

Report on the Actuarial Valuation at December 31, 2025

Filing Report

Municipal Employees' Pension Plan

Registration Number 0355321

Prepared by:

Johanan Schmuecker, FCIA, FSA

Amy Hamilton, FCIA, FSA

September 29, 2026

ECKLER

Eckler Ltd.
212-310 Wall Street
Saskatoon, Saskatchewan
S7K 1N7

Table of Contents

Section 1	Executive Summary.....	1
Section 2	Introduction	5
Section 3	Going Concern Valuation	7
Section 4	Solvency Valuation	10
Section 5	Current Service Cost and Contributions.....	13
Section 6	Annuities Funded Status	15
Section 7	Actuarial Opinion.....	16
Appendix A	Summary of Plan Provisions	17
Appendix B	Assumptions and Methods – Going Concern.....	23
Appendix C	Assumptions and Methods – Solvency.....	28
Appendix D	Membership Data	30
Appendix E	Plan Assets.....	38
Appendix F	Plausible Adverse Scenarios.....	42
Appendix G	Certificate of Administrator.....	45



Section 1 Executive Summary

We are pleased to present this report which was prepared at the request of the Plannera Pensions and Benefits and the Municipal Employee's Pension Commission ("Commission"), for the following purposes:

Purpose

1. To report on the financial position of the Municipal Employees' Pension Plan ("Plan") as at December 31, 2025 on a going concern basis;
2. To report on the financial position of the Municipal Employees' Pension Plan ("Plan") as at December 31, 2025 on both solvency and hypothetical wind-up bases;
3. To determine the funding requirements for the Plan for the period from December 31, 2025 until the results of the next valuation are available; and
4. To provide the actuarial certifications required under the Pension Benefits Act (Saskatchewan) (the "PBA") and the Income Tax Act (Canada) (the "ITA").

The intended users of this report are Plannera Pensions and Benefits and the Municipal Employee's Pension Commission, as well as the Financial and Consumer Affairs Authority (FCAA) of Saskatchewan and Canada Revenue Agency.. This report is not intended or necessarily suitable for purposes other than those listed above. Any party reviewing this report for other purposes should have their own actuary or other qualified professional assist in their review to ensure that the party understands the assumptions, results and uncertainties inherent in our estimates. This report and any opinions within may not be modified or otherwise provided, in whole or in part, to any other person or entity without the express written permission of Eckler Ltd (unless required by applicable legislation). Eckler takes no responsibility for the consequences of any other use of this report.

Terms of Engagement

For the purposes of this actuarial valuation report, the significant terms of engagement with the Commission are:

- For the going concern valuation we have used the actuarial value of the assets over a five-year period. The actuarial value of assets may be no less than 90% and no greater than 110% of the market value.
- For the solvency valuation we have used the market value of assets adjusting for in transit and amounts payable (if applicable).
- The going concern valuation has been prepared with best estimate economic and demographic assumptions, and an explicit Provision for Adverse Deviations (Margin) has been added to the going concern liabilities and current service cost.
- Plausible adverse scenarios are being applied to the going concern valuation.
- The terms of our engagement are in accordance with applicable pension regulations and accepted actuarial practice in Canada.

Changes since previous valuation

The last valuation of the Plan was prepared as at December 31, 2024. Since the last valuation, there were no legislative changes or any changes to the Plan text that would materially impact the valuation results.

The going concern actuarial assumptions were revised. In particular, the discount rate was increased to 6.30% per year from 6.20% per year used at the previous valuation to reflect the change in the current expectation of the long-term rate of return as of December 31, 2025. See Appendix B for details of the assumptions used in this valuation and the rationale employed in setting these assumptions. See Section 3 for the impact of the changes in assumptions on the valuation results.

The solvency economic and demographic assumptions were changed to reflect market conditions as at the valuation date in accordance with the Canadian Institute of Actuaries' (CIA's) Standards of Practice and the CIA's Explanatory Note: Guidance for Assumptions for Hypothetical Wind-up and Solvency Valuations Update – Effective December 31, 2025, and Applicable to Valuations with Effective Dates on or after December 31, 2025, and No Later Than June 29, 2026. These assumptions are summarized in Appendix C.

Reliance

We have relied on the asset information as disclosed in the financial statements, as well as information provided by Plannera Pension and Benefits. We have also relied on Plannera Pension and Benefits to provide all relevant data and to confirm the pertinent Plan terms.

Summary of Results

	December 31, 2025	December 31, 2024
Going Concern Financial Position		(Contribution eligibility basis)
Going concern assets	\$4,197,158,000	\$3,926,463,000
Going concern liabilities	\$3,288,602,000	\$2,848,886,000
Explicit margin reserve (Margin) on actuarial liabilities	657,720,000	569,777,000
Total going concern liabilities including Margin	\$3,946,322,000	\$3,418,663,000
Going concern excess/(unfunded liability)	\$250,836,000	\$507,800,000
Going concern funded ratio excluding Margin	127.6%	137.8%
Margin	20.0%	20.0%
Going concern funded ratio including Margin	106.4%	114.9%

Solvency Financial Position		
Adjusted solvency assets net of provision for wind-up expenses	\$4,360,025,000	\$4,055,010,000
Solvency liabilities	\$3,147,935,000	\$3,005,165,000
Solvency excess/(deficiency)	\$1,212,090,000	\$1,049,845,000
Solvency ratio	138.5%	134.9%

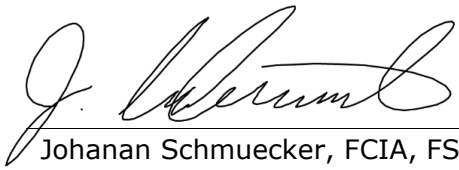
Minimum Required Annual Employer Contributions		
Best-estimate normal cost	16.89%	15.88%
Normal cost margin	1.43%	2.46%
Special payments	0.00%	0.00%
Total contribution requirements	18.32%	18.34%
Expected member contributions	9.16%	9.17%
Expected employer contributions	9.16%	9.17%
Excess contributions (funding deficiency)	0.00%	0.00%

This report should be filed with the FCAA to meet the filing requirements of the PBA and with Canada Revenue Agency to ensure that contributions recommended in the report will qualify as eligible contributions for purposes of the ITA.

The next actuarial valuation of the Plan should be filed with an effective date no later than December 31, 2028.

This report has been prepared in accordance with accepted actuarial practice in Canada.

Respectfully submitted,



Johanan Schmuecker, FCIA, FSA

September 29, 2026

Date



Amy Hamilton, FCIA, FSA

September 29, 2026

Date

Section 2 Introduction

The Municipal Employees' Pension Plan was established effective July 1, 1973. The Plan has been amended from time to time, with the most recent amendment filed being effective June 28, 2021.

Our report is based on the provisions of the current Plan text and all subsequent amendments made.

Subsequent Events

On March 11, 2026, the Canadian Institute of Actuaries ("CIA") published a report on the 2024 Canadian Pensioner Mortality Research Project, which contains an updated set of mortality tables that reflect the mortality experience of Canadian retirees and surviving spouses up to January 1, 2024. These new tables have not been adopted for this valuation. The new tables will be assessed for appropriateness for use in future valuations.

On June 18, 2026, the Commission approved future changes to the Plan's accrual rate, contribution rates and provisions for postponed retirement. Since the effective dates for these changes have not yet been determined, and will primarily affect future benefit accruals, the impact of these changes will be reflected in subsequent valuation reports and/or cost certificates.

On September 18, 2026, the Commission approved a cost-of-living adjustment at 100% of inflation to pensions in pay effective January 1, 2027. Since this report includes provision for indexing at 100% of inflation, the impact of this adjustment due to actual inflation different than assumed will be reflected in the next valuation report.

We are not aware of any other events that occurred between the valuation date and the date this report was completed that would have a material impact on the results of this valuation.

Valuations included in this Report

In this report, we describe the results of two different valuations of the Plan:

- A "going concern valuation", which is used to estimate the funded position of the Plan on a best estimate basis, assuming the Plan is continued indefinitely for the existing members, and to estimate the contributions currently required to be made to the Plan's fund on a best estimate basis, both to fund the cost of any benefits being earned by members for current service and, in the event there is a funding deficiency, to liquidate the amount of the funding deficiency.
- A "solvency valuation", which is intended to reflect the status of the Plan as if it had been wound up on the valuation date and the Plan members had been provided with the benefits specified by the Plan and the PBA. The solvency valuation is not used to determine the required contributions to the Plan.

