

PA Public School Employees' Retirement System

# Annual Comprehensive Financial Report

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Fiscal Years Ended June 30, 2025 and 2024

A Component Unit of the Commonwealth of Pennsylvania

# Pennsylvania Public School Employees' Retirement System

A Component Unit of the Commonwealth of Pennsylvania

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## Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2025 and 2024

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**Board of Trustees**

Susan Lemmo  
**Vice Chair**  
**Board of Trustees**

Benjamin L. Cotton  
**Interim Executive Director & Chief Investment Officer**

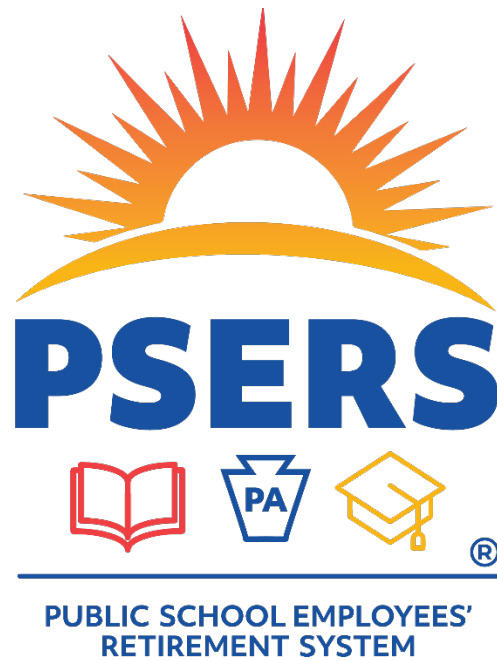
*Report prepared by the Public School Employees' Retirement System  
Office of Financial Management Staff with support from many areas of PSERS*

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# INTRODUCTORY SECTION



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**Letter of Transmittal**  
COMMONWEALTH OF PENNSYLVANIA  
**PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

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Harrisburg PA 17101-1905

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December 4, 2025

The Honorable Joshua D. Shapiro, Governor of Pennsylvania  
Members of the PA General Assembly  
Members of the Retirement System  
Members of the Boards of PSERS' Employers  
Pennsylvania Public School Employees' Retirement System Board of Trustees

Dear Governor Shapiro, Legislators, Members, Employers' Board Members, and PSERS' Board of Trustees:

We are pleased to present the 106th edition of the Annual Comprehensive Financial Report (ACFR) for the Pennsylvania Public School Employees' Retirement System (PSERS or System) for the fiscal years ended June 30, 2025, (FY 2025) and 2024 (FY 2024). This report provides financial, investment, actuarial, and statistical information in a single publication in accordance with the Government Finance Officers Association standards. Please refer to "PSERS at a Glance" starting on page 14, for further details regarding the System and statistical information related to benefit payments.

The management of the System is solely responsible for the accuracy and completion of this report, pursuant to section 24 Pa.C.S. §8502(n) of the Public School Employees' Retirement Code (Retirement Code). The entire report can be downloaded from PSERS' website at [www.pa.gov/PSERS](http://www.pa.gov/PSERS).

PSERS was established by law as an independent administrative board directed by a 15-member governing board of trustees (Board), which exercises control and management of the System, including the investment of its assets. PSERS is considered a component unit of the Commonwealth of Pennsylvania as defined by the Governmental Accounting Standards Board (GASB). An annual audit of the System by an independent certified public accounting firm is required by the Retirement Code. PSERS has contracted with SB & Company, LLC for the fiscal year 2025 audit of its financial statements and has received an unmodified opinion as evidenced in the Report of Independent Public Accountants in the Financial Section of this ACFR. An unmodified opinion means that PSERS' financial statements fairly present, in all material respects, its financial condition. No significant findings were noted during the audit and, therefore, a management letter was not issued. This is the sixteenth consecutive year that a management letter was not issued by the independent auditors and is reflective of the hard work and dedication of PSERS' Board and staff to continue to improve the internal controls, operations, and efficiency of the System.

Management's Discussion and Analysis, beginning on page 27, provides an overview of PSERS' financial position and changes thus helping readers to understand the financial statements.



## Major Initiatives

### Organizational Changes and Developments in 2025

Organizational changes and implementation of governance reforms continued during FY-25, as PSERS experienced several key staffing and organizational changes:

- **Terrill J. Sanchez** retired as Executive Director in June 2025, after nearly 40 years of public service to the Commonwealth of Pennsylvania. She served as the first female executive director for PSERS and SERS. The Board appointed Chief Investment Officer Benjamin L. Cotton as Interim Executive Director. Cotton will temporarily lead the agency while the Board concludes its nationwide search for a permanent executive director.
- **Eric Decker** transitioned from the Director of Governance and Strategic Initiatives to PSERS' first Chief Risk Officer. In this role, he will be solely focused on developing PSERS' enterprise risk management program through the newly established Risk and Performance Data Office (RPDO).
- The Strategic Project Management Office (SPMO) transitioned from oversight by the Director of Governance and Strategic Initiatives to the Deputy Executive Director for Administration. In this capacity, the SPMO will continue to offer project management services to strategic initiatives, policy initiatives, as well as complex information technology projects.
- **Alison B. Evans** joined PSERS in June 2025 as the Communications Director, overseeing the agency's internal and external communications, including coordination with the Bureau of Communications and Counseling (BOCC) to develop a member communication plan and strategy.

### Strategic Plan

The Board formally adopted a strategic plan framework, and subsequent three-year strategic plan for our organization in August 2023. This strategic plan represents months of hard work by both members of the Board and staff to better define and plan the work the agency is committed to doing each and every day, now and into the future. To ensure that our strategic plan was created with a sense of purpose and built on a strong foundation, we revisited our mission, vision and values. Guided by our functions, the Board identified the following six strategic priorities:

- Enhance member satisfaction throughout the customer experience.
- Enhance comprehensive and transparent financial reporting and forecasting.
- Develop the organizational culture and staff/leadership competencies to meet the demands of the future.
- Implement a robust enterprise risk management program.
- Enhance communications, collaboration, and the education of all critical stakeholders.
- Align all organizational units and functions with PSERS' strategic priorities.

These strategic priorities are supported by 24 initiatives that, clearly provide the focus necessary to efficiently work together on the right things at the right time. PSERS strategic plan is available on PSERS website at [www.pa.gov/PSERS](http://www.pa.gov/PSERS).

As of October 2025, PSERS has completed 15 of the strategic initiatives outlined in the plan (15 of 24), with an additional two planned to be completed by the end of January 2026.

### Member Communications and Services

#### ***Member and Employer Customer Service***

Aligned with many of our strategic priorities, there were several key advancements completed this past year to partner with 763 employers and better serve our more than 500,000 members:

Recognizing the importance of service to employers, PSERS provided a record 533 employer trainings and visits both in person and virtually.



PSERS has continued to offer virtual and in-person opportunities for its member counseling and member and employer education programs. These dual efforts continue to be positively received. While it has not been determined if there is a direct correlation, PSERS has experienced an increase in attendance at retirement counseling sessions compared to previous years.

Through the years, PSERS has experienced steady growth in our interaction with members which has impacted customer service levels, such as call abandonment and wait times. As a result, approval was received from the Board for a significant increase in staffing for BOCC of up to 20 full-time positions. PSERS has begun the first phase of a multi-year plan to implement this staffing increase with five new positions focusing on member counseling and communication services, such as answering phones and emails and providing in-person and virtual education and counseling. The increased staffing will improve the call center experience and provide opportunities for enhancing customer service provided to members.

### ***Member Self-Service (MSS)***

Steady growth in the use of online services by members has continued. More than 52% of active and retired members have an online account and of those, 87% retain the default of paperless delivery. Electronic delivery of documents has netted more than \$3.5 million in savings for the agency since this functionality was implemented in 2018. Additionally, members have completed more than 835,000 online transactions for themselves in this same period. Such transactions include managing and updating personal information, nominating beneficiaries, electing a membership class, creating personal retirement estimates, tracking the status of retirement applications and refunds, changing direct deposit information, and changing federal tax withholding.

Nearly 91% of all MSS accounts have elected to go paperless and receive information from PSERS electronically.

In May 2025, PSERS completed the migration of its pension administration system from an on-premises Oracle environment (V3) to the vendor-provided Postgres cloud environment (V3locity). This 16-month project was not only a strategic initiative aimed at fortifying the infrastructure of our member and employer service portals, but also an important technical initiative to better align system architecture.

## **Status of Pension Funding Initiatives**

The ongoing budgetary commitment of Governor Josh Shapiro and the Legislature authorizing state and school employers to pay the full amount of the actuarially determined contributions continues to help improve PSERS' funded status.

From FY 2017 to FY 2025, PSERS received full actuarial funding from school employers and the Commonwealth after 15 years of underfunding. Full actuarial funding from employers, along with member contributions and investment income, is a necessary source of funding that will pay down the unfunded liability and return PSERS to fully funded status.

The Commonwealth reimburses all school entity employers (school districts, intermediate units and vocational technical schools) at least 50% of all employer contributions paid to the System. This reimbursement is referred to as the "Commonwealth Share" of employer contributions. The Commonwealth reimburses certain school entity employers at a rate greater than 50% based on the Commonwealth of Pennsylvania Department of Education's Market Value/Personal Income Aid Ratio and other factors. The Commonwealth also remits 50% of the total employer contributions for employers other than school entities directly to the System. Total employer contributions are comprised of the Commonwealth Share and remaining contributions, which are referred to as the school and non-school entity share.

For FY 2025, the Commonwealth Share of total employer contributions was \$3.1 billion and the school and non-school entity share of defined benefit employer contributions was \$2.4 billion, for a total of \$5.5 billion.

Funding is the process of specifically setting aside money for current and future use. Proper funding for a defined benefit pension plan entails an actuarial examination of the fund balances and liabilities to ensure money will be available for current and future benefits. The actuarial valuation measures the progress toward funding pension obligations of the System by comparing the actuarial assets to the actuarial liabilities of the System.

On an actuarial basis, the funded ratio was 64.8% as of June 30, 2024, the most recent actuarial valuation. Subject to future investment returns and continued commitment to making employer contributions, the actuarial funded ratio is expected to climb to over 80% by 2032. The System's funded ratio on a fair-value basis was 68.04% as of June 30, 2025. The FY 2025 funded ratio increased on a fair-value basis due to higher investment returns in FY 2025. The longer-term trends remain positive. Since June 30, 2016, when full actuarial funding began, the System's fair-value unfunded ratio increased from 50.14% to 68.04% at June 30, 2025.

The results of PSERS' latest published actuarial valuation (as of June 30, 2024) indicated that the rates of contribution payable by the members and employers, when taken together with the current assets of the System, are adequate to fund the actuarial liabilities for all benefits payable under the System at that date.

(Additional comparative information on the funded status of PSERS can be found in the Financial and Actuarial Sections of this report.)

## Economic Summary

A primary element of PSERS' investment philosophy is diversification among various asset classes as an effective method to realize its goals while addressing uncertainty across capital markets from shifting macroeconomic and geopolitical environments. For the past few years, two shifts (technology, and geopolitical uncertainty/tariffs) have proven particularly significant.

### **Technology**

Advancement in technologies, particularly Artificial Intelligence (AI) and automation are transforming how businesses, industries and public services evolve. This advancement is anticipated to shift job roles and skills and economic needs over the next decade. The advancement in AI related companies have seen the 'Magnificent Seven', mostly technology related companies, grow over time and account for approximately one-third the overall exposure of the Standard and Poor's 500 Index. The potential productivity of AI is projected to have a positive impact on both corporate profits and gross domestic product (GDP) growth.

### **Geopolitical Uncertainty/Tariffs**

Conflict continues in Ukraine, and in Gaza between Israel and Hamas. The long-standing theme of globalization based on the economics of comparative advantages, has more recently given way to discussions regarding supply chain resiliency or nearshoring/onshoring of activities that had previously been offshored. This further complicates the assessment of relative value across regional classifications, which were already clouded given difference in sector composition, financial reporting transparency, and basic investor rights across jurisdictions. Accordingly, some investors (including PSERS) have revisited and revised long standing strategic over/underweights to certain geographical regions (e.g., Public U.S. relative to Emerging Market equity allocations). We believe this trend will influence the flow of capital across regional classifications and likely impact relative market valuations over the next several years. Stemming from this shift towards deglobalization, the economic impact of tariffs this past year contributes further to the uncertainties across capital markets.

## Investments

The Board has continued to fulfill its mission to maintain the stability and the long-term optimum value of the System. This is evidenced in the long-term growth of the System's assets and the actuarial soundness of the Defined Benefit Pension Plan. The annualized time-weighted rate of return for the 10-year period ended June 30, 2025, was 7.48% and is above the System's current long-term investment rate of return assumption

(7.00%). Of utmost importance to the Board, is the assurance that the required reserves are available for payment of retirement benefits.

The Board approves the investment policies for the System, and the Investment Office professionals are responsible for implementing those policies. The overall investment objectives of the System are as follows:

- to generate returns to support the System's actuarial soundness so it may provide its members with benefits as required by law;
- to earn a long-term total return, net of fees, and investment and administrative expenses, that equals or exceeds the actuarial assumed rate approved by the Board (currently 7.00%);
- to earn a long-term total return, net of fees and investment expenses, that equals or exceeds the Policy Index approved by the Board; and
- to prudently manage investment risks that are related to the achievement of investment goals.

Income from the investment portfolio represents a major source of revenue to the System, accounting for 50% of total revenues over the 25-year period from FY 2001 to FY 2025. The investment portfolio, which is one part of the System's net position, totaled \$81.4 billion, at fair value, as of June 30, 2025. For FY 2025, the time-weighted net rate of return on the System's investments was 9.67%.

Over FY 2025 Investment Office Leadership continued its focus on improving internal controls while also focusing on implementing the Strategic Asset Allocation (SAA) targets approved by the PSERS Board, on October 25, 2024, effective December 1, 2024. The new targets added 2% to equities and 0.5% to fixed income assets and offset the increases with a decrease of 2.5% within real assets. These adjustments are the latest among a continued focus towards delivering results more efficiently. As a result of implementing the Board's directive to prudently reduce allocations to more expensive strategies, investment related expenses relative to net position continues to decline. Between FY 2020 and FY 2025, investment related costs declined from 87 basis points (bps) to 47 bps.

The investment staff continues to focus on internal management of assets, when it results in lower investment related expenses overall without compromising return expectations. As of June 30, 2025, internally managed assets were approximately \$43.3 billion. However, the investment staff also seeks external managers where doing so is more efficient. For example, during the fiscal year, PSERS completed the outsourcing of its derivative exposure management, due primarily to increased operational costs and evolving regulatory controls associated with this type of strategy. Outsourcing derivatives management resulted in reduced overall cost to PSERS, while greatly enhancing the internal control environment over this activity.

(Additional information on the System's investments is contained in the Investment Section of this report.)

### Internal Controls and Reporting

PSERS' management is responsible for internal controls which are designed to provide reasonable assurances for the safeguarding of assets and the reliability of financial records. This report has been prepared in accordance with accounting principles generally accepted in the United States of America. The System maintains a full accrual accounting system. (More specific accounting information is detailed in the Summary of Significant Accounting Policies (Note 2) in the notes to the financial statements found in the Financial Section of this report.)

A system of internal controls provides reasonable, but not absolute, assurance that assets are properly safeguarded and that financial statements are reliable. The concept of reasonable assurance recognizes that first, the cost of a control should not exceed the benefits likely to be derived, and second, the valuation of the cost and benefits requires estimates and judgments by management.

As required by the Commonwealth, PSERS annually submits an internal controls assessment and monitoring plan to the Commonwealth's Office of Budget in September of each year. No material weakness or significant deficiencies have been identified in past internal control assessments.

As mandated by Act 128 of 2020, PSERS underwent an audit of its system controls using SOC 1 Type 2 standards promulgated by the American Institute of Certified Public Accountants (AICPA). The SOC audit provided a high level of reasonable assurance for the control objectives in scope, confirming that those controls were suitably designed and operating effectively throughout the testing period. This initiative was a multi-year effort and was also included on the agency's strategic plan.

## **Budgetary and Financial Governance**

PSERS manages multiple budget appropriations which support its ongoing operations. Each October, the agency submits its budget requests to the Governor's Office of the Budget. PSERS' Administrative and Defined Contribution budgets require legislative approval. None of PSERS' budgets are funded from the Commonwealth's General Fund, but rather from the earnings of the System's investments or participant charges. For FY 2025, the budgets for the System's two largest appropriations, the Administrative and the Investment Related Expenses, were \$61.4 million and \$40.7 million, respectively. Historically, the agency has underspent its approved budgets, keeping more funds available to invest on PSERS' members' behalf.

PSERS continues to be a leader among large U.S. public pension funds of similar size and complexity in its effective control of expenses while providing necessary services to its membership. During the last several years, the number of active and retired members electing to receive newsletters, statement of accounts, 1099-Rs, and other publications electronically has continued to grow, which saves the agency in postage, printing, and paper costs. During FY 2025, the agency reduced healthcare project management expenses, decreased equipment and software rental costs, and lowered consultant and legal fees, all of which preserve more of PSERS' assets for the benefit of the System and its members.

PSERS participates in an independent, international benchmarking survey evaluating its costs and service performance in comparison to other similar public pension funds. Based on the most recent survey, the agency had a 22% lower pension administration cost per member than the average cost for its peer group. By running a lean and efficient operation, PSERS saves the Commonwealth and school employers approximately \$15.8 million annually in administrative expenses compared to its peers.

## **PSERS Health Options Program**

Since 1994, PSERS has sponsored the Health Options Program (HOP), a voluntary, self-funded retiree group health insurance program for public school retirees, their spouses and dependents. Participation in HOP is voluntary, and benefits are financed by the premiums paid by plan participants, federal subsidies, and drug manufacturer rebates. HOP has expanded throughout the years to offer a variety of plans and services. Participants eligible for Medicare may select from among two self-insured Medicare supplement plans, two Medicare Rx plans, and multiple fully insured Medicare Advantage plans. Participants not eligible for Medicare have a choice between a self-insured pre-65 indemnity plan and a Managed Care Pre-65 plan. The HOP also offers a fitness program (SilverSneakers) and a dental and vision option through fully insured carriers.

The HOP had 123,092 participants (102,356 retirees plus their dependents) in HOP's medical and Medicare Part D prescription drug plans as of January 1, 2025, with nearly 100,000 participants in the prescription drug plan totaling more than \$597 million in annual health plan budget. HOP's voluntary Dental Program and Vision Plan had approximately 39,464 participants (33,060 retirees plus their dependents) as of the same date.

PSERS health program offerings continue to be well-received by members and honored for their excellence as evidenced by:

- In October 2025, PSERS was informed that HOP's prescription drug plan (PDP) received a near perfect consumer-services rating from the federal government for the 2026 plan year. The Centers for Medicare and Medicaid Services (CMS) bestowed a 4.5 Star Rating on HOP's Prescription Drug Employer Group Waiver Plan and marks the fourth consecutive year of a 4.5 star rating. PSERS was one of seven PDPs to receive 4.5 stars or higher, while the average Star Rating for the 40 PDP programs measured was 3.3.
- In May 2025, HOP's PDP received the Pharmacy Quality Alliance (PQA) Excellence in Quality Award. The award is based on a high-quality rating system employed by CMS.

### Defined Contribution Plan

Upon the passage of Act 5 of 2017, school employees who become new members of PSERS on or after July 1, 2019, are automatically enrolled in a membership class that consists of defined benefit (DB) and defined contribution (DC) components (default class). New members have 90 days from enrollment to choose from two other classes of membership: one that consists of lower DB and DC components, and one that is a stand-alone 401(a) Defined Contribution Plan. Voya Financial was selected as the third-party administrator to manage the participants' accounts and track employer payroll reporting. The DC component is based on the amount of required contributions made by the participant and their employer; the investment performance on those contributions; and the fees, costs and expenses deducted from the participant's account.

As of June 30, 2025, approximately 130,000 participants were enrolled in the DC Plan, and the vast majority of those participants were in the default class of membership with the higher benefit multiplier and higher contribution rates. The total DC plan participant balance was more than \$500 million as of the end of June with the majority of participant assets being in a default T. Rowe Price Target Date investment. The DC Plan's rapid growth in assets resulted in a change to the share class for the T. Rowe Price Target Date investments with lower investment fees.

The Retirement Code requires the DC Plan to provide no less than 10 investment options offered by three or more investment providers. Currently, the DC Plan has seven providers offering 20 investment options. Participants in the DC Plan can manage their DC investments through their online account.

### Other Information

In compliance with the Retirement Code, actuarial tables and the computational procedures used by the System in calculating annuities and other benefits were published in the Pennsylvania Bulletin (Vol. 52, No. 26). This information can be found at: <http://pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol52/52-26/967.html>.

## Acknowledgments

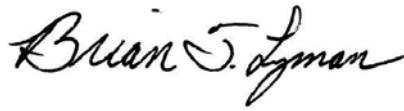
The preparation of this report reflects the combined efforts of PSERS' staff under the direction of the PSERS' Board. Our sincere appreciation is extended to all who assisted in and contributed to the completion of this document. This report is intended to provide complete and reliable information in conformance with accepted standards and to document responsible stewardship of the System's assets.

We embrace our responsibilities of being prudent stewards and to proactively prepare for the future. We will continue to work closely with our Board, members, employers and stakeholders and are committed to a collaborative, positive approach to move the Agency forward for the benefit of our members.

Respectfully submitted,



Benjamin L. Cotton,  
Interim Executive Director &  
Chief Investment Officer



Brian T. Lyman, CPA  
Chief Financial Officer



## PSERS at a Glance

The Public School Employees' Retirement System (PSERS) is one of the oldest pension plans in the United States. Since 1917, PSERS has been serving the public school employees of the Commonwealth of Pennsylvania (Commonwealth). PSERS is a governmental, cost-sharing, multiple-employer pension plan to which public school employers, the Commonwealth, and school employees (members) contribute. PSERS was created by statute through the Public School Employees' Retirement Code (Retirement Code) as a Defined Benefit Plan; a qualified trust under Section 401(a) of the Internal Revenue Service Code (DB Plan; Fund). PSERS' role expanded upon the passage of Act 5 of 2017, effective July 1, 2019, to include oversight of the School Employees' Defined Contribution Plan, a separate qualified 401(a) Defined Contribution Plan (DC Plan; Trust).

PSERS is the 34th largest plan among U.S. corporate and public pension plans, and the 21st largest state-sponsored public pension fund in the nation based on total plan assets according to a February 10, 2025, Pension & Investments survey. As of June 30, 2025, PSERS fiduciary net position was \$83.7 billion.

As of June 30, 2025, PSERS had approximately 262,000 active members. The annuitant membership was comprised of approximately 255,000 retirees and beneficiaries, who received disbursements totaling \$7.9 billion. The average yearly pension benefit paid to annuitants was \$26,522. As of June 30, 2025, PSERS had 763 participating school employers.

In addition to retirement benefits, PSERS administers a Premium Assistance Program and a PSERS Health Options Program. The Premium Assistance Program provides a health insurance premium subsidy of up to \$100 per month for those retirees who qualify. As of June 30, 2025, there were approximately 91,000 retirees who receive this benefit. PSERS Health Options Program is a voluntary, statewide plan that provides group health insurance coverage for school retirees, their spouses, and eligible dependents. The Health Options Program is entirely funded through participating member premiums with approximately 122,000 annuitants and their dependents as of June 30, 2025.

**500k + Members**

**262k** Active Members and Participants  
**255k** Retired Members and Beneficiaries

**763**

Participating  
Employers

### OUR MISSION

To be a partner with our members to fulfill the promise of a secure retirement.

### OUR VISION

To be a trusted partner in delivering exceptional retirement services and benefits.

### OUR VALUES

**P**ublic accountability and transparency

**S**taff growth and development

**E**xceptional level of service

**R**espect for our members, stakeholders, and staff

**S**tewardship of resources and investments

**\$26,522**  
in Average Annual Benefits

**\$7.9 Billion**  
in Disbursements paid in  
FY2024-25

**\$83.7 Billion**  
in Net Position as of 6/30/2025



## Pension Benefits by County Fiscal Year 2025 (Dollar Amounts in Millions)

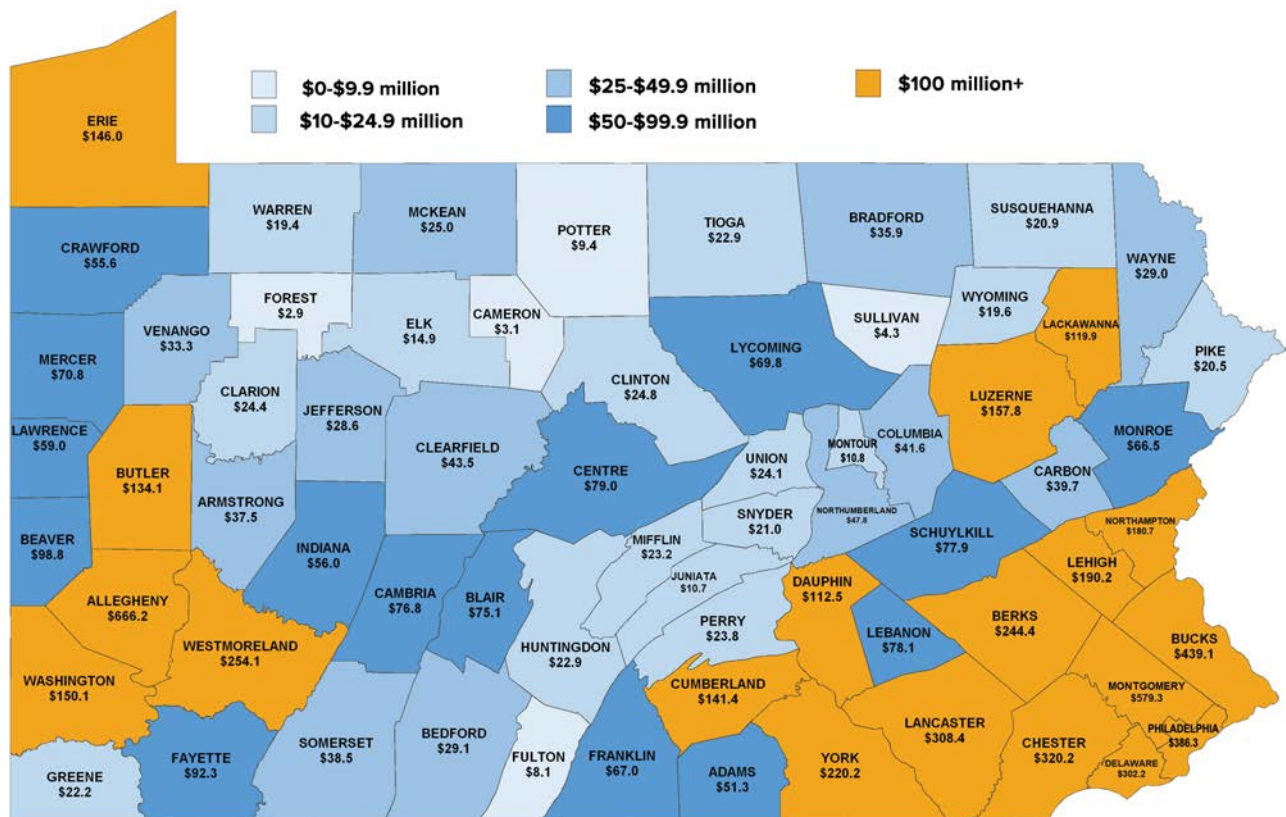
In fiscal year 2025, on a cash basis PSERS paid \$7.7 billion in pension benefits to all retirees. Of that total, nearly 90%, or \$6.9 billion, went directly into state and local economies. These pension benefits are a significant driver that benefit the Commonwealth's economy.

The cumulative financial reciprocity of PSERS' benefits is spread across the Commonwealth's 67 counties as the accompanying map and chart show.

### Top 10 Counties Based on Pension Benefits (Dollars in Millions)

Allegheny	\$666.2
Montgomery	\$579.3
Bucks	\$439.1
Philadelphia	\$386.3
Chester	\$320.2
Lancaster	\$308.4
Delaware	\$302.2
Westmoreland	\$254.1
Berks	\$244.4
York	\$220.2

## Total Benefits Payments Made In Pennsylvania - \$6.9 Billion



## Pension Benefit Amounts

The average PSERS retiree receives a modest pension of \$26,522 after working 23 years in public education. Throughout their careers, PSERS' members must make contributions mostly ranging between 7.50% and 10.80% of their pay to help fund their own retirement benefit. This contribution is calculated based upon the individual's class of membership. New members hired as of July 1, 2011 and July 1, 2019, fund the majority of their benefit, in accordance with Act 120 and Act 5 of 2017, respectively. This is in contrast to many non-public (private) pension plans. In over 90% of such plans, members do not contribute and the employers bear 100% of the cost of the benefit.\*

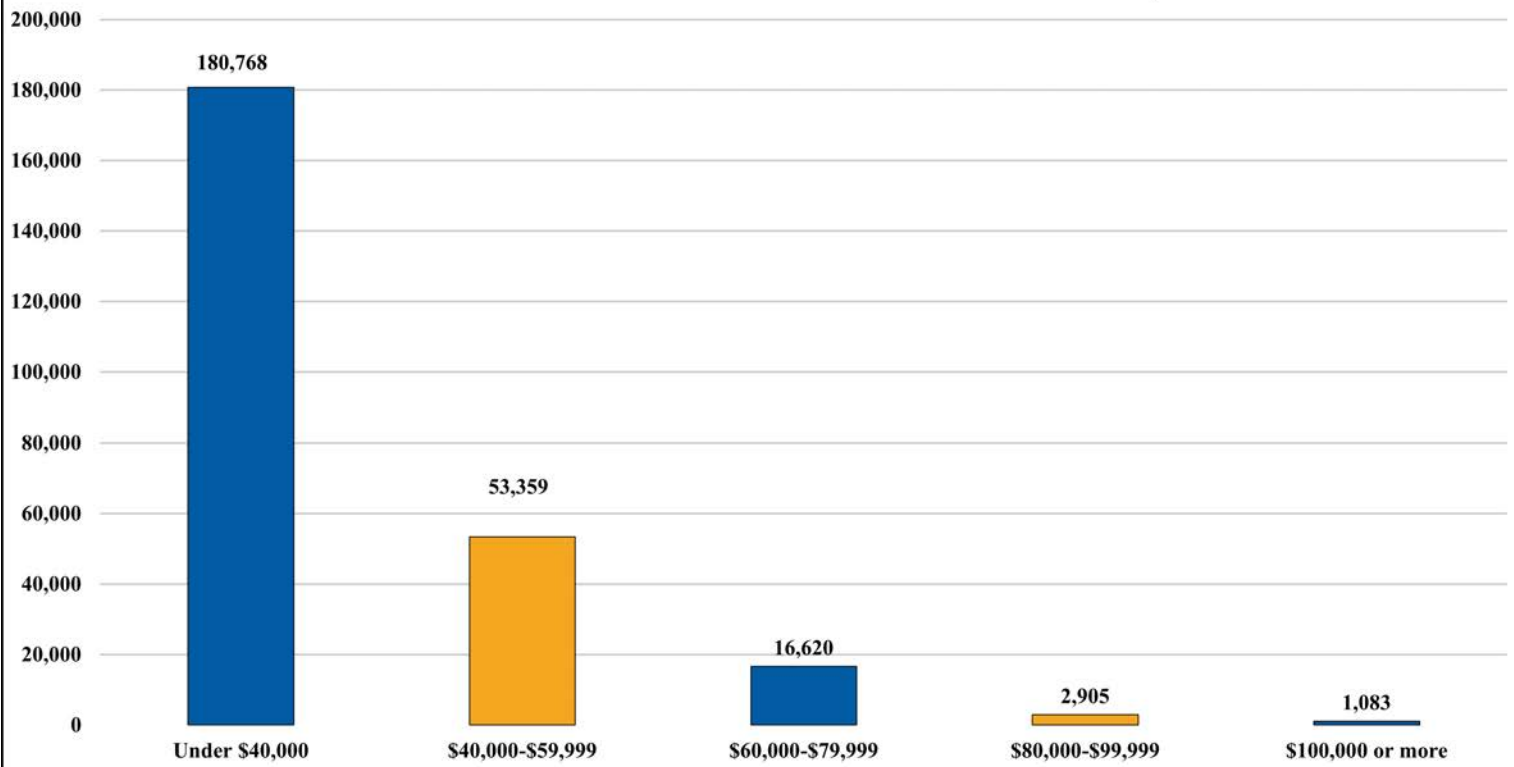
While approximately three quarters of PSERS' retirees receive an annual benefit below \$40,000, approximately 0.4% of retirees' pension benefits exceed \$100,000. As of June 30, 2025, there were 1,083 retired members receiving an annual benefit over \$100,000 out of approximately 255,000 PSERS retirees. These six-figure pension retirees spent an average of 37 years working in their public education careers and contributing to their benefit.

**\$26,522**  
Average Annual  
Pension

**71%**  
Receive Annual  
Benefit < \$40,000

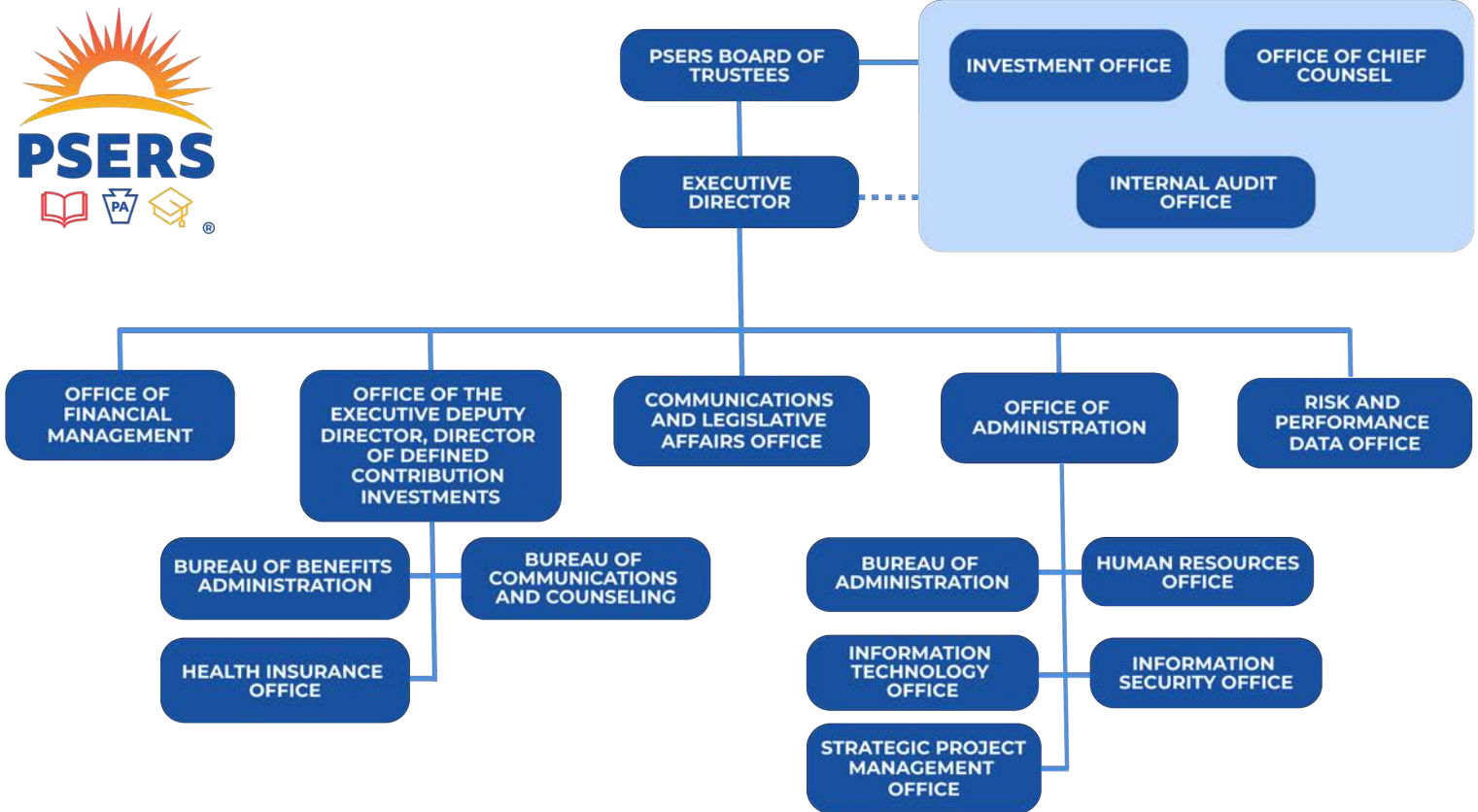
**0.4%**  
Receive Annual  
Benefit > \$100,000

**Distribution of Annual Pension Benefit Amounts June 30, 2025**



\*Based on a query of private plan IRS Form 5500 filing

## PSERS Organizational Structure



### Executive Office

The Executive Office is led by the Executive Director, who serves as the chief executive officer with overall responsibility for the management of the agency to achieve the objectives and strategic initiatives as established by the Board. The position's primary duty is to lead PSERS' employees in meeting the agency mission by partnering with our members to fulfill the promise of a secure retirement and being a trusted partner in delivering exceptional retirement services and benefits. This position is responsible for providing leadership, advice, and counsel to the Board, and ensuring public trust and confidence in the agency.

As of June 30, 2025

### **Investment Office**

Led by the Chief Investment Officer (CIO), the Investment Office is responsible for the investment activities of the agency. In compliance with the investment policy established by the Board, PSERS' investment assets are diversified across several asset classes, managed both internally by the Investment Office professionals and by external investment managers. The CIO serves as the Board's liaison and senior staff administrator on managing and overseeing the investments of the System.

### **Office of Chief Counsel**

Led by the Chief Counsel, this office provides legal services through a team of professionals in collaboration with PSERS' Executive Director and the Board. The legal staff is responsible for representing the System in all administrative hearings and other litigation matters and providing counsel in a wide variety of matters, including the interpretation of the Retirement Code, form and legality of all contracts, corporate governance issues and the structure and implementation of the varied financial investments.

### **Internal Audit Office**

Led by the Chief Audit Officer (CAO), the Internal Audit Office provides a wide range of independent internal auditing services for the Audit, Compliance and Risk Committee of the Board and executive management. It performs independent assessments of the systems of risk management, internal controls and operating efficiency, guided by professional standards and using innovative approaches. The office also routinely monitors compliance with established laws, rules, regulations, policies, and procedures.

