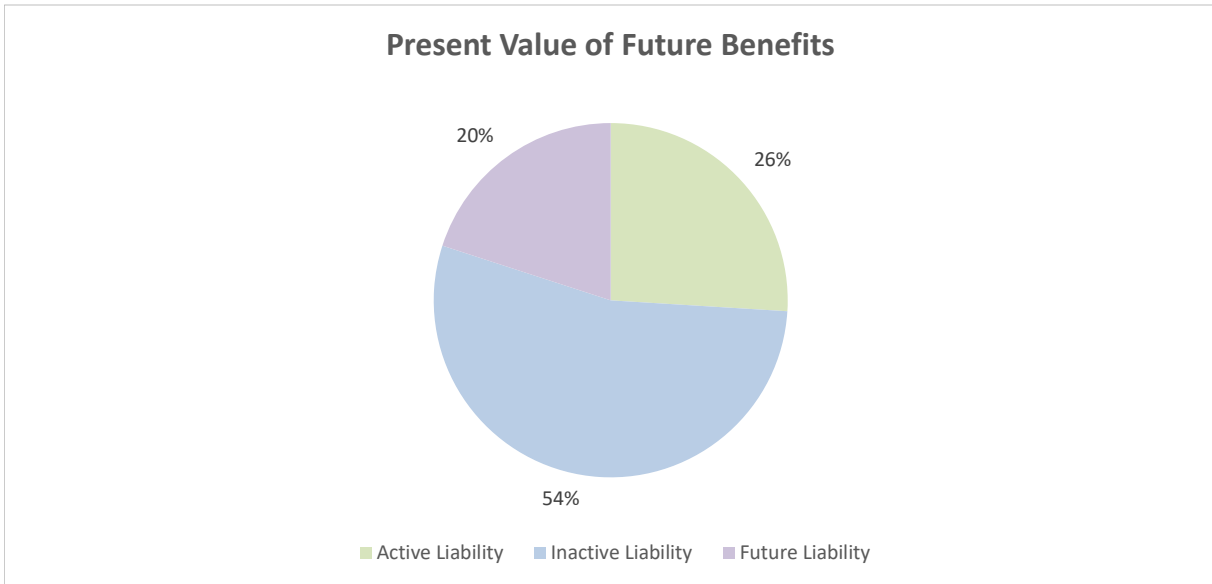


Mark W. Miller, FCA, EA, ASA, MAAA
Benassist Retirement Consulting, LLC

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Summary of Key Results

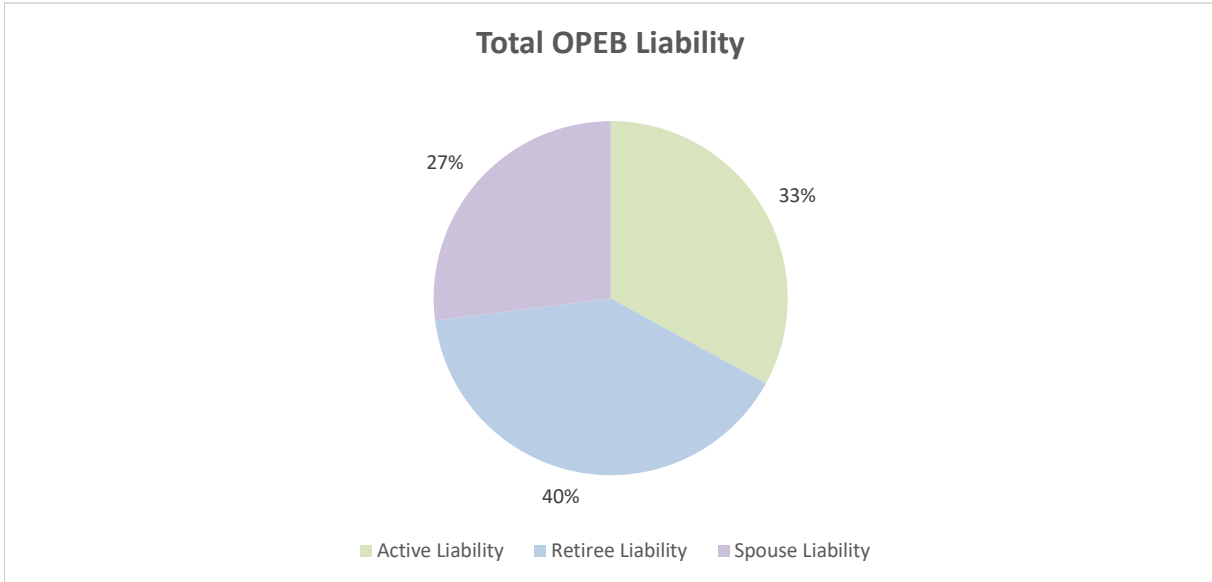
	6/30/2024	6/30/2025
Census data summary		
Active participants	778	791
Retired participants	<u>755</u>	<u>748</u>
Total	1,533	1,539
 Covered payroll	 \$ 77,109,399	 \$ 82,439,802
 Present value of future benefits (PVFB)		
Active participants	\$ 110,331,885	\$ 107,178,318
Retired participants	<u>106,725,319</u>	<u>126,693,336</u>
Total	<u>\$ 217,057,204</u>	<u>\$ 233,871,654</u>
 Present value of future normal costs (PVFNC)	 \$ 48,653,761	 \$ 45,823,117
 Total OPEB Liability (TOL)		
Active participants	\$ 61,678,124	\$ 61,355,201
Retired participants	<u>106,725,319</u>	<u>126,693,336</u>
Total	<u>\$ 168,403,443</u>	<u>\$ 188,048,537</u>
 Fiduciary net position (FNP)	 \$ 253,395,981	 \$ 268,356,875
 Net OPEB liability (NOL)	 \$ (84,992,538)	 \$ (80,308,338)
 Funded status	 150.47%	 142.71%
 OPEB expense	 \$ (11,728,112)	 \$ (6,536,734)
 Contribution		
Actuarially determined contribution	\$ 0	\$ 0
Actuarially determined contribution as a % payroll	0.00%	0.00%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Present Value of Future Benefits



	6/30/2024	6/30/2025
Present value of future benefits		
Active participants	\$ 110,331,885	\$ 107,178,318
Inactive participants		
Retirees	\$ 61,910,937	\$ 75,330,125
Spouses	44,814,382	51,363,211
Total inactive	106,725,319	126,693,336
Total	<u>\$ 217,057,204</u>	<u>\$ 233,871,654</u>
Fiduciary net position (FNP)	\$ 253,395,981	\$ 268,356,875
Unfunded present value of future benefits (surplus)	\$ (36,338,777)	\$ (34,485,221)
Funded ratio	116.74%	114.75%
Discount rate	6.50%	6.50%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Total OPEB Liability



	6/30/2024	6/30/2025
Total OPEB liability		
Active participants	\$ 61,678,124	\$ 61,355,201
Inactive participants		
Retirees	\$ 61,910,937	\$ 75,330,125
Spouses	44,814,382	51,363,211
Total inactive	106,725,319	126,693,336
Total	<u>\$ 168,403,443</u>	<u>\$ 188,048,537</u>
 Fiduciary net position (FNP)	 \$ 253,395,981	 \$ 268,356,875
 Net OPEB liability (NOL)	 \$ (84,992,538)	 \$ (80,308,338)
 Funded ratio	 150.47%	 142.71%
 Service cost	 \$ 4,205,444	 \$ 4,049,493
 Discount rate	 6.50%	 6.50%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Statement of Fiduciary Net Position

	6/30/2024	6/30/2025
Assets		
Cash and deposits	\$ 1,857,276	\$ 495,903
Receivables		
Contributions	0	0
Due from broker for investments sold	0	7,873
Net receivable on investments	<u>14,642</u>	<u>699,657</u>
Total receivables	\$ 14,642	\$ 707,530
Investments		
U.S. government and agencies	0	0
Corporate bonds and notes	0	0
U.S. common stocks	112,847,988	121,118,627
Common collective fund - other	46,983,308	54,901,870
Mutual funds	55,835,109	59,643,501
Real estate	<u>38,565,204</u>	<u>37,206,523</u>
Total investments	\$ 254,231,609	\$ 272,870,521
Total assets	\$ 256,103,527	\$ 274,073,954
Liabilities		
Payables:		
Investment management fees	\$ 0	\$ (7,873)
Reimbursement for benefits paid directly by employer	(2,448,357)	\$ (5,011,279)
Due to broker for investments purchased	<u>(259,189)</u>	<u>(697,927)</u>
Total payables	\$ (2,707,546)	\$ (5,717,079)
Total liabilities	\$ (2,707,546)	\$ (5,717,079)
Net position restricted for OPEBs	<u>\$ 253,395,981</u>	<u>\$ 268,356,875</u>

Investment Policy - A detailed description of the investment policy for the plan can be found in the Trust Agreement for Post-Retirement Benefit Plan for Eligible Employees of Lansing Board of Water and Light.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Statement of Changes in Fiduciary Net Position

	6/30/2024	6/30/2025
Additions		
Contributions		
Employer	\$ 65,286	\$ 61,852
Employee	<u>0</u>	<u>0</u>
Total contributions	\$ 65,286	\$ 61,852
Investment income		
Net increase in fair value of investments	\$ 19,047,702	\$ 19,493,611
Interest and dividends	5,252,303	5,338,815
Less investment expense	<u>0</u>	<u>0</u>
Net investment income	\$ 24,300,005	\$ 24,832,426
Total additions	\$ 24,365,291	\$ 24,894,278
Deductions		
Benefit payments	\$ (9,180,680)	\$ (9,562,997)
Administrative expenses	<u>(259,201)</u>	<u>(370,387)</u>
Total deductions	\$ (9,439,881)	\$ (9,933,384)
Net increase in net position	\$ 14,925,410	\$ 14,960,894
Net position restricted for OPEBs		
Beginning of year	\$ 238,470,571	\$ 253,395,981
End of year	<u>\$ 253,395,981</u>	<u>\$ 268,356,875</u>

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 6/30/2024	\$ 168,403,443	\$ 253,395,981	\$ (84,992,538)
Changes for the year			
Service cost	4,478,798	0	4,478,798
Interest	10,640,319	0	10,640,319
Change of benefit terms	0	0	0
Differences between expected and actual experience	11,188,442	0	11,188,442
Changes in assumptions or other inputs	2,900,532	0	2,900,532
Contributions - employer	0	61,852	(61,852)
Contributions - retiree	0	0	0
Net investment income	0	24,832,426	(24,832,426)
Benefit payments and refunds of employee contributions	(9,562,997)	(9,562,997)	0
Administrative expense	0	(370,387)	370,387
Other changes	0	0	0
Net changes	\$ 19,645,094	\$ 14,960,894	\$ 4,684,200
Balances at 6/30/2025	\$ 188,048,537	\$ 268,356,875	\$ (80,308,338)

Note

The Net OPEB Liability (NOL) is equal to the Total OPEB Liability (TOL) minus the Fiduciary Net Position (FNP), or market value of assets. OPEB Expense includes amounts for: service cost, interest on the TOL, changes in the benefit structure, recognition of increases/decreases in liability due to actual vs. expected experience, actuarial assumption changes, investment gains/losses on the market value of assets and expected return on plan assets. The impact of actual experience and assumption changes are recognized over the average expected remaining service life of the plan participants, while investment gains/losses are recognized equally over five years.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Schedule of Changes in the Net OPEB Liability

	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Total OPEB liability					
Service cost	\$ 4,478,798	\$ 4,200,883	\$ 3,451,547	\$ 3,299,279	\$ 3,394,619
Interest	10,640,319	10,355,204	9,826,611	9,870,713	10,535,088
Change of benefit terms	0	0	0	0	0
Differences between expected and actual experience	11,188,442	(800,875)	4,769,665	(1,083,990)	(8,793,909)
Change in assumptions or other inputs	2,900,532	0	0	10,173,162	(3,752,038)
Benefit payments	(9,562,997)	(9,180,680)	(10,627,788)	(13,492,757)	(8,343,977)
Refunds of contributions	0	0	0	0	0
Net change in total OPEB liability	\$ 19,645,094	\$ 4,574,532	\$ 7,420,035	\$ 8,766,407	\$ (6,960,217)
Total OPEB liability - beginning	168,403,443	163,828,911	156,408,876	147,642,469	154,602,686
Total OPEB liability - ending (a)	<u>\$ 188,048,537</u>	<u>\$ 168,403,443</u>	<u>\$ 163,828,911</u>	<u>\$ 156,408,876</u>	<u>\$ 147,642,469</u>
Fiduciary net position					
Contributions - employer	\$ 61,852	\$ 65,286	\$ 68,076	\$ 13,492,757	\$ 8,343,977
Contributions - non-employer	0	0	0	0	0
Contributions - member	0	0	0	0	0
Net investment income	24,832,426	24,300,005	21,225,769	(19,247,295)	49,386,703
Benefit payments	(9,562,997)	(9,180,680)	(10,627,788)	(13,492,757)	(8,343,977)
Administrative expense	(370,387)	(259,201)	(335,580)	(353,816)	(450,300)
Refunds of contributions	0	0	0	0	0
Other	0	0	0	0	0
Net change in fiduciary net position	14,960,894	14,925,410	10,330,477	(19,601,111)	48,936,403
Fiduciary net position - beginning	253,395,981	238,470,571	228,140,094	247,741,205	198,804,802
Fiduciary net position - ending (b)	<u>\$ 268,356,875</u>	<u>\$ 253,395,981</u>	<u>\$ 238,470,571</u>	<u>\$ 228,140,094</u>	<u>\$ 247,741,205</u>
Net OPEB liability - ending (a)-(b)	<u>\$ (80,308,338)</u>	<u>\$ (84,992,538)</u>	<u>\$ (74,641,660)</u>	<u>\$ (71,731,218)</u>	<u>\$ (100,098,736)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	142.71%	150.47%	145.56%	145.86%	167.80%
Covered payroll	82,439,802	77,109,399	69,744,202	62,975,762	60,269,205
Net OPEB liability as a percentage of covered payroll	-97.41%	-110.22%	-107.02%	-113.90%	-166.09%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Schedule of Changes in the Net OPEB Liability (continued)

	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB liability				
Service cost	\$ 3,244,596	\$ 4,402,631	\$ 4,826,401	\$ 3,130,487
Interest	10,804,062	14,919,912	15,039,052	14,226,364
Change of benefit terms	0	(414,594)	0	0
Differences between expected and actual experience	(6,092,830)	(5,231,311)	(9,879,514)	5,280,548
Change in assumptions or other inputs	7,253,746	(59,336,488)	(1,727,939)	(2,027,643)
Benefit payments	(9,156,565)	(9,277,538)	(10,395,327)	(9,573,671)
Refunds of contributions	0	0	0	0
Net change in total OPEB liability	\$ 6,053,009	\$ (54,937,388)	\$ (2,137,327)	\$ 11,036,085
Total OPEB liability - beginning	148,549,677	203,487,065	205,624,392	194,588,307
Total OPEB liability - ending (a)	<u>\$ 154,602,686</u>	<u>\$ 148,549,677</u>	<u>\$ 203,487,065</u>	<u>\$ 205,624,392</u>
Fiduciary net position				
Contributions - employer	\$ 9,156,565	\$ 9,277,538	\$ 10,395,327	\$ 9,573,671
Contributions - non-employer	0	0	0	0
Contributions - member	0	0	0	0
Net investment income	4,158,328	11,687,551	11,038,903	18,039,508
Benefit payments	(9,156,565)	(9,277,538)	(10,395,327)	(9,573,671)
Administrative expense	(512,101)	(568,600)	(634,336)	(704,793)
Refunds of contributions	0	0	0	0
Other	0	0	0	0
Net change in fiduciary net position	3,646,227	11,118,951	10,404,567	17,334,715
Fiduciary net position - beginning	195,158,575	184,039,624	173,635,057	156,300,342
Fiduciary net position - ending (b)	<u>\$ 198,804,802</u>	<u>\$ 195,158,575</u>	<u>\$ 184,039,624</u>	<u>\$ 173,635,057</u>
Net OPEB liability - ending (a)-(b)	<u>\$ (44,202,116)</u>	<u>\$ (46,608,898)</u>	<u>\$ 19,447,441</u>	<u>\$ 31,989,335</u>
Plan fiduciary net position as a percentage of the total OPEB liability	128.59%	131.38%	90.44%	84.44%
Covered payroll	58,198,143	56,785,166	55,650,345	54,382,507
Net OPEB liability as a percentage of covered payroll	-75.95%	-82.08%	34.95%	58.82%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Development of Net OPEB Liability (Gain)/Loss

	6/30/2024	6/30/2025
Total OPEB liability		
Total OPEB liability at BOY	\$ 163,828,911	\$ 168,403,443
Service cost	4,200,883	4,478,798
Benefit payments	(9,180,680)	(9,562,997)
Expected interest	10,355,204	10,640,319
Assumption change	0	2,900,532
Plan change	<u>0</u>	<u>0</u>
Expected total OPEB liability at EOY	169,204,318	176,860,095
Actual total OPEB liability at EOY	168,403,443	188,048,537
Total OPEB liability (gain)/loss	<u>\$ (800,875)</u>	<u>\$ 11,188,442</u>
Fiduciary net position		
Fiduciary net position at BOY	\$ 238,470,571	\$ 253,395,981
Employer contributions	65,286	61,852
Employee contributions	0	0
Benefit payments	(9,180,680)	(9,562,997)
Administrative expenses	(259,201)	(370,387)
Expected net investment income	<u>15,200,709</u>	<u>16,154,965</u>
Expected fiduciary net position at EOY	244,296,685	259,679,414
Actual fiduciary net position at EOY	253,395,981	268,356,875
Fiduciary net position (gain)/loss	<u>\$ (9,099,296)</u>	<u>\$ (8,677,461)</u>
Net OPEB liability (gain)/loss	<u>\$ (9,900,171)</u>	<u>\$ 2,510,981</u>

Note

Notes for the FYE June 30, 2025 shown above are provided on page 15.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Notes to Schedule of Changes in the Net OPEB Liability

June 30, 2025

- Difference between actual and expected experience - The \$11.2M actuarial loss on the Total OPEB Liability for the fiscal year ending June 30, 2025 is primarily attributable to higher than expected 2025 per capita claims cost. The 2025 Humana premiums for post-65 participants increased 46% when compared to the premiums for 2024.
- Assumption change - The \$2.9M actuarial loss on the Total OPEB Liability for the fiscal year ending June 30, 2025 is attributable to updating the medical trend assumptions to those described in the Michigan Uniform Assumptions for 2025.
- Investment gain - The \$8.7M investment gain during the fiscal year ending June 30, 2025 is attributable an actual return on assets of 9.99% vs. an expected return of 6.50%.

June 30, 2024

- Difference between actual and expected experience - The \$800.9K actuarial gain on the Total OPEB Liability for the fiscal year ending June 30, 2024 is attributable to the combination of favorable demographic experience and lower than expected 2024 per capita claims cost.
- Assumption change - None.
- Investment gain - The \$9.1M investment gain during the fiscal year ending June 30, 2024 is attributable an actual return on assets of 10.39% vs. an expected return of 6.50%.

June 30, 2023

- Difference between actual and expected experience - The \$4.77M actuarial loss on the Total OPEB Liability for the fiscal year ending June 30, 2023 is attributable to the combination of unfavorable demographic experience and unfavorable claims experience for the pre-Medicare retirees. \$1.86M of the actuarial loss is associated with demographic experience. The remaining \$2.91M of the actuarial loss is due to higher than expected 2023 per capita claims cost.
- Assumption change - None.
- Investment gain - The \$6.75M investment gain during the fiscal year ending June 30, 2023 is attributable an actual return on assets of 9.52% vs. an expected return of 6.50%.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Sensitivity Analysis

Sensitivity of the net OPEB liability to changes in the discount rate - The following presents the net OPEB liability, calculated using the discount rate of 6.50%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net OPEB liability (asset)	\$ (56,789,611)	\$ (80,308,338)	\$ (99,892,293)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The following presents the net OPEB liability as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rates	1% Increase
Net OPEB liability (asset)	\$ (101,368,187)	\$ (80,308,338)	\$ (54,595,655)

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
OPEB Expense

	6/30/2024	6/30/2025
Service cost with interest	\$ 4,200,883	\$ 4,478,798
Interest on the total OPEB liability	10,355,204	10,640,319
Change of benefit terms	0	0
Expensed portion of current-period difference between expected and actual experience in the total OPEB liability	(120,931)	1,657,056
Expensed portion of current-period changes in assumptions	0	429,581
Expensed portion of current-period difference between expected and actual earnings on plan investments	(1,819,859)	(1,735,492)
Employee contributions	0	0
Expected earnings on OPEB plan investments	(15,200,709)	(16,154,965)
Administrative expenses	259,201	370,387
Recognition of deferred inflows	(22,392,696)	(17,121,272)
Recognition of deferred outflows	<u>12,990,795</u>	<u>10,898,854</u>
OPEB Expense	<u>\$ (11,728,112)</u>	<u>\$ (6,536,734)</u>
Census date	2/28/2024	2/28/2025
Measurement date	6/30/2024	6/30/2025
Reporting date	6/30/2024	6/30/2025
Discount rate	6.50%	6.50%
Expected return on assets	6.50%	6.50%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Deferred Inflows and Outflows

The following table provides a summary of the deferred inflows and outflows as of 6/30/2025.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 12,031,440	\$ (3,146,457)
Changes of assumptions or other inputs	6,269,367	(840,143)
Net difference between projected and actual earnings on plan investments	<u>7,315,401</u>	<u>(15,099,622)</u>
Total	\$ 25,616,208	\$ (19,086,222)

Collective amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future years as follows:

Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2026	\$ 12,116,339	\$ (7,394,881)
2027	4,509,676	(6,064,787)
2028	3,017,324	(3,694,841)
2029	2,317,080	(1,856,424)
2030	2,086,637	(75,289)
Thereafter	1,569,152	0

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Amortization Schedule

Date Established	Description	Initial Amount	Outstanding Balance	Years Remaining	2025 Installment
6/30/2017	Actuarial (Gain)/Loss	\$ 5,280,548	\$ 0	0.00	\$ 0
6/30/2018	Actuarial (Gain)/Loss	(9,879,514)	0	0.00	0
6/30/2019	Actuarial (Gain)/Loss	(5,231,311)	0	0.00	(294,481)
6/30/2020	Actuarial (Gain)/Loss	(6,092,830)	(244,648)	0.25	(974,697)
6/30/2021	Actuarial (Gain)/Loss	(8,793,909)	(1,969,094)	1.44	(1,364,963)
6/30/2022	Actuarial (Gain)/Loss	(1,083,990)	(373,702)	2.10	(177,572)
6/30/2023	Actuarial (Gain)/Loss	4,769,665	2,500,054	3.30	756,537
6/30/2024	Actuarial (Gain)/Loss	(800,875)	(559,013)	4.62	(120,931)
6/30/2025	Actuarial (Gain)/Loss	11,188,442	<u>9,531,386</u>	5.75	<u>1,657,056</u>
Total			\$ 8,884,983		\$ (519,051)
6/30/2017	Assumption Change	\$ (2,027,643)	\$ 0	0.00	\$ 0
6/30/2018	Assumption Change	(1,727,939)	0	0.00	0
6/30/2019	Assumption Change	(59,336,488)	0	0.00	(3,340,180)
6/30/2020	Assumption Change	7,253,746	291,262	0.25	1,160,414
6/30/2021	Assumption Change	(3,752,038)	(840,143)	1.44	(582,379)
6/30/2022	Assumption Change	10,173,162	3,507,154	2.10	1,666,502
6/30/2023	Assumption Change	0	0	0.00	0
6/30/2024	Assumption Change	0	0	0.00	0
6/30/2025	Assumption Change	2,900,532	<u>2,470,951</u>	5.75	<u>429,581</u>
Total			\$ 5,429,224		\$ (666,062)
6/30/2017	Investment (Gain)/Loss	\$ (6,286,361)	\$ 0	0.00	\$ 0
6/30/2018	Investment (Gain)/Loss	1,960,369	0	0.00	0
6/30/2019	Investment (Gain)/Loss	2,094,485	0	0.00	0
6/30/2020	Investment (Gain)/Loss	10,459,709	0	0.00	0
6/30/2021	Investment (Gain)/Loss	(35,485,861)	0	0.00	(7,097,173)
6/30/2022	Investment (Gain)/Loss	36,577,005	7,315,401	1.00	7,315,401
6/30/2023	Investment (Gain)/Loss	(6,745,186)	(2,698,075)	2.00	(1,349,037)
6/30/2024	Investment (Gain)/Loss	(9,099,296)	(5,459,578)	3.00	(1,819,859)
6/30/2025	Investment (Gain)/Loss	(8,677,461)	<u>(6,941,969)</u>	4.00	<u>(1,735,492)</u>
Total			\$ (7,784,221)		\$ (4,686,160)

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Rate of Return

The long-term expected rate of return on plan investments was determined using a building-block method where expected future real rates of return (expected returns, net of plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the VEBA plan's target asset allocation as of June 30, 2025 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Core bonds	15.00%	2.52%
Multi-sector	5.00%	3.44%
Liquid absolute return	5.00%	3.25%
U.S. large cap equity	25.00%	7.20%
U.S. small cap equity	15.00%	8.59%
Non-U.S. equity	20.00%	8.20%
Core real estate	8.00%	6.45%
Value add real estate	7.00%	7.95%
Total	100.00%	

Notes

- (1) The amounts shown above were provided ACG Asset Consulting Group.
- (2) The Long-Term Expected Real Rate of Return equals the Long-Term Arithmetic Average Nominal Return minus an average annual inflation rate of 2.75%.
- (3) The long-term expected rate of return for the June 30, 2025 measurement date is 6.50%.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Actuarially Determined Contribution

	FYE 6/30/2025	FYE 6/30/2026
Normal cost	\$ 4,478,798	\$ 4,312,710
Actuarial accrued liability (beginning of year)	168,403,443	188,048,537
Market value of assets (beginning of year)	253,395,981	268,356,875
Unfunded actuarial accrued liability	(84,992,538)	(80,308,338)
Net amortization charges / (credits)	(6,780,312)	(6,537,114)
Interest to the end of year	(440,720)	(424,912)
Administrative expenses	260,000	371,000
Actuarially determined contribution	<u>\$ 0</u>	<u>\$ 0</u>
Expected benefit disbursements	\$ 10,055,663	\$ 9,906,864
Covered payroll	\$ 77,109,399	\$ 82,439,802
Percentage of covered payroll	0.00%	0.00%
Discount rate	6.50%	6.50%
Amortization period	23 Years	22 Years
	Closed	Closed

Note

For the FYE June 30, 2025, administrative expenses are assumed to equal the expenses for the prior year rounded up to the next \$1,000.

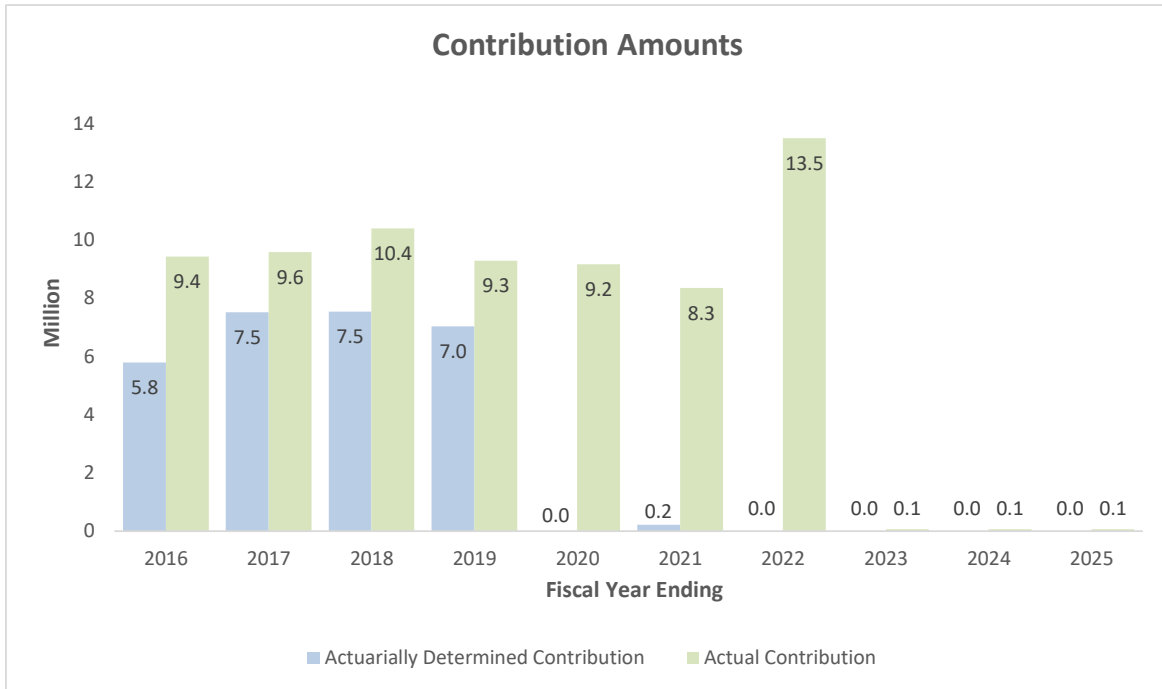
Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Schedule of Contributions

	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020	FYE 2019	FYE 2018	FYE 2017	FYE 2016
Actuarially determined employer contribution	\$ 0	\$ 0	\$ 0	\$ 0	\$ 220,026	\$ 0	\$ 7,030,548	\$ 7,534,978	\$ 7,507,689	\$ 5,787,960
Actual employer contributions	\$ 61,852	\$ 65,286	\$ 68,076	\$ 13,492,757	\$ 8,343,977	\$ 9,156,565	\$ 9,277,538	\$ 10,395,327	\$ 9,573,671	\$ 9,423,081
Annual contribution deficiency (excess)	\$ (61,852)	\$ (65,286)	\$ (68,076)	\$ (13,492,757)	\$ (8,123,951)	\$ (9,156,565)	\$ (2,246,990)	\$ (2,860,349)	\$ (2,065,982)	\$ (3,635,121)
Covered payroll	\$ 82,439,802	\$ 77,109,399	\$ 69,744,202	\$ 62,975,762	\$ 60,269,205	\$ 58,198,143	\$ 56,785,166	\$ 55,650,345	\$ 54,382,507	\$ 53,892,858
Actual contributions as a percentage of covered payroll	0.08%	0.08%	0.10%	21.43%	13.84%	15.73%	16.34%	18.68%	17.60%	17.48%

Note

The actual employer contributions for fiscal years 2017 through 2025 include employer contributions for pay as you go cost paid from the General Fund and pre-funding contributions deposited into the OPEB Trust.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Historical Contributions

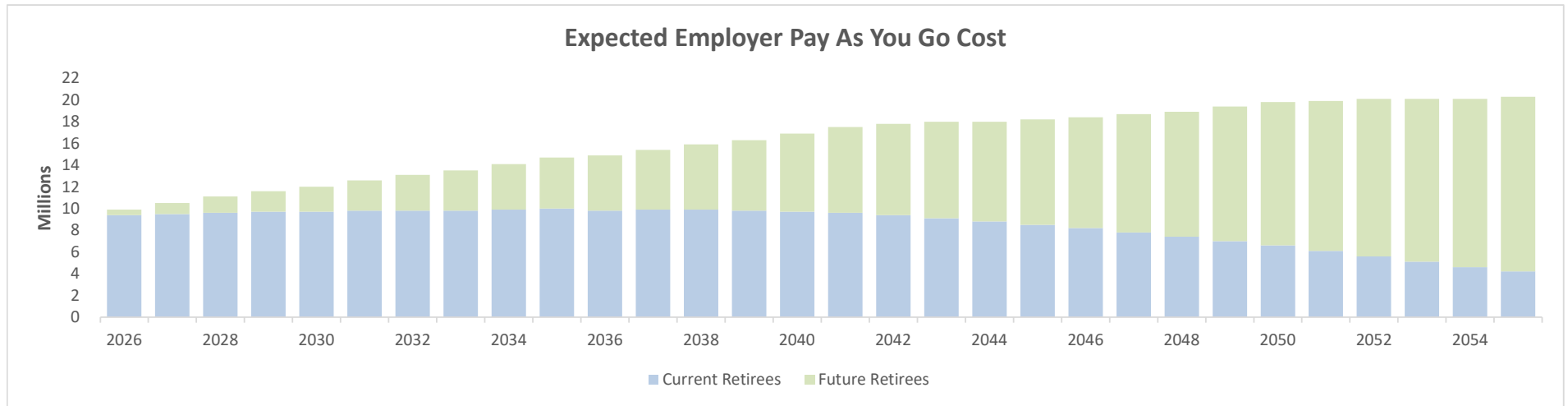


Fiscal Year Ending	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)
2016	\$ 5,787,960	\$ 9,423,081	\$ (3,635,121)
2017	7,507,689	9,573,671	(2,065,982)
2018	7,534,978	10,395,327	(2,860,349)
2019	7,030,548	9,277,538	(2,246,990)
2020	0	9,156,565	(9,156,565)
2021	220,026	8,343,977	(8,123,951)
2022	0	13,492,757	(13,492,757)
2023	0	68,076	(68,076)
2024	0	65,286	(65,286)
2025	0	61,852	(61,852)

Note

The actual employer contributions for fiscal years 2017 through 2025 include employer contributions for pay as you go cost paid from the General Fund and pre-funding contributions deposited into the OPEB Trust.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Expected Employer Pay As You Go Cost



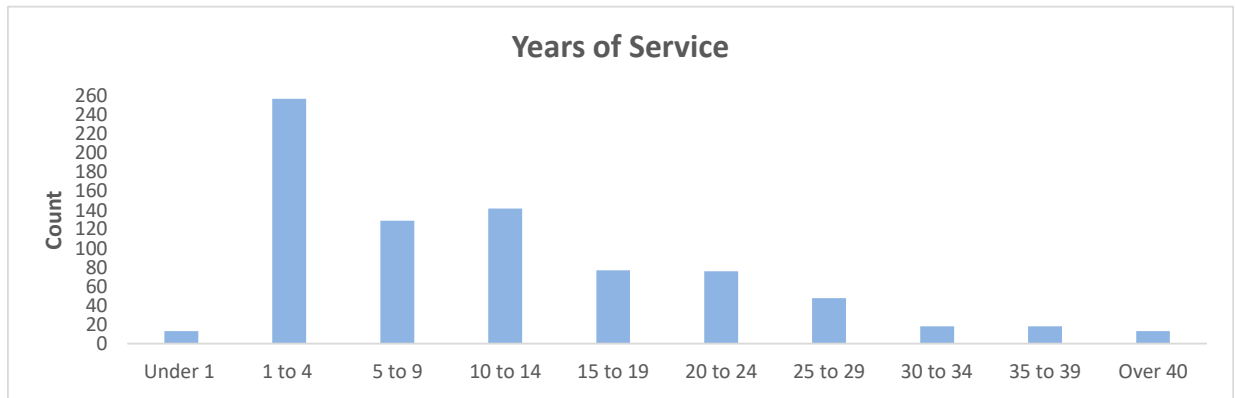
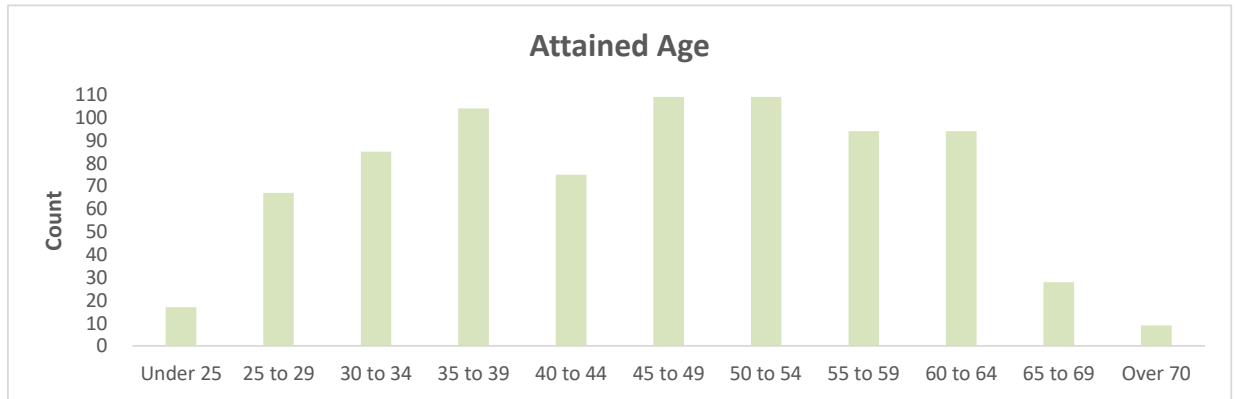
FYE	Current Retirees	Future Retirees	Total	FYE	Current Retirees	Future Retirees	Total	FYE	Current Retirees	Future Retirees	Total
2026	\$ 9,383,857	\$ 523,007	\$ 9,906,864	2036	\$ 9,848,634	\$ 5,122,316	\$ 14,970,950	2046	\$ 8,198,834	\$ 10,201,567	\$ 18,400,401
2027	9,460,833	994,812	10,455,645	2037	9,858,211	5,521,043	15,379,254	2047	7,836,114	10,934,517	18,770,631
2028	9,555,801	1,484,345	11,040,146	2038	9,860,803	6,028,538	15,889,341	2048	7,433,632	11,525,476	18,959,108
2029	9,664,843	1,928,578	11,593,421	2039	9,796,285	6,549,412	16,345,697	2049	7,008,577	12,362,228	19,370,805
2030	9,706,127	2,321,332	12,027,459	2040	9,705,079	7,221,192	16,926,271	2050	6,554,357	13,240,813	19,795,170
2031	9,805,275	2,786,174	12,591,449	2041	9,563,861	7,862,578	17,426,439	2051	6,097,305	13,793,321	19,890,626
2032	9,828,418	3,298,636	13,127,054	2042	9,374,893	8,400,444	17,775,337	2052	5,594,070	14,465,052	20,059,122
2033	9,844,803	3,724,101	13,568,904	2043	9,110,449	8,854,080	17,964,529	2053	5,115,953	15,022,935	20,138,888
2034	9,875,495	4,207,226	14,082,721	2044	8,826,890	9,217,802	18,044,692	2054	4,648,060	15,479,077	20,127,137
2035	9,960,154	4,716,723	14,676,877	2045	8,523,478	9,651,479	18,174,957	2055	4,179,336	16,067,550	20,246,886

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Data Summary - Active Participants

	6/30/2024	6/30/2025
Medical coverage		
Participant count - single coverage	176	201
Participant count - non-single coverage	539	514
Total	715	715
Average age	46.3	46.4
Average past service	11.8	12.0
Average future service	15.1	15.1
Covered payroll	\$ 70,817,672	\$ 74,334,099
Average compensation	\$ 99,046	\$ 103,964
Cash in lieu		
Participant count	53	63
Average age	44.9	42.8
Average past service	8.4	8.0
Average future service	17.1	18.6
Covered payroll	\$ 5,355,998	\$ 6,603,929
Average compensation	\$ 101,057	\$ 104,824
Waived coverage		
Participant count	10	13
Average age	40.9	39.3
Average past service	10.1	9.0
Average future service	17.7	18.5
Covered payroll	\$ 935,729	\$ 1,501,774
Average compensation	\$ 93,573	\$ 115,521
Total		
Participant count	778	791
Average age	46.1	46.0
Average past service	11.6	11.6
Average future service	15.3	15.4
Covered payroll	\$ 77,109,399	\$ 82,439,802
Average compensation	\$ 99,112	\$ 104,222

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Age & Service Distribution - Active Participants

Years of Service											
Attained Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over	Total
Under 25	4	13									17
25 to 29	4	50	9	4							67
30 to 34	2	54	19	10							85
35 to 39	1	41	28	31	3						104
40 to 44		28	15	17	13	2					75
45 to 49	1	20	19	26	18	19	6				109
50 to 54	1	26	9	18	16	21	18				109
55 to 59		13	11	18	8	18	16	8	2		94
60 to 64		9	17	15	12	11	7	7	12	4	94
65 to 69		3	2	3	4	5	1	2	3	5	28
70+					3			1	1	4	9
Total	13	257	129	142	77	76	48	18	18	13	791



Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Data Summary - Inactive Participants

	6/30/2024	6/30/2025
Medical coverage		
Retirees		
Participant count - single coverage	167	164
Participant count - non-single coverage	<u>333</u>	<u>339</u>
Total	500	503
Average age	73.0	73.4
Disabled		
Participant count - single coverage	25	24
Participant count - non-single coverage	<u>40</u>	<u>39</u>
Total	65	63
Average age	70.5	71.0
Surviving spouses		
Participant count - single coverage	128	123
Participant count - non-single coverage	<u>6</u>	<u>5</u>
Total	134	128
Average age	78.6	78.8
Total		
Participant count - single coverage	320	311
Participant count - non-single coverage	<u>379</u>	<u>383</u>
Total	699	694
Average age	73.8	74.2
Cash in lieu		
Participant count	30	29
Average age	75.7	76.4
Waived coverage		
Retirees		
Participant count	4	3
Average age	74.5	77.7
Disabled		
Participant count	1	2
Average age	61.0	65.0
Surviving spouses		
Participant count	21	20
Average age	80.6	80.5
Total		
Participant count	26	25
Average age	78.9	78.9

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Age Distribution - Inactive Participants

Attained Age	Retired	Disabled	Surviving Spouse	Total
Under 50		1		1
50 to 54		1		1
55 to 59	8	2	5	15
60 to 64	37	9	6	52
65 to 69	127	12	15	154
70 to 74	132	17	18	167
75 to 79	129	15	32	176
80 to 84	56	5	37	98
85 to 89	26	3	15	44
90 & Over	19		21	40
Total	534	65	149	748

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Census Data Reconciliation

	<u>Active</u>	<u>Retired</u>	<u>Surviving Spouse</u>	<u>Disabled</u>	<u>Total</u>
February 29, 2024	778	532	156	67	1,533
Terminations	(31)	0	0	0	(31)
Part time - not eligible	0	0	0	0	0
Retirements	(16)	16	0	0	0
Disabled	0	0	0	0	0
Deceased with beneficiary	0	(7)	8	(1)	0
Deceased without beneficiary	0	(7)	(15)	(1)	(23)
New entrants	60	0	0	0	60
Rehires	0	0	0	0	0
Data corrections	0	0	0	0	0
February 28, 2025	791	534	149	65	1,539

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods

Cost Method - Individual entry age normal level percent of salary.