Filing Requirements

The last filed actuarial report was effective December 31, 2024. This report outlines the movements of the Plan's financial position since the previous valuation as at December 31, 2024, and is to be filed with the FCAA and Canada Revenue Agency. The report covers the period from December 31, 2025 to December 31, 2028 and is to be used by the Commission to determine its funding requirements during that period or until the next actuarial valuation is performed, if sooner. The next actuarial valuation of the Plan should be performed with an effective date no later than December 31, 2028.

Section 3 Going Concern Valuation

Valuation Balance Sheet

The following is the going concern valuation balance sheet as at December 31, 2025 based on:

- the Plan provisions (summarized in Appendix A);
- the going concern valuation assumptions (described in Appendix B);
- the membership data (summarized in Appendix D); and
- the actuarial value of assets (summarized in Appendix E).

We have included comparative figures from the valuation as at December 31, 2024 under the contribution eligibility basis.

	December 31, 2025	December 31, 2024 (Contribution eligibility basis)
Going Concern Assets		
Market Value	\$4,370,804,000	\$4,065,602,000
Smoothing adjustment	(173,646,000)	(139,139,000)
Total going concern actuarial value of assets	\$4,197,158,000	\$3,926,463,000
Going Concern Liabilities		
Active general members	\$1,273,835,000	\$1,149,687,000
Active designated members	113,814,000	104,235,000
Disabled members	50,968,000	39,744,000
Deferred members	179,817,000	159,216,000
Retired members	1,562,973,000	1,305,496,000
Survivors	88,779,000	77,724,000
Annuitants from former plan and excess contributions	7,693,000	7,508,000
Transfer deficiencies	-	11,000
Liability reserve (future disabled accruals)	10,723,000	5,265,000
Total going concern liabilities	\$3,288,602,000	\$2,848,886,000
Margin %	20.0%	20.0%
Margin on actuarial liabilities	657,720,000	569,777,000
Total going concern liabilities and Margin	3,946,322,000	3,418,663,000
Going Concern Excess/(Unfunded Liability)	\$250,836,000	\$507,800,000
Going Concern Funded Ratio (excluding Margin)	127.6%	137.8%
Going Concern Funded Ratio (including Margin)	106.4%	114.9%

Experience Gain and Loss

Going concern (unfunded liability)/excess at December 31, 2024	\$507,800,000
Removal of margin and future indexation provision	829,208,000
Best estimate going concern (unfunded liability)/excess at December 31, 2024 without indexation	\$1,337,008,000
Gain/(Loss) due to valuation replication	(3,981,000)
Interest during inter-valuation period at 6.20%	84,411,000
Total excess employer contributions made in inter-valuation period	23,566,000
Expected (unfunded liability)/excess at December 31, 2025 (excluding Margin)	1,441,004,000
Plus actuarial (losses)/gains due to experience differing from assumed during the inter-valuation period:	
▪ Net investment experience on actuarial value of assets	46,046,000
▪ Salaries and YMPE increases	(11,346,000)
▪ Interest credited to employee contributions	(1,901,000)
▪ Retirements	202,000
▪ Pensioner mortality	1,226,000
▪ Terminations	1,516,000
▪ Disabilities	(4,724,000)
▪ Cost-of-living increases	(52,714,000)
Net actuarial experience (loss)/gain	(21,695,000)
Gain/(Loss) due to change in discount rate	30,962,000
Gain/(Loss) due to other miscellaneous experience	167,000
Going concern (unfunded liability)/excess at December 31, 2025 (excluding Margin and future indexation)	1,450,438,000
Addition of future indexation at 100% of inflation	(541,882,000)
Addition of margin at December 31, 2025	(657,720,000)
Going concern (unfunded liability)/excess at December 31, 2025 (including Margin and after application of prior year credit balance)	250,836,000

Current Service Cost

Current service cost refers to the annual going concern cost of benefits relating to service accruing subsequent to the valuation date.

Total Active Members	As at December 31, 2025	
	Annual Dollar Amounts	% of Pensionable Earnings
Best estimate current service cost	\$126,850,000	16.89%
Margin on current service cost	10,800,000	1.43%
Total current service cost	\$137,650,000	18.32%
Expected member contributions	68,825,000	9.16%
Expected employer contributions	68,825,000	9.16%
Excess contributions/(funding deficiency)	\$0	0.00%
Total payroll (pensionable earnings)	\$751,116,000	

Sensitivity Analysis

The table below shows the impact on the going concern actuarial liability and the current service cost as at December 31, 2025 of a one percentage point change in the discount rate assumption. All other assumptions were unchanged.

	Discount rate 1% lower	Discount rate 1% higher
Change in total going concern actuarial liability (excluding Margin)	\$469,326,000	\$(376,005,000)
Change in total current service cost (excluding provisions for expenses and adverse deviations)	\$22,888,000	\$(17,549,000)

Section 4 Solvency Valuation

The purpose of the solvency valuation is to determine the financial position of the Plan if it were wound up on the valuation date by the Commission. Accordingly, the following approach was used:

1. The Plan assets were valued at their market value.
2. The benefits valued were the pensions to which members would be entitled under applicable legislation and the Plan if the Plan were wound up on the valuation date.
3. In the solvency valuation, we assumed that the pension would start at the age which produced the highest present value of the pension for all members who were assumed to elect the annuity purchase option. For all other members who elected the lump sum option, it was assumed with a probability of 50% that the pension would start at the earliest age at which the member will be entitled to an unreduced lifetime pension and with a probability of 50% the pension would start at the age which produced the highest present value of the pension.
4. Notwithstanding the foregoing, those members eligible to retire on the valuation date were assumed to retire immediately.
5. The actuarial assumptions are developed in accordance with the CIA's Standard of Practice Section 3500 for determining Pension Commuted Values, and the CIA's guidance for assumptions for hypothetical wind-up and solvency valuations in effect on the valuation date. These assumptions are described in detail in Appendix C.
6. The values of the pensions are not discounted for termination or death or disability before the pension start date.

Based on the Plan provisions in effect on December 31, 2025, the wind-up valuation assumptions mentioned above, and the membership data supplied by the Commission, the following is the solvency position as at December 31, 2025:

	December 31, 2025	December 31, 2024
Solvency Assets		
Market value	\$4,370,804,000	\$4,065,602,000
Allowance for wind-up expenses	(10,779,000)	(10,592,000)
Total solvency assets	<u>\$4,360,025,000</u>	<u>\$4,055,010,000</u>
Solvency Liabilities		
Active general members	1,271,700,000	1,238,297,000
Active designated members	113,867,000	110,639,000
Disabled members	44,473,000	39,492,000
Deferred members and pending terminations	189,385,000	190,807,000
Retired members	1,439,598,000	1,341,009,000
Survivors	81,752,000	77,516,000
Annuitants from former plan and excess contributions	7,160,000	7,394,000
Transfer deficiencies	-	11,000
Total solvency liabilities	<u>\$3,147,935,000</u>	<u>\$3,005,165,000</u>
Total solvency excess/(deficiency)	<u>\$1,212,090,000</u>	<u>\$1,049,845,000</u>
Solvency ratio	138.5%	134.9%

The solvency ratio is the ratio of the market value of assets less the allowance for wind-up expenses, to the total solvency liabilities.

If the solvency ratio is less than 100%, there are regulatory restrictions on the transfer of commuted values to terminating members.

Solvency Valuation Sensitivity Analysis

If the solvency discount rate changed by 1% from the assumptions described in Appendix C, and all other assumptions remained the same, the total solvency liabilities would change as follows:

	Discount rate 1% lower	Discount rate 1% higher
Change in hypothetical wind-up liabilities	\$399,886,000	\$(312,250,000)

Incremental cost

In accordance with the CIA's Standard of Practice, we have estimated the incremental cost of the solvency liability as at December 31, 2025. This is the expected aggregate change in solvency liability between December 31, 2025 and December 31, 2028. The incremental cost is the present value, at the valuation date, of the expected aggregate change in the solvency liability between the valuation date and the next valuation date. It also reflects expected benefit payments between the valuation date and the next valuation date.