### **Office of Financial Management**

Led by the Chief Financial Officer (CFO), this office oversees accounting and financial reporting for the agency in conformance with accounting principles generally accepted in the United States of America. The Office is also responsible for PSERS' budgetary matters, annuitant payroll, investment accounting, treasury operations, and taxation. This position oversees the General and Public Market Accounting Division, Investment Reporting and Budget Division, Annuitant Accounting Division, and Employer and Special Investment Accounting Division.

### **Communications and Legislative Affairs Office**

Led by the Director of Government Affairs and Stakeholder Engagement, this office is responsible for effective collaboration and engagement with PSERS' many key stakeholders, including the General Assembly, and oversight of agency internal and external communications, including coordination with the Bureau of Communications and Counseling to develop a member communication plan and strategy. Staff within this office also maintain the agency's external website as well as serve as a liaison to members of the General Assembly in responding to legislative inquiries, performing legislative research, and coordinating agency responses to proposed legislation.

### **Risk and Performance Data Office**

Led by the Chief Risk Officer, the Risk and Performance Data Office (RPDO) is responsible for the implementation and ongoing management of PSERS' enterprise risk management functions, including enterprise data management, governance, and analytics services needed to support operational performance management. More specifically, the office monitors and maintains PSERS' overall operational risk profile, as well as leads risk identification, assessment, and remediation consultation. The office also works across PSERS to establish data management standards, data governance policies, data standards, and data management procedures, while also improving the organization's reporting capabilities to enable operational performance monitoring related to key performance indicators, key risk indicators, and agency strategic goals. The office is also responsible for providing risk, performance, and data literacy training across the organization.

**Office of Administration**

Led by the Deputy Executive Director for Administration, this office provides comprehensive leadership and strategic project management services to assist the Executive Director in accomplishing the agency's mission by maintaining oversight of PSERS' administrative and information technology and security-related services for the agency. This includes managerial responsibility for the following areas: information technology; information security; human resources; project management; physical security; facilities; contracting and procurement; business continuity; safety; records management; and mail, imaging, and printing services.

**Office of the Deputy Executive Director and Director of Defined Contribution Investments**

Led by the Deputy Executive Director and Director of Defined Contribution Investments, this office provides comprehensive leadership and oversight to assist the Executive Director in accomplishing the agency mission by maintaining oversight of the Bureau of Benefits Administration, Bureau of Communications and Counseling, the Health Insurance Office, and the agency Appeals Coordinator. This includes managerial responsibility for PSERS' membership related benefit functions for the Defined Benefit (DB) plan, the Defined Contribution (DC) plan, and the post-employment healthcare programs, namely: member and employer communications; member retirement counseling; member and employer data administration; benefits determinations and processing; member appeals; knowledge management of benefit policies and procedures; health insurance retirement programs including premium assistance; third-party contractor administration, and defined contribution contract investment management. This office also oversees seven regional offices located throughout the Commonwealth that provide services to both active and retired PSERS members and over 763 public school employers. Among these services are regularly scheduled informational presentations on various topics relating to retirement benefits and programs.

**Professional Services**

Professional consultants are appointed by the Board of Trustees to perform services essential to the efficient operation of the System. An annual audit by an independent certified public accounting firm, SB & Company, LLC, and an annual valuation by Gallagher attest to the financial and actuarial soundness of PSERS. The investment performance of the System was calculated by the Board's general investment consultant, Verus Advisory, Inc., on a quarterly basis. (*For Schedules of Fees and Commissions please refer to the Financial section page 90 and Investment section page 104.* Other consultants who provided services to the System are listed in the Financial Section and Investment Section of this report.)



## PSERS Regional Offices

### Northwest

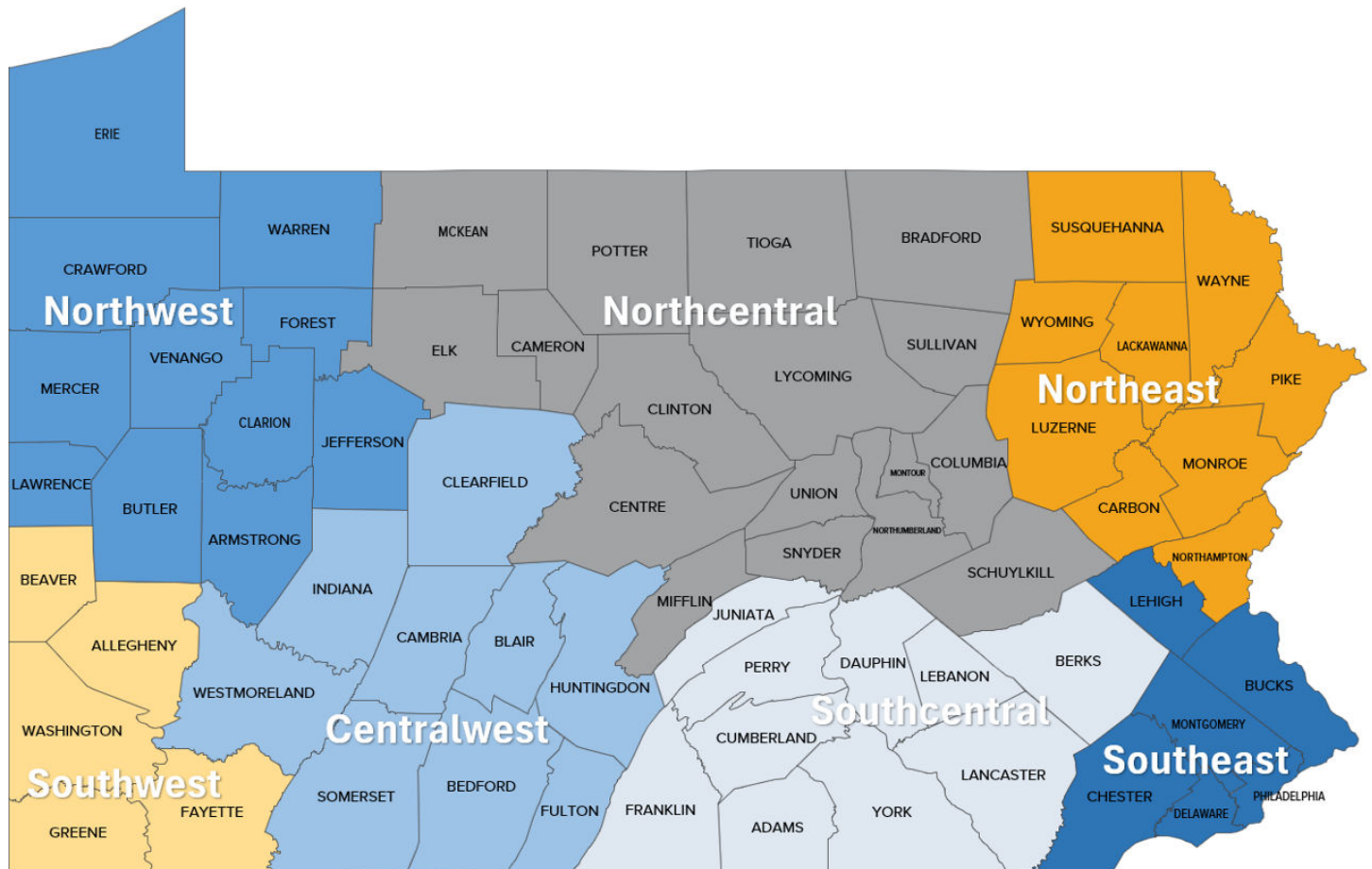
Franklin Penn Wood Center  
464 Allegheny Boulevard, Suite C  
Franklin, PA 16323-6210

### Northcentral

300 Bellefonte Avenue, Suite 201  
Lock Haven, PA 17745-1903

### Northeast

417 Lackawanna Avenue, Suite 201  
Scranton, PA 18503-2013



### Southwest

300 Cedar Ridge Drive, Suite 301  
Pittsburgh, PA 15205-1159

### Centralwest

219 West High Street  
Ebensburg, PA 15931-1540

### Southcentral

5 North 5th Street  
Harrisburg, PA 17101-1905

### Southeast

605 Louis Drive, Suite 500  
Warminster, PA 18974-2830

## PSERS Board of Trustees

The Public School Employees' Retirement Board ("Board") is established by state law as an independent administrative board of the Commonwealth responsible for the administration and oversight of the PSERS plans. The Board's 15 trustees stand in a fiduciary relationship to the members by exercising exclusive control and management of the DB Plan, including the investment of its assets and the payment of benefits, and the DC Plan within applicable state and federal laws.

PSERS BOARD MEMBERS - AUGUST 2025	
<b>CHAIR</b> Richard Vague Governor Appointee	<b>VICE CHAIR</b> Susan Lemmo Elected Retired Member
MEMBERS	
The Honorable Matt D. Bradford Pennsylvania House of Representatives	
Dr. Pamela Brown Elected Active Certified Member	
Eric O. DiTullio Elected by Pennsylvania Public School Boards	
The Honorable Jarrett Coleman Pennsylvania State Senate	
The Honorable Torren Ecker Pennsylvania House of Representatives	
The Honorable Stacy Garrity Treasurer of Pennsylvania	
Nathan G. Mains Chief Executive Officer of the Pennsylvania School Boards Association, Inc.	
Ann Monaghan Elected Active Non-Certified Member	
Jason Moore Elected Active Certified Member	
The Honorable Katie J. Muth Pennsylvania State Senate	
Brian A. Reiser Elected Active Certified Member	
The Honorable Dr. Carrie Rowe Acting Secretary of Education	
The Honorable Wendy Spicher Secretary of Banking & Securities	



## PSERS Awards



### Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to PSERS for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. Such an annual comprehensive financial report must satisfy both generally accepted accounting principles and applicable legal requirements.

PSERS has received this Certificate of Achievement for 42 consecutive years, from FY 1983 to FY 2024.



### Popular Annual Financial Reporting Award

GFOA bestowed an Award for Outstanding Achievement in Popular Annual Financial Reporting to PSERS for its Popular Annual Financial Report for the fiscal year ended June 30, 2024, which PSERS refers to as its Summary Annual Financial Report. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a governmental unit must publish a Popular Annual Financial Report, which conforms to program standards of creativity, presentation, understandability, and reader appeal.

PSERS has received a Certificate of Achievement for 9 consecutive years, from FY 2016 to FY 2024.



Public Pension Coordinating Council

### **Public Pension Standards Award For Funding and Administration 2024**

### Public Pension Coordinating Council Public Pension Standards Award

The Public Pension Coordinating Council presented its Public Pension Standards Award for Funding and Administration to PSERS for 2024. This award is in recognition of meeting professional standards for plan design and administration as set forth in the Public Pension Standards. Achievement of the Funding portion of this award is in recognition of the Governor's and General Assembly's commitment to fund 100% of the actuarially determined contributions certified by the PSERS' Board of Trustees.

# FINANCIAL SECTION



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## REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

The Board of Trustees of  
Commonwealth of Pennsylvania Public School Employees' Retirement System  
Harrisburg, Pennsylvania

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying statements of fiduciary net position of the Commonwealth of Pennsylvania Public School Employees' Retirement System (PSERS), a component unit of the Commonwealth of Pennsylvania, as of June 30, 2025 and 2024, and the related statements of changes in fiduciary net position for the years then ended, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of PSERS, 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 Opinions**

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of PSERS 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 opinions.

#### **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 controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PSERS' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Board of Trustees of  
Commonwealth of Pennsylvania Public School Employees' Retirement System  
Harrisburg, Pennsylvania



## Auditor's 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 auditor's report that includes our opinions. 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 controls. 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 controls 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 PSERS' internal controls. 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.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PSERS' ability to continue as a going concern for a reasonable period of time.

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 controls-related matters that we identified during the audit.

## Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the employer net pension liability, schedule of employer net pension liability, schedule of employer pension contributions, schedule of changes in the employer net OPEB (premium assistance) liability, schedule of employer net OPEB (premium assistance) liability, schedule of employer OPEB (premium assistance) contributions, and schedule of investment returns – pension and OPEB, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

The Board of Trustees of  
Commonwealth of Pennsylvania Public School Employees' Retirement System  
Harrisburg, Pennsylvania



### ***Supplementary Information***

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise PSERS' basic financial statements. The schedule of administrative and investment expenses, summary of investment expenses, and schedule of payments to non-investment consultants are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report (ACFR). The other information comprises the introductory, investment, actuarial, and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Philadelphia, Pennsylvania  
October 1, 2025

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## Management's Discussion and Analysis

Management's Discussion and Analysis (MD&A) of the Commonwealth of Pennsylvania Public School Employees' Retirement System (PSERS; System) for the fiscal year ended June 30, 2025 (FY 2025) provides a narrative summary of PSERS' financial position and performance, including highlights and comparative data. The MD&A is presented as required supplementary information to the financial statements and should be read in conjunction with the financial statements, the notes to financial statements, and the supplementary schedules.

### Overview of Financial Statements

PSERS administers a governmental, cost-sharing, multiple-employer pension plan for public school employees. PSERS is also required to oversee two employee classes who can select Defined Benefit (DB) and Defined Contribution (DC) components or a stand-alone DC class. Other statutes direct PSERS to administer two voluntary postemployment healthcare programs, the Health Insurance Premium Assistance Program (Premium Assistance) and the Health Options Program (HOP), for its annuitants.

The **Statements of Fiduciary Net Position** provide a snapshot of the financial position of PSERS at June 30, 2025 and 2024. Amounts are shown for the most recent and previous fiscal years for comparison and analysis of changes in individual line items.

The **Statements of Changes in Fiduciary Net Position** summarize PSERS' financial activities that occurred during the fiscal period from July 1, 2024, to June 30, 2025, and from July 1, 2023, to June 30, 2024. Amounts are shown for the most recent and previous fiscal years for comparison and analysis of changes in individual line items.

The **Notes to Financial Statements** provide additional information that is essential for a full understanding of the financial statements. The notes are an integral part of the financial statements and include detailed information not readily evident in the basic financial statements such as accounting policies, plan membership and benefits, and summary disclosures of selected financial data.

The **Required Supplementary Information**, immediately following the notes to financial statements, provides seven schedules illustrating the Changes in the Employer Net Pension Liability; Employer Net Pension Liability; Employer Pension Contributions; Changes in the Employer Net OPEB (Premium Assistance) Liability; Employer Net OPEB (Premium Assistance) Liability; Employer OPEB (Premium Assistance) Contributions; and Investment Returns - Pension and OPEB.

The **Other Supplementary Information** provide additional detailed information concerning the administrative expenses, investment expenses, and payments to non-investment consultants. These schedules emphasize the long-term nature of the pension and premium assistance plans and show the PSERS' progress in accumulating assets sufficient to pay benefits when due. This supplementary information is considered useful in understanding and evaluating PSERS' financial activities.



## Management's Discussion and Analysis (continued)

Analysis of Fiduciary Net Position Defined Benefit Pension Plan (Dollar Amounts in Thousands)					
Summary of Fiduciary Net Position	FY 2025	Increase (Decrease)	FY 2024	Increase (Decrease)	FY 2023
<b>Assets:</b>					
Receivables	\$ 3,033,323	\$ 558,374	\$ 2,474,949	\$ 12,802	\$ 2,462,147
Investments	81,369,864	5,797,233	75,572,631	4,570,768	71,001,863
Securities lending collateral pool	—	—	—	(6,147,770)	6,147,770
Capital assets	50,545	(4,286)	54,831	18,951	35,880
Miscellaneous	30,929	(2,773)	33,702	(11,011)	44,713
<b>Total Assets</b>	<b>84,484,661</b>	<b>6,348,548</b>	<b>78,136,113</b>	<b>(1,556,260)</b>	<b>79,692,373</b>
<b>Liabilities:</b>					
Payables and other liabilities	1,853,451	210,332	1,643,119	210,846	1,432,273
Obligations under securities lending	—	—	—	(6,147,770)	6,147,770
<b>Total Liabilities</b>	<b>1,853,451</b>	<b>210,332</b>	<b>1,643,119</b>	<b>(5,936,924)</b>	<b>7,580,043</b>
<b>Net Position</b>	<b>\$ 82,631,210</b>	<b>\$ 6,138,216</b>	<b>\$ 76,492,994</b>	<b>\$ 4,380,664</b>	<b>\$ 72,112,330</b>
<b>Summary of Changes in Fiduciary Net Position</b>	<b>FY 2025</b>	<b>Increase (Decrease)</b>	<b>FY 2024</b>	<b>Increase (Decrease)</b>	<b>FY 2023</b>
<b>Additions:</b>					
Contributions	\$ 6,659,315	\$ 198,730	\$ 6,460,585	\$ 36,987	\$ 6,423,598
Net investment income	7,323,837	1,619,566	5,704,271	2,908,975	2,795,296
<b>Total Additions</b>	<b>13,983,152</b>	<b>1,818,296</b>	<b>12,164,856</b>	<b>2,945,962</b>	<b>9,218,894</b>
<b>Deductions:</b>					
Benefit expenses	7,785,781	57,036	7,728,745	147,762	7,580,983
Administrative expenses	59,155	3,708	55,447	1,624	53,823
<b>Total Deductions</b>	<b>7,844,936</b>	<b>60,744</b>	<b>7,784,192</b>	<b>149,386</b>	<b>7,634,806</b>
<b>Changes in Net Position</b>	<b>6,138,216</b>	<b>1,757,552</b>	<b>4,380,664</b>	<b>2,796,576</b>	<b>1,584,088</b>
<b>Balance, Beginning of Year</b>	<b>76,492,994</b>	<b>4,380,664</b>	<b>72,112,330</b>	<b>1,584,088</b>	<b>70,528,242</b>
<b>Balance, End of Year</b>	<b>\$ 82,631,210</b>	<b>\$ 6,138,216</b>	<b>\$ 76,492,994</b>	<b>\$ 4,380,664</b>	<b>\$ 72,112,330</b>

## Defined Benefit Pension Plan

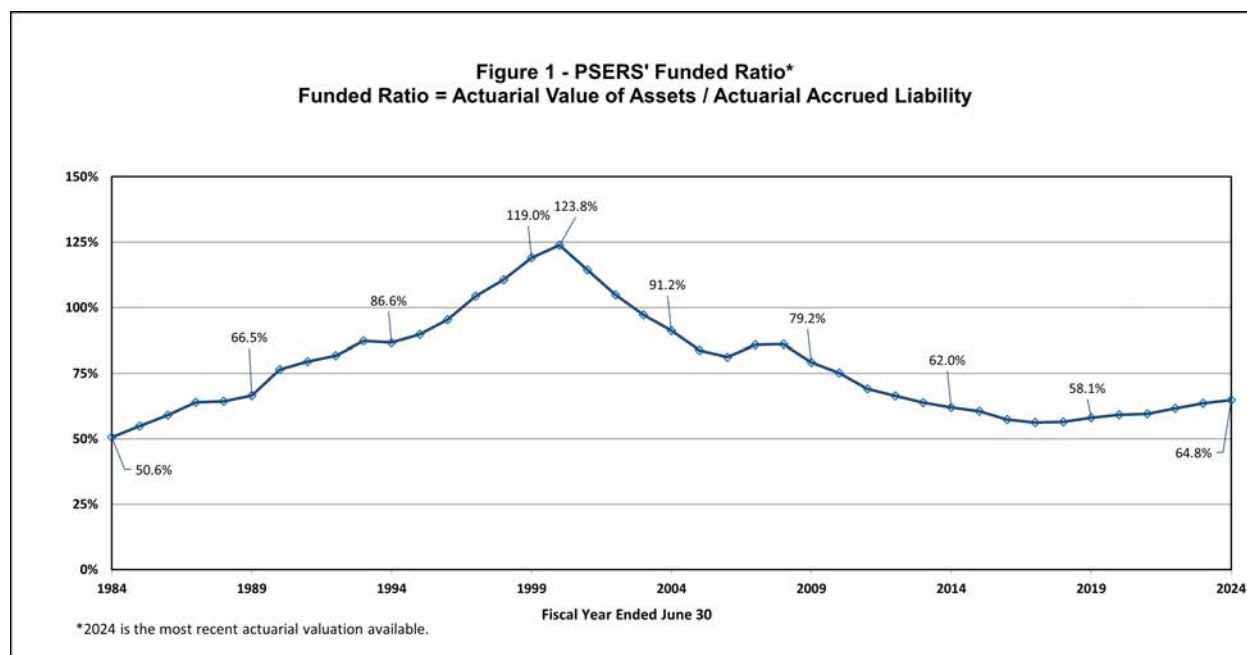
PSERS administers a governmental, cost-sharing, multiple-employer pension plan for public school employees. The following paragraphs and summary financial data provide supplementary information to the financial statements that contain the financial position and activities for Defined Benefit Pension Plan.

## Financial Highlights

- The time-weighted rate of return on Defined Benefit Pension Plan investments was 9.67% for FY 2025; 8.14% for the fiscal year ended June 30, 2024 (FY 2024); and 3.54% for the fiscal year ended June 30, 2023 (FY 2023). The Defined Benefit Pension Plan return for the 20-year period ended June 30, 2025, was 6.89%, which trailed the 7.00% actuarial investment rate of return assumption. Unless otherwise noted, all rates of return are net of fees.
- Defined Benefit Pension Plan net position increased \$6.1 billion from \$76.5 billion at June 30, 2024, to \$82.6 billion at June 30, 2025. The increase at June 30, 2025 was due mostly to positive net investment income. Defined Benefit Pension Plan net position increased \$4.4 billion from \$72.1 billion at June 30, 2023, to \$76.5 billion at June 30, 2024. The increase at June 30, 2024, was due mostly to positive net investment income. See analysis and discussion on Defined Benefit Pension Plan investments on pages 9 through 12.
- Defined Benefit Pension Plan employer contributions increased from \$5.3 billion in FY 2024 to \$5.5 billion in FY 2025. This was primarily attributable to employer payroll growth that was offset by a decrease in the pension portion of the employer contribution rate from 33.09% in FY 2024 to 32.92% in FY 2025.
- PSERS' employers fully funded the actuarially determined contributions from FY 2016 to FY 2025. These contributions continue to make a positive difference in PSERS' longer term funding trends as PSERS Net Pension Liability has declined by approximately 22% from \$49.6 billion at June 30, 2016 to \$38.8 billion at June 30, 2025.



## Management's Discussion and Analysis (continued)



- Defined Benefit Pension Plan benefit expense increased from \$7.7 billion in FY 2024 to \$7.8 billion in FY 2025. This is due to increases in the average monthly pension benefit and the number of members receiving benefits in FY 2025.

### Funded Status

PSERS uses an actuarial reserve type of funding that is financed by member contributions, employer contributions, and earnings from invested assets. Pennsylvania's Public School Retirement Code requires PSERS Board of Trustees to conduct an annual independent actuarial valuation of assets and liabilities. As part of this valuation, the progress toward funding pension obligations of PSERS is measured by comparing the actuarial value of assets to the actuarial accrued liability. This measurement is referred to as the funded ratio or funded status.

PSERS' actuarial funded ratio increased from 63.6% at June 30, 2023 to 64.8% as of June 30, 2024, the most recent actuarial valuation, due to full actuarially determined employer contributions, favorable demographic experience, and positive investment returns.

Figure 1 illustrates a 40-year history of PSERS' funded status. The actuarial funded ratio improved to 64.8% as of June 30, 2024, after reaching a significant turning point at June 30, 2017, when it fell to a low of 56.3%. After years of decline since the 123.8% peak at June 30,

2000, the funded ratio is steadily improving and is projected to continue to rise in the future. FY 2025 operational results will be reflected in the actuarial valuation for the year ended June 30, 2025. Due to the normal lag time for completion of the actuarial valuation, the resulting actuarial funded status will be available at the end of the 2025 calendar year and will be reported in the financial statements for the fiscal year ending June 30, 2026 (FY 2026). Based on positive investment performance for the 10-year period ended June 30, 2025, and due to receiving the full actuarially determined contributions, the funded ratio at June 30, 2025 is expected to improve.

Under GASB 67, the fair value funded ratio, which is referred to as the plan fiduciary net position as a percentage of total pension liability, increased from 64.63% at June 30, 2024, to 68.04% at June 30, 2025 due to PSERS receiving the full actuarially determined contributions and positive investment returns. Unlike the actuarial funded ratio, which recognizes the investment performance over 10 years, the fair value funded ratio is expected to fluctuate more year-to-year due to the immediate recognition of the Defined Benefit Pension Plan's fiscal-year investment performance.

Over the past nine years, the longer term trend of the fair value funded ratio increased from 50.14% at June 30, 2016, to 68.04% at June 30, 2025, due primarily to PSERS receiving the full actuarially determined contributions and strong positive investment returns. Based on the current actuarial assumptions, PSERS remains on a path to full funding.

## Management's Discussion and Analysis (continued)

Table 1 - Investment Balances by Asset Class

(Dollar Amounts in Thousands)						
Asset Class	2025	%	2024	%	2023	%
Short-term	\$ 5,525,863	6.8	\$ 6,572,484	8.7	\$ 6,118,812	8.6
Fixed income	18,350,796	22.5	17,155,399	22.7	15,658,641	22.0
Equity	30,819,518	37.9	24,356,583	32.2	21,506,295	30.3
Collective trust funds	539,727	0.7	905,424	1.2	2,117,309	3.0
Real estate	9,595,158	11.8	8,146,596	10.8	7,437,732	10.5
Alternative investments	16,538,802	20.3	18,436,145	24.4	18,163,074	25.6
<b>Total</b>	<b>\$ 81,369,864</b>	<b>100.0</b>	<b>\$ 75,572,631</b>	<b>100.0</b>	<b>\$ 71,001,863</b>	<b>100.0</b>

## Defined Benefit Pension Plan Investments

Defined Benefit Pension Plan investments of \$81.4 billion represents an increase of \$5.8 billion over the previous fiscal year end amount. Total Defined Benefit Pension Plan investment performance for FY 2025 was a time-weighted rate of return of 9.67%.

The asset distribution of the Defined Benefit Pension Plan's investment portfolio at June 30, 2025, is presented in Figure 2 and Table 1. For comparison purposes, the prior two fiscal years also are presented in Table 1.

## FY 2025

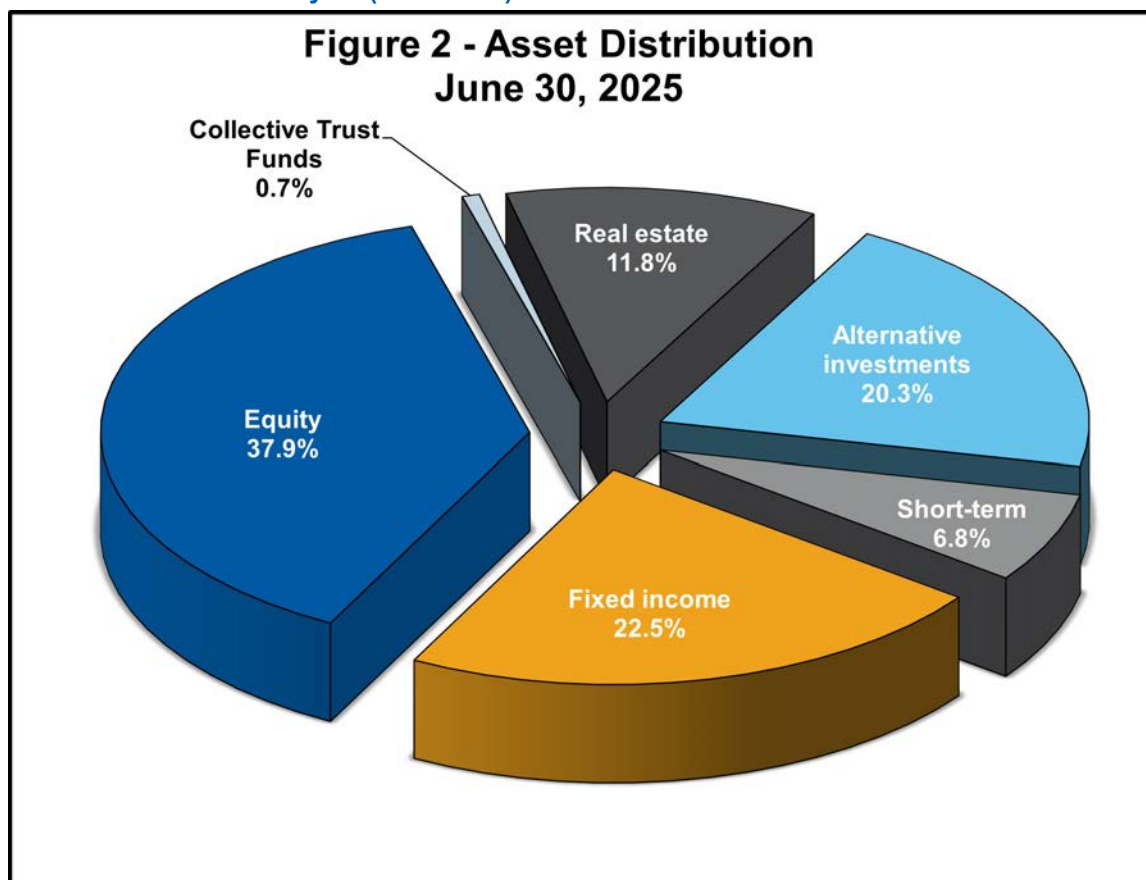
- **Short-term investments** (cash and cash equivalents) decreased by \$1.0 billion from \$6.6 billion at June 30, 2024, to \$5.5 billion at June 30, 2025, mainly due to a reallocation of exposure from other asset classes.
- **Fixed income investments** increased by \$1.2 billion from \$17.2 billion at June 30, 2024, to \$18.4 billion at June 30, 2025, mainly due to positive investment performance and a reallocation of exposure from other asset classes.
- **Equity investments** increased by \$6.5 billion from \$24.4 billion at June 30, 2024, to \$30.8 billion at June 30, 2025, mainly due to positive investment performance offset by reallocation of exposure to other asset classes.
- **Collective trust funds** decreased by \$0.4 billion from \$0.9 billion at June 30, 2024, to \$0.5 billion at June 30, 2025, due to the unwinding of the absolute return program.
- **Real estate investments** increased by \$1.4 billion from \$8.1 billion at June 30, 2024, to \$9.6 billion at June 30, 2025, due to contributions to new and existing partnerships combined with valuation increases in partnership portfolio holdings, which exceeded significant distributions.

- **Alternative investments** decreased by \$1.9 billion from \$18.4 billion at June 30, 2024, to \$16.5 billion at June 30, 2025, due to significant distributions exceeding contributions primarily as a result of secondary sales within the Asset class.

## FY 2024

- **Short-term investments** (cash and cash equivalents) increased by \$0.5 billion from \$6.1 billion at June 30, 2023, to \$6.6 billion June 30, 2024, mainly due to a reallocation of exposure to other asset classes.
- **Fixed income investments** increased by \$1.5 billion from \$15.7 billion at June 30, 2023, to \$17.2 billion at June 30, 2024, mainly due to positive investment performance and a reallocation of exposure from other asset classes.
- **Equity investments** increased by \$2.9 billion from \$21.5 billion at June 30, 2023, to \$24.4 billion at June 30, 2024, mainly due to positive investment performance offset by reallocation of exposure to other asset classes.
- **Collective trust funds** decreased by \$1.2 billion from \$2.1 billion at June 30, 2023, to \$0.9 billion at June 30, 2024, due to the unwinding of the absolute return program.
- **Real estate investments** increased by \$0.7 billion from \$7.4 billion at June 30, 2023, to \$8.1 billion at June 30, 2024, due to contributions to new and existing partnerships combined with valuation increases in partnership portfolio holdings, which exceeded significant distributions.
- **Alternative investments** increased by \$0.2 billion from \$18.2 billion at June 30, 2023, to \$18.4 billion at June 30, 2024, due to contributions to new and existing partnerships combined with valuation increases in partnership portfolio holdings, which exceeded significant distributions.

## Management's Discussion and Analysis (continued)



### Securities Lending

The Defined Benefit Pension Plan's net income from securities lending activities decreased by \$3.7 million from \$3.7 million in FY 2024 to \$0 in FY 2025. The System's securities lending program has been suspended since October 31, 2023.

### Contributions

Defined Benefit Pension Plan Employer contributions increased by \$0.2 billion from \$5.3 billion in FY 2024 to \$5.5 billion in FY 2025. This was primarily attributable to employer payroll growth offset by a decrease in the employer contribution rate from 33.09% in FY 2024 to 32.92% in FY 2025. Employer contributions remained consistent at \$5.3 billion in FY 2023 to \$5.3 billion in FY 2024. This was primarily attributable to employer payroll growth offset by a decrease in the employer contribution rate from 34.31% in FY 2023 to 33.09% in FY 2024.

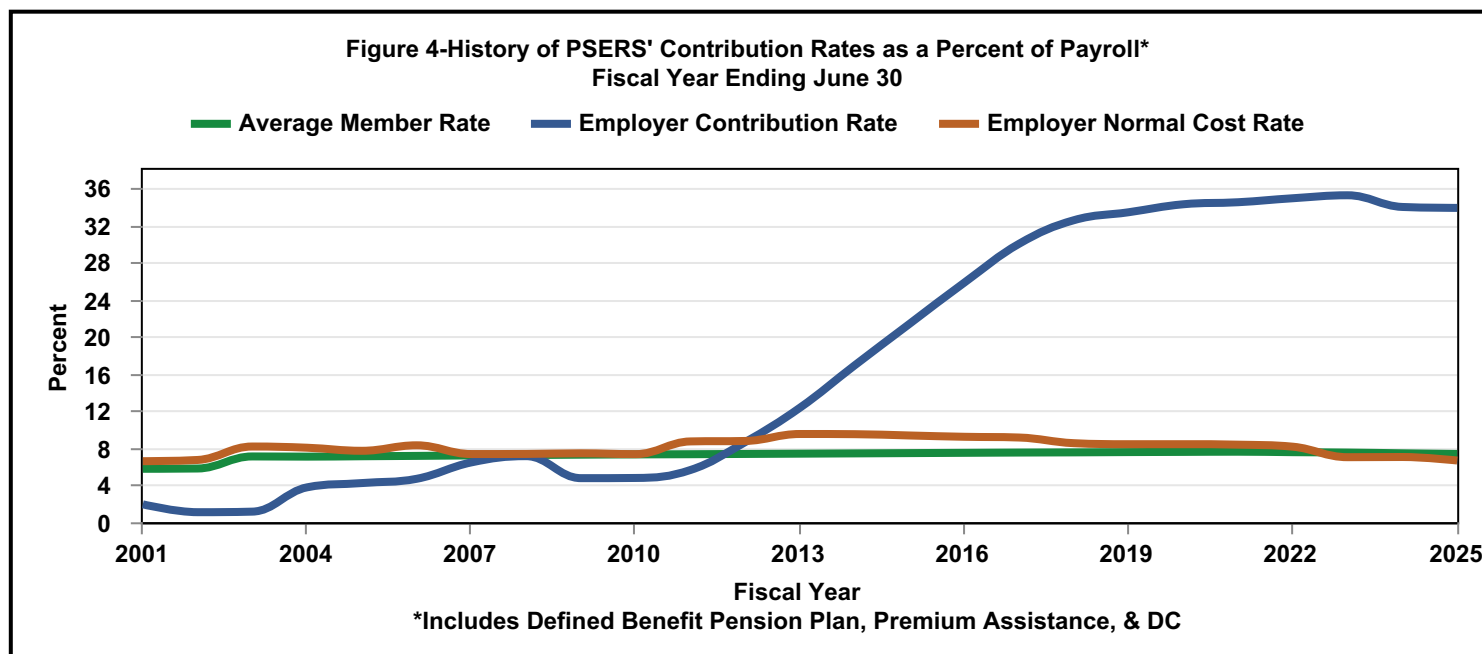
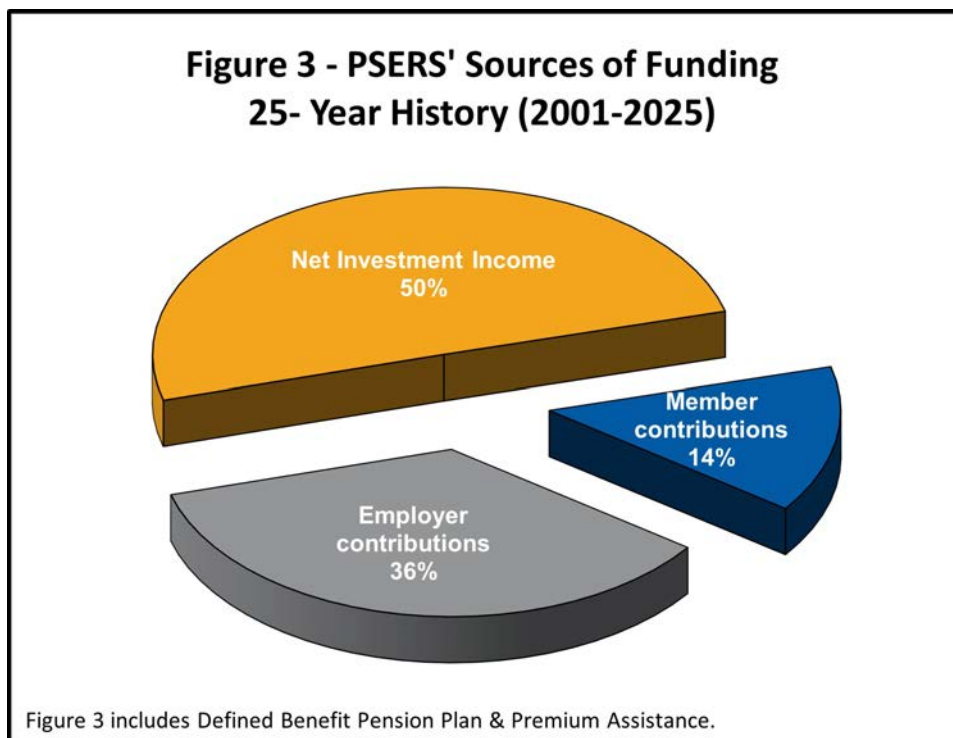
Defined Benefit Pension Plan member contributions decreased slightly from \$1.20 billion in FY 2024 to \$1.19 billion in FY 2025 mainly due to a decrease in the average member contribution rate from 7.37% in FY 2024 to 7.29% in FY 2025 offset by an increase in member contributions from active member payroll.

Pension portion of member contributions increased from \$1.17 billion in FY 2023 to \$1.20 billion in FY 2024 mainly due to an increase in member contributions from active member payroll.