Dates of Calculations

Actuarial valuation date: June 30, 2025

Census date: February 29, 2025

Measurement date GASB 74 and GASB 75: June 30, 2025

Reporting date GASB 74 and GASB 75: June 30, 2025

Employees Included in the Calculations - All active employees who are potentially eligible to receive healthcare benefits as a retiree. Retirees (healthy and disabled) and their spouses or their survivors who are receiving benefits.

Source of Data - Data was supplied by the Lansing Board of Water and Light. While we have not audited this data, we believe the census data and financial information to be accurate and complete.

Discount Rate - Pursuant to GASB 74/75, projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.50%; the municipal bond rate is 4.71% (based on the daily rate closest to but not later than the measurement date of the Fidelity Municipal AA 20 year published yield); and the resulting Single Discount Rate is 6.50%.

The projection of cash flows used to determine the discount rate assumes that the Lansing Board of Water and Light will make contributions in accordance with the VEBA Funding Policy. Based on this assumption, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate is equal to long-term expected rate of return on OPEB plan investments.

Inflation Rate - 2.25% per year.

Salary Increase Rates - Sample rates are listed on Table A herein. The rates include general wage inflation and merit / productivity increases.

Mortality Rates - Pre and Post retirement - PUBH-2010 General Employees Mortality Table, Male and Female, projected generationally using the MP-2021 improvement scale.

Retirement Rates - Sample rates are listed on Table B herein.

Termination Rates - Sample rates are listed on Tables C and D herein.

Disability Rates - The 1985 Pension Disability Incidence Class 1 rates for males and females. Sample rates are listed on Table E herein.

Aging Curve - Society of Actuaries 2013 Healthcare Cost Report.

Per Capita Claims Costs - Annual per capita costs are based on the premiums in effect on January 1, 2025 and are actuarially increased using current enrollment and aging factors. In addition, these costs are assumed to increase with medical, prescription drug and dental trend rates. Sample per capita claims costs are shown on Table F herein.

Healthcare Trend - Sample healthcare trend rates are shown on Table G herein.

Retiree Contributions - The 2025 retiree contributions shown in the plan provisions of this report are assumed to increase according to the healthcare trend rates.

Medicare Part B Reimbursement - It is assumed that the annual Medicare Part B reimbursement amount is \$1,998 for the current valuation. This amount is assumed to increase with the Medicare Part B trend rates.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Election Percentage - Ninety five percent (95%) of active employees who currently have healthcare coverage are assumed to elect coverage at retirement. Ninety five percent (95%) of active employees who currently elect cash in lieu of healthcare coverage are assumed to make the same election at retirement. All active employees who currently waive coverage are assumed to waive coverage at retirement. One hundred percent (100%) of retirees who currently have healthcare coverage are assumed to continue coverage until death. One hundred percent (100%) of retirees who currently elect cash in lieu of healthcare coverage are assumed to make the same election until death. All retirees who currently waive coverage are assumed to never elect coverage with the Lansing Board of Water and Light. All employees who currently have \$10,000 of life insurance coverage are assumed to never purchase additional insurance and thus are not eligible for retiree life insurance coverage.

Marriage Percentage - It is assumed that 65% of active employees are married upon retirement. Husbands are assumed to be three years older than wives.

Assumption Changes - (1) The assumed Medicare Part B premium reimbursement was increased from \$1,887 per year to \$1,998 per year; and, (2) The healthcare trend assumption was updated to reflect the rates set forth in the Michigan Uniform Assumptions memo for the 2025 fiscal year.

Benefits Not Valued - All benefits described in the Plan Provisions section of this report were valued. Benassist Retirement Consulting has reviewed the plan provisions with by the Lansing Board of Water and Light and based on that review, is not aware of any significant benefits that were not valued.

Rationale for Significant Economic Assumptions

Discount rate - As required by GASB 75, the discount rate was chosen by the plan sponsor based on market information on the measurement date.

Expected return on plan assets - It is our understanding that the expected return on assets assumption reflects the plan sponsor's estimate of future returns based on: (a) the plan's current asset allocation and any upcoming changes; and (b) current and expected market conditions. We have relied on capital market projections provided by Asset Consulting Group, the Plan's investment consultant, to evaluate the investment return assumption.

Healthcare trend - Trend rates are those required by the Michigan Uniform Assumptions for the 2025 fiscal year.

Rationale for Significant Demographic Assumptions

All assumptions herein have been discussed in detail with management and have been deemed to be reasonable both individually and collectively. In general, the assumptions have been deemed to: (1) be appropriate for the purposes of this measurement, (2) take into account historical and current demographic data, (3) reflect the best estimate of future experience, and (4) have no significant bias.

The factors outlined below were considered in selecting assumptions:

Salary Increases: The salary increase rates are based on the Lansing Board of Water and Light historical experience from 2017 to 2021 that was used in the 2022 experience analysis.

Retirement: The retirement rates are based on the Lansing Board of Water and Light historical experience from 2017 to 2021 that was used in the 2022 experience analysis.

Mortality: The mortality assumption reflects the most recent published tables from the Society of Actuaries. A fully generational mortality approach was used to model expected mortality improvement after the measurement date.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Disability: (a) the retirement plan's definition of disability; (b) the potential for recovery; and (c) plan experience.

Withdrawal: The termination rates are based on the Lansing Board of Water and Light historical experience from 2017 to 2021 that was used in the 2022 experience analysis.

ASOP 56 - Model disclosure

Benassist Retirement Consulting uses a proprietary actuarial valuation system to perform actuarial valuations of defined benefit and OPEB plans. The system processes census data, calculates benefit amounts and develops associated actuarial liabilities. The system has the flexibility to accommodate various populations, plan designs, demographic, economic and benefit related assumptions. Actuarial liabilities are calculated using standard actuarial techniques. The actuarial liabilities generated by the system rely on the assumptions selected and entered by the user. The system does not evaluate any assumptions for reasonableness, consistency or probability of occurrence. The system is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuary signing this report has performed a limited review of the results to ensure that the system has been set up appropriately and the plan provisions have been coded correctly.

Certain demographic tables described above are standard published tables.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Table A - Salary Increase Rates

Age	Rate	Age	Rate
25	9.00%	45	6.75%
30	8.50%	50	6.35%
35	8.00%	55	6.00%
40	7.30%	60+	5.30%

Table B - Retirement Rates

Age	Rate	Age	Rate	Age	Rate
50	5.00%	57	7.00%	64	20.00%
51	3.00%	58	7.00%	65	25.00%
52	3.00%	59	15.00%	66	50.00%
53	3.00%	60	17.00%	67	25.00%
54	9.00%	61	23.00%	68	25.00%
55	10.00%	62	30.00%	69	25.00%
56	7.00%	63	15.00%	70	100.00%

Table C - Termination Rates - Males

Age	Years of Service					
	0	1	2	3	4	5+
20	10.64%	10.39%	8.89%	6.89%	5.64%	6.00%
30	9.20%	7.75%	6.25%	4.25%	3.00%	4.25%
40	7.12%	6.87%	5.37%	3.37%	2.12%	3.25%
50	6.32%	6.07%	4.57%	2.73%	1.64%	1.50%
60	5.56%	5.51%	4.17%	2.33%	1.24%	1.16%
70+	5.16%	5.11%	3.77%	1.93%	0.84%	0.88%

Table D - Termination Rates - Females

Age	Years of Service					
	0	1	2	3	4	5+
20	15.82%	13.87%	12.37%	11.37%	10.87%	2.80%
30	11.20%	9.25%	7.75%	6.75%	6.25%	2.30%
40	9.66%	7.71%	6.21%	5.21%	4.71%	2.00%
50	8.26%	6.31%	4.81%	4.09%	3.87%	1.80%
60	6.93%	5.33%	4.11%	3.39%	3.17%	1.40%
70+	6.23%	4.63%	3.41%	2.69%	2.47%	0.60%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
June 30, 2025 GASB 74/75 Actuarial Valuation Report
Summary of Assumptions and Methods (continued)

Table E - Disability Rates

Age	Male	Female
20	0.03%	0.03%
30	0.05%	0.08%
40	0.12%	0.21%
50	0.36%	0.53%
60	1.26%	1.16%

Table F - Per Capita Claims Cost

Age	Healthy Retirees			Disabled Retirees		
	Medical & Rx		Dental	Medical & Rx		Dental
	Male	Female		Male	Female	
50	\$ 9,773	\$ 11,583	\$ 498	\$ 21,989	\$ 26,062	\$ 498
55	12,700	13,393	498	28,575	30,134	498
60	16,298	15,941	498	36,671	35,867	498
65	3,968	3,968	498	3,968	3,968	498
70	4,756	4,559	498	4,756	4,559	498
75	5,615	5,289	498	5,615	5,289	498
80	6,455	6,066	498	6,455	6,066	498
85	7,190	6,781	498	7,190	6,781	498
90+	7,827	7,237	498	7,827	7,237	498

Note

The annual per capita claims shown above are for disabled retirees that are not Medicare primary due to disability. For disabled retirees who are Medicare primary due to disability, the pre-65 annual per capita costs are \$3,968 for males and \$3,968 for females for medical and Rx coverages. 70% of disabled retirees are assumed to be Medicare primary due to disability.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
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Summary of Assumptions and Methods (continued)

Table G - Healthcare Trend Rates

FYE	Medical & Rx		Part B	Dental
	Pre-65	Post-65		
2025	7.50%	5.75%	4.00%	4.00%
2026	7.25%	5.50%	4.25%	4.00%
2027	7.00%	5.25%	4.50%	4.00%
2028	6.75%	5.00%	4.75%	4.00%
2029	6.50%	4.75%	5.00%	4.00%
2030	6.25%	4.50%	5.00%	4.00%
2031	6.00%	4.50%	5.00%	4.00%
2032	5.75%	4.50%	5.00%	4.00%
2033	5.50%	4.50%	5.00%	4.00%
2034	5.25%	4.50%	5.00%	4.00%
2035	5.00%	4.50%	5.00%	4.00%
2036	4.75%	4.50%	5.00%	4.00%
2037+	4.50%	4.50%	5.00%	4.00%

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
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Summary of Plan Provisions

Effective Date - Initial effective date was July 1, 1999. The plan was restated on March 27, 2007.

Eligibility - Employees who satisfy the eligibility requirements for either normal retirement, early retirement, or disability are eligible for lifetime health benefits under the plan.

Normal Retirement Date - The normal retirement date for employees hired prior to July 1, 1990 is the earlier of (1) the first day of the month on or after attainment of age 60 and the completion of at least 10 years of Benefit Service Credit, and (2) the first day of the month on or after completion of 30 years of Benefit Service Credit and attainment of age 55. If an employee who was hired before July 1, 1990 terminates employment after attainment of age 45 and completion of 25 years of Benefit Service Credit, the normal retirement date is the first day of the month on or after the date he has attained age 55 and would have completed 30 years of Benefit Service Credit if he had remained employed.

For employees hired on or after July 1, 1990, the normal retirement date is the first day of the month on or after attainment of age 65 and completion of 10 years of Benefit Service Credit.

Early Retirement Date - The date that is 10 years prior to an employee's Normal Retirement Date upon completion of 25 years of Benefit Service Credit or 5 years prior to an employee's normal retirement date upon completion of 15 years of Benefit Service Credit.

Disability Retirement Date - The date that the employee is determined to be disabled, provided the employee has completed at least 10 years of Years of Service.

Healthcare Coverage - The healthcare coverage (medical, prescription drug and dental) provided under the plan is substantially the same coverage (based on the cost per retiree to the employer for providing said health coverage) that is available to active employees. All health plans are self-insured except for the Medicare plan that is fully-insured with Humana. Dental benefits are fully insured with Delta Dental. Spousal and family coverage is available. In addition, coverage will continue to a surviving spouse upon the death of a retiree or an active employee who is eligible to retire. If an employee with at least ten years of service dies while in employment, the surviving spouse will qualify for retiree healthcare benefits under the disability retirement status. Surviving spouse contributions are the same as the member's prior to the member's death.

Retiree Premiums - The monthly retiree premium rates effective on January 1, 2025 are shown below:

<u>Non-Medicare</u>	<u>Medical Only</u>	<u>Medical & Rx</u>	<u>Dental</u>
Single	\$ 552.17	\$ 866.73	\$ 41.49
2 Person	\$ 1,242.39	\$ 1,950.17	\$ 76.26
Family	\$ 1,546.08	\$ 2,426.87	\$ 132.95
<u>Medicare Eligible</u>	<u>Medical Only</u>	<u>Medical & Rx</u>	<u>Dental</u>
1 Person Humana	\$ 61.40	\$ 423.06	\$ 41.49
2 Person Humana	\$ 122.80	\$ 846.12	\$ 76.26
Family Humana	\$ 184.20	\$ 1,269.18	\$ 132.95

Lansing Board of Water and Light
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Summary of Plan Provisions (continued)

Retiree Contributions - Retiree healthcare benefits are non-contributory for employees who were hired prior to January 1, 2009. Retiree healthcare benefits for employees hired on or after January 1, 2009 are contributory. Future retiree contributions for this group will be equal to the current employees' healthcare premium sharing arrangement in effect immediately prior to retirement. Currently, Union and Non-Union employees contribute 20% of the active medical and prescription drug coverage premium and do not contribute for dental coverage. The monthly premiums in effect on January 1, 2025 are shown below:

<u>Coverage</u>	<u>Medical Only</u>	<u>Medical & Rx</u>	<u>Dental</u>
Single	\$ 845.88	\$ 1,241.94	\$ 41.49
2 Person	\$ 1,903.24	\$ 2,794.40	\$ 76.26
Family	\$ 2,368.47	\$ 3,477.46	\$ 132.95

Medicare Part B Reimbursement - The Lansing Board of Water and Light reimburses retirees and spouses for 90% of the Medicare Part B premium (standard premium prior to income-related adjustment). As of June 30, 2025 the amount of reimbursement is \$166.50 per month.

Cash in Lieu of Coverage - Retirees may elect to receive cash in lieu of healthcare benefits. Currently, retirees electing this option receive \$2,232 per year.

Life Insurance - Employees that have life insurance coverage equal to 1.5 times of their salary immediately prior to retirement may continue this coverage at one-third of the amount in effect immediately prior to retirement rounded to the next higher \$500. Bargaining unit retirees contribute 50% of the premium for retiree life insurance coverage. Contributions are not required for non-bargaining unit retirees. A closed group of disabled retirees receive retiree life insurance coverage at no cost. Retiree life insurance coverage is not provided for employees who have \$10,000 of life insurance coverage immediately prior to retirement. The monthly retiree life insurance premium in effect on January 1, 2025 is 44.2 cents per thousand dollars of coverage.

Changes in Plan Provisions since the Prior Valuation - None.

Lansing Board of Water and Light
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Glossary

Actuarial Assumptions - Assumptions relating to future experience under the plan. These include assumptions about the occurrence of future events affecting costs or liabilities, such as:

- mortality, withdrawal, disablement, and retirement;
- future increases in salary;
- future rates of investment earnings and future investment and administrative expenses;
- characteristics of members not specified in the data, such as marital status;
- characteristics of future members;
- future elections made by members; and
- other relevant items.

Actuarial Cost Method - A procedure for allocating the Actuarial Present Value of Future Benefits to various time periods; a method used to determine the Normal Cost and the Total OPEB Liability (TOL).

Actuarial (Gain) or Loss - A measure of the difference between actual experience and experience expected under a set of Actuarial Assumptions, during the period between two Actuarial Valuation dates. Through the actuarial assumptions, rates of decrements, rates of salary increases, and rates of fund earnings that have been forecasted. To the extent that actual experience differs from that assumed, actuarial accrued liabilities emerge which may be the same as forecasted, or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., the plan's assets earn more than projected, healthcare trend does not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results that produce actuarial liabilities which are larger than projected. Actuarial gains will shorten the time required for funding of the actuarial balance sheet deficiency while actuarial losses will lengthen the funding period.

Actuarially Equivalent - Of equal actuarial present value, determined as of a given date and based on a given set of Actuarial Assumptions.

Actuarial Present Value (APV) - The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions. For purposes of this standard, each such amount or series of amounts is:

- adjusted for the probable financial effect of certain intervening events (such as changes in marital status, etc.)
- multiplied by the probability of the occurrence of an event (such as survival, death, disability, termination of employment, etc.) on which the payment is conditioned, and
- discounted according to an assumed rate (or rates) of return to reflect the time value of money.

Actuarial Present Value of Future Benefits - The Actuarial Present Value of those benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future benefit increases. The Actuarial Present Value of Future Benefits includes the liabilities for active members, retired members and spouses receiving benefits. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.

Actuarial Present Value of Future Earnings - The Actuarial Present Value of a participant's expected future earnings.

Actuarial Present Value of Future Normal Costs - The portion of the Actuarial Present Value of Future Benefits allocated to future years.

Lansing Board of Water and Light
Post-Retirement Benefit Plan for Eligible Employees
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Glossary (continued)

Actuarial Valuation - The determination, as of a valuation date, of the Normal Cost, Total OPEB Liability (TOL), Fiduciary Net Position (FNP), and related Actuarial Present Values for a plan. An Actuarial valuation for a healthcare arrangement typically also includes calculations that provide the financial information of the plan, such as the funded status, unfunded actuarial accrued liability and the contribution amounts.

Actuarially Determined - Values which have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the law.

Covered Payroll - Payroll as of the valuation date for active participants who have not attained normal retirement age.

Decrement - Those causes/events due to which a member's status (active-inactive-retiree-spouse) changes, that is: death, retirement, disability, or termination.

Entry Age Normal Cost Method - The EAN cost method is a standard actuarial funding method. The annual cost of benefits under EAN cost method is comprised of two components:

- Normal cost
- Amortization of the unfunded liability

The normal cost is determined on an individual basis, from a member's age at plan entry, and is designed to be a level percentage of pay throughout a member's career.

Fiduciary Net Position - The value of the plan's assets as of a given date, used by the actuary for valuation purposes. This usually equals the market value of plan assets.

Funded Status - The ratio of the Fiduciary Net Position (FNP) to the Total OPEB Liability (TOL).

Net OPEB Liability (NOL) - The excess of the Total OPEB Liability (TOL) over the Fiduciary Net Position (FNP). This value may be negative in which case it may be expressed as a negative Fiduciary Net Position, also called the funding surplus.

Normal Cost - The portion of the Actuarial Present Value of Future Benefits allocated to a valuation year by the Actuarial Cost Method. Any payment in respect of an unfunded actuarial accrued liability is not part of Normal Cost. Under the entry age normal cost method, the Normal Cost is intended to be the level cost (when expressed as a percentage of pay) needed to fund the benefits of a member from hire until ultimate termination, death, disability or retirement.

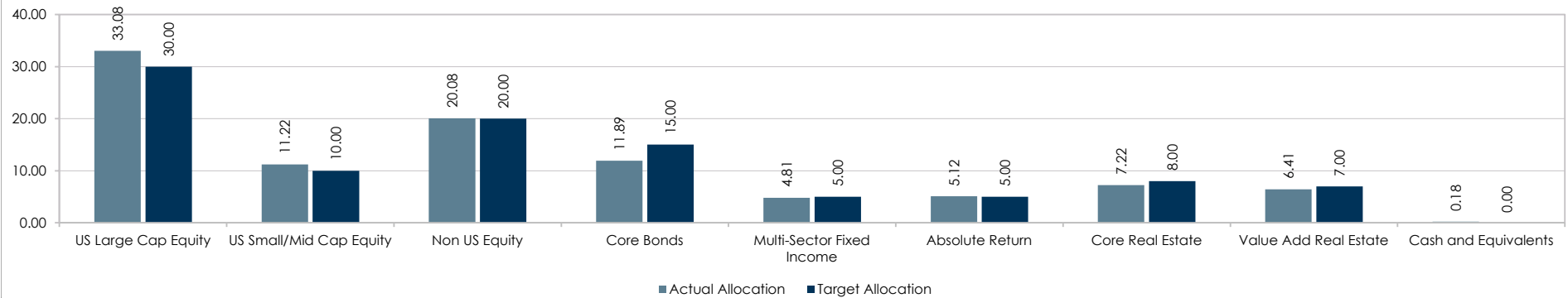
Total OPEB Liability (TOL) - The portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of Future Benefits which is not provided for by future Normal Costs. It is equal to the Actuarial Present Value of Future Benefits minus the actuarial present value of future Normal Costs.

Valuation Date or Actuarial Valuation Date - The date on which the value of plan assets, the Actuarial Present Value of Future Benefits, the Total OPEB Liability (TOL) and Normal Cost are determined. The expected future benefits are discounted to this date.

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2025

Actual vs. Target Allocation (%)



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)	Range Min - Max (%)	
Total Portfolio	273,421	100.00	100.00			
Equity	176,020	64.38	60.00	4.38	45.00	70.00
US Large Cap Equity	90,438	33.08	30.00	3.08	25.00	35.00
US Small/Mid Cap Equity	30,681	11.22	10.00	1.22	5.00	15.00
Non US Equity	54,902	20.08	20.00	0.08	15.00	25.00
Fixed Income	59,644	21.81	25.00	-3.19	10.00	50.00
Core Bonds	32,514	11.89	15.00	-3.11	10.00	35.00
Multi-Sector Fixed Income	13,141	4.81	5.00	-0.19	0.00	10.00
Absolute Return	13,988	5.12	5.00	0.12	0.00	10.00
Real Assets	37,260	13.63	15.00	-1.37	0.00	20.00
Core Real Estate	19,744	7.22	8.00	-0.78	--	--
Value Add Real Estate	17,516	6.41	7.00	-0.59	--	--
Cash and Equivalents	498	0.18	0.00	0.18	0.00	5.00

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	273,421	100.00	2.74	6.36	6.06	9.88	9.65	8.71	--	7.69
Total Portfolio (07/04)			2.78	6.45	6.26	10.33	10.15	9.31	7.39	6.81
<i>Policy Index ¹</i>			3.17	6.93	6.74	11.17	9.50	8.46	7.38	7.30

¹ The range for real estate outlined in the investment policy statement is at the asset class level.

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2025

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/17) *	273,421	100.00	2.74	6.36	6.06	9.88	9.65	8.71	--	7.69
Total Portfolio (07/04)			2.78	6.45	6.26	10.33	10.15	9.31	7.39	6.81
<i>Policy Index ¹</i>			3.17	6.93	6.74	11.17	9.50	8.46	7.38	7.30
US Large Cap Equity (01/17) *	90,438	33.08	5.08	10.93	6.19	15.14	21.05	15.62	--	14.40
<i>Blended US LC Benchmark ²</i>			5.09	10.94	6.20	15.16	19.57	16.29	--	14.44
US Small/Mid Cap Equity (01/17) *	30,681	11.22	2.09	3.39	-1.38	5.42	11.56	13.10	--	6.39
<i>Blended US SMID Benchmark ³</i>			4.61	8.59	0.44	9.91	11.31	11.44	--	7.82
Non US Equity (01/17) *	54,902	20.08	2.34	10.65	17.18	16.85	13.34	9.08	--	7.41
<i>MSCI EAFE NetDiv</i>			2.20	11.78	19.45	17.73	15.97	11.16	6.51	8.36
Fixed Income (01/17) *	59,644	21.81	1.60	1.77	4.41	7.04	4.01	1.24	--	2.60
<i>Bloomberg US Aggregate</i>			1.54	1.21	4.02	6.08	2.55	-0.73	1.76	1.68
Real Assets (01/19) * ⁴	37,260	13.63	0.26	0.26	0.70	-2.11	-6.37	2.37	--	2.16
<i>NFI ODCE Net</i>			0.81	0.81	1.67	2.66	-6.22	2.54	4.42	2.46
Cash and Equivalents (01/17)	498	0.18	0.34	1.04	2.09	4.60	4.55	2.75	--	2.20
<i>US T-Bills 90 Day</i>			0.33	1.04	2.07	4.68	4.56	2.76	1.98	2.28

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2025

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Equity (01/17) *	176,020	64.38	3.69	9.46	7.86	13.84	16.96	13.10	--	10.90
US Large Cap Equity										
Northern Trust S&P 500 (05/23) *	90,438	33.08	5.08	10.93	6.19	15.14	--	--	--	21.89
<i>S&P 500</i>			<i>5.09</i>	<i>10.94</i>	<i>6.20</i>	<i>15.16</i>	<i>19.71</i>	<i>16.64</i>	<i>13.65</i>	<i>21.90</i>
US Small/Mid Cap Equity										
Atlanta Capital (04/21) *	30,681	11.22	2.09	3.39	-1.38	5.42	11.56	--	--	6.69
<i>Russell 2500</i>			<i>4.61</i>	<i>8.59</i>	<i>0.44</i>	<i>9.91</i>	<i>11.31</i>	<i>11.44</i>	<i>8.39</i>	<i>3.32</i>
Non US Equity										
Harding Loevner Int'l Equity (09/17) *	27,917	10.21	2.02	9.03	15.31	15.01	12.30	8.05	--	6.41
<i>MSCI ACWI ex US NetDiv</i>			<i>3.39</i>	<i>12.03</i>	<i>17.90</i>	<i>17.72</i>	<i>13.99</i>	<i>10.13</i>	<i>6.12</i>	<i>6.25</i>
Marathon International Equity (04/24) *	26,985	9.87	2.68	12.38	19.17	18.83	--	--	--	13.64
<i>MSCI EAFE NetDiv</i>			<i>2.20</i>	<i>11.78</i>	<i>19.45</i>	<i>17.73</i>	<i>15.97</i>	<i>11.16</i>	<i>6.51</i>	<i>13.56</i>
Fixed Income (01/17) *	59,644	21.81	1.60	1.77	4.41	7.04	4.01	1.24	--	2.60
Core Bonds										
JP Morgan Fixed Income (01/09)	32,514	11.89	1.61	1.35	4.29	6.69	3.21	0.22	2.26	3.30
<i>Bloomberg US Aggregate</i>			<i>1.54</i>	<i>1.21</i>	<i>4.02</i>	<i>6.08</i>	<i>2.55</i>	<i>-0.73</i>	<i>1.76</i>	<i>2.76</i>
Multi-Sector Fixed Income										
Fidelity Tactical Bond (09/18) *	13,141	4.81	1.84	1.75	4.59	6.73	4.61	1.71	--	3.30
<i>Bloomberg US Aggregate</i>			<i>1.54</i>	<i>1.21</i>	<i>4.02</i>	<i>6.08</i>	<i>2.55</i>	<i>-0.73</i>	<i>1.76</i>	<i>1.72</i>
Absolute Return										
BlackRock Strategic Income Opp (09/17) *	13,988	5.12	1.34	2.87	4.68	8.52	5.75	3.89	--	3.61
<i>Bloomberg US Aggregate</i>			<i>1.54</i>	<i>1.21</i>	<i>4.02</i>	<i>6.08</i>	<i>2.55</i>	<i>-0.73</i>	<i>1.76</i>	<i>1.36</i>

Post-Retirement Benefit Plan and Trust for Eligible Employees of LBWL

For the Periods Ending June 30, 2025

	Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Real Assets (01/19) * 4	37,260	13.63	0.26	0.26	0.70	-2.11	-6.37	2.37	--	2.16
Core Real Estate										
AEW Core Property Trust (01/19) * 4	19,744	7.22	0.49	0.49	1.27	1.32	-4.53	3.58	--	3.33
<i>NFI ODCE Net</i>			<i>0.81</i>	<i>0.81</i>	<i>1.67</i>	<i>2.66</i>	<i>-6.22</i>	<i>2.54</i>	<i>4.42</i>	<i>2.46</i>
Value Add Real Estate										
Blackstone Property Partners (10/19) * 4	17,516	6.41	0.00	0.00	0.07	-5.71	-8.35	1.07	--	0.53
<i>NFI ODCE Net</i>			<i>0.81</i>	<i>0.81</i>	<i>1.67</i>	<i>2.66</i>	<i>-6.22</i>	<i>2.54</i>	<i>4.42</i>	<i>2.24</i>
Cash & Equivalents (01/17)	498	0.18	0.34	1.04	2.09	4.60	4.55	2.75	--	2.20
Cash & Equivalents (01/17)	498	0.18	0.34	1.04	2.09	4.60	4.55	2.75	--	2.20
<i>US T-Bills 90 Day</i>			<i>0.33</i>	<i>1.04</i>	<i>2.07</i>	<i>4.68</i>	<i>4.56</i>	<i>2.76</i>	<i>1.98</i>	<i>2.28</i>

All returns prior to 12/31/2016 were calculated by the prior consultant.

* Net of Fee return data.

1 Policy Index: Effective May 2023, the index consists of 30.00% S&P 500, 10.00% Russell 2500, 20.00% MSCI ACWI ex US NetDiv, 25.00% Bloomberg US Aggregate, 15.00% NFI ODCE Net.

2 Blended US LC Benchmark: Effective May 2023, the index consists of 100.0% S&P 500.

3 Blended US SMID Benchmark: Effective August 2018, the index consists of 100.0% Russell 2500.

4 Valuation and performance are assessed quarterly.

The Fiscal Year End is June.

Market Overview

For the Periods Ending June 30, 2025

	1 Month (%)	3 Months (%)	YTD (%)	FYTD (%)	3 Years (%)	5 Years (%)	10 Years (%)
Equity Markets - Core							
S&P 500	5.09	10.94	6.20	15.16	19.71	16.64	13.65
Russell 1000	5.06	11.11	6.12	15.66	19.59	16.30	13.35
Russell 2000	5.44	8.50	-1.79	7.68	10.00	10.04	7.12
Russell 2500	4.61	8.59	0.44	9.91	11.31	11.44	8.39
Equity Markets - Growth							
S&P 500 Growth	6.34	18.94	8.86	19.88	23.39	17.29	15.95
Russell 1000 Growth	6.38	17.84	6.09	17.22	25.76	18.15	17.01
Russell 2000 Growth	5.89	11.97	-0.48	9.73	12.38	7.42	7.14
Russell 2500 Growth	4.81	11.31	-0.71	8.81	12.05	7.50	8.53
Equity Markets - Value							
S&P 500 Value	3.69	3.00	3.28	9.63	14.89	15.02	10.41
Russell 1000 Value	3.42	3.79	6.00	13.70	12.76	13.93	9.19
Russell 2000 Value	4.95	4.97	-3.16	5.54	7.45	12.47	6.72
Russell 2500 Value	4.52	7.29	1.03	10.47	10.69	13.96	7.73
International Markets							
MSCI ACWI NetDiv	4.49	11.53	10.05	16.17	17.35	13.65	9.99
MSCI ACWI ex US NetDiv	3.39	12.03	17.90	17.72	13.99	10.13	6.12
MSCI EAFE NetDiv	2.20	11.78	19.45	17.73	15.97	11.16	6.51
MSCI EAFE Growth NetDiv	2.66	13.54	15.96	11.39	13.57	7.90	6.70
MSCI EAFE Value NetDiv	1.74	10.11	22.84	24.24	18.38	14.29	6.05
MSCI EM NetDiv	6.01	11.99	15.27	15.29	9.70	6.81	4.81
MSCI World NetDiv	4.32	11.47	9.47	16.26	18.31	14.55	10.66
MSCI World ex US NetDiv	2.34	12.05	18.99	18.70	15.73	11.51	6.65
Fixed Income							
ICE BofA 1 Yr Treasury Note	0.42	0.90	1.96	4.79	3.90	2.07	1.81
ICE BofA High Yield Master II	1.86	3.57	4.55	10.28	9.85	6.01	5.29
Bloomberg US Aggregate	1.54	1.21	4.02	6.08	2.55	-0.73	1.76
Bloomberg Intermediate G/C	1.07	1.67	4.13	6.74	3.57	0.64	2.04
Bloomberg 10 Yr Municipal	0.87	0.78	1.04	2.32	2.75	0.71	2.42
Bloomberg US Credit	1.83	1.82	4.22	6.83	4.19	0.12	2.80
Real Assets							
NFI ODCE Net	0.81	0.81	1.67	2.66	-6.22	2.54	4.42

Disclaimer and Legal Notice

Information Disclaimer:

This report was prepared by ACG using information from sources that may include the following: client's custodian(s); client's investment manager(s); ACG Investment Manager Database and Client Reporting Tool; third party data vendors; and other outside sources as may be directed by the client. Index Characteristics utilized in this report are obtained from third party data providers and may be different than index characteristics reported by investment managers/funds due to varied calculation methodologies and data sources. Although the information presented herein has been obtained from and is based upon sources ACG believes to be reliable, no representation or warranty, express or implied, is made as to the accuracy or completeness of that information. Accordingly, ACG does not itself endorse or guarantee, and does not itself assume liability whatsoever for, the accuracy or reliability of any third party data or the financial information contained herein.