Plan Year	Incremental Cost
2026	\$130,604,000
2027	\$123,781,000
2028	\$120,133,000

The incremental cost does not impact the funding requirements of the Plan and is for information purposes only.

Section 5 Current Service Cost and Contributions

The table below summarizes the best estimate current service cost at December 31, 2025. We have included the prior year's current service cost for comparison purposes.

General Members	As at December 31, 2025		As at December 31, 2024 (Contribution eligibility basis)	
	Annual Dollar Amounts	% of Pensionable Earnings	Annual Dollar Amounts	% of Pensionable Earnings
Best estimate current service cost	\$118,662,000	16.57%	\$102,416,000	15.60%
Margin on current service cost	10,240,000	1.43%	15,790,000	2.40%
Total current service cost	128,902,000	18.00%	118,206,000	18.00%
Expected member contributions	64,451,000	9.00%	59,103,000	9.00%
Expected employer contributions	64,451,000	9.00%	59,103,000	9.00%
Excess contributions/(funding deficiency)	\$0	0.00%	\$0	0.00%
Total payroll (pensionable earnings)	\$716,126,000		\$656,699,000	

Designated Members	As at December 31, 2025		As at December 31, 2024 (Contribution eligibility basis)	
	Annual Dollar Amounts	% of Pensionable Earnings	Annual Dollar Amounts	% of Pensionable Earnings
Best estimate current service cost	\$8,188,000	23.40%	\$7,224,000	21.56%
Margin on current service cost	560,000	1.60%	1,154,000	3.44%
Total current service cost	8,748,000	25.00%	8,378,000	25.00%
Expected member contributions	4,374,000	12.50%	4,189,000	12.50%
Expected employer contributions	4,374,000	12.50%	4,189,000	12.50%
Excess contributions/(funding deficiency)	\$0	0.00%	\$0	0.00%
Total payroll (pensionable earnings)	\$34,990,000		\$33,513,000	

Total Active Members	As at December 31, 2025		As at December 31, 2024 (Contribution eligibility basis)	
	Annual Dollar Amounts	% of Pensionable Earnings	Annual Dollar Amounts	% of Pensionable Earnings
Best estimate current service cost	\$126,850,000	16.89%	\$109,640,000	15.88%
Margin on current service cost	10,800,000	1.43%	16,944,000	2.46%
Total current service cost	137,650,000	18.32%	126,584,000	18.34%
Expected member contributions	68,825,000	9.16%	63,292,000	9.17%
Expected employer contributions	68,825,000	9.16%	63,292,000	9.17%
Excess contributions/(funding deficiency)	\$0	0.00%	\$0	0.00%
Total payroll (pensionable earnings)	\$751,116,000		\$690,212,000	

The actual dollar amount of current service contribution for the years following the valuation date may be higher or lower than the amounts indicated above if the actual pensionable earnings are different than assumed.

Section 6 Annuities Funded Status

The Plan has a subset of liabilities for annuities underwritten by the Plan. The following tables show the split of assets and liabilities between the annuities and the remainder of the Plan on both going concern and solvency bases.

Going Concern Funded Status

As at December 31, 2025 (\$000s)	Defined Benefit	Annuities	Total
Actuarial value of assets			
Market value	\$4,356,300	\$ 14,504	\$4,370,804
Asset smoothing adjustment	(173,070)	(576)	(173,646)
Total going concern assets	\$4,183,230	\$ 13,928	\$4,197,158
Going concern liabilities	3,280,909	7,693	3,288,602
Explicit margin reserve	656,181	1,539	657,720
Actuarial Surplus (Unfunded Liability)	\$246,140	\$ 4,696	\$250,836

Solvency Funded Status

As at December 31, 2025 (\$000s)	Defined Benefit	Annuities	Total
Actuarial value of assets			
Market value	\$4,356,300	\$ 14,504	\$4,370,804
Provision for expenses	(10,743)	(36)	(10,779)
Total solvency assets	\$4,345,557	\$ 14,468	4,360,025
Solvency liabilities	3,140,775	7,160	3,147,935
Actuarial Surplus (Unfunded Liability)	\$1,204,782	\$ 7,308	1,212,090

Section 7 Actuarial Opinion

This opinion is based on the actuarial valuation of the Municipal Employees' Pension Plan as at December 31, 2025.

In our opinion, in respect of the going concern valuation, the hypothetical wind-up valuation and the solvency valuation,

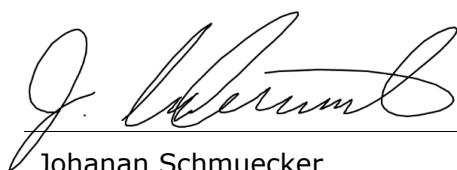
- a) the membership data on which the valuations are based are sufficient and reliable for the purposes of the valuations;
- b) the assumptions are appropriate for the purposes of the valuations; and
- c) the methods employed in the valuations are appropriate for the purposes of the valuations.

This report has been prepared, and our opinions given, in accordance with accepted actuarial practice in Canada.

Notwithstanding the foregoing opinion, emerging experience differing from the assumptions will result in gains or losses which will be revealed in future valuations.

This report has been prepared in a manner consistent with the recommendations for the preparation of actuarial valuation reports issued by the Canadian Institute of Actuaries.

This report has been prepared in accordance with applicable legislation.



Johanan Schmuecker
Fellow, Canadian Institute of Actuaries



Amy Hamilton
Fellow, Canadian Institute of Actuaries

September 2026

Appendix A Summary of Plan Provisions

This appendix describes the provisions of the Plan, as amended to December 31, 2025 that had a significant effect on the results of the valuation.

Eligibility

A "General Member" is an employee of a participating employer who has joined the Plan and is entitled to benefits, and is not a Designated Member.

A "Designated Member" is a Firefighter or Police Officer designated by their employer who has joined the Plan and is entitled to benefits.

Permanent employees, who are employees employed on an ongoing basis (full-time, part-time, seasonal or who work more than 700 hours in each of two consecutive years), must join the Plan on the date they become an employee.

Non-permanent employees, who are employees on a term or temporary basis with a definite end date, may choose to join the Plan on the date of hire. Non-permanent employees who work at least 700 hours in two consecutive years become permanent employees and must join the Plan immediately. Once an employee has joined the Plan, they remain a member even if their hours of work reduce to less than 700 hours in a year.

Plan members who move from one participating employer to another within 2 years, must immediately rejoin the Plan regardless of the terms of employment with the second employer.

Service

"Continuous Service" is used to determine members' retirement dates. It is the total number of years and portion of years working with a participating employer without a break in service of more than 2 years. Continuous Service is awarded for each pay period that contributions are made to the Plan. For 10-month employees, one year of Continuous Service is awarded if the member works the entire school year.

"Contributory Service" is used to determine members' retirement benefits. It is service for which a member makes contributions to the Plan, including:

- service granted because of a waiting period prior to January 1, 1993 (one-half of the relevant period of service is awarded);
- leaves of absence for which contributions were made; and
- service that has been purchased by the member.

For 10-month employees, one year of Contributory Service is awarded if the member works full-time for the entire school year. Less than one year of Contributory Service is awarded if the member:

- works less than full-time during a year; or
- works full-time for less than the entire year.

Salary

"Salary" is defined as regular remuneration and commissions, but excludes overtime pay and bonuses.

"Highest Average Salary" for members with three years of service is the average of the highest three calendar years of salary, annualized if the member worked less than the whole year or less than full-time during the year. For members with less than three years of service, it is the total salary during the member's period of service divided by the number of years of service, including any fractional year of service.

Employee Contributions

Employee contributions are 9.00% of salary for General Members 12.50% of salary for Designated Members.

Members can purchase prior service in respect of approved leave, or where contributions were not made. Designated members can also purchase an election to count a period of pre-Designated service as Designated service.

Employer Contributions

The participating employers shall contribute to the Plan such amounts equal to the required employee contributions.