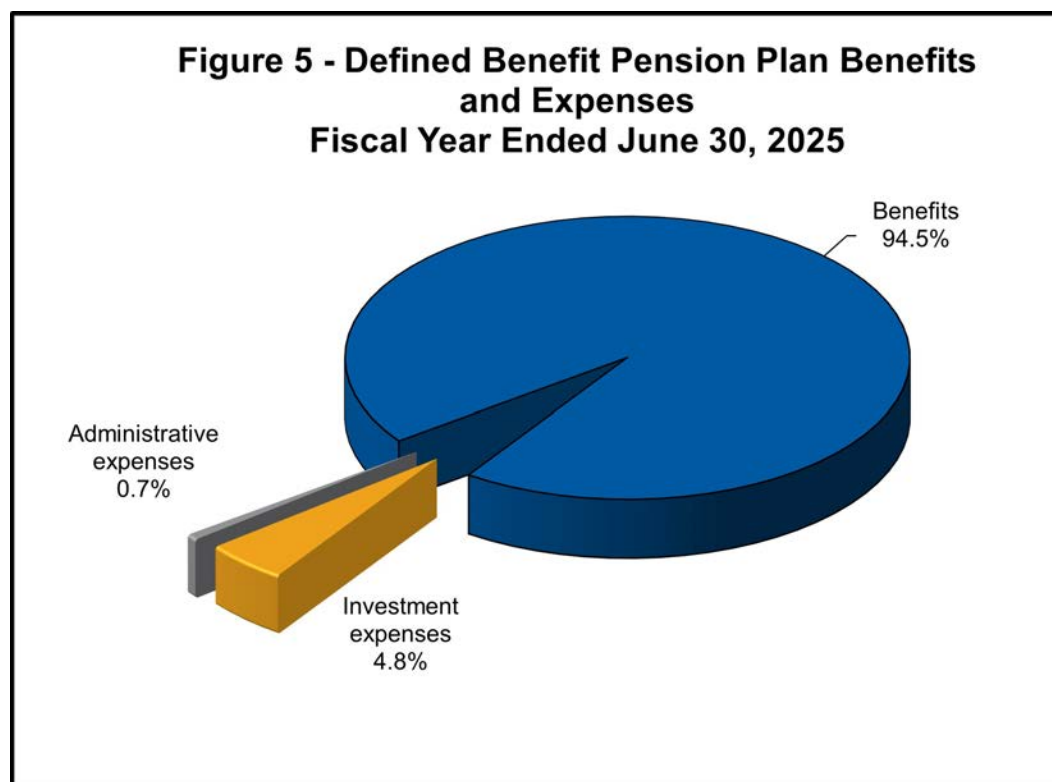
See Figure 4 for a history of member and employer contribution rates as a percentage of payroll.

### Investment Income

Defined Benefit Pension Plan net investment income of \$7.3 billion in FY 2025 increased from net investment income of \$5.7 billion in FY 2024. As depicted in Figure 3, investment earnings provided 50% of PSERS' total funding over the past 25 years, a majority of which is related to the Defined Benefit Pension Plan. Net investment income also includes investment expenses as a deduction. The "Defined Benefit Pension Plan Benefits and Expenses" section that follows includes an analysis of investment expenses.



## Management's Discussion and Analysis (continued)



### Defined Benefit Pension Plan Benefits and Expenses

The primary expense source during FY 2025 was the payment of pension benefits approximating \$7.8 billion. Figure 5 illustrates the significant portion of expenses attributable to Defined Benefit Pension Plan benefit payments. Defined Benefit Pension Plan benefits increased from \$7.7 billion in FY 2024 to \$7.8 billion in FY 2025. The increase is attributable to an ongoing increase to the average monthly benefit offset by a decrease in pension lump sum and pension lump sum rollover payments. Pension benefits payable increased from \$789.8 million at June 30, 2024 to \$796.2 million at June 30, 2025. This increase was mainly attributable to an increase in death benefit payments payable. Defined Benefit Pension Plan benefits increased from \$7.6 billion in FY 2023 to \$7.7 billion in FY 2024. The increase is attributable to an ongoing increase to the average monthly benefit. The average monthly benefit increase is attributable to the increase to the number of members receiving a benefit payment. Pension benefits payable increased from \$656.4 million at June 30, 2023, to \$789.8 million at June 30, 2024. The increase was mainly attributable to an increase in pension payments payable from a higher number of retirements in the 4th quarter of FY 2024.

Investment expenses decreased by \$13.7 million from \$410.4 million in FY 2024 to \$396.7 million in FY 2025 mainly due to a decrease in private equity manager fees of \$22 million. As a percentage of defined benefit pension plan benefits, investment expense decreased from 5.0% in FY 2024 to 4.8% in FY 2025.

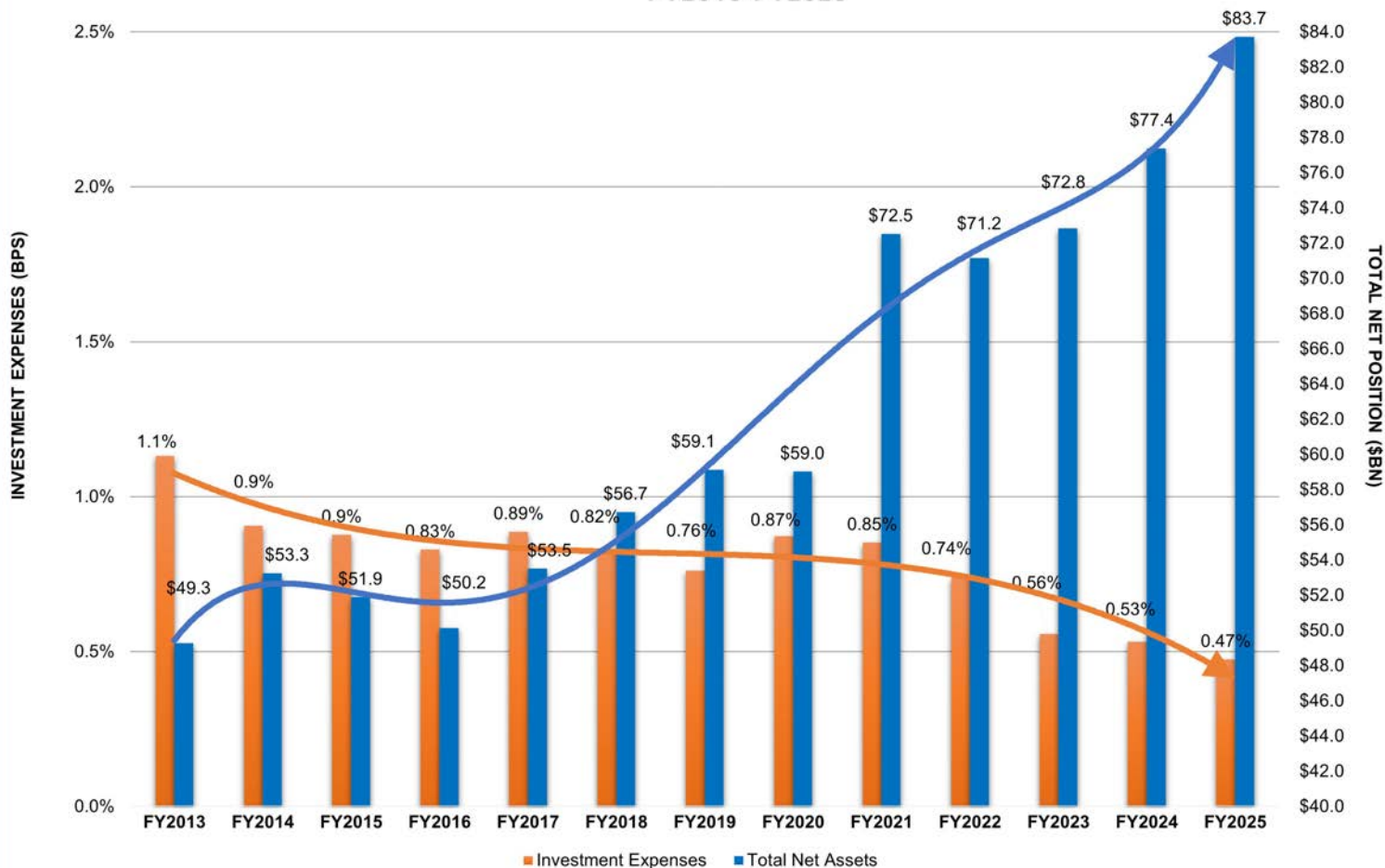
Defined Benefit Pension Plan administrative expenses increased by \$3.8 million from \$55.4 million during FY 2024 to \$59.2 million during FY 2025. This increase was mainly attributable to an increase in personnel costs. As depicted in Figure 5, Defined Benefit Pension Plan administrative expenses represent 0.7% of total benefits and expenses.

As a percentage of total PSERS benefits, investment expense has decreased from a high of 8.2% in FY 2013 to 4.8% in FY 2025. During this same period, total PSERS net position increased \$34.4 billion from \$49.3 billion at June 30, 2013, to \$83.7 billion at June 30, 2025, as depicted in Figure 6. Correspondingly, investment expenses as a percentage of total net position also have decreased from a high of 1.1% in FY 2013 to 0.47% in FY 2025.



Figure 6 includes Defined Benefit Pension Plan,  
Premium Assistance, DC & Health Options Program

**Figure 6-PSERS**  
**Investment Expenses to Total Net Position**  
**FY2013-FY2025**



## Management's Discussion and Analysis (continued)

Analysis of Fiduciary Net Position Defined Contribution Plan (Dollar Amounts in Thousands)					
Summary of Fiduciary Net Position	FY 2025	Increase (Decrease)	FY 2024	Increase (Decrease)	FY 2023
<b>Assets:</b>					
Receivables	\$ 807	\$ (558)	\$ 1,365	\$ 431	\$ 934
Investments	558,275	202,027	356,248	153,482	202,766
<b>Total Assets</b>	<b>559,082</b>	<b>201,469</b>	<b>357,613</b>	<b>153,913</b>	<b>203,700</b>
<b>Liabilities:</b>					
Payables and other liabilities	1,605	312	1,293	(526)	1,819
<b>Total Liabilities</b>	<b>1,605</b>	<b>312</b>	<b>1,293</b>	<b>(526)</b>	<b>1,819</b>
<b>Net Position</b>	<b>\$ 557,477</b>	<b>\$ 201,157</b>	<b>\$ 356,320</b>	<b>\$ 154,439</b>	<b>\$ 201,881</b>
<b>Summary of Changes in Fiduciary Net Position</b>					
	<b>FY 2025</b>	<b>Increase (Decrease)</b>	<b>FY 2024</b>	<b>Increase (Decrease)</b>	<b>FY 2023</b>
<b>Additions:</b>					
Contributions	\$ 161,031	\$ 37,487	\$ 123,544	\$ 33,540	\$ 90,004
Net investment income	58,959	14,544	44,415	22,881	21,534
<b>Total Additions</b>	<b>219,990</b>	<b>52,031</b>	<b>167,959</b>	<b>56,421</b>	<b>111,538</b>
<b>Deductions:</b>					
Distributions	14,546	4,564	9,982	3,812	6,170
Administrative expenses	4,287	749	3,538	1,080	2,458
<b>Total Deductions</b>	<b>18,833</b>	<b>5,313</b>	<b>13,520</b>	<b>4,892</b>	<b>8,628</b>
<b>Changes in Net Position</b>	<b>201,157</b>	<b>46,718</b>	<b>154,439</b>	<b>51,529</b>	<b>102,910</b>
<b>Balance, Beginning of Year</b>	<b>356,320</b>	<b>154,439</b>	<b>201,881</b>	<b>102,910</b>	<b>98,971</b>
<b>Balance, End of Year</b>	<b>\$ 557,477</b>	<b>\$ 201,157</b>	<b>\$ 356,320</b>	<b>\$ 154,439</b>	<b>\$ 201,881</b>

## Defined Contribution Plan (DC)

PSERS administers a Defined Contribution Plan for employees hired on or after July 1, 2019. The following paragraphs and summary financial data provide supplementary information to the financial statements that contain the financial position and activities for the Defined Contribution Plan.

## Financial Highlights

Total net position increased by \$201.2 million from June 30, 2024, to June 30, 2025. This increase is primarily due to participant and employer contributions and investments (additions) exceeding the benefits and administrative expenses (deductions).

## Contributions

Total member (participant) contributions increased from \$69.7 million to \$91.1 million, while total employer contributions increased from \$53.8 million to \$69.9 million for the years ended June 30, 2024, and 2025, respectively. Contributions increased due to an increase in participants from 79,800 on June 30, 2024, to 94,800

on June 30, 2025, resulting in an increase in employee and employer contributions. Additionally, employee contributions increased due to a 36.4% increase in participants with voluntary post tax contributions.

## Investment Income

Total net investment income increased from \$44.4 million to \$59.0 million for the years ended June 30, 2024, and 2025, respectively. The U.S. economy has been resilient due to a stable labor market, inflation moderating and the adoption of artificial intelligence to fuel productivity.



## Management's Discussion and Analysis (continued)

### Benefits and Expenses

Overall deductions increased from \$13.5 million to \$18.8 million for the years ended June 30, 2024, and 2025, respectively. Total distributions increased by \$4.6 million due to a 14.0% increase in the number of participants receiving distributions and an increase in the average distribution of 28.3% offset by refunds of expenditures due to stale-dated checks. Overall DC administrative expenses increased due to an increase in the total number of participants in the plan and an increase in PSERS personnel cost.

## Management's Discussion and Analysis (continued)

Analysis of Fiduciary Net Position Premium Assistance (Dollar Amounts in Thousands)					
Summary of Fiduciary Net Position	FY 2025	Increase (Decrease)	FY 2024	Increase (Decrease)	FY 2023
<b>Assets:</b>					
Receivables	\$ 30,794	\$ 1,359	\$ 29,435	\$ (3,516)	\$ 32,951
Investments	105,976	(3,897)	109,873	1,506	108,367
<b>Total Assets</b>	<b>136,770</b>	<b>(2,538)</b>	<b>139,308</b>	<b>(2,010)</b>	<b>141,318</b>
<b>Liabilities:</b>					
Payables and other liabilities	3,393	533	2,860	2,258	602
<b>Total Liabilities</b>	<b>3,393</b>	<b>533</b>	<b>2,860</b>	<b>2,258</b>	<b>602</b>
<b>Net Position</b>	<b>\$ 133,377</b>	<b>\$ (3,071)</b>	<b>\$ 136,448</b>	<b>\$ (4,268)</b>	<b>\$ 140,716</b>

Summary of Changes in Fiduciary Net Position	FY 2025	Increase (Decrease)	FY 2024	Increase (Decrease)	FY 2023
<b>Additions:</b>					
Contributions	\$ 103,390	\$ 1,179	\$ 102,211	\$ (12,510)	\$ 114,721
Net investment income	5,187	(997)	6,184	1,710	4,474
<b>Total Additions</b>	<b>108,577</b>	<b>182</b>	<b>108,395</b>	<b>(10,800)</b>	<b>119,195</b>
<b>Deductions:</b>					
Benefit expenses	110,528	(1,131)	111,659	(1,211)	112,870
Administrative expenses	1,120	116	1,004	(81)	1,085
<b>Total Deductions</b>	<b>111,648</b>	<b>(1,015)</b>	<b>112,663</b>	<b>(1,292)</b>	<b>113,955</b>
<b>Changes in Net Position</b>	<b>(3,071)</b>	<b>1,197</b>	<b>(4,268)</b>	<b>(9,508)</b>	<b>5,240</b>
<b>Balance, Beginning of Year</b>	<b>136,448</b>	<b>(4,268)</b>	<b>140,716</b>	<b>5,240</b>	<b>135,476</b>
<b>Balance, End of Year</b>	<b>\$ 133,377</b>	<b>\$ (3,071)</b>	<b>\$ 136,448</b>	<b>\$ (4,268)</b>	<b>\$ 140,716</b>

Analysis of Fiduciary Net Position Health Options Program (Dollar Amounts in Thousands)					
Summary of Fiduciary Net Position	FY 2025	Increase (Decrease)	FY 2024	Increase (Decrease)	FY 2023
<b>Assets:</b>					
Receivables	\$ 103,354	\$ 43,297	\$ 60,057	\$ 12,672	\$ 47,385
Investments	395,123	(62,494)	457,617	36,737	420,880
Miscellaneous	218	(24)	242	72	170
<b>Total Assets</b>	<b>498,695</b>	<b>(19,221)</b>	<b>517,916</b>	<b>49,481</b>	<b>468,435</b>
<b>Liabilities:</b>					
Payables and other liabilities	91,897	(39,690)	131,587	50,166	81,421
<b>Total Liabilities</b>	<b>91,897</b>	<b>(39,690)</b>	<b>131,587</b>	<b>50,166</b>	<b>81,421</b>
<b>Net Position</b>	<b>\$ 406,798</b>	<b>\$ 20,469</b>	<b>\$ 386,329</b>	<b>\$ (685)</b>	<b>\$ 387,014</b>

Summary of Changes in Fiduciary Net Position	FY 2025	Increase (Decrease)	FY 2024	Increase (Decrease)	FY 2023
<b>Additions:</b>					
Participant and CMS premiums	\$ 586,469	\$ 75,708	\$ 510,761	\$ 31,900	\$ 478,861
Net investment income	18,009	882	17,127	8,039	9,088
<b>Total Additions</b>	<b>604,478</b>	<b>76,590</b>	<b>527,888</b>	<b>39,939</b>	<b>487,949</b>
<b>Deductions:</b>					
Benefit expenses	543,423	55,448	487,975	36,991	450,984
Administrative expenses	40,586	(12)	40,598	858	39,740
<b>Total Deductions</b>	<b>584,009</b>	<b>55,436</b>	<b>528,573</b>	<b>37,849</b>	<b>490,724</b>
<b>Changes in Net Position</b>	<b>20,469</b>	<b>21,154</b>	<b>(685)</b>	<b>2,090</b>	<b>(2,775)</b>
<b>Balance, Beginning of Year</b>	<b>386,329</b>	<b>(685)</b>	<b>387,014</b>	<b>(2,775)</b>	<b>389,789</b>
<b>Balance, End of Year</b>	<b>\$ 406,798</b>	<b>\$ 20,469</b>	<b>\$ 386,329</b>	<b>\$ (685)</b>	<b>\$ 387,014</b>

## Management's Discussion and Analysis (continued)

## Postemployment Healthcare

PSERS administers two postemployment healthcare programs, the Health Insurance Premium Assistance Program (Premium Assistance) and the Health Options Program (HOP), for its annuitants. The following paragraphs and summary financial data provide supplementary information to the financial statements that contain the financial position and activities for the two postemployment healthcare programs.

### Health Insurance Premium Assistance Program (Premium Assistance)

#### Financial Highlights

- Total net position decreased by \$3.1 million in FY 2025 due to total deductions exceeding net investment income and employer contributions. The total net position continues to be sufficient to fund one full year of benefits. The employer contribution rate decreased by 1.56% from 0.64% in FY2024 to 0.63% in FY2025. The change from June 30, 2023, to June 30, 2024, of a \$4.3 million decrease was due to an employer contribution rate decrease partially offset by a decrease in benefit payments and an increase in net investment income.
- Net investments decreased to \$106.0 million at June 30, 2025 from \$109.9 million at June 30, 2024 mainly due to expenses exceeding revenues.

#### Contributions

Employer contributions increased from \$102.2 million in FY 2024 to \$103.4 million in FY 2025 due to growth in employer payroll offset by a lower contribution rate (0.64% to 0.63%).

#### Investment Income

Total investment income for Premium Assistance decreased to \$5.2 million for FY 2025 vs. \$6.2 million for FY 2024. This was mainly due to lower investment balances and decreased short-term interest rates.

#### Benefits and Expenses

Premium Assistance deductions decreased slightly from \$112.7 million in FY 2024 to \$111.6 million in FY 2025. Administrative costs were slightly higher by \$116 thousand due to operational adjustments while premium assistance benefit payments decreased from \$111.7 million in FY2024 to \$110.5 million in FY2025.

### Health Options Program (HOP)

#### Financial Highlights

- Total net position increased by \$20.5 million in FY 2025 due to an increase in CMS receipts and reinsurance revenues as well as a slight increase in premium rates. The change from June 30, 2023 to June 30, 2024 was a decrease of \$0.7 million due to increasing benefit and administrative expenses outpacing revenues.
- Total receivables increased from \$60.1 million at June 30, 2024, to \$103.4 million at June 30, 2025. This is due to an increase in CMS reinsurance receivables and an increase in prescription drug rebate receivables due to higher prescription drug costs.
- Investments decreased from \$457.6 million at June 30, 2024, to \$395.1 million at June 30, 2025, due to increased Rx and medical claims resulting in a decrease in cash flow.
- Total liabilities decreased from \$131.6 million at June 30, 2024, to \$91.9 million at June 30, 2025. This significant drop is due to clearing of the backlog of medical claims which was caused due to a delay of CMS processing their initial portion of the claims.

#### Participant and CMS Premiums

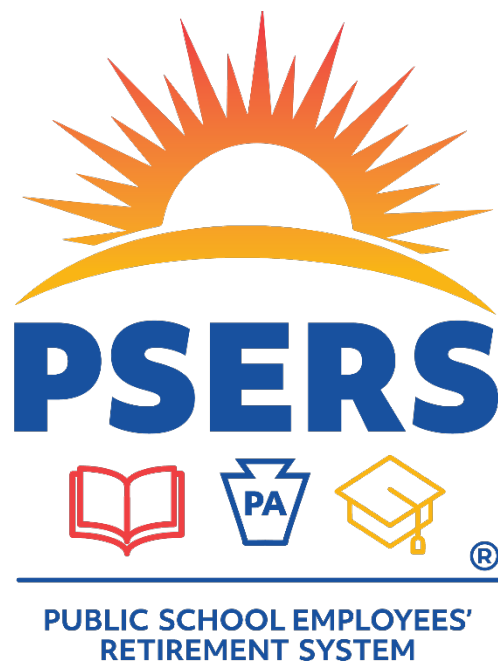
Total Participant and CMS premiums for HOP increased from \$510.8 million for FY 2024 to \$586.5 million for FY 2025 due to a \$66.5 million increase in CMS revenue and a \$9.2 million increase in participant premiums.

#### Investment Income

Net investment income increased from \$17.1 million for FY 2024 to \$18.0 million in FY2025 due to performance of PSERS Short-Term Investment Fund.

#### Benefits and Expenses

HOP total deductions increased by 10.5% from \$528.6 million in FY2024 to \$584.0 million in FY2025. This is due to an increase in claim and net prescription costs.



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**Statements of Fiduciary Net Position**  
**June 30, 2025 and 2024**  
(Dollar Amounts in Thousands)

	2025																			
		Pension	Defined Contribution (DC)	Postemployment Healthcare		Totals														
				Premium Assistance	Health Options Program															
Assets:																				
Receivables:																				
Members	\$	381,176	\$	441	\$	1,442	\$	114	\$	383,173										
Employers		1,489,402		342		28,962		—		1,518,706										
Investment income		362,278		24		390		920		363,612										
Investment proceeds		795,920		—		—		—		795,920										
CMS Part D and prescriptions		—		—		—		102,320		102,320										
Interfund receivable		4,547		—		—		—		4,547										
Total Receivables		3,033,323		807		30,794		103,354		3,168,278										
Investments, at fair value:																				
Short-term		5,525,863		17,331		105,976		395,123		6,044,293										
Fixed income		18,350,796		—		—		—		18,350,796										
Equity		30,819,518		—		—		—		30,819,518										
Collective trust funds		539,727		540,944		—		—		1,080,671										
Real estate		9,595,158		—		—		—		9,595,158										
Alternative investments		16,538,802		—		—		—		16,538,802										
Total Investments		81,369,864		558,275		105,976		395,123		82,429,238										
Capital assets (net of accumulated depreciation \$90,767)		50,545		—		—		—		50,545										
Miscellaneous		30,929		—		—		218		31,147										
Total Assets		84,484,661		559,082		136,770		498,695		85,679,208										
Liabilities:																				
Accounts payable and accrued expenses		121,098		101		180		5,913		127,292										
Benefits payable		796,190		21		44		49,265		845,520										
HOP participant premium advances		—		—		—		36,191		36,191										
Investment purchases and other payables		744,425		633		—		—		745,058										
Interfund payable		—		850		3,169		528		4,547										
Other liabilities		191,738		—		—		—		191,738										
Total Liabilities		1,853,451		1,605		3,393		91,897		1,950,346										
Net position restricted for pension, DC and postemployment healthcare benefits							\$	82,631,210		\$	557,477		\$	133,377		\$	406,798		\$	83,728,862

The accompanying notes are an integral part of the financial statements.

**Statements of Fiduciary Net Position**  
**June 30, 2025 and 2024**  
(Dollar Amounts in Thousands)

	2024				
	Pension	Defined Contribution (DC)	Premium Assistance	Postemployment Healthcare Health Options Program	Totals
<b>Assets:</b>					
Receivables:					
Members	\$ 374,663	\$ 751	\$ 1,518	\$ 126	\$ 377,058
Employers	1,449,523	591	27,426	—	1,477,540
Investment income	320,934	23	491	1,189	322,637
Investment proceeds	326,159	—	—	—	326,159
CMS Part D and prescriptions	—	—	—	58,742	58,742
Interfund receivable	3,670	—	—	—	3,670
<b>Total Receivables</b>	<b>2,474,949</b>	<b>1,365</b>	<b>29,435</b>	<b>60,057</b>	<b>2,565,806</b>
Investments, at fair value:					
Short-term	6,572,484	13,713	109,873	457,617	7,153,687
Fixed income	17,155,399	—	—	—	17,155,399
Equity	24,356,583	—	—	—	24,356,583
Collective trust funds	905,424	342,535	—	—	1,247,959
Real estate	8,146,596	—	—	—	8,146,596
Alternative investments	18,436,145	—	—	—	18,436,145
<b>Total Investments</b>	<b>75,572,631</b>	<b>356,248</b>	<b>109,873</b>	<b>457,617</b>	<b>76,496,369</b>
Capital assets (net of accumulated depreciation \$72,272)	54,831	—	—	—	54,831
Miscellaneous	33,702	—	—	242	33,944
<b>Total Assets</b>	<b>78,136,113</b>	<b>357,613</b>	<b>139,308</b>	<b>517,916</b>	<b>79,150,950</b>
<b>Liabilities:</b>					
Accounts payable and accrued expenses	90,764	114	230	5,742	96,850
Benefits payable	789,804	—	50	89,899	879,753
HOP participant premium advances	—	—	—	35,552	35,552
Investment purchases and other payables	567,751	483	—	—	568,234
Interfund payable	—	696	2,580	394	3,670
Other liabilities	194,800	—	—	—	194,800
<b>Total Liabilities</b>	<b>1,643,119</b>	<b>1,293</b>	<b>2,860</b>	<b>131,587</b>	<b>1,778,859</b>
<b>Net position restricted for pension, DC and postemployment healthcare benefits</b>	<b>\$ 76,492,994</b>	<b>\$ 356,320</b>	<b>\$ 136,448</b>	<b>\$ 386,329</b>	<b>\$ 77,372,091</b>

The accompanying notes are an integral part of the financial statements.



**Statements of Changes in Fiduciary Net Position**  
**Years Ended June 30, 2025 and 2024**  
(Dollar Amounts in Thousands)

	2025				
	Pension	Defined Contribution (DC)	Postemployment Healthcare		Totals
			Premium Assistance	Health Options Program	
<b>Additions:</b>					
Contributions:					
Members	\$ 1,188,582	\$ 91,117	\$ —	\$ —	\$ 1,279,699
Employers	5,470,733	69,914	103,390	—	5,644,037
Total contributions	6,659,315	161,031	103,390	—	6,923,736
HOP participant premiums	—	—	—	430,655	430,655
Centers for Medicare & Medicaid Services premiums	—	—	—	155,814	155,814
Investment income:					
From investing activities:					
Net appreciation in fair value of investments	5,622,384	59,124	—	—	5,681,508
Short-term	318,513	171	5,225	18,047	341,956
Fixed income	581,055	—	—	—	581,055
Equity	570,603	—	—	—	570,603
Collective trust funds	—	531	—	—	531
Real estate	172,384	—	—	—	172,384
Alternative investments	455,626	—	—	—	455,626
Total investment activity income	7,720,565	59,826	5,225	18,047	7,803,663
Investment expenses	(396,728)	(867)	(38)	(38)	(397,671)
Total net investment income	7,323,837	58,959	5,187	18,009	7,405,992
<b>Total Additions</b>	<b>13,983,152</b>	<b>219,990</b>	<b>108,577</b>	<b>604,478</b>	<b>14,916,197</b>
<b>Deductions:</b>					
Benefits	7,741,241	—	110,528	543,423	8,395,192
Refunds of contributions	44,540	—	—	—	44,540
Distributions	—	14,546	—	—	14,546
Administrative expenses	59,155	4,287	1,120	40,586	105,148
<b>Total Deductions</b>	<b>7,844,936</b>	<b>18,833</b>	<b>111,648</b>	<b>584,009</b>	<b>8,559,426</b>
<b>Net increase (decrease)</b>	<b>6,138,216</b>	<b>201,157</b>	<b>(3,071)</b>	<b>20,469</b>	<b>6,356,771</b>
<b>Net position restricted for pension, DC and postemployment healthcare benefits:</b>					
Balance, beginning of year	76,492,994	356,320	136,448	386,329	77,372,091
Balance, end of year	\$ 82,631,210	\$ 557,477	\$ 133,377	\$ 406,798	\$ 83,728,862

The accompanying notes are an integral part of the financial statements.

**Statements of Changes in Fiduciary Net Position**  
**Years Ended June 30, 2025 and 2024**  
(Dollar Amounts in Thousands)

	2024				
	Postemployment Healthcare				
	Pension	Defined Contribution (DC)	Premium Assistance	Health Options Program	Totals
Additions:					
Contributions:					
Members	\$ 1,197,871	\$ 69,748	\$ —	\$ —	\$ 1,267,619
Employers	5,262,714	53,796	102,211	—	5,418,721
Total contributions	6,460,585	123,544	102,211	—	6,686,340
HOP participant premiums	—	—	—	421,491	421,491
Centers for Medicare & Medicaid Services premiums	—	—	—	89,270	89,270
Investment income:					
From investing activities:					
Net appreciation in fair value of investments	4,312,722	44,304	—	—	4,357,026
Short-term	303,821	248	6,233	17,171	327,473
Fixed income	594,978	—	—	—	594,978
Equity	502,176	—	—	—	502,176
Collective trust funds	—	386	—	—	386
Real estate	119,403	—	—	—	119,403
Alternative investments	277,795	—	—	—	277,795
Total investment activity income	6,110,895	44,938	6,233	17,171	6,179,237
Investment expenses	(410,354)	(523)	(49)	(44)	(410,970)
Net income from investing activities	5,700,541	44,415	6,184	17,127	5,768,267
From securities lending activities:					
Securities lending income	90,050	—	—	—	90,050
Securities lending expense	(86,320)	—	—	—	(86,320)
Net income from securities lending activities	3,730	—	—	—	3,730
Total net investment income	5,704,271	44,415	6,184	17,127	5,771,997
Total Additions	12,164,856	167,959	108,395	527,888	12,969,098
Deductions:					
Benefits	7,683,019	—	111,659	487,975	8,282,653
Refunds of contributions	45,726	—	—	—	45,726
Distributions	—	9,982	—	—	9,982
Administrative expenses	55,447	3,538	1,004	40,598	100,587
Total Deductions	7,784,192	13,520	112,663	528,573	8,438,948
Net increase (decrease)	4,380,664	154,439	(4,268)	(685)	4,530,150
Net position restricted for pension, DC and postemployment healthcare benefits:					
Balance, beginning of year	72,112,330	201,881	140,716	387,014	72,841,941
Balance, end of year	\$76,492,994	\$ 356,320	\$ 136,448	\$ 386,329	\$77,372,091

The accompanying notes are an integral part of the financial statements.

## Notes to Financial Statements

### Years Ended June 30, 2025 and 2024

#### 1. Organization and Description of the System

##### (A) Organization

Pennsylvania Public School Employees' Retirement System (PSERS or System) was established on July 18, 1917, under the provisions of Pamphlet Law 1043, No. 343, as a governmental, cost-sharing, multiple-employer plan to which public school employers, the Commonwealth of Pennsylvania (Commonwealth), and school employees (members) contribute. PSERS was created by statute through the Public School Employees' Retirement Code (Retirement Code) as a defined benefit plan; a qualified trust under Section 401(a) of the Internal Revenue Service Code (DB Plan; Pension). PSERS' role expanded upon the passage of Act 5 of 2017 (Act 5), effective July 1, 2019, to include oversight of the School Employees' Defined Contribution Plan, a separate qualified 401(a) defined contribution plan (DC Plan; Trust). At June 30, 2025, there were 763 participating employers, generally school districts.

The Public School Employees' Retirement Board (Board) is established by state law as an independent administrative board of the Commonwealth. The Board exercises control and management of the System, including the investment of its assets, and the DC Plan. The Board has 15 members including the Commonwealth's Secretary of Education; the Commonwealth's Secretary of Banking and Securities; the State Treasurer; the Executive Director of the Pennsylvania School Boards Association; one member appointed by the Governor; six elected members (three from among the System's certified members, one from among the System's noncertified members, one from among the System's annuitants; and one from among school board members in Pennsylvania); two members from the Senate; and two members from the House of Representatives.

The retirement plan of the System is a contributory defined benefit plan for which the benefit payments to members and contribution provisions by employers and employees are specified in the Pennsylvania Public School Employees' Retirement Code (Code). Changes in benefit and contribution provisions for the retirement plan must be made by legislation. Pursuant to state law, all legislative bills and amendments proposing to change the System's retirement plan are to be accompanied with an actuarial note prepared by an enrolled pension actuary from the Independent Fiscal Office (IFO) providing an estimate of the cost and actuarial effect of the proposed change. The IFO's actuarial note must be

published prior to a second vote on pension-related legislation in the House or Senate.

Based upon criterion of financial accountability as defined by governmental accounting standards, PSERS is considered a component unit of the Commonwealth of Pennsylvania financial reporting entity and is included in the Annual Comprehensive Financial Report of the Commonwealth of Pennsylvania.

##### (B) DB and DC Retirement Plans

###### i. Membership Classes

Individuals who became a member prior to July 1, 2011 are Membership Class T-C (Class T-C) or Membership Class T-D (Class T-D). Act 120 of 2010 (Act 120) created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F), for individuals who first became new members on or after July 1, 2011 through June 30, 2019.

For individuals who first become new members on or after July 1, 2019, Act 5 allows the employee to elect one of two membership classes consisting of defined benefit (DB) and defined contribution (DC) components (Membership Class T-G (Class T-G) and Membership Class T-H (Class T-H)) or a standalone DC membership class. Membership at June 30, 2025, the most recent year for which actual amounts are available, is presented in Table 2.

Table 2 - Membership as of June 30, 2025	
Active members:	
Vested	141,794
Nonvested	118,927
DC Only	948
<b>Total active members</b>	<b>261,669</b>
Inactive members:	
Retirees and beneficiaries currently receiving benefits	254,735
Inactive members and vestees entitled to but not receiving benefits	26,030
<b>Total retirees and other members</b>	<b>280,765</b>
<b>Total number of members</b>	<b>542,434</b>

The normal retirement age, vesting period and final average salary for virtually all members are presented below:

Membership Class	Normal Retirement Age	Pension Multiplier	Vesting	Final Average Salary
T-C	Age 62, or Age 60 with 30 years of service, or 35 years of service regardless of age.	2.00%	5 Years	For any 3 years of service
T-D		2.50%	5 Years	For any 3 years of service
T-E	Age 65 with a minimum of three years of service credit, or any combination of age and service that totals 92 with at least 35 years of credited service.	2.00%	10 Years	For any 3 years of service
T-F		2.50%	10 Years	For any 3 years of service
T-G	Age 67 with a minimum of three years of service credit, or any combination of age and service that totals 97 with at least 35 years of credited service.	1.25%	10 Years	For any 5 years of service
T-H	Age 67 with a minimum of three years of credited service.	1.00%	10 Years	For any 5 years of service

## ii. DB Benefits

As summarized in the table above, DB benefits are generally between 1% to 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. A member's right to a DB benefit is vested in 5 to 10 years depending on membership class as summarized in the table above.

To qualify for normal retirement, Class T-C and Class T-D members must work until age 62 with a minimum of one year of service, age 60 with 30 years of service, or attain 35 years of service regardless of age. To qualify for normal retirement, Class T-G and Class T-H members must work until age 67 with a minimum of 3 years of credited service. Class T-G may also qualify for normal retirement by attaining a total combination of age and service that is equal to or greater than 97 with a minimum of 35 years of credited service.

Active DB members may purchase credit for various types of school and non-school service on a lump-sum, installment purchase basis, or through an actuarially calculated benefit reduction. Class T-E, Class T-F, Class T-G, and Class T-H members must purchase Non-Qualifying Part Time service and most other types of non-school or non-state service credit at full actuarial cost. Members have one year after enrollment in the System to purchase service for Non-Qualifying Part Time service.

In addition to regular retirement benefits, the System also provides for disability retirement benefits and death benefits. Members are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally between 33.33% to 40% of the member's final average salary, depending upon membership class.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service or who has at least five years of credited service for Class T-C and Class T-D members;

age 65 with at least three years of credited service for Class T-E and Class T-F members; or age 67 with at least three years of credited services for Class T-G and Class T-H members or 10 years of credited service for Class T-E, Class T-F, Class T-G, and Class T-H members. The death benefit is actuarially equivalent to the present value of the benefit as if the member retired on the day before death.

Members with credited service in the Commonwealth of Pennsylvania State Employees' Retirement System (SERS) may have 365 days from enrollment in the System to elect to have their state service combined with service in the Public School Employees' Retirement System upon commencement of employment in the public school system. Similarly, a member with credited service in the System may elect to combine such service with SERS within 365 days of becoming a member of that system.

All DB members are fully vested in their individual balance of member contributions and interest in the Members' Savings Account, which is described in Note 3. All non-vested members may receive a refund of their individual balance of member contributions and interest from the Members' Savings Account upon termination of public school employment. Vested members may elect to receive a return of their accumulated contributions and interest from the Members' Savings Account upon their retirement which results in a reduced monthly annuity.