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The Protecting Local Government Retirement and Benefits Act (PA 202 of 2017) Health Care (OPEB) Report

Enter Local Government Name	LANSING CITY BOARD OF WATER & LIGHT	Instructions: For a list of detailed instructions on how to complete and submit this form, visit michigan.gov/LocalRetirementReporting .
Enter Six-Digit Municode	337537	
Unit Type	Authority	
Fiscal Year End Month	June	
Fiscal Year (four-digit year only, e.g. 2019)	2025	
Contact Name (Chief Administrative Officer)	Scott Taylor	Questions: For questions, please email LocalRetirementReporting@michigan.gov . Return this original Excel file. Do not submit a scanned image or PDF.
Title if not CAO	Chief Financial Officer	
CAO (or designee) Email Address	SCOTT.TAYLOR@LBWL.COM	
Contact Telephone Number	517-702-6104	
OPEB System Name (not division) 1	Post-Retirement Benefit Plan and Trust for Eligible Employees of Lansing Board of Water and Light	If your OPEB system is separated by divisions, you would only enter one system. For example, one could have different divisions of the same system for union and non-union employees. However, these would be only one system and should be reported as such on this form.
OPEB System Name (not division) 2		
OPEB System Name (not division) 3		
OPEB System Name (not division) 4		
OPEB System Name (not division) 5		

Line	Descriptive Information	Source of Data	System 1	System 2	System 3	System 4	System 5
1	Is this unit a primary government (County, Township, City, Village)?	Calculated	NO	NO	NO	NO	NO
2	Provide the name of your retirement health care system	Calculated from above	Post-Retirement Benefit Plan and Trust				
3	Financial Information						
4	Enter retirement health care system's assets (system fiduciary net position ending)	Most Recent Audit Report	268,356,875				
5	Enter retirement health care system's liabilities (total OPEB liability)	Most Recent Audit Report	188,048,537				
6	Funded ratio	Calculated	142.7%				
7	Actuarially determined contribution (ADC)	Most Recent Audit Report	-				
7a	Do the financial statements include an ADC calculated in compliance with Numbered Letter 2018-3?	Most Recent Audit Report	YES				
8	Governmental Fund Revenues	Most Recent Audit Report	468,447,889				
9	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
10	Membership						
11	Indicate number of active members	Actuarial Funding Valuation used in Most Recent Audit Report	791				
12	Indicate number of inactive members	Actuarial Funding Valuation used in Most Recent Audit Report					
13	Indicate number of retirees and beneficiaries	Actuarial Funding Valuation used in Most Recent Audit Report	748				
14	Provide the amount of premiums paid on behalf of the retirees	Most Recent Audit Report or Accounting Records	9,562,997				
15	Investment Performance						
16	Enter actual rate of return - prior 1-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	10.33%				
17	Enter actual rate of return - prior 5-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	9.31%				
18	Enter actual rate of return - prior 10-year period	Actuarial Funding Valuation used in Most Recent Audit Report or System Investment Provider	7.39%				
19	Actuarial Assumptions						
20	Assumed Rate of Investment Return	Actuarial Funding Valuation used in Most Recent Audit Report	6.50%				
21	Enter discount rate	Actuarial Funding Valuation used in Most Recent Audit Report	6.50%				
22	Amortization method utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
23	Amortization period utilized for funding the system's unfunded actuarial accrued liability, if any	Actuarial Funding Valuation used in Most Recent Audit Report					
24	Is each division within the system closed to new employees?	Actuarial Funding Valuation used in Most Recent Audit Report	No				
25	Health care inflation assumption for the next year	Actuarial Funding Valuation used in Most Recent Audit Report	7.25%				
26	Health care inflation assumption - Long-Term Trend Rate	Actuarial Funding Valuation used in Most Recent Audit Report	4.50%				
27	Uniform Assumptions						
28	Enter retirement health care system's actuarial value of assets using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	268,356,875				
29	Enter retirement health care system's actuarial accrued liabilities using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	188,048,537				
30	Funded ratio using uniform assumptions	Calculated	142.7%				
31	Actuarially Determined Contribution (ADC) using uniform assumptions	Actuarial Funding Valuation used in Most Recent Audit Report	-				
32	All systems combined ADC/Governmental fund revenues	Calculated	0.0%				
33	Summary Report						
34	Did the local government pay the retiree insurance premiums for the year?	Accounting Records	YES				
35	Did the local government pay the normal cost for employees hired after June 30, 2018?	Accounting Records	YES				
36	Does this system trigger "underfunded status" as defined by PA 202 of 2017?	Primary government triggers: Less than 40% funded AND greater than 12% ARC/Governmental fund revenues. Non-Primary government triggers: Less than 40% funded	NO	NO	NO	NO	NO

Requirements (For your information, the following are requirements of P.A. 202 of 2017)
Local governments must post the current year report on their website or in a public place
The local government must electronically submit the form to its governing body.
Local governments must have had an actuarial experience study conducted by the plan actuary for each retirement system at least every 5 years
Local governments must have had a peer actuarial audit conducted by an actuary that is not the plan actuary OR replace the plan actuary at least every 8 years.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Financial Statements

June 30, 2025 and 2024

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Table of Contents
June 30, 2025 and 2024

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Independent Auditors' Report

To the Honorable Mayor, Members of the City Council and Commissioners of
Lansing Board of Water and Light

Opinion

We have audited the financial statements of the Lansing Board of Water and Light Defined Contribution Plan and Trust 1 (the Plan), a fiduciary fund of the Lansing Board of Water and Light, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Plan as of June 30, 2025 and 2024, and the respective changes in fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Plan is presenting only the financial statements of the Plan and does not purport to, and does not, present fairly the financial position of the Lansing Board of Water and Light, as of June 30, 2025 and 2024, and the changes in financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Madison, Wisconsin
October 3, 2025

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Using this Annual Report

The annual report consists of two parts: (1) Management's Discussion and Analysis (this section) and (2) the financial statements. The financial statements include notes that explain information in the statements and provide more detail.

Condensed Financial Information

The table below compares key financial information in a condensed format between the current year and the prior three fiscal years:

	2025	2024	2023
Assets held in trust:			
Cash & cash equivalents	\$ 24,667,291	\$ 26,073,272	\$ 28,195,849
Participant-directed investments (Note 1):			
Mutual funds, bonds	18,283,837	17,497,649	17,745,597
Mutual funds, equity	166,998,488	152,413,555	130,774,490
Self-directed brokerage account:			
Equity securities/stocks	18,377,421	12,507,716	9,997,083
Mutual funds, equity	827,483	598,099	454,285
Certificates of deposit (negotiable)	-	100,039	349,683
Participant notes receivable and other	3,422,732	3,532,182	3,439,525
Net position	<u>\$ 232,577,252</u>	<u>\$ 212,722,512</u>	<u>\$ 190,956,512</u>
Changes in plan assets:			
Net investment income (loss)	\$ 26,443,922	\$ 25,881,631	\$ 18,054,588
Employer and participant contributions	9,678,268	9,894,164	11,864,060
Benefits paid to participants	(15,686,771)	(13,525,681)	(21,900,248)
Loan defaults and other changes	(580,679)	(484,114)	(546,425)
Changes in net position	<u>\$ 19,854,740</u>	<u>\$ 21,766,000</u>	<u>\$ 7,472,975</u>

Investment Objectives

The principal purpose of the Lansing Board of Water & Light Defined Contribution Plan and Trust 1 ("Plan") is to provide eligible Plan participants with a retirement income benefit at a normal retirement age. The Plan's investment funds are selected to optimize return on a risk-adjusted basis within each asset class, to provide an opportunity to create a well-diversified portfolio, to control administrative and management cost, and to comply with applicable Michigan and federal law.

Pursuant to the Plan's Investment Policy Statement, each participant may direct the investment of funds in their Plan account across various investment options. The Plan is sponsored by the Lansing Board of Water & Light ("BWL"). The Retirement Plan Committee on behalf of the Trustee periodically reviews the performance of investment options available to participants to ensure that each option is meeting its investment objectives.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Management's Discussion and Analysis
June 30, 2025 and 2024
(Unaudited)

Investment Results

The fiscal year ended June 30, 2025 saw a net investment gain of \$26.4 million. Fiscal year 2024 had a net investment gain of \$25.9 million, fiscal year 2023 had a net investment gain of \$18.1 million. Total assets held in trust were \$233 million at the end of fiscal year 2025, \$213 million at the end of fiscal year 2024, \$191 million at the end of fiscal year 2023.

Future Events

The BWL has no plan to materially revise the terms of its Plan.

Contacting the Plan's Management

The financial report is intended to provide a general overview of the Plan's finances and to demonstrate accountability for the funds it administers. Questions about this report should be submitted to Lansing Board of Water and Light Defined Contribution Plan and Trust 1, Attn: Retirement Plan Committee, P.O. Box 13007, Lansing, Michigan 48901-3007.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Statements of Fiduciary Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Cash and cash equivalents	\$ 24,667,291	\$ 26,073,272
Participant-directed investments (Note 1):		
Mutual funds, bonds	18,283,837	17,497,649
Mutual funds, equity	166,998,488	152,413,555
Self-directed brokerage account:		
Equity securities/stocks	18,377,421	12,507,716
Mutual funds, equity	827,483	598,099
Certificates of deposit (negotiable)	-	100,039
	<u>204,487,229</u>	<u>183,117,058</u>
Total participant-directed investments		
Participant notes receivable	<u>3,422,732</u>	<u>3,532,182</u>
	<u>\$ 232,577,252</u>	<u>\$ 212,722,512</u>
Net position restricted for pensions		

See notes to financial statements

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Additions		
Investment income:		
Net appreciation in fair value of investments	\$ 22,795,649	\$ 22,518,517
Interest and dividend income	<u>3,648,273</u>	<u>3,363,114</u>
Total investment income	26,443,922	25,881,631
Employer contributions (Note 1)	8,970,407	9,435,006
Interest from participant notes receivable	226,953	189,210
Other	<u>480,908</u>	<u>269,948</u>
Total additions	<u>36,122,190</u>	<u>35,775,795</u>
Deductions		
Benefits paid to participants	15,686,771	13,525,681
Loan defaults	412,246	331,152
Participants' note and administrative fees	<u>168,433</u>	<u>152,962</u>
Total deductions	<u>16,267,450</u>	<u>14,009,795</u>
Net increase in net position	19,854,740	21,766,000
Net Position Restricted for Pensions, Beginning	<u>212,722,512</u>	<u>190,956,512</u>
Net Position Restricted for Pensions, Ending	<u><u>\$ 232,577,252</u></u>	<u><u>\$ 212,722,512</u></u>

See notes to financial statements

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

1. Plan Description

The following description of Lansing Board of Water and Light Defined Contribution Plan and Trust 1 (Plan) provides only general information. Participants should refer to the Plan Documents, in conjunction with the Plan Adoption Agreement, for a more complete description of the Plan's provisions.

General

The Plan was established by the Lansing Board of Water & Light (BWL) in 1997 under Section 5-203.10 of the City Charter. Prior to its establishment, the BWL sponsored a defined benefit plan (Lansing Board of Water and Light Defined Benefit Plan and Trust for Employees' Pensions) in which substantially all employees of the BWL were participants. Effective December 1, 1997, all active participants of the defined benefit plan were required to make an irrevocable choice to either remain in the defined benefit plan or move to the newly established Plan. Those participants who elected to move to the Plan received lump-sum distributions from the defined benefit plan, which were rolled into their accounts in the Plan. Of the 760 active participants who were required to make this election, 602 elected to convert their retirement benefits to the Plan. As a result of this action, effective December 1, 1997, the Board of Commissioners transferred \$75,116,470 to the Plan, reflecting the plan participants' accumulated benefits as of said date.

Nationwide Retirement Solutions (Nationwide) serves as the Plan recordkeeper, administrator and processor of participant investments.

Contributions

For eligible employees hired before January 1, 1997, the BWL is required to contribute 15% of the employees' eligible compensation. For employees hired on or after January 1, 1997, the BWL is required to contribute 9.5% of the employees' compensation. In addition, the BWL is required to contribute an additional 3.0% of the employees' compensation for all employees who are not eligible to receive overtime pay and 0.5% of the employees' compensation for all nonbargaining employees. As part of the transition to Nationwide, effective April 25, 2021, the BWL adopted Nationwide's prototype plan documents.

Participant Accounts

Each participant's account is credited with the participant's rollover contributions and withdrawals, as applicable, and allocations of the BWL's contributions and Plan earnings. Allocations are based on participants' earnings or account balances, as defined in the Plan document. Forfeited balances of terminated participants' nonvested accounts are used to reduce future BWL contributions. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

As of June 30, 2025, there were 935 participants in the Plan, of which 865 were active employees. As of June 30, 2024, there were 921 participants in the Plan, of which 821 were active employees.

Vesting

The portion of employer contribution which is subject to vesting is vested on the following schedule: 25% vested after three years and an additional 25% after each subsequent completed year of service.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

Investment Options

Participants may direct contributions to any of the following investment options, some of which are administered by subsidiaries (or related parties) of Nationwide. Since Nationwide is a service provider to the Plan, transactions in the Nationwide Stable Value Account qualify as party-in-interest transactions.

Stable Value

Seeks safety of principal, adequate liquidity and returns superior to shorter maturity alternatives by actively managing a diversified portfolio of assets issued by highly rated financial institutions and corporations as well as obligations of the U.S. government or its agencies.

Balanced

Seeks both current income and capital appreciation by investing in a combination of stocks, bonds and money market instruments.

Growth

Seeks long-term capital appreciation by investing primarily in equity securities of companies with above-average growth prospects. Current income is a secondary concern.

International

Seeks long-term capital appreciation by investing primarily in equity securities of issuers located outside of the U.S.

Stock Funds

Seeks long-term growth through capital gains, although historically dividends have been an important source of total return. These funds primarily invest in the common stocks of companies based in the United States. There are many options for diversification within this category.

Bond and Equity Funds

Seeks to maximize current income with capital appreciation as a secondary consideration by investing primarily in debt securities issued by the U.S. government or its agencies and domestic and foreign corporations. They are not fixed-income investments. Even when a mutual fund's portfolio is composed entirely of bonds, the fund itself has neither a fixed yield nor a contractual obligation to give investors back their principal at some later maturity date - the two key fixed characteristics of individual bonds.

Self-Directed Brokerage Account

Participants meeting minimum balance and transaction requirements may transfer funds to a self-directed brokerage account providing access to additional investment options including a large selection of mutual funds.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of the lesser of \$50,000 or 50% of their vested account balances. Notes receivables are treated as transfers between the investment fund and the notes receivable fund. Note terms range from one to five years or up to 20 years for the purchase of a primary residence. The notes receivable is secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing rates as determined periodically by the Plan administrator. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Upon termination of service, a participant may elect to receive either a lump-sum amount equal to the value of the participant's vested interest in his or her account or choose from a variety of periodic payment options. Upon reaching normal retirement age, a participant may elect to receive in service distributions.

2. Summary of Significant Accounting Policies

Basis of Accounting

Fiduciary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Plan participant contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due pursuant to legal requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Valuation of Investments and Income Recognition

The investments are stated at fair value based on closing sales prices reported on recognized securities exchanges on the last business day of the year, or for listed securities having no sales reported and for unlisted securities, upon the last reported bid prices on that date. The mutual funds are valued at quoted market prices, which represent the fair market values of shares held by the Plan at year-end.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is accrued when earned. Dividend income is recorded on the ex-dividend date.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

Participant Notes Receivable

Participant notes receivable are recorded at their unpaid principal balances plus any accrued interest. Participant notes receivable are written off when deemed uncollectible.

Expenses

Substantially all Plan expenses are paid by Plan participants.

Regulatory Status

The Plan is not subject to the reporting requirements of the Employee Retirement Income Security Act of 1974 (ERISA) as it has been established for the benefit of a governmental unit.

Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

3. Cash and Cash Equivalents, Investments and Fair Value Disclosure

The Plan is authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, bonds, mutual funds, collective investment funds, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, real estate, debt or equity of certain small businesses, certain state and local government obligations and certain other specified investment vehicles. Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and noninterest bearing).

The Plan's deposits and investment policies are in accordance with PA 196 of 1997 and have authorized the investments according to Michigan PA 314 of 1965, as amended.

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned to it. The Plan requires that financial institutions must meet minimum criteria to offer adequate safety to the Plan. As of June 30, 2025 and 2024, the Plan has \$588,857 and \$314,227, respectively, of bank deposits that were uninsured and uncollateralized. The Plan evaluates each financial institution with which it deposits funds and only those institutions meeting minimum established criteria are used as depositories.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Plan's investment policy addresses this risk by requiring the Plan to hold all investments subject to custodial credit risk in its name. At year-end, all investments of the Plan were held in the name of the Plan and are therefore not subject to custodial credit risk.

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

Credit Risk

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The plan has no investment policy that would further limit its investment choices. As of June 30, 2025, the credit quality ratings of investments subject to credit risk are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds, bond funds	\$ 18,283,837	Not rated	Not rated

As of June 30, 2024, the credit quality ratings of investments subject to credit risk are as follows:

Investment	Fair Value	Rating	Rating Organization
Mutual funds, bond funds	\$ 17,497,649	Not rated	Not rated
Certificates of deposit (negotiable)	100,039	Not rated	Not rated

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. The Plan's investment policy does not address this risk. At June 30, 2025, the average maturities of investments subject to interest rate risk are as follows:

Investment	Fair Value	Weighted Average Maturity
Mutual funds, bond funds	\$ 18,283,837	3.1 years

At June 30, 2024, the average maturities of investments subject to interest rate risk are as follows:

Investment	Fair Value	Weighted Average Maturity
Mutual funds, bond funds	\$ 17,497,649	6.9 years
Certificates of deposit (negotiable)	100,039	0.6 years

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Plan has no investments subject to concentration of credit risk as of June 30, 2025 and June 30, 2024. The Plan's investment policy does not address concentration of credit risk.

4. Plan Termination

Although it has not expressed any intention to terminate the Plan, the BWL has the right to do so at any time. In the event of any termination of the Plan, or upon complete or partial discontinuance of contributions, the accounts of each affected participant shall become fully vested.

Lansing Board of Water and Light

Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

5. Tax Status

The Plan utilizes Nationwide's prototype plan document. The prototype plan has received a favorable opinion letter from the Internal Revenue Service (IRS) that the prototype plan, as designed, is qualified for federal income tax-exempt status. The Plan has not individually sought its own determination letter.

6. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under authoritative guidance are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted market prices for identical assets in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means; and
- if the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observables and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024:

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily fair value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Self-Directed Brokerage Account: The self-directed brokerage account allows participants of the Plan the option of selecting a more personalized and broad range of investment choices. The investments within the account consist of corporate stocks, which are valued at the most recent closing price reported on the market on which individual securities are traded, certificates of deposits (negotiable), valued at cost and mutual funds (see above).

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2025 and 2024:

Investment Type	2025			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bond funds	\$ 18,283,837	\$ -	\$ -	\$ 18,283,837
Equity funds	166,998,488	-	-	166,998,488
Self-directed brokerage account:				
Equity securities/stocks	18,377,421	-	-	18,377,421
Mutual funds, equity	827,483	-	-	827,483
Total investments by fair value level	<u>\$ 204,487,229</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,487,229</u>
Investment Type	2024			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Bond funds	\$ 17,497,649	\$ -	\$ -	\$ 17,497,649
Equity funds	152,413,555	-	-	152,413,555
Self-directed brokerage account:				
Equities	12,507,716	-	-	12,507,716
Mutual funds	598,099	-	-	598,099
Certificates of deposit (negotiable)	-	100,039	-	100,039
Total investments by fair value level	<u>\$ 183,017,019</u>	<u>\$ 100,039</u>	<u>\$ -</u>	<u>\$ 183,117,058</u>

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

Notes to Financial Statements
June 30, 2025 and 2024

7. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

8. Subsequent Events

The Plan has evaluated subsequent events occurring through October 3, 2025, the date that the Plan's financial statements were approved and available to be issued, for events requiring recording or disclosure in the Plan's financial statements. There are no subsequent events warranting disclosures.

LANSING BOARD OF WATER & LIGHT
2ND QUARTER, 2025

DEFINED CONTRIBUTION

QUARTERLY REVIEW

CAPTRUST

3000 Town Center Boulevard, Suite 2650, Southfield, MI, 48075
99 Monroe Avenue, N.W., Suite 901, Grand Rapids, MI 49503

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and a commitment to service beyond expectation.



Lansing Board of Water and Light

2nd Quarter, 2025 Quarterly Review

prepared by:

Dori Drayton, CPA ,CFP®

Principal | Financial Advisor

Justin Cohen, CPFA

Financial Advisor | Relationship Manager

Section 1

RETIREMENT TOPICAL SPOTLIGHTS

Section 2

MARKET COMMENTARY AND REVIEW

Section 3

LANSING BOARD OF WATER AND LIGHT DEFINED CONTRIBUTION PLAN AND TRUST 1 INVESTMENT REVIEW

LANSING BOARD OF WATER AND LIGHT DEFINED CONTRIBUTION PLAN AND TRUST 2 INVESTMENT REVIEW

LANSING BOARD OF WATER AND LIGHT 457 DEFERRED COMPENSATION PLAN AND TRUST INVESTMENT REVIEW

Section 4

MANAGER FACT SHEETS

Appendix



FIDUCIARY UPDATE

Retirement plan fiduciaries should be mindful of recent regulatory guidance that may be relevant to their plans.



DOL ANNOUNCES CHANGES TO ESG RULE AND CRYPTO GUIDANCE

On May 28, 2025, the DOL announced it will craft a new rule for retirement plan fiduciaries who are considering environmental, social, and governance (ESG) factors when selecting investments.

- The DOL finalized the Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights rule in 2022. This rule allows plan fiduciaries to consider ESG factors when making investment decisions.
- It took effect in January 2023 and will remain in effect until rescinded through the rulemaking process.

The same day, the DOL rescinded guidance that told plan fiduciaries to "exercise extreme care" before selecting cryptocurrency as an investment option in plan menus.

- This is part of the president's effort to promote access to alternative investments for retail investors.
- By rescinding the 2022 guidance, the DOL reaffirmed its neutral stance on cryptocurrency as a plan investment option.



IRS FORFEITURE GUIDANCE EXPIRING AT THE END OF THE 2025 PLAN YEAR

In 2023, the IRS clarified that forfeitures should be used no later than 12 months after the close of the plan year in which they are incurred.

However, there is an exception to this rule that expires at the end of the 2025 plan year. Sponsors with vesting schedules should prepare accordingly.

- Forfeitures incurred in plan years that began before January 1, 2024, will be treated as having been incurred in the first plan year that begins on or after January 1, 2024.
- Some plans have forfeitures that have accumulated, unused, for years. This is a one-time opportunity to prevent such forfeitures from becoming a plan failure, if they are utilized before the end of the 2025 plan year.
- Those whose plans have a vesting schedule (or had one in the past) should confirm with their recordkeeper that there is a plan in place for all pre-2025 plan-year forfeitures to be completely utilized by the end of the 2025 plan year.

HOW DIFFERENT FACTORS IMPACT FIDUCIARY INSURANCE COSTS

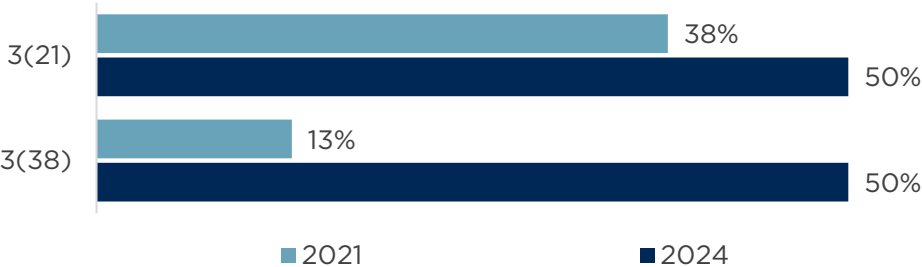
Fiduciary liability insurance is underwritten on a case-by-case basis. Its cost depends on individual plan factors, including share classes used, investments offered, and the type of investment advisor retained.

Below are key takeaways from a 2024 survey of 15 insurers on the factors affecting fiduciary liability insurance cost.

KEY FINDINGS

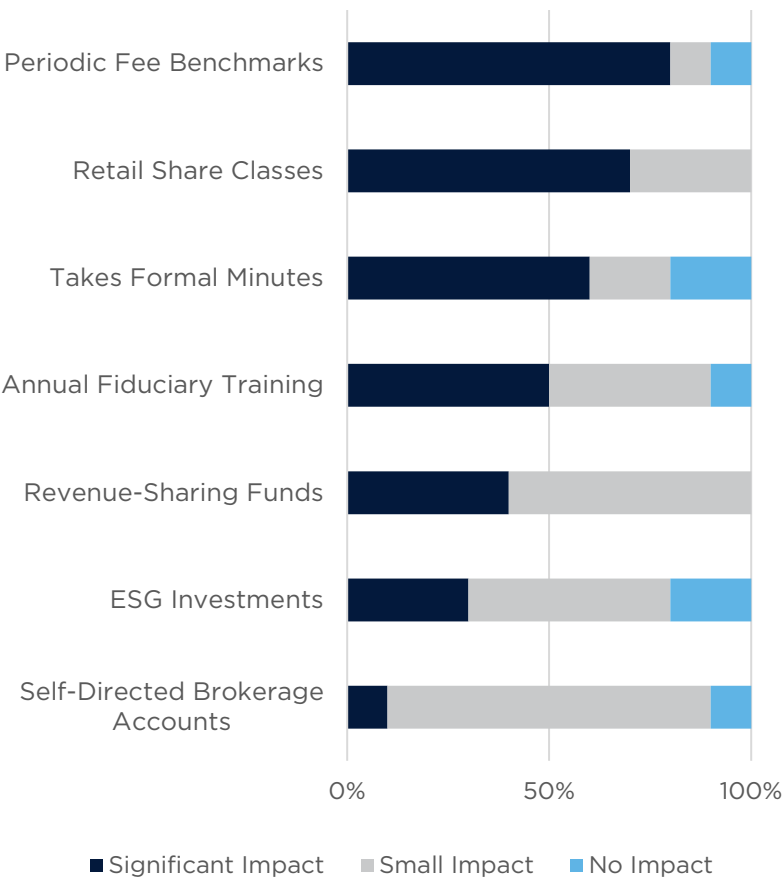
- One of the biggest drivers of pricing is whether the investment committee does periodic fee-benchmarking reviews.
- Using company stock in a retirement plan is considered a significant impact to costs, particularly for plans without an investment cap.
- Investments are another area of focus for insurers, as the use of either retail or revenue-sharing share classes could have significant pricing implications.
- ESG investments, managed accounts, and self-directed brokerage accounts play a smaller role in pricing.

Percent of Surveyed Insurers Who Consider Having a Fiduciary Investment Advisor a Significant Factor



Source: “What Drives Fiduciary Liability?,” Aon, April 2025

Pricing Impact on Fiduciary Liability Insurance



PRIVATE MARKETS FIND THEIR WAY INTO THE DC MARKETPLACE

Private market investments may add value for retirement plan participants. However, given their novelty and complexity, plan sponsors should proceed with caution.

WHAT ARE PRIVATE MARKET INVESTMENTS?	HOW CAN PRIVATE MARKETS BE ACCESSED IN DC PLANS?	WHAT ARE THE CONSIDERATIONS?	
Private market investments are those that are not traded on a public exchange or public stock market. This can include the following. • Private equity: Investing in the equity of privately-held companies • Private debt: Debt financing negotiated and secured privately between a borrower and lender • Private real estate: The purchase of physical real estate as an investment Historically, these investments have been available almost exclusively to high-net-worth individuals and large, professionally managed asset pools, such as pension plans.	Most can be accessed through evergreen funds within a collective investment trust (CIT). An <i>evergreen fund</i> is a private investment that is open ended, allowing for continuous investment and investor redemptions: Professionally managed portfolios that can access private market investments include: • Managed accounts • Target-date or target-risk funds • Multi-asset portfolios In June 2020, the DOL issued an information letter that permitted the inclusion of private equity in professionally managed portfolios. The DOL is expected to issue additional guidance in this area.		Investment Vehicle
			Valuation Process
			Investment Structure
			Liquidity Restrictions
			Fees Assessed

Executive Order: Expanding Private Market Investments in 401(k) Plans

Expanding Private Market Investments in 401(k) Plans: President Trump signed an executive order on August 7, 2025, directing the DOL and SEC to issue guidance on including private assets (e.g., private equity, venture capital, real estate, and hedge funds) in 401(k) plans.



Key impacts include:

- Diversification: broader investment options may enhance long-term returns
- Higher expenses: Private market investments carry higher fees, but these costs are often justified. Over time, it's reasonable to expect continued pressure to reduce them
- Fiduciary concerns: increased complexity and risk under ERISA regulations
- Slow adoption: employers are likely to proceed cautiously due to the requirement for strong fiduciary oversight



Next Steps:

- Await DOL and SEC guidance
- Monitor regulatory updates and assess plan readiness
- Perform fiduciary due diligence to assess suitability, evaluate fees and document decision making
- Consider enhancing fiduciary insurance coverage

PROHIBITED TRANSACTIONS: PROCEED WITH PRUDENCE

ERISA includes a sweeping list of transactions that plans may not engage in with a “party in interest.” These are called *prohibited transactions*. These transactions are often both common and necessary to manage and administer a retirement plan. Exemptions exist to enable plan sponsors while providing standards of care to protect the retirement benefits of participants and their beneficiaries.



COMMON PROHIBITED TRANSACTIONS	PARTY IN INTEREST	EXEMPTION RELIEF
Participant Loans	Employees	Loans may be provided from the plan to employees if the program follows exemption criteria.
Paying for Services with Plan Assets	Service Provider/Fiduciary	Services may be paid for from plan assets if they are deemed necessary and the costs are reasonable.
Company Stock	Employer	The plan’s purchase of company stock must be completed with adequate consideration and with a value that has been determined in good faith.
Participant Advice	Service Provider/Fiduciary	Advice may be provided if the provider’s conflicts of interest are disclosed and mitigated and if recommendations are in the individual’s best interest.



BACK TO BASICS: HEALTH SAVINGS ACCOUNTS (HSAs)

An HSA is a tax-advantaged financial tool designed to help people save for and pay for qualified medical expenses. HSAs are now approaching a pivotal point in their lifecycle. This juncture offers a potential springboard for growth fueled by rising healthcare costs, the adoption of AI technology, and a potentially more favorable political environment.

2024 KEY HIGHLIGHTS

1	SCALE: HSAs contained \$147 billion in assets in 39 million accounts with year-over-year account growth at 5%.
2	ACCESS: 39% of employees had access to an HSA.
3	INVESTMENT: 41% of HSA assets were invested, representing 9% of accounts.
4	GROWTH: HSA-invested assets grew 38%, totaling \$64 billion in growth.

NOW AND TOMORROW

NOW: HSAs ARE MAINSTREAM

With improved scalability and the rise of high-deductible healthcare plans, HSAs are now integral in healthcare spending, retirement savings and employer-sponsored benefits packages. At year end, over 90 million Americans benefited from HSAs, while 61% of all HSA accounts were affiliated with an employer.¹

TOMORROW: WHAT'S ON THE HORIZON?

The HSA industry's future appears promising, driven by improved participant experiences, potential increased contribution limits, and a focus on encouraging account holders to invest their balances. On the horizon are industry discussions on pairing traditional retirement plans with HSAs for a more holistic retirement planning approach.

ERISA IMPACT

Plan sponsors can offer an HSA to their employees and avoid establishing an ERISA-covered plan by:

1. Not making contributions to the HSA program on behalf of employees.
2. Not endorsing the HSA provider or influencing investment decisions. Providing general HSA program information, limiting to one HSA provider, and mirroring the 401(k) menu of investments are not considered endorsement or influence.

Note: Additional requirements for avoiding ERISA coverage apply. See DOL FAB 2006-02 for more information.

Sources: "2024 Year-End HSA Market Statistics & Trends Executive Summary," Devenir. "Health Savings Accounts 2025," Congressional Research Service.



EDUCATING EMPLOYEES CAN HELP THEM IMPROVE PLAN OUTCOMES

Optimize your contributions, update your beneficiaries, and take advantage of cybersecurity features. These are three of the key steps employees can take to improve their retirement plan outcomes. CAPTRUST research shows that, for a 42-year-old employee with \$65,000 in annual income, \$150,000 in their 401(k), and a 4% employer match, these three changes alone could create an additional \$155,220 in accumulated wealth over their lifetime.

	OPTIMIZE CONTRIBUTIONS	UPDATE BENEFICIARIES	AVOID CYBERCRIME
Potential Lifetime Savings Impact	+\$138,000	+\$9,126	+\$8,094
The Problem	Employees who contribute too little miss out on tax advantages and employer matching.	Failing to establish or update beneficiaries will lead to delays and costs after death.	Failing to register or properly secure online accounts can result in hacking, identity theft, financial loss, or cyber threats.
The Impact	Not receiving an employer match could result in a loss of up to \$78,000 over 30 years. Incorrectly making a traditional contribution instead of a Roth contribution could result in a potential lifetime tax difference of \$60,000.	The probate process typically costs between 3% and 10% of assets, depending on the state of residence, and can take anywhere from one month to three years.	The average cybercrime attack results in an \$8,000 loss.
Suggested Actions for Employers	1. Encourage employees to contribute at least enough to take full advantage of employer matching. 2. Educate employees about the potential benefits of Roth contributions and how to integrate tax-advantaged accounts, like Roth savings and HSAs, into their financial planning.	1. Remind employees to review their beneficiaries every year or when major life events or tax changes occur. 2. Offer educational materials about estate planning to help employees prepare necessary documents like wills.	1. Remind employees that multifactor authentication can help prevent 99.9% of account compromises. 2. Teach best practices for password creation. Longer passwords are harder for attackers to decrypt, and regularly changing passwords can decrease the likelihood of security breaches.

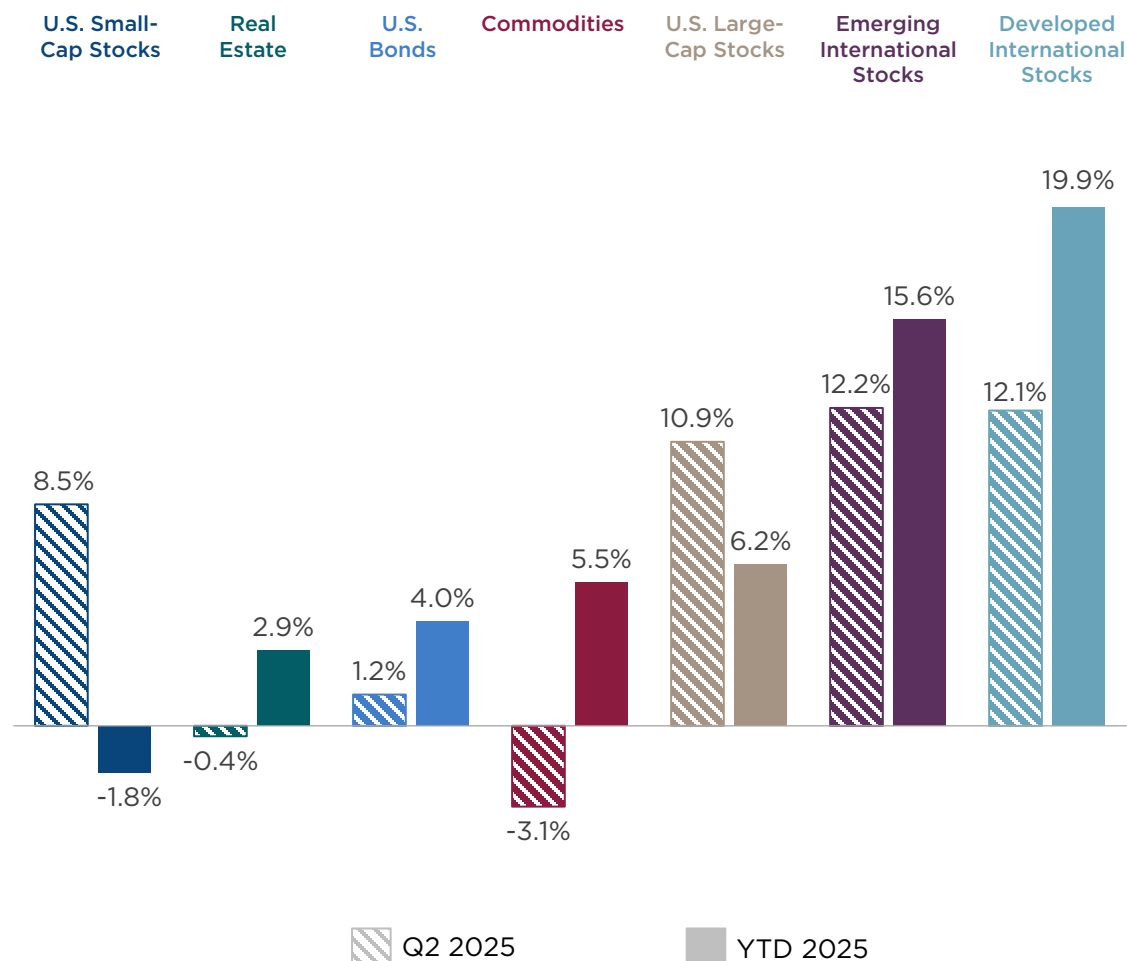
Sources: Bureau of Labor Statistics. CAPTRUST research. “Cybercrime Victims Lose an Estimated \$714 Billion Annually,” Bischoff, Paul. “What We Leave Behind: Financial Education and Estate Planning,” FINRA Investor Education Foundation. “55 Important Password Statistics You Should Know: 2024 Breaches & Reuse,” FinancesOnline



MARKET RECOVERS IN VOLATILE QUARTER

A sharp selloff ushered in the second quarter as U.S. trade policies shook global markets. A gradual easing in tariff rhetoric and ongoing strength in economic data moderated investor fears, even as geopolitical tensions escalated. U.S. markets ended the quarter at all-time highs, while dollar weakness bolstered gains for a reinvigorated Europe.

- U.S. equities climbed with market leadership rotating back to the communication services and technology sectors after solid earnings.
- U.S. dollar depreciation was a tailwind for international stocks along with improving growth prospects and easing trade tensions.
- Fixed income assets added to their 2025 gains despite a volatile quarter and mounting concerns about the sustainability of U.S. federal debt levels.
- Weakened demand and oversupply concerns dragged on commodities and energy prices. Gold continues to be a safe-haven asset amid economic and geopolitical uncertainty.
- Real estate fell amid weakening investor sentiment and yield volatility.



Asset class returns are represented by the following indexes: Bloomberg U.S. Aggregate Bond Index (U.S. bonds), S&P 500 Index (U.S. large-cap stocks), Russell 2000® (U.S. small-cap stocks), MSCI EAFE Index (international developed market stocks), MSCI Emerging Market Index (emerging market stocks), Dow Jones U.S. Real Estate Index (real estate), and Bloomberg Commodity Index (commodities). Past performance is no guarantee of future results. Indexes are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly. Please refer to index definitions and other important disclosures provided at the end of this presentation.