Interest on Employee Contributions

Member contributions are credited with interest at a rate based on the average of the Bank of Canada 5-year Personal Fixed Term deposit rates.

Retirement Dates

The normal retirement date for:

- General Members: the first day of the month immediately following the attainment of age 65.
- Designated Members: the first day of the month immediately following the attainment of age 60.

The earliest unreduced retirement date for:

- General Members: the first day of the month immediately following the attainment of:
 - o age plus continuous service equals at least 80; or
 - o age 65.
- Designated Members: the first day of the month immediately following the attainment of:
 - o age plus continuous service equals at least 75; or
 - o at least 25 years of continuous service; or
 - o age 55

The earliest retirement date for:

- General Members: the first day of the month immediately following the attainment of:
 - o at least 15 years of continuous service; and
 - o age 55.
- Designated Members: the first day of the month immediately following the attainment of:
 - o age plus continuous service equals at least 70; or
 - o age 45.

Retirement Benefits at Normal Retirement

General Members employed on or after January 1, 1993:

- 1.5% of Highest Average Salary multiplied by the number of years and fractional years of contributory service before January 1, 2001 and on or after January 1, 2006.
- 1.8% of Highest Average Salary multiplied by the number of years and fractional years of contributory service between January 1, 2001 and December 31, 2005

Designated Members employed on or after January 1, 1993:

- 1.7% of Highest Average Salary multiplied by the number of years and fractional years of contributory service before January 1, 2001 and on or after January 1, 2006.
- 2.0% of Highest Average Salary multiplied by the number of years and fractional years of contributory service between January 1, 2001 and December 31, 2005

General Members employed before January 1, 1993

- For service before January 1, 1990 and service between January 1, 2001 and December 31, 2005, a pension for each year of contributory service equal to the greater of:
 - o 1.3% of Highest Average Salary not in excess of the three year average YMPE plus 2% of Highest Average Salary in excess of the three year average YMPE, and
 - o 1.8% of Highest Average Salary.
- For service on or after January 1, 1990, but excluding years 2001 to 2005, a pension for each year of contributory service equal to the greater of:
 - o 1.3% of Highest Average Salary not in excess of the three year average YMPE plus 2% of Highest Average Salary in excess of the three year average YMPE, and
 - o 1.5% of Highest Average Salary.

Designated Members employed before January 1, 1993:

- For service before January 1, 1990 and service between January 1, 2001 and December 31, 2005, a pension for each year of contributory service equal to 2% of Highest Average Salary.
- For service on or after January 1, 1990, but excluding years of 2001 to 2005, a pension for each year of contributory service equal to the greater of:
 - o 1.3% of Highest Average Salary not in excess of the three year average YMPE plus 2% of Highest Average Salary in excess of the three year average YMPE, and
 - o 1.7% of Highest Average Salary.
- Prior to January 1, 2019, retiring members may elect to transfer the commuted value of their monthly retirement pension out of the Plan. On or after January 1, 2019, members eligible for retirement will be required to receive a monthly pension from the Plan.

Early Retirement

Pension benefits before age 65: A pension of 2% of Highest Average Salary multiplied by the number of years of contributory service.

Pension benefits on or after age 65: Pension described in the Retirement Pension at Normal Retirement section.

General Members: The pension earned to the date of early retirement is reduced by 0.25% for each complete month prior to the date at which the member could have retired with an unreduced pension. The reduction applies to the lifetime pension and the bridge benefit.

Designated members: The pension earned to the date of early retirement in respect of service up to and including December 31, 1991 is not reduced. The pension earned to the date of early retirement in respect of service after December 31, 1991 is reduced by 0.25% for each complete month prior to the date at which the member's age plus continuous service equals at least 75. The reduction applies to the lifetime pension and the bridge benefit.

Form of Pension

Pension payments are payable monthly for the member's lifetime. If pension payments cease before aggregate payments are at least equal to the member's regular contributions, plus interest, as at the date of retirement, the balance is paid in a lump sum.

Optional forms of pension are available on an actuarially equivalent basis. Spouses' may waive their death benefit entitlement by signing an applicable waiver form.

Vesting

Benefits vest after 2 years of continuous service.

Termination of Employment

For non-vested members, a return of employee contributions with interest.

For vested members terminating employment prior to retirement, an immediate or deferred pension.

Prior to January 1, 2019, upon termination, a member could elect to receive a lump sum that does not exceed one half of the member's accumulated contributions with interest as at December 31, 1993, in lieu of part of the member's pension. After January 1, 2019, the contributions must remain as part of the total pension benefit.

Death Benefits

Death before Retirement:

- Upon the death of a member prior to retirement, an amount equal to the sum of the member's additional contribution account, the member's annuity and annuity surplus account, the employer additional contribution account and the employer annuity account, plus the commuted value of the defined benefit pension is paid to the member's spouse, beneficiary or estate. The spouse also has the option to receive a monthly lifetime pension based on the total value of the death benefit.

Death after Retirement

- With spouse at retirement: 100% of the pension payable to the member is guaranteed to be paid for five years from the retired member's date of retirement. After the guaranteed payments are made, 60% of the pension to which the retired member was entitled shall be paid to the surviving spouse for life. If there is no surviving spouse, 60% of the pension to which the retired member was entitled shall be paid to the dependant or dependants named by the member while they remain a dependant. A dependant means:
 - o a child under the age of 18 years; or

- an unmarried child under the age of 21 years who is attending an approved educational institution on a full time basis.
- No spouse at retirement: 100% of the pension payable to the member is guaranteed to be paid to the beneficiary for fifteen years from the retired member's date of retirement. No pension is payable beyond that period.
- Members can choose alternative forms of survivor benefit (60%, 75%, 100%) or guarantee periods (5, 10, 15 years) provided on an actuarial equivalent basis.

Disability Benefits

A member qualifies for a disability pension if they are:

- permanently and totally disabled; and
- have at least 15 years of eligibility service on the date the disability pension would begin; and
- are under 60 years of age; and
- are in receipt of the disability allowance from the Canada Pension Plan; and
- have been prevented, by the disability, from working for at least four consecutive months before the date the pension is to begin.

The member is eligible for a lifetime pension without an early retirement reduction. There is no bridge benefit associated with a disability pension.

A member who is totally and permanently disabled and who has been away from work for a 2-year period may, on application, continue to accrue service without employee or employer contribution. In this event, the salary on which the pension is based will be increased from the date of disability based on the increase in the average Canadian salaries and wages. The waiver will cease on the member's unreduced retirement date.

Indexing of Pensions

There is no indexing provided under the Plan; however, the Commission may grant one-time ad-hoc increases.

50% Rule

If the member's pension contributions (excluding ancillary contributions) exceed 50% of the commuted value of the member's deferred or retirement pension, the excess contributions are refunded or used to provide an additional pension. The 50% rule does not apply to contributions or benefits relating to reinstated or transferred past service.

Maximum Benefits

The annual lifetime pension payable under the Plan, shall not exceed the maximum amount allowed by the ITA for registered pension plans, as in force from time to time.

Annuities Underwritten by the Plan

Life annuities are paid for the life of the annuitant based on:

- rates of interest offered at the time the annuity commences; and
- the form of the annuity.

Life Annuity

The annuity is payable on a monthly basis in arrears for the life of the annuitant. If the annuitant dies before the end of the guarantee period, the remaining guaranteed payments are paid to the last designated beneficiary. A single member can purchase an annuity guaranteed for 0, 5, 10, or 15 years. A member with a spouse can purchase a single life annuity if the spouse waives the right to a joint annuity.

Joint and Last Survivor Annuity

The annuity is payable on a monthly basis in arrears for the life of the annuitant and the spouse. In the month following the death of the annuitant, monthly benefits are payable to the spouse for the remainder of the spouse's lifetime. The continuing benefits for the spouse are selected at the time of retirement as 100%, 75%, 60% or 50% of the annuitant's payments. The member may purchase a joint annuity with a 0, 5, 10 or 15-year guarantee on the annuitant's payments. The current annuities being paid include continuing benefits for spouses at percentages equal to 50%, 60%, 75% and 100%.

Upon the death of both the annuitant and the spouse and after any applicable guarantee period, payments cease and no further benefits are payable.