### iii. DB Contributions

The contribution policy is set by the Code and requires contributions by active members, employers, and the Commonwealth. The System's funding policy provides for periodic employer and Commonwealth contributions at actuarially determined rates, expressed as a percentage of annual covered payroll, such that they, along with employee contributions and an actuarially determined rate of investment return, are adequate to accumulate assets to pay retirement benefits when due. Level percentage of payroll employer contribution rates are determined using the entry age normal actuarial funding method. This method determines the amount of contributions necessary to (1) fully fund all current costs, (also known as normal cost), which represents the estimated amount necessary to pay for the benefits earned by the employees during the current service year; and (2) liquidate the prior service cost for service earned prior to the current service year and subsequent benefit increases, which represents the amount necessary to fund accrued liabilities over the appropriate amortization periods.

According to requirements established in Act 29 of 1994, the Commonwealth reimburses school entity employers a portion of the employer contributions paid to the System. All school entity employers are reimbursed by the Commonwealth at least 50% of the total employer contributions based on the total contribution rate. The Commonwealth reimburses certain school entity employers at a rate greater than 50% based on the Commonwealth of Pennsylvania Department of Education's Market Value/Personal Income Aid Ratio and other factors. School entities remit 100% of total employer contributions directly to the System. The Commonwealth then remits 50% of the total employer contributions for employers other than school entities directly to the System. All contributions from employers and the Commonwealth are shown as employer contributions on the Statements of Changes in Fiduciary Net Position.

The Commonwealth Share of defined benefit employer contributions for FY 2025 was \$3.1 billion and FY 2024 was \$3.0 billion. The school and non-school entity share of total employer contributions for FY 2025 was \$2.4 billion and FY 2024 was \$2.3 billion. For FY 2025 total employer contributions were \$5.5 billion and for FY 2024 were \$5.3 billion.

Contribution rates for active members are set by law, PSERS members contribute between 4.5% and 10.3% of their pay depending on their class of membership to help fund their own retirement benefit. The average contribution rate payable by members for FY 2025 is 7.37%.

Rates for members hired on and after July 1, 2011 are subject to a shared risk/shared gain contribution rate. With a shared risk/shared gain contribution rate, members can benefit when PSERS' investments are doing well and share some of the risk when PSERS' investments underperform. DB contribution rates may increase or decrease by 0.50% or 0.75% within the specified range every three years.

The member contribution rate will stay within the ranges specified in the shared risk summary table but can fluctuate by the shared risk increment every three years depending on the investment performance of PSERS.

The investment performance calculations utilized for the shared risk/shared gain contribution rate member risk share assessment are performed by the System's general investment consultant, consistent with current investment policy, and use quarter lagged values for private market investments.

The contribution rates based on qualified member compensation for virtually all members are presented below:

Member Contribution Rates for Fiscal Year Ended June 30, 2025				
Membership Class	Continuous Employment Since	Defined Benefit (DB) Contribution Rate	DC Contribution Rate	Total Contribution Rate
T-C	Prior to July 22, 1983	5.25%	N/A	5.25%
T-C	On or after July 22, 1983	6.25%	N/A	6.25%
T-D	Prior to July 22, 1983	6.50%	N/A	6.50%
T-D	On or after July 22, 1983	7.50%	N/A	7.50%
T-E	On or after July 1, 2011	7.50% base rate with shared risk/shared gain provision Shared Risk Effective 7/1/2024: -0.50% Shared Risk Effective 7/1/2021: +0.50%	N/A	After 7/1/24: 7.50% 7/1/2021-6/30/2024: 8.00% Prior to 7/1/2021: 7.50%
T-F	On or after July 1, 2011	10.30% base rate with shared risk/shared gain provision Shared Risk Effective 7/1/2024: -0.50% Shared Risk Effective 7/1/2021: +0.50%	N/A	After 7/1/24: 10.30% 7/1/2021-6/30/2024: 10.80% Prior to 7/1/2021: 10.30%
T-G	On or after July 1, 2019	5.50% base rate with shared risk/shared gain provision Shared Risk Effective 7/1/2024: -0.75% Shared Risk Effective 7/1/2021: +0.75%	2.75%	After 7/1/24: 8.25% 7/1/2021-6/30/2024: 9.00% Prior to 7/1/2021: 8.25%
T-H	On or after July 1, 2019	4.50% base rate with shared risk/shared gain provision Shared Risk Effective 7/1/2024: -0.75% Shared Risk Effective 7/1/2021: +0.75%	3.00%	After 7/1/24: 7.50% 7/1/2021-6/30/2024: 8.25% Prior to 7/1/2021: 7.50%
DC	On or after July 1, 2019	N/A	7.50%	7.50%

Shared Risk Summary				
Membership Class	Defined Benefit (DB) Base Rate	Shared Risk Increment	Minimum	Maximum
T-E	7.50%	+/-0.50%	5.50%	9.50%
T-F	10.30%	+/-0.50%	8.30%	12.30%
T-G	5.50%	+/-0.75%	2.50%	8.50%
T-H	4.50%	+/-0.75%	1.50%	7.50%



#### iv. Defined Contribution Plan

Act 5 allows the employee to elect one of three Membership Classes: Class T-G, Class T-H, or a standalone DC membership class. The table below shows the current membership of the DC Plan.

Defined Contribution Plan Membership at June 30, 2025	
Active participants	88,719
Inactive participants entitled to a distribution	6,122
<b>Total number of participants</b>	<b>94,841</b>

#### v. DC Benefits

The DC component of the retirement is based on the statutory rate of contributions made by the participant and the employer, voluntary contributions (rollovers and after-tax contributions), the investment performance on those contributions, and the fees, costs, and expenses deducted from the PSERS DC Plan account. Contributions have the potential to grow based on investment earnings but are not guaranteed against loss in declining investment markets.

DC participants are always 100% vested in their own mandatory before-tax, after-tax, and rollover contributions in the DC plan. DC participants who have at least three eligibility points become vested and eligible for employer DC contributions made on their behalf. Participants with fewer than three eligibility points are not eligible to receive the employer DC contributions. Each eligibility point is earned the first day a contribution is made to the plan on behalf of a DC participant in a school year (July 1 – June 30). Only one eligibility point may be credited in a school year.

Death benefits are payable upon the death of an active DC participant equal to the vested portion of the participant's DC account. There is no disability benefit with the DC Plan.

#### vi. DC Contributions

DC participant and employer contributions rates are set by statute. A participant may elect to make additional voluntary post-tax member contributions and rollovers.

### (C) Postemployment Healthcare Plans

#### i. Health Insurance Premium Assistance Program

##### (a) Premium Assistance Benefits

Beginning July 1, 1992, the System provides a Health Insurance Premium Assistance program (Premium Assistance) for all eligible annuitants who qualify and elect to participate. Effective January 1, 2002, participating eligible annuitants are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium.

The eligibility requirements for premium assistance are as follows:

- 24.5 years of credited service (for Class DC members, Medicare eligibility with at least 24.5 eligibility points), or
- 15 years of credited service if termination of employment and retirement occurred after superannuation age, or
- Receiving a disability annuity from PSERS; and
- Have an out-of-pocket premium expense from their former school employer's health plan or the PSERS-sponsored HOP.

As of June 30, 2025, there were no assumed future benefit increases to participating eligible annuitants in the Premium Assistance program. Membership at June 30, 2025, the most recent year for which actual amounts are available, is presented in Table 3.

##### (b) Contributions

A portion of the employer contribution rate to the System includes the funding of Premium Assistance. The Premium Assistance contribution rate is set at a level necessary to establish reserves sufficient to provide Premium Assistance payments for all participating eligible members for the subsequent fiscal year. The portion of the total contribution rate for employers used to fund Premium Assistance was 0.63% for the year ended June 30, 2025, and 0.64% for the year ended June 30, 2024. Members do not contribute to Premium Assistance.

**Table 3 - Premium Assistance Membership at June 30, 2025**

Retirees and beneficiaries currently receiving benefits	91,521
Inactive members and vestees entitled to but not receiving benefits	782
<b>Total retirees and other inactive members</b>	<b>92,303</b>
<b>Total active members</b>	<b>261,669</b>
<b>Total number of members</b>	<b>353,972</b>

## ii. Health Options Program

The Health Options Program (HOP) is a PSERS-sponsored voluntary health insurance program for the sole benefit of annuitants of PSERS, spouses of annuitants, survivor annuitants and their dependents who participate in HOP. The HOP is a separate trust funded exclusively by the premiums paid by its participants for the benefit coverage they elect.

The HOP offers several health plans. Participants may select among two self-funded Medicare supplement plans, two Medicare Rx plans, and multiple Medicare Advantage plans for those eligible for Medicare. Participants not eligible for Medicare have a choice between a self-funded, high deductible indemnity plan and multiple managed-care plans. Pre-65 Medical Plan or a companion managed care plan offered through Medicare Advantage carriers are available to retirees residing in the plan's service area. The Medicare supplements and pre-65 high deductible plan are self-funded and claims are adjudicated by a third-party administrator. The Medicare Rx Options and the prescription drug benefit of the pre-65 high deductible plan are also self-funded and claims are adjudicated by a pharmacy benefits manager. The Medicare Advantage and managed-care plans are provided by private insurance companies or managed care organizations and benefits are fully insured. HOP also offers a fitness program and a dental and vision option through fully insured carriers.

Effective January 1, 2006, PSERS entered into an Employer/Union Entity contract with the Centers for Medicare and Medicaid Services (CMS) to operate a voluntary Medicare Prescription Drug Plan (PDP). The PDP covers approximately 96,910 participants. CMS provides partial funding of the PDP in the form of monthly per capita payments and reinsurance. An independent actuarial consulting firm sets the rates for the self-funded benefits. The HOP maintains reserves for claims that are Incurred But Not Reported (IBNR) and for claim fluctuation for the self-funded benefit plans. At June 30, 2025 and 2024, PSERS recorded \$24,417,216 and \$24,857,000, respectively, in IBNR. The IBNR is included in benefits payable.

## 2. Summary of Significant Accounting Policies

### (A) Basis of Accounting

The System's financial statements are prepared on the accrual basis of accounting under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investment purchases and sales are recorded as of their trade date. Member and employer contributions are recognized in the period for which employees' salaries are reported. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Systems' accounting and reporting policies conform to accounting principles generally accepted in the United States of America (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in fiduciary net position during the reporting period. Actual results could differ from those estimates.

### (B) Investments

The System's investments are reported at fair value. Fair value is the amount that the System can reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller, that is, other than in a forced or liquidation sale. See Note 4(B) for the description of the Fair Value of Investments.

Net appreciation (depreciation) is determined by calculating the change in fair value of investments between the beginning of the year and end of the year, less purchases of investments at cost, plus sales of investments at fair value.

Investment purchases and sales are recorded as of the trade date. Interest income is comprised of dividend, interest, and other investment income. Dividend income is recognized on the ex-dividend date. Interest and other investment income is recognized when earned.

Investment expenses consist of investment manager fees and those administrative expenses directly related to the System's investment operations. Investment proceeds receivable generally include unsettled investment sales. Unsettled investment purchases are included in investment purchases and other payables.

## (C) Capital Assets

PSERS maintains three categories of capital assets: tangible capital assets, intangible capital assets, and intangible right-to-use assets.

Tangible capital assets consist primarily of data processing equipment and software and are depreciated using the straight-line method over an estimated useful life of five years. PSERS uses a minimum reporting threshold of \$5,000 for tangible capital assets.

Intangible Right to Use Assets	
Costs	(Dollar Amounts in Thousands)
Balances as of June 30, 2024	\$ 68,514
Additions in FY 2025	14,075
Balances as of June 30, 2025	\$ 82,589
<b>Accumulated depreciation and amortization</b>	
Depreciation and Amortization Expense	\$ (37,024)
Balances June 30, 2025	(37,024)
<b>Net Right to Use Assets June 30, 2025</b>	<b>\$ 45,565</b>

Internally developed computer software is recognized as intangible capital assets. Intangible capital assets are amortized using the straight-line method over an estimated useful life of twenty years for assets purchased prior to July 1, 2012 and up to 10 years for assets purchased after June 30, 2012.

Intangible right-to-use leases are recorded at net present value of lease payments. Intangible right-to-use lease assets and related liabilities are recorded at the commencement date of the related contract. Lease liabilities, included in Other Liabilities on the Statement of Fiduciary Net Position, are measured at the present value of expected payments over the contract term. Lease assets are amortized over the shorter of the term of the contract or the useful life of the underlying assets. Interest expense is recognized over the contract term. PSERS uses a minimum reporting threshold of \$100,000 for intangible right-to-use assets.

Intangible right-to-use Subscription-Based Information Technology Arrangements (SBITA) are recorded under GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Intangible right-to-use SBITA assets and related liabilities are recorded at the commencement date of the related contract. SBITA liabilities, included in Other Liabilities on the Statement of Fiduciary Net Position, are measured at the present value of expected payments over the contract term. SBITA assets are amortized over the shorter of the term of the contract or the useful life of the

underlying assets. Interest expense is recognized over the contract term.

## (D) Benefits Payable

Benefits payable represents the obligations of the System, on an accrual basis, at the end of the fiscal year. It includes the estimated retirement and death benefits payable, federal taxes withheld but not yet due to the Internal Revenue Service (IRS), premium assistance benefits payable, and the HOP IBNR claims for its participants.

## (E) Pensions for Employees of the System

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, information about the fiduciary net position of the Pennsylvania State Employees' Retirement System (SERS) and additions to/deductions from SERS' fiduciary net position have been determined on the same basis as they are reported by SERS. Please refer to Note 8 for additional information regarding SERS. PSERS' net pension liability for its employees to SERS is reported in Other liabilities. Deferred inflows of resources are reported in Other liabilities. Deferred outflows of resources are reported in Miscellaneous assets. Pension expense is reported in administrative expenses and is detailed on the Schedule of Administrative and Investment Expenses Supplementary Schedule.

## (F) Postemployment Healthcare Plan for Employees of the System

For purposes of measuring the net OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense, information about the fiduciary net position of the Commonwealth of Pennsylvania Retired Employees Health Program (REHP) and additions to/deductions from REHP fiduciary net position have been determined on the same basis as they are reported by the REHP. Please refer to Note 9 for additional information regarding the REHP. PSERS' net OPEB liability for its employees to the REHP is reported in Other liabilities. Deferred inflows of resources are reported in Other liabilities. Deferred outflows of resources are reported in Miscellaneous assets. OPEB expense is reported in administrative expenses and is detailed on the Schedule of Administrative and Investment Expenses Supplementary Schedule.

## (G) Compensated Absences

The System uses the accrual basis of accounting for measuring vacation, sick leave, and other compensated

absences liabilities. Employees of the System are paid for accumulated vacation leave upon termination or retirement. Retiring employees of the System that meet service, age, or disability requirements are paid between 30% and 100% of sick days available at retirement, up to 161 maximum days paid. At June 30, 2025 and 2024, \$6,575,000 and \$5,424,000, respectively, were accrued for unused vacation and sick leave and other compensated absences mentioned for the System's employees and are included in Accounts payable and accrued expenses on the Statements of Fiduciary Net Position.

### (H) Participant Premium Advances

Premium advances at June 30, 2025 and 2024, are for HOP premiums related to health care coverage to be provided in July of 2025 and 2024, respectively.

### (I) Federal Income Taxes

PSERS is exempt from federal income taxes under section 501 (a) of the Internal Revenue Code.

### (J) Risk Management

The System is exposed to various liabilities and risks of loss, including, without limitation, the ordinary risks of investment losses, risks related to theft or destruction of assets, liabilities resulting from injuries to employees, and liabilities resulting from court challenges to fiduciary decisions. As an administrative agency of the Commonwealth of Pennsylvania, the System is accorded sovereign immunity. For claims not shielded by sovereign immunity, the System participates in certain Commonwealth pooled insurance programs and requires asset managers to carry certain insurance coverage for the protection of the System. The System has implemented a self-insurance program for fiduciary and director and officer liability coverage. During the past three fiscal years, insurance settlements did not exceed insurance coverage. In addition, the DC plan has its own fiduciary insurance through a third-party.

The Health Options Program maintains a reserve equal to approximately 11 to 12 months of self-funded benefits and expenses. Reserves are recommended for all self-insured group health plans to cover the potential for unexpected claim volatility (high amount claim events) and unanticipated economic changes (excessive inflation). Further, The Health Options Program, as a Medicare Supplement Plan, has limited exposure to high cost claims, which reduces the potential for excess risk. Medicare is the primary payer for most medical claims in the HOP Medical and Value Medical plans, and the Medicare Prescription Drug Program is protected by Medicare Part D Catastrophic coverage. Benefits for

members who are not eligible for Medicare are limited to \$300,000 per year in medical benefits, and \$1,000,000 over a member's lifetime. Medical and Prescription drug benefits provided by Managed Care Organizations are fully insured by those providers. For these reasons, the Health Options Program is sufficiently reserved and reinsurance (stop loss coverage) is not needed or recommended at this time.

### (K) Members Receivables

Members receivables include an amount for members' obligations to the System for the purchase of service credit. Members have a variety of options to remit purchase of service payments:

- Remit a lump sum payment.
- Request an installment plan from one to seven years where the member's employer establishes a payroll deduction process. The member's employer then forwards monthly payments of the withheld amounts to PSERS.
- Accept an actuarial reduction debt through which the amount of the purchase, plus accumulated interest, will reduce the member's retirement or death benefit.
- Rollover funds from an eligible distribution.

#### The following is a summary of member receivables at June 30, 2025 and 2024:

	(Dollar Amounts in Thousands)	
	2025	2024
<b>Pension:</b>		
Member Contributions	\$ 80,937	\$ 82,173
Purchase of Service	293,173	284,947
Other	7,066	7,543
<b>Total Pension</b>	<b>\$ 381,176</b>	<b>\$ 374,663</b>
<b>Defined Contribution Plan</b>	<b>\$ 441</b>	<b>\$ 751</b>
<b>Postemployment Healthcare:</b>		
Premium Assistance	\$ 1,442	\$ 1,518
Health Options Program	\$ 114	\$ 126

### (L) Interfund Transactions and Balances

Interfund transfers of assets take place on a regular recurring basis between Pension, Premium Assistance, HOP and Defined Contribution. The transfers occur upon receipt of employer contributions and payment of benefits or expenses. The interfund receivables and payables related to interfund activity are classified under receivables and liabilities on the financial statements.



**(M) Adoption of New Accounting Standards**

PSERS reviews the requirements of all new GASB pronouncements and assesses the potential impact to the System. For the fiscal year ended June 30, 2025, PSERS adopted GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 102, *Certain Risk Disclosures*. The adoption of these standards had no material impact on PSERS' financial statements.

**3. Description of Accounts**

The Code requires the System to maintain the following accounts which represent reserves held for future and current benefit payments as follows and as illustrated in Table 4.

<b>Table 4 - Account Balance</b>			
	(Dollar Amounts in Thousands)		
	2025	2024	
<b>Pension:</b>			
State Accumulation Account	\$ (2,170,980)	\$ (7,561,460)	
Members' Savings Account	20,324,242	19,630,600	
Annuity Reserve Account	64,477,948	64,423,854	
	<b>\$ 82,631,210</b>	<b>\$ 76,492,994</b>	
<b>Defined Contribution Plan</b>			
	<b>\$ 557,477</b>	<b>\$ 356,320</b>	
<b>Postemployment Healthcare:</b>			
Health Insurance Account	\$ 133,377	\$ 136,448	
Health Options Program Account	<b>\$ 406,798</b>	<b>\$ 386,329</b>	

**(A) State Accumulation Account**

The State Accumulation Account is credited with contributions from the Commonwealth and the employers. Additionally, interest earnings of the System (after crediting the Members' Savings Account with 4% interest and the reserve for retirement with 5.50% statutory interest) are credited to this account. Each year, the necessary amounts, as determined by the actuary for the payment of retirement, disabilities, and death benefits, are transferred from the State Accumulation Account to the Annuity Reserve Account increasing the reserve credit to the 7.00% valuation assumption rate determined by the actuary. All administrative expenses necessary for the operation of the System, except for Premium Assistance, HOP, and Defined Contribution Plan expenses, are paid from the State Accumulation Account.

**(B) Members' Savings Account**

The Members' Savings Account is credited with all contributions made by active members of the System. Interest is added to the member's individual account at an annual rate of 4%. Upon a member's death or retirement, the accumulated contributions plus interest are transferred to the Annuity Reserve Account for subsequent payment of benefits.

**(C) Annuity Reserve Account**

The Annuity Reserve Account represents the amounts transferred from the Members' Savings and State Accumulation Accounts, plus additional contributions made by the Commonwealth and employers for the payment of supplemental annuities and cost-of-living increases. All death, disability, and retirement benefits are paid from this account. Annual interest of 5.50% is credited to the Annuity Reserve Account.

**(D) School Employees' Defined Contribution Trust (Defined Contribution Plan)**

The School Employees' Defined Contribution Trust accumulates DC participants and employer contributions, investment earnings and DC plan expenses of the School Employees' Defined Contribution Plan. The trust is comprised of individual investment accounts, all assets in those accounts and any assets held that are not allocated to the individual investment accounts. The assets of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries and may be used for payment of fees, costs and expenses related to the administration and investment of the plan and the trust.

**(E) Health Insurance Account**

The Health Insurance Account is credited with contributions from the employers for Premium Assistance. The Health Insurance Account pays all administrative expenses necessary to operate the Premium Assistance Program.

**(F) Health Insurance Program Account**

The Health Insurance Program Account is credited with premiums from members of the HOP and from CMS. All benefits related to the HOP (premium payments to the insurance companies and self-funded benefits) are paid from this account. The Health Insurance Program Account pays all administrative expenses necessary to operate the HOP.

## 4. Investments

### (A) Summary of Investments

The Board has the responsibility to invest and reinvest available funds of the System in accordance with the guidelines and limitations set forth in the Code and other applicable state law. The Board accomplishes the daily management of the System's investments through internal investment managers and through investment advisors who act as agents for the System.

The Board invests the funds of the System using the Prudent Investor Standard, as articulated in the Code, which means “the exercise of that degree of judgment, skill and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence who are familiar with such matters exercise in the management of their own affairs not in regard to speculation, but in regard to the permanent disposition of the fund, considering the probable income to be derived therefrom as well as the probable safety of their capital.” The Board has adopted its investment policy to formally document investment objectives and responsibilities. This policy, as well as applicable state law, establishes guidelines for permissible investments of the System.

### (B) Fair Value of Investments

#### i. Fair Value Levels

PSERS measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- **Level 1 inputs:** Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets. A quoted price for an identical asset or liability in an active market (e.g., an equity security traded on a major exchange) provides the most reliable fair value measurement and, if available, should be used to measure fair value in that particular market.
- **Level 2 inputs:** Level 2 inputs are prices that are observable either directly or indirectly. Level 2 inputs may include quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable, such as interest rates, yield curves, implied volatilities, credit spreads, or market-corroborated inputs.
- **Level 3 inputs:** Reporting entities may use unobservable inputs to measure fair value if

relevant observable inputs are not available, allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. These unobservable inputs are considered Level 3.

Debt, equity, and derivative instrument securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices and recently published security specific trading levels. Short-term securities are carried at cost, which approximates fair value, unless they have published market prices or quotations from national securities exchanges or securities pricing services, in which case they are valued at the published market price. Fixed income securities and equities are generally valued based on published market prices and quotations from national securities exchanges or securities pricing services. Securities which are not traded on a national securities exchange are valued by the respective fund manager or other third parties based on similar sales.

For Collective Trust Fund (CTF) investments, PSERS' management, in consultation with investment advisors has determined the fair value based upon the reported share value of the respective fund. The reported share value of the fund is based upon each respective fund's administrator statement.

Private equity, private equity real estate, private credit, private infrastructure, and opportunistic are generally organized as limited partnerships. The fair value of investments, which are organized as limited partnerships, and have no readily available daily fair value, have been determined by using the net asset value per share (or its equivalent) of PSERS' ownership interest in partners' capital. These net asset values are based on the individual investor's June 30, 2025, capital account balance reported at fair value by the general partner of the respective limited partnership, or the most recently available reporting period, adjusted for subsequent contributions, distributions, management fees, changes in values of foreign currency, and published market prices for certain securities.

The limited partnerships' annual financial statements, which include estimates of fair values, are audited by independent certified public accounting firms. It is possible that these estimates could change in the near-term, or upon the sale of the assets, resulting in valuations that could differ from the June 30, 2025, reported net asset value.



Directly-owned real estate investments are valued based upon the June 30th financial statements completed by the asset manager. The directly-owned real estate investments are appraised annually by an independent third-party appraiser as of calendar year-end.

Derivative instruments classified in Level 1 of the fair value hierarchy are valued using observable exchange, dealer, or broker market pricing.

### (1.) Pension

#### i. Investments at Net Asset Value (NAV)

- (a) Collective trust fund investments consist primarily of domestic and international institutional funds. The CTF's fair value is based on the reported share value of the respective fund by the fund administrator. Redemption frequency for these assets range from monthly, to quarterly, to annual.
- (b) Private equity real estate is implemented through investment structures that provide limited liability to PSERS. These investments are across multiple asset types such as industrial, multi-family, office, retail, hotels, agriculture (permanent crops), and other real estate related assets.

Private equity real estate investments utilize core, value-added, and opportunistic strategies. Core real estate strategies are expected to deliver a significant percentage of their return from income and may demonstrate lower volatility than opportunistic and value-added strategies due to lower leverage, higher levels of occupancy, and asset location in primary markets. Value-added real estate strategies typically have near-term leasing, repositioning, and/or renovation risk. Value-added strategies are expected to have limited initial operating revenues with potential for substantial income growth and will likely encounter greater volatility than core strategies, but lower volatility than opportunistic strategies. Opportunistic real estate strategies typically have significant development, lease-up, financial restructuring, and/or liquidity risk with little or no initial operating income. Opportunistic real estate strategies typically utilize higher levels of leverage, are expected to achieve most of the return from future capital gains, and are likely to encounter greater volatility than core and value-added strategies. The fair value of these investments have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. These investments cannot be

easily redeemed. Distributions may be received as: cash flows from operations or return of capital from dispositions, which can take, on average, up to 10 years.

- (c) Private equity is implemented through investment structures that provide limited liability to PSERS. Strategies include buyout, growth equity, venture capital, and special situations strategies. Buyout strategies typically seek controlling interests in established companies that are further along in the business cycle. Venture capital strategies typically target companies in early phases of the business cycle and may be classified as seed, early, middle or late stage. These companies generally are not yet profitable and therefore are higher on the risk/return spectrum. Growth equity strategies sit between buyout and venture capital, and typically consist of companies with high revenue growth, free cash flow generation, and are typically profitable. Special situations strategies typically refer to structured equity, mezzanine and distressed debt-for-control. The fair value of these investments have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. These investments cannot be easily redeemed. Distributions may be received as: cash flows from operations or return of capital from dispositions, which can take, on average, up to 10 years.
- (d) Private credit is implemented through investment structures that provide limited liability to PSERS. Private credit strategies include direct lending, mezzanine lending, distressed and special situations, specialty finance, structured credit, real estate credit, and real assets credit. Direct lending is focused on providing senior secured loans to middle-market businesses. Mezzanine is primarily focused on providing subordinated debt capital to private businesses. Distressed and special situations is focused on issuing loans to companies undergoing financial challenges or that are in need of a solution to optimize a capital structure or purchasing publicly listed, stressed securities. Specialty finance is a set of niche lending strategies that provide financing to consumers, small businesses, and other borrowers. Structured credit is a set of strategies that target investments in securitized debt obligations, such as collateralized loan obligations and collateralized debt obligations. Real estate credit is focused on commercial real estate collateral or residential mortgage origination. Real assets credit is focused on providing debt capital to companies operating within the real asset space with loans typically secured by real assets. The fair value of these investments have been

determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. These investments cannot be easily redeemed. Distributions may be received as: cash flows from operations or return of capital from dispositions, which can take, on average, up to 10 years.

- (e) Private infrastructure is implemented through investment structures that provide limited liability to PSERS. Investments generally consist of private companies and assets that provide essential services to the economy, including regulated assets, contracted energy assets, and transportation assets with high barriers to entry and stable and predictable long-term cash flows. Regulated assets generally include electricity transmission and distribution facilities, gas distribution systems, pipelines, water distribution, and wastewater collection and processing facilities. Contracted energy assets generally include renewable and conventional generation, pipelines, and storage. Transportation assets generally include toll roads, bridges and tunnels, airports, seaports, parking facilities, and rail lines. The fair value of these investments have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. These investments cannot be easily redeemed. Distributions may be received as: cash flows from operations or return of capital from dispositions, which can take, on average, up to 10 years.
- (f) Opportunistic is implemented through investment structures that provide limited liability to PSERS. Opportunistic includes investments that are private investment funds that seek to produce absolute returns generally using event-driven, tactical trading, and relative value strategies. Event-driven funds seek to gain an advantage from pricing inefficiencies that may occur before or after a corporate action or related event, such as a merger, spinoff, earnings call, bankruptcy, or restructuring. Tactical trading funds invest their holdings in indexes, commodities, interest rate instruments, and currencies as a result of relative value or directional forecasts from a systematic or discretionary approach. Relative value strategies use a range of fixed income arbitrage, insurance linked, long-short credit, and/or quantitative strategies that seek to take advantage of price differentials. The fair values of the investments in this type have been determined using the NAV per share of the investments. With the most recently approved strategic asset allocation, the opportunistic portfolio is in liquidation. While many of the investments can be redeemed within 12 months of June 30, 2025, there are

investments that include restrictions that do not allow for redemption during the next 12 months and could take longer.

## (2.) Defined Contribution

### i. Investments at Net Asset Value (NAV)

- (a) DC Collective Trust Fund investments (DC-CTF) consist primarily of domestic and international institutional funds. The fair value of DC-CTF is based on the reported share value of the respective fund. DC-CTF are managed by state chartered banks for which various state banking departments have regulatory oversight and investment advisors for which regulatory agencies such as the Securities and Exchange Commission have regulatory oversight. Investments that are not subject to this oversight are subject to annual independent audits. Redemption frequency for these assets range from monthly, to quarterly, to annual.

## (C) Deposit and Investment Risk Disclosures

### i. Deposits

Custodial credit risk for deposits is the risk that, in the event of a financial institution failure, the System would not be able to recover the value of the deposits. The Commonwealth's Treasury Department is the custodian of the System's funds. Commonwealth Treasury Department deposits must be held in insured depositories approved by the Commonwealth's Board of Finance and Revenue and must be fully collateralized. The deposit and investment policies of the Treasury Department are governed by Sections 301, 301.1, and 505 of the Pennsylvania Fiscal Code (Act of 1929, P.L. 343), and Section 321.1 of the Pennsylvania Administrative Code (Act of 1929, P.L. 177, No. 175).

Voya Institutional Trust Company is the custodian of the DC Plan. Assets of the DC Plan are held in a trust for the benefit of DC Plan participants and investments are bought and sold within portfolios then calculated as a share or unit value for each investment option in the PSERS DC Plan.

The System, through its third-party administrator, maintains certain bank deposits for the operation of its voluntary HOP. These deposits are not required to be collateralized by statute or policy. These deposits totaled \$290,650,000 and \$356,653,000, at June 30, 2025 and 2024, respectively, and are under the custody of M&T Bank which has a BB+ rating by Standard and Poor's (S&P) and an Baa3 rating by Moody's Investor Services (Moody's).

## **ii. Investment Risks**

The System's investments, including derivatives and other similar investments, may be subject to various risks. Among these risks are concentration of credit risk, custodial credit risk, credit risk, interest rate risk, and foreign currency risk. The policies addressing each one of these risks, discussed in more detail below, are contained within the Investment Policy Statement, Objectives, and Guidelines reviewed and approved by the Board. Due to the level of risk associated with certain investments, it is possible that changes in the values of investments may occur in the near term and that such changes could materially affect the amounts reported in the Statements of Fiduciary Net Position.

At June 30, 2025, the System had the following recurring fair value measurements in the Pension Plan.

**Pension Investments**  
Investments and Derivative Instruments Measured at Fair Value  
(Dollar Amounts in Thousands)

		Fair Value Measurements Using		
	2025	Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 4,636,633	\$ 2,751,937	\$ 1,884,696	\$ —
Other domestic short-term	854,688	815,439	39,249	—
International short-term	34,542	18,674	15,868	—
	5,525,863	3,586,050	1,939,813	—
Fixed:				
Domestic asset-backed and mortgage-backed	2,025,636	—	2,025,636	—
U.S. government and agency obligations	12,027,240	12,017,782	9,458	—
Domestic corporate and taxable municipal bonds	1,437,397	100	1,437,297	—
International fixed income	221,268	—	221,268	—
	15,711,541	12,017,882	3,693,659	—
Equity:				
Domestic equity	18,200,065	18,200,065	—	—
International equity	10,032,505	10,032,505	—	—
	28,232,570	28,232,570	—	—
Directly-owned real estate	1,596,836	—	—	1,596,836
Total investments by fair value level	51,066,810	\$ 43,836,502	\$ 5,633,472	\$ 1,596,836
Investments measured at the net asset value (NAV)				
Collective trust funds - Fixed income	2,639,255			
Collective trust funds - Equity	2,586,948			
Collective trust funds - Other	539,727			
Private equity real estate	4,401,758			
Private infrastructure	3,596,564			
Alternative investments:				
Private equity	10,437,736			
Private credit	6,101,066			
	16,538,802			
Total investments measured at the NAV	30,303,054			
Total investments measured at fair value	\$ 81,369,864			
Investment derivative instruments				
Futures	\$ 79,572	\$ 79,572	\$ —	\$ —
Total return type swaps	51,702	51,702	—	—
Foreign exchange contracts	(1,553)	(1,553)	—	—
Total investment derivative instruments	\$ 129,721	\$ 129,721	\$ —	\$ —

At June 30, 2024, the System had the following recurring fair value measurements in the Pension Plan.

**Pension Investments**  
Investments and Derivative Instruments Measured at Fair Value  
(Dollar Amounts in Thousands)

		Fair Value Measurements Using		
	2024	Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 6,039,011	\$ 4,341,913	\$ 1,697,098	\$ —
Other domestic short-term	482,003	421,951	60,052	—
International short-term	51,470	43,410	8,060	—
	6,572,484	4,807,274	1,765,210	—
Fixed income:				
Domestic asset-backed and mortgage-backed	712,763	—	712,763	—
U.S. government and agency obligations	11,810,875	11,229,405	581,470	—
Domestic corporate and taxable municipal bonds	1,777,152	928,831	848,321	—
International fixed income	336,531	—	336,531	—
	14,637,321	12,158,236	2,479,085	—
Equity:				
Domestic equity	13,767,270	13,767,220	50	—
International equity	8,164,642	8,164,642	—	—
	21,931,912	21,931,862	50	—
Directly-owned real estate	1,482,406	—	—	1,482,406
Total investments by fair value level	44,624,123	\$ 38,897,372	\$ 4,244,345	\$ 1,482,406
Investments measured at the net asset value (NAV)				
Collective trust funds - Fixed Income	2,518,078			
Collective trust funds - Equity	2,424,671			
Collective trust funds - Other	905,424			
Private equity real estate	4,220,550			
Private infrastructure	2,443,640			
Alternative investments:				
Private equity	12,481,672			
Private credit	5,700,508			
Opportunistic	253,965			
	18,436,145			
Total investments measured at the NAV	30,948,508			
Total investments measured at fair value	\$ 75,572,631			
Investment derivative instruments				
Futures	\$ 62,547	\$ 62,547	\$ —	\$ —
Total return type swaps	(16,880)	(16,880)	—	—
Foreign exchange contracts	40,745	40,745	—	—
Options	4,157	4,157	—	—
Total investment derivative instruments	\$ 90,569	\$ 90,569	\$ —	\$ —

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) at June 30, 2025 and 2024 are presented in the following tables.

<b>Pension Investments</b> <b>Fair Value of Investments</b> <b>Investments Measured at the NAV</b> (Dollar Amounts in Thousands)				
	2025			
	Fair Value	Unfunded Commitments	Redemption Frequency*	Redemption Notice Period*
<b>Collective trust funds - Fixed income (a)</b>	\$ 2,639,255	\$ —	see note (a)	see note (a)
<b>Collective trust funds - Equity (a)</b>	2,586,948	—	see note (a)	see note (a)
<b>Collective trust funds - Other (a)</b>	539,727	—	see note (a)	see note (a)
<b>Private equity real estate (b)</b>	4,401,758	2,215,405	see note (b)	see note (b)
<b>Private infrastructure (e)</b>	3,596,564	2,164,421	see note (e)	see note (e)
Alternative investments:				
Private equity (c)	10,437,736	3,032,806	see note (c)	see note (c)
Private credit (d)	6,101,066	3,832,534	see note (d)	see note (d)
Opportunistic (f)	—	—	see note (f)	see note (f)
	16,538.802			
<b>Total investments measured at the NAV</b>	<b>\$ 30,303,054</b>			

<b>Pension Investments</b> <b>Fair Value of Investments</b> <b>Investments Measured at the NAV</b> (Dollar Amounts in Thousands)				
	2024			
	Fair Value	Unfunded Commitments	Redemption Frequency*	Redemption Notice Period*
<b>Collective trust funds - Fixed income (a)</b>	\$ 2,518,078	\$ —	see note (a)	see note (a)
<b>Collective trust funds - Equity (a)</b>	2,424,671	—	see note (a)	see note (a)
<b>Collective trust funds - Other (a)</b>	905,424	—	see note (a)	see note (a)
<b>Private equity real estate (b)</b>	4,220,550	2,221,484	see note (b)	see note (b)
<b>Private infrastructure (e)</b>	2,443,640	2,102,767	see note (e)	see note (e)
Alternative investments:				
Private equity (c)	12,481,672	3,274,555	see note (c)	see note (c)
Private credit (d)	5,700,508	3,106,344	see note (d)	see note (d)
Opportunistic (f)	253,965	—	see note (f)	see note (f)
	18,436,145			
<b>Total investments measured at the NAV</b>	<b>\$ 30,948,508</b>			

\*See note 4(B)(a)(ii) (a) through (f) for additional details.



At June 30, 2025, the System had the following recurring fair value measurements in the Premium Assistance Program.

**Premium Assistance Investments**  
Investments Measured at Fair Value  
(Dollar Amounts in Thousands)

	2025	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 105,976	\$ 62,896	\$ 43,080	\$ —
Total investments measured at fair value	\$ 105,976	\$ 62,896	\$ 43,080	\$ —

At June 30, 2024, the System had the following recurring fair value measurements in the Premium Assistance Program.

**Premium Assistance Investments**  
Investments Measured at Fair Value  
(Dollar Amounts in Thousands)

	2024	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 109,873	\$ 78,999	\$ 30,874	\$ —
Total investments measured at fair value	\$ 109,873	\$ 78,999	\$ 30,874	\$ —

At June 30, 2025, the System had the following recurring fair value measurements in the Health Options Program.