DIGGING DEEPER: STOCKS AND BONDS

Equities

	Q2 2025	YTD 2025	Last 12 Months*
U.S. Stocks	10.9%	6.2%	15.2%
• Q2 Best Sector: Technology	23.7%	8.1%	15.1%
• Q2 Worst Sector: Energy	-8.6%	0.8%	-4.0%
Developed International Stocks	12.1%	19.9%	18.3%
Emerging Markets Stocks	12.2%	15.6%	16.0%

*Last 12 months: 6.30.2024 through 6.30.2025

Fixed Income

	6.30.25	3.31.25	6.30.24
1-Year U.S. Treasury Yield	3.96%	4.03%	5.09%
10-Year U.S. Treasury Yield	4.24%	4.23%	4.36%
	Q2 2025	YTD 2025	Last 12 Months*
10-Year U.S. Treasury Total Return	1.04%	5.08%	5.40%

*Last 12 months: 6.30.2024 through 6.30.2025

Equities – Relative Performance by Market Capitalization and Style

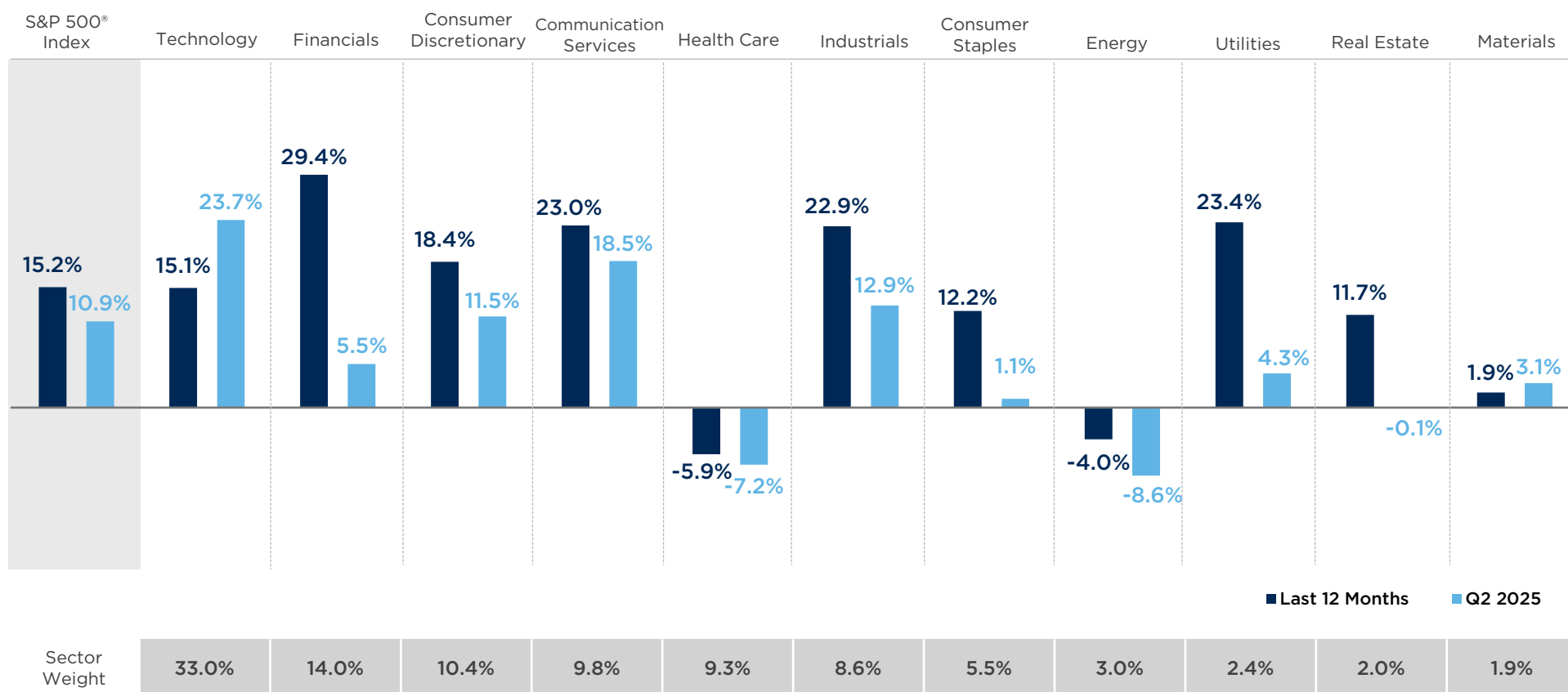
Q2 2025				YTD 2025				Last 12 Months			
	Value	Blend	Growth		Value	Blend	Growth		Value	Blend	Growth
Large	3.8%	10.9%	17.8%	Large	6.0%	6.2%	6.1%	Large	13.7%	15.2%	17.2%
Mid	5.3%	8.5%	18.2%	Mid	3.1%	4.8%	9.8%	Mid	11.5%	15.2%	26.5%
Small	5.0%	8.5%	12.0%	Small	-3.2%	-1.8%	-0.5%	Small	5.5%	7.7%	9.7%

Sources: Morningstar, U.S. Treasury. Asset class returns are represented by the following indexes: S&P 500 Index (U.S. stocks), MSCI EAFE Index (international developed market stocks), and MSCI Emerging Markets Index (emerging market stocks). Relative performance by market capitalization and style is based upon the Russell US Style Indexes except for large-cap blend, which is based upon the S&P 500 Index. Past performance is no guarantee of future results. Indexes are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly. Please refer to index definitions and other important disclosures provided at the end of this presentation.

DIGGING DEEPER: U.S. EQUITY MARKETS

The S&P 500® Index is a market-capitalization-weighted index of U.S. large-cap stocks across a diverse set of industry sectors. The stocks represented in these 11 sectors generated a range of returns for the last 12 months* and the most recent quarter.

Returns by S&P 500® Sector



Source: Morningstar, S&P Global. All calculations are cumulative total return, not annualized, including dividends for the stated period. Past performance is no guarantee of future results, and the opinions presented cannot be viewed as an indicator of future performance. Indexes cannot be invested in directly. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast or guarantee of future results. Investing involves risk; principal loss is possible. *Last 12 months: 6.30.2024 through 6.30.2025

DIGGING DEEPER: FIXED INCOME MARKET

Interest Rates	3 Months	2 Years	5 Years	10 Years	30 Years	Mortgage Rate
March 2025	4.32%	3.89%	3.96%	4.23%	4.59%	6.65%
June 2025	4.41%	3.72%	3.79%	4.24%	4.78%	6.77%
Change	0.09%	-0.17%	-0.17%	0.01%	0.19%	0.12%

U.S. Treasury yields were mixed as investors grappled with trade policy changes, geopolitical tensions, and risks surrounding U.S. federal debt. Mortgage rates climbed with the long end of the yield curve.

Core Fixed Income	Yield to Worst	Duration	Total Return Q2 2025	Spread	Treasury Rate	AA Spread	BBB Spread
March 2025	4.61%	5.86	1.21%	0.38%	4.22%	0.38%	1.11%
June 2025	4.56%	5.81		0.33%	4.23%	0.34%	1.01%
Change	-0.04%	-0.05		-0.05%	0.01%	-0.04%	-0.10%

Core bond performance was marginally positive while yields remained largely range-bound. Credit spreads tightened as trade tensions eased.

Long Credit	Yield to Worst	Duration	Total Return Q2 2025	Spread	Treasury Rate	AA Spread	BBB Spread
March 2025	5.73%	12.63	1.25%	1.21%	4.53%	0.81%	1.53%
June 2025	5.82%	12.58		1.09%	4.73%	0.70%	1.36%
Change	0.09%	-0.05		-0.12%	0.21%	-0.11%	-0.17%

Longer-maturity bond performance was positive, though yields climbed as concerns over the fiscal deficit mounted.

Sources: Morningstar, FactSet, U.S. Treasury, Federal Reserve Bank of St. Louis, CAPTRUST research. All information is point-in-time as of the last day of the month noted, except total return, which was calculated over the course of 03.30.2025 through 6.30.2025.

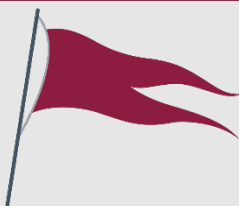
ECONOMIC OUTLOOK

Despite policy shifts, geopolitical tensions, and mounting concerns about long-term debt, the U.S. economy has been resilient. Consumers and corporations have demonstrated an ability to move forward with caution, even in the face of significant risk. However, a wide range of outcomes is still possible.

HEADWINDS

Awaiting Greater Clarity

- Policy uncertainty continues to threaten near-term economic activity.
- The Federal Reserve maintains a wait-and-see approach, following the data and monitoring fiscal policy impact before making changes.
- The housing market remains in limbo as an affordability gap keeps buyers on the sidelines. An uptick in supply could create disinflationary pressures or could lower home equity values.



Long-Term Detractors

- Soaring government debt is unsustainable, and fiscal solutions are unlikely in the near term. Economic stability relies on corporate and consumer balance sheets as we await productivity gains from artificial intelligence (AI).
- An aging population and fewer immigrants may reduce labor force participation, weighing on future economic growth.

TAILWINDS

Balance Sheet Strength

- Despite waning sentiment, consumer financial conditions remain solid, aided by a cooling yet stable labor market and moderating inflation. Recent tax reform may lead to higher confidence and spending.
- Corporate fundamentals have been resilient. Businesses seem to be digesting tariff impacts, maintaining profitability and adding shareholder value through stock buybacks. Regulatory uncertainty and tax reform could create a favorable backdrop for elevated buyback activity.



Long-Term Contributors

- AI adoption will fuel productivity and will be key to future economic growth.
- Improved access to exponential knowledge will drive more efficient solutions and advancements for businesses and governments.

Near-term fiscal and economic paths remain uncertain. Investors should focus on longer-term investment horizons. Prudence and diversification can help you stay prepared for a range of outcomes.

THE POWER OF COLLECTIVE KNOWLEDGE

Productivity comes from solving problems more efficiently. Efficiency comes from building on what we already know. As knowledge compounds, especially through AI, today’s challenges give rise to smarter solutions tomorrow.



COMPOUNDING KNOWLEDGE

The power of compounding comes from a constantly expanding base. Tomorrow’s progress stacks on today’s base, which includes all past growth.

Humanity begins every day with collective knowledge previously accumulated. In other words, knowledge compounds.

While knowledge grows individually, it expands even faster collectively, as communication improves. Sharing ideas helps people learn from each other. The internet’s greatest impact was making global knowledge more accessible.

EXPONENTIAL GROWTH

Over the past century, advances in communication have driven knowledge growth and productivity. The next wave will come from AI, which massively expands the number of problem-solvers.

AI gives people access to virtual problem-solvers equipped with all human knowledge—potentially unlocking faster, more powerful solutions.

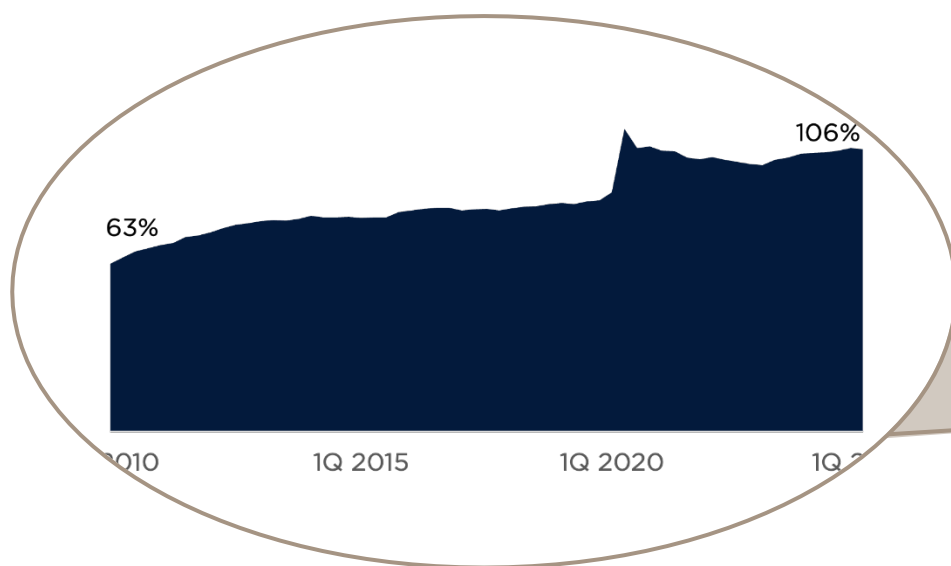


Charts are for illustrative purposes only.

DEBT RISKS ECONOMIC SUCCESS

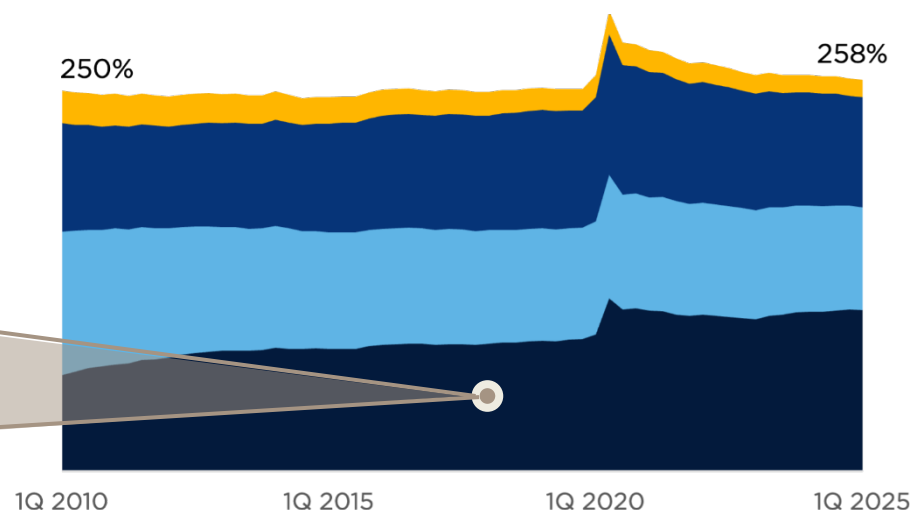
Government debt remains the largest single risk to long-term U.S. economic prosperity. Current deficit levels are unsustainable, but both potential solutions—raising taxes or cutting spending—have faced political pushback. Consequently, economic growth must drive a long-term fix. Fortunately, consumers and businesses have much stronger balance sheets than the federal government and may be able to support continued growth while the country awaits AI productivity gains.

Government Debt as a % of GDP



Federal debt has risen steadily since 2010, currently equaling 106% of gross domestic product (GDP). The Congressional Budget Office estimates this ratio will continue rising over the next decade, with interest expense projected to grow twice as fast as revenue.

Total Debt as a % of GDP



Government Household Business State/Local

While the government continues to amass debt, companies and consumers have de-levered their balance sheets, holding the total-debt-to-GDP ratio fairly stable since 2010.

Headlines focus on debt, but the solution must come from GDP growth.

Sources: Federal Reserve; Congressional Budget Office; CAPTRUST research. Data as of March 2025.

BUYBACKS OVERTAKE DIVIDENDS

There are five things a company can do with cash flow from its operations: pay dividends, buy back stock, pay down debt; reinvest, or hold a cash reserve on its balance sheet. The optimal decision is unique to each company, but in aggregate, buybacks have overtaken dividends as the preferred method of delivering shareholder yield.

S&P 500 Quarterly Buybacks



S&P 500 Gross Buybacks by Sector (millions)

Sector	1Q 2025	Trailing 10 Years
Technology	\$80,164	\$2,112,310
Financials	\$59,419	\$1,394,649
Communications	\$45,515	\$710,396
Industrials	\$29,005	\$673,840
Health Care	\$26,129	\$806,203
Discretionary	\$18,200	\$789,736
Energy	\$16,508	\$311,156
Staples	\$11,385	\$373,939
Materials	\$5,378	\$155,325
Real Estate	\$952	\$23,285
Utilities	\$798	\$23,437
S&P 500	\$293,451	\$7,374,275

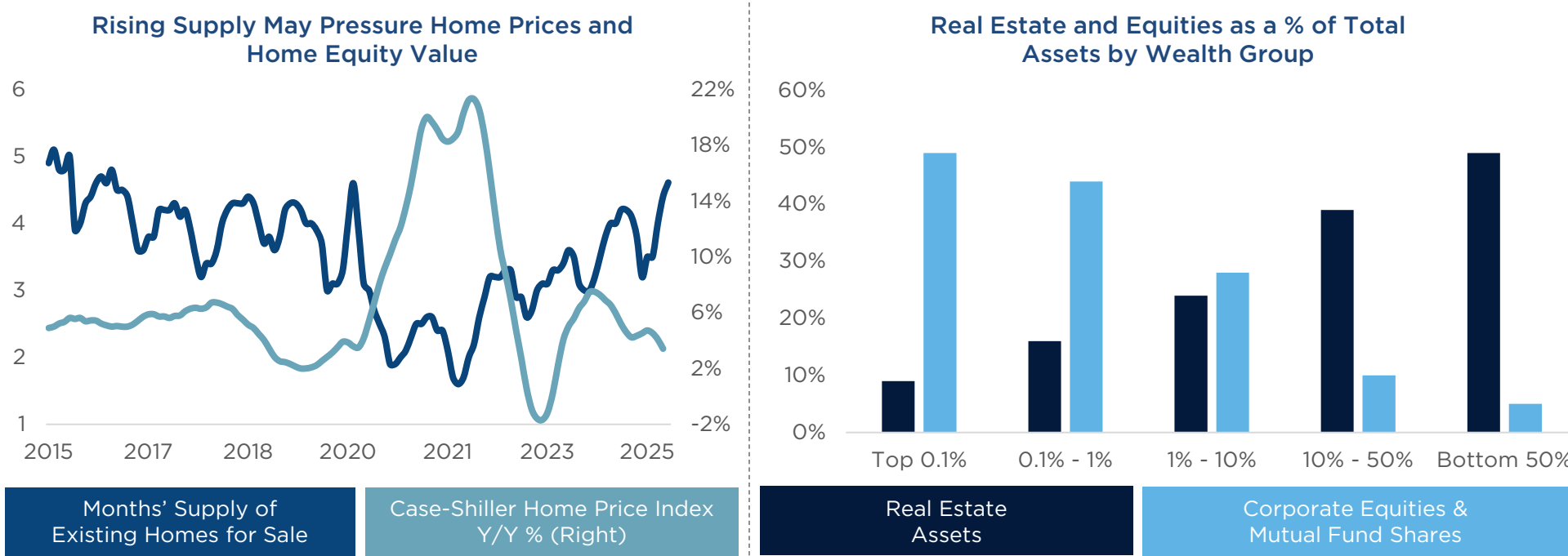
In the first quarter of 2025, S&P 500 companies paid \$164.1 billion in dividends while using \$293.5 billion of cash to buy back stock. This was an all-time high for repurchase activity, with the 20 largest companies making nearly half of the buybacks. While dividends give investors a one-time current income stream, stock buybacks can have more lasting value, since each remaining share represents larger ownership interest in future earnings.

Unless there is a significant change in buyback taxation, elevated policy uncertainty will likely support more buyback activity, providing a tailwind to certain segments of the equity market.

Sources: S&P Global; GuruFocus; CAPTRUST research

MORE INVENTORY MAY NOT SOLVE HOUSING WOES

Housing remains frozen in an otherwise stable economy. Would-be sellers feel locked in by extremely low existing mortgage rates. Would-be buyers feel locked out by soaring homeownership costs. However, the supply-demand imbalance that has plagued the market appears to be slowly shifting in some regions.



In May, the monthly supply of homes for sale reached levels last seen in mid-2016. With potential homebuyers remaining on the sidelines and inventory rising, the housing market will likely continue to experience disinflationary effects. The Case-Shiller Home Price Index has already slowed from prices increasing 7% year-over-year (Y/Y) in February 2024 to just 3% in April 2025. However, if a longer sales cycle ultimately leads to falling home prices, current owners and prospective buyers could lose confidence due to the negative wealth effect. A national housing crisis is highly unlikely. However, certain regions and population segments are vulnerable, particularly owners in the bottom 50% of U.S. wealth brackets, where real estate accounts for nearly 50% of household assets.

Sources: National Association of Realtors, S&P CoreLogic Case-Shiller U.S. National Home Price Index, FactSet, Strategas, CAPTRUST research

ASSET CLASS RETURNS

Period Ending 6.30.25 | Q2 25

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Q2 2025
Mid-Cap Value 18.51%	Small-Cap Growth 43.30%	Mid-Cap Value 14.75%	Large-Cap Growth 5.67%	Small-Cap Value 31.74%	Large-Cap Growth 30.21%	Cash 1.87%	Large-Cap Growth 36.39%	Large-Cap Growth 38.49%	Mid-Cap Value 28.34%	Cash 1.46%	Large-Cap Growth 42.68%	Large-Cap Growth 33.36%	Mid-Cap Growth 18.20%
Small-Cap Value 18.05%	Mid-Cap Growth 35.74%	Large-Cap Value 13.45%	Fixed Income 0.55%	Mid-Cap Value 20.00%	Mid-Cap Growth 25.27%	Fixed Income 0.01%	Mid-Cap Growth 35.47%	Mid-Cap Growth 35.59%	Small-Cap Value 28.27%	Large-Cap Value -7.54%	Mid-Cap Growth 25.87%	Mid-Cap Growth 22.10%	Large-Cap Growth 17.84%
International Equities 17.32%	Small-Cap Value 34.52%	Large-Cap Value 13.05%	Cash 0.05%	Large-Cap Value 17.34%	International Equities 25.03%	Large-Cap Growth -1.51%	Small-Cap Growth 28.48%	Small-Cap Growth 34.63%	Large-Cap Growth 27.60%	Mid-Cap Value -12.03%	Small-Cap Growth 18.66%	Small-Cap Growth 15.15%	Small-Cap Growth 11.97%
Large-Cap Value 17.51%	Large-Cap Growth 33.48%	Mid-Cap Growth 11.90%	Mid-Cap Growth -0.20%	Small-Cap Growth 11.32%	Small-Cap Growth 22.17%	Mid-Cap Growth -4.75%	Mid-Cap Value 27.06%	International Equities 7.82%	Large-Cap Value 25.16%	Fixed Income -13.01%	International Equities 18.24%	Large-Cap Value 14.37%	International Equities 11.78%
Mid-Cap Growth 15.81%	Mid-Cap Value 33.46%	Fixed Income 5.97%	International Equities -0.81%	Mid-Cap Growth 7.33%	Large-Cap Value 13.66%	Large-Cap Value -8.27%	Large-Cap Value 26.54%	Fixed Income 7.51%	Mid-Cap Growth 12.73%	International Equities -14.45%	Small-Cap Value 14.65%	Mid-Cap Value 13.07%	Mid-Cap Value 5.35%
Large-Cap Growth 15.26%	Large-Cap Value 32.53%	Small-Cap Growth 5.60%	Small-Cap Growth -1.38%	Large-Cap Growth 7.08%	Mid-Cap Value 13.34%	Small-Cap Growth -9.31%	International Equities 22.01%	Mid-Cap Value 4.96%	International Equities 11.26%	Small-Cap Value -14.48%	Mid-Cap Value 12.71%	Small-Cap Value 8.05%	Small-Cap Value 4.97%
Small-Cap Growth 14.59%	International Equities 22.78%	Small-Cap Value 4.22%	Large-Cap Value -3.83%	Fixed Income 2.65%	Small-Cap Value 7.84%	Mid-Cap Value -12.29%	Small-Cap Value 22.39%	Small-Cap Value 4.63%	Small-Cap Growth 2.83%	Small-Cap Growth -26.36%	Large-Cap Value 11.46%	Cash 5.25%	Large-Cap Value 3.79%
Fixed Income 4.22%	Cash 0.07%	Cash 0.03%	Mid-Cap Value -4.78%	International Equities 1.00%	Fixed Income 3.54%	Small-Cap Value -12.86%	Fixed Income 8.72%	Large-Cap Value 2.80%	Cash 0.05%	Mid-Cap Growth -26.72%	Fixed Income 5.53%	International Equities 3.82%	Fixed Income 1.21%
Cash 0.11%	Fixed Income -2.02%	International Equities -4.90%	Small-Cap Value -7.47%	Cash 0.33%	Cash 0.86%	International Equities -13.79%	Cash 2.28%	Cash 0.67%	Fixed Income -1.54%	Large-Cap Growth -29.14%	Cash 5.01%	Fixed Income 1.25%	Cash 1.04%

Small-Cap Value Stocks (Russell 2000 Value)	Large-Cap Value Stocks (Russell 1000 Value)	International Equities (MSCI EAFE)
Small-Cap Growth Stocks (Russell 2000 Growth)	Mid-Cap Growth Stocks (Russell Mid-Cap Growth)	Fixed Income (Bloomberg U.S. Aggregate Bond)
Large-Cap Growth Stocks (Russell 1000 Growth)	Mid-Cap Value Stocks (Russell Mid-Cap Value)	Cash (Merrill Lynch 3-Month Treasury Bill)

The information contained in this report is from sources believed to be reliable but is not warranted by CAPTRUST to be accurate or complete. Past performance is no guarantee of future results. Indexes are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly. Please refer to index definitions and other important disclosures provided at the end of this presentation.



INDEX PERFORMANCE

Period Ending 6.30.25 | Q2 25

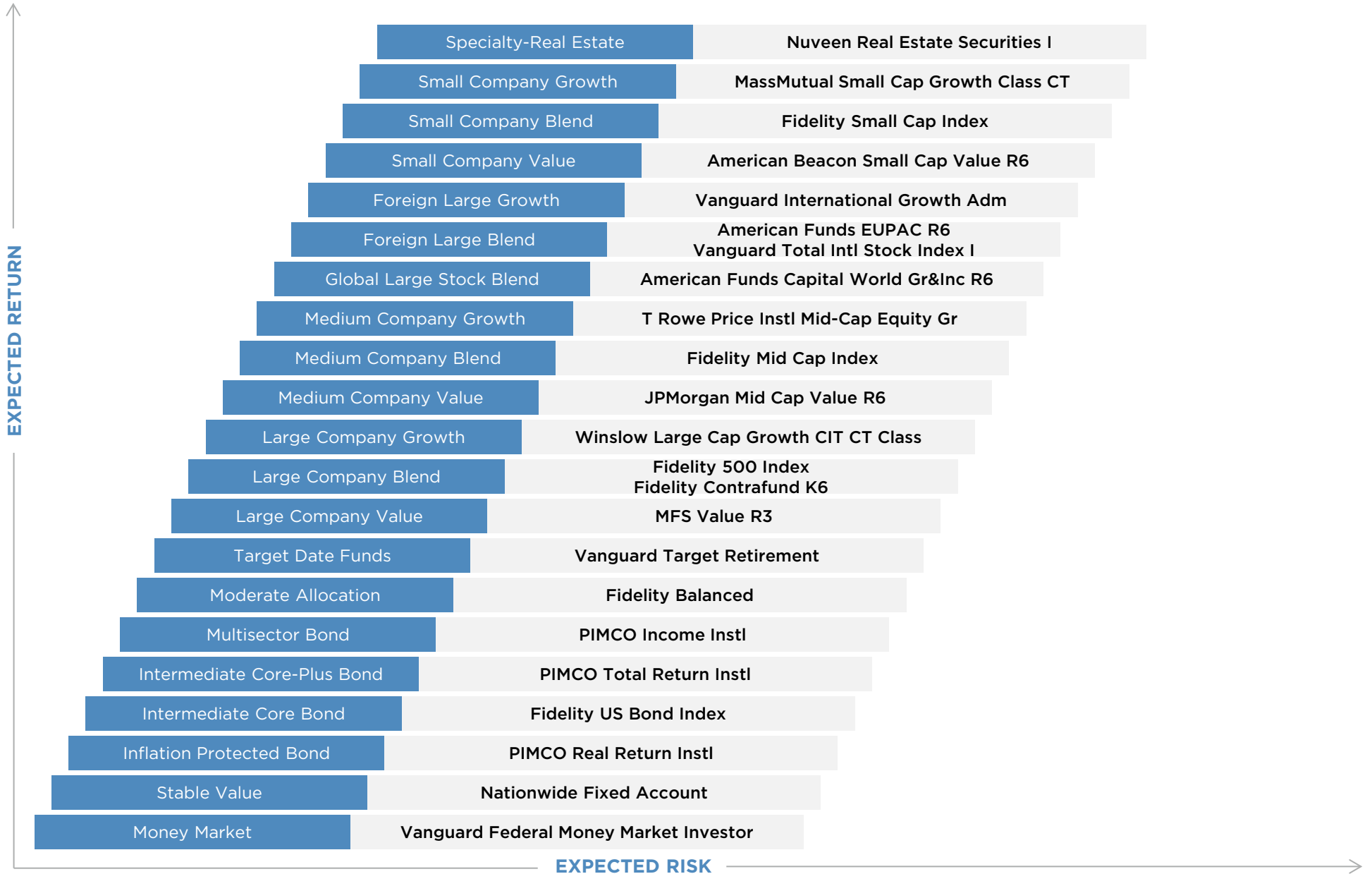
INDEXES	Q2 2025	YTD	2024	2023	2022	2021	2020	1 YEAR	3 YEARS	5 YEARS	10 YEARS
90-Day U.S. Treasury	1.04%	2.07%	5.25%	5.01%	1.46%	0.05%	0.67%	4.68%	4.55%	2.76%	1.97%
Bloomberg Government 1-3 Year	1.19%	2.83%	4.04%	4.32%	-3.81%	-0.60%	3.14%	5.72%	3.44%	1.34%	1.60%
Bloomberg Intermediate Govt	1.45%	3.97%	2.44%	4.30%	-7.73%	-1.69%	5.73%	6.26%	2.85%	0.15%	1.55%
Bloomberg Muni Bond	-0.12%	-0.35%	1.05%	6.40%	-8.53%	1.52%	5.21%	1.11%	2.50%	0.51%	2.20%
Bloomberg Intermediate Govt/Credit	1.67%	4.13%	3.00%	5.24%	-8.23%	-1.44%	6.43%	6.74%	3.57%	0.63%	2.04%
Bloomberg Intermediate Credit	2.09%	4.45%	4.01%	6.94%	-9.10%	-1.03%	7.08%	7.64%	4.90%	1.45%	2.80%
Bloomberg Aggregate Bond	1.21%	4.02%	1.25%	5.53%	-13.01%	-1.54%	7.51%	6.08%	2.55%	-0.73%	1.76%
Bloomberg Corporate IG Bond	1.82%	4.17%	2.13%	8.52%	-15.76%	-1.04%	9.89%	6.91%	4.34%	0.14%	2.94%
Bloomberg High Yield	3.53%	4.57%	8.19%	13.44%	-11.19%	5.28%	7.11%	10.29%	9.92%	5.96%	5.37%
Bloomberg Global Aggregate	4.52%	7.27%	-1.69%	5.72%	-16.25%	-4.71%	9.20%	8.91%	2.74%	-1.16%	1.17%
Bloomberg U.S. Long Corporate	1.23%	3.64%	-1.95%	10.93%	-25.62%	-1.13%	13.94%	5.19%	2.77%	-2.34%	3.06%
S&P 500	10.94%	6.20%	25.02%	26.29%	-18.11%	28.71%	18.40%	15.16%	19.70%	16.63%	13.63%
Dow Jones Industrial Average	5.46%	4.55%	14.99%	16.18%	-6.86%	20.95%	9.72%	14.72%	14.98%	13.51%	12.05%
NASDAQ Composite	17.75%	5.48%	28.64%	43.42%	-33.10%	21.39%	43.64%	14.87%	22.69%	15.15%	15.10%
Russell 1000 Value	3.79%	6.00%	14.37%	11.46%	-7.54%	25.16%	2.80%	13.70%	12.76%	13.92%	9.18%
Russell 1000	11.11%	6.12%	24.51%	26.53%	-19.13%	26.45%	20.96%	15.66%	19.58%	16.29%	13.34%
Russell 1000 Growth	17.84%	6.09%	33.36%	42.68%	-29.14%	27.60%	38.49%	17.22%	25.75%	18.13%	17.00%
Russell Mid-Cap Value Index	5.35%	3.12%	13.07%	12.71%	-12.03%	28.34%	4.96%	11.53%	11.33%	13.70%	8.39%
Russell Mid-Cap Index	8.53%	4.84%	15.34%	17.23%	-17.32%	22.58%	17.10%	15.21%	14.33%	13.10%	9.88%
Russell Mid-Cap Growth Index	18.20%	9.79%	22.10%	25.87%	-26.72%	12.73%	35.59%	26.49%	21.46%	12.65%	12.11%
MSCI EAFE	11.78%	19.45%	3.82%	18.24%	-14.45%	11.26%	7.82%	17.73%	15.96%	11.15%	6.50%
MSCI ACWI ex U.S.	12.03%	17.90%	5.53%	15.62%	-16.00%	7.82%	10.65%	17.72%	13.99%	10.12%	6.12%
Russell 2000 Value	4.97%	-3.16%	8.05%	14.65%	-14.48%	28.27%	4.63%	5.54%	7.45%	12.46%	6.71%
Russell 2000	8.50%	-1.79%	11.54%	16.93%	-20.44%	14.82%	19.96%	7.68%	10.00%	10.03%	7.12%
Russell 2000 Growth	11.97%	-0.48%	15.15%	18.66%	-26.36%	2.83%	34.63%	9.73%	12.38%	7.41%	7.13%
MSCI Emerging Markets	11.99%	15.27%	7.50%	9.83%	-20.09%	-2.54%	18.31%	15.29%	9.70%	6.80%	4.81%
FTSE Nareit All Equity REITs Index	-0.93%	1.80%	4.92%	11.36%	-24.95%	41.30%	-5.12%	9.20%	3.36%	6.65%	6.60%
HFRX Absolute Return Index	1.31%	2.46%	4.86%	2.95%	0.85%	2.10%	2.72%	4.53%	4.04%	3.46%	2.42%
Consumer Price Index (Inflation)	0.59%	1.23%	2.87%	3.32%	6.41%	7.16%	1.32%	2.67%	2.90%	4.57%	3.07%
BLENDED BENCHMARKS	Q2 2025	YTD	2024	2023	2022	2021	2020	1 YEAR	3 YEARS	5 YEARS	10 YEARS
25% S&P 500/5% MSCI EAFE/70% BB Agg	4.14%	5.41%	6.97%	11.12%	-14.11%	6.10%	10.85%	9.00%	7.43%	4.16%	5.08%
30% S&P 500/10% MSCI EAFE/60% BB Agg	5.15%	6.27%	8.26%	12.79%	-14.40%	8.22%	11.51%	10.05%	8.97%	5.63%	5.94%
35% S&P 500/15% MSCI EAFE/50% BB Agg	6.17%	7.13%	9.56%	14.46%	-14.71%	10.36%	12.11%	11.10%	10.51%	7.11%	6.79%
40% S&P 500/20% MSCI EAFE/40% BB Agg	7.19%	7.99%	10.87%	16.16%	-15.04%	12.54%	12.65%	12.16%	12.06%	8.59%	7.63%
45% S&P 500/25% MSCI EAFE/30% BB Agg	8.21%	8.85%	12.19%	17.86%	-15.39%	14.74%	13.13%	13.21%	13.62%	10.07%	8.45%
60% S&P 500/40% Bloomberg Barclays Agg	7.02%	5.46%	15.04%	17.67%	-15.79%	15.86%	14.73%	11.62%	12.74%	9.62%	9.01%

Sources: Morningstar Direct, MPI. The opinions expressed in this report are subject to change without notice. This material has been prepared or is distributed solely for informational purposes and is not a solicitation or an offer to buy any security or to participate in any investment strategy. The performance data quoted represents past performance and does not guarantee future results. Index averages are provided for comparison purposes only. The information and statistics in this report are from sources believed to be reliable but are not guaranteed to be accurate or complete. CAPTRUST is an investment adviser registered under the Investment Advisers Act of 1940. Past performance is no guarantee of future results. Indexes are unmanaged, do not incur management fees, costs, and expenses, and cannot be invested in directly. Please refer to index definitions and other important disclosures provided at the end of this presentation.





Lansing Board of Water and Light



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2024	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$0	0.00%	\$0	0.00%
Stable Value	Nationwide Fixed Account	\$13,479,524	8.88%	\$13,660,530	8.29%
Inflation Protected Bond	PIMCO Real Return Instl	\$3,815,599	2.51%	\$3,905,387	2.37%
Intermediate Core Bond	Fidelity US Bond Index	\$1,391,042	0.92%	\$1,537,024	0.93%
Intermediate Core-Plus Bond	PIMCO Total Return Instl	\$2,265,483	1.49%	\$2,302,867	1.40%
Multisector Bond	PIMCO Income Instl	\$2,698,275	1.78%	\$2,843,800	1.72%
Moderate Allocation	Fidelity Balanced	\$2,982,689	1.97%	\$3,217,584	1.95%
Target Date Retirement Income	Vanguard Target Retirement Income Fund	\$1,704,085	1.12%	\$1,788,225	1.08%
Target Date 2020	Vanguard Target Retirement 2020 Fund	\$1,919,527	1.27%	\$1,926,240	1.17%
Target Date 2025	Vanguard Target Retirement 2025 Fund	\$5,902,738	3.89%	\$6,337,493	3.84%
Target Date 2030	Vanguard Target Retirement 2030 Fund	\$9,612,213	6.33%	\$10,510,082	6.37%
Target Date 2035	Vanguard Target Retirement 2035 Fund	\$7,724,839	5.09%	\$9,056,285	5.49%
Target Date 2040	Vanguard Target Retirement 2040 Fund	\$8,491,607	5.60%	\$10,009,954	6.07%
Target Date 2045	Vanguard Target Retirement 2045 Fund	\$6,994,894	4.61%	\$7,460,021	4.52%
Target Date 2050	Vanguard Target Retirement 2050 Fund	\$4,839,120	3.19%	\$5,759,940	3.49%
Target Date 2055	Vanguard Target Retirement 2055 Fund	\$1,715,926	1.13%	\$2,063,967	1.25%
Target Date 2060	Vanguard Target Retirement 2060 Fund	\$1,463,131	0.96%	\$1,828,530	1.11%
Target Date 2065+	Vanguard Target Retirement 2065 Fund	\$602,305	0.40%	\$930,822	0.56%

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Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed. This report is not an illustration of investment performance, but rather a historical illustration of asset allocation.