Indexed Annuities

Effective February 28, 1997, the Plan began underwriting annuities that included provisions for indexing at 100% of the increases in the Saskatchewan Consumer Price Index (CPI). Increases in the annuity payments for "indexed annuities" are granted on each January 1 following the member's retirement date. The increase for indexing on the first January 1 following a member's date of retirement is provided on a pro-rata basis from the month of retirement. Members have the option of choosing an annuity that includes future indexing or not.

Excess Interest Increases for Non-Indexed Annuities

Note that there is no indexing provided for non-indexed annuities; however, the Commission may grant one-time ad-hoc increases in accordance with their policy.

Appendix B Assumptions and Methods – Going Concern

Summary of Assumptions

	December 31, 2025	December 31, 2024
Economic Assumptions		
Discount rate - regular:	6.3% net of expenses	6.2% net of expenses
Discount rate – lump sum transfers:	4.5%	Same
Inflation:	2.0% per year	Same
Post-retirement indexation:	100% of inflation	50% of inflation
Salary increase:	Inflation plus 0.7% per year plus merit and promotion (Table A following)	Same
YMPE increase:	Inflation plus 0.7% per year	Same
ITA maximum pension limit increase:	In accordance with Income Tax Act, then inflation plus 0.7% per year	Same
Interest credited on employee contributions:	Inflation plus 0.7% per year	Same
Demographic Assumptions		
Mortality:	CPM Private (adjusted) with mortality improvements in accordance with MI-2024 and pension size adjustment factors (1.05/0.90 for male/female)	Same
Disability rates:	None	Same
Termination rates:	Variable by age (Table B following) 60% elect a lump sum transfer	Same
Retirement rates:		
General members	Variable by age (Table C following)	Same
Designated members	40% each year between earliest unreduced date and age 65; 100% at age 65	Same
Marital status:		
Non-retired members	80% married	Same
Retired members	Actual marital status	Same
Spousal age difference:	Males three years older than females	Same

Table A – Seniority, Merit and Promotion Increase Rates

Age	General Members	Designated Members
≤ 5	2.0%	3.0%
6-10	1.5%	2.0%
11-15	1.0%	1.0%
16-20	0.5%	0.5%
≥ 20	0.0%	0.0%

Table B – Termination Rates

Age	General Members	Designated Members
20	20.9%	15.4%
25	16.4%	11.6%
30	12.4%	7.9%
35	10.4%	4.9%
40	8.9%	3.6%
45	7.6%	3.2%
50	7.5%	2.4%
55	7.5%	0.9%
60	7.5%	0.0%
> 64	0.0%	0.0%

Table C – Retirement Rates for General Active Members

Age	Eligible for Reduced Retirement	Eligible for Unreduced Retirement
<59	10%	15%
60	10%	20%
61-64	15%	20%
65-70	N/A	50%
71	N/A	100%

Actuarial Cost Method

As with the previous valuation, we used the projected unit credit actuarial cost method to determine the going concern actuarial liabilities of the Plan and the employer's current service cost in respect of the defined benefit provision of the Plan. Under this method, the actuarial liabilities consist of the present value of pensions in payment and vested deferred benefits for terminated members, plus that portion of the future benefits expected to be paid to present members which are related to their credited service up to the valuation date. Amounts of pension are determined based on each member's projected final average earnings. If the value of these actuarial liabilities exceeds the actuarial value of the assets (determined as described below), the excess is defined as the unfunded actuarial liability and is funded by fixed special payments over a specified period.

The current service cost for the defined benefit provision for the year following the valuation date is the present value of benefits accrued by Plan members with respect to their service in that year.

The characteristics of this actuarial cost method are that it matches year-by-year costs of benefits expected to be accrued by the Plan members each year to the contributions required for those years and since it results in a pattern of progressively increasing costs for an individual employee as that employee ages, it may also result in progressively increasing costs for the Plan as a whole if the average age profile of the Plan membership increases from year to year.

Asset Valuation Method

As with the previous valuation, we have smoothed the market value of the assets over a five-year period. The smoothed value is limited to no less than 90% and not more than 110% of the market value of assets. Appendix E shows the reconciliation of the market value of assets from December 31, 2024 to December 31, 2025 and provides details related to the smoothed value of assets.

Under the smoothing technique, the asset value was determined by amortizing the asset gains and losses during the five years prior to the valuation date. The asset valuation method moderates the short-term effects of fluctuations in the market value, is expected to track to market value over time, and is generally free of bias towards systematic overstatement or understatement in relation to the market value.

The objective of the asset valuation method is to moderate the volatility of contribution rates by deferring the recognition of investment gains and losses over the short-term.

Benefits Valued

The benefits valued were those in effect at the valuation date. A summary of the Plan provisions is provided in Appendix A.

Rationale

Economic Assumptions

With the exception of the discount rate and the assumption for post-retirement indexing, we have used the same economic assumptions as those used in the prior valuation as at December 31, 2024. For this valuation, we increased the discount rate from 6.20% per year to 6.30% per year to reflect the change in the current expectation of the long-term rate of return. The indexation assumption is based on application of the Plan's funding policy, which indicates that full inflation protection will be granted when the Plan's best estimate funded ratio (excluding indexation and margins) exceeds 140%. The impact of these changes is summarized in Section 3.

The selection of the economic assumptions (i.e., those related to interest rates and inflation) for this valuation was based on reasonable expectations for the relationships between key economic variables over the long-term, as well as the expected impact of those economic variables on the investment performance of the pension fund given the fund's Statement of Investment Policies and Procedures effective November 21, 2025.

The going concern discount rate is determined based on expected long-term capital market returns, standard deviations and correlations for each major asset class noted in Appendix E. These long-term expectations are determined using a stochastic model which projects rates of inflation, bond yields and asset class returns for 5,000 paths over a long-term projection horizon. Based on the plan's target asset mix, and assuming annual rebalancing, the simulated going concern discount rate is determined as the annualized median return over the projection horizon.

We have assumed that there will be no added-value returns from the active management strategy employed in excess of the associated additional investment management fees.

Based on the methodology described above, the going concern discount rate assumption was developed as follows:

	Discount rate
Weighted average gross investment return	6.22%
Rebalancing and diversification effect	0.43%
Assumed Active Management Added Value	0.60%
Active Investment Management Fee	(0.60)%
Passive Investment Management Fee	(0.05)%
Non-Investment Expenses	(0.30)%
Going concern discount rate assumption	6.30%

For salary increases, we assumed that the real economic growth in salaries would be 0.70% above the assumed inflation rate of 2.00% per year. This leads to a long-term rate of 2.70% for salary increases. We have based our assumed inflation rate on our estimate of future inflation considering the Bank of Canada's inflation control target of 1% to 3% per year.

In addition, we have included an allowance for individuals' merit/promotion increase, as summarized in Table A above.

The increase in the Yearly Maximum Pensionable Earnings ("YMPE") was assumed to grow at a real economic rate of 0.70% above the assumed inflation rate, which leads to a long-term assumption of 2.70% for YMPE increases. The ITA defined benefit limit after 2025 was also increased at the same rate as the YMPE.

Demographic Assumptions

The demographic assumptions underlying the current valuation have been re-evaluated to ensure continued suitability. Our review indicates that the mortality, retirement, and turnover assumptions used in the prior valuation remain representative of the Plan's demographic characteristics.

In accordance with the Canadian Institute of Actuaries (CIA) educational note regarding the selection of mortality assumptions (released March 27, 2014), we have reviewed Plan-specific characteristics to ensure the appropriateness of the mortality assumptions used in this valuation.

The mortality basis is derived from a 2020 mortality study, which identified the 2014 CPM Private Sector Mortality Table as the best estimate for Plan members, subject to the following adjustments:

- Male members: 105% of base mortality rates
- Female members: 90% of base mortality rates

To project future mortality improvements, this valuation uses the MI-2024 scale, as detailed in the April 2024 CIA research report, "Mortality Improvements Research: Report to the Canadian Institute of Actuaries' Project Oversight Group".

For members expected to elect a commuted value transfer upon termination, the CPM Combined Mortality Table with the CPM-B projection scale is applied. This approach remains consistent with the mortality assumptions used for the calculation of Commuted Values as of the valuation date.