**Health Options Program Investments**  
Investments Measured at Fair Value  
(Dollar Amounts in Thousands)

	2025	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 104,473	\$ 62,005	\$ 42,468	\$ —
Other domestic short-term	290,650	290,650	—	—
Total investments measured at fair value	\$ 395,123	\$ 352,655	\$ 42,468	\$ —

At June 30, 2024, the System had the following recurring fair value measurements in the Health Options Program.

**Health Options Program Investments**  
Investments Measured at Fair Value  
(Dollar Amounts in Thousands)

	2024	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 100,964	\$ 72,593	\$ 28,371	\$ —
Other domestic short-term	356,653	356,653	—	—
Total investments measured at fair value	\$ 457,617	\$ 429,246	\$ 28,371	\$ —

At June 30, 2025, the System had the following recurring fair value measurements in the DC Plan.

### Defined Contribution Plan Investments

Investments Measured at Fair Value  
(Dollar Amounts in Thousands)

	2025	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 2,993	\$ 1,776	\$ 1,217	\$ —
Other domestic short-term	14,338	14,338	—	—
Total investments by fair value level	17,331	\$ 16,114	\$ 1,217	\$ —
Investments measured at the net asset value (NAV)				
Collective trust funds	540,944			
Total investments measured at the NAV	540,944			
Total investments measured at fair value	\$ 558,275			

At June 30, 2024, the System had the following recurring fair value measurements in the DC Plan.

### Defined Contribution Plan Investments

Investments Measured at Fair Value  
(Dollar Amounts in Thousands)

	2024	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Short-term:				
PSERS Short-Term Investment Fund	\$ 4,079	\$ 2,933	\$ 1,146	\$ —
Other domestic short-term	9,634	9,634	—	—
Total investments by fair value level	13,713	\$ 12,567	\$ 1,146	\$ —
Investments measured at the net asset value (NAV)				
Collective trust funds	342,535			
Total investments measured at the NAV	342,535			
Total investments measured at fair value	\$ 356,248			

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) at June 30, 2025 is presented in the following table.

**Defined Contribution Plan Investments**  
**Fair Value of Investments**  
**Defined Contribution Plan Investments Measured at the NAV**  
(Dollar Amounts in Thousands)

	2025			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>Collective trust funds (g)</b>	<b>\$ 540,944</b>	<b>\$ —</b>	see note (g)	see note (g)
<b>Total investments measured at the NAV</b>	<b><u>\$ 540,944</u></b>			

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) at June 30, 2024 is presented in the following table.

**Defined Contribution Plan Investments**  
**Fair Value of Investments**  
**Defined Contribution Plan Investments Measured at the NAV**  
(Dollar Amounts in Thousands)

	2024			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>Collective trust funds (g)</b>	<b>\$ 342,535</b>	<b>\$ —</b>	see note (g)	see note (g)
<b>Total investments measured at the NAV</b>	<b><u>\$ 342,535</u></b>			

The following table discloses aggregate fair value for the System's Short-term and Fixed Income assets by credit quality rating category. Many securities have ratings from more than one NRSRO\*\*\* and sometimes those ratings differ from one NRSRO to another. The data listed below uses the rating (expressed as S&P equivalent) available from Moody's and/or S&P that indicates the lowest credit quality at June 30, 2025 and 2024.

Quality Rating	(Dollar Amounts in Thousands)	
	2025 Fair Value	2024 Fair Value
AAA	\$ 1,341,833	\$ 1,731,000
AA	1,836,436	2,225,626
A	1,202,804	707,925
BBB	955,773	361,271
BB and Below	383,370	674,883
NR*	3,428,262	3,949,095
<b>Total Exposed to Credit Risk</b>	<b>9,148,478</b>	<b>9,649,800</b>
<b>U.S. Government Guaranteed**</b>	<b>15,246,611</b>	<b>14,659,286</b>
<b>Total Fixed Income and Short-Term Investments</b>	<b>\$ 24,395,089</b>	<b>\$ 24,309,086</b>
*Not Rated securities include \$2,639,255 and \$2,518,078 in collective trust funds and \$0 and \$93,853 in PSERS Short-Term Investment Fund assets at June 30, 2025 and 2024, respectively.		
**Comprised of U.S government and agency obligations explicitly guaranteed by the U.S. government and not considered to have credit risk.		
***nationally recognized statistical rating organizations (NRSRO)		

At June 30, 2025 and 2024, the System's short-term and fixed income portfolio had the following option-adjusted durations by fixed income sector:

Investment Type	(Dollar Amounts in Thousands)			
	Option-Adjusted Duration	2025 Fair Value	Option-Adjusted Duration	2024 Fair Value
Domestic asset-backed and mortgage-backed	4.0	\$ 2,025,636	0.9	\$ 712,763
U.S. government and agency obligations	12.2	12,027,239	10.0	11,810,875
Domestic corporate and taxable municipal bonds	1.5	1,437,397	1.2	1,777,152
International fixed income	4.1	221,268	4.2	336,531
Collective trust funds*	11.6	2,639,255	11.9	2,518,078
PSERS Short-Term Investment Fund	0.1	4,850,075	0.1	6,253,927
Other Short-Term Assets	0.1	1,194,219	0.1	899,760
<b>Total</b>	<b>7.9**</b>	<b>\$ 24,395,089</b>	<b>6.3**</b>	<b>\$ 24,309,086</b>
* Represents funds holding fixed income assets.				
** Fixed income investment managers enter into futures contracts to adjust the durations of their portfolios as a whole rather than any particular investment type within the portfolio. In total, the futures contracts have adjusted PSERS' total portfolio duration upward by 0.1 at June 30, 2025 and 2024. The total portfolio option adjusted duration is calculated by weighting each investment type by fair value.				

### (a) Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the System's investment in a single issuer. As of June 30, 2025 and 2024, the System had no single issuer that exceeded 5% of total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments were excluded.

### (b) Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the System would not be able to recover the value of investment or collateral securities that are in the possession of an outside party. In accordance with a contractual relationship between the Commonwealth's Treasury Department and its custodial agent, substantially all investments, where securities are used as evidence of the investment, are held by the custodian in book-entry form in the System's name. Those investments are defined as insured or registered investments for which the securities are held by the System or its agent and, therefore, have a very minimal level of custodial credit risk. The remaining investments, which do not have securities that are used as evidence of the investment, are primarily in collective trust funds and limited partnerships, which include real estate and alternative investments.

### (c) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating organizations (NRSRO) such as Moody's, and S&P. Annually, the Board establishes an asset allocation plan. This plan manages the overall credit risk of the fixed income asset class through a clearly defined long-term asset allocation policy. This policy establishes a long-term target allocation of the fixed income asset class at 34.0% of the investment portfolio. The fixed income target allocation consists of:

- An allocation of 16.0% of the portfolio has been made to the investment grade segment of the fixed income asset class benchmarked to the Bloomberg U.S. Aggregate Bond TR Index (8.0%) and the Bloomberg U.S. Long Treasury TR Index (8.0%). Within this segment, the U.S. long treasury allocation (8.0%) is composed of primarily long duration U.S. Treasury securities issued by the U.S. government. The U.S. core fixed allocation (8.0%) is composed of primarily investment grade, relatively liquid, public domestic and government-related

bonds with an overall weighted-average NRSRO credit rating of A or better.

- An allocation of 7.0% of the portfolio has been made to the private fixed income segment of the fixed income asset class benchmarked to the MSCI Global Private Credit Closed-End Fund Index one quarter lagged. The private fixed income allocation is composed of primarily investments in limited partnerships focusing on direct lending, mezzanine, distressed and special situations, specialty finance and structured credit strategies.
- An allocation of 7.0% of the portfolio has been made to the inflation protected segment of the fixed income asset class benchmarked to the Bloomberg U.S. Government Inflation-Linked Bond All Maturities TR Index which is composed of primarily government issued Treasury Inflation Protected Securities (TIPS) with an overall weighted-average NRSRO credit rating of AA or better. The portfolio manager is permitted to leverage the portfolio using TIPS total return swaps up to 3:1.
- An allocation of 4.0% of the portfolio has been made to the credit-related segment of the fixed income asset class benchmarked to the Bloomberg U.S. Corporate High Yield Bond Index.

For derivatives exposed to credit risk, the table below presents aggregate fair value by the least favorable credit rating provided by NRSROs at June 30, 2025 and 2024.

Quality Rating	(Dollar Amounts in Thousands)	
	2025 Fair Value	2024 Fair Value
A	\$ 36,964	\$ (16,880)
AA	14,738	—
<b>Total Swaps - Total Return</b>	<b>\$ 51,702</b>	<b>\$ (16,880)</b>

PSERS applies leverage opportunistically in implementing its asset allocation policy, providing an additional mechanism to increase expected volatility in order to target higher expected return when warranted. Total Leverage is allocated at (4.5%); Leverage is benchmarked to 3-Month Term SOFR, and is netted against the System's Cash allocation of 4.5% for a Net Leverage Allocation of (0.0%).

- An allocation of 4.50% of the portfolio has been made to cash benchmarked to the ICE BofAML 0-3 Month U.S. Treasury Bill Index composed of primarily investment grade, relatively liquid U.S. public bonds with an overall weighted-average NRSRO credit rating of AA or better.



#### **(d) Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of a fixed income investment. The System manages its interest rate risk by diversifying the fixed income portfolio and maintaining the fixed income portfolio at a Board-approved effective duration range of the benchmark index.

Duration is a measure of the approximate sensitivity of a bond's value to interest rate changes. The higher the duration, the greater the changes in fair value when interest rates change. For example, a duration of 4.0 would mean that, given a 100-basis point change up/down in rates, a bond's price would move down/up approximately 4.0%. PSERS measures interest rate risk using option-adjusted duration, which recognizes the fact that yield changes may change the expected cash flows due to embedded options.

#### **(e) Foreign Currency Risk**

Foreign currency risk is the risk that fluctuations in exchange rates will adversely affect the fair value of an investment. As part of the System's program to manage risk and enhance returns, the System invests in non-U.S. markets. Investment managers in non-U.S. equity and global fixed income may hedge their non-U.S. foreign currency exposure back to U.S. dollars. In addition, the System partially hedges non-U.S. developed market currency exposure not hedged by the investment managers back to U.S. dollars.

#### **(D) Securities Lending**

The System did not participate in a securities lending program with a third party agent for the fiscal year ended June 30, 2025. The System did participate in a securities lending program for part of the fiscal year ended June 30, 2024 due to the program being suspended as of October 31, 2023. Under this program, the lending agent loaned securities (equities, fixed income, and money market instruments) to independent brokers and dealers in exchange for U.S. dollar cash collateral, which was required to be in an amount not less than 102% of the fair value of any securities loaned. Collateral was marked-to-market daily. If the fair value of the held collateral fell below the minimum guidelines for securities loaned, additional collateral was obtained. The lending agent invested the cash collateral in accordance with reinvestment guidelines approved by the System.

The System minimized its credit risk exposure by requiring borrowers to provide collateralization in excess of 100% of the fair value of the securities loaned. Under the securities lending program, the lending agent

provided indemnification to the System if a borrower failed to return borrowed securities (and the collateral was inadequate to replace the loaned securities) or failed to pay income distributions on them. The lending agent also provided indemnification to the System if investment of cash collateral resulted in investment loss. There were no losses during the fiscal years ended June 30, 2025 and 2024, resulting from a default of the borrowers or the lending agent.

All securitized loans could be terminated on demand by either the System or the borrower, although the average term of the loan was one day. There were no term loans as of June 30, 2025 and 2024.

Cash collateral was invested in a tri-party repurchase agreement that was managed by the lending agent, was segregated from all other clients of the lending agent, and was not subject to custodial credit risk. The System's securities lending income represented the earnings from the cash collateral provided by the borrower less a fee paid to the third-party agent minus a negotiated rebate of a portion of the earnings on the cash collateral. During the fiscal year ended June 30, 2024, the mismatch between the maturities of the investments made with cash collateral and the maturities of the securities loans may have posed some interest rate risk to the System. In the event of a default, the lending agent had the ability to use the collateral to replace the loaned securities

As of June 30, 2025 and 2024, the fair value of loaned securities was \$0.

Non-U.S. currency exposures at June 30, 2025 and 2024:

2025**						
(Dollar Amounts in Thousands)						
Currency	Equity	Fixed Income	Alternative Investments & Real Estate	Short-Term*	Currency Hedge	Total Fair Value
Euro	\$ 2,478,129	\$ 62,975	\$ 1,279,059	\$ 35,010	\$ (81,511)	\$ 3,773,662
Japanese yen	1,464,182	12,228	87,889	11,886	(17,186)	1,558,999
British pound sterling	1,139,037	—	295,439	2,230	(1,396)	1,435,310
Canadian dollar	1,160,684	—	—	1,458	(6)	1,162,136
Australian dollar	674,790	—	—	57	(12)	674,835
Swiss franc	467,606	—	—	9,649	—	477,255
Hong Kong dollar	298,208	—	—	410	(165)	298,453
Indian rupee	251,999	—	—	1,046	—	253,045
Taiwan new dollar	213,068	—	—	686	(609)	213,145
Other non-U.S. currencies	1,023,369	97,081	—	21,218	728	1,142,396
<b>Total</b>	<b>\$ 9,171,072</b>	<b>\$ 172,284</b>	<b>\$ 1,662,387</b>	<b>\$ 83,650</b>	<b>\$ (100,157)</b>	<b>\$ 10,989,236</b>

2024**						
(Dollar Amounts in Thousands)						
Currency	Equity	Fixed Income	Alternative Investments & Real Estate	Short-Term*	Currency Hedge	Total Fair Value
British pound sterling	\$ 961,996	\$ —	\$ 489,277	\$ 1,191	\$ (930,064)	\$ 522,400
Japanese yen	1,212,571	9,817	81,425	2,922	(869,659)	437,076
Euro	1,933,415	52,444	1,362,036	58,065	(3,060,081)	345,879
Indian rupee	235,615	—	—	(376)	—	235,239
Taiwan new dollar	226,965	—	—	(1,575)	—	225,390
Canadian dollar	856,061	—	—	1,048	(714,214)	142,895
Danish krone	205,200	—	—	2,867	(81,401)	126,666
Swiss franc	397,657	—	—	7,099	(305,392)	99,364
South Korean Won	97,627	—	—	(240)	—	97,387
Other non-U.S. currencies	1,438,232	102,667	—	11,200	(1,059,846)	492,253
<b>Total</b>	<b>\$ 7,565,339</b>	<b>\$ 164,928</b>	<b>\$ 1,932,738</b>	<b>\$ 82,201</b>	<b>\$ (7,020,657)</b>	<b>\$ 2,724,549</b>

\* Includes investment receivables and payables

\*\* To determine the level of currency risk, the currency hedge program uses a country of risk method. This table is prepared using currency risk based on investments held in a foreign currency.

The following table summarizes the System's foreign exchange contracts by currency at June 30, 2025 and 2024:

Currency	2025 (Dollar Amounts in Thousands)			
	Buys	Unrealized Gain/(Loss)	Sells	Unrealized Gain/(Loss)
Euro	\$ 3,721	\$ 3	\$ 85,134	\$ (1,541)
Japanese yen	263	—	17,441	1
Swiss franc	—	—	—	—
Australian dollar	647	—	659	(2)
Swedish krona	—	—	—	—
Canadian dollar	—	—	6	—
Singapore dollar	—	—	169	—
Hong Kong dollar	521	—	686	—
British pound sterling	271	—	1,649	—
New Zealand dollar	—	—	—	—
Other non-U.S. currencies	1,437	(1)	1,150	(13)
Total	<u>\$ 6,860</u>	<u>\$ 2</u>	<u>\$ 106,894</u>	<u>\$ (1,555)</u>

Currency	2024 (Dollar Amounts in Thousands)			
	Buys	Unrealized Gain/(Loss)	Sells	Unrealized Gain/(Loss)
Euro	\$ 3,187	\$ 2	\$ 3,063,268	\$ 8,280
Japanese yen	2,074	(1)	871,734	18,643
Swiss franc	—	—	305,005	5,372
Australian dollar	—	—	559,439	(444)
Swedish krona	627	—	100,960	1,609
Canadian dollar	334	—	714,548	(1,562)
Singapore dollar	61	—	61,394	254
Hong Kong dollar	407	—	141,979	58
British pound sterling	2,736	(1)	931,068	6,649
New Zealand dollar	—	—	151,470	1,136
Other non-U.S. currencies	1,729	(3)	128,197	753
Total	<u>\$ 11,155</u>	<u>\$ (3)</u>	<u>\$ 7,029,062</u>	<u>\$ 40,748</u>

## 5. Derivative and Other Similar Investments

The System enters into a variety of financial contracts, which include options and futures. The System also enters into foreign exchange positions, such as forward and spot contracts to obtain or hedge foreign currency exposure; swap agreements to gain exposure to certain sectors of the equity and fixed income markets; collateralized mortgage obligations (CMOs); other forward contracts; and U.S. Treasury STRIPS. The System is not a dealer, but an end user of these instruments. The contracts are used primarily to enhance performance and/or reduce the volatility of the portfolio. The System is exposed to credit risk in the event of non-performance by counterparties to financial instruments. The System generally enters into transactions only with high quality institutions. Legal risk is mitigated through selection of executing brokers and review of all documentation. The System is exposed to market risk, the risk that future changes in market conditions may make an instrument less valuable. Exposure to market risk is managed in accordance with risk limits set by senior management, through buying or selling instruments or entering into offsetting positions.

The notional or contractual amounts of derivatives indicate the extent of the System's involvement in the various types and uses of derivative financial instruments and do not measure the System's exposure to credit or market risks and do not necessarily represent amounts exchanged by the parties. The amounts exchanged are determined by reference to the notional amounts and the other terms of the derivatives.

Futures contracts are contracts in which the buyer agrees to purchase and the seller agrees to make delivery of a specific financial instrument at a predetermined date and price. Gains and losses on futures contracts are settled daily based on a notional (underlying) principal value and do not involve an actual transfer of the specific instrument. Futures contracts are standardized and are traded on exchanges. The exchange assumes the risk that a counterparty will not pay and generally requires margin payments to minimize such risk. In addition, the System enters into short sales, sales of securities it does not presently own, to neutralize the market risk of certain equity positions. Initial margin requirements on futures contracts and collateral for short sales are provided by investment securities pledged as collateral and by cash held by various brokers. Although the System has the right to access individual pledged securities, it must maintain the amount pledged by substituting other securities for those accessed. The value of securities pledged and the amount of cash held at June 30, 2025 and 2024

represent a restriction on the amount of assets available at year-end for other purposes.

Option contracts provide the option purchaser with the right, but not the obligation, to buy or sell the underlying security at a set price during a period or at a specified date. The option writer is obligated to buy or sell the underlying security if the option purchaser chooses to exercise the option. The System generally uses exchange listed currency, index, stock, and futures options. In FY 2024, the System purchased over-the-counter put options on the S&P 500 Index and call options on the CBOE Volatility Index. There were no option contracts as of June 30, 2025, and the fair value of the option contracts of \$4,157,000 at June 30, 2024, is included in the Statement of Fiduciary Net Position.

Foreign exchange contracts involve an agreement to exchange the currency of one country for the currency of another country at an agreed-upon price and settlement date. To reduce the risk of counterparty non-performance, the investment managers generally enter into these contracts with institutions regarded as meeting high standards of credit worthiness. The contracts reported in Table 5 primarily include forwards. The \$113,754,000 of foreign currency contracts outstanding at June 30, 2025 consist of "buy" contracts, which represent the U.S. dollar equivalents of commitments to purchase foreign currencies of \$6,860,000 and "sell" contracts, which represent U.S. dollar equivalents of commitments to sell foreign currencies of \$106,894,000. The \$7,040,217,000 of foreign currency contracts outstanding at June 30, 2024 consist of "buy" contracts of \$11,155,000 and "sell" contracts of \$7,029,062,000. The unrealized gain/(loss) on contracts of \$(1,553,000) and \$40,745,000 at June 30, 2025 and 2024, respectively, is included in the Statements of Fiduciary Net Position and represents the fair value of the contracts.

Swap agreements provide for periodic payments at predetermined future dates between parties based on the change in value of underlying securities, indexes, or interest rates. During the year ended June 30, 2025 and 2024, the System entered into total return type swaps. Under the total return type swap arrangements, the System receives the net return of certain equity, fixed income or commodity securities or indexes in exchange for a short-term rate minus a spread or a predetermined fixed charge. The receivable/(payable) on the total return type swap contracts of \$51,702,000 and \$(16,880,000) at June 30, 2025 and 2024, respectively, is included in the Statements of Fiduciary Net Position and represents the fair value of the contracts. The contracts have varying maturity dates ranging from July 31, 2025 to June 30, 2026.

Table 5 - Notional Amounts of Derivatives

The table presented below summarizes the aggregate notional or contractual amounts for the System's derivative financial instruments at June 30, 2025 and 2024.

	(Dollar Amounts in Thousands)	
	2025	2024
Futures contracts - long:		
Treasury futures	\$ 325,765	\$ 323,652
U.S. equity futures	405,868	173,375
Commodity futures	496,295	471,939
Futures contracts - short:		
Treasury futures	717	6,894
Foreign exchange forward and spot contracts, gross	113,754	7,040,217
Options- puts purchased	—	7,145,000
Options- calls purchased	—	(2,000)
Swaps - total return type	4,110,457	6,366,903

The fair values of derivative instruments outstanding at June 30, 2025 and 2024 are classified by type and by the changes in fair value of the derivative instrument in the table below.

Investment Derivative Type	(Dollar Amounts in Thousands)			
	Change In Fair Value Gain/(Loss) FY 2025		Fair Value at June 30, 2025	
	Classification	Amount	Classification	Amount
Futures	Investment income	\$ 79,572	Receivable/(Payable)	\$ 79,572
Total return type swaps	Investment income	51,702	Receivable/(Payable)	51,702
Foreign exchange contracts	Investment income	(1,553)	Receivable/(Payable)	(1,553)
Options	Investment income	(18,356)	Investment	—
<b>Total</b>		<b>\$ 111,365</b>		<b>\$ 129,721</b>

Investment Derivative Type	(Dollar Amounts in Thousands)			
	Change In Fair Value Gain/(Loss) FY 2024		Fair Value at June 30, 2024	
	Classification	Amount	Classification	Amount
Futures	Investment income	\$ 62,547	Receivable/(Payable)	\$ 62,547
Total return type swaps	Investment income	(16,880)	Receivable/(Payable)	(16,880)
Foreign exchange contracts	Investment income	40,745	Receivable/(Payable)	40,745
Options	Investment income	(3,855)	Investment	4,157
<b>Total</b>		<b>\$ 82,557</b>		<b>\$ 90,569</b>

The System also invests in mortgage-backed securities (MBS) such as CMOs and MBS forwards to maximize yields. These securities are sensitive to prepayments of mortgages, which may result from a drop in interest rates. The MBS forwards are subject to credit risk in the event of nonperformance by counterparties. The fair value of CMOs at June 30, 2025 and 2024 is \$1,224,360,000 and \$686,504,000, respectively.

The System invests in U.S. Treasury STRIPS which essentially act as zero-coupon bonds and are subject to market volatility from a rise or drop in interest rates.

Through certain hedge funds, the System also indirectly holds various derivative financial instruments. The hedge funds invest in futures and options thereon; forward foreign currency contracts; options; interest rate, currency, equity, index, and total return swaps; interest-only STRIPS; and CMOs, to enhance the performance and/or reduce the volatility of their portfolios.

## 6. Net Pension Liability of Participating Employers

The components of the net pension liability of the participating employers at June 30, 2025 were as follows: (Dollar amounts in thousands)	
Total pension liability	\$ 121,447,879
Less: Plan fiduciary net position	82,631,210
Employer net pension liability	<u>\$ 38,816,669</u>
Plan fiduciary net position as a percentage of the total pension liability	68.04%

### Actuarial Assumptions

The total pension liability at June 30, 2025 was determined by rolling forward the System's total pension liability at June 30, 2024 to June 30, 2025 using the following actuarial assumptions, which are applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 7.00%, includes inflation at 2.50%.
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Payroll growth assumption 3.25%.
- Mortality rates were modified from the RP-2014 Mortality Tables for Males and Females to a blended table based on 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 (Total General Employees data), adjusted to reflect PSERS' experience and projected using a modified version MP-2020.

- PSERS' Board-approved new actuarial assumptions effective for the June 30, 2021 actuarial valuation. The new assumptions were used to calculate the net pension liability at June 30, 2025 and are reflected above.

### Investments

The long-term expected rate of return on pension 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 pension 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.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

For the year ended June 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.65%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. Table 6 shows the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class at June 30, 2025.

### Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at actuarially determined rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members to determine the total pension liability. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.



**Table 6 - Pension Asset Allocation**

Pension -Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	32.0%	4.2%
Private equity	12.0%	6.8%
Fixed income	34.0%	3.5%
Commodities	4.0%	3.9%
Infrastructure	10.0%	5.9%
Real estate	8.0%	6.4%
	100.0%	

**Sensitivity of the Net Pension Liability**

Table 7 presents the net pension liability as of June 30, 2025, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**Table 7 - Sensitivity of the Net Pension Liability**  
(Dollar amounts in thousands)

	1% Decrease	Current Discount Rate	1% Increase
	6.00%	7.00%	8.00%
Net pension liability	\$52,374,830	\$38,816,669	\$27,361,567

For additional information on the total pension liability, net pension liability, plan fiduciary net position as a percentage of the total pension liability, actuarial assumptions, and money-weighted returns please refer to the multiple year Required Supplementary Information Schedule 1, Schedule 2, Schedule 3, Schedule 7 and Notes to Required Supplementary Information.

**7. Net Other Postemployment Benefits (OPEB) Liability of Participating Employers**

The components of the net OPEB liability of the participating employers at June 30, 2025 were as follows:

(Dollar amounts in thousands)

Total OPEB liability	\$1,777,941
Less: Plan fiduciary net position	133,377
Employer net OPEB liability	\$1,644,564
Plan fiduciary net position as a percentage of the total OPEB liability	7.50%

**Postemployment Healthcare Plans**

PSERS provides a Health Insurance Premium Assistance program funded by employer contributions, which makes up the OPEB liability.

HOP is a PSERS sponsored voluntary health insurance program funded exclusively by the premiums paid by its participants for benefit coverage they elect. The HOP is not part of the OPEB liability.

**Change in Actuarial Assumptions**

The following change in assumption was used in the measurement of the Total OPEB Liability beginning June 30, 2025. The Investment Rate of Return was adjusted from 4.21% to 4.81% which represents the S&P 20-Year Municipal Bond Rate.

**Actuarial Assumptions**

The total OPEB liability at June 30, 2025, was determined by rolling forward the System's total OPEB liability at June 30, 2024, to June 30, 2025, using the following actuarial assumptions, which are applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 4.81% - S&P 20-Year Municipal Bond Rate.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were modified from the RP-2014 Mortality Tables for Males and Females to a blended table based on 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 (Total General Employees data), adjusted to reflect PSERS' experience and projected using a modified version MP-2020.
- PSERS Board-approved new actuarial assumptions effective for the June 30, 2021 actuarial valuation. The new assumptions were used to calculate the net pension liability at June 30, 2025 and are reflected above.

**Investments**

The Board's policy for its Other Post-Employment Benefits (OPEB) asset allocation consists primarily of short-term assets designed to protect the principal of the plan assets. Table 8 reflects the System's OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class at June 30, 2025.

Under the program, employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

For the year ended June 30, 2025, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 4.90%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### Discount Rate

The discount rate used to measure the total OPEB liability was 4.81%. The Health Insurance Premium Assistance Program is funded by employer contributions. Under the plan's funding method, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments. Therefore, the plan is considered a "pay-as-you go" plan and a discount rate of 4.81%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2025 was applied to all projected benefit payments to measure the total OPEB liability.

Table 8 - OPEB Asset Allocation		
OPEB - Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Short-term Investments	100.0%	1.7%
	100.0%	

### Sensitivity of the Net OPEB Liability

Table 9 presents the net OPEB liability, calculated using the discount rate of 4.81%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Table 9 - Sensitivity of the Net OPEB Liability (Dollar amounts in thousands)			
	1% Decrease	Current Discount Rate	1% Increase
	3.81%	4.81%	5.81%
Net OPEB liability	\$1,849,803	\$1,644,564	\$1,471,926

### Healthcare Cost Trend Rates

Healthcare cost trends were applied to retirees with less than \$1,200 in Premium Assistance per year. Premium Assistance is capped at a maximum of \$1,200 per year. At June 30, 2024, there were 91,034 members receiving

the maximum amount allowed of \$1,200 in Premium Assistance per year and their Premium Assistance benefits are not subject to future healthcare cost increases. At June 30, 2024, there were 487 members receiving less than the maximum amount allowed of \$1,200 per year. The actual number of retirees receiving less than the \$1,200 per year cap is a small percentage of the total population and has a minimal impact from Healthcare Cost Trends, as depicted in Table 10, which discloses the effect of a 1% increase or decrease in the rate.

Table 10 - Sensitivity of the Net OPEB Liability to Change in Healthcare Cost Trend Rates (Dollar amounts in thousands)			
	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	\$1,644,438	\$1,644,564	\$1,644,669

For additional information on the total OPEB liability, net OPEB liability, plan fiduciary net position as a percentage of the total OPEB liability, actuarial assumptions, and money-weighted returns please refer to the multiple year Required Supplementary Information Schedule 4, Schedule 5, Schedule 6, Schedule 7 and Notes to Required Supplementary Information.

## 8. Pension Plan for Employees of the System

### (A) SERS' Plan Description

As an employer, the System contributes to SERS, a cost-sharing multiple-employer Defined Benefit Pension Plan established by the Commonwealth to provide pension benefits for employees of state government and certain independent agencies. SERS is a component unit of the Commonwealth and is included in the Commonwealth's financial report as a pension trust fund.

Membership in SERS is mandatory for most state employees. SERS provides retirement, death, and disability benefits. Article II of the Commonwealth's Constitution assigns the authority to establish and amend the benefit provision of the plan to the General Assembly.

### (B) SERS Benefits Provided to Employees of the System

SERS member retirement benefits are generally determined by taking years of credited service times final average salary times 1.0%, 1.25%, 2% or 2.5%, depending on date of hire. The normal retirement age

ranges from 50 - 65, depending on the membership class. According to the State Employees' Retirement Code (SERC), all obligations of SERS will be assumed by the Commonwealth should SERS terminate.

### (C) Contributions to SERS

The contribution requirements of SERS plan members is mandated by Commonwealth statute. At December 31, 2024 and 2023 the blended member contribution rates were 6.17% and 6.09%, respectively, while the blended employer contribution rates were 27.49% and 28.42%, respectively. PSERS contributed \$10.8 million to SERS for FY 2025.

### (D) Proportionate Share of Pension Liabilities, Pension Expense, and Deferred Inflows of Resources and Deferred Outflows of Resources

At June 30, 2025, PSERS reported a liability of \$87.6 million and \$91.5 million at June 30, 2024, for its proportionate share of the net pension liability for the SERS plan in Other liabilities on the Statement of Fiduciary Net Position. The net pension liability was measured at December 31, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at December 31, 2024 and 2023. PSERS' proportion of the net pension liability was calculated utilizing a projected-contribution method. At December 31, 2024, PSERS' proportion was 0.43475867 percent and 0.43285471 percent at December 31, 2023.

PSERS recognized total pension expense of \$13.9 million in FY 2025 and is included in the Statement of Changes in Fiduciary Net Position. Of the \$13.9 million of pension expense, \$8.7 million was reflected in Pension administrative expenses, \$0.2 million in Postemployment Healthcare, \$0.2 million in Defined Contribution and \$4.8 million was reflected in Investment Expenses. Deferred inflows of resources of \$374,000 and \$632,000 at June 30, 2025, and 2024, respectively, are reported in Other liabilities on the Statement of Fiduciary Net Position. Deferred outflows of resources of \$15.6 million and \$22.8 million at June 30, 2025, and 2024, respectively, are reported in Miscellaneous assets. Of the \$15.6 million of deferred outflows of resources at June 30, 2025, PSERS recorded \$5.9 million for contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years Ending June 30:	Dollar Amounts in Thousands
2026	\$ 6,698
2027	(1,200)
2028	283
2029	112
Thereafter	—

### (E) SERS' Pension Plan Fiduciary Net Position

Detailed information about SERS' fiduciary net position is available in SERS' Annual Comprehensive Financial Report which can be found on SERS' website at [www.SERS.pa.gov](http://www.SERS.pa.gov).

## 9. Postemployment Healthcare Plan for Employees of the System

### (A) REHP Plan Description

As an employer, PSERS participates in the Commonwealth's REHP (Retired Employees Health Program). The REHP is a single employer plan and provides certain healthcare benefits to qualifying individuals meeting specified age and/or service requirements. The Commonwealth's Office of Administration (OA), in its sole discretion, determines available REHP benefits on an ongoing basis. The Pennsylvania Employees Benefit Trust Fund (PEBTF) is a third-party administrator for the REHP under the provisions of an Administration Agreement between OA and PEBTF.

### (B) OPEB Benefits Provided to Employees of the System

The Commonwealth sponsors the REHP for eligible retirees and their dependents to receive subsidized health coverage for the retiree's lifetime. The REHP is provided as part of collective bargaining agreements with most Commonwealth labor unions. All policy decisions, types and levels of benefits for the REHP fall under the purview of the Commonwealth's Executive Board and the Secretary of Administration.

### (C) Contributions to the REHP

Employer costs for retiree healthcare benefits are charged as a component of payroll expenditures, on a "pay as you go" basis. All employing agencies and certain plan members contributed \$275 per biweekly pay period for each current REHP eligible active employee during fiscal year ended June 30, 2025 to the REHP Trust. PSERS contributed \$2.4 million to the REHP for FY 2025. Plan members who retired after June 30, 2005, contribute to the plan based on a

percentage of their final annual gross base salary at the time of retirement. Plan member contribution rates vary based on their REHP enrollment date.

#### **(D) Proportionate Share of OPEB Liabilities, OPEB Expense and Deferred Inflows of Resources and Deferred Outflows of Resources**

At June 30, 2025, PSERS reported a liability of \$32.4 million and \$30.3 million at June 30, 2024 for its proportionate share of net OPEB liability for the REHP plan in Other Liabilities on the Statement of Fiduciary Net Position. The current liability portion of the net OPEB liability is \$2.4 million. The net OPEB liability was measured at June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation at June 30, 2024. Since the REHP has insufficient assets to meet next year's projected benefit payments, the discount rate used to measure the total OPEB liability is based on the 20-year tax-exempt general obligation municipal bond index rate, which was 6.09% on June 30, 2025. PSERS' proportion of the net OPEB liability was calculated utilizing a contribution method. At June 30, 2024, PSERS' proportion was 0.464975 percent and at June 30, 2023 PSERS' proportion was 0.389070 percent.

PSERS recognized total OPEB expense of \$(1.9) million in FY 2025 is included in the Statement of Changes in Fiduciary Net Position. Of the \$(1.9) million of OPEB expense, \$(1.7) million was reflected in Pension administrative expenses, \$0.1 million in Postemployment Healthcare, \$0.2 million in Defined Contribution and \$(0.5) million was reflected in Investment Expenses. Deferred outflows of resources of \$15.3 million and \$10.9 million at June 30, 2025 and 2024, respectively, are reported in Miscellaneous assets. Of the \$15.3 million of deferred outflows at June 30, 2025, PSERS recorded \$2.4 million for contributions subsequent to the measurement date which will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. Deferred inflows of resources of \$23.4 million and \$25.5 million at June 30, 2025 and 2024, respectively, are reported in Other liabilities on the Statement of Fiduciary Net Position and will be recognized in OPEB expense as follows:

<b>Years Ending June 30:</b>	<b>Dollar Amounts in Thousands</b>
2026	\$ 1,116
2027	567
2028	264
2029	925
Thereafter	—

#### **(E) REHP Plan Fiduciary Net Position**

Detailed information about the REHP fiduciary net position is available in the Commonwealth's Annual Comprehensive Financial Report which can be found at [www.budget.pa.gov](http://www.budget.pa.gov).

#### **10. Litigation and Contingencies**

The System is subject to various threatened and pending lawsuits. These lawsuits include issues related to benefit calculations and eligibility. The System is also exposed to various other liabilities and risks related to fiduciary responsibilities of directors and officers.

It is the opinion of management that the ultimate liability arising from such threatened, pending litigation and investigations will not have a material effect on the financial position of the System.

## Required Supplementary Information

### Schedule 1

#### Schedule of Changes in the Employer Net Pension Liability Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021
Total pension liability					
Service cost	\$ 1,865,972	\$ 1,833,996	\$ 1,822,768	\$ 1,826,693	\$ 1,963,645
Interest	8,147,080	8,024,358	7,915,834	7,789,946	7,703,465
Changes of benefit terms	—	—	—	—	—
Differences between expected and actual experience	872,671	(380,382)	(545,873)	(399,385)	40,322
Changes of assumptions	—	—	—	—	2,655,180
Benefit payments	(7,785,781)	(7,728,745)	(7,580,983)	(7,254,372)	(7,134,332)
Net change in total pension liability	3,099,942	1,749,227	1,611,746	1,962,882	5,228,280
Total pension liability -beginning	118,347,937	116,598,710	114,986,964	113,024,082	107,795,802
Total pension liability - ending (a)	<u>\$121,447,879</u>	<u>\$118,347,937</u>	<u>\$116,598,710</u>	<u>\$114,986,964</u>	<u>\$113,024,082</u>
Plan fiduciary net position					
Contributions - employer	\$ 5,470,733	\$ 5,262,714	\$ 5,249,018	\$ 4,997,912	\$ 4,759,189
Contributions - member	1,188,582	1,197,871	1,174,580	1,134,051	1,080,701
Net investment income	7,323,837	5,704,271	2,795,296	(267,250)	14,754,624
Benefit payments	(7,785,781)	(7,728,745)	(7,580,983)	(7,254,372)	(7,134,332)
Administrative expense	(59,155)	(55,447)	(53,823)	(49,451)	(49,616)
Net Change in plan fiduciary net position	6,138,216	4,380,664	1,584,088	(1,439,110)	13,410,566
Plan fiduciary net position -beginning	76,492,994	72,112,330	70,528,242	71,967,352	58,556,786
Effect of change in accounting principle	—	—	—	—	—
Plan fiduciary net position - beginning restated	76,492,994	72,112,330	70,528,242	71,967,352	58,556,786
Plan fiduciary net position - ending (b)	<u>\$ 82,631,210</u>	<u>\$ 76,492,994</u>	<u>\$ 72,112,330</u>	<u>\$ 70,528,242</u>	<u>\$ 71,967,352</u>
Employer net pension liability - ending (a)-(b)	<u>\$ 38,816,669</u>	<u>\$ 41,854,943</u>	<u>\$ 44,486,380</u>	<u>\$ 44,458,722</u>	<u>\$ 41,056,730</u>

See accompanying independent auditor's report and notes to the required supplementary information.