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light 457 Deferred Compensation Plan and Trust

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2024	(%)	CURRENT	(%)
Large Company Value	MFS Value R3	\$4,431,962	2.92%	\$4,205,482	2.55%
Large Company Blend	Fidelity 500 Index	\$13,686,473	9.02%	\$15,100,058	9.16%
Large Company Blend	Fidelity Contrafund K6	\$12,101,305	7.98%	\$13,573,202	8.23%
Large Company Growth	Winslow Large Cap Growth CIT CT Class	\$7,779,705	5.13%	\$7,525,633	4.56%
Medium Company Value	JPMorgan Mid Cap Value R6	\$1,174,839	0.77%	\$1,245,632	0.76%
Medium Company Blend	Fidelity Mid Cap Index	\$2,156,095	1.42%	\$2,284,597	1.39%
Medium Company Growth	T Rowe Price Instl Mid-Cap Equity Gr	\$4,460,066	2.94%	\$4,435,799	2.69%
Global Large Stock Blend	American Funds Capital World Gr&Inc R6	\$1,043,014	0.69%	\$1,262,079	0.77%
Foreign Large Blend	American Funds EUPAC R6	\$832,781	0.55%	\$1,665,629	1.01%
Foreign Large Blend	Vanguard Total Intl Stock Index I	\$4,856,856	3.20%	\$5,162,299	3.13%
Foreign Large Growth	Vanguard International Growth Adm	\$2,760,061	1.82%	\$2,388,172	1.45%
Small Company Value	American Beacon Small Cap Value R6	\$848,304	0.56%	\$868,690	0.53%
Small Company Blend	Fidelity Small Cap Index	\$2,387,625	1.57%	\$2,298,029	1.39%
Small Company Growth	MassMutual Small Cap Growth Class CT	\$583,642	0.38%	\$523,067	0.32%
Specialty-Real Estate	Nuveen Real Estate Securities I	\$1,485,701	0.98%	\$1,453,121	0.88%
Self-Directed Brokerage	Self-Directed Brokerage	\$13,544,968	8.93%	\$15,749,643	9.55%
TOTALS		\$151,736,392	100%	\$164,879,887	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2024	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$0	0.00%	\$0	0.00%
Stable Value	Nationwide Fixed Account	\$24,126,480	11.13%	\$23,828,435	10.40%
Inflation Protected Bond	PIMCO Real Return Instl	\$5,701,633	2.63%	\$5,882,019	2.57%
Intermediate Core Bond	Fidelity US Bond Index	\$3,003,595	1.39%	\$3,167,430	1.38%
Intermediate Core-Plus Bond	PIMCO Total Return Instl	\$4,629,376	2.14%	\$4,438,049	1.94%
Multisector Bond	PIMCO Income Instl	\$5,054,069	2.33%	\$4,796,339	2.09%
Moderate Allocation	Fidelity Balanced	\$6,032,788	2.78%	\$6,027,534	2.63%
Target Date Retirement Income	Vanguard Target Retirement Income Fund	\$6,855,743	3.16%	\$7,086,808	3.09%
Target Date 2020	Vanguard Target Retirement 2020 Fund	\$4,662,157	2.15%	\$4,329,773	1.89%
Target Date 2025	Vanguard Target Retirement 2025 Fund	\$9,010,379	4.16%	\$9,179,930	4.01%
Target Date 2030	Vanguard Target Retirement 2030 Fund	\$9,263,714	4.28%	\$10,028,797	4.38%
Target Date 2035	Vanguard Target Retirement 2035 Fund	\$10,015,014	4.62%	\$11,143,343	4.87%
Target Date 2040	Vanguard Target Retirement 2040 Fund	\$8,409,258	3.88%	\$9,468,818	4.13%
Target Date 2045	Vanguard Target Retirement 2045 Fund	\$7,237,148	3.34%	\$8,195,394	3.58%
Target Date 2050	Vanguard Target Retirement 2050 Fund	\$5,249,653	2.42%	\$6,212,946	2.71%
Target Date 2055	Vanguard Target Retirement 2055 Fund	\$1,383,279	0.64%	\$1,764,591	0.77%
Target Date 2060	Vanguard Target Retirement 2060 Fund	\$1,664,748	0.77%	\$2,061,136	0.90%
Target Date 2065+	Vanguard Target Retirement 2065 Fund	\$744,461	0.34%	\$1,051,250	0.46%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light Defined Contribution Plan and Trust 1

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2024	(%)	CURRENT	(%)
Large Company Value	MFS Value R3	\$9,340,300	4.31%	\$9,041,751	3.95%
Large Company Blend	Fidelity 500 Index	\$18,340,591	8.46%	\$19,822,610	8.66%
Large Company Blend	Fidelity Contrafund K6	\$14,738,289	6.80%	\$15,357,671	6.71%
Large Company Growth	Winslow Large Cap Growth CIT CT Class	\$6,337,742	2.92%	\$5,964,394	2.60%
Medium Company Value	JPMorgan Mid Cap Value R6	\$1,407,515	0.65%	\$1,518,191	0.66%
Medium Company Blend	Fidelity Mid Cap Index	\$3,147,170	1.45%	\$3,340,645	1.46%
Medium Company Growth	T Rowe Price Instl Mid-Cap Equity Gr	\$7,961,904	3.67%	\$7,859,202	3.43%
Global Large Stock Blend	American Funds Capital World Gr&Inc R6	\$7,720,285	3.56%	\$8,938,520	3.90%
Foreign Large Blend	American Funds EUPAC R6	\$1,175,961	0.54%	\$2,353,364	1.03%
Foreign Large Blend	Vanguard Total Intl Stock Index I	\$6,595,634	3.04%	\$6,841,198	2.99%
Foreign Large Growth	Vanguard International Growth Adm	\$2,800,187	1.29%	\$1,758,887	0.77%
Small Company Value	American Beacon Small Cap Value R6	\$2,305,941	1.06%	\$1,865,192	0.81%
Small Company Blend	Fidelity Small Cap Index	\$3,097,353	1.43%	\$2,942,107	1.28%
Small Company Growth	MassMutual Small Cap Growth Class CT	\$1,403,170	0.65%	\$1,277,387	0.56%
Specialty-Real Estate	Nuveen Real Estate Securities I	\$1,672,722	0.77%	\$1,567,047	0.68%
Self-Directed Brokerage	Self-Directed Brokerage	\$15,594,658	7.20%	\$19,917,758	8.70%
TOTALS		\$216,682,916	100%	\$229,028,518	100%

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PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light Defined Contribution Plan and Trust 2

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2024	(%)	CURRENT	(%)
Money Market	Vanguard Federal Money Market Investor	\$0	0.00%	\$0	0.00%
Stable Value	Nationwide Fixed Account	\$6,492	13.96%	\$7,289	14.64%
Inflation Protected Bond	PIMCO Real Return Instl	\$7,906	17.00%	\$8,382	16.84%
Intermediate Core Bond	Fidelity US Bond Index	\$0	0.00%	\$0	0.00%
Intermediate Core-Plus Bond	PIMCO Total Return Instl	\$4,181	8.99%	\$3,965	7.96%
Multisector Bond	PIMCO Income Instl	\$4,647	10.00%	\$4,973	9.99%
Moderate Allocation	Fidelity Balanced	\$0	0.00%	\$0	0.00%
Target Date Retirement Income	Vanguard Target Retirement Income Fund	\$0	0.00%	\$0	0.00%
Target Date 2020	Vanguard Target Retirement 2020 Fund	\$0	0.00%	\$0	0.00%
Target Date 2025	Vanguard Target Retirement 2025 Fund	\$0	0.00%	\$0	0.00%
Target Date 2030	Vanguard Target Retirement 2030 Fund	\$0	0.00%	\$0	0.00%
Target Date 2035	Vanguard Target Retirement 2035 Fund	\$0	0.00%	\$0	0.00%
Target Date 2040	Vanguard Target Retirement 2040 Fund	\$0	0.00%	\$0	0.00%
Target Date 2045	Vanguard Target Retirement 2045 Fund	\$0	0.00%	\$0	0.00%
Target Date 2050	Vanguard Target Retirement 2050 Fund	\$0	0.00%	\$0	0.00%
Target Date 2055	Vanguard Target Retirement 2055 Fund	\$0	0.00%	\$0	0.00%
Target Date 2060	Vanguard Target Retirement 2060 Fund	\$0	0.00%	\$0	0.00%
Target Date 2065+	Vanguard Target Retirement 2065 Fund	\$0	0.00%	\$0	0.00%

CONTINUED...

Information provided by Record Keeper. For informational purposes. Not a substitute for official statements produced by the plan custodian. Information has been obtained from sources considered reliable, but its accuracy and completeness are not guaranteed. This report is not an illustration of investment performance, but rather a historical illustration of asset allocation.



PLAN INVESTMENT REVIEW | ASSET SUMMARY

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light Defined Contribution Plan and Trust 2

		— MARKET VALUE —			
FUND OPTION	CURRENT INVESTMENT NAME	12.31.2024	(%)	CURRENT	(%)
Large Company Value	MFS Value R3	\$3,745	8.05%	\$3,923	7.88%
Large Company Blend	Fidelity 500 Index	\$4,647	9.99%	\$5,053	10.15%
Large Company Blend	Fidelity Contrafund K6	\$3,707	7.97%	\$4,156	8.35%
Large Company Growth	Winslow Large Cap Growth CIT CT Class	\$0	0.00%	\$0	0.00%
Medium Company Value	JPMorgan Mid Cap Value R6	\$937	2.02%	\$969	1.95%
Medium Company Blend	Fidelity Mid Cap Index	\$0	0.00%	\$0	0.00%
Medium Company Growth	T Rowe Price Instl Mid-Cap Equity Gr	\$927	1.99%	\$990	1.99%
Global Large Stock Blend	American Funds Capital World Gr&Inc R6	\$0	0.00%	\$0	0.00%
Foreign Large Blend	American Funds EUPAC R6	\$0	0.00%	\$2,039	4.10%
Foreign Large Blend	Vanguard Total Intl Stock Index I	\$5,576	11.99%	\$6,098	12.25%
Foreign Large Growth	Vanguard International Growth Adm	\$1,845	3.97%	\$0	0.00%
Small Company Value	American Beacon Small Cap Value R6	\$467	1.00%	\$492	0.99%
Small Company Blend	Fidelity Small Cap Index	\$466	1.00%	\$500	1.00%
Small Company Growth	MassMutual Small Cap Growth Class CT	\$0	0.00%	\$0	0.00%
Specialty-Real Estate	Nuveen Real Estate Securities I	\$949	2.04%	\$957	1.92%
Self-Directed Brokerage	Self-Directed Brokerage	\$0	0.00%	\$0	0.00%
TOTALS		\$46,490	100%	\$49,786	100%

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INVESTMENT REVIEW | INVESTMENT POLICY MONITOR

Period Ending 6.30.25 | Q2 25

Lansing Board of Water and Light

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Inflation Protected Bond PIMCO Real Return Instl	●	●	●	●	●	●	●	●	●	●	●	95
Intermediate Core-Plus Bond PIMCO Total Return Instl	●	▼	●	▼	●	●	●	●	●	●	●	85
Moderate Allocation Fidelity Balanced	●	●	●	●	●	●	●	●	●	●	●	100
Large Company Value MFS Value R3	▼	▼	▼	▼	●	●	▼	▼	●	●	▼	75
Large Company Blend Fidelity Contrafund K6	●	●	●	●	●	●	●	●	●	●	●	100
Large Company Growth Winslow Large Cap Growth CIT CT Class	●	●	●	●	●	●	●	●	●	●	●	100
Medium Company Value JPMorgan Mid Cap Value R6	●	●	●	●	●	●	▼	▼	●	●	●	88
Medium Company Growth T Rowe Price Instl Mid-Cap Equity Gr	▼	●	▼	▼	●	●	▼	▼	●	●	▼	76

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for institutional investor use only and is not intended to be shared with individual investors.



Lansing Board of Water and Light

INVESTMENT	QUANTITATIVE								QUALITATIVE		TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Style		Confidence		Fund Management	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr	3 Yr	5 Yr				
Global Large Stock Blend American Funds Capital World Gr&Inc R6	●	●	●	●	●	●	●	●	●	●	●	94
Foreign Large Blend American Funds EUPAC R6	▼	▼	▼	▼	●	●	▼	▼	●	●	●	61
Foreign Large Growth Vanguard International Growth Adm	▼	▼	●	▼	●	▼	●	●	●	●	●	81
Small Company Value American Beacon Small Cap Value R6	▼	●	●	●	●	●	●	●	●	●	●	89
Small Company Growth MassMutual Small Cap Growth Class CT	●	●	●	●	●	●	●	●	●	●	●	100
Specialty-Real Estate Nuveen Real Estate Securities I	●	▼	●	▼	●	●	▼	▼	●	●	●	82

LEGEND

●	IN GOOD STANDING	▼	MARKED FOR REVIEW	●	CONSIDER FOR TERMINATION
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The CAPTRUST Investment Policy Monitor ("Scorecard") is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields for actively managed investment options. Quantitative scoring areas include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; Style Attribution; and Confidence. Qualitative Scoring Areas measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. This material is for institutional investor use only and is not intended to be shared with individual investors.

Lansing Board of Water and Light

TARGET DATE INVESTMENTS

INVESTMENT	QUANTITATIVE						QUALITATIVE				TOTALS	
	Risk-Adjusted Performance		vs. Peers Performance		Glidepath		Portfolio Construct.	Underlying Inv. Vehicles	Fund Mgmt	Fund Firm	Overall	Total Score
	3 Yr	5 Yr	3 Yr	5 Yr	% of Equities	Beta to Equities						
Vanguard Target Retirement	●	●	●	●	●	●	●	●	●	●	●	91

CAPITAL PRESERVATION INVESTMENTS

INVESTMENT	Overall	Commentary
Vanguard Federal Money Market Investor	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.
Nationwide Fixed Account	●	This Capital Preservation option is in good standing per the guidelines as established by the Investment Policy Statement.

CONTINUED...

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.



PASSIVE INVESTMENTS

INVESTMENT	Overall	Commentary
Fidelity US Bond Index		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Fidelity 500 Index		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Fidelity Mid Cap Index		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Vanguard Total Intl Stock Index I		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.
Fidelity Small Cap Index		This fund currently meets the guidelines set forth by CAPTRUST for passively managed investments. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, tracking error, and cost.

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.

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INVESTMENTS IN DISTINCT ASSET CLASSES

INVESTMENT	Overall	Commentary
PIMCO Income Instl		This fund currently meets the guidelines set forth by CAPTRUST for distinct investments in the Investment Policy Statement. This assessment is based on both quantitative and qualitative data. Examples of quantitative and qualitative items considered include, but are not limited to, quality of management, excess return, and risk-adjusted performance.

The CAPTRUST Financial Advisors Investment Scorecard is an illustration of our monitoring system and is designed to assist our clients in their efforts to provide fiduciary oversight to investment assets. It is not intended as a solicitation to buy any security. The scoring system measures quantitative areas as well as qualitative (or subjective) fields. Quantitative scoring areas for target date funds include Risk Adjusted Performance (3 & 5 yr.); Performance vs. Relevant Peer Group; and Glidepath. Qualitative Scoring Areas for target date funds measure the quality of the Management Team while also considering the stewardship of the investment option's parent company under Investment Family Items. Qualitative areas of analysis are subjective in nature. Qualitative Scoring for Target Date funds also includes a score for Portfolio Construction and Underlying Investment vehicles to express CAPTRUST's views on the manager or strategy. CAPTRUST typically requires at least 3 months of monitoring before including an investment in this report. Investments that have been added to our system less than 3 months prior to a report being generated may have a Fund Management assessment of '25' as a default, but will be updated, if necessary, after the first quarter of monitoring to more accurately reflect our system. Investments that are not mutual funds or have less than 3 years of performance history may not be scored. Capital Preservation options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics, depending on the type of capital preservation option being evaluated, and may include quantitative criteria such as: Crediting Rate/Yield, Market to Book Ratio, Average Crediting Quality, Insurer Quality/Diversification, Duration, and Sector Allocations, and/or qualitative criteria such as quality and experience of the Management Team and stewardship of the investment option's parent company. Passively Managed options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics and may include quantitative criteria such as: Tracking Error, Fees, and Performance versus relevant peer group, and/or qualitative criteria such as index replication strategy, securities lending practices, and fair value pricing methodology. Distinct investment options are evaluated using a comprehensive scoring methodology proprietary to the Investment Consultant. This methodology incorporates both qualitative and quantitative metrics. This material is for institutional investor use only and is not intended to be shared with individual investors.

FUND MANAGEMENT ITEMS	COMMENTARY
American Beacon Small Cap Value	American Beacon has revised the non-fundamental policies of their Large Cap Value and Small Cap Value funds to state that 80% of the securities in the portfolios must be considered to have value characteristics. This change comes in anticipation of expanded disclosure requirements under the amended Fund Names Rule around a fund's 80% policy. There are no changes to either strategy's investment approach or portfolio as a result. Portfolio Manager Joseph Corrado has retired from Newton, a sub-advisor to the American Beacon Small Cap Value Fund. Within the American Beacon Small Cap Value Fund, American Beacon Advisors, Inc. has approved a new investment advisory agreement with Westwood Management. Additionally, the Board has approved, at the recommendation of American Beacon, the termination of Newton Investment Management North America, LLC, as sub-advisor to the Fund, effective immediately. Westwood began managing a portion of the assets of the Fund on or about 3/28/2025.
American Funds EUPAC	Capital Group changed the name of the American Funds EuroPacific Growth Fund to the American Funds EUPAC Fund in response to the SEC's "Names Rule" requirements. The fund's investment objectives, guidelines, and ticker symbols will not be changing as a result of the change in the fund's name. The strategy is managed by an experienced team of 11 portfolio managers with an average tenure at the firm of 27 years. The fundamental, research-driven process focuses on identifying companies that are positioned to benefit from innovation, global economic growth, increasing consumer demand, or a turnaround in business conditions. While this broad-based portfolio is designed to be a core international equity offering, it does have a growth stylistic tilt. This stylistic bias, combined with the inclusion of emerging markets exposure, has generally been a headwind since the end of 2020, resulting in a weak relative ranking over intermediate-term periods. The strategy has generally outperformed during the few occasions the growth style has rebounded over this period, but these spurts have been overwhelmed by the more frequent occasions of the core and value style outperforming. Growth stocks fared better during the second quarter in international markets, and the fund outperformed the core benchmark and peer group with attractive stock selection driving the results. Given the stable team and a disciplined process that has resulted in an attractive long-term return profile, we would recommend clients that are currently using the strategy continue to do so, but need to see a continuation of improvement in the coming quarters to maintain our confidence in the strategy.



Lansing Board of Water and Light

FUND MANAGEMENT ITEMS	COMMENTARY
Fidelity Balanced	Portfolio Manager Douglas Simmons has left the firm. He was responsible for the utilities sleeve of the Fidelity Balanced strategy. Following Mr. Simmons departure, Pranay Kirpalani has been named a portfolio manager on the strategy and assumed coverage of the utilities sleeve. In addition, Ali Khan has stepped down from his role as a portfolio manager on the strategy to focus on other responsibilities at the firm. Chris Lin replaces Mr. Khan as a portfolio manager for the information technology sleeve of the strategy. Portfolio Manager Melissa Reilly and Portfolio Manager Matthew Drukker have transitioned off the Fidelity Balanced Fund. Additionally, Laurie Mundt has been added to the fund as a portfolio manager. Following the recent departures and Ms. Mundt's addition, the team consists of 10 portfolio managers.
Fidelity Contrafund	Fidelity named Jason Weiner and Asher Anolic as co-portfolio managers on Contrafund, with an initial management of a 10% sleeve. Over time, their management may increase to 40%-50% of the fund. Currently, they co-manage the Capital Appreciation and Equity Growth strategies and will phase off these roles over the next six months. Portfolio Manager Will Danoff has not announced retirement plans and will manage a 90% sleeve for now, though this will decrease. With Fidelity preparing for Danoff's eventual departure after 35 years managing Contrafund, we are comfortable with the transition as he continues to manage most of the strategy. Despite this preparation, Jason, and Asher, although strong managers, cannot replicate Danoff's unique qualities. As his influence wanes, continual monitoring of the strategy is necessary.
JPMorgan Mid Cap Value	Jonathan Simon retired in Q1 2025. There will be no changes to the investment philosophy or process, and co-portfolio manager Larry Playford will now lead the Fund. Additionally, Ryan Jones and Jeremy Miller, dedicated research analysts supporting Simon and Playford for eight years, were promoted to co-portfolio managers of the J.P. Morgan Mid Cap Value Strategy.
T. Rowe Price Mid Cap Growth	Effective December 31, 2025, Brian Berghuis, portfolio manager of the US Mid-Cap Growth Equity Strategy, plans to retire. On September 30, 2025, Berghuis will transition from leading the strategy to join Don Easley as Co-portfolio manager, while Ashley Woodruff will be named portfolio manager, assuming leadership. Post-retirement, Woodruff will continue as leader, and Easley will remain as co-portfolio manager.



Lansing Board of Water and Light

FUND FIRM ITEMS	COMMENTARY
Vanguard Group, Inc.	Vanguard has announced its plan to split its investment teams into two new registered investment advisors, Vanguard Capital Management and Vanguard Portfolio Management. They will be separate entities but wholly owned by The Vanguard Group, Inc. Vanguard is making this change to maintain capacity for its investment strategies and to address collective ownership limits for individual securities. The change will go into effect in early 2026.
T. Rowe Price	Jason Nogueira became the head of Global Equity Research. Peter Stournaras, formerly head of Global Integrated Equity, became the co-head of Global Equity Portfolio Management overseeing the US diversified team, and Oliver Bell became the co-head of Global Equity Portfolio Management overseeing the global, diversified international, and emerging markets teams. Tedd Alexander succeeded Peter Stournaras as head of Global Integrated Equity. Donna Anderson, head of Global Corporate Governance, plans to retire at the end of 2025 after 18 years at the firm and 29 years in the industry. Josh Nelson became head of Global Equity and has oversight of all the equity strategies managed under within the US Equity and International Equity Divisions. David Buck joined the firm as the new head of Enterprise Risk Management. Justin Thomson, head of International Equity and chief investment officer, has been named head of the T. Rowe Price Investment Institute. The Investment Institute is the firm's new initiative intended to foster greater investment thought leadership and talent development.
Nuveen/TIAA-CREF	Nuveen has appointed William Huffman as Chief Executive Officer. Mr. Huffman succeeds Jose Minaya who recently the firm to pursue other opportunities. Mr. Huffman most recently served as president of Nuveen Asset Management and head of Equities and Fixed Income.



PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.25 | Q2 '25

Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
MONEY MARKET											
Vanguard Federal Money Market Investor	1.05%	2.12%	5.23%	5.09%	1.55%	0.01%	0.45%	4.68%	4.62%	2.79%	1.94%
ICE BofA ML US Treasury Bill 3 Mon USD	1.04%	2.07%	5.25%	5.02%	1.46%	0.05%	0.67%	4.68%	4.56%	2.76%	1.97%
STABLE VALUE											
Nationwide Fixed Account	-	-	-	-	-	-	-	-	-	-	-
ICE BofA ML US Treasury Bill 3 Mon USD	1.04%	2.07%	5.25%	5.02%	1.46%	0.05%	0.67%	4.68%	4.56%	2.76%	1.97%
Morningstar US Stable Value GR USD	0.76%	1.51%	3.03%	2.85%	1.89%	1.74%	2.26%	3.06%	2.81%	2.42%	2.27%
INFLATION PROTECTED BOND											
PIMCO Real Return Instl	0.56%	5.30%	2.59%	3.74%	-11.86%	5.67%	12.09%	6.69%	2.87%	1.95%	2.84%
Bloomberg US Treasury US TIPS TR USD	0.48%	4.67%	1.84%	3.90%	-11.85%	5.96%	10.99%	5.84%	2.34%	1.61%	2.67%
Inflation-Protected Bond	0.50%	4.56%	1.86%	3.46%	-12.03%	5.05%	10.51%	5.77%	2.14%	1.38%	2.39%
INTERMEDIATE CORE BOND											
Fidelity US Bond Index	1.19%	3.98%	1.34%	5.54%	-13.03%	-1.79%	7.80%	5.96%	2.53%	-0.79%	1.73%
Bloomberg US Agg Bond TR USD	1.21%	4.02%	1.25%	5.53%	-13.01%	-1.55%	7.51%	6.08%	2.55%	-0.73%	1.76%
Intermediate Core Bond	1.22%	3.97%	1.49%	5.56%	-13.45%	-1.52%	7.88%	5.97%	2.60%	-0.57%	1.72%
INTERMEDIATE CORE-PLUS BOND											
PIMCO Total Return Instl	1.15%	4.70%	2.61%	6.30%	-14.09%	-0.84%	8.88%	7.04%	3.42%	-0.05%	2.16%
Bloomberg US Agg Bond TR USD	1.21%	4.02%	1.25%	5.53%	-13.01%	-1.55%	7.51%	6.08%	2.55%	-0.73%	1.76%
Intermediate Core-Plus Bond	1.38%	4.08%	2.20%	6.22%	-13.86%	-0.80%	8.39%	6.32%	3.20%	0.02%	2.02%

*ANNUALIZED

CONTINUED...

This summary is intended for "Institutional (Plan Sponsor) Use Only" and only includes historical performance of the funds currently in the plan's fund lineup as compared to the peer group (universe) maintained/developed by CAPTRUST (using Morningstar open-end mutual fund data), which may include other investment types such as collective investment trusts. Fund and peer group returns are shown net of investment management fees, unless otherwise indicated, but gross of CAPTRUST advisory fees. The plan's overall performance will be reduced by CAPTRUST's advisory fees and other plan level fees not contemplated in this summary. Therefore, each participant's account performance will differ substantially. Past performance is not indicative of future results. Information from sources believed to be reliable, but not warranted by CAPTRUST to be accurate or complete.



PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.25 | Q2 '25

Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
MULTISECTOR BOND											
PIMCO Income Instl	2.22%	5.58%	5.42%	9.32%	-7.81%	2.61%	5.80%	9.31%	7.29%	4.37%	4.53%
Bloomberg US Agg Bond TR USD	1.21%	4.02%	1.25%	5.53%	-13.01%	-1.55%	7.51%	6.08%	2.55%	-0.73%	1.76%
Multisector Bond	2.32%	4.15%	6.02%	8.76%	-10.83%	2.54%	6.37%	7.83%	6.41%	3.55%	3.52%
MODERATE ALLOCATION											
Fidelity Balanced	8.26%	5.30%	16.06%	21.60%	-18.19%	18.28%	22.43%	10.94%	14.06%	11.55%	9.90%
60% S&P 500, 40% Bloomberg Agg	7.02%	5.46%	15.04%	17.67%	-15.79%	15.86%	14.73%	11.62%	12.75%	9.61%	9.01%
Moderate Allocation	6.76%	5.61%	12.18%	14.47%	-15.44%	14.19%	12.48%	10.70%	11.41%	9.13%	7.50%
TARGET DATE RETIREMENT INCOME											
Vanguard Target Retirement Income Fund	4.55%	5.98%	6.58%	10.74%	-12.74%	5.25%	10.02%	9.66%	7.36%	4.49%	4.71%
S&P Target Date Retirement Income Index	4.29%	5.98%	6.54%	10.35%	-11.17%	5.11%	8.81%	9.12%	7.73%	4.63%	4.67%
Target Date Retirement Income	4.29%	5.69%	6.92%	10.47%	-12.73%	6.44%	9.92%	8.90%	7.43%	4.76%	4.62%
TARGET DATE 2020											
Vanguard Target Retirement 2020 Fund	5.12%	6.31%	7.75%	12.51%	-14.15%	8.17%	12.04%	10.23%	8.67%	6.16%	6.06%
S&P Target Date 2020 Index	5.17%	6.28%	8.09%	12.32%	-12.81%	8.76%	10.24%	9.91%	9.20%	6.39%	5.97%
Target Date 2020	5.14%	6.22%	7.89%	11.88%	-14.13%	8.96%	11.78%	9.88%	8.83%	6.33%	6.02%
TARGET DATE 2025											
Vanguard Target Retirement 2025 Fund	6.65%	7.33%	9.44%	14.55%	-15.55%	9.80%	13.30%	11.74%	10.43%	7.48%	6.89%
S&P Target Date 2025 Index	5.80%	6.80%	8.44%	12.99%	-13.13%	10.67%	11.22%	10.52%	9.92%	7.44%	6.63%
Target Date 2025	5.41%	6.41%	8.59%	12.60%	-15.01%	10.03%	12.21%	10.31%	9.55%	7.10%	6.48%

*ANNUALIZED

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.25 | Q2 '25

Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE 2030											
Vanguard Target Retirement 2030 Fund	7.67%	7.89%	10.64%	16.03%	-16.27%	11.38%	14.10%	12.61%	11.64%	8.58%	7.52%
S&P Target Date 2030 Index	6.63%	7.16%	9.90%	14.80%	-13.96%	12.61%	11.91%	11.37%	11.28%	8.74%	7.37%
Target Date 2030	6.50%	7.02%	9.77%	14.53%	-16.06%	11.70%	13.57%	11.10%	10.80%	8.21%	7.14%
TARGET DATE 2035											
Vanguard Target Retirement 2035 Fund	8.38%	8.42%	11.78%	17.14%	-16.62%	12.96%	14.79%	13.41%	12.73%	9.67%	8.13%
S&P Target Date 2035 Index	7.70%	7.87%	11.39%	16.63%	-14.99%	14.93%	12.79%	12.40%	12.78%	10.18%	8.16%
Target Date 2035	7.48%	7.66%	11.24%	16.44%	-16.70%	14.09%	14.09%	12.12%	12.24%	9.62%	7.90%
TARGET DATE 2040											
Vanguard Target Retirement 2040 Fund	9.09%	8.86%	12.88%	18.34%	-16.98%	14.56%	15.47%	14.12%	13.80%	10.74%	8.73%
S&P Target Date 2040 Index	8.65%	8.29%	12.87%	18.16%	-15.56%	16.55%	13.37%	13.28%	14.08%	11.33%	8.78%
Target Date 2040	8.49%	8.27%	12.82%	18.16%	-17.43%	15.99%	15.13%	13.23%	13.57%	10.86%	8.55%
TARGET DATE 2045											
Vanguard Target Retirement 2045 Fund	9.75%	9.30%	13.91%	19.48%	-17.36%	16.16%	16.30%	14.78%	14.84%	11.80%	9.27%
S&P Target Date 2045 Index	9.36%	8.88%	13.58%	19.14%	-15.84%	17.52%	13.66%	13.97%	14.98%	12.08%	9.17%
Target Date 2045	9.38%	8.73%	14.04%	19.45%	-17.95%	17.20%	15.24%	14.06%	14.79%	11.81%	9.01%
TARGET DATE 2050											
Vanguard Target Retirement 2050 Fund	10.55%	9.93%	14.64%	20.17%	-17.46%	16.41%	16.39%	15.57%	15.59%	12.24%	9.48%
S&P Target Date 2050 Index	9.54%	8.71%	14.30%	19.59%	-15.97%	17.99%	13.86%	14.10%	15.37%	12.42%	9.38%
Target Date 2050	10.00%	9.03%	14.39%	19.97%	-18.17%	17.35%	15.86%	14.35%	15.27%	12.14%	9.19%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.25 | Q2 '25

Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
TARGET DATE 2055											
Vanguard Target Retirement 2055 Fund	10.54%	9.93%	14.64%	20.16%	-17.46%	16.44%	16.32%	15.58%	15.59%	12.24%	9.47%
S&P Target Date 2055 Index	9.81%	8.97%	14.32%	19.62%	-15.97%	18.19%	13.86%	14.37%	15.51%	12.57%	9.47%
Target Date 2055	10.24%	9.16%	14.71%	20.33%	-18.29%	17.82%	15.47%	14.71%	15.45%	12.28%	9.21%
TARGET DATE 2060											
Vanguard Target Retirement 2060 Fund	10.56%	9.93%	14.63%	20.18%	-17.46%	16.44%	16.32%	15.57%	15.59%	12.24%	9.47%
S&P Target Date 2060 Index	9.83%	8.85%	14.44%	19.74%	-16.01%	18.05%	13.99%	14.36%	15.54%	12.55%	9.52%
Target Date 2060	10.24%	9.09%	14.63%	20.08%	-18.23%	17.59%	16.12%	14.60%	15.41%	12.25%	9.53%
TARGET DATE 2065+											
Vanguard Target Retirement 2065 Fund	10.53%	9.93%	14.62%	20.15%	-17.39%	16.46%	16.17%	15.55%	15.59%	12.24%	-
S&P Target Date 2065+ Index	10.02%	8.95%	14.83%	19.84%	-15.95%	18.17%	13.98%	14.56%	15.73%	12.71%	-
Target Date 2065+	10.51%	9.76%	14.78%	20.54%	-18.35%	17.87%	16.47%	14.98%	15.66%	12.31%	-
LARGE COMPANY VALUE											
MFS Value R3	2.71%	6.67%	11.64%	7.92%	-6.14%	25.08%	3.65%	11.92%	11.63%	12.44%	9.12%
Russell 1000 Value	3.79%	6.00%	14.37%	11.46%	-7.54%	25.16%	2.80%	13.70%	12.76%	13.93%	9.19%
Large Value	4.18%	5.84%	14.35%	11.16%	-5.57%	26.02%	2.94%	12.66%	12.71%	14.12%	9.27%
LARGE COMPANY BLEND											
Fidelity 500 Index	10.94%	6.20%	25.00%	26.29%	-18.13%	28.69%	18.40%	15.15%	19.70%	16.63%	13.63%
Fidelity Contrafund K6	17.77%	12.49%	35.37%	37.67%	-27.12%	24.14%	30.83%	21.24%	28.44%	17.95%	-
S&P 500 Index	10.94%	6.20%	25.02%	26.29%	-18.11%	28.71%	18.40%	15.16%	19.71%	16.64%	13.65%
Large Blend	10.79%	5.75%	23.07%	24.45%	-18.19%	26.53%	17.62%	13.55%	18.40%	15.56%	12.34%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.25 | Q2 '25

Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
LARGE COMPANY GROWTH											
Winslow Large Cap Growth CIT CT Class	20.08%	9.46%	31.44%	43.24%	-31.09%	-	-	17.88%	27.83%	-	-
Russell 1000 Growth	17.84%	6.09%	33.36%	42.68%	-29.14%	27.60%	38.49%	17.22%	25.76%	18.15%	17.01%
Large Growth	17.75%	6.93%	29.72%	39.34%	-31.15%	22.02%	35.98%	15.36%	23.85%	14.92%	14.60%
MEDIUM COMPANY VALUE											
JPMorgan Mid Cap Value R6	2.75%	0.71%	14.41%	11.38%	-8.03%	30.11%	0.43%	10.86%	10.79%	13.87%	8.01%
Russell Mid Cap Value	5.35%	3.12%	13.07%	12.71%	-12.03%	28.34%	4.96%	11.53%	11.34%	13.71%	8.39%
Mid-Cap Value	4.14%	1.43%	10.85%	12.00%	-8.17%	28.42%	3.08%	8.15%	10.63%	13.64%	7.90%
MEDIUM COMPANY BLEND											
Fidelity Mid Cap Index	8.54%	4.81%	15.35%	17.21%	-17.28%	22.56%	17.11%	15.16%	14.34%	13.11%	9.89%
Russell Mid Cap	8.53%	4.84%	15.34%	17.23%	-17.32%	22.58%	17.10%	15.21%	14.33%	13.11%	9.89%
Mid-Cap Blend	7.21%	2.14%	13.65%	15.89%	-14.79%	24.24%	12.93%	8.78%	12.25%	12.68%	8.60%
MEDIUM COMPANY GROWTH											
T Rowe Price Instl Mid-Cap Equity Gr	9.06%	1.19%	9.67%	20.62%	-23.17%	15.52%	23.87%	7.21%	11.67%	8.56%	9.82%
Russell Mid Cap Growth	18.20%	9.79%	22.10%	25.87%	-26.72%	12.73%	35.59%	26.49%	21.46%	12.65%	12.13%
Mid-Cap Growth	14.49%	4.73%	15.01%	20.68%	-28.67%	11.75%	38.88%	14.36%	14.57%	8.89%	9.90%
GLOBAL LARGE STOCK BLEND											
American Funds Capital World Gr&Inc R6	13.06%	13.03%	14.26%	21.22%	-17.01%	15.15%	15.78%	17.38%	18.08%	12.93%	9.57%
MSCI ACWI NR USD	11.53%	10.05%	17.49%	22.20%	-18.36%	18.54%	16.25%	16.17%	17.35%	13.65%	9.99%
Global Large-Stock Blend	10.88%	9.89%	13.37%	19.37%	-17.58%	17.90%	14.51%	14.01%	15.78%	12.04%	9.07%

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PLAN INVESTMENT REVIEW | PERFORMANCE SUMMARY

Period Ending 6.30.25 | Q2 '25

Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
FOREIGN LARGE BLEND											
American Funds EUPAC R6	13.22%	16.19%	5.04%	16.05%	-22.72%	2.84%	25.27%	13.86%	13.48%	8.17%	6.52%
Vanguard Total Intl Stock Index I	12.11%	18.29%	5.18%	15.53%	-15.98%	8.68%	11.28%	18.33%	13.84%	10.31%	6.31%
MSCI EAFE NR	11.78%	19.45%	3.82%	18.24%	-14.45%	11.26%	7.82%	17.73%	15.97%	11.16%	6.51%
Foreign Large Blend	11.53%	19.59%	4.55%	16.12%	-16.05%	10.18%	10.34%	18.17%	14.78%	10.63%	6.23%
FOREIGN LARGE GROWTH											
Vanguard International Growth Adm	14.47%	16.10%	9.48%	14.81%	-30.79%	-0.74%	59.74%	17.94%	13.87%	7.34%	9.60%
MSCI EAFE NR	11.78%	19.45%	3.82%	18.24%	-14.45%	11.26%	7.82%	17.73%	15.97%	11.16%	6.51%
Foreign Large Growth	12.99%	15.84%	4.70%	15.92%	-25.22%	8.41%	22.49%	13.89%	13.77%	7.57%	6.53%
SMALL COMPANY VALUE											
American Beacon Small Cap Value R6	4.18%	-4.99%	7.50%	16.68%	-7.72%	28.21%	4.03%	1.85%	9.08%	14.28%	6.87%
Russell 2000 Value	4.97%	-3.16%	8.05%	14.65%	-14.48%	28.27%	4.63%	5.54%	7.45%	12.47%	6.72%
Small Value	4.27%	-3.51%	9.31%	15.34%	-11.36%	30.59%	3.52%	4.37%	8.80%	13.72%	6.91%
SMALL COMPANY BLEND											
Fidelity Small Cap Index	8.54%	-1.73%	11.69%	17.12%	-20.27%	14.71%	19.99%	7.84%	10.17%	10.13%	7.26%
Russell 2000	8.50%	-1.79%	11.54%	16.93%	-20.44%	14.82%	19.96%	7.68%	10.00%	10.04%	7.12%
Small Blend	6.48%	-2.00%	10.85%	16.28%	-16.75%	22.61%	13.21%	5.92%	9.78%	11.46%	7.23%
SMALL COMPANY GROWTH											
MassMutual Small Cap Growth Class CT	10.70%	-0.40%	16.10%	17.42%	-26.28%	-	-	8.25%	12.39%	-	-
Russell 2000 Growth	11.97%	-0.48%	15.15%	18.66%	-26.36%	2.83%	34.63%	9.73%	12.38%	7.42%	7.14%
Small Growth	10.73%	-1.26%	13.84%	16.35%	-28.30%	9.34%	38.34%	6.85%	10.24%	7.66%	8.13%

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Lansing Board of Water and Light

INVESTMENT NAME	Q2 '25	YTD '25	2024	2023	2022	2021	2020	1 YEAR*	3 YEAR*	5 YEAR*	10 YEAR*
SPECIALTY-REAL ESTATE											
Nuveen Real Estate Securities I	-1.38%	0.10%	6.05%	11.51%	-24.70%	41.32%	-6.12%	8.06%	3.51%	6.78%	5.73%
FTSE NAREIT All Equity REITS	-0.93%	1.80%	4.92%	11.36%	-24.93%	41.30%	-5.12%	9.20%	3.36%	6.66%	6.61%
Real Estate	-0.85%	0.61%	5.86%	12.06%	-26.34%	41.54%	-4.55%	8.92%	3.56%	7.24%	5.93%

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NATIONWIDE FIXED ACCOUNT

Period Ending 6/30/25 | Q2 25

Lansing Board of Water and Light

INDUSTRY ANALYSIS

The stable value market continues to deliver steady returns and security investors expect despite persistent inflation and a modest easing in interest rates at the end of the second quarter. The Federal Reserve held the federal funds rate at 4.25%–4.50%, with indications of a potential rate cut later in the year. Inflation edged higher versus first quarter of 2025, fueling further uncertainty in the policy outlook. Interest rates, however, remain elevated when compared to pre-2022 norms. Guaranteed stable value crediting rates for new business remain compelling relative to money market and other preservation strategies. These rates are supported by the gradual realization of higher-yielding assets acquired during recent rate peaks. This structure supports competitive participant income and reinforces principal protection, even as rate volatility introduces challenges for liquidity planning. In today’s environment, stable value remains a reliable anchor in defined contribution plans, offering daily liquidity for participants while preserving capital. As rate trends shift and inflation evolves, careful evaluation of fund characteristics and long-term strategy alignment will be essential.