Appendix C Assumptions and Methods – Solvency

	December 31, 2025	December 31, 2024
Economic Assumptions		
Discount rate per year:		
▪ Annuity purchase basis – Non-indexed	4.90% per year	4.70% per year
▪ Annuity purchase basis – Indexed	2.20% per year	1.50% per year
▪ Transfer value basis	3.50% per year for 10 years and 5.00% per year thereafter	3.90% per year for 10 years and 4.50% per year thereafter
Salary, YMPE and ITA Limit increases:	None	None
Demographic Assumptions		
Mortality:	2014 Canadian Pensioner Mortality (CPM 2014) with Improvement Scale CPM-B	Same
Disability rates:	None	None
Retirement age:		
▪ Active and disabled members (settlement by transfer of values)	50% at age that produces the highest lump sum value and 50% at earliest unreduced retirement age	Same
▪ Active and disabled members (settlement by purchase of annuities)	Age that produces the highest pension benefit value	Same
▪ Deferred vested members	Age that produces the highest lump sum value	
▪ Retired members and beneficiaries	Not applicable	
Termination rates:	None	Same
Marital Status:		
▪ Non-retired members	80% of members are married	Same
▪ Retired members	Actual marital status	Same
Spousal age difference:	Males three years older than females	Same
Form of Benefit Settlement elected by member:	▪ Active and deferred members less than age 54: Transfer Value ▪ All other members: Annuity purchase	Same
Other		
Allowance for Wind-up Expenses:	\$10,779,000 (\$356/member)	\$10,592,000 (\$349/member)

Actuarial Cost Method

As with the prior valuation, we valued the termination benefit payable under the Plan or the PBA, if different. Under this valuation, the actuarial liabilities consist of the present value of pensions in payment and vested deferred benefits for terminated members, plus the portion of the future benefits expected to be paid to present members which are related to their credited service up to the valuation date. Amounts of pension for active members are determined based on each member's estimated final average earnings at the valuation date.

Asset Valuation Method

As with the previous period, the solvency valuation uses the market value of assets.

Incremental Cost

In our report we have determined the incremental cost under the solvency basis. The incremental cost was determined as the sum of (a) and (b) minus (c)

- a) the projected solvency liability at the next valuation date for those members at the current valuation date, allowing for expected decrements and change in membership status, service accrual and increase in earnings between the current valuation date and the next valuation date. An adjustment was made for new entrants between the two valuation dates, based on the profiles in the table below. The resulting projected solvency liability was then discounted to the current valuation date;
- b) the present value of the benefit payments expected to be paid between current valuation date and the next valuation date, discounted to the current valuation date;
- c) the solvency liability as at the current valuation date.

For purposes of calculating the solvency incremental cost, the expected decrements, as well as the expected benefit payments between the current valuation date and the next valuation date, were determined using the going concern demographic assumptions. The projected solvency liability at the next valuation date was determined using the same method and assumptions as disclosed in Appendix C of this report. In particular, we have assumed that the discount rates will remain the same throughout the projection period and the Standards of Practice for determining commuted value rates in effect at the valuation date will remain unchanged, as will the current educational guidance on the estimation of annuity purchase costs.

New Entrants Profile	General Members	Designated Members
Average age	38.6 years	34.1 years
Percentage male/female	38%/62%	86%/14%
Average part-time ratio	31%	57%
Average annualized earnings	\$46,600	\$79,200

Appendix D Membership Data

The valuation was based on data as of the valuation date, December 31, 2025, supplied to us by Plannera Pensions and Benefits and the Municipal Employee's Pension Commission. A summary of the data is shown in this Appendix.

We subjected this data to a number of tests of reasonableness and consistency, including the following:

- a member's (and partner's as applicable) age is within a reasonable range;
- all dates remained unchanged from the data used in the previous actuarial valuation of the Plan;
- salaries increased at a reasonable rate;
- credited service increased by a reasonable amount;
- accrued pensions changed by a reasonable amount (e.g., no change for retired members and vested pensioners, etc.);
- the form of pension payment did not change (other than resulting from the death of a retired member);
- the pension amounts on the pensioner file was compared with the payments reported in the financial statements for the Plan; and
- we examined the additions to and deletions from each of the data files (i.e., the files for active employees, pensioners and terminated members entitled to a deferred vested pension) since the previous valuation to determine whether all Plan members were accounted for in this valuation, to check for duplicate records and to confirm pension amounts.

All of our tests had satisfactory results or the data was corrected. However, the tests may not have captured all deficiencies in the data. Where necessary, we made reasonable assumptions for missing data. We have also relied on the Plan administrator's certification on the quality of the data.

The membership data used in the valuation is summarized on the following pages.

Membership Data Summary

Active Members	December 31, 2025			December 31, 2024		
	General	Designated	Disabled	General	Designated	Disabled
Number	16,964	325	416	16,700	322	363
Average pensionable earnings	\$53,474	\$110,928	\$51,388	\$51,166	\$108,028	\$50,781
Average years of pensionable service	6.3	10.7	9.2	6.4	11.1	9.4
Average years of eligible service	7.2	10.8	10.3	7.2	11.2	10.5
Average age	46.0	41.0	54.2	46.1	41.4	54.7
Average contributions with interest	\$31,395	\$139,879	N/A	\$30,732	\$139,656	N/A

	December 31, 2025	December 31, 2024
Deferred Vested Members		
Number	2,611	2,592
Average monthly accrued pension	\$466	\$446
Average monthly bridge	\$287	\$262
Average age	52.1	51.8
Total refund of contributions	\$3,550,000	\$2,549,000
Pending Terminated Members		
Number	1,838	1,915
Average monthly accrued pension	\$377	\$386
Average monthly bridge	\$474	\$390
Average age	39.8	41.0
Total refund of contributions	\$9,236,000	\$10,157,000
Pensioners		
Number	7,005	6,669
Average monthly lifetime pension	\$1,252	\$1,240
Average monthly temporary pension ¹	\$3,317	\$3,094
Average monthly bridge pension ²	\$492	\$483
Average age	72.3	72.1
Average period since retirement	10.1	10.1

¹ As at December 31, 2025, there were 40 pensioners in receipt of a temporary pension. In the prior valuation, there were 50 pensioners in receipt of a temporary pension.

² As at December 31, 2025, there were 1,169 pensioners in receipt of a bridge pension. In the prior valuation, there were 1,172 pensioners in receipt of a bridge pension.

	December 31, 2025	December 31, 2024
Survivors		
Number	1,120	1,109
Average monthly lifetime pension	\$703	\$689
Average monthly temporary pension	\$745 ¹	\$623
Average monthly bridge pension	\$336 ²	\$294
Average age	77.6	77.5
Average period since retirement	21.1	21.2
Former Plan Pension - Pensioners		
Number	52	66
Average monthly lifetime pension	\$306	\$296
Average age	89.4	89.2
Average period since retirement	30.9	30.2
Former Plan Pension - Survivors		
Number	146	161
Average monthly lifetime pension	\$271	\$253
Average age	89.0	88.8
Average period since retirement	33.8	33.0
Pension from Excess - Pensioners		
Number	177	203
Average monthly lifetime pension	\$141	\$124
Average age	88.1	87.9
Average period since retirement	25.4	25.0
Pension from Excess - Survivors		
Number	222	249
Average monthly lifetime pension	\$60	\$54
Average age	88.8	88.4
Average period since retirement	31.5	30.9

¹ As at December 31, 2025, there were 123 survivors in receipt of a temporary pension. In the prior valuation, there were 122 survivors in receipt of a temporary pension.

² As at December 31, 2025, there were 9 survivors in receipt of a bridge pension. In the prior valuation, there were 23 survivors in receipt of a bridge pension.