## Required Supplementary Information

### Schedule 1 Schedule of Changes in the Employer Net Pension Liability (continued) (Unaudited – See Accompanying Independent Public Accountant’s Report) (Dollar Amounts in Thousands)

	2020	2019	2018	2017	2016
Total pension liability					
Service cost	\$ 1,949,427	\$ 1,921,417	\$ 1,890,906	\$ 1,873,844	\$ 1,932,401
Interest	7,546,367	7,465,228	7,334,484	7,110,987	7,028,292
Changes of benefit terms	—	—	—	(449)	—
Differences between expected and actual experience	(339,969)	(1,477,660)	(745,306)	644,051	(348,429)
Changes of assumptions	—	—	—	—	2,236,118
Benefit payments	(6,876,515)	(6,761,172)	(6,655,146)	(6,473,579)	(6,360,325)
Net change in total pension liability	2,279,310	1,147,813	1,824,938	3,154,854	4,488,057
Total pension liability -beginning	105,516,492	104,368,679	102,543,741	99,388,887	94,900,830
Total pension liability - ending (a)	<u>\$ 107,795,802</u>	<u>\$ 105,516,492</u>	<u>\$ 104,368,679</u>	<u>\$ 102,543,741</u>	<u>\$ 99,388,887</u>
Plan fiduciary net position					
Contributions - employer	\$ 4,676,413	\$ 4,487,520	\$ 4,249,611	\$ 3,832,773	\$ 3,189,510
Contributions - member	1,067,957	1,064,043	1,026,375	1,013,847	989,266
Net investment income	1,001,846	3,628,710	4,714,158	4,995,362	473,206
Benefit payments	(6,876,515)	(6,761,172)	(6,655,146)	(6,473,579)	(6,360,325)
Administrative expense	(46,799)	(48,931)	(46,544)	(45,127)	(45,118)
Net Change in plan fiduciary net position	(177,098)	2,370,170	3,288,454	3,323,276	(1,753,461)
Plan fiduciary net position -beginning	58,733,884	56,363,714	53,155,336	49,832,060	51,585,521
Effect of change in accounting principle	—	—	(80,076)	—	—
Plan fiduciary net position - beginning restated	58,733,884	56,363,714	53,075,260	49,832,060	51,585,521
Plan fiduciary net position - ending (b)	<u>\$ 58,556,786</u>	<u>\$ 58,733,884</u>	<u>\$ 56,363,714</u>	<u>\$ 53,155,336</u>	<u>\$ 49,832,060</u>
Employer net pension liability - ending (a)-(b)	<u>\$ 49,239,016</u>	<u>\$ 46,782,608</u>	<u>\$ 48,004,965</u>	<u>\$ 49,388,405</u>	<u>\$ 49,556,827</u>

See accompanying independent auditor’s report and notes to the required supplementary information.



## Required Supplementary Information

### Schedule 2 Schedule of Employer Net Pension Liability Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021
Total Pension Liability	<b>\$121,447,879</b>	\$118,347,937	\$116,598,710	\$114,986,964	\$113,024,082
Less: Plan fiduciary net position	<b>82,631,210</b>	76,492,994	72,112,330	70,528,242	71,967,352
Employer Net Pension liability	<b><u>\$ 38,816,669</u></b>	<u>\$ 41,854,943</u>	<u>\$ 44,486,380</u>	<u>\$ 44,458,722</u>	<u>\$ 41,056,730</u>
Plan fiduciary net position as a percentage of the total pension liability	<b>68.04%</b>	64.63%	61.85%	61.34%	63.67%
Covered Payroll	<b>\$ 16,570,598</b>	\$ 15,872,930	\$ 15,320,427	\$ 14,704,344	\$ 14,176,097
Employer net pension liability as a percentage of covered payroll	<b>234.25%</b>	263.69%	290.37%	302.35%	289.62%

	2020	2019	2018	2017	2016
Total Pension Liability	\$107,795,802	\$105,516,492	\$104,368,679	\$102,543,741	\$ 99,388,887
Less: Plan fiduciary net position	58,556,786	58,733,884	56,363,714	53,155,336	49,832,060
Employer Net Pension liability	<b><u>\$ 49,239,016</u></b>	<u>\$ 46,782,608</u>	<u>\$ 48,004,965</u>	<u>\$ 49,388,405</u>	<u>\$ 49,556,827</u>
Plan fiduciary net position as a percentage of the total pension liability	54.32%	55.66%	54.00%	51.84%	50.14%
Covered Payroll	\$14,036,006	\$13,791,197	\$ 13,466,526	\$ 13,313,900	\$ 12,951,077
Employer net pension liability as a percentage of covered payroll	350.81%	339.22%	356.48%	370.95%	382.65%

See accompanying independent auditor's report and notes to the required supplementary information.

## Required Supplementary Information

### Schedule 3 Schedule of Employer Pension Contributions Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021
Actuarially determined contribution	<b>\$ 5,436,968</b>	\$ 5,249,563	\$ 5,237,092	\$ 4,985,571	\$ 4,752,338
Less: Contributions in relation to the actuarially determined contribution (1)	<b>5,436,968</b>	5,249,563	5,237,092	4,985,571	4,752,338
Contribution deficiency	<u><b>\$ —</b></u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Covered payroll	<b>\$16,570,598</b>	\$15,872,930	\$15,320,427	\$14,704,344	\$14,176,097
Contributions as a percentage of covered payroll	<b>32.81%</b>	33.07%	34.18%	33.91%	33.52%

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 4,671,931	\$ 4,478,236	\$ 4,243,328	\$ 3,824,908	\$ 3,540,304
Less: Contributions in relation to the actuarially determined contribution (1)	4,671,931	4,478,236	4,243,328	3,824,908	3,181,438
Contribution deficiency	<u><b>\$ —</b></u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 358,866</u>
Covered payroll	\$14,036,006	\$13,791,197	\$13,466,526	\$13,313,900	\$12,951,077
Contributions as a percentage of covered payroll	33.29%	32.47%	31.51%	28.73%	24.57%

(1) Same as contractually required contributions.

See accompanying independent auditor's report and notes to the required supplementary information.

## Required Supplementary Information

### Schedule 4 Schedule of Changes in the Employer Net OPEB (Premium Assistance) Liability Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

Total OPEB liability	2025	2024	2023	2022	2021
Service cost	\$ 27,062	\$ 27,445	\$ 27,596	\$ 47,563	\$ 44,699
Interest	79,370	79,384	79,672	54,361	60,632
Differences between expected and actual experience	(12,111)	(15,262)	(12,047)	(11,835)	7,272
Changes of assumptions	(118,759)	(16,943)	(8,656)	(502,733)	212,419
Benefit payments	(110,528)	(111,659)	(112,870)	(113,707)	(113,538)
Net change in total OPEB liability	(134,966)	(37,035)	(26,305)	(526,351)	211,484
Total OPEB liability - beginning	1,912,907	1,949,942	1,976,247	2,502,598	2,291,114
Total OPEB liability - ending (a)	<u>\$ 1,777,941</u>	<u>\$ 1,912,907</u>	<u>\$ 1,949,942</u>	<u>\$ 1,976,247</u>	<u>\$ 2,502,598</u>
Plan fiduciary net position					
Contributions - employer	\$ 103,390	\$ 102,211	\$ 114,721	\$ 117,178	\$ 116,519
Net investment income	5,187	6,184	4,474	316	260
Benefit payments	(110,528)	(111,659)	(112,870)	(113,707)	(113,538)
Administrative expense	(1,120)	(1,004)	(1,085)	(826)	(1,143)
Net Change in plan fiduciary net position	(3,071)	(4,268)	5,240	2,961	2,098
Plan fiduciary net position - beginning	136,448	140,716	135,476	132,515	130,417
Plan fiduciary net position - ending (b)	<u>\$ 133,377</u>	<u>\$ 136,448</u>	<u>\$ 140,716</u>	<u>\$ 135,476</u>	<u>\$ 132,515</u>
Employer net OPEB liability - ending (a) - (b)	<u>\$ 1,644,564</u>	<u>\$ 1,776,459</u>	<u>\$ 1,809,226</u>	<u>\$ 1,840,771</u>	<u>\$ 2,370,083</u>

Required Supplementary Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditor's report and notes to the required supplementary information.

## Required Supplementary Information

### Schedule 4

#### Schedule of Changes in the Employer Net OPEB (Premium Assistance) Liability (continued) Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

Total OPEB liability	2020	2019	2018	2017
Service cost	\$ 42,643	\$ 40,201	\$ 37,809	\$ 42,038
Interest	62,452	65,319	67,091	61,404
Differences between expected and actual experience	11,987	1,435	15,019	—
Changes of assumptions	35,284	50,166	38,456	(110,610)
Benefit payments	(113,279)	(112,777)	(111,847)	(110,229)
Net change in total OPEB liability	39,087	44,344	46,528	(117,397)
Total OPEB liability - beginning	2,252,027	2,207,683	2,161,155	2,278,552
Total OPEB liability - ending (a)	<u>\$ 2,291,114</u>	<u>\$ 2,252,027</u>	<u>\$ 2,207,683</u>	<u>\$ 2,161,155</u>
Plan fiduciary net position				
Contributions - employer	\$ 117,907	\$ 114,829	\$ 111,986	\$ 110,985
Net investment income	1,752	2,313	1,455	663
Benefit payments	(113,279)	(112,777)	(111,847)	(110,229)
Administrative expense	(1,148)	(1,914)	(2,602)	(2,239)
Net Change in plan fiduciary net position	5,232	2,451	(1,008)	(820)
Plan fiduciary net position - beginning	125,185	122,735	123,743	124,563
Plan fiduciary net position - ending (b)	<u>\$ 130,417</u>	<u>\$ 125,185</u>	<u>\$ 122,735</u>	<u>\$ 123,743</u>
Employer net OPEB liability - ending (a) - (b)	<u>\$ 2,160,697</u>	<u>\$ 2,126,842</u>	<u>\$ 2,084,948</u>	<u>\$ 2,037,412</u>

Required Supplementary Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See accompanying independent auditor's report and notes to the required supplementary information.

## Required Supplementary Information

### Schedule 5 Schedule of Employer Net OPEB (Premium Assistance) Liability Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021
Total OPEB Liability	<b>\$ 1,777,941</b>	\$ 1,912,907	\$ 1,949,942	\$ 1,976,247	\$ 2,502,598
Less: Plan fiduciary net position	<b>133,377</b>	136,448	140,716	135,476	132,515
Employer Net OPEB Liability	<b><u>\$ 1,644,564</u></b>	<u>\$ 1,776,459</u>	<u>\$ 1,809,226</u>	<u>\$ 1,840,771</u>	<u>\$ 2,370,083</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<b>7.50%</b>	7.13%	7.22%	6.86%	5.30%
Covered Payroll	<b>\$16,570,598</b>	\$15,872,930	\$15,320,427	\$14,704,344	\$14,176,097
Employer net OPEB liability as a percentage of covered payroll	<b>9.92%</b>	11.19%	11.81%	12.52%	16.72%

	2020	2019	2018	2017	2016
Total OPEB Liability	\$ 2,291,114	\$ 2,252,027	\$ 2,207,683	\$ 2,161,155	\$ 2,278,552
Less: Plan fiduciary net position	130,417	125,185	122,734	123,743	124,563
Employer Net OPEB Liability	<b><u>\$ 2,160,697</u></b>	<u>\$ 2,126,842</u>	<u>\$ 2,084,949</u>	<u>\$ 2,037,412</u>	<u>\$ 2,153,989</u>
Plan fiduciary net position as a percentage of the total OPEB liability	5.69%	5.56%	5.56%	5.73%	5.47%
Covered Payroll	\$14,036,006	\$13,791,197	\$13,466,526	\$13,313,900	\$12,951,077
Employer net OPEB liability as a percentage of covered payroll	15.39%	15.42%	15.48%	15.30%	16.63%

See accompanying independent auditor's report and notes to the required supplementary information.

## Required Supplementary Information

### Schedule 6 Schedule of Employer OPEB (Premium Assistance) Contributions Unaudited – See Accompanying Independent Public Accountant's Report (Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021
Actuarially determined contribution	\$ 111,484	\$ 113,769	\$ 119,084	\$ 147,312	\$ 133,971
Less: Contributions in relation to the actuarially determined contribution (1)	102,903	101,879	114,358	116,773	116,365
Contribution deficiency	\$ 8,581	\$ 11,890	\$ 4,726	\$ 30,539	\$ 17,606
Covered payroll	\$16,570,598	\$15,872,930	\$15,320,427	\$14,704,344	\$14,176,097
Contributions as a percentage of covered payroll	0.62%	0.64%	0.75%	0.79%	0.82%

	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 138,776	\$ 139,484	\$ 134,607	\$ 125,694	\$ 129,494
Less: Contributions in relation to the actuarially determined contribution (1)	117,723	114,571	111,724	110,558	112,557
Contribution deficiency	\$ 21,053	\$ 24,913	\$ 22,883	\$ 15,136	\$ 16,937
Covered payroll	\$14,036,006	\$13,791,197	\$13,466,526	\$13,313,900	\$12,951,077
Contributions as a percentage of covered payroll	0.84%	0.83%	0.83%	0.83%	0.87%

(1) Same as contractually required contributions.

See accompanying independent auditor's report and notes to the required supplementary information.



## Required Supplementary Information

### Schedule 7

#### Schedule of Investment Returns - Pension and OPEB

Unaudited – See Accompanying Independent Public Accountant's Report

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense- Pension	<b>9.65%</b>	8.08%	3.54%	2.40%	24.57%	1.14%	6.58%	9.30%	10.15%	1.11%
Annual money-weighted rate of return, net of investment expense- OPEB	<b>4.90%</b>	5.72%	4.36%	0.35%	0.31%	1.97%	2.68%	1.63%	0.90%	0.65%

See accompanying independent auditor's report and notes to the required supplementary information.

**Notes to Required Supplementary Information  
for the Years Ended June 30, 2016 thru June 30, 2025**

**Pension**

***Changes in benefit terms***

With the passage of Act 5 on June 12, 2017, class T-E & T-F members are now permitted to elect a lump sum payment of member contributions upon retirement.

***Changes in assumptions used in measurement of the Total Pension Liability beginning June 30, 2022, June 30, 2023, June 30, 2024, and June 30, 2025***

None.

***Changes in assumptions used in measurement of the Total Pension Liability beginning June 30, 2021***

The Discount Rate decreased from 7.25% to 7.00%. The inflation assumption was decreased from 2.75% to 2.50%. Payroll growth assumption decreased from 3.50% to 3.25%.

Salary growth changed from an effective average of 5.00%, which was comprised of inflation of 2.75%, real wage growth and for merit or seniority increases of 2.25%, to an effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.

Mortality rates were modified from the RP-2014 Mortality Tables for Males and Females to a blended table based on 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 (Total General Employees data), adjusted to reflect PSERS' experience and projected using a modified version MP-2020.

For disabled annuitants the rates were modified from the RP-2014 Mortality Tables for Males and Females to Pub-2010 Disability Mortality Non-Safety Headcount Weighted table, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020.

***Changes in assumptions used in measurement of the Total Pension Liability beginning June 30, 2017, beginning June 30, 2018, beginning June 30, 2019 & beginning June 30, 2020***

None.

***Changes in assumptions used in measurement of the Total Pension Liability beginning June 30, 2016***

The Investment Rate of Return was adjusted from 7.50% to 7.25%. The inflation assumption was decreased from 3.00% to 2.75%.

Salary growth changed from an effective average of 5.50%, which was comprised of inflation of 3.00%, real wage growth and for merit or seniority increases of 2.50%, to an effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.

Mortality rates were modified from the RP-2000 Combined Healthy Annuitant Tables (male and female) with age set back 3 years for both males and females to the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale. For disabled annuitants the RP-2000 Combined Disabled Tables (male and female) with age set back 7 years for males and 3 years for females to the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

***Method and assumptions used in calculations of actuarially determined contributions***

The actuarially determined contributions are calculated as of the June 30 preceding the fiscal year in which contributions are made. That is, the contribution calculated as of the June 30, 2024 actuarial valuation will be made during the fiscal year ending June 30, 2026. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule.

**Notes to Required Supplementary Information  
for the Years Ended June 30, 2016 thru June 30, 2025 (continued)**

**Pension**

- Investment return - 7.00%, includes inflation at 2.50% and the real rate of return 4.50%.
- Salary growth - Effective average of 4.50%, which reflects an allowance for inflation of 2.50%, real wage growth and merit or seniority of 2.00%.
- Benefit payments - no postretirement benefit increases assumed in the future.
- Mortality Tables for Males and Females to a blended table based on 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 (Total General Employees data), adjusted to reflect PSERS' experience and projected using a modified version MP-2020.

**The Accounting Valuation**

The GASB 67 accounting valuation can be found on PSERS' website at [www.pa.gov/PSERS](http://www.pa.gov/PSERS).

**Notes to Required Supplementary Information  
for the Years Ended June 30, 2016 thru June 30, 2025 (continued)**

**OPEB**

***Changes in benefit terms***

None.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2025***

The Discount Rate increased from 4.21% to 4.81%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2024***

The Discount Rate increased from 4.13% to 4.21%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2023***

The Discount Rate increased from 4.09% to 4.13%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2022***

The Discount Rate increased from 2.18% to 4.09%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2021***

The Discount Rate decreased from 2.66% to 2.18%. The inflation assumption was decreased from 2.75% to 2.50%. Payroll growth assumption decrease from 3.50% to 3.25%.

Salary growth changed from an effective average of 5.00%, which was comprised of inflation of 2.75%, real wage growth and for merit or seniority increases of 2.25%, to an effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.

Mortality rates were modified from the RP-2014 Mortality Tables for Males and Females to a blended table based on 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 (Total General Employees data), adjusted to reflect PSERS' experience and projected using a modified version MP-2020.

For disabled annuitants the rates were modified from the RP-2014 Mortality Tables for Males and Females to Pub-2010 Disability Mortality Non-Safety Headcount Weighted table, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2020***

The Discount Rate decreased from 2.79% to 2.66%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2019***

The Discount Rate decreased from 2.98% to 2.79%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2018***

The Discount Rate decreased from 3.13% to 2.98%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2017***

The Discount Rate increased from 2.71% to 3.13%.

***Changes in assumptions used in measurement of the Total OPEB Liability beginning June 30, 2016***

Salary growth changed from an effective average of 5.50%, which was comprised of inflation of 3.00%, real wage growth and for merit or seniority increases of 2.50%, to an effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.

Mortality rates were modified from the RP-2000 Combined Healthy Annuitant Tables (male and female) with age set back 3 years for both males and females to the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale. For

**Notes to Required Supplementary Information  
for the Years Ended June 30, 2016 thru June 30, 2025 (continued)**

**OPEB**

disabled annuitants the RP-2000 Combined Disabled Tables (male and female) with age set back 7 years for males and 3 years for females to the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

***Method and assumptions used in calculations of actuarially determined contributions***

The actuarially determined contributions are calculated as of the June 30 preceding the fiscal year in which contributions are made. That is, the contribution calculated as of the June 30, 2022 actuarial valuation will be made during the fiscal year ended June 30, 2024. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

- Investment return - 4.81% - 20-year S&P Municipal Bond Rate.
- Salary growth - Effective average of 4.50%, which reflects an allowance for inflation of 2.50%, real wage growth and merit or seniority of 2.00%.
- Benefit payments - no postretirement benefit increases assumed in the future.
- Mortality Tables for Males and Females to a blended table based on 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 (Total General Employees data), adjusted to reflect PSERS' experience and projected using a modified version MP-2020.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.

***10-year reporting requirements***

Required Supplementary Schedules 4-7, as related to OPEB, are intended to show information for 10 years. Additional years will be displayed as they become available.

***The Accounting Valuation***

The GASB 74 accounting valuation can be found on PSERS' website at [www.pa.gov/PSERS](http://www.pa.gov/PSERS).

**Supplementary Schedule 1**  
**Schedule of Administrative and Investment Expenses**  
**Year Ended June 30, 2025**  
(Dollar Amounts in Thousands)

	Administrative Expenses				Investment Expenses (2)	Total
	Pension	Defined Contribution	Postemployment Healthcare (1)			
<b>Personnel costs:</b>						
Salaries and wages	\$ 22,813	\$ 634	\$ 508	\$ 11,583	\$	<b>35,538</b>
Employee benefits	16,849	424	314	5,485		<b>23,072</b>
<b>Total personnel costs</b>	<b>39,662</b>	<b>1,058</b>	<b>822</b>	<b>17,068</b>		<b>58,610</b>
<b>Operating costs:</b>						
Investment managers' fees	—	—	—	355,736		<b>355,736</b>
Custodian fees	—	—	—	2,535		<b>2,535</b>
Specialized services	200	2,905	129	—		<b>3,234</b>
Investment Systems	—	—	—	2,768		<b>2,768</b>
Third party administrator	—	—	32,441	—		<b>32,441</b>
Fitness program administrator	—	—	857	—		<b>857</b>
Healthcare project management	—	—	3,670	—		<b>3,670</b>
Real estate rental, electricity	1,513	—	248	254		<b>2,015</b>
Consultant and legal fees	2,610	144	1,502	4,820		<b>9,076</b>
Treasury and other Commonwealth services	2,071	—	—	210		<b>2,281</b>
Postage	537	—	335	1		<b>873</b>
Contracted maintenance and repair services	3,207	—	—	419		<b>3,626</b>
Printing and office supplies	242	—	17	1		<b>260</b>
Equipment and software rental	821	—	1,268	—		<b>2,089</b>
Travel and training	205	1	84	63		<b>353</b>
Telecommunications	305	—	30	76		<b>411</b>
Equipment (non-capital assets)	1,353	—	—	—		<b>1,353</b>
Subscriptions	1,470	—	—	463		<b>1,933</b>
Miscellaneous	1,134	27	174	142		<b>1,477</b>
<b>Total operating costs</b>	<b>15,668</b>	<b>3,077</b>	<b>40,755</b>	<b>367,488</b>		<b>426,988</b>
<b>Other charges:</b>						
Depreciation	5,506	—	—	12,990		<b>18,496</b>
<b>Total Administrative and Investment Expenses Before Pension, OPEB Expense</b>	<b>60,836</b>	<b>4,135</b>	<b>41,577</b>	<b>397,546</b>		<b>504,094</b>
Pension expense (3)	1,929	50	42	1,059		<b>3,080</b>
OPEB expense (4)	(3,610)	102	87	(934)		<b>(4,355)</b>
<b>Total Administrative and Investment Expenses</b>	<b>\$ 59,155</b>	<b>\$ 4,287</b>	<b>\$ 41,706</b>	<b>\$ 397,671</b>	<b>\$</b>	<b>502,819</b>

- (1) Administrative expenses for Postemployment Healthcare includes \$1,120 related to Premium Assistance and \$40,586 related to Health Options Program for the fiscal year ended June 30, 2025.
- (2) Includes investment expenses of \$38 related to Postemployment Healthcare Premium Assistance, \$38 related to Health Options Program and \$867 for DC for the fiscal year ended June 30, 2025 and does not include \$3,847 in capitalized broker commissions for the fiscal year ended June 30, 2025.
- (3) Total GASB 68 pension expense is \$13.9 million and is reflected under Employee benefits and Pension expense. Employer contributions of \$10.8 million are included as Employee benefits under Personnel costs and \$3.1 million is reflected as Pension expense.
- (4) Total GASB 75 OPEB expense is \$(1.9) million and is reflected under Employee benefits and OPEB expense. Employer contributions of \$2.4 million are included as Employee benefits under Personnel costs and \$(4.3) million is reflected as OPEB expense.



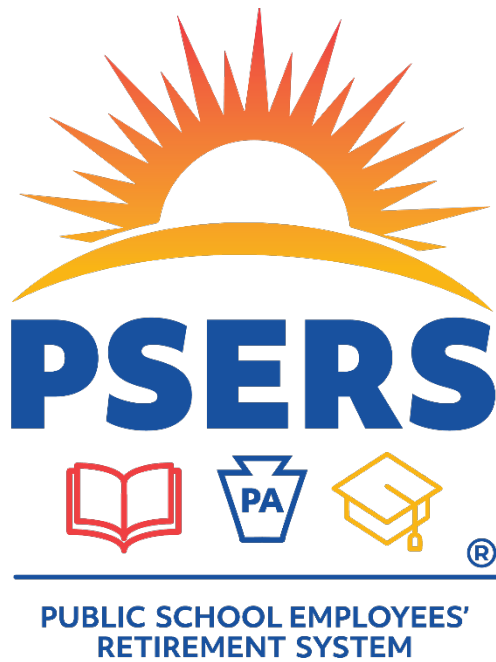
**Supplementary Schedule 2**  
**Summary of Investment Expenses\***  
**Year Ended June 30, 2025**  
(Dollar Amounts in Thousands)

	Investment Management		Other Expenses	Total
	Base	Performance		
External management:				
Public Equity	\$ 25,376	\$ 45,742	\$ —	\$ 71,118
Private Equity	88,618	—	—	88,618
Public Fixed Income	12,586	2,728	—	15,314
Private Fixed Income	62,537	—	—	62,537
Public Real Assets	6,764	—	—	6,764
Private Real Assets	83,126	—	—	83,126
Opportunistic	13,469	11,044	—	24,513
Tail Risk Mitigation	2,880	—	—	2,880
Defined Contribution	866	—	—	866
Total external management	296,222	59,514	—	355,736
Total internal management	—	—	34,580	34,580
Total investment management	296,222	59,514	34,580	390,316
Custodian fees	—	—	2,535	2,535
Consultant and legal fees	—	—	4,820	4,820
Total investment expenses	\$ 296,222	\$ 59,514	\$ 41,935	\$ 397,671

\*External investment management fees classified on an asset allocation basis.

**Supplementary Schedule 3**  
**Schedule of Payments to Non-Investment Consultants**  
**Year Ended June 30, 2025**  
(Dollar Amounts Greater than \$100,000)

Non-Investment Consultants	Fees	Services Provided
Luminare Administration	\$ 32,723,809	Postemployment healthcare benefits administration and claims adjudication
Vitech Systems Group, Inc.	\$ 7,580,417	Pension administration system services
Optum Rx, Inc.	\$ 7,320,770	Administration of postemployment healthcare benefits and prescription drug plan
The Segal Company, Inc.	\$ 3,799,132	Actuarial services and consulting for HOP and prescription drug plan
Gallagher Benefit Services, Inc.	\$ 1,427,273	Pharmacy benefit consulting services
OST Inc.	\$ 1,228,707	Information technology, training, testing, and consulting services
Tivity Health	\$ 856,615	Administration of the Silver Sneakers Fitness program
Buck Global, LLC	\$ 529,275	Pension benefit actuarial services



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# INVESTMENT SECTION



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## **Report on Investment Activity and Policies**

### **For Fiscal Year July 1, 2024 through June 30, 2025**

#### **Authority and Fiduciary Standard**

The Board has the responsibility to invest the System's funds in accordance with guidelines and limitations set forth in the Retirement Code and other applicable state law and Board Policy. Pursuant to the Board's enabling legislation, the members of the Board, employees of the Board, and their agents are fiduciaries to the System's members and beneficiaries and must invest and manage the fund for exclusive benefit of the System's members and beneficiaries (24 Pa. C. S. §8521(e)).

In performance of their duties, the trustees shall exercise "that degree of judgment, skill and care under the circumstances then prevailing which persons of prudence, discretion and intelligence who are familiar with such matters exercise in the management of their own affairs not in regard to speculation, but in regard to the permanent disposition of the fund, considering the probable income to be derived therefrom as well as the probable safety of their capital." (24 Pa. C.S. §8521(a)).

The System shall, at all times, be managed in accordance with all applicable state and federal laws, rules, and regulations, as well as the Investment Policy Statement and other applicable policies of the Board.

#### **Policies and Objectives**

The Board approves the investment policies for the System and the Investment Office professionals are responsible for implementing those policies. The overall investment objectives of the System are as follows:

- to generate returns to support the System's actuarial soundness so it may provide its members with benefits as required by law;
- to earn a long-term total return, net of fees, and investment and administrative expenses, that equals or exceeds the actuarial assumed rate approved by the Board (currently 7.00%);
- to earn a long-term total return, net of fees and investment expenses, that equals or exceeds the Policy Index approved by the Board; and
- to prudently manage investment risks that are related to the achievement of investment goals.

Assets are managed in accordance with allocation plan and investment policies by internal Investment Office professionals and external investment management firms acting as agents for the System.

#### **Roles and Responsibilities**

The Board, via its Investment Committee, provides direction and oversight of investment activities. The Investment Committee generally conducts six meetings per year and may meet more frequently as needed. Investment Office professionals, as well as external consultants, external investment managers, Investment Accounting professionals, Internal Audit professionals, and the Executive team assist the Board in achieving investment objectives and monitoring compliance with investment policies.

As of June 30, 2025, the Board's consultants include the following: Verus Advisory, Inc., serves as the general investment consultant, assisting the Board and Professional Staff in formalizing investment objectives, establishing an asset allocation, conducting investment manager due diligence, calculating and reviewing performance, and commenting on compliance with investment policies; Aksia, LLC, serves as private markets consultant; and IQ-EQ (f.k.a. Constellation Advisers LLC), provides investment compliance services.

Investment Office professionals implement investment decisions within the guidelines established in the Investment Policy Statement, Objectives and Guidelines regarding asset allocation, manager selection, security selection, and other objectives directed by the Board.

The Board employs both external investment management firms and internal investment managers to manage the investment portfolio of the System. At fiscal year-end, \$11.2 billion in assets were managed by external public markets managers, and \$43.3 billion in assets were managed by internal investment managers, with the balance invested with private market and absolute return focused partnerships.

### Asset Allocation

The Board reviews the long-term asset allocation targets of the System on a periodic basis. The Board consults with its actuary, consultants, Investment Office professionals, and other sources of information it deems appropriate in formulating the asset allocation. The level of risk assumed by the System is largely a result of the asset allocation. The Board, in determining its long-term asset allocation, takes the following factors into consideration:

- The System's investment time horizon;
- The demographics of the plan participants and beneficiaries;
- The cash flow requirements of the System;
- The actuarial assumptions approved by the Board;
- The funded status of the System;
- The Board's willingness and ability to take risk; and
- The employers' (Commonwealth and school districts) financial strength.

In approving the asset allocation for the System, the Board considers capital market expectations for expected return, volatility, and asset class correlations for each asset class, as prepared by its general investment consultant.

PSERS asset allocation targets as of June 30, 2025, are as follows:

The equity target allocation was 44%, comprised of 32% public equity and 12% private equity. Public equity consisted of a split between U.S. equity 20% and non-U.S. equity 12%. Within U.S. equity, the allocation was diversified across small, mid, and large capitalization equity. Within non-U.S. equity, exposure included international developed markets and emerging markets. Non-U.S. developed markets equity exposure was partially currency-hedged back to the U.S. dollar. Subsequent to the end of the fiscal year, the currency hedge program was removed.

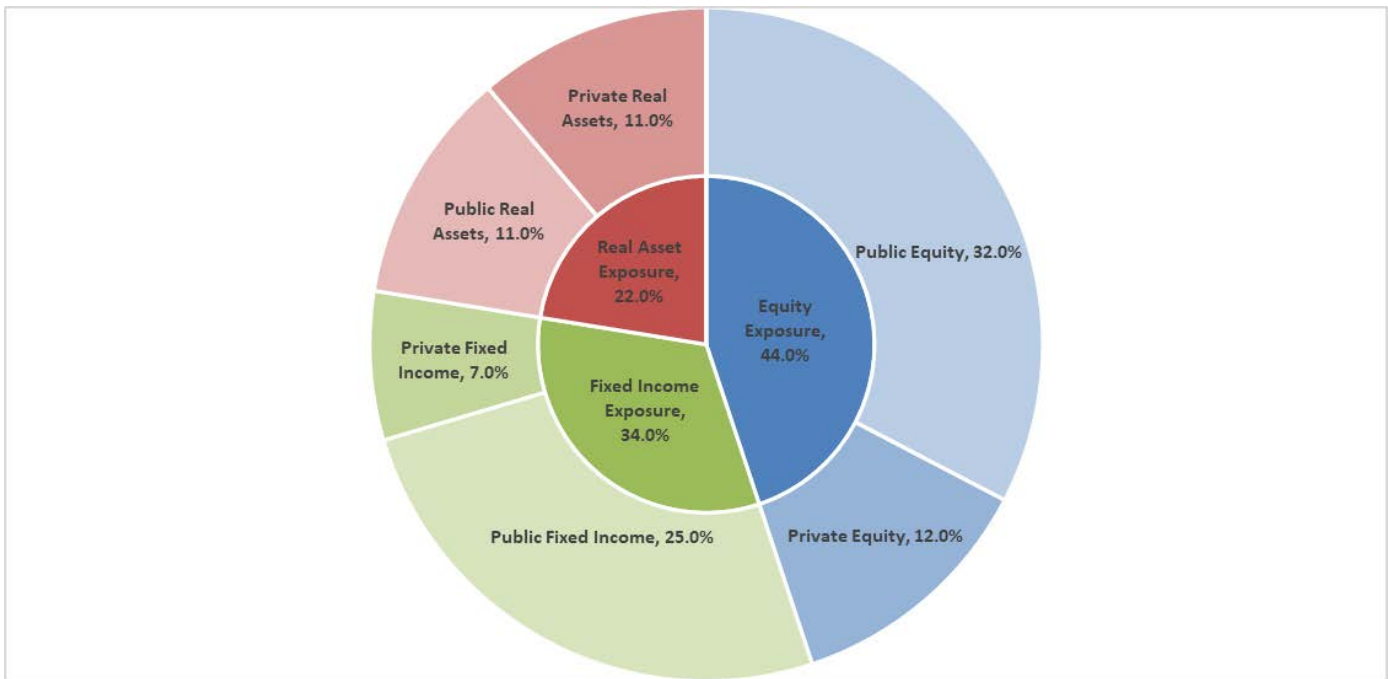
The fixed income target allocation was 34%, comprised of 16% investment grade exposure, 4% public credit-related exposure, 7% Inflation-protected exposure, and 7% private credit-related exposure. Investment grade exposure consisted of U.S. core fixed income 8% and U.S. long-term treasury bonds 8%. The real assets target allocation was 22%, comprised of 11% public real assets including real estate 2%, infrastructure 5% and commodities 4%. Private real asset exposure of 11% was broken out between private real estate 6% and private infrastructure 5%.

Explicit leverage, with a target allocation of 4.5% was utilized in the asset allocation as a means of gaining exposure to a portion of the above fixed income and real assets asset classes. Leverage was deployed through use of derivative instruments (typically total return swaps) that allow the System to gain market exposure.

Finally, the System had a 4.5% target allocation to cash, consisting of short-duration, liquid, high quality securities, resulting in a net leverage target of 0.0% (the net of the targets for explicit leverage and cash).



### Asset Allocation as of June 30, 2025



### Liquidity and Cash Flow

The System's asset allocation and risk profile are, in part, driven by its liquidity needs. Over the past 20 fiscal years, the System has paid out \$46.2 billion more in benefits than it has received in member and employer contributions (i.e., the System has experienced negative external cash flow). The average negative external cash flow was approximately \$2.3 billion per year during this period. This annual funding deficiency represents the amount of investment return needed each year to make up the shortfall (For example, if in a given year the System earned 3% on its investments and had a 3% external cash flow shortfall, then the net assets of the System will be unchanged for that year). The negative annual external cash flow has improved significantly since fiscal year 2012 due to the implementation of Act 120 in 2010. Act 120 provided for increased employer contributions to the actuarially determined contribution levels.

### The Economy and Investment Markets During the Past Fiscal Year

A primary element of PSERS' investment philosophy is diversification among various asset classes as an effective method to realize its goals while addressing uncertainty across capital markets from shifting macroeconomic and geopolitical environments. Over the past year, several such shifts emerged, with two themes (technology and geopolitical uncertainty/tariffs) having particular significance.

**Technology** – Advancements in technology, particularly Artificial Intelligence (AI) and automation are expected to transform how businesses, industries and public services evolve. This advancement is anticipated to shift job roles and skills and economic needs over the next decade. The advancement in AI related companies have seen the 'Magnificent Seven', mostly technology related companies, grow significantly over recent years and account for approximately one-third the overall exposure of the Standard and Poor's 500 Index. The potential productivity of AI is projected to have a positive impact on both corporate profits and gross domestic product (GDP) growth.

**Geopolitical Uncertainty/Tariffs** – Conflict continues in Ukraine, post the Russian invasion and in Gaza between Israel and Hamas. The long-standing theme of globalization based on the economics of comparative advantage, has more recently given way to more pragmatic discussions regarding supply chain resiliency or nearshoring/onshoring of activities that had previously been offshored. This further complicates the assessment of relative value across regional classifications, which were already clouded given difference in sector composition, financial reporting transparency, and basic investor rights across jurisdictions. Accordingly, some investors (including PSERS) have

revisited and revised long standing strategic over/underweights to certain geographical regions (e.g., public U.S. relative to emerging market equity allocations). We believe this trend will influence the flow of capital across regional classifications and likely impact relative market valuations over the next several years. The economic impact of tariffs this past year has been a heavily debated topic both in the news and by financial markets practitioners. Potential inflationary surprises related to tariffs is another byproduct of deglobalization.

The table below summarizes the public markets benchmark total return for the fiscal year grouped by three of PSERS' major asset classes.

Indices	FY 24-25
<b>Public Equity</b>	
S&P 500	15.2%
S&P 400	7.5%
S&P 600	4.6%
MSCI ACWI x-US IMI Net	17.7%
MSCI Emerging Market IMI	14.3%
<b>Public Fixed Income</b>	
Bloomberg US Aggregate	6.1%
Bloomberg US Long Treasury	1.6%
PSERS Blended Emerging Markets Bond	10.6%
Bloomberg US Corporate High Yield	10.3%
Bloomberg US TIPS	5.7%
<b>Public Real Assets</b>	
FTSE Developed Core 50/50	18.6%
Bloomberg Commodity Total Return	5.8%
Bloomberg Gold Total Return	39.8%
FTSE EPRA/NAREIT Developed	11.2%

## Investment Results

For the one-year period ended June 30, 2025, the System generated a total net of fee return of 9.67%. This return exceeded the total fund Policy Index return of 9.56% by 0.11%. Annualized total net-of-fee returns for the three-, five- and ten-year periods ended June 30, 2025 were 7.09%, 9.36% and 7.48%, respectively. The three-, five- and ten-year returns exceeded the total fund Policy Index returns by 0.46%, 1.30%, and 0.44%, respectively. Performance is calculated using a time-weighted return methodology.