CAPTRUST ANALYSIS

The Nationwide Fixed Account is a group annuity contract issued and guaranteed by Nationwide Life Insurance Company. It invests in the general account of Nationwide Life Insurance Company. It seeks to provide a low-risk, stable investment option that offers participants competitive yields and limited volatility with a guarantee of principal and accumulated interest for retirement investors. Contributions are invested in a diversified fixed income portfolio within Nationwide’s general account.

The crediting rate of the Fixed Account is subject to change every three months following the initial contract. Participants may transfer or reallocate account balances out of the Nationwide Fixed Account up to four times per calendar year.

GROSS CREDITING RATES				
6/30/24	9/30/24	12/31/24	3/31/25	6/30/25
2.98%	2.62%	2.63%	3.09%	%

INVESTMENT DETAILS	
Crediting Rate Details:	Crediting rates are quoted quarterly and reset quarterly.
Competing Options:	Allowed, w/ 90-day equity wash enforced on transfers to competing options.
Minimum Rate:	The minimum crediting rate is 0.50%.

LIQUIDITY PROVISIONS	
Plan Sponsor	Participant
Five-year, book value payout OR Subject to MVA	Fully liquid or, for a higher crediting rate, limited to either 20% per participant per year or 12% of total assets in the product per year

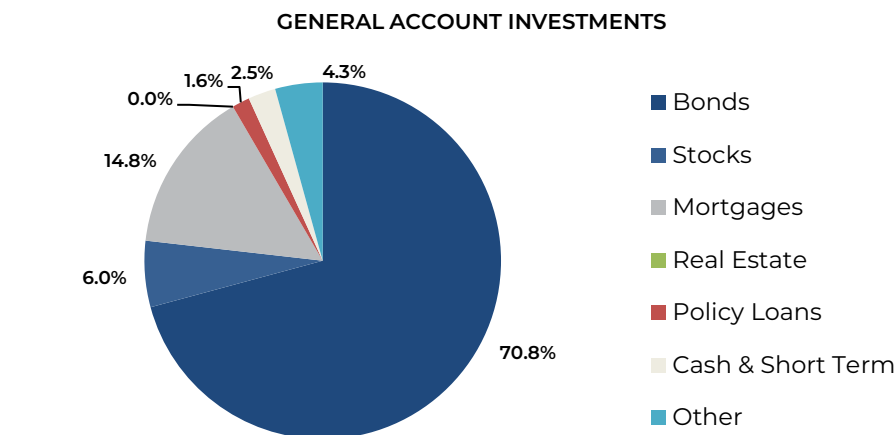
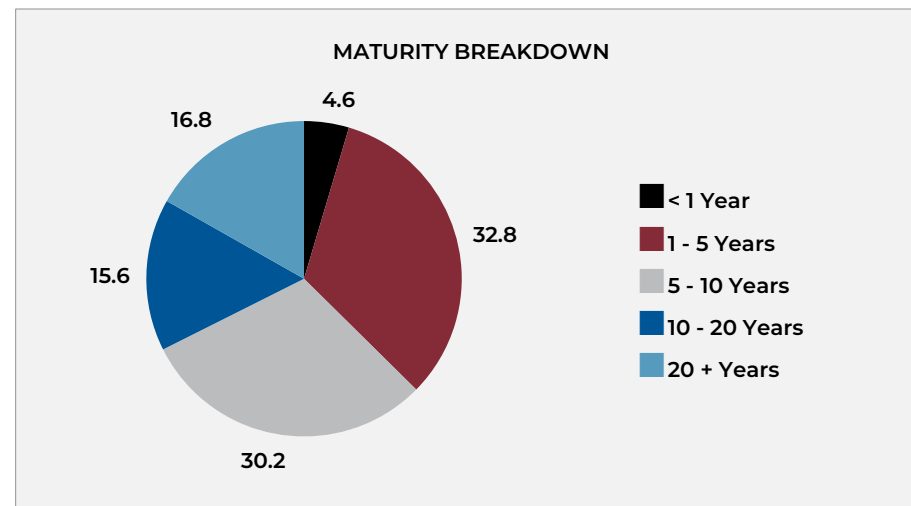
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Lansing Board of Water and Light

AGENCY RATINGS*

A.M. Best (15 ratings)	A+ (2/15)
Standard & Poors (20)	A+ (5)
Moody's (21)	A1 (5)
Fitch (21)	B- (6)
Weiss (16)	-
Comdex Ranking (Percentile Rank)	90

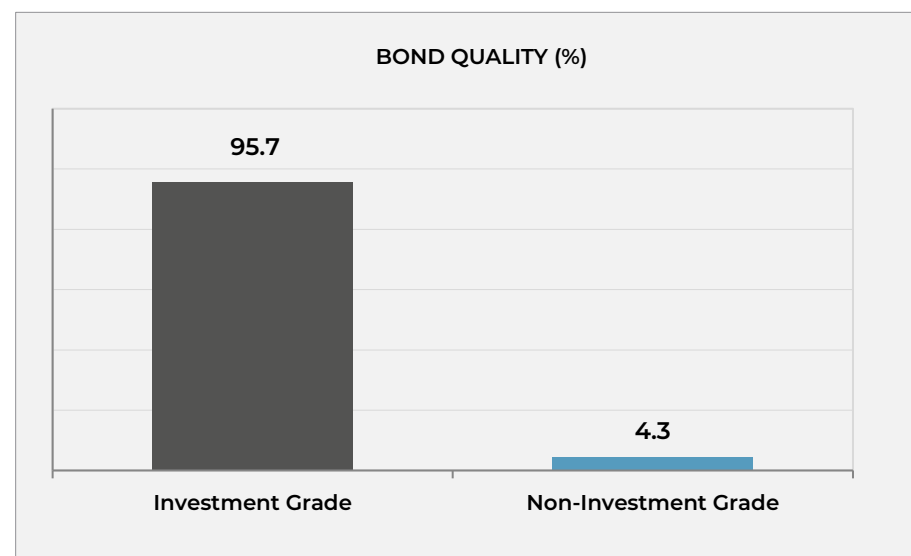
Comdex Ranking: Insurers are assigned a percentile rank, per agency, based on their ratings relative to peers. Percentiles are then averaged to arrive at one Comdex Ranking; over 500 companies are currently ranked.



Total Surplus & Asset Valuation Reserve (as % of GA Assets): 18.9%

Source: Vital Signs

*Agency ratings as of most recent quarter-end, all other data as of most recent year end.



Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800.216.0645. Agency ratings are sourced from Bloomberg. Index averages are derived from Morningstar. The opinions expressed in this report are subject to change without notice. This material is not a solicitation or an offer to buy any security or to participate in any investment strategy and is not guaranteed as to accuracy. Any such solicitation must be made by prospectus only. To obtain a prospectus, please contact your financial advisor. CAPTRUST Financial Advisors. Member FINRA/SIPC.

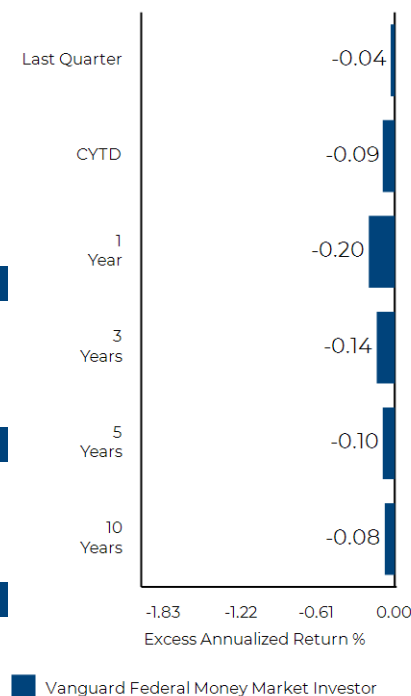
INDUSTRY ANALYSIS

The Federal Reserve maintained its target rate at 4.25% –4.50% through the end of the second quarter. Inflation ticked upward, but strong labor market conditions and broader uncertainty have lessened expectations for further easing. Short-term interest rates edged down slightly over the period yet remain historically elevated. The Treasury curve continues to normalize, though an inversion persists at the front-end, impacting short-to-intermediate rates. This dynamic has preserved elevated money market fund yields, maintaining a near-term advantage over stable value fund performance. For investors focused on liquidity and principal preservation, money market options remain attractive in the current rate environment.

	Last Qtr.	CYTD	1 Yr	3 Yr	5 Yr	10 Yr
Vanguard Federal Money Market Investor	1.05	2.12	4.68	4.62	2.79	1.94
FTSE 3 Month T-Bill	1.09	2.21	4.88	4.75	2.88	2.01

	2024	2023	2022	2021	2020
Vanguard Federal Money Market Investor	5.23	5.09	1.55	0.01	0.45
FTSE 3 Month T-Bill	5.45	5.26	1.50	0.05	0.58

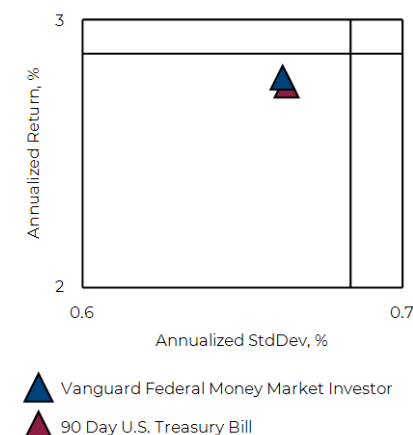
	STD DEV / 5 YEAR
Vanguard Federal Money Market Investor	0.66
FTSE 3 Month T-Bill	0.68



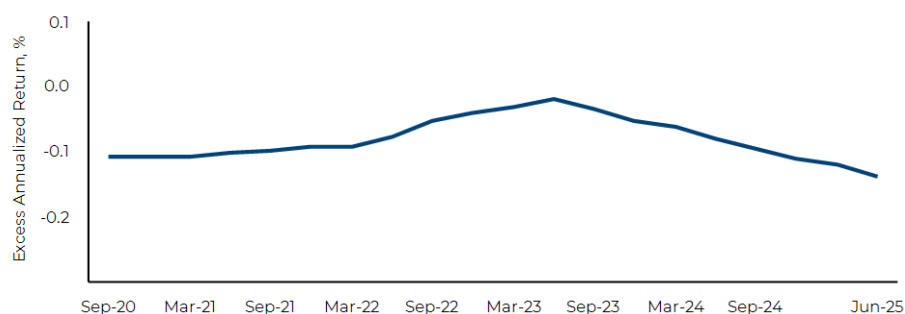
INVESTMENT PROFILE

Ticker	VMFXX
Fund Inception Date	1981
Prospectus Expense Ratio	0.11 %
SEC Yield	4.23 %

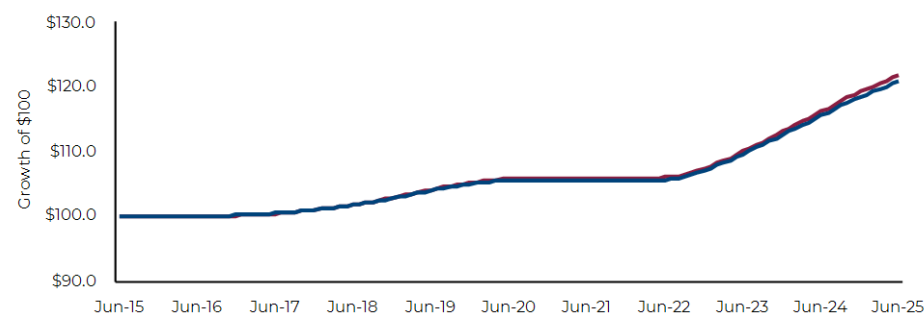
Performance vs Risk - 5 Year



Rolling 3 Year Annualized Excess Return (Sep-20 - Jun-25)



Cumulative Performance (Jul 2015 - Jun 2025)



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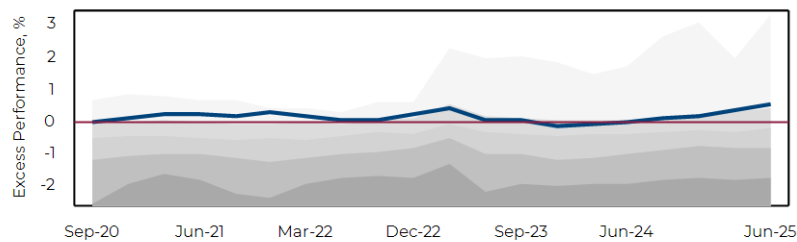
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
PIMCO Real Return Instl	0.56	5.30	6.69	2.87	1.95	2.84	2.59	3.74	-11.86	5.67	12.09
Blmbg. U.S. TIPS Index	0.48	4.67	5.84	2.34	1.61	2.67	1.84	3.90	-11.85	5.96	10.99
Inflation-Protected Bond Median	0.50	4.56	5.77	2.14	1.38	2.39	1.86	3.46	-12.03	5.05	10.51
Rank (%)	31	3	11	23	22	9	14	40	41	27	18
Population	138	138	137	136	134	128	137	142	144	149	149

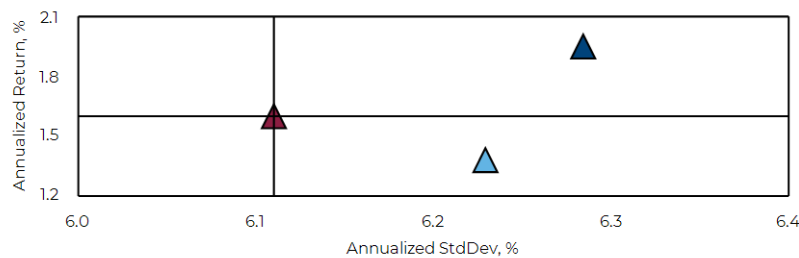
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
PIMCO Real Return Instl	-0.09	0.31	1.02	0.99	104.35	100.67	0.55
Blmbg. U.S. TIPS Index	-0.15	0.00	1.00	1.00	100.00	100.00	-
Inflation-Protected Bond Median	-0.19	-0.24	1.01	0.98	97.28	102.29	-0.41

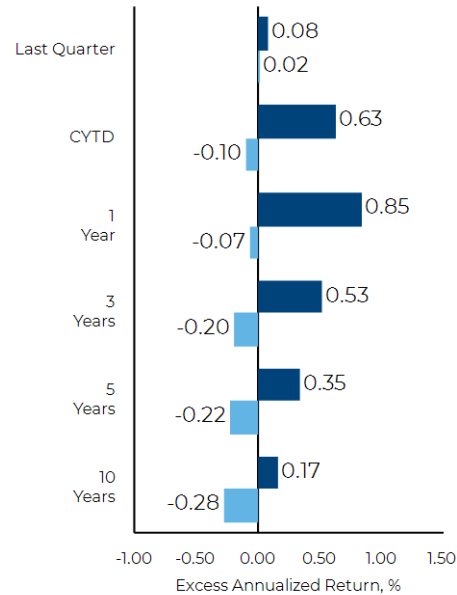
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ PIMCO Real Return Instl
▲ Blmbg. U.S. TIPS Index
▲ Inflation-Protected Bond Median



■ PIMCO Real Return Instl
■ Inflation-Protected Bond Median

INVESTMENT PROFILE

Ticker	PRRIX
Portfolio Manager	Cudzil,M/He,D/Rodosky,S
Portfolio Assets	\$5,435 Million
PM Tenure	6 Years 5 Months
Net Expense(%)	0.50 %
Fund Inception	1997
Category Expense Median	0.67
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	-2.52 %
Number of Holdings	1116
Turnover	227.00 %
Avg. Effective Duration	6.95 Years
SEC Yield	5.49 %

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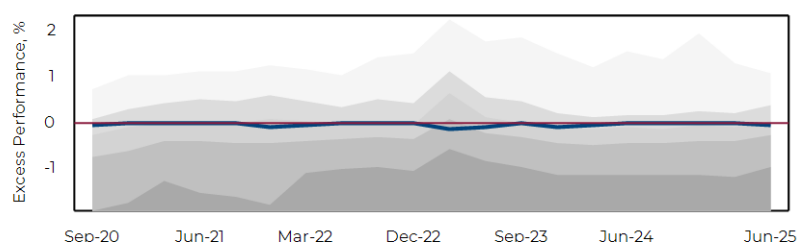
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Fidelity U.S. Bond Index	1.19	3.98	5.96	2.53	-0.79	1.73	1.34	5.54	-13.03	-1.79	7.80
Blmbg. U.S. Aggregate Index	1.21	4.02	6.08	2.55	-0.73	1.76	1.25	5.53	-13.01	-1.55	7.51
Intermediate Core Bond Median	1.22	3.97	5.97	2.60	-0.57	1.72	1.49	5.56	-13.45	-1.52	7.88
Rank (%)	55	47	52	56	68	49	61	53	29	65	53
Population	418	416	416	410	382	339	433	450	447	446	435

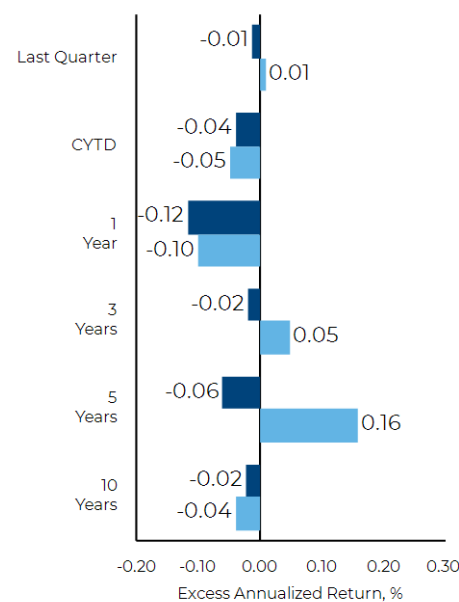
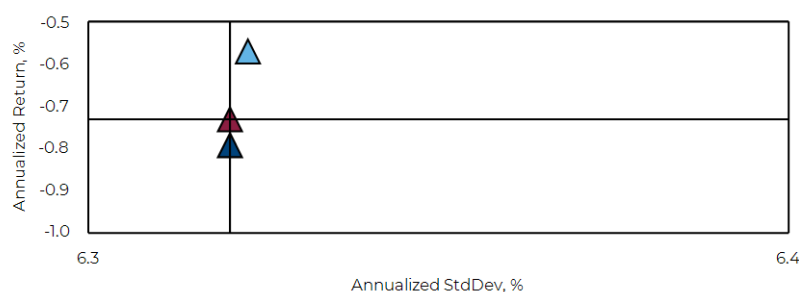
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity U.S. Bond Index	-0.54	-0.06	1.00	1.00	99.99	100.70	-0.27
Blmbg. U.S. Aggregate Index	-0.52	0.00	1.00	1.00	100.00	100.00	-
Intermediate Core Bond Median	-0.50	0.16	1.00	0.99	99.46	98.82	0.21

Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



INVESTMENT PROFILE

Ticker	FXNAX
Portfolio Manager	Bettencourt,B/Lande,M
Portfolio Assets	\$64,634 Million
PM Tenure	11 Years 1 Month
Net Expense(%)	0.03 %
Fund Inception	2011
Category Expense Median	0.54
Subadvisor	FMR Investment Management (U.K.) Limited/Fidelity

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	9.53 %
Number of Holdings	9764
Turnover	43.00 %
Avg. Effective Duration	5.93 Years
SEC Yield	4.30 %

▲ Fidelity U.S. Bond Index ▲ Intermediate Core Bond Median ▲ Blmbg. U.S. Aggregate Index

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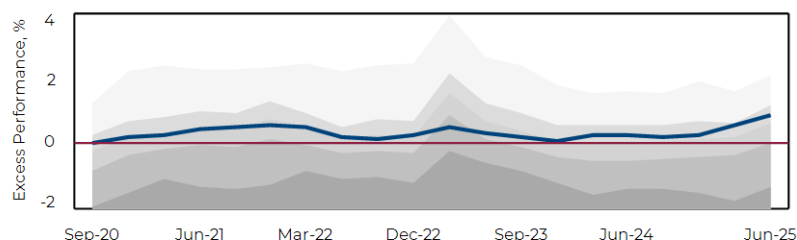
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
PIMCO Total Return Instl	1.15	4.70	7.04	3.42	-0.05	2.16	2.61	6.30	-14.09	-0.84	8.88
Blmbg. U.S. Aggregate Index	1.21	4.02	6.08	2.55	-0.73	1.76	1.25	5.53	-13.01	-1.55	7.51
Intermediate Core-Plus Bond Median	1.38	4.08	6.32	3.20	0.02	2.02	2.20	6.22	-13.86	-0.80	8.39
Rank (%)	81	15	21	41	54	40	32	46	58	52	36
Population	538	537	534	521	484	414	555	599	589	584	573

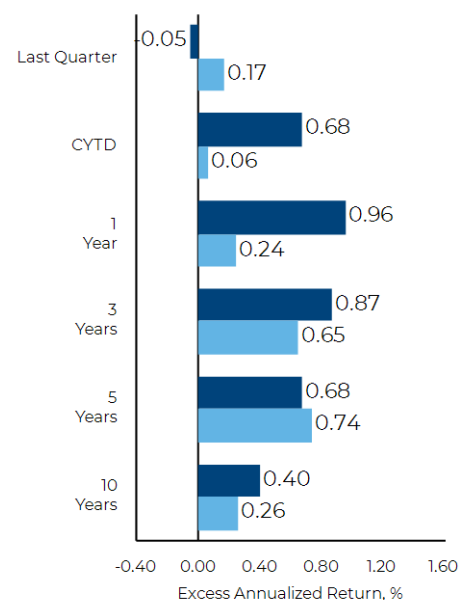
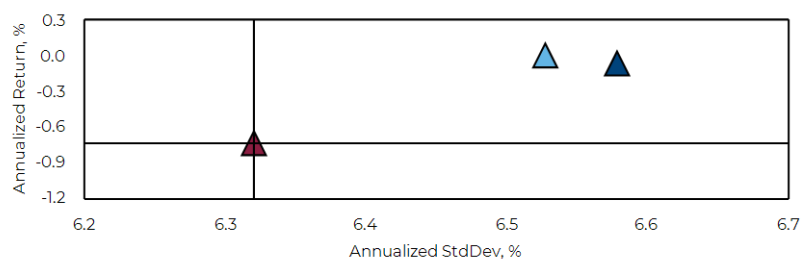
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
PIMCO Total Return Instl	-0.40	0.72	1.03	0.98	105.99	97.73	0.79
Blmbg. U.S. Aggregate Index	-0.52	0.00	1.00	1.00	100.00	100.00	-
Intermediate Core-Plus Bond Median	-0.39	0.77	1.02	0.97	104.13	95.64	0.62

Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



INVESTMENT PROFILE

Ticker	PTTRX
Portfolio Manager	Team Managed
Portfolio Assets	\$33,901 Million
PM Tenure	10 Years 9 Months
Net Expense(%)	0.51 %
Fund Inception	1987
Category Expense Median	0.68
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	59.87 %
Number of Holdings	7437
Turnover	606.00 %
Avg. Effective Duration	6.65 Years
SEC Yield	4.77 %

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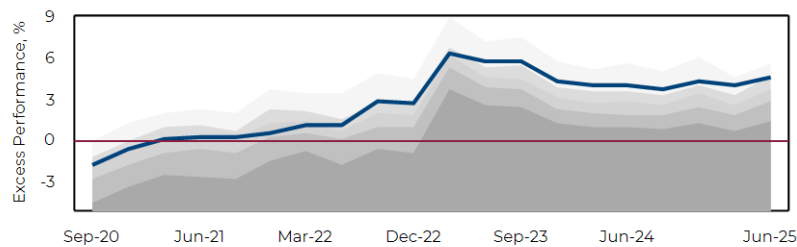
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
PIMCO Income Instl	2.22	5.58	9.31	7.29	4.37	4.53	5.42	9.32	-7.81	2.61	5.80
Blmbg. U.S. Aggregate Index	1.21	4.02	6.08	2.55	-0.73	1.76	1.25	5.53	-13.01	-1.55	7.51
Multisector Bond Median	2.32	4.15	7.83	6.41	3.55	3.52	6.02	8.76	-10.83	2.54	6.37
Rank (%)	55	5	13	28	17	6	64	40	20	47	59
Population	341	341	341	338	306	239	341	354	350	351	336

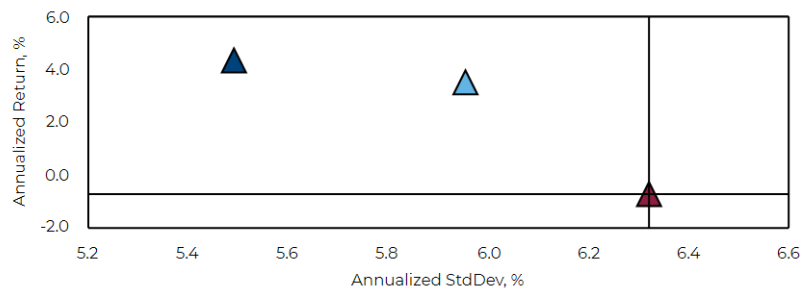
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
PIMCO Income Instl	0.31	4.96	0.78	0.80	100.00	43.92	1.75
Blmbg. U.S. Aggregate Index	-0.52	0.00	1.00	1.00	100.00	100.00	-
Multisector Bond Median	0.16	4.18	0.79	0.75	96.32	50.50	1.15

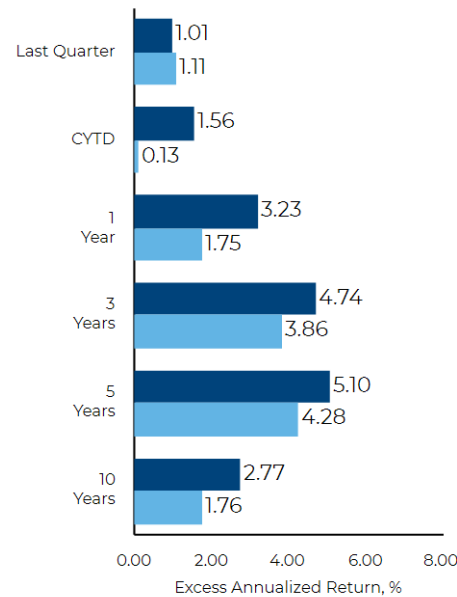
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ PIMCO Income Instl ▲ Multisector Bond Median ▲ Blmbg. U.S. Aggregate Index



INVESTMENT PROFILE

Ticker	PIMIX
Portfolio Manager	Anderson,J/Ivascyn, D/Murata,A
Portfolio Assets	\$115,633 Million
PM Tenure	18 Years 3 Months
Net Expense(%)	0.83 %
Fund Inception	2007
Category Expense Median	0.89
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	66.07 %
Number of Holdings	10236
Turnover	711.00 %
Avg. Effective Duration	4.09 Years
SEC Yield	5.01 %

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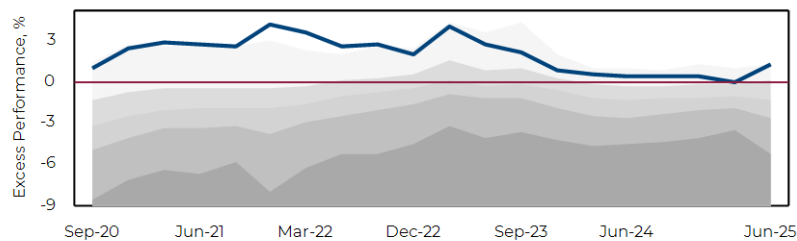
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Fidelity Balanced	8.26	5.30	10.94	14.06	11.55	9.90	16.06	21.60	-18.19	18.28	22.43
60% S&P 500, 40% Bloomberg Agg	7.02	5.46	11.62	12.75	9.61	9.01	15.04	17.67	-15.79	15.86	14.73
Moderate Allocation Median	6.76	5.61	10.70	11.41	9.13	7.50	12.18	14.47	-15.44	14.19	12.48
Rank (%)	16	59	43	6	5	4	11	4	90	9	4
Population	445	445	443	437	426	391	462	500	521	521	513

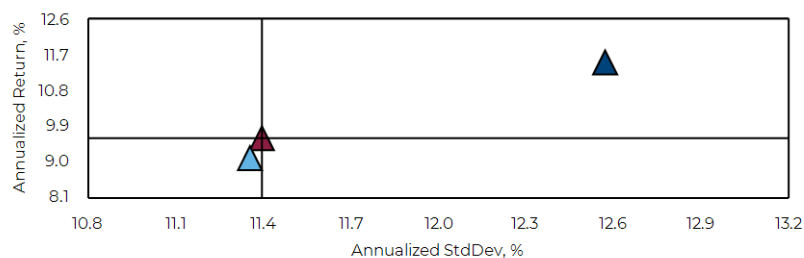
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity Balanced	0.72	0.98	1.09	0.98	110.97	104.33	0.94
60% S&P 500, 40% Bloomberg Agg	0.63	0.00	1.00	1.00	100.00	100.00	-
Moderate Allocation Median	0.59	-0.06	0.97	0.96	97.66	99.32	-0.17

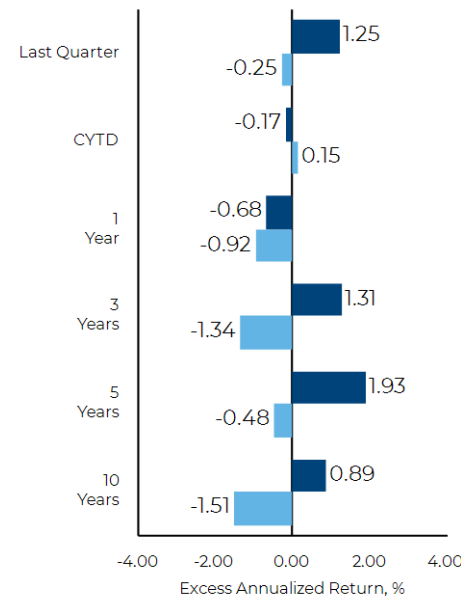
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Fidelity Balanced
▲ 60% S&P 500, 40% Bloomberg Agg
▲ Moderate Allocation Median



INVESTMENT PROFILE

Ticker	FBALX
Portfolio Manager	Team Managed
Portfolio Assets	\$39,276 Million
PM Tenure	16 Years 9 Months
Net Expense(%)	0.47 %
Fund Inception	1986
Category Expense Median	0.94
Subadvisor	FMR Investment Management (U.K.) Limited/Fidelity

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	25.95 %
Number of Holdings	4849
Turnover	24.00 %
Avg. Market Cap	\$287,707 Million
Dividend Yield	1.39 %
Avg. Effective Duration	5.58 Years
SEC Yield	1.96 %

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VANGUARD TARGET RETIREMENT

Period Ending 6.30.25 | Q2 25

Investor Assumptions/Glidepath Methodology

Glidepath Management	• Through retirement (assumed at age 65) ending 7 years after retirement
Assumed Investor Savings Rate	• Contributions start at 7.3% at age 25 and increase to 13% at age 65. Also includes a \$0.50 on the dollar employer match up to 3% of salary.
Assumed Investor Income Growth Rate	• 1.1% annual salary growth
Income Replacement	• The portfolios are designed to provide withdrawals in retirement based on multiples of an investor's age 65 salary.
Assumed Accumulated Savings at Retirement	• N/A
Life Expectancy	• Through age 95
Asset Allocation Flexibility	• Strict targets with narrow ranges.
Other Assumptions	• Glidepath was tested against 10,000 potential lifetime return outcomes

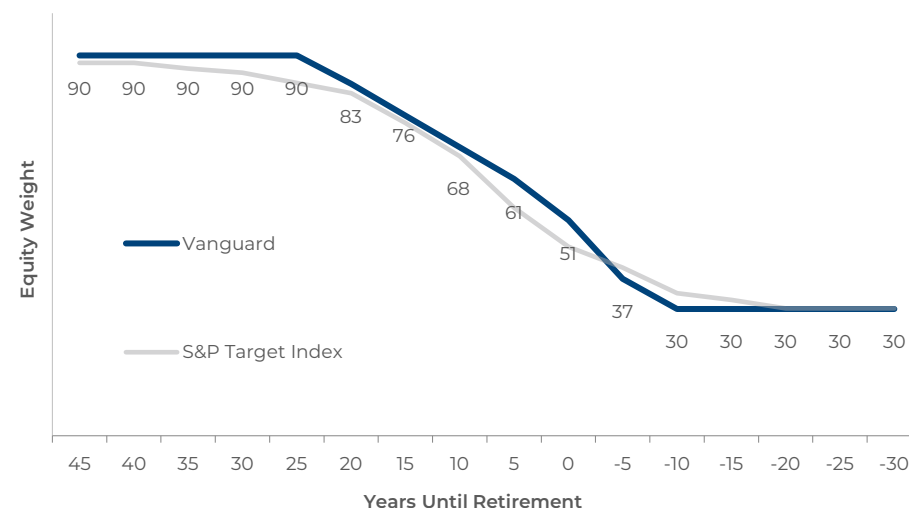
Vanguard uses a proprietary capital markets modeling tool to statistically analyze historical data, including interest rates, inflation, and other risk factors for global equities, fixed income, and commodity markets. This tool is used to generate forward-looking distributions of expected returns. Then, by combining these figures with their investor assumptions, Vanguard constructs target portfolios with asset allocations that seek to provide the highest probability of a successful outcome (not outliving retirement savings).

Investment Profile

% Open Architecture:	0%	Active/Passive:	Passive
Inception Date:	10-27-2003	% Active:	0%
Net Assets \$MM:	\$752,315	Manager Tenure:	12.42 years (longest)
Manager Name:	Nejman; Denis; Roach; Diaz	Expense Range:	0.08%
Avg # of Holdings:	5	Investment Structure:	Mutual Fund

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Target Asset Allocation Glidepath per Years Until Retirement



Dedicated Asset Class Granularity/Diversification

Emerging Market Equities	No
International/Global Debt	Yes
Inflation-Protected Securities	Yes
High Yield Fixed Income	No
Real Estate	No
Commodities	No

The Vanguard Target Retirement funds allocate to five broad index funds that provide comprehensive exposure to U.S. and non-U.S. equity and bond markets. Using index funds allows Vanguard to provide investment diversification at a low cost while also producing returns in line with equity and fixed income markets. Through its five index funds, the strategies gain exposure to over 25 sub-asset classes, capturing over 90% of the world's investable market.