Reconciliation of Membership Data

	General	Designated	Disabled	Pensioner	Survivor	Deferred	Pending	Total
Dec. 31, 2024	16,700	322	363	6,669	1,109	2,592	1,915	29,670
Adjustments	-	-	-	-	-	-	-	-
New members	2,559	38	11	11	4	1	166	2,790
To general	108	(1)	(56)	-	-	(1)	(50)	-
To designated	-	-	-	-	-	-	-	-
To LTD	(163)	(1)	164	-	-	-	-	-
To pensioner	(353)	(15)	(25)	496	-	(72)	(31)	-
To survivor	(2)	-	-	(93)	97	(2)	-	-
To deferred	(47)	-	(3)	-	-	182	(132)	-
To pending	(828)	(7)	(13)	-	-	-	848	-
Benefits ended	-	-	-	-	-	-	-	-
Deaths, no survivor	-	-	-	(78)	(90)	-	-	(168)
Paid out	(1,010)	(11)	(25)	-	-	(89)	(878)	(2,013)
Dec. 31, 2025	16,964	325	416	7,005	1,120	2,611	1,838	30,279

Distribution of Active Members as at December 31, 2025

Active - General

Age	Number of Members	Average Years of Credited Service	Average Pensionable Earnings (\$)
<25	956	0.8	38,888
25-30	992	2.0	48,393
30-35	1,369	2.8	52,013
35-40	1,965	3.7	52,388
40-45	2,308	5.0	54,118
45-50	2,402	6.6	56,227
50-55	2,079	8.6	56,970
55-60	1,959	9.6	56,895
60-65	1,821	10.5	54,572
>65	1,113	9.1	52,622
Total	16,964	6.3	53,474

Active - Designated

Age	Number of Members	Average Years of Credited Service	Average Pensionable Earnings (\$)
<25	11	1.3	69,622
25-30	40	3.0	89,033
30-35	50	5.3	98,389
35-40	53	8.9	109,631
40-45	50	12.6	118,074
45-50	45	16.7	126,431
50-55	38	15.5	125,896
55-60	29	18.1	132,013
60-65	6	17.6	104,102
>65	3	0.8	54,749
Total	325	10.7	110,928

Active - Disabled

Age	Number of Members	Average Years of Credited Service	Average Pensionable Earnings (\$)
<30	12	2.2	42,678
30-35	13	3.3	49,614
35-40	18	4.1	53,307
40-45	29	4.6	53,675
45-50	40	7.1	55,334
50-55	55	9.0	53,432
55-60	85	11.0	52,574
60-65	131	11.3	49,707
>65	33	11.3	47,626
Total	416	9.2	51,388

Distribution of Deferred Vested Members as at December 31, 2025

Deferred Members

Age	Number of Members	Average Monthly Lifetime Pension (\$)	Average Monthly Bridge Pension (\$)
<30	12	201	-
30-35	90	307	50
35-40	199	377	123
40-45	322	465	420
45-50	402	513	409
50-55	475	528	332
55-60	440	482	229
60-65	416	475	261
>65	255	348	162
Total	2,611	466	287

Pending Members

Age	Number of Members	Average Monthly Lifetime Pension (\$)	Average Monthly Bridge Pension (\$)
<30	502	109	87
30-35	234	247	77
35-40	221	314	398
40-45	224	361	571
45-50	199	550	573
50-55	150	544	553
55-60	135	475	488
60-65	95	545	354
>65	78	427	297
Total	1,838	377	474

Distribution of Retired Members as at December 31, 2025

Pensioners

Age	Number of Members	Average Monthly Lifetime Pension (\$)	Average Monthly Temporary Pension (\$)	Average Monthly Bridge Pension (\$)
<60	280	2,286	3,225	549
60-65	824	1,872	3,190	478
65-70	1,648	1,358	4,182	452
70-75	1,757	1,190	-	-
75-80	1,288	993	-	-
80-85	617	887	-	-
85-90	374	777	-	-
>90	217	764	-	-
Total	7,005	1,252	3,317	492

Survivors

Age	Number of Members	Average Monthly Lifetime Pension (\$)	Average Monthly Temporary Pension (\$)	Average Monthly Bridge Pension (\$)
<60	101	2,586	818	n/a
60-65	41	1,146	614	258
65-70	74	1,111	345	381
70-75	130	880	359	-
75-80	194	751	613	-
80-85	217	620	-	-
85-90	185	564	-	-
>90	178	502	-	-
Total	1,120	703	745	336

Distribution of Retired Members from Former Plan as at December 31, 2025

Age	Pensioners		Survivors	
	Number of Members	Average Lifetime Annual Pension (\$)	Number of Members	Average Lifetime Annual Pension (\$)
<80	4	268	11	228
80-85	7	204	27	196
85-90	11	213	37	213
>90	30	368	71	337
Total	52	306	146	271

Distribution of Retired Members from Excess as at December 31, 2025

Age	Pensioners		Survivors	
	Number of Members	Average Lifetime Annual Pension (\$)	Number of Members	Average Lifetime Annual Pension (\$)
<80	25	297	16	144
80-85	22	258	40	81
85-90	46	126	53	62
>90	84	73	113	39
Total	177	141	222	60

Appendix E Plan Assets

Reconciliation of Assets

The asset data used in the valuation were compiled as at December 31, 2025. We have relied on the financial statements for the fund provided by Plannera Pensions and Benefits to determine the assets of the Plan.

Tests of reasonableness with respect to contributions, benefit payments and investment income have been performed on the asset data provided. However, the asset data has not been independently audited or verified.

The following is a reconciliation of the pension fund assets as they pertain to the defined benefit provision from January 1, 2021 to December 31, 2025.

	Jan. 1, 2021 to Dec. 31, 2021	Jan. 1, 2022 to Dec. 31, 2022	Jan. 1, 2023 to Dec. 31, 2023	Jan. 1, 2024 to Dec. 31, 2024	Jan. 1, 2025 to Dec. 31, 2025
Market value as at beginning of year	3,209,543,000	3,553,989,000	3,252,011,000	3,591,143,000	4,065,602,000
Employee contributions	59,390,000	61,248,000	63,774,000	67,284,000	70,377,000
Employer contributions	59,396,000	61,179,000	63,736,000	67,208,000	70,291,000
Arrears contributions and interest	13,000	22,000	27,000	27,000	4,000
Transfer in/(out)	1,811,000	775,000	519,000	901,000	1,619,000
Investment income	415,011,000	(225,568,000)	386,162,000	536,427,000	381,017,000
Pension payments	(92,127,000)	(98,981,000)	(104,227,000)	(115,386,000)	(120,593,000)
Termination and death payments	(46,556,000)	(63,001,000)	(30,743,000)	(29,983,000)	(39,925,000)
Investment and other expenses	(52,492,000)	(37,652,000)	(40,116,000)	(52,019,000)	(57,588,000)
Total Market value as at end of year	3,553,989,000	3,252,011,000	3,591,143,000	4,065,602,000	4,370,804,000
Net rate of return for each period	11.33%	-7.45%	10.65%	13.51%	7.97%
Expected actuarial return	5.50%	5.70%	6.50%	6.30%	6.20%
Net Investment Income	362,519,000	(263,220,000)	346,046,000	484,408,000	323,429,000
Expected Actuarial Investment Income	176,028,000	201,473,000	211,156,000	225,929,000	251,502,000
Excess/(Shortfall)	186,491,000	(464,693,000)	134,890,000	258,479,000	71,927,000

Asset Smoothing

To place a value on the assets for actuarial valuation purposes, we have used an approach which smooths out the volatility of the market valuation by amortizing excess investment earnings net of all expenses over the assumed investment earnings for the same period based on the actuarial valuation in effect at the time. Specifically, net investment earnings in excess of the following assumed rates are amortized over a five-year period. We further restrict the actuarial value of assets to be within 10% of the market value.

Year	Assumed Investment Return		Actual Net Investment Return	Excess Net Investment Return
	%	\$		
2022	5.70%	\$201,473,000	(\$263,220,000)	(\$464,693,000)
2023	6.50%	\$211,156,000	\$346,046,000	\$134,890,000
2024	6.30%	\$225,929,000	\$484,408,000	\$258,479,000
2025	6.20%	\$251,502,000	\$323,429,000	\$71,927,000

In practical terms, the actuarial asset value includes 100% of the excess investment earnings from 2021, 80% from 2022, 60% from 2023, 40% from 2024, and 20% from 2025. The following table shows the derivation of the actuarial smoothing adjustment.