Asset classes that were significant positive contributors to PSERS performance this past fiscal year included:

- Public Infrastructure: 19.2%
- Private Infrastructure: 19.1%
- Public Commodities: 19.3%
- Public Global Equity: 15.5%

Asset classes that were modest detractors from PSERS performance this past fiscal year included:

- Public Long Treasuries: 1.6%
- Private Equity: 1.6%

## Current Priorities

The Investment Office's priorities are in alignment with the PSERS agency-wide strategic plan framework, which was adopted at the August 11<sup>th</sup>, 2023, Board meeting. The three specific initiatives for the Investment Office for the 2024/2025 fiscal year were the continued preparation for the SOC 1, Type 2 review, IBOR/ABOR alignment, and Global Investment Performance Standards (GIPS) compliance. Additionally, we continue to focus on moving the actual allocation towards revised asset allocation targets, which were ratified at the October 25<sup>th</sup>, 2024 Board meeting with an effective date of December 1<sup>st</sup>, 2024.

**Prepared by PSERS Investment Office:**  
**Ben Cotton, Interim Executive Director & Chief Investment Officer**

Annualized Time-Weighted Returns (%) Net of Fees <sup>1</sup>				
Periods Ended June 30, 2025				
	1 Year	3 Years	5 Years	10 Years
<b>PSERS Total Fund Portfolio</b>	9.67	7.09	9.36	7.48
Blended Policy (Total Plan)	9.56	6.63	8.06	7.04
Peer Group Median (InvMetrics Public DB Plan >\$5Bn)	10.08	8.72	9.10	7.43
<b>US Equity Portfolio</b>	14.62	18.56	16.67	13.01
Blended Policy (Tot US Eq)	14.48	18.58	16.43	12.85
<b>Non-US Equity Portfolio (Hedged)</b>	16.94	14.83	10.84	8.09
Blended Policy (Tot Non-US Eq) (Hedged)	15.61	13.77	10.12	6.85
<b>Private Equity Portfolio (Hedged)<sup>2</sup></b>	1.62	2.90	15.99	11.91
MSCI Burgiss Private Equity <sup>2</sup>	6.09	3.38	15.16	12.26
<b>Public Fixed Income Portfolio</b>	5.22	1.67	(0.87)	N/A
Blended Policy (Public Fixed Income)	5.02	1.41	(1.55)	N/A
<b>Private Credit Portfolio (Hedged)<sup>2</sup></b>	7.82	7.83	10.40	7.42
Blended Policy (Private Credit) <sup>2</sup>	8.99	10.85	8.99	6.85
<b>Public Real Estate Portfolio (Hedged)<sup>3</sup></b>	9.51	4.85	6.87	4.50
Blended Policy (PTRES) (Hedged) <sup>3</sup>	9.69	4.38	6.36	4.12
<b>Public Infrastructure Portfolio (Hedged)<sup>3</sup></b>	19.24	8.09	10.37	N/A
Blended Policy (Infrastructure x Private Hedged) <sup>3</sup>	17.22	6.98	8.79	N/A
<b>Public Commodities Portfolio<sup>3</sup></b>	19.31	10.82	10.89	6.69
Blended Policy (Commodities) <sup>3</sup>	13.37	8.37	9.58	3.71
<b>Private Real Estate Portfolio<sup>2</sup></b>	3.01	(1.05)	8.68	8.89
Blended Policy (PTRES) <sup>2</sup>	(1.23)	(4.26)	4.43	6.08
<b>Private Infrastructure Portfolio (Hedged)<sup>2</sup></b>	19.14	15.24	N/A	N/A
FTSE Developed Core Infra 50/50 Hedged <sup>2</sup>	16.53	4.85	N/A	N/A
<b>Private Commodities Portfolio<sup>2</sup></b>	(23.85)	(7.36)	9.90	N/A
<b>Opportunistic Portfolio</b>	5.42	4.89	7.19	4.76

<sup>1</sup> For more specific details on policy indices, refer to PSERS Investment Policy Statement at [www.pa.gov/PSERS](http://www.pa.gov/PSERS).

<sup>2</sup> Returns reported on a one-quarter lag.

<sup>3</sup> Returns are presented on an unleveraged basis for comparability purposes to the Policy Index.

**Portfolio Summary Statistics**  
**Asset Allocation Basis**  
**As of June 30, 2025**  
(Dollar Amounts in Thousands)

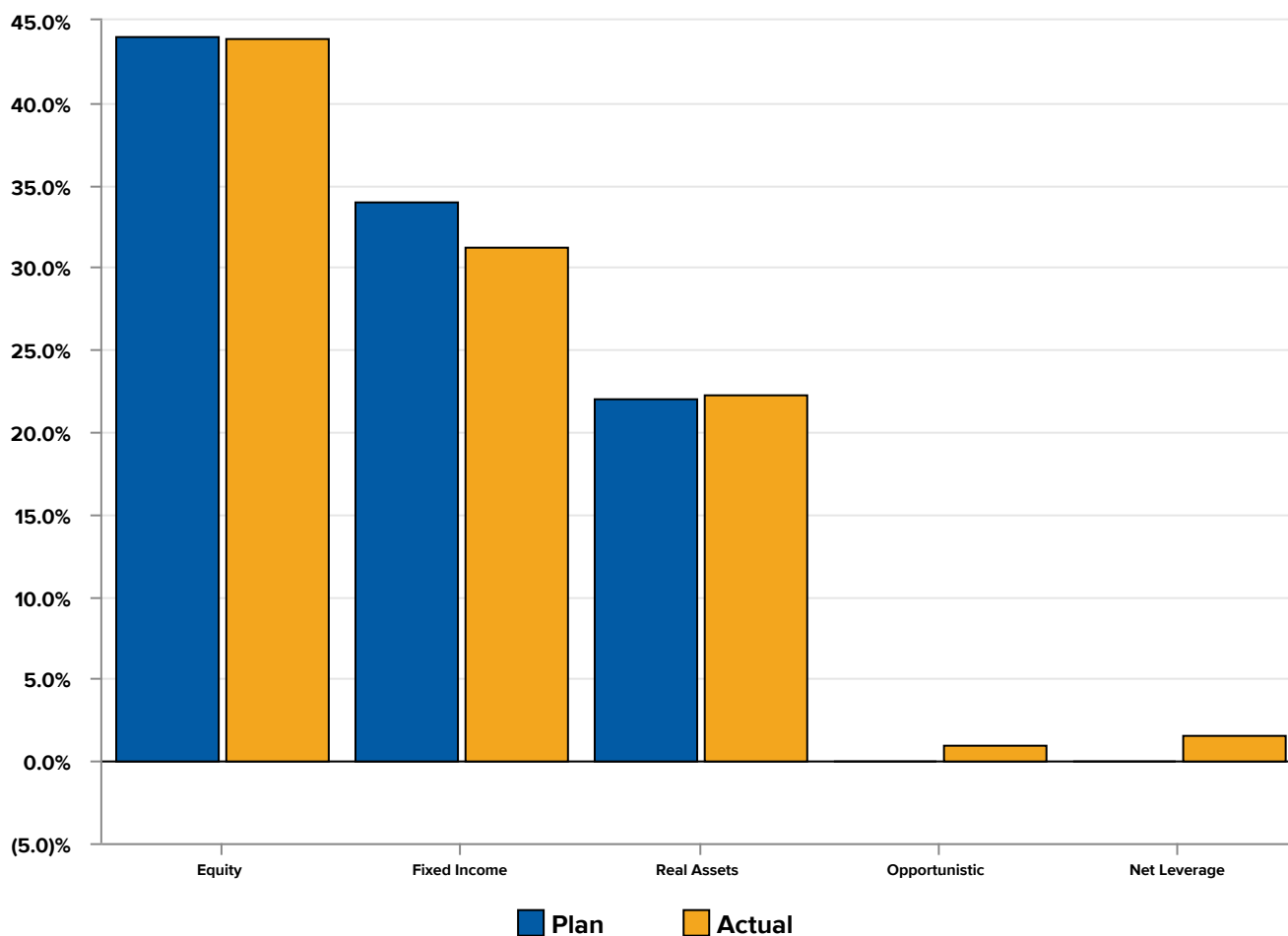
Pension investments	Fair Value	% Total
<b>Equity Exposure:</b>		
Public Equity	\$ 25,457,522	31.3 %
Private Equity	10,149,575	12.5
<b>Total Equity</b>	<b>35,607,097</b>	<b>43.8</b>
<b>Fixed Income Exposure:</b>		
Public Fixed Income	19,317,077	23.8
Private Fixed Income	5,992,388	7.4
<b>Total Fixed Income</b>	<b>25,309,465</b>	<b>31.2</b>
<b>Real Asset Exposure:</b>		
Public Real Assets	8,364,928	10.3
Private Real Assets	9,708,028	12.0
<b>Total Real Asset</b>	<b>18,072,956</b>	<b>22.3</b>
<b>Tail Risk Mitigation</b>	<b>64,325</b>	<b>0.1</b>
<b>Opportunistic</b>	<b>845,023</b>	<b>1.0</b>
<b>Leverage:</b>		
Leverage	(2,359,807)	(2.9)
Cash and Cash Equivalents	3,678,081	4.5
<b>Total Net Leverage</b>	<b>1,318,274</b>	<b>1.6</b>
<b>Total Pension investments*</b>	<b>81,217,140</b>	<b>100.0</b>
<b>Postemployment Healthcare investments</b>	<b>501,099</b>	<b>100.0</b>
<b>Defined Contribution Plan investments</b>	<b>558,275</b>	<b>100.0</b>

\*PSERS investments on the Statements of Fiduciary Net Position for financial reporting purposes are not based on the above asset allocation. PSERS asset allocation is for investment reporting purposes only and is based on the PSERS Investment Office Asset Allocation Report. As such, there may be differences between the Financial Section and the Investment Section.

## Comparison of Actual Portfolio Distribution to Asset Allocation Plan - Pension Investments\*

### As of June 30, 2025

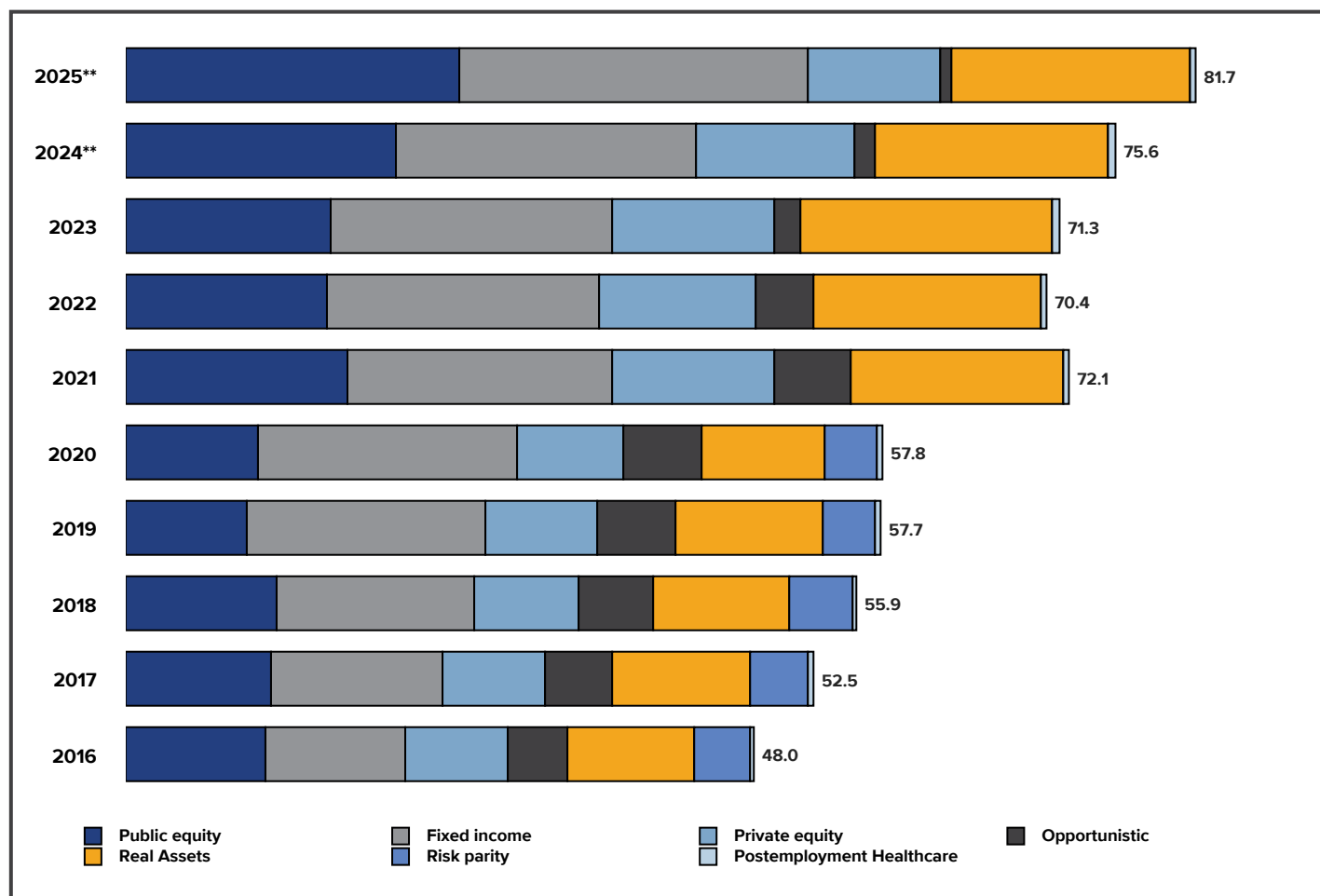
Asset Category	Plan	Actual
Equity	44.0%	43.9%
Fixed Income	34.0	31.2
Real Assets	22.0	22.3
Opportunistic	—	1.0
Net Leverage	—	1.6
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>



\*Defined Contribution Plan, Premium Assistance and Health Options Program are not included in the above chart. Tail Risk has been included with Equity.

## Portfolio Capital Distribution 10 Year Trend\*

(Fair Value - Dollar Amounts in Billions)



\*Defined Contribution Plan and Tail Risk Mitigation are not included in the above chart.

\*\*2024 and 2025 are based on the PSERS Investment Office Allocation Report.



## Equity

### 10 Largest Holdings in Descending Order by Fair Value

As of June 30, 2025

(Dollar Amounts and Shares in Thousands)

Description	No. of Shares	Fair Value
NVIDIA Corporation	5,981	\$ 944,967
Microsoft Corporation	1,823	906,715
Apple Inc.	3,663	751,557
Amazon.com, Inc.	2,317	508,395
Meta Platforms, Inc.	532	393,023
Broadcom Inc.	1,153	317,874
NextEra Energy, Inc.	3,878	269,196
Transurban Group	28,409	260,281
Alphabet, Inc.	1,427	251,548
Berkshire Hathaway Inc.	450	218,467
<b>Total of 10 Largest Holdings</b>		<b>\$ 4,822,023</b>

## Fixed Income

### 10 Largest Holdings in Descending Order by Fair Value

As of June 30, 2025

(Dollar Amounts and Shares in Thousands)

Description	No. of Shares	Fair Value
U.S.A. TIPS 2.125%, January 15, 2035	181,605	\$ 184,630
U.S.A. TIPS 0.125%, January 15, 2032	189,860	172,101
U.S.A. Treasury Note, 1.75%, January 15, 2034	170,861	169,416
U.S.A. TIPS 0.125%, January 15, 2031	180,810	167,514
U.S.A. TIPS 1.125%, January 15, 2033	173,594	165,877
U.S.A. TIPS 0.875%, January 15, 2029	166,047	163,510
U.S.A. TIPS 0.5%, January 15, 2028	164,708	161,639
U.S.A. Treasury Bond, 4.625%, February 15, 2055	163,000	158,721
U.S.A. Treasury Bond, 4.625%, May 15, 2054	163,000	158,365
U.S.A. Treasury Bond, 4.5%, November 15, 2054	163,000	155,410
<b>Total of 10 Largest Holdings</b>		<b>\$ 1,657,183</b>

## Postemployment Healthcare Investments

Holdings in Descending Order by Fair Value

As of June 30, 2025

(Dollar Amounts in Thousands)

Description	No. of Shares	Fair Value
Wilmington US Government MM	N/A	\$ 214,992
PSERS Short-Term Investment Fund	210,449	210,449
<b>Total Holdings*</b>		<b>\$ 425,441</b>

\*Excludes Cash on Deposit

## Defined Contribution Plan Investments

10 Largest Holdings in Descending Order by Fair Value

As of June 30, 2025

(Dollar Amounts and Shares in Thousands)

Description	No. of Shares	Fair Value
T Rowe Price Target Date 2060	7,049	\$ 144,016
T Rowe Price Target Date 2065	7,009	117,607
T Rowe Price Target Date 2055	3,554	68,948
T Rowe Price Target Date 2050	2,829	54,857
T Rowe Price Target Date 2045	2,342	45,148
T Rowe Price Target Date 2040	1,919	35,925
T Rowe Price Target Date 2035	1,615	29,011
T Rowe Price Target Date 2030	1,146	19,581
Vanguard® Treasury Money Market	13,706	13,706
Fidelity® 500 Index Fund	44	9,577
<b>Total of 10 Largest Holdings</b>		<b>\$ 538,376</b>

Information on the complete holdings of the System can be downloaded from the PSERS website at [www.pa.gov/PSERS](http://www.pa.gov/PSERS).

## Comparison of Investment Activity Income Fiscal Years Ended June 30, 2025 and 2024

(Dollar Amounts in Thousands)

Investment Activity	2025	2024
Net appreciation in fair value of investments	\$ 5,681,508	\$ 4,357,026
Short-term	341,956	327,473
Fixed income	581,055	594,978
Equity	570,603	502,176
Collective trust funds	531	386
Real estate	172,384	119,403
Alternative investments	455,626	277,795
<b>Total investment activity income</b>	<b>\$ 7,803,663</b>	<b>\$ 6,179,237</b>

Brokers' fees on equity investment transactions for the fiscal year ended June 30, 2025, were \$3.8 million. The System has commission recapture contracts with several brokers. These contracts generally stipulate that the brokers rebate a percentage of commissions earned on investment transactions directly to the System. During the fiscal year ended June 30, 2025, the System earned \$25,030 from a commissions recapture program. A list of the individual brokers receiving fees in excess of \$100,000 during the fiscal year, as well as all other brokers (receiving fees less than \$100,000) is as follows:

### Schedule of Broker Commissions

Fiscal Year Ended June 30, 2025

Brokerage Firm	Commissions Paid	Shares	Average Commission Per Share
Bank Of America Merrill Lynch	\$ 492,843	115,499,821	\$ 0.004
Instinet LLC	296,182	143,739,486	0.002
Fimat USA Inc.	274,123	106,106	2.583
Macquarie Bank Ltd.	221,670	66,700,391	0.003
Goldman Sachs & Company	159,507	52,156,602	0.003
Mizuho Securities	148,440	1,198,022	0.124
Citigroup Inc.	128,365	59,993,505	0.002
Liquidnet Inc.	120,579	12,474,740	0.010
CLSA Limited	111,335	65,381,510	0.002
J P Morgan Chase & Co.	109,219	93,198,938	0.001
All other brokers (less than \$100,000)	1,785,150	464,746,541	0.004
<b>Total</b>	<b>\$ 3,847,413</b>	<b>1,075,195,662</b>	<b>\$ 2.738</b>

## Roster of Investment Managers, Advisors, and Consultants

### As of June 30, 2025

Manager		Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
<b>Acadian Asset Management, LLC</b>			•								
Public Equity	Acadian Asset Management, LLC		•								
<b>ACORE Capital</b>				•							
Private Credit	ACORE Opportunistic Credit II, L.P.			•							
Private Credit	AOC II Co-Invest, L.P.			•							
<b>Actis LLP</b>		•									
Private Equity	Actis Emerging Markets 3, L.P.	•									
Private Equity	Actis Global 4, L.P.	•									
<b>Adams Capital Management, Inc.</b>		•									
Private Equity	Adams Capital Management, L.P.	•									
<b>Aeolus Capital Management, Ltd.</b>										•	
Opportunistic	Aeolus Property Catastrophe Keystone PF Fund, LP									•	
<b>Aisling Capital LLC</b>		•									
Private Equity	Aisling Capital II L.P.	•									
Private Equity	Aisling Capital III, L.P.	•									
Private Equity	Aisling Capital IV, L.P.	•									
<b>Almanac Realty Investors LLC</b>						•					
Real Estate	Almanac Realty Securities V, L.P.					•					
Real Estate	Almanac Realty Securities VI, L.P.					•					
Real Estate	Almanac Realty Securities VII, L.P.					•					
Real Estate	Almanac Realty Securities VIII, L.P.					•					
<b>Angelo, Gordon &amp; Co., L.P.</b>						•					
Real Estate	AG Core Plus Realty Fund IV, L.P.					•					
Real Estate	AG Europe Realty Fund II, L.P.					•					
Real Estate	AG Europe Realty Fund III, L.P.					•					
Real Estate	AG Europe Realty Fund IV, L.P.					•					
Real Estate	AG Realty Value Fund X, L.P.					•					
<b>APAX Partners LLP</b>		•									
Private Equity	Apax Digital II, L.P.	•									
Private Equity	Apax Digital, L.P.	•									
Private Equity	Apax Europe VII, L.P.	•									
Private Equity	Apax X USD, L.P.	•									
<b>Apogem Capital LLC</b>		•									
Private Equity	New York Life Capital Partners I, L.P.	•									
Private Equity	New York Life Capital Partners IV-A, L.P.	•									
<b>Apollo Global Management, LLC</b>		•		•							
Private Credit	Apollo European Principal Finance Fund II (Dollar A), L.P.			•							
Private Credit	Apollo European Principal Finance Fund III (Dollar A), LP			•							
Private Equity	Apollo Investment Fund IX, L.P.	•									
<b>Ares Management Corporation</b>		•		•		•					
Real Estate	Ares European Real Estate Fund IV, L.P.					•					
Real Estate	Ares U.S. Real Estate Fund IX, L.P.					•					
Real Estate	Ares U.S. Real Estate Fund VIII, L.P.					•					
Private Equity	Landmark Equity Partners XIV, L.P.	•									
Private Credit	SSG Capital Partners V Sidecar, L.P.			•							
Private Credit	SSG Capital Partners V, L.P.			•							
<b>Avenue Capital Group</b>		•		•		•					
Private Credit	Avenue Energy Opportunities Fund II, L.P.			•							
Private Credit	Avenue Energy Opportunities Fund, L.P.			•							

	Manager	Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
Private Credit	Avenue Europe Special Situations Fund III (U.S.), L.P.			•							
Real Estate	Avenue Real Estate Fund (Parallel) L.P.					•					
Private Equity	Avenue Special Situations Fund VI, L.P.	•									
	<b>Baillie Gifford Overseas, Ltd.</b>		•								
Public Equity	Baillie Gifford Overseas LTD.		•								
	<b>Bain Capital Investors, LLC</b>	•		•	•						
Private Equity	Bain Capital Asia Fund II, L.P.	•									
Private Equity	Bain Capital Asia Fund III-A, L.P.	•									
Private Equity	Bain Capital Asia Fund IV-B, L.P.	•									
Private Equity	Bain Capital Beacon Roll SPV XII, L.P.	•									
Public Fixed Income	Bain Capital Credit Managed Account (PSERS), L.P.				•						
Private Credit	Bain Capital Distressed and Special Situations 2013 (A + AIV I), LP			•							
Private Credit	Bain Capital Distressed and Special Situations 2016 (A), L.P.			•							
Private Credit	Bain Capital Distressed and Special Situations 2019 (A), L.P.			•							
Private Equity	Bain Capital Fund XII-A, L.P.	•									
Private Credit	Bain Capital Middle Market Credit 2010, L.P.			•							
Private Credit	Bain Capital Middle Market Credit 2014, LP			•							
Private Credit	Bain Capital Special Situations Asia II, LP			•							
Private Credit	Sankaty Credit Opportunities IV, L.P.			•							
	<b>Baring Private Equity Asia Limited</b>	•									
Private Equity	Baring Asia Private Equity Fund IV, L.P.	•									
	<b>Bell Partners Inc.</b>					•					
Real Estate	Bell Institutional Fund VI, L.P.					•					
Real Estate	Bell Institutional Fund VII, L.P.					•					
Real Estate	Bell Value-Add Fund VIII, L.P.					•					
	<b>Black Diamond Capital Management, LLC</b>	•									
Private Equity	GSC Recovery II, L.P.	•									
	<b>BlackRock</b>		•		•	•					
Real Estate	BlackRock Europe Property Fund III, L.P.					•					
Public Equity	BlackRock (Emerging Mkts Alpha Adv Fund) Class P Shares		•								
Public Fixed Income	BlackRock FIGA High Yield				•						
	<b>Blackstone Group</b>	•				•		•			
Infrastructure	Blackstone Infrastructure Partners (Supplemental Account II)							•			
Infrastructure	Blackstone Infrastructure Partners Europe (CYM), L.P.							•			
Infrastructure	Blackstone Infrastructure Partners L.P.							•			
Real Estate	Blackstone Real Estate Debt Strategies II, L.P.					•					
Real Estate	Blackstone Real Estate Debt Strategies III, L.P.					•					
Real Estate	Blackstone Real Estate Partners Europe III, L.P.					•					
Real Estate	Blackstone Real Estate Partners Europe IV, L.P.					•					
Real Estate	Blackstone Real Estate Partners V, L.P.					•					
Real Estate	Blackstone Real Estate Partners VI, L.P.					•					
Real Estate	Blackstone Real Estate Partners VII, L.P.					•					
Real Estate	Blackstone Real Estate Partners VIII, L.P.					•					
Infrastructure	Phantom Co-Investors, L.P.							•			

	Manager	Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
Private Equity	Strategic Partners Fund VI, L.P.	•									
Private Equity	Strategic Partners Fund VII, L.P.	•									
Infrastructure	Strategic Partners Real Assets II, L.P.							•			
	Blue Point Capital Partners LLC	•									
Private Equity	Blue Point Capital Partners II (B), L.P.	•									
Private Equity	Blue Point Capital Partners IV, L.P.	•									
	<b>Bridgepoint Capital Ltd</b>	•									
Private Equity	Bridgepoint Development Capital IV, L.P.	•									
Private Equity	Bridgepoint Europe VI, L.P.	•									
	<b>Brookfield Asset Mgmt Inc.</b>					•		•			
Infrastructure	BGTF Watt Co-Invest LP							•			
Infrastructure	Brookfield Global Transition Fund, L.P.							•			
Infrastructure	Brookfield Infrastructure Structured Solutions-B, L.P.							•			
Real Estate	Brookfield Strategic Real Estate Partners II, L.P.					•					
Real Estate	Brookfield Strategic Real Estate Partners III-B, L.P.					•					
Real Estate	Brookfield Strategic Real Estate Partners IV, L.P.					•					
Real Estate	Brookfield Strategic Real Estate Partners V, L.P.					•					
Real Estate	Brookfield Strategic Real Estate Partners, L.P.					•					
	<b>Bryn Mawr Trust</b>	•									
Private Equity	Interactions Corporation	•									
	<b>Cabot Properties, Inc.</b>					•					
Real Estate	Cabot Industrial Core Fund II, L.P.					•					
Real Estate	Cabot Industrial Value Fund VI, L.P.					•					
Real Estate	Cabot Industrial Value Fund VII, L.P.					•					
Real Estate	Cabot UK Core Plus Industrial Fund SCSp					•					
	<b>Capital Group</b>	•									
Private Equity	Capital International Private Equity Fund VI, L.P.	•									
	<b>Capstone (Tail Risk Manager)</b>									•	
Tail Risk Mitigation	Capstone Commonwealth Fund, LP									•	
	<b>Carlyle Aviation Partners</b>			•							
Private Credit	SASOF III, LP			•							
Private Credit	SASOF IV, LP			•							
Private Credit	SASOF V, L.P.			•							
	<b>Carlyle Group, The</b>			•		•					
Private Credit	Carlyle Energy Mezzanine Opportunities Fund II, L.P.			•							
Real Estate	Carlyle Realty Partners IX, L.P.					•					
Real Estate	Carlyle Realty Partners VI, L.P.					•					
Real Estate	Carlyle Realty Partners VII, L.P.					•					
Real Estate	Carlyle Realty Partners VIII, L.P.					•					
Real Estate	Carlyle Realty Partners X, L.P.					•					
	<b>Caspian Capital, LP</b>				•						
Public Fixed Income	Caspian Select Credit International, Ltd.				•						
	<b>Cederberg Capital</b>		•								
Equity	Cederberg Greater China Equity Fund		•								
	<b>Cerberus Business Finance, LLC</b>			•							
Private Credit	Cerberus Levered Loan Opportunities Fund II, L.P.			•							
Private Credit	Cerberus PSERS Levered Loan Opportunities Fund, L.P.			•							
	<b>Cerberus Capital Management, LLC</b>	•									
Private Equity	Cerberus Institutional Partners V, L.P.	•									

	Manager	Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
Private Equity	Cerberus Institutional Partners VI, L.P.	•									
Private Equity	Cerberus Institutional Partners, L.P. (Series 4)	•									
	<b>CIM Group, LLC</b>							•			
Infrastructure	CIM Infrastructure Fund III, L.P.							•			
Infrastructure	CIM Supplemental Coinvest I, L.P.							•			
	<b>Cinven</b>	•									
Private Equity	Cinven Fund (Fourth), L.P.	•									
	<b>Clayton, Dubilier &amp; Rice, LLC</b>	•									
Private Equity	Clayton, Dubilier & Rice Fund XII, L.P.	•									
	<b>Clearlake Capital Group, L.P.</b>	•		•							
Private Equity	Clearlake Capital Partners IV, L.P.	•									
Private Equity	Clearlake Capital Partners V, L.P.	•									
Private Equity	Clearlake Capital Partners VI, L.P.	•									
Private Equity	Clearlake Capital Partners VII, L.P.	•									
Private Equity	Clearlake Capital Partners VIII, L.P.	•									
Private Equity	Clearlake Flagship Plus Partners, L.P.	•									
Private Credit	Clearlake Opportunities Partners (P) II, L.P.			•							
Private Credit	Clearlake Opportunity Partners III, L.P.			•							
	<b>Coller Investment Management LTD</b>	•									
Private Equity	Coller International Partners VI, L.P.	•									
Private Equity	Coller International Partners VII, L.P. - Series A	•									
	<b>Crestview Advisors LLC</b>	•									
Private Equity	Crestview Partners III, L.P.	•									
Private Equity	Crestview Partners, L.P.	•									
	<b>Cross-Atlantic Capital Partners</b>	•									
Private Equity	Co-Investment Fund II, L.P.	•									
Private Equity	Cross Atlantic Technology Fund II	•									
Private Equity	Cross Atlantic Technology Fund, L.P.	•									
	<b>CVC Capital Partners Group</b>	•									
Private Equity	CVC Capital Partners Asia Pacific III, L.P.	•									
Private Equity	CVC European Equity Partners V (A), L.P.	•									
	<b>Dawson Partners</b>			•							
Private Credit	Dawson Liquidity Partners (Independence), L.P.			•							
	<b>Denham Capital</b>	•									
Private Equity	Denham Commodity Partners Fund VI, L.P.	•									
Commodities	Denham Michigan Potash Investment Holdings LLC									•	
Commodities	Denham Mining Fund, L.P.									•	
Commodities	Serra Verde Rare Earths Ltd.									•	
	<b>DIF Capital Partners</b>							•			
Infrastructure	DIF Infrastructure Fund VII SCSp							•			
	<b>DRA Advisors, LLC</b>					•					
Real Estate	DRA Growth and Income Fund IX, LLC					•					
Real Estate	DRA Growth and Income Fund VII, L.P.					•					
Real Estate	DRA Growth and Income Fund VIII, LLC					•					
Real Estate	DRA Growth and Income Fund X, LLC					•					
Real Estate	DRA Growth and Income Master Fund XI, LLC					•					
	<b>Effissimo Capital Management Pte. Ltd.</b>		•								
Public Equity	ECM Feeder Fund 2 LP		•								
	<b>Energy &amp; Minerals Group, The</b>	•									
Private Equity	Energy & Minerals Group Fund III, L.P., The	•									



		Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
EQT						•					
Real Estate	EQT Exeter Industrial Core-Plus Fund IV, L.P.					•					
Real Estate	EQT Exeter Industrial Value Fund VI, LP					•					
Real Estate	Exeter Core Industrial Club Fund II, L.P.					•					
Real Estate	Exeter Industrial Core Fund III, L.P.					•					
Real Estate	Exeter Industrial Value Fund IV, L.P.					•					
Real Estate	Exeter Industrial Value Fund V, L.P.					•					
Equistone Partners Europe Limited		•									
Private Equity	Equistone Partners Europe Fund V E, L.P.	•									
Falko Regional Aircraft Limited				•							
Private Credit	Falko Regional Aircraft Opportunities Fund II L.P.			•							
First Reserve Corporation		•									
Private Equity	First Reserve Fund XII, L.P.	•									
Franklin Templeton Investments					•						
Public Fixed Income	Franklin Templeton Institutional, LLC				•						
Fortress Investment Group						•					
Real Estate	Fortress Investment Fund IV LP					•					
Real Estate	Fortress Investment Fund V (Fund A) L.P.					•					
Galton Capital Group, LLC				•							
Private Credit	Galton Onshore Mortgage Recovery Fund IV, L.P.			•							
Garcia Hamilton & Associates, L.P.					•						
Public Fixed Income	Garcia Hamilton & Associates, L.P.				•						
Garda Capital Partners, LP										•	
Opportunistic	Garda Fixed Income Relative Value Opportunity Fund, Ltd.									•	
GCM Grosvenor								•			
Infrastructure	GCM Grosvenor Customized Infrastructure Strategies II, LP							•			
Infrastructure	GCM Diversified Infrastructure, L.P.							•			
Infrastructure	GCM US Partnership Opportunities, L.P.							•			
	GF Management, LLC					•					
Real Estate	Atlanta Marriott					•					
Greenoaks Capital		•									
Private Equity	Greenoaks Capital Opportunities Fund III	•									
Private Equity	Greenoaks Capital Opportunities Fund V LP	•									
Gresham Investment Management, LLC											•
Public Real Assets	Gresham Investment Management LLC										•
Hahn & Co.		•									
Private Equity	Hahn & Company III L.P.	•									
Private Equity	Hahn & Company III-S L.P.	•									
Hayfin Capital Management LLP				•							
Private Credit	Hayfin SOF II USD Co-Invest, L.P.			•							
Private Credit	Hayfin SOF II USD, L.P.			•							
Private Credit	HayFin Special Opportunities Credit Fund (Parallel), L.P.			•							
HgCapital		•									
Private Equity	HgCapital 8 D, L.P.	•									
Private Equity	Hg Genesis 9 L.P.	•									
Private Equity	Hg Saturn 2 A L.P.	•									
Private Equity	Hg Saturn 3 A L.P.	•									
HS Group (Hong Kong) Limited		•									
Private Equity	HS Group Sponsor Fund II	•									

	Manager	Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
	<b>Huntsman Gay Global Capital LLC</b>	•									
Private Equity	HGGC Fund II, L.P.	•									
Private Equity	HGGC Fund III, L.P.	•									
	<b>I Squared Capital</b>							•			
Infrastructure	ISQ Apollo Co-invest Fund III, L.P.							•			
Infrastructure	ISQ Eleanor Co-Invest Fund, L.P.							•			
Infrastructure	ISQ Global Infrastructure Credit Fund II (Onshore), L.P.							•			
Infrastructure	ISQ KIO Co-Invest Fund, L.P.							•			
	<b>Incline Management Corp</b>	•									
Private Equity	Incline Elevate Fund II, L.P.	•									
Private Equity	Incline Elevate Fund, L.P.	•									
Private Equity	Incline Equity Partners III (PSERS), L.P.	•									
Private Equity	Incline Equity Partners IV, L.P.	•									
Private Equity	Incline Equity Partners V, L.P.	•									
Private Equity	Incline Equity Partners VI, L.P.	•									
	<b>Insight Venture Management, LLC</b>	•									
Private Equity	Honeydew Co-Invest, L.P.	•									
Private Equity	Insight Opportunities Fund I, L.P.	•									
Private Equity	Insight Partners XI, L.P.	•									
Private Equity	Insight Partners XII Buyout Annex Fund, L.P.	•									
Private Equity	Insight Partners XII, L.P.	•									
Private Equity	Insight Venture Partners X, L.P.	•									
Private Equity	Insight Vision Capital II L.P.	•									
	<b>Intermediate Capital Group</b>			•							
Private Credit	ICG Europe Fund V, L.P.			•							
Private Credit	ICG Europe Fund VI, L.P.			•							
Private Credit	ICG Europe Fund VII Feeder SCSp			•							
Private Credit	ICG Europe Fund VIII SCSp			•							
	IPC Advisors	•									
Private Equity	Irving Place Capital Partners III SPV, L.P.	•									
	<b>JP Morgan Asset Management</b>				•						
Public Fixed Income	JP Morgan Asset Management				•						
	<b>K1</b>	•									
Private Equity	Gasherbrum Fund II, L.P.	•									
	<b>K4 Capital Advisors</b>	•									
Private Equity	K4 Private Investors, L.P.	•									
	<b>L Catterton Management Company LLC</b>	•									
Private Equity	Catterton Growth Partners II, L.P.	•									
Private Equity	Catterton Growth Partners III, L.P., L	•									
Private Equity	Catterton Partners VII, L.P.	•									
Private Equity	Catterton VIII, L.P., L	•									
	<b>L&amp;B Realty Advisors</b>					•					
Real Estate	Rivercenter Mall					•					
	<b>LaSalle Mortgage Real Estate Investors</b>			•							
Private Credit	Latitude Management Real Estate Capital IV, Inc.			•							
	<b>LBC Credit Management, L.P.</b>			•							
Private Credit	LBC Credit Partners III, L.P.			•							
Private Credit	LBC-P Credit Fund, L.P.			•							
	<b>LEM Capital Partners, L.P.</b>					•					
Real Estate	LEM Multifamily Fund V, L.P.					•					
Real Estate	LEM Multifamily Fund VI, L.P.					•					
	<b>Lindsay Goldberg &amp; Bessemer</b>	•									
Private Equity	Lindsay Goldberg - Endeavour Co-Inv. L.P.	•									
Private Equity	Lindsay Goldberg V, L.P.	•									

Manager	Equity		Fixed Income		Real Estate		Infrastructure		Other	
	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
<b>LLR Partners</b>										
Private Equity	LLR Equity Partners III, L.P.									
Private Equity	LLR Equity Partners IV, L.P.									
Private Equity	LLR Equity Partners V, L.P.									
Private Equity	LLR Equity Partners VI, L.P.									
Private Equity	LLR Equity Partners VII, L.P.									
<b>LS Power Group</b>										
Infrastructure	LS Power Equity Partners V, L.P.									
<b>Lument</b>										
Real Estate	C-III Capital Partners LLC									
<b>Marathon Asset Management Limited</b>										
Public Equity	Marathon Asset Management, LLP									
<b>Milestone Partners</b>										
Private Equity	Milestone Partners FS 2, L.P.									
Private Equity	Milestone Partners IV, L.P.									
<b>Morgan Stanley</b>										
Private Equity	North Haven Private Equity Asia IV, L.P.									
<b>Nephila Capital, Ltd.</b>										
Opportunistic	Cassiopeia Fund Ltd. - Class B									
Opportunistic	Fourier Fund Ltd.									
<b>New Mountain Investments</b>										
Private Equity	New Mountain Partners III L.P.									
Private Equity	New Mountain Partners V, L.P.									
<b>Newmarket Investment Management, L.P.</b>										
Private Credit	International Infrastructure Finance Company Fund, L.P.									
Infrastructure	International Infrastructure Finance Company II, L.P.									
Private Credit	Keystone Partners, L.P. Series A									
Private Credit	Keystone Partners, L.P. Series B									
<b>NGP Energy Capital Management</b>										
Private Equity	NGP Natural Resources X, L.P.									
Private Equity	NGP Natural Resources XI, L.P.									
Commodities	NGP Natural Resources XII, L.P.									
<b>Oak HC/FT Management Company, LLC</b>										
Private Equity	Oak HC/FT Partners IV, L.P.									
Private Equity	Oak HC/FT Partners V, L.P.									
<b>Oberweis Asset Management, Inc.</b>										
Public Equity	Oberweis Asset Management, Inc.									
<b>OceanSound Partners, LP</b>										
Private Equity	OceanSound Partners Fund II									
<b>O'Connor Real Estate Advisors, LLC</b>										
Real Estate	Galleria at Ft Lauderdale, The									
<b>One William Street Capital Management, LP</b>										
Opportunistic	OWS Credit Opportunity Offshore Fund III, Ltd.									
<b>Orchid Asia</b>										
Private Equity	Orchid Asia V, L.P.									
Private Equity	Orchid Asia VI, L.P.									
Private Equity	Orchid Asia VII, L.P.									
<b>Pacific Investment Management Company, LLC</b>										
Private Credit	PIMCO BRAVO Fund III Onshore Feeder, LP									
Private Credit	PIMCO Commercial Real Estate Debt Fund II, L.P.									
Private Credit	PIMCO Commercial Real Estate Debt Fund, L.P.									
<b>PAI Europe</b>										
Private Equity	PAI Europe VII, L.P.									