VANGUARD TARGET RETIREMENT

Period Ending 6.30.25 | Q2 25

Material Changes to the Series

2006:

- Increased minimum equity allocation from 20% to 30%

2010:

- Collapsed three international equity index funds (Europe, Pacific, and Emerging Markets) with Vanguard Total International Stock Index

2013:

- Replaced the broad TIPs fund with a short-term TIPs allocation
- Eliminated the Prime Money Market fund
- Added a 20% International Bond Index Allocation

2015:

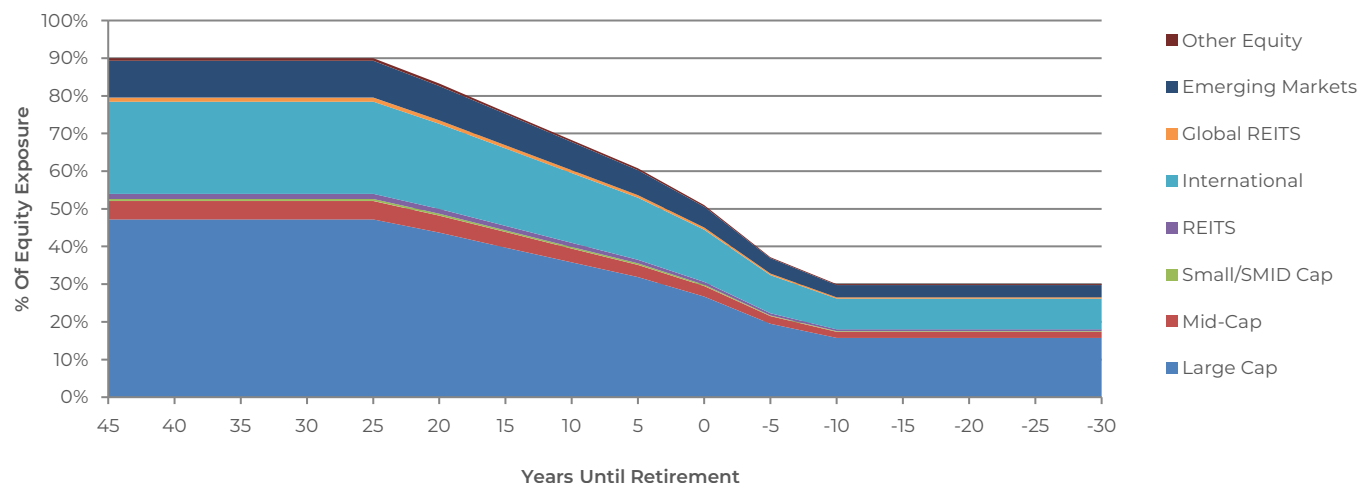
- Increased international stock allocation from 30% to 40%
- Increased International bond allocation from 20% to 30%

2021:

- The firm announced that in February 2022 the Institutional share class will merge into the Investor share class. Following this merger, expense ratio for the combined series will be 0.08%. The series will be available for all clients with no asset minimum.

*All information provided by the asset manager is as of 12/31/24. The asset allocations displayed are static and do not reflect any tactical adjustments made by the manager.

Equity Exposure



Fixed Income Exposure



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TARGET DATE ANALYSIS

Period Ending 6.30.25 | Q2 25

	3 Years Beta	3 Years Sharpe	3 Years Up Capture	3 Years Down Capture	5 Years Beta	5 Years Sharpe	5 Years Up Capture	5 Years Down Capture
Vanguard Target Retirement 2020 Fund	1.00	0.48	97.92	101.03	1.00	0.41	99.44	101.19
S&P Target Date 2020 Index	1.00	0.53	100.00	100.00	1.00	0.44	100.00	100.00
Target Date 2020 Median	1.04	0.47	102.60	107.09	1.05	0.42	104.69	106.53
Vanguard Target Retirement 2025 Fund	1.10	0.58	108.77	111.88	1.08	0.49	106.30	109.82
S&P Target Date 2025 Index	1.00	0.58	100.00	100.00	1.00	0.51	100.00	100.00
Target Date 2025 Median	1.07	0.51	104.06	109.58	1.07	0.46	104.75	108.41
Vanguard Target Retirement 2030 Fund	1.07	0.64	106.48	109.39	1.05	0.54	103.68	107.29
S&P Target Date 2030 Index	1.00	0.65	100.00	100.00	1.00	0.58	100.00	100.00
Target Date 2030 Median	1.07	0.57	103.91	109.39	1.05	0.52	102.78	108.12
Vanguard Target Retirement 2035 Fund	1.02	0.69	101.74	103.70	1.00	0.60	99.16	102.09
S&P Target Date 2035 Index	1.00	0.70	100.00	100.00	1.00	0.64	100.00	100.00
Target Date 2035 Median	1.04	0.64	101.87	107.90	1.03	0.58	101.32	106.31
Vanguard Target Retirement 2040 Fund	0.99	0.73	99.28	100.48	0.98	0.64	97.89	100.15
S&P Target Date 2040 Index	1.00	0.75	100.00	100.00	1.00	0.68	100.00	100.00
Target Date 2040 Median	1.04	0.70	101.96	107.02	1.03	0.63	101.40	105.90
Vanguard Target Retirement 2045 Fund	1.00	0.77	99.99	100.89	1.00	0.68	99.87	101.47
S&P Target Date 2045 Index	1.00	0.78	100.00	100.00	1.00	0.70	100.00	100.00
Target Date 2045 Median	1.04	0.73	102.36	106.98	1.04	0.67	102.16	106.09
Vanguard Target Retirement 2050 Fund	1.01	0.80	101.58	101.74	1.00	0.70	100.38	101.76
S&P Target Date 2050 Index	1.00	0.79	100.00	100.00	1.00	0.71	100.00	100.00
Target Date 2050 Median	1.04	0.76	102.21	105.49	1.02	0.68	101.38	104.98
Vanguard Target Retirement 2055 Fund	1.00	0.80	100.89	101.25	0.99	0.70	99.55	101.20
S&P Target Date 2055 Index	1.00	0.80	100.00	100.00	1.00	0.71	100.00	100.00
Target Date 2055 Median	1.05	0.77	103.20	106.69	1.03	0.68	102.06	105.51

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TARGET DATE ANALYSIS

Period Ending 6.30.25 | Q2 '25

	3 Years Beta	3 Years Sharpe	3 Years Up Capture	3 Years Down Capture	5 Years Beta	5 Years Sharpe	5 Years Up Capture	5 Years Down Capture
Vanguard Target Retirement 2060 Fund	1.00	0.80	100.42	100.52	0.99	0.70	99.31	100.66
S&P Target Date 2060 Index	1.00	0.79	100.00	100.00	1.00	0.71	100.00	100.00
Target Date 2060 Median	1.04	0.77	102.78	105.32	1.02	0.68	101.60	104.35
Vanguard Target Retirement 2065 Fund	1.00	0.80	99.76	100.35	0.99	0.70	98.82	100.68
S&P Target Date 2065+ Index	1.00	0.80	100.00	100.00	1.00	0.72	100.00	100.00
Target Date 2065 Median	1.04	0.78	102.98	106.63	1.04	0.68	101.67	106.43
Vanguard Target Retirement 2070 Fund	1.00	0.80	99.81	100.29	-	-	-	-
S&P Target Date 2065+ Index	1.00	0.80	100.00	100.00	1.00	0.72	100.00	100.00
Target Date 2065 Median	1.04	0.78	102.98	106.63	1.04	0.68	101.67	106.43
Vanguard Target Retirement Income Fund	1.02	0.38	100.35	104.82	1.02	0.26	101.36	103.66
S&P Target Date Retirement Income Index	1.00	0.43	100.00	100.00	1.00	0.29	100.00	100.00
Target Date Retirement Income Median	1.09	0.37	104.17	113.11	1.08	0.28	107.49	111.76

For use with CAPTRUST institutional clients only. Historical performance summarized here does not guarantee future results. Data has been obtained from Morningstar and is not guaranteed to be accurate or complete. This Target Date Series overview includes a Target Asset Allocation Glidepath per Vintage Year illustration, however only select vintage years have been included for comparison in the Target Date Analysis. Investing always involves risk. For a prospectus with a complete description of the risks associated with investing in a specific target date fund in this series, please call CAPTRUST at (800)216-0645. For a detailed description of the risks associated with investing by asset class, please visit <https://www.captrust.com/important-disclosures/>



TARGET DATE FUND COMMENTARY
2ND QUARTER, 2025

DANELLE DONEY

SENIOR ASSOCIATE, INVESTMENT RESEARCH

Our mission is to enrich the lives of our clients, colleagues and communities through sound financial advice, integrity, and commitment to service beyond expectation.



VANGUARD TARGET RETIREMENT

MEETING DATE: JULY 21, 2025

PERFORMANCE
The Vanguard Target Retirement series delivered solid results in the second quarter, outperforming both peers and the benchmark.

WHAT HELPED?	WHAT HURT?
• Vanguard’s emphasis on global diversification was a key contributor. • A larger strategic allocation to international equities and international bonds added value. Both asset classes outperformed their U.S. counterparts. • As equities outperformed, the vintages approaching retirement benefited from the glidepath’s relatively higher equity exposure.	• At the beginning of the glidepath, Target Retirement’s equity allocation is more conservative than peers. This weighed on relative results during a quarter of strong equity market gains.

OBSERVATIONS
There were no changes to the Vanguard Target Retirement series in the second quarter.

Note: Benchmark relative performance refers to fund performance compared to the S&P Target Date Indexes.

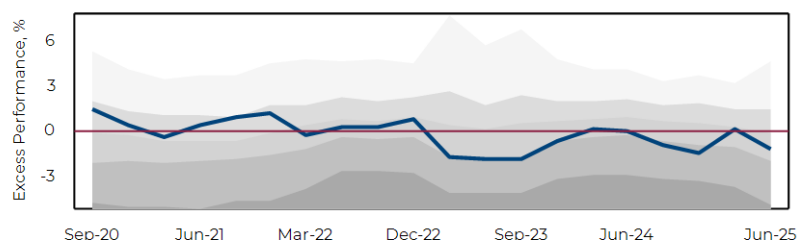
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
MFS Value R3	2.71	6.67	11.92	11.63	12.44	9.12	11.64	7.92	-6.14	25.08	3.65
Russell 1000 Value Index	3.79	6.00	13.70	12.76	13.93	9.19	14.37	11.46	-7.54	25.16	2.80
Large Value Median	4.18	5.84	12.66	12.71	14.12	9.27	14.35	11.16	-5.57	26.02	2.94
Rank (%)	75	32	60	67	79	56	75	78	55	63	44
Population	1,019	1,019	1,019	1,001	973	912	1,048	1,134	1,138	1,142	1,137

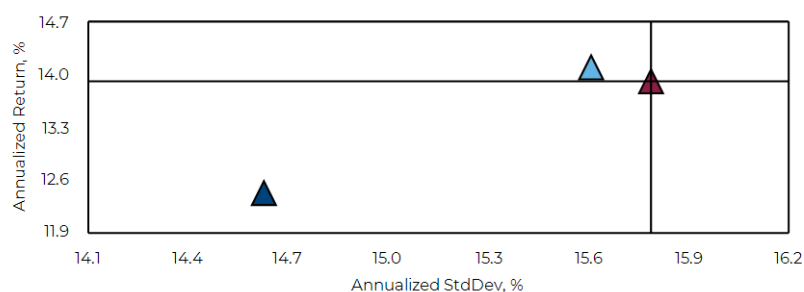
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MFS Value R3	0.69	-0.23	0.91	0.97	93.40	96.74	-0.50
Russell 1000 Value Index	0.73	0.00	1.00	1.00	100.00	100.00	-
Large Value Median	0.75	0.82	0.97	0.95	97.86	94.05	0.05

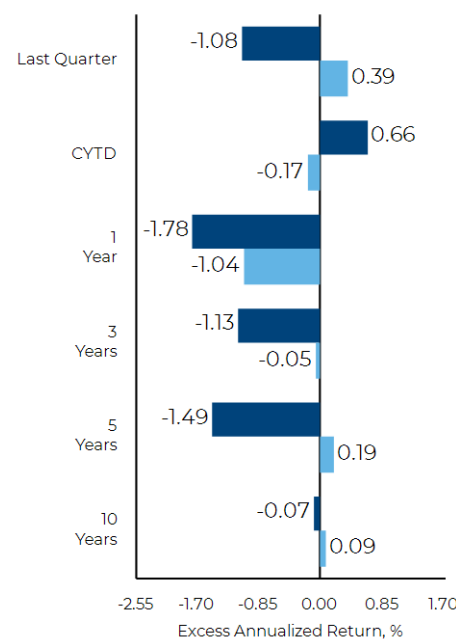
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ MFS Value R3 ▲ Large Value Median ▲ Russell 1000 Value Index



INVESTMENT PROFILE

Ticker	MEIH
Portfolio Manager	Cannan,K/Chitkara, N/Crowley,T
Portfolio Assets	\$2,397 Million
PM Tenure	19 Years 1 Month
Net Expense(%)	0.79 %
Fund Inception	2005
Category Expense Median	0.82
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	29.06 %
Number of Holdings	71
Turnover	13.00 %
Avg. Market Cap	\$116,975 Million
Dividend Yield	2.54 %

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MFS Value

TOPIC	MFS Value has annualized 12.7% over the past five years compared to the Russell 1000 Value Index at 14.0%. The strategy ranks in the bottom half of the peer group for the trailing period. However, performance has improved 2025 YTD, ranking in the top half of the peer group.
ATTRIBUTION	Security selection within the consumer staples sector has driven most of the underperformance. Not owning Walmart over the last five years has hurt performance with the stock +163.0%. The strategy otherwise owned Diageo, Nestlé, and Target. Each stock is flat or down during the holding period over the last five years. Underweighting the energy sector has also been a headwind. The sector is up 3x over the last five years after rebounding from negative oil prices in April 2020.
OUR VIEW	We recommend MFS Value as the team’s disciplined process excels over full market cycles. While its conservative approach can fall out of favor in short periods like 2023 and 2024, we advise against chasing returns. The firm named Thomas Crowley as Portfolio Manager in 2025. Despite the turnover risk, MFS has a strong record in transitioning teams.

This is not a solicitation to invest, but rather a manager update being delivered to CAPTRUST clients whose assets are invested with the manager who is the subject of this report. The opinions expressed are subject to change without notice. Statistics have been obtained from sources deemed reliable but are not guaranteed to be accurate or complete. Any performance illustrated is past performance and is not indicative of future results.

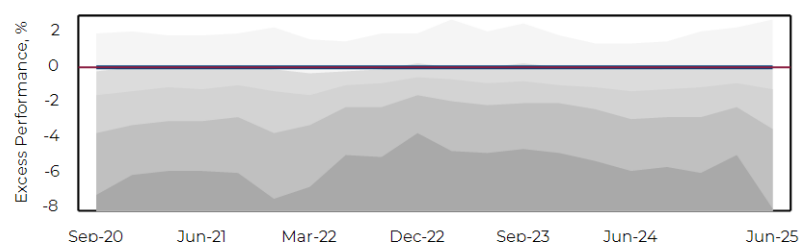
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Fidelity 500 Index	10.94	6.20	15.15	19.70	16.63	13.63	25.00	26.29	-18.13	28.69	18.40
S&P 500 Index	10.94	6.20	15.16	19.71	16.64	13.65	25.02	26.29	-18.11	28.71	18.40
Large Blend Median	10.79	5.75	13.55	18.40	15.56	12.34	23.07	24.45	-18.19	26.53	17.62
Rank (%)	41	35	24	22	20	6	24	24	49	21	39
Population	1,147	1,146	1,144	1,125	1,092	988	1,175	1,227	1,251	1,260	1,237

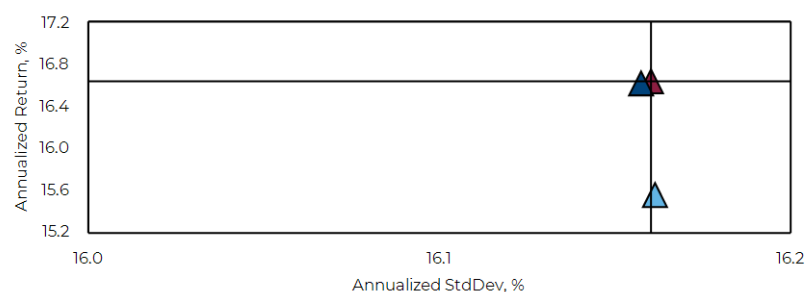
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity 500 Index	0.87	-0.01	1.00	1.00	99.96	99.99	-0.92
S&P 500 Index	0.87	0.00	1.00	1.00	100.00	100.00	-
Large Blend Median	0.81	-0.62	0.99	0.97	97.66	100.35	-0.45

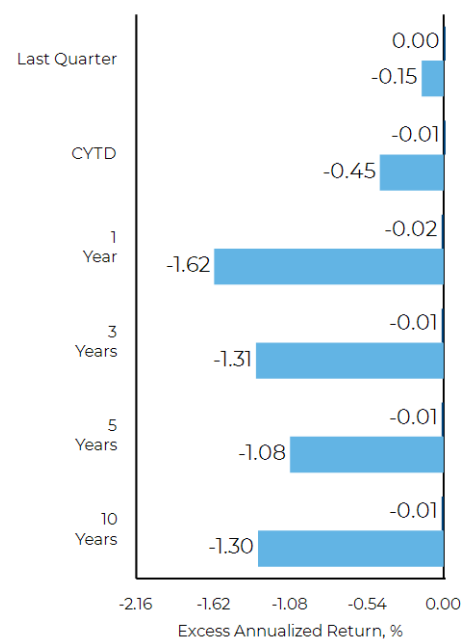
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Fidelity 500 Index ▲ Large Blend Median ▲ S&P 500 Index



INVESTMENT PROFILE

Ticker	FXAIX
Portfolio Manager	Team Managed
Portfolio Assets	\$665,837 Million
PM Tenure	16 Years 5 Months
Net Expense(%)	0.02 %
Fund Inception	2011
Category Expense Median	0.74
Subadvisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	35.71 %
Number of Holdings	508
Turnover	2.00 %
Avg. Market Cap	\$349,705 Million
Dividend Yield	1.48 %

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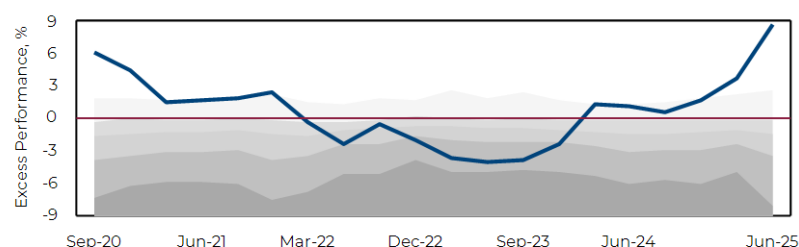
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Fidelity Contrafund K6	17.77	12.49	21.24	28.44	17.95	-	35.37	37.67	-27.12	24.14	30.83
S&P 500 Index	10.94	6.20	15.16	19.71	16.64	13.65	25.02	26.29	-18.11	28.71	18.40
Large Blend Median	10.79	5.75	13.55	18.40	15.56	12.34	23.07	24.45	-18.19	26.53	17.62
Rank (%)	2	1	2	1	6	-	1	1	100	79	1
Population	1,147	1,146	1,144	1,125	1,092	988	1,175	1,227	1,251	1,260	1,237

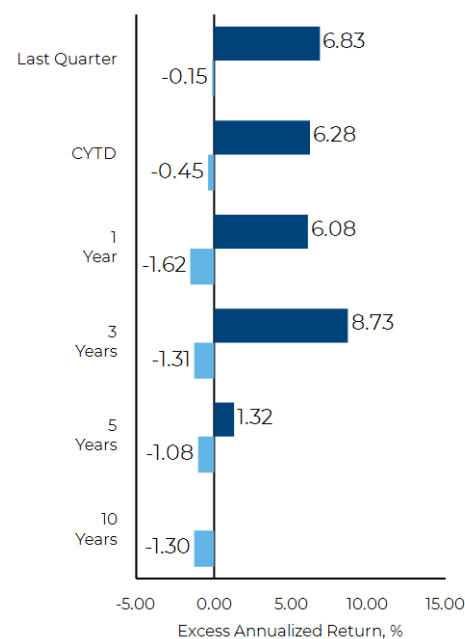
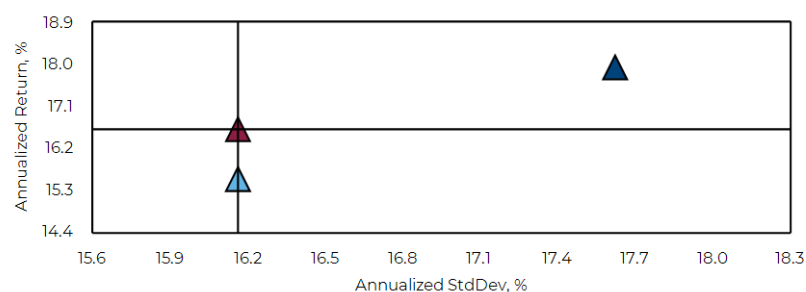
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity Contrafund K6	0.88	0.80	1.04	0.90	106.45	104.59	0.25
S&P 500 Index	0.87	0.00	1.00	1.00	100.00	100.00	-
Large Blend Median	0.81	-0.62	0.99	0.97	97.66	100.35	-0.45

Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



INVESTMENT PROFILE

Ticker	FLCN
Portfolio Manager	Anolic,A/Danoff,W/Weiner, J
Portfolio Assets	\$35,939 Million
PM Tenure	8 Years 1 Month
Net Expense(%)	0.45 %
Fund Inception	2017
Category Expense Median	0.88
Subadvisor	FMR Investment Management (U.K.)

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	57.47 %
Number of Holdings	339
Turnover	19.00 %
Avg. Market Cap	\$596,668 Million
Dividend Yield	0.81 %

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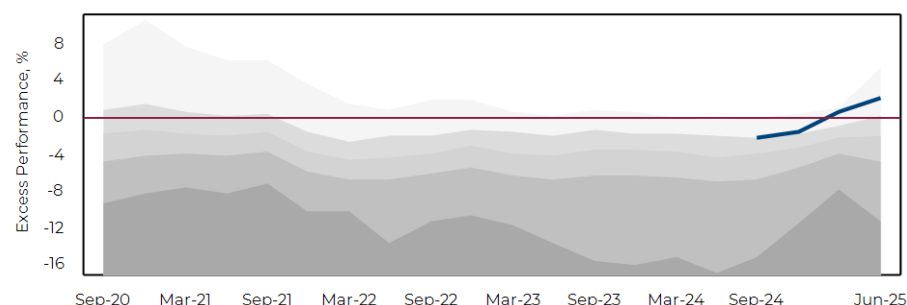
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Winslow Large Cap Growth CIT CT	20.08	9.46	17.88	27.83	-	-	31.45	43.24	-31.09	-	-
Russell 1000 Growth Index	17.84	6.09	17.22	25.76	18.15	17.01	33.36	42.68	-29.14	27.60	38.49
Large Growth Median	17.75	6.93	15.36	23.85	14.92	14.60	29.72	39.34	-31.15	22.02	35.98
Rank (%)	23	17	26	15	-	-	41	27	50	-	-
Population	1,005	1,005	1,003	987	966	897	1,013	1,094	1,110	1,133	1,116

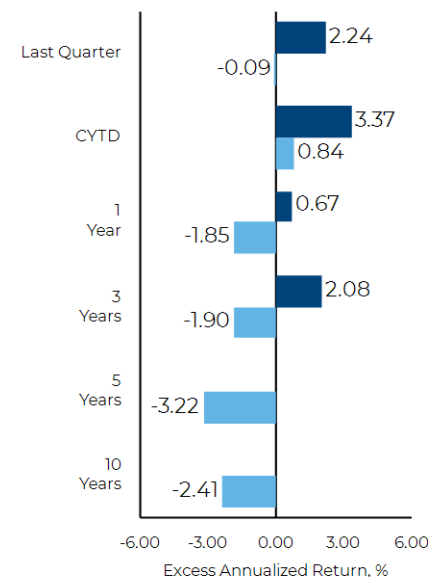
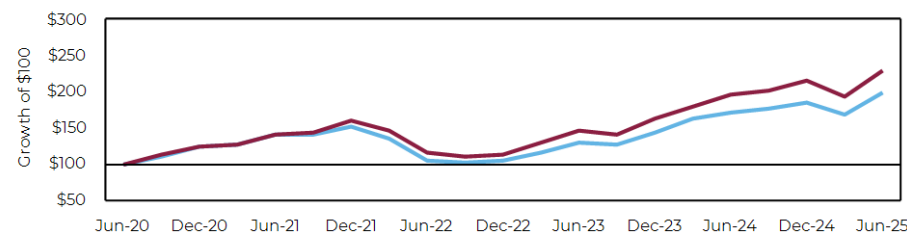
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Winslow Large Cap Growth CIT CT	-	-	-	-	-	-	-
Russell 1000 Growth Index	0.82	0.00	1.00	1.00	100.00	100.00	-
Large Growth Median	0.67	-2.27	0.98	0.95	93.50	101.27	-0.58

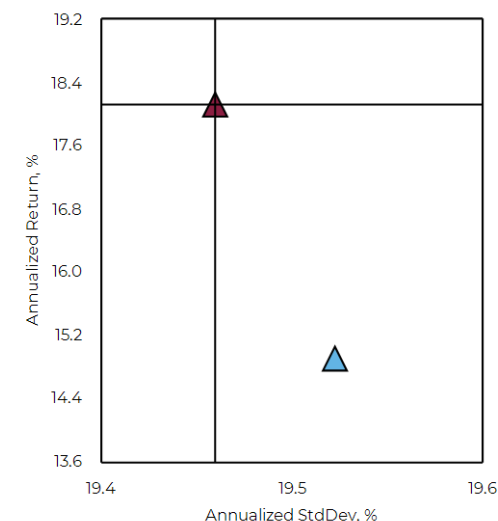
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



▲ Winslow Large Cap Growth CIT CT
▲ Large Growth Median
▲ Russell 1000 Growth Index

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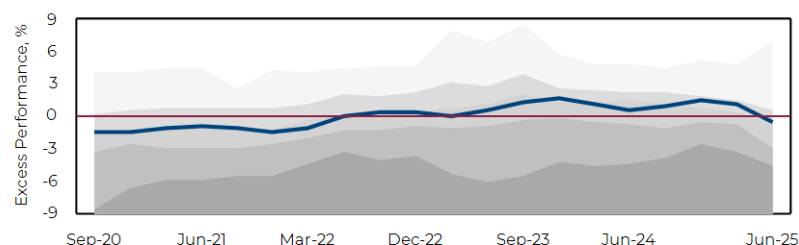
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
JPMorgan Mid Cap Value R6	2.75	0.71	10.86	10.79	13.87	8.01	14.41	11.38	-8.03	30.11	0.43
Russell Midcap Value Index	5.35	3.12	11.53	11.34	13.71	8.39	13.07	12.71	-12.03	28.34	4.96
Mid-Cap Value Median	4.14	1.43	8.15	10.63	13.64	7.90	10.85	12.00	-8.17	28.42	3.08
Rank (%)	74	62	27	47	46	48	15	56	48	34	72
Population	351	351	351	342	334	309	364	371	381	390	389

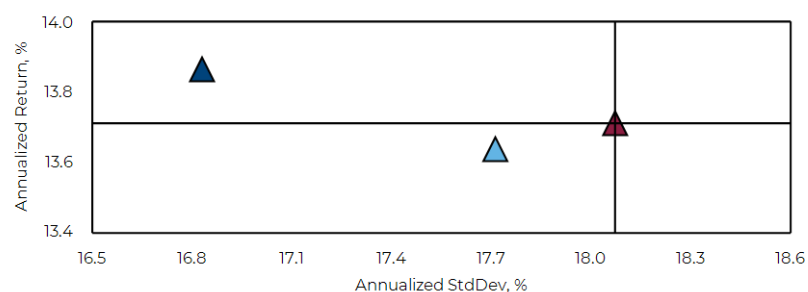
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
JPMorgan Mid Cap Value R6	0.69	1.09	0.92	0.97	92.70	87.77	-0.03
Russell Midcap Value Index	0.65	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Value Median	0.66	0.62	0.96	0.95	95.70	93.26	-0.02

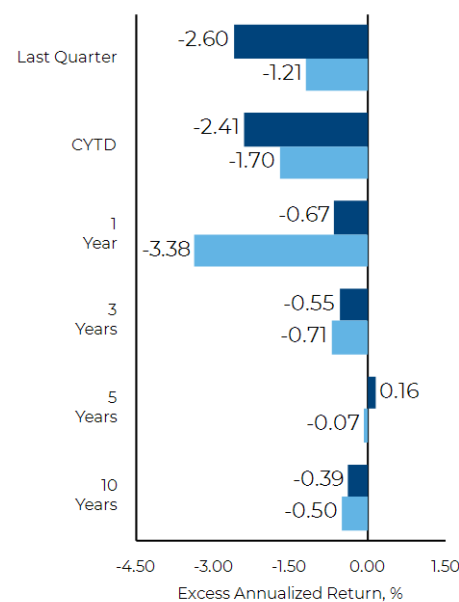
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ JPMorgan Mid Cap Value R6 ▲ Mid-Cap Value Median ▲ Russell Midcap Value Index



INVESTMENT PROFILE

Ticker	JMVYX
Portfolio Manager	Jones,R/Miller,J/Playford,L
Portfolio Assets	\$4,974 Million
PM Tenure	20 Years 6 Months
Net Expense(%)	0.60 %
Fund Inception	2016
Category Expense Median	0.95
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	18.91 %
Number of Holdings	95
Turnover	28.00 %
Avg. Market Cap	\$21,553 Million
Dividend Yield	1.99 %

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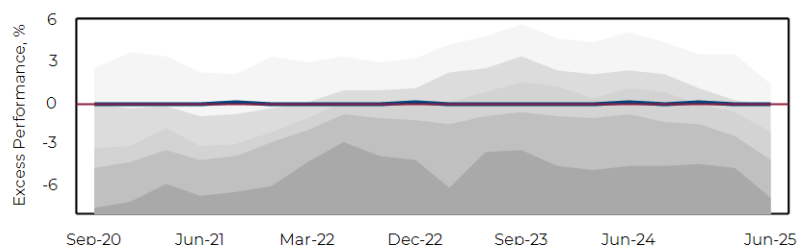
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Fidelity Mid Cap Index	8.54	4.81	15.16	14.34	13.11	9.89	15.35	17.21	-17.28	22.56	17.11
Russell Midcap Index	8.53	4.84	15.21	14.33	13.11	9.89	15.34	17.23	-17.32	22.58	17.10
Mid-Cap Blend Median	7.21	2.14	8.78	12.25	12.68	8.60	13.65	15.89	-14.79	24.24	12.93
Rank (%)	31	16	16	20	37	17	32	29	66	66	24
Population	354	354	335	326	316	269	334	343	350	350	348

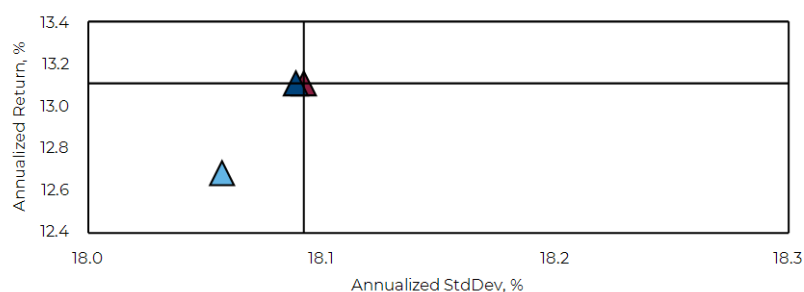
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity Mid Cap Index	0.62	0.00	1.00	1.00	99.94	99.89	0.00
Russell Midcap Index	0.62	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Blend Median	0.60	-0.11	0.97	0.94	98.16	99.40	-0.10

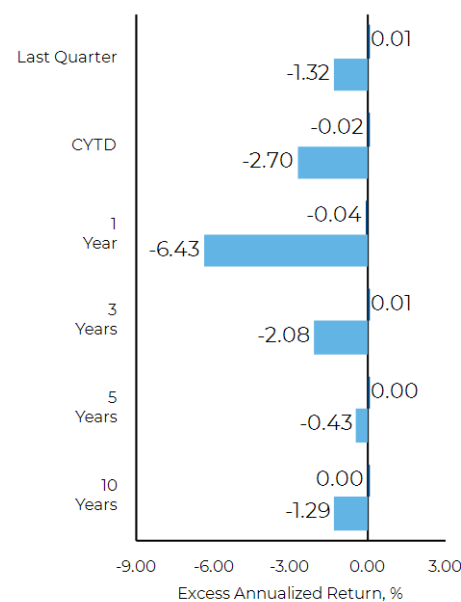
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Fidelity Mid Cap Index ▲ Mid-Cap Blend Median ▲ Russell Midcap Index



■ Fidelity Mid Cap Index
■ Mid-Cap Blend Median

INVESTMENT PROFILE

Ticker	FSMD
Portfolio Manager	Team Managed
Portfolio Assets	\$42,382 Million
PM Tenure	13 Years 9 Months
Net Expense(%)	0.03 %
Fund Inception	2011
Category Expense Median	0.85
Subadvisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	7.87 %
Number of Holdings	808
Turnover	15.00 %
Avg. Market Cap	\$23,610 Million
Dividend Yield	1.73 %

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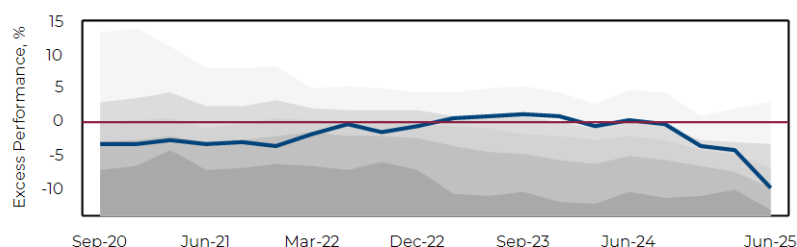
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
T. Rowe Price Instl Mid-Cap Equity Gr	9.06	1.19	7.21	11.67	8.56	9.82	9.67	20.62	-23.17	15.52	23.87
Russell Midcap Growth Index	18.20	9.79	26.49	21.46	12.65	12.13	22.10	25.87	-26.72	12.73	35.59
Mid-Cap Growth Median	14.49	4.73	14.36	14.57	8.89	9.90	15.01	20.68	-28.67	11.75	38.88
Rank (%)	78	75	77	77	55	53	78	52	13	30	91
Population	467	467	464	463	451	422	469	504	516	525	504

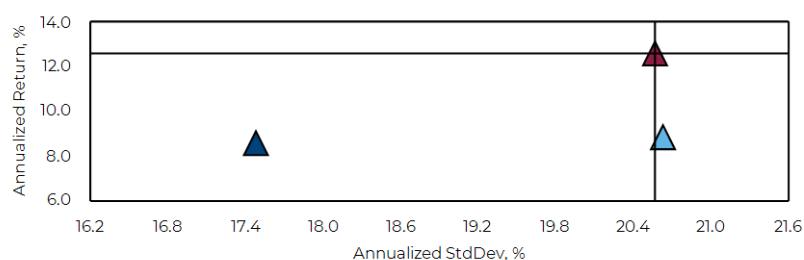
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
T. Rowe Price Instl Mid-Cap Equity Gr	0.40	-1.71	0.82	0.92	80.10	86.92	-0.70
Russell Midcap Growth Index	0.55	0.00	1.00	1.00	100.00	100.00	-
Mid-Cap Growth Median	0.39	-2.44	0.97	0.93	92.32	101.59	-0.56

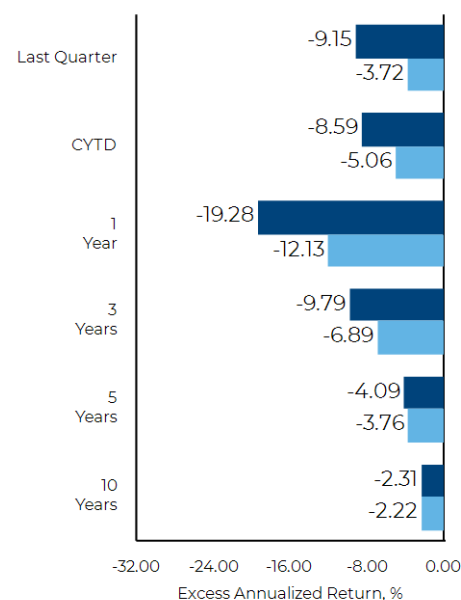
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ T. Rowe Price Instl Mid-Cap Equity Gr
▲ Mid-Cap Growth Median
▲ Russell Midcap Growth Index



■ T. Rowe Price Instl Mid-Cap Equity Gr
■ Mid-Cap Growth Median

INVESTMENT PROFILE

Ticker	PMEX
Portfolio Manager	Berghuis,B/Easley, D/Woodruff,A
Portfolio Assets	\$4,029 Million
PM Tenure	28 Years 11 Months
Net Expense(%)	0.61 %
Fund Inception	1996
Category Expense Median	1.00
Subadvisor	T. Rowe Price Investment Management,Inc.