-80% of 2025 excess investment earnings	-0.80	x	\$71,927,000	=	\$(57,542,000)
-60% of 2024 excess investment earnings	-0.60	x	\$258,479,000	=	\$(155,087,000)
-40% of 2023 excess investment earnings	-0.40	x	\$134,890,000	=	\$(53,956,000)
-20% of 2022 excess investment earnings	-0.20	x	\$(464,693,000)	=	\$92,939,000
Actuarial smoothing adjustment (rounded)					\$(173,646,000)
Market value of assets					\$4,370,804,000
Actuarial value of assets					\$4,197,158,000
Percent of market value					96.0%

Summary of Asset Allocation at December 31, 2025

Classification	Statement of Accumulated Net Assets			
	December 31, 2025		December 31, 2024	
	Assets at Market Value (\$000s)	% of Total Invested assets	Assets at Market Value (\$000s)	% of Total Invested assets
Net accounts payable and receivables	11,943	0.27%	(428)	(0.01%)
Cash and short-term investments	132,773	3.03%	94,378	2.32%
Bonds	392,849	8.99%	377,353	9.28%
Equities	1,468,421	33.60%	1,646,549	40.50%
Private Equity	419,693	9.60%	409,657	10.08%
Private Credit	64,102	1.47%	33,646	0.83%
Farmland	37,139	0.85%	11,730	0.29%
Infrastructure	671,723	15.37%	605,546	14.89%
Pooled funds	1,172,161	26.82%	887,171	21.82%
Net Assets Available for Benefits	\$4,370,804	100.00%	\$4,065,602	100.00%

Target Long-Term Asset Mix

Classification	Minimum %	Benchmark %	Maximum %
Equity			
Canadian Equities	1.0%	5.0%	9.0%
Global Equities – Core	5.0%	11.0%	17.0%
Global Equities – Low Volatility	5.0%	11.0%	17.0%
U.S. Equities – Small Cap	1.0%	2.0%	4.0%
Non-North American Equities – Small Cap	1.0%	2.0%	4.0%
Emerging Markets Equities	3.0%	5.0%	7.0%
Total Equity		36.0%	
Fixed Income			
Canadian Bonds – Corporate	6.5%	10.0%	13.5%
Canadian Bonds – Long-Term Core Plus	11.0%	18.0%	25.0%
Cash/Short Term	0.0%	2.0%	5.0%
Total Fixed Income		30.0%	
Alternatives			
Real Estate	3.0%	5.0%	8.0%
Infrastructure	5.0%	15.0%	20.0%
Private Equity	1.0%	5.0%	10.0%
Private Credit	0.5%	5.0%	10.0%
Agriculture	0.5%	4.0%	8.0%
Total Alternatives		34.0%	

Appendix F Plausible Adverse Scenarios

A plausible adverse scenario is considered to be one that will occur in the short term (immediately to one year) with a likelihood of occurring between 1 in 10 and 1 in 20 based on the opinion of the actuary. The purpose of the following scenarios is to illustrate the impact on the Plan's financial position of the following adverse but plausible assumptions relative to the best estimate assumptions selected for the Plan's going concern valuation. The purpose of disclosing these results is to demonstrate the sensitivity of the funded status and annual current service cost between the December 31, 2025 and the next valuation date to certain key risk factors affecting the Plan. The results of the scenarios selected are shown in the table below, with a description of each scenario following.

(\$000s)	Going Concern Results at December 31, 2025	Plausible Adverse Scenario Results at December 31, 2025		
		Interest Rate Risk	Deterioration of Asset Values	Longevity Risk
Market value of assets	\$4,370,804	\$4,489,483	\$3,923,900	\$4,370,804
Smoothing adjustment	(173,646)	(268,590)	183,877	(173,646)
Total going concern assets	\$4,197,158	\$4,220,893	\$4,107,777	\$4,197,158
Going concern liabilities	\$3,288,602	\$3,451,376	\$3,288,602	\$3,344,604
Explicit margin reserve (Margin) on actuarial liabilities	657,720	690,275	657,720	668,921
Total going concern liabilities	\$3,946,322	\$4,141,651	\$3,946,322	\$4,013,525
Going concern excess/(unfunded liability)	\$250,836	\$79,242	\$161,455	\$183,633
Current service cost	\$137,650	\$146,159	\$137,650	\$138,960
Change in going concern liabilities		\$195,329	\$0	\$67,203
Change in current service cost		\$8,509	\$0	\$1,310
% Change in going concern liabilities		4.9%	0.0%	1.7%
% Change in current service cost		6.2%	0.0%	1.0%
Discount rate	6.30%	5.93%	6.30%	6.30%
Margin on liabilities	20.0%	20.0%	20.0%	20.0%
Margin on current service cost	8.51%	8.51%	8.51%	8.51%
Change in going concern assets		\$23,735	\$(89,381)	\$0

Interest Rate Risk

This scenario illustrates the sensitivity of the funded status of the Plan and current service cost to an immediate change in the market interest rates underlying fixed income investments.

In order to assess the impact of a decrease in interest rates of a magnitude consistent with a 1 in 10 likelihood of occurring, we have used the same stochastic model that is used to determine the going concern discount rate (see Appendix B). The stochastic model is based on 5,000 simulations of projected financial variables, including long-term yields on fixed income investments and asset class returns. Our long-term best estimates for these variables, and the going concern discount rate are based on the median values over these 5,000 simulations.

To determine the sensitivity to interest rate risk, and the resulting impact on Plan assets and liabilities, we have:

- considered the hypothetical going concern discount rate over the 500 trials where fixed income yields are lowest at the one-year horizon,
- determined the decrease in median long-term fixed income yields over the 500 trials where fixed income yields are the lowest at the one-year horizon.

As such, under the interest rate risk scenario, the going concern discount rate is decreased by 100 basis points as of December 31, 2025. With respect to the impact on fixed income assets, the scenario results in a decrease in yields on fixed income investments of 0.84%.

Based on the estimated duration of the Plan assets, liabilities and the current service cost, we have then determined the estimated change to the Plan's funded status under the interest rate risk scenario.

Deterioration of Asset Values

This scenario illustrates the sensitivity of the funded status of the Plan to a short-term economic shock which causes a reduction in the market value of non-fixed income assets, with no change to the liabilities of the Plan. This scenario is assumed not to impact the current expectation of the long-term rate of return, and consequently, the going concern discount rate.

In order to assess the impact of a decrease in asset values of a magnitude consistent with a 1 in 10 likelihood of occurring, we have used the same stochastic model that is used to determine the going concern discount rate (see Appendix B). The stochastic model is based on 5,000 simulations of projected financial variables, including long-term yields on fixed income investments and asset class returns.

To determine the sensitivity to a deterioration in asset values, based on the Plan's target asset mix, we have determined the decrease in median investment returns over the 500 trials where non-fixed income investment returns are the lowest at the one-year horizon.

As such, under the deterioration of asset values scenario, the market value of assets is reduced by 10.22% as of December 31, 2025.

Longevity Risk

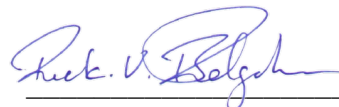
This scenario illustrates the sensitivity of the funded status of the Plan to pension plan members living longer than expected. The impact of this scenario was determined using a one-year age setback to the mortality table used for the going concern valuation as of December 31, 2025, that is, a more conservative mortality assumption than currently employed.

Appendix G Certificate of Administrator

With regards to the December 31, 2025 actuarial report for the Municipal Employees' Pension Plan, I hereby certify, to the best of my knowledge and belief:

- The significant terms of engagement contained in Section 1 of this report are accurate and reflect the plan administrator's direction with respect to this valuation;
- The Summary of the Plan Provisions contained in Appendix A of this actuarial report is a complete and accurate summary of the terms of the Plan which affect the funding requirements;
- The membership data provided to the actuary includes a complete and accurate description of every person who is entitled to benefits under the terms of the Plan for service up to December 31, 2025;
- The asset data provided or made available to the actuary is complete and accurate;
- All events subsequent to December 31, 2025 that may have an impact on the valuation have been communicated to the actuary.

September 29, 2026
Date


Signature

Manager, Actuarial Services
Title