Manager		Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
	<b>Paramount Group, Inc.</b>					•					
Real Estate	Paramount Group Real Estate Fund VII, L.P.					•					
	<b>Park Square Capital, LLC</b>			•							
Private Credit	Park Square - PSERS Credit Opportunities Fund, L.P.			•							
	<b>Partners Group Mgt VI LTD</b>	•									
Private Equity	Partners Group Secondary 2008, L.P.	•									
Private Equity	Partners Group Secondary 2011 (USD), L.P. Inc.	•									
Private Equity	Partners Group Secondary 2015 (USD) A, L.P.	•									
	<b>Peppertree Capital Management, Inc</b>							•			
Infrastructure	Peppertree Capital Fund X QP, L.P.							•			
	<b>PGIM Real Estate</b>					•					
Real Estate	PGIM Agricultural Separate Account					•					
Real Estate	PGIM Real Estate Capital VII, SCSp					•					
Real Estate	Pramerica Real Estate Capital VI, L.P.					•					
Real Estate	Senior Housing Partnership Fund V, L.P.					•					
	<b>Platinum Equity Advisors, LLC</b>	•									
Private Equity	Platinum Equity Capital Partners IV, L.P.	•									
Private Equity	Platinum Equity Capital Partners V, L.P.	•									
Private Equity	Platinum Equity Capital Partners-A II, L.P.	•									
Private Equity	Platinum Equity Capital Partners-A, L.P.	•									
Private Equity	Platinum Equity Small Cap Fund, L.P.	•									
	<b>Polaris Capital Group, Ltd.</b>	•									
Private Equity	Crown CG Private Equity Fund 2019, L.P.	•									
Private Equity	Crown CG Private Equity Fund 2019S, L.P.	•									
	<b>Portfolio Advisors, LLC</b>	•									
Private Equity	Portfolio Advisors Secondary Fund III, L.P.	•									
Private Equity	Portfolio Advisors Secondary Fund IV, L.P.	•									
Private Equity	Portfolio Advisors Secondary Fund, L.P., PA	•									
	<b>Property Management, Inc.</b>					•					
Real Estate	812 Market Street					•					
Real Estate	Camcorr, LLC					•					
Real Estate	Five North 5th Street					•					
	<b>Radcliffe Capital Management</b>										•
Enhanced Cash	Radcliffe Capital Management										•
	<b>RCG Longview Management LLC</b>					•					
Real Estate	RCG Longview Debt Fund VI, L.P.					•					
	<b>RenaissanceRe Fund Management, Ltd.</b>									•	
Opportunistic	RenaissanceRe Upsilon Diversified Fund									•	
	<b>Sante Ventures</b>	•									
Private Equity	Sante Health Ventures III	•									
Private Equity	Sante Health Ventures IV	•									
	<b>SCP Private Equity Partners</b>	•									
Private Equity	SCP Private Equity Partners II, L.P.	•									
	<b>Searchlight Capital Partners, L.P.</b>	•									
Private Equity	Searchlight Capital II, L.P.	•									
Private Equity	Searchlight Capital III, L.P.	•									
	<b>Security Capital</b>						•				
Public Real Assets	Security Capital Preferred Growth (Public)						•				

Manager	Equity		Fixed Income		Real Estate		Infrastructure		Other	
	Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
<b>Sixth Street Partners, LLC</b>			•							
Private Credit										
PSERS TAO Partners Parallel Fund, L.P. - (TAO 2.0)			•							
Private Credit										
PSERS TAO Partners Parallel Fund, L.P. - (TAO 3.0)			•							
Private Credit										
PSERS TAO Partners Parallel Fund, L.P. - (TAO Contingent)			•							
Private Credit										
Sixth Street Fundamental Strategies Partners (A), L.P.			•							
Private Credit										
Sixth Street Lending Partners			•							
Private Credit										
Sixth Street Opportunities Partners II (A), L.P.			•							
Private Credit										
Sixth Street Opportunities Partners III (A), L.P.			•							
Private Credit										
Sixth Street Opportunities Partners IV (A), L.P.			•							
Private Credit										
Sixth Street Opportunities Partners V (A), L.P.			•							
Private Credit										
Sixth Street Specialty Lending Europe II, L.P.			•							
Private Credit										
Sixth Street Specialty Lending Europe III (A), L.P.			•							
<b>StarVest Associates</b>	•									
Private Equity										
StarVest Partners II (Parallel), L.P.	•									
Steadview Capital Partners, LP		•								
Public Equity										
Steadview Capital Partners LP		•								
<b>StepStone Group</b>	•									
Private Equity										
StepStone International Investors III L.P.	•									
<b>Sterling Partners</b>	•									
Private Equity										
Sterling Capital Partners, L.P.	•									
<b>Stockbridge Capital Partners</b>					•					
Real Estate										
PSERS YES Holdings, L.P.					•					
Real Estate										
Stockbridge Real Estate Fund II, LP					•					
Real Estate										
Stockbridge Real Estate Fund III, LP					•					
Real Estate										
Stockbridge Real Estate Fund, L.P.					•					
<b>Summit Partners</b>	•		•							
Private Credit										
Summit Partners Credit Fund II, L.P.			•							
Private Equity										
Summit Partners Growth Equity Fund IX- A, L.P.	•									
Private Equity										
Summit Partners Growth Equity Fund VIII-A, L.P.	•									
Private Equity										
Summit Partners Growth Equity Fund X- A, L.P.	•									
Private Equity										
Summit Partners Growth Equity Fund XI- A, L.P.	•									
Private Equity										
Summit Partners Growth Equity Fund XII-A, L.P.	•									
Private Equity										
Summit Partners Venture Capital Fund III-A, L.P.	•									
Private Equity										
Summit Partners Venture Capital Fund IV-A, L.P.	•									
<b>TCI Fund Management Limited</b>			•							
Private Credit										
TCI Real Estate Partners Fund III			•							
Private Credit										
TCI Real Estate Partners Fund IV LP			•							
<b>TDR Capital LLP</b>	•									
Private Equity										
TDR Capital V L.P.	•									
<b>Tenaya Capital</b>	•									
Private Equity										
Tenaya Capital VI, L.P.	•									
Private Equity										
Tenaya Capital VII, L.P.	•									
Private Equity										
Tenaya Capital V-P, L.P.	•									

Manager		Equity		Fixed Income		Real Estate		Infrastructure		Other	
		Private	Public	Private	Public	Private	Public	Private	Public	Private	Public
<b>The Children's Investment Fund, LP</b>			•								
Public Equity	The Children's Investment Fund LP		•								
<b>Trilantic Capital Management LLC</b>		•									
Private Equity	Trilantic Capital Partners IV L.P.	•									
Private Equity	Trilantic Capital Partners VI (North America), L.P.	•									
<b>Tulco Management, LLC</b>		•									
Private Equity	Tulco, LLC	•									
<b>UBS Realty Investors, LLC</b>						•					
Real Estate	UBS (US) Trumbull Property Fund, L.P.					•					
<b>Valar Ventures LLC</b>		•									
Private Equity	Valar Velocity Fund 2 LP	•									
<b>Varde Partners, Inc.</b>				•							
Private Credit	Varde Scratch and Dent Feeder I-A, L.P., The			•							
Private Credit	Varde Scratch and Dent Feeder, L.P., The			•							
<b>Venor Capital Management LP</b>		•								•	
Opportunistic	Venor Capital Offshore Ltd.									•	
Private Equity	Venor Special Situations Fund II, L.P.	•									
<b>Versa Capital Management, LLC</b>		•									
Private Equity	Versa Capital Fund II, L.P.	•									
Private Equity	Versa Capital Fund III, L.P.	•									
<b>Wasatch Advisors, Inc.</b>			•								
Public Equity	Wasatch Advisors, Inc (Non-US Small Cap Equity Inv)		•								
Public Equity	Wasatch Advisors, Inc. (Emerging Markets Small Cap)		•								
<b>Webster Capital Management, LLC</b>		•									
Private Equity	Webster Capital IV, L.P.	•									
<b>Westport Capital Partners</b>						•					
Real Estate	WCP NewCold III, L.P.					•					
<b>Compliance Services</b>											
IQ/EQ Advisors											
<b>Custodian Bank</b>											
The Bank of New York Corporation											
<b>Investment Accounting Application Service Provider</b>											
STP Investment Services, LLC											
<b>Proxy Voting Agent</b>											
Glass, Lewis & Co., LLC											
<b>Board and General Investment Consultant</b>											
Verus Advisory, Inc.											
<b>Private Markets / Alternatives Investment Consultant</b>											
Aksia, LLC											
<b>Risk Management System Provider</b>											
BlackRock Solutions											

# ACTUARIAL SECTION



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1205 Westlakes Drive  
Suite 290  
Berwyn, PA 19312

June 13, 2025

Board of Trustees  
Pennsylvania Public School Employees' Retirement System  
5 North 5th Street  
Harrisburg, Pennsylvania 17101-1905

**Re: Actuary's Certification Letter**

Members of the Board:

An actuarial valuation of the Pennsylvania Public School Employees' Retirement System (Retirement System or PSERS) is performed annually to measure the ongoing costs and progress towards the funding goals of the Retirement System over time. The most recent actuarial valuation was completed as of June 30, 2024. The financing objectives of the Retirement System are to:

- Fully fund all current costs based on the normal contribution rate determined under the funding method,
- Liquidate the unfunded accrued liability based on level percentage of pay amortization schedules required by the Public School Employees' Retirement Code, 24 Pa. C.S. §8101 et. seq. (Retirement Code) as amended by Act 120 of 2010, which requires amortization over 24 years of the unfunded accrued liability as of June 30, 2010, and of each change in the unfunded accrued liability due to actuarial experience after the June 30, 2010 valuation. Any increases in the unfunded liability arising from legislation enacted after June 30, 2010, are to be amortized over 10 years; and
- As directed by Act 5 of 2017, contribute 2.25% of pay for future Class T-G members and 2.00% of pay for future Class T-H members and DC only participants to the School Employees' Defined Contribution Plan (Act 5 DC contributions).

The contribution policy of the Retirement System is set by statute. The Commonwealth's General Assembly has the authority to amend the benefit terms and funding policy for the Retirement System by passing bills in the Senate and House of Representatives and sending them to the Governor for approval.

Based on the June 30, 2024 actuarial valuation, a total contribution rate of 34.00% (32.96% Pension plus 0.62% Health Insurance Premium Assistance and 0.42% for Act 5 DC contributions) of payroll payable by employers for fiscal year 2025/2026, when taken together with the contributions payable by the members, current assets, and expected future asset returns, is sufficient to achieve the financing objective. The Act 120 minimum employer pension rate is the employer pension normal cost rate of 5.45%. The 0.42% Act 5 DC contribution rate is an estimated average employer DC contribution rate. The actual DC contribution rate applicable to each employer will be based on the employer's Class T-G, Class T-H, and Class-DC-only membership/participation.

As required by the Retirement Code, the valuation takes into account all of the promised benefits to which members are entitled as of June 30, 2024, including pension and survivor benefits, as the basis for the pension contribution rate for the fiscal year ended June 30, 2026.

There were no legislative or administrative changes made to the benefits payable by PSERS since the prior valuation.



As required under Section 8502(j) of the Retirement Code, experience studies are performed for PSERS every five years, the most recent having been made as of June 30, 2020. This valuation was prepared on the basis of the demographic and economic assumptions that were recommended on the basis of the July 1, 2015 – June 30, 2020 Experience Review and approved by the Board of Trustees at its March 5, 2021, June 11, 2021 and August 6, 2021 meetings, which includes a 7.00% per annum rate of investment return.

Annually, the actuary reviews the assumptions through discussions with the PSERS staff and analyzing actuarial gain/loss experience. In the case of the Board's selection of the valuation interest rate, or expected return on assets ("EROA"), the actuary has also reviewed the analysis provided by the Retirement System's investment advisors, as well as Gallagher's Financial Risk Management ("FRM") practice, and determined the EROA assumption together with the Retirement System's other economic and demographic assumptions do not conflict with what, in the actuary's professional judgment, is reasonable for the purpose of the measurement.

In our opinion, the actuarial assumptions used for funding purposes are reasonably related to the experience of the Retirement System and to reasonable long-term expectations. These assumptions were selected in accordance with applicable Actuarial Standards of Practice published by the Actuarial Standards Board.

The actuarial assumptions and methods used by PSERS for financial reporting meet the requirements set forth in Governmental Accounting Standards Board (GASB) Statement No. 67. The Health Insurance funding provisions of the Retirement Code differ from the GASB 74 disclosure requirements. For funding purposes, the actuarial liability equals the assets in the health insurance account, and a contribution is determined to provide for solvency of the account through the third fiscal year following the valuation date. For GASB 74 purposes the Health Insurance actuarial liability and normal cost requirements are determined under the entry age actuarial cost method. The entry age actuarial cost method meets the GASB 74 requirements for determining actuarial liability and normal cost and is the cost method specified by the Retirement Code for the PSERS pension plan.

The Retirement System reported the individual data for members of the Retirement System as of the valuation date to the actuaries. While we did not verify the data at their source, we did perform tests for internal consistency and reasonableness. The amount of assets in the trust fund taken into account in the valuation was based on statements prepared for us by the Retirement System. The accuracy of the results presented in this report is dependent on the accuracy of the data.

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions or applicable law. An analysis of the potential range of future results is beyond the scope of this valuation.

In our opinion, the attached schedules of valuation results fairly represent the status of the Public School Employees' Retirement System and present an accurate view of historical data. The underlying assumptions and methods used for both funding and GASB disclosure purposes are consistent with the statutory specifications and represent a best estimate of the aggregate future experience of the Retirement System.

The following supporting schedules in the Actuarial Section were prepared by Gallagher Benefit Services, Inc. (hereinafter "Gallagher"):

- Summary of Results of Actuarial Valuation as of June 30, 2024
- History of Contribution Rates and Funded Ratios



- Description of Actuarial Assumptions and Methods
- Schedule of Active Member Valuation Data
- Schedule of Retired Members and Beneficiaries Added To and Removed From Rolls
- Solvency Test for Pensions
- Schedule of Funding Progress for Pensions
- Analysis of Past Financial Experience - Reconciliation of Employer Contribution Rates

In addition, Gallagher prepared the "Schedule of Changes in the Employer Net Pension Liability", "Schedule of Employer Net Pension Liability", "Schedule of Employer Pension Contributions", "Schedule of Changes in the Employer Net OPEB (Premium Assistance) Liability", "Schedule of Employer Net OPEB (Premium Assistance) Liability", and the "Schedule of Employer OPEB (Premium Assistance) Contributions" in the Financial Section.

This report was prepared solely for the Pennsylvania Public School Employees' Retirement System for the purposes herein stated and may not be appropriate to use for other purposes. Gallagher does not intend to benefit and assumes no duty or liability to other parties who receive this work. Use of this report for any other purposes or by anyone other than PSERS and its auditors may not be appropriate and may result in mistaken conclusions because of failure to understand applicable assumptions, methods, or inapplicability of the report for that purpose. The attached pages should not be provided without a copy of this cover letter. Gallagher should be asked to review any statement to be made on basis of the results contained in this report. Gallagher will accept no liability for any such statement made without prior review by Gallagher.

David L. Driscoll, Maria E. Simmers, and Matthew Staback are Fellows of the Society of Actuaries and Members of the American Academy of Actuaries. Salvador Nakar is a Member of the American Academy of Actuaries. We meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. This report has been prepared in accordance with all applicable Actuarial Standards of Practice, and we are available to answer questions concerning it.

Respectfully submitted,

David L. Driscoll, FSA, EA, MAAA, FCA  
Principal, Consulting Actuary

Maria E. Simmers, FSA, EA, MAAA, FCA  
Director, Actuary

Matthew Staback, FSA, EA, MAAA, FCA, CERA  
Senior Consultant, Actuary

Salvador Nakar, EA, MAAA, FCA  
Senior Consultant, Actuary

**SUMMARY OF RESULTS OF ACTUARIAL VALUATION**  
**AS OF JUNE 30, 2024**  
**(Dollar Amounts in Thousands)**

Item	June 30, 2024	June 30, 2023
<b>Member Data</b>		
1. Number of Members		
a) Active Members	254,818	250,820
b) Class DC Participants	834	912
c) Vestees <sup>1</sup>	26,331	26,776
d) Annuitants, Beneficiaries and Survivor Annuitants <sup>2</sup>	253,896	249,724
e) Total	535,879	528,232
2. Annualized Salaries <sup>3</sup>	\$ 15,676,376	\$ 15,030,750
3. Annual Annuities	\$ 6,700,704	\$ 6,542,014
<b>Valuation Results</b>		
4. Present Value of Future Pension Benefits		
a) Active Members	\$ 69,133,979	\$ 67,251,381
b) Inactive Members	450,553	424,535
c) Vestees	2,810,205	2,713,915
d) Annuitants, Beneficiaries and Survivor Annuitants	63,319,486	62,344,050
e) Total	\$ 135,714,223	\$ 132,733,881
5. Present Value of Future Pension Normal Cost		
a) Active Members	\$ 10,018,443	\$ 9,786,472
b) Employer	6,532,262	6,704,196
c) Total	\$ 16,550,705	\$ 16,490,668
6. Pension Accrued Liability		
a) Active Members (4a) - (5c)	\$ 52,583,274	\$ 50,760,713
b) Inactive Members	450,553	424,535
c) Vestees	2,810,205	2,713,915
d) Annuitants, Beneficiaries and Survivor Annuitants	63,319,486	62,344,050
e) Total	\$ 119,163,518	\$ 116,243,213
7. Health Insurance Assets for Premium Assistance	\$ 136,448	\$ 140,716
8. Total Accrued Liability for Funding (6) + (7)	\$ 119,299,966	\$ 116,383,929
9. Actuarial Value of Assets	\$ 77,318,150	\$ 74,044,124
10. Funded Status (9) / (8)	64.8%	63.6%
11. Unfunded Accrued Liability (8) - (9)	\$ 41,981,816	\$ 42,339,805
12. Total Normal Cost Rate	12.74%	13.05%
13. Member Contribution Rate	7.29%	7.37%
14. Employer Normal Cost Rate (12) - (13)	5.45%	5.68%
<b>Employer Annual Funding Requirement</b>		
15. Employer Contribution Rate Calculated by Actuary	<b>Fiscal Year 2025/2026</b>	<b>Fiscal Year 2024/2025</b>
a) Normal Cost	5.45%	5.68%
b) Unfunded Accrued Liability	27.51	27.24
c) Preliminary Pension Rate	32.96%	32.92%
d) Health Insurance Premium Assistance	0.62	0.63
e) Act 5 DC <sup>4</sup>	0.42	0.35
f) Total Rate <sup>5</sup> = (15c) + (15d) + (15e)	34.00%	33.90%

1. Excludes 163,365 and 156,636 inactive members and non-members as of June 30, 2024 and June 30, 2023, respectively, who are no longer participating and are valued for their accumulated deductions only.
2. Excludes 2,483 and 2,433 beneficiaries as of June 30, 2024 and June 30, 2023, respectively, who are only entitled to a pending lump sum distribution.
3. The salaries shown represent an annual rate of pay for members and Class DC participants who were in active service on the valuation date.
4. Average DC contribution rate. Actual rate will vary by employer based on Class T-G, Class T-H, and Class DC membership/participation.
5. The Act 120 minimum pension rate for the June 30, 2024 valuation is 5.45% and for the June 30, 2023 valuation is 5.68%.

## HISTORY OF CONTRIBUTION RATES AND FUNDED RATIOS

Fiscal Year Ending June	Budgeted Total Employer Payroll (Thousands)	Contribution Rates <sup>1</sup>								Funded Ratio
		Employee	Employer Normal Cost	Employer Unfunded Liability	Preliminary Employer Pension	Final Employer Pension <sup>2</sup>	Act 5 Employer DC <sup>6</sup>	Employer Health Insurance	Total Employer	
2015 <sup>3</sup>	13,482,000	7.46%	8.46%	17.51%	25.97%	20.50%	N/A	0.90%	21.40%	60.6%
2016	13,375,000	7.49	8.38	19.44	27.82	25.00	N/A	0.84	25.84	57.3
2017	13,549,000	7.52	8.31	20.89	29.20	29.20	N/A	0.83	30.03	56.3
2018 <sup>4</sup>	13,449,000	7.54	7.70	24.04	31.74	31.74	N/A	0.83	32.57	56.5
2019	13,775,000	7.57	7.59	25.01	32.60	32.60	N/A	0.83	33.43	58.1
2020	13,880,000	7.59	7.49	25.87	33.36	33.36	0.09	0.84	34.29	59.2
2021	14,078,000	7.61	7.37	26.14	33.51	33.51	0.18 %	0.82	34.51	59.6
2022	14,289,000	7.56	7.20	26.79	33.99	33.99	0.15	0.80	34.94	61.6
2023 <sup>5</sup>	14,497,000	7.52	6.07	28.24	34.31	34.31	0.20	0.75	35.26	63.6
2024	15,260,000	7.44	5.86	27.23	33.09	33.09	0.27	0.64	34.00	64.8
2025	15,590,000	7.37	5.68	27.24	32.92	32.92	0.35	0.63	33.90	*
<b>2026</b>	<b>16,152,000</b>	<b>7.29</b>	<b>5.45</b>	<b>27.51</b>	<b>32.96</b>	<b>32.96</b>	<b>0.42</b>	<b>0.62</b>	<b>34.00</b>	<b>*</b>

- In general, the Preliminary Employer Pension Rate equals the sum of the rates for the Employer Normal Cost and the Unfunded Liability; and the Final Employer Pension Rate is the greater of the Preliminary Pension Rate and any Pension Rate Floor or Collar stated in the Retirement Code. The Total Employer Rate is the sum of the Final Employer Pension Rate, Act 5 Employer DC Rate and the Employer Health Insurance Premium Assistance Rate.
- The Final Employer Pension rate is limited by the Act 120 of 2010 pension rate collars for fiscal years 2015 through 2016.
- Revised actuarial assumptions based on a five-year experience review ended June 30, 2010 were used to determine the contributions for the fiscal years ending June 30, 2015, and thereafter, which include an interest rate of 7.50%.
- Revised actuarial assumptions based on a five-year experience review ended June 30, 2015 were used to determine the contributions for the fiscal year ending June 30, 2018, and thereafter, which include an interest rate of 7.25%.
- Revised actuarial assumptions based on a five-year experience review ended June 30, 2020, were used to determine the contributions for the fiscal year ending June 30, 2023 and thereafter, which include an interest rate of 7.00%.
- Act 5 new member assumptions for new members after:

Valuation	Class T-G	Class T-H	DC Only
2018 - 2019	65%	30%	5%
After 2019	98%	1%	1%

The above rate is an average DC contribution rate. Actual rate will vary by employer based on Class T-G, Class T-H, and Class DC only memberships.

\* Not Available

## DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS

## ASSUMPTIONS

**Interest Rate:** 7.00% per annum, compounded annually (adopted as of June 30, 2021). The components are 2.50% for inflation and 4.50% for the real rate of return. Actuarial equivalent benefits are determined based on an interest rate of 4.00% per year (since 1960) except, in accordance with Act 5 of 2017, an interest rate of 7.00% per year is used for Class T-E, Class T-F, Class T-G and Class T-H members' Option 4 partial withdrawal of accumulated member contributions and certain Class T-G and Class T-H early retirement factors.

**Discount Rate for GASB 67 Accounting:** 7.00% as of June 30, 2023 and June 30, 2024. Rates were

determined in accordance with the methods prescribed in GASB Statement No. 67.

**Discount Rate for GASB 74 Accounting:** 4.13% as of June 30, 2023 and 4.21% as of June 30, 2024. The rates represents the S&P 20-Year Municipal Bond Rate. Rates were determined in accordance with the methods prescribed in GASB Statement No. 74.

**Separation from Service:** Illustrative rates of assumed separation from service are shown in the following table (adopted as of June 30, 2021).

Age	Class T-C and Class T-D Annual Rate of:						
	Withdrawal Less Than 5 Years of Service	Withdrawal		Death <sup>1</sup>	Disability	Early Retirement <sup>2</sup>	Superannuation Retirement
		Between 5 and 10 Years of Service	10 or More Years of Service				
MALES							
25	21.83%	9.22%	4.55%	0.022%	0.01%		
30	14.93	3.84	4.55	0.029	0.01		
35	15.17	3.77	1.68	0.038	0.04		
40	16.04	4.44	1.42	0.053	0.06		
45	15.12	5.17	1.41	0.082	0.11		19.00%
50	15.81	4.96	1.89	0.129	0.23		19.00
55	15.54	4.96	3.63	0.194	0.37	14.50%	25.00
60	13.85	6.37	5.49	0.289	0.37	14.50	29.00
65				0.447	0.11		23.00
70				0.699	0.08		20.00
75				1.076	0.08		25.00
79				1.701	0.08		25.00
FEMALES							
25	18.33%	7.47%	3.90%	0.008%	0.01%		
30	15.16	5.92	3.90	0.013	0.02		
35	14.66	5.68	2.83	0.019	0.03		
40	12.86	5.16	1.67	0.030	0.06		
45	12.82	5.25	1.60	0.046	0.11		16.00%
50	13.02	5.23	2.08	0.069	0.18		16.00
55	13.43	5.31	3.66	0.102	0.29	14.50%	16.00
60	13.81	7.53	5.94	0.154	0.24	15.00	31.00
65				0.251	0.07		28.00
70				0.431	0.09		23.00
75				0.766	0.09		25.00
79				1.239	0.09		25.00

1. These base mortality tables will then be projected on a generational basis using the Buck Modified scale MP-2020. Refer to the pre-retirement mortality description below.
2. Early Retirement - Age 55 with 25 years of service, but not eligible for Superannuation retirement.

## DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS (Continued)

Age	Class T-E, Class T-F, Class T-G and Class T-H Annual Rate of:					
	Withdrawal		Death <sup>1</sup>	Disability	Early Retirement <sup>2</sup>	Superannuation Retirement
	Less Than 10 Years of Service	10 or More Years of Service				
MALES						
25	17.02%	4.55%	0.022%	0.01%		
30	11.25	4.55	0.029	0.01		
35	12.09	1.68	0.038	0.04		
40	13.14	1.42	0.053	0.06		
45	13.87	1.41	0.082	0.11		
50	13.67	1.89	0.129	0.23		
55	11.91	3.63	0.194	0.37	14.50%	16.30%
60	11.19	5.49	0.289	0.37	14.50	16.30
65	11.19		0.447	0.11		16.30
70	11.19		0.699	0.08		16.30
75	11.19		1.076	0.08		16.30
79	11.19		1.701	0.08		16.30
FEMALES						
25	14.54%	3.90%	0.008%	0.01%		
30	11.68	3.90	0.013	0.02		
35	12.39	2.83	0.019	0.03		
40	11.53	1.67	0.030	0.06		
45	10.99	1.60	0.046	0.11		
50	10.72	2.08	0.069	0.18		
55	10.75	3.66	0.102	0.29	14.50%	19.50%
60	11.62	5.94	0.154	0.24	15.00	19.50
65	11.62		0.251	0.07		19.50
70	11.62		0.431	0.09		19.50
75	11.62		0.766	0.09		19.50
79	11.62		1.239	0.09		19.50

1. These base mortality tables will then be projected on a generational basis using the Buck Modified scale MP-2020. Refer to the pre-retirement mortality description below.

2. Early Retirement - prior to eligibility for Superannuation retirement.

### Death before Retirement:

Male participants: 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 Employee (Total General Employees dataset) Amount Weighted Male Tables, with a 99.0% adjustment, generationally projected with Buck Modified scale MP-2020.

Female participants: 50% PubT-2010 Employee (Total Teacher dataset) and 50% PubG-2010 Employee (Total General Employees dataset) Amount Weighted Female Tables, with a 88.6% adjustment, generationally projected with Buck Modified scale MP-2020.

### Death after Retirement:

Male annuitants: 50% PubT-2010 Retiree (Total Teacher dataset) and 50% PubG-2010 Retiree (Total

General Employees dataset) Amount Weighted Male Tables, with a 99.7% adjustment, generationally projected with Buck Modified scale MP-2020.

Female annuitants: 50% PubT-2010 Retiree (Total Teacher dataset) and 50% PubG-2010 Retiree (Total General Employees dataset) Amount Weighted Female Tables, with a 95.4% adjustment, generationally projected with Buck Modified scale MP-2020.

Male disabled annuitants: Pub-2010 Disability Mortality Non-Safety Amount Weighted Male Table, with a 105.4% adjustment, generationally projected with Buck Modified scale MP-2020.



## DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS (Continued)

Female disabled annuitants: Pub-2010 Disability Mortality Non-Safety Amount Weighted Female Table, with a 95.0% adjustment, generationally projected with Buck Modified scale MP-2020.

Male contingent annuitants: Pub-2010 Contingent Survivor Amount Weighted Male Table, with a 106.0% adjustment, generationally projected with Buck Modified scale MP-2020.

Female contingent annuitants: Pub-2010 Contingent Annuitant Amount Weighted Female Table, with a 116.2% adjustment, generationally projected with Buck Modified scale MP-2020.

For determination of actuarial equivalence, a unisex table based on 25% males and 75% females blend of the Board-approved base mortality tables to be used for actuarial valuations beginning June 30, 2021, generationally projected to 2025 with the Buck Modified MP-2020 improvement scale.

**Salary Increase:** Effective average of 4.50% per annum, compounded annually (adopted as of June 30, 2021). The components are 2.50% for inflation, and 2.00% for real wage growth and merit or seniority increases. Representative values are as follows:

Age	Annual Rate of Salary Increase
20	9.65%
30	7.15
40	5.15
50	3.15
55	2.75
60	2.75
65	2.75
Over 65	2.75

**Payroll Growth:** A 3.25% per annum payroll growth assumption is used to liquidate the unfunded accrued liability based on level-percent-of-pay amortization schedules required by the Retirement Code.

### MISCELLANEOUS

**Option 4 - Refund of Contributions Elections:** 75% of Class T-C and Class T-D and 50% of Class T-E, Class T-F, Class T-G and Class T-H members are assumed to elect a refund of contributions and a reduced annuity.

**Withdrawal Annuity:** 50% of members are assumed to commence payment immediately and 50% are assumed to defer payment to superannuation age.

**Optional Forms of Annuity Payment at Retirement:** Anticipated active member elections of optional forms of payment at retirement as follows:

- 45% will elect Maximum Straight Life Annuity (MSLA)
- 25% will elect OPTION 1 (Straight life annuity with guaranteed payments equal to present value of MSLA)
- 20% will elect OPTION 2 (100% Joint and Survivor with males 3 years older than females)
- 10% will elect OPTION 3 (50% Joint and Survivor with males 3 years older than females)
- 0% will elect OPTION 4 annuity

**Optional Forms of Payment Factors:** Actuarial equivalent benefits are determined based on a statutorily specified interest rate of 4.00% per year or 7.00% per annum, as applicable. The mortality basis is a blend of 25% males and 75% females blend of the Board-approved base mortality tables to be used for actuarial valuations beginning June 30, 2021, generationally projected to 2025 with the Buck Modified MP-2020 improvement scale.

### Health Insurance Premium Assistance:

Elections: 59% of eligible retirees are assumed to elect premium assistance.

Administrative Expenses: Assumed equal to \$1,285,000 for fiscal year 2024/2025, \$1,324,000 for fiscal year 2025/2026 and \$1,363,000 for fiscal year 2026/2027.

### Summary of Changes since the June 30, 2023

**Valuation:** The employer contribution rate for the 2025/2026 fiscal year is based on the assumption that 59% of eligible retirees elect premium assistance.

Assumed administrative expenses for the Health Insurance Premium Assistance plan changed from \$1,307,000 to \$1,285,000 for fiscal year 2024/2025, from \$1,346,000 to \$1,324,000 for fiscal year 2025/2026, and the amount of \$1,363,000 was added for the fiscal year 2026/2027.

## DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS (Continued)

### METHODS

**Calculations:** The actuarial calculations were performed by qualified actuaries in accordance with accepted actuarial procedures, based on the current provisions of the Retirement System, and on actuarial assumptions that are internally consistent and reasonable based on the actual experience of the Retirement System.

**Asset Valuation Method:** A ten-year moving market average value of assets that recognizes the 7.00% (7.25% prior to June 30, 2021 and 7.50% prior to June 30, 2016) actuarial expected investment return immediately and spreads the difference between the actual return on the market value of assets and the expected return on the actuarial value of the assets over a period of ten years. The actuarial value of assets can be no less than 70% and no more than 130% of the market value of assets.

**Actuarial Cost Method for Pension Funding:** Entry Age Normal Cost Method (modified slightly as of June 30, 2005 to use a pay-weighted average normal contribution rate). The gross normal cost rate is determined as of the valuation date. It is the ratio of the gross normal cost amount to the anticipated total salary during the first year, which is adjusted to the beginning of the year by one-half of the effective average salary increase assumption of 4.50% per annum. This method produces a gross normal cost rate that is consistent with the Retirement System's past annual valuations.

The results of each June 30 valuation determine the employer contribution rate for the second succeeding fiscal year. In accordance with the Retirement Code, the outstanding balance of the unfunded accrued liability as of June 30, 2010, including changes in the unfunded accrued liability due to the funding reforms of Act 120-2010, is to be amortized over a 24-year period, as a level percent of pay, beginning July 1, 2011. Future valuation gains and losses, and changes in the unfunded accrued liability resulting from changes in actuarial assumptions and methods, are amortized over a 24-year period, as a level percent of pay. However, future increases in the unfunded accrued liability due to benefit enhancement legislation will be amortized over a 10-year period, as a level percent of pay. The employer pension contribution requirements are subject to collars on the rate for fiscal years ending June 30, 2012, June 30, 2013, and on or after June 30, 2014; the pension

contribution rate was limited to 3.00%, 3.50% and 4.50%, respectively, of total compensation of all active members, greater than the prior year's final contribution rate. Beginning with the fiscal year ending June 30, 2017, the actuarially determined contribution rate was less than the collared rate and the final contribution rate was the actuarially determined contribution rate. However, the final contribution rate cannot be less than the employer normal contribution rate.

In accordance with Act 5-2017, member shared-risk contributions cannot be used to offset the employer normal contribution rate. Instead, any increase or decrease in the unfunded accrued liability due to member shared-risk contributions shall be recognized as part of the Retirement System's actuarial experience and amortized as a level percentage of compensation over a period of 24 years beginning with the July 1 second succeeding the actuarial valuation in which the shared-risk contribution was recognized.

In the actuary's professional judgment, the Retirement System's funding policy meets the Actuarial Standard of Practice No. 4 standards for a reasonable Actuarially Determined Contribution.

**Actuarial Cost Method for Health Insurance Premium Assistance Funding:** The actuarial liability equals the assets in the health insurance account, and the results of the June 30 valuation determine the contribution rate for the second succeeding fiscal year. The rate so determined is the rate necessary to establish reserves sufficient to cover administrative expenses and provide premium assistance payments for all participating eligible annuitants during the third fiscal year that follows the valuation date.

**Employer DC Contributions:** An average DC contribution rate is determined based on the anticipated employer contributions for DC participants and Retirement System total employer payroll for the second succeeding fiscal