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	18.39 %
Number of Holdings	132
Turnover	26.10 %
Avg. Market Cap	\$19,010 Million
Dividend Yield	0.65 %

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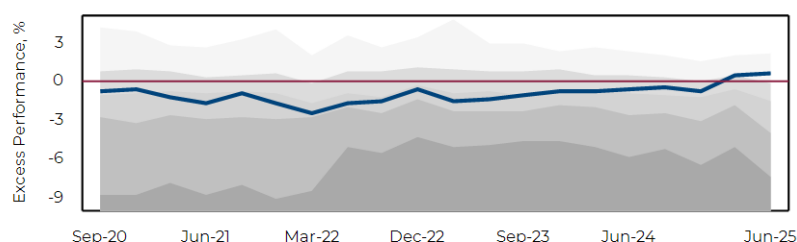
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
American Funds Capital World Gr&Inc R6	13.06	13.03	17.38	18.08	12.93	9.57	14.26	21.22	-17.01	15.15	15.78
MSCI AC World Index (Net)	11.53	10.05	16.17	17.35	13.65	9.99	17.49	22.20	-18.36	18.54	16.25
Global Large-Stock Blend Median	10.88	9.89	14.01	15.78	12.04	9.07	13.37	19.37	-17.58	17.90	14.51
Rank (%)	10	17	13	13	36	31	43	30	42	74	33
Population	306	306	303	295	291	241	318	333	345	342	335

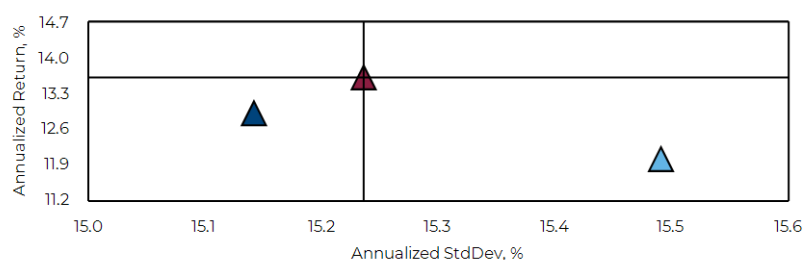
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
American Funds Capital World Gr&Inc R6	0.70	-0.34	0.98	0.97	96.85	98.17	-0.24
MSCI AC World Index (Net)	0.74	0.00	1.00	1.00	100.00	100.00	-
Global Large-Stock Blend Median	0.67	-0.82	0.99	0.94	97.27	101.19	-0.32

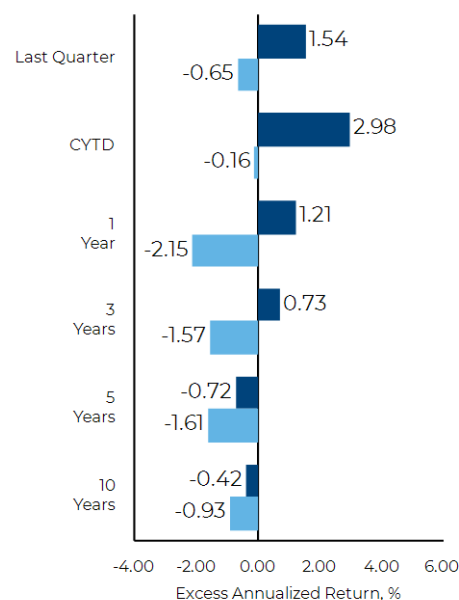
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ American Funds Capital World Gr&Inc R6
▲ MSCI AC World Index (Net)
▲ Global Large-Stock Blend Median



■ American Funds Capital World Gr&Inc R6
■ Global Large-Stock Blend Median

INVESTMENT PROFILE

Ticker	RWIGX
Portfolio Manager	Team Managed
Portfolio Assets	\$38,502 Million
PM Tenure	19 Years 4 Months
Net Expense(%)	0.41 %
Fund Inception	2009
Category Expense Median	0.90
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	22.11 %
Number of Holdings	332
Turnover	27.00 %
Avg. Market Cap	\$148,500 Million
Dividend Yield	2.48 %
Avg. Effective Duration	-
SEC Yield	1.67 %

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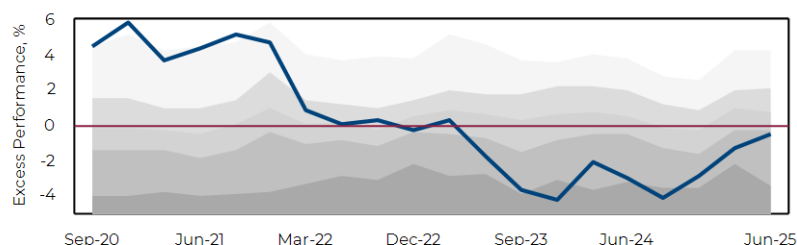
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
American Funds EUPAC R6	13.22	16.19	13.86	13.48	8.17	6.52	5.04	16.05	-22.72	2.84	25.27
MSCI AC World ex USA (Net)	12.03	17.90	17.72	13.99	10.13	6.12	5.53	15.62	-16.00	7.82	10.65
Foreign Large Blend Median	11.53	19.59	18.17	14.78	10.63	6.23	4.55	16.12	-16.05	10.18	10.34
Rank (%)	16	87	86	79	89	33	43	51	95	95	3
Population	612	612	610	597	582	499	622	674	698	727	715

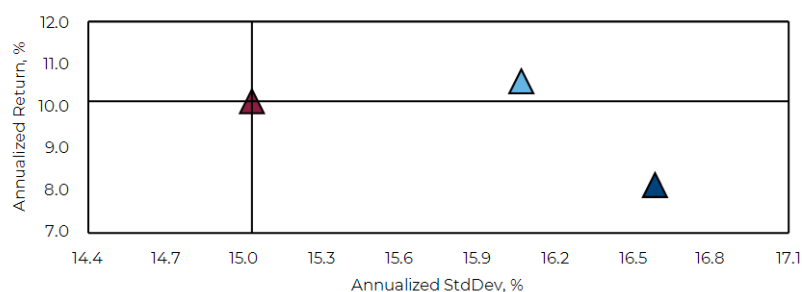
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
American Funds EUPAC R6	0.39	-2.24	1.06	0.93	103.64	116.04	-0.35
MSCI AC World ex USA (Net)	0.54	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Blend Median	0.54	0.22	1.03	0.93	106.30	106.18	0.16

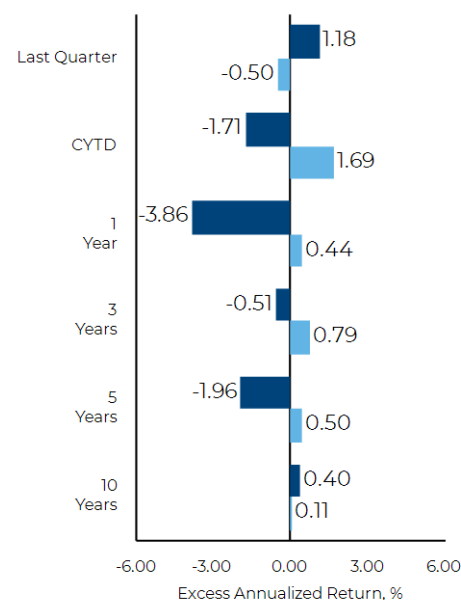
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ American Funds EUPAC R6 ▲ Foreign Large Blend Median ▲ MSCI AC World ex USA (Net)



INVESTMENT PROFILE

Ticker	RERGX
Portfolio Manager	Team Managed
Portfolio Assets	\$64,996 Million
PM Tenure	24 Years
Net Expense(%)	0.47 %
Fund Inception	2009
Category Expense Median	0.96
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	19.70 %
Number of Holdings	346
Turnover	35.00 %
Avg. Market Cap	\$79,007 Million
Dividend Yield	2.59 %

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AMERICAN FUNDS EUPAC

TOPIC	The stylistic tides shifted during the second quarter in the overseas markets, with the growth style handily outperforming value and emerging markets slightly edging out developed markets. This marked a shift in tone for the market which has largely rewarded the value style and developed markets over much of the past five years, and offered a friendlier environment for the EUPAC portfolio. The fund outperformed the benchmark MSCI ACWI ex-U.S. Index and ranked in the upper quartile of the foreign large blend peer group during the quarter. We are pleased to see the fund perform better this quarter, but will need to see a continuation of improvement in the coming quarters to maintain our confidence in the strategy.
ATTRIBUTION	During the second quarter, the strategy returned 13.22% versus 12.03% for the core benchmark. At the country level, portfolio positioning was a modest contributor due to the fund's underweight to China. However, attractive stock selection was the primary driver of the quarterly outperformance with better results in Japan (Tokyo electron, NEC Corp), South Korea (SK Hynix), and the United Kingdom (Rolls-Royce Holdings). At the sector level, positioning was a modest detractor, mostly due to a cash drag in a rising market and a slight overweight to consumer discretionary. Stock selection was broadly positive, with better results in consumer discretionary (MercadoLibre, Flutter Entertainment), information technology (SK Hynix, TSMC), and financials (Nu Holdings, KB Financial) having the largest impact.
OUR VIEW	The improved performance during the second quarter is in keeping with what we would have expected given the fund's growth tilted core style, which was in favor during the quarter. Despite a few recent setbacks like the first quarter of this year when the growth style sharply underperformed, performance for the fund has generally improved since mid-2022. The trailing three-year return has recovered from a deep deficit and is now just -0.5% behind the benchmark index. While the intermediate-term performance remains weak within the context of the peer group, we are comforted by the incremental improvement we are seeing relative to the benchmark index. Better relative performance combined with a time-tested team and strategy gives us the confidence to remain steadfast with the strategy despite an intermediate-term track record that remains somewhat compromised.

This is not a solicitation to invest, but rather a manager update being delivered to CAPTRUST clients whose assets are invested with the manager who is the subject of this report. The opinions expressed are subject to change without notice. Statistics have been obtained from sources deemed reliable but are not guaranteed to be accurate or complete. Any performance illustrated is past performance and is not indicative of future results.



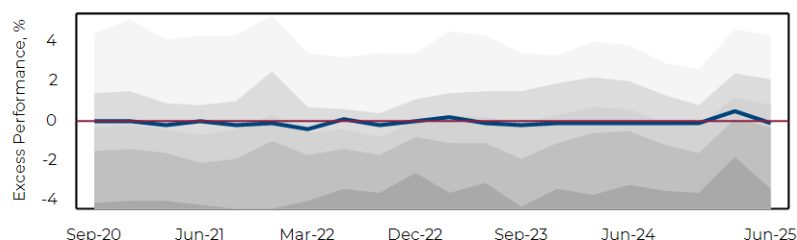
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Vanguard Total Intl Stock Index I	12.11	18.29	18.33	13.84	10.31	6.31	5.18	15.53	-15.98	8.68	11.28
FTSE Global ex USA All Cap Index (Net)	12.43	17.54	17.86	13.98	10.40	6.34	5.53	15.79	-16.10	8.84	11.24
Foreign Large Blend Median	11.53	19.59	18.17	14.78	10.63	6.23	4.55	16.12	-16.05	10.18	10.34
Rank (%)	35	69	46	73	59	47	41	60	50	66	44
Population	612	612	610	597	582	499	622	674	698	727	715

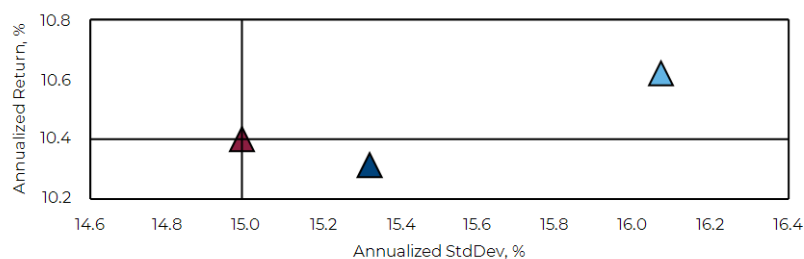
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard Total Intl Stock Index I	0.54	-0.18	1.01	0.98	102.62	104.73	-0.02
FTSE Global ex USA All Cap Index (Net)	0.56	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Blend Median	0.54	-0.03	1.03	0.93	106.28	107.86	0.09

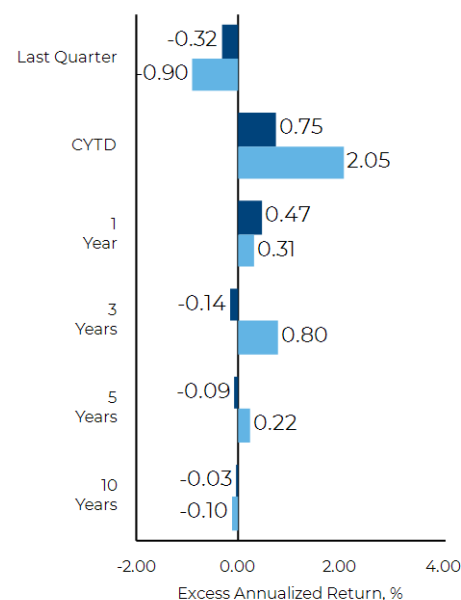
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Vanguard Total Intl Stock Index I ▲ Foreign Large Blend Median
 ▲ FTSE Global ex USA All Cap Index (Net)



INVESTMENT PROFILE

Ticker	VTSNX
Portfolio Manager	Franquin, C./Miller, J./Perre, M
Portfolio Assets	\$45,240 Million
PM Tenure	16 Years 10 Months
Net Expense(%)	0.06 %
Fund Inception	2010
Category Expense Median	0.89
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	9.09 %
Number of Holdings	8614
Turnover	3.00 %
Avg. Market Cap	\$34,682 Million
Dividend Yield	3.28 %

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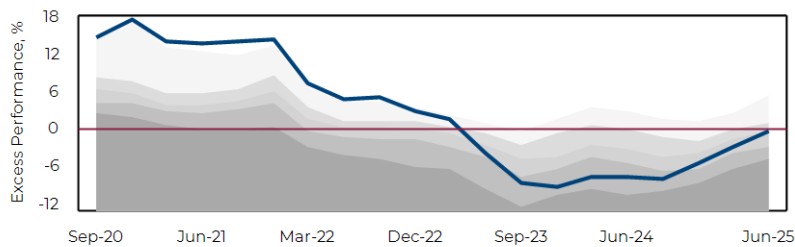
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Vanguard International Growth Adm	14.47	16.10	17.94	13.87	7.34	9.60	9.48	14.81	-30.79	-0.74	59.74
MSCI AC World ex USA (Net)	12.03	17.90	17.72	13.99	10.13	6.12	5.53	15.62	-16.00	7.82	10.65
Foreign Large Growth Median	12.99	15.84	13.89	13.77	7.57	6.53	4.70	15.92	-25.22	8.41	22.49
Rank (%)	31	46	28	48	54	6	15	69	81	89	2
Population	368	368	368	358	336	287	370	399	415	421	408

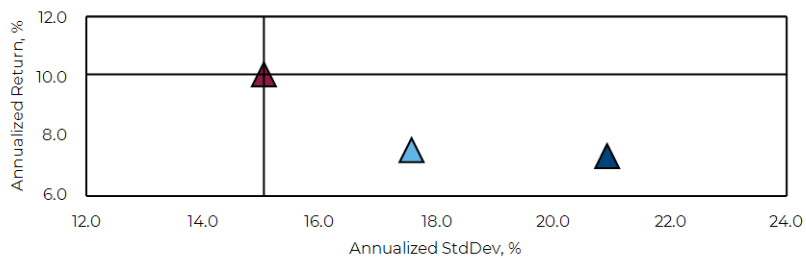
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Vanguard International Growth Adm	0.31	-4.29	1.26	0.82	118.02	140.10	-0.16
MSCI AC World ex USA (Net)	0.54	0.00	1.00	1.00	100.00	100.00	-
Foreign Large Growth Median	0.35	-2.72	1.06	0.85	105.26	119.42	-0.32

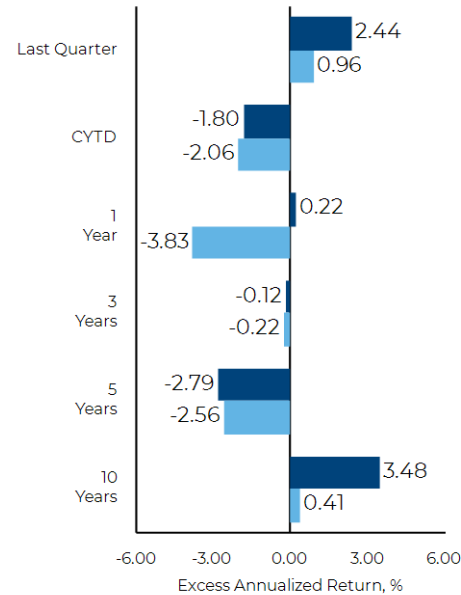
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Vanguard International Growth Adm ▲ Foreign Large Growth Median
▲ MSCI AC World ex USA (Net)



INVESTMENT PROFILE

Ticker	VWILX
Portfolio Manager	Team Managed
Portfolio Assets	\$39,877 Million
PM Tenure	15 Years 6 Months
Net Expense(%)	0.25 %
Fund Inception	2001
Category Expense Median	0.96
Subadvisor	-

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	31.76 %
Number of Holdings	152
Turnover	20.00 %
Avg. Market Cap	\$79,389 Million
Dividend Yield	1.44 %

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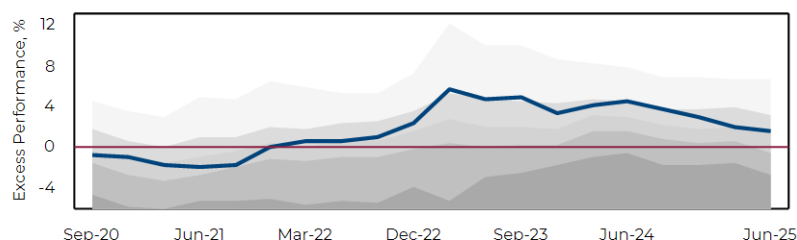
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
American Beacon Small Cap Value R6	4.18	-4.99	1.85	9.08	14.28	6.87	7.50	16.68	-7.72	28.21	4.03
Russell 2000 Value Index	4.97	-3.16	5.54	7.45	12.47	6.72	8.05	14.65	-14.48	28.27	4.63
Small Value Median	4.27	-3.51	4.37	8.80	13.72	6.91	9.31	15.34	-11.36	30.59	3.52
Rank (%)	51	73	74	46	42	52	68	39	21	60	44
Population	450	450	450	447	433	405	457	490	493	493	491

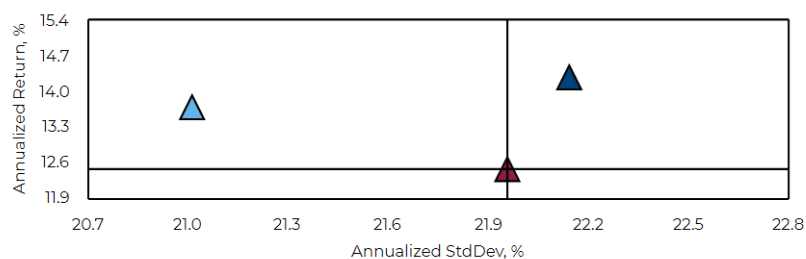
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
American Beacon Small Cap Value R6	0.59	1.79	0.99	0.97	103.23	98.46	0.41
Russell 2000 Value Index	0.52	0.00	1.00	1.00	100.00	100.00	-
Small Value Median	0.59	2.05	0.94	0.94	97.55	91.69	0.21

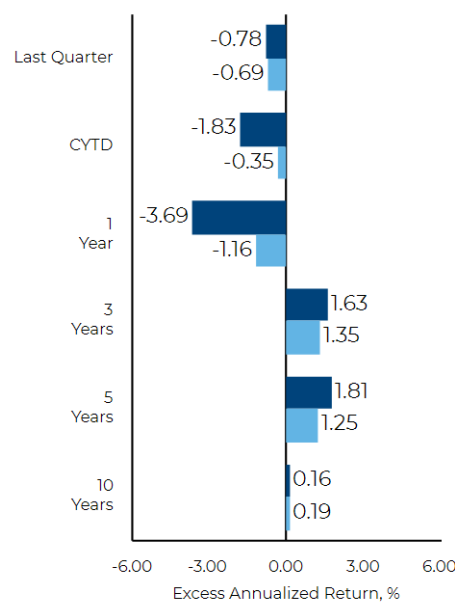
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ American Beacon Small Cap Value R6 ▲ Small Value Median
▲ Russell 2000 Value Index



■ American Beacon Small Cap Value R6
■ Small Value Median

INVESTMENT PROFILE

Ticker	AASRX
Portfolio Manager	Team Managed
Portfolio Assets	\$1,593 Million
PM Tenure	26 Years 6 Months
Net Expense(%)	0.77 %
Fund Inception	2017
Category Expense Median	1.08
Subadvisor	Multiple Subadvisors

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	15.85 %
Number of Holdings	423
Turnover	52.00 %
Avg. Market Cap	\$2,817 Million
Dividend Yield	2.27 %

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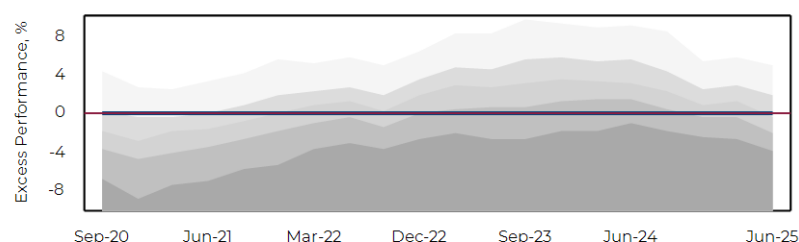
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Fidelity Small Cap Index	8.54	-1.73	7.84	10.17	10.13	7.26	11.69	17.12	-20.27	14.71	19.99
Russell 2000 Index	8.50	-1.79	7.68	10.00	10.04	7.12	11.54	16.93	-20.44	14.82	19.96
Small Blend Median	6.48	-2.00	5.92	9.78	11.46	7.23	10.85	16.28	-16.75	22.61	13.21
Rank (%)	23	42	33	42	69	50	38	40	79	88	18
Population	553	553	553	536	526	473	562	595	601	619	617

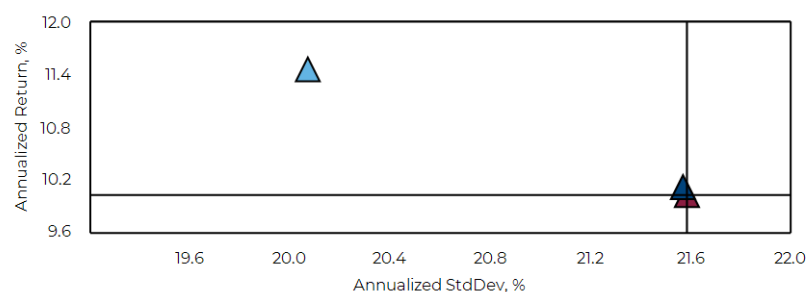
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Fidelity Small Cap Index	0.43	0.09	1.00	1.00	100.06	99.74	0.99
Russell 2000 Index	0.42	0.00	1.00	1.00	100.00	100.00	-
Small Blend Median	0.50	2.13	0.90	0.93	96.36	89.92	0.21

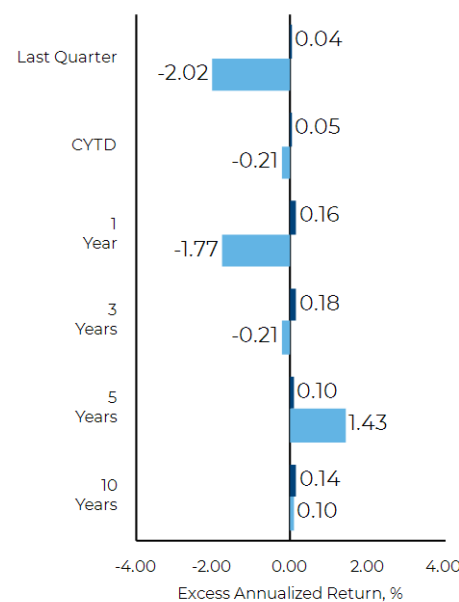
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Fidelity Small Cap Index ▲ Small Blend Median ▲ Russell 2000 Index



■ Fidelity Small Cap Index
■ Small Blend Median

INVESTMENT PROFILE

Ticker	FSSN
Portfolio Manager	Team Managed
Portfolio Assets	\$25,556 Million
PM Tenure	13 Years 9 Months
Net Expense(%)	0.03 %
Fund Inception	2011
Category Expense Median	0.99
Subadvisor	Geode Capital Management, LLC

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	4.52 %
Number of Holdings	1949
Turnover	14.00 %
Avg. Market Cap	\$2,544 Million
Dividend Yield	1.70 %

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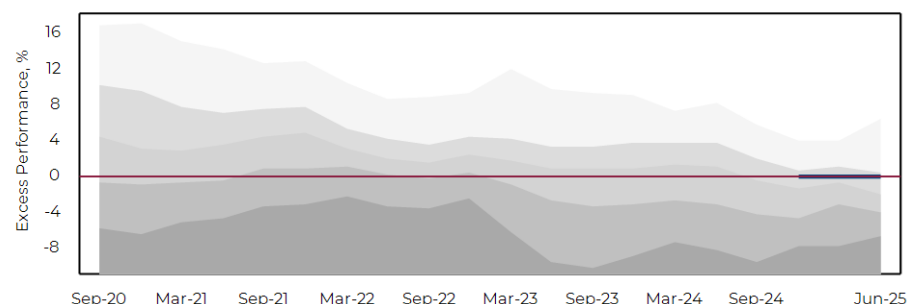
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
MassMutual Small Cap Growth Equity CL CT	10.70	-0.40	8.25	12.39	-	-	16.10	17.42	-26.28	-	-
Russell 2000 Growth Index	11.97	-0.48	9.73	12.38	7.42	7.14	15.15	18.66	-26.36	2.83	34.63
Small Growth Median	10.73	-1.26	6.85	10.24	7.65	8.13	13.84	16.35	-28.30	9.34	38.34
Rank (%)	51	40	40	31	-	-	35	42	38	-	-
Population	533	533	533	523	518	480	544	588	594	606	605

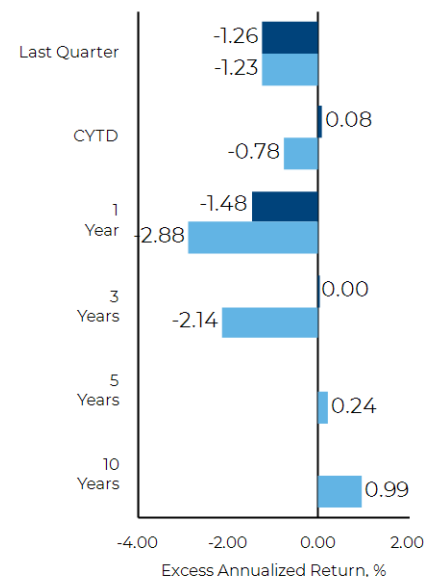
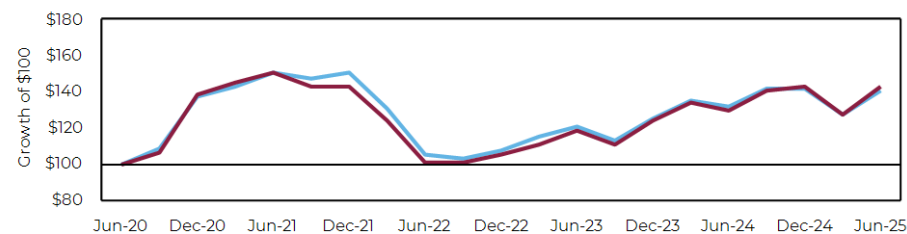
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
MassMutual Small Cap Growth Equity CL CT	-	-	-	-	-	-	-
Russell 2000 Growth Index	0.31	0.00	1.00	1.00	100.00	100.00	-
Small Growth Median	0.33	0.99	0.91	0.91	93.28	90.82	0.00

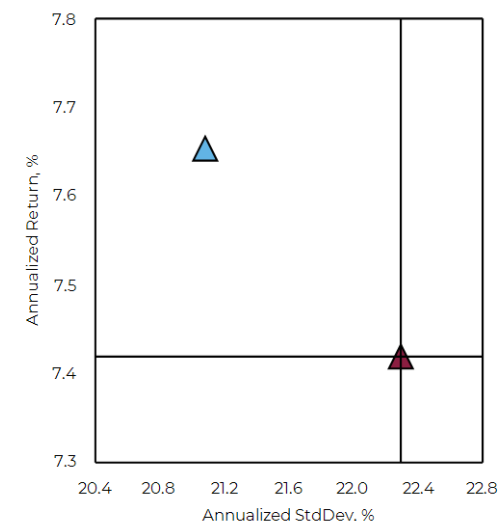
Rolling 3 Year Annualized Excess Return



5 Year Cumulative Performance



Performance vs Risk 5 Year



■ MassMutual Small Cap Growth Equity CL CT
 ■ Small Growth Median
 ■ Russell 2000 Growth Index

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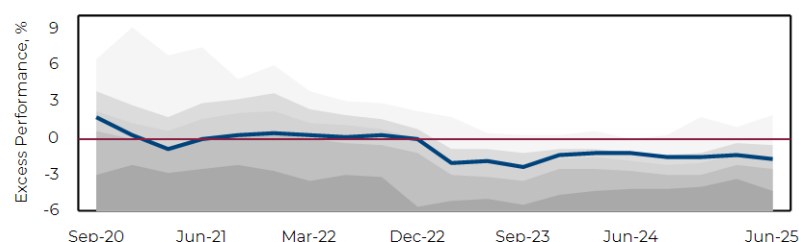
TRAILING AND CALENDAR RETURNS

	Last Quarter	CYTD	1 Year	3 Years	5 Years	10 Years	2024	2023	2022	2021	2020
Nuveen Real Estate Securities I	-1.38	0.10	8.06	3.51	6.78	5.73	6.05	11.51	-24.70	41.32	-6.12
S&P U.S. REIT	-1.15	-0.22	8.59	5.28	8.57	6.19	8.44	13.77	-24.36	43.05	-7.52
Real Estate Median	-0.85	0.61	8.92	3.56	7.24	5.93	5.86	12.06	-26.34	41.54	-4.55
Rank (%)	75	65	65	52	61	56	46	64	11	56	67
Population	178	178	176	176	176	166	180	206	215	222	222

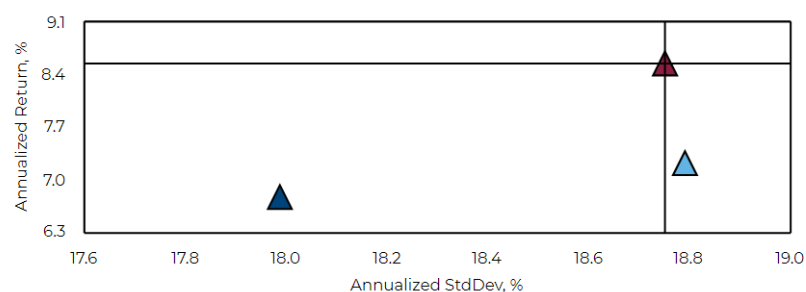
KEY MEASURES/5 YEAR

	Sharpe Ratio	Alpha	Beta	R-Squared	Up Capture	Down Capture	Information Ratio
Nuveen Real Estate Securities I	0.30	-1.30	0.95	0.98	91.82	96.07	-0.67
S&P U.S. REIT	0.39	0.00	1.00	1.00	100.00	100.00	-
Real Estate Median	0.32	-1.06	0.98	0.97	95.35	100.26	-0.45

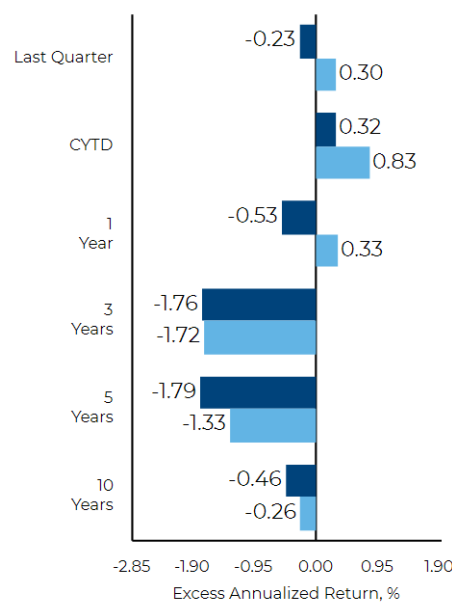
Rolling 3 Year Annualized Excess Return



Performance vs Risk 5 Year



▲ Nuveen Real Estate Securities I ▲ Real Estate Median ▲ S&P U.S. REIT



■ Nuveen Real Estate Securities I
■ Real Estate Median

INVESTMENT PROFILE

Ticker	FARCX
Portfolio Manager	Kerl,B/Sedlak,S/Wade,S
Portfolio Assets	\$547 Million
PM Tenure	14 Years 3 Months
Net Expense(%)	0.93 %
Fund Inception	1995
Category Expense Median	1.00
Subadvisor	Nuveen Asset Management, LLC

HOLDINGS OVERVIEW

% Assets in Top 10 Holdings	46.70 %
Number of Holdings	67
Turnover	62.00 %
Avg. Market Cap	\$25,090 Million
Dividend Yield	3.81 %

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ALPHA

Alpha measures a manager's rate of return in excess of that which can be explained by its systematic risk, or Beta. It is a result of regressing a manager's returns against those of a benchmark index. A positive alpha implies that a manager has added value relative to its benchmark on a risk-adjusted basis.

BATTING AVERAGE

Batting Average, an indicator of consistency, measures the percentage of time an active manager outperformed the benchmark.

BETA

Beta measures a manager's sensitivity to systematic, or market risk. Beta is a result of the analysis regressing a manager's returns against those of a benchmark Index. A manager with a Beta of 1 should move perfectly with a benchmark. A Beta of less than 1 implies that a manager's returns are less volatile than the market's (i.e., selected benchmarks). A Beta of greater than 1 implies that a manager exhibits greater volatility than the market (i.e., selected benchmark).

CAPTURE RATIO

Up Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was positive. Down Market Capture is the average return of a manager relative to a benchmark index using only periods where the benchmark return was negative. An Up Market Capture of greater than 100% and a Down Market Capture of less than 100% is considered desirable.

INFORMATION RATIO

The Information Ratio measures a manager's excess return over the passive index divided by the volatility of that excess return, or Tracking Error. To obtain a higher Information Ratio, which is preferable, a manager must demonstrate the ability to generate returns above its benchmark while avoiding large performance swings relative to that same benchmark.

PERCENTILE RANK

Percentile Rankings are based on a manager's performance relative to all other available funds in its universe. Percentiles range from 1, being the best, to 100 being the worst. A ranking in the 50th percentile or above demonstrates that the manager has performed better on a relative basis than at least 50% of its peers.

RISK-ADJUSTED PERFORMANCE

Risk-adjusted Performance, or RAP, measures the level of return that an investment option would generate given a level of risk equivalent to the benchmark index.

R-SQUARED

R-squared measures the portion of a manager's movements that are explained by movements in a benchmark index. R-squared values range from 0 to 100. An R-squared of 100 means that all movements of a manager are completely explained by movements in the index. This measurement is identified as the coefficient of determination from a regression equation. A high R-squared value supports the validity of the Alpha and Beta measures, and it can be used as a measure of style consistency.

SHARPE RATIO

Sharpe ratio measures a manager's return per unit of risk, or standard deviation. It is the ratio of a manager's excess return above the risk-free rate divided by a manager's standard deviation. A higher Sharpe ratio implies greater manager efficiency.

STANDARD DEVIATION

Standard Deviation is a measure of the extent to which observations in a series vary from the arithmetic mean of the series. This measure of volatility or risk allows the estimation of a range of values for a manager's returns. The wider the range, the more uncertainty, and, therefore, the riskier a manager is assumed to be.

TRACKING ERROR

Tracking Error is the standard deviation of the portfolio's residual (i.e. excess) returns. The lower the tracking error, the closer the portfolio returns have been to its risk index. Aggressively managed portfolios would be expected to have higher tracking errors than portfolios with a more conservative investment style.

TREYNOR RATIO

The Treynor Ratio is a measure of reward per unit of risk. With Treynor, the numerator (i.e. reward) is defined as the excess return of the portfolio versus the risk-free rate. The denominator (i.e. risk) is defined as the portfolio beta. The result is a measure of excess return per unit of portfolio systematic risk. As with Sharpe and Sortino ratios, the Treynor Ratio only has value when it is used as the basis of comparison between portfolios. The higher the Treynor Ratio, the better.



QUANTITATIVE EVALUATION ITEMS

QUALITATIVE EVALUATION ITEMS



MARKED FOR REVIEW

The following categories of the Investment Policy Monitor appear “Marked For Review” when:

CAPTRUST's Investment Policy Monitoring Methodology

The Investment Policy Monitoring Methodology document describes the systems and procedures CAPTRUST uses to monitor and evaluate the investment vehicles in your plan/account on a quarterly basis.

Our current Investment Policy Monitoring Methodology document can be accessed through the following link:

captrust.com/investmentmonitoring

3/5 Year Risk- adjusted Performance

The investment option's 3 or 5 Year Annualized Risk Adjusted Performance falls below the 50th percentile of the peer group.

3/5 Year Performance vs. Peers

The investment option's 3 or 5 Year Annualized Peer Relative Performance falls below the 50th percentile of the peer group.

3/5 Year Style

The investment option's 3 or 5 Year R-Squared measure falls below the absolute threshold set per asset class.

3/5 Year Confidence

The investment option's 3 or 5 Year Confidence Rating falls below the 50th percentile of the peer group.

Glidepath Assessment

% of Equity Exposure: The combined percentage of an investment option's equity exposure ranks in the top 20th percentile or bottom 20th percentile of the peer group.

Regression to the Benchmark: The investment option's sensitivity to market risk - as measured by beta relative to a Global Equity Index - is above 0.89.

Fund Management

A significant disruption to the investment option's management team has been discovered.

Fund Family

A significant disruption to the investment option's parent company has been discovered.

Portfolio Construction

The investment option's combined Portfolio Construction score is 6 or below out of a possible 15 points.

Underlying Investment Vehicles

The investment option's combined Underlying Investment Vehicles score is 6 or below out of a possible 15 points.



RESOLUTION 2025-XX-XX

Acceptance of 2025 Audited Financial Statements for Defined Benefit Pension Plan, Defined Contribution Pension Plan, and Retiree Benefit Plan

Resolved, that the Corporate Secretary receive and place on file the Defined Benefit, Defined Contribution, and Retiree Benefit Plan reports presented during the Pension Trustee Meeting.

Staff comments: All three Plans received clean audit reports.

Motion by Commissioner _____, Seconded by Commissioner _____ to approve the Resolution at a Board meeting held on November 18, 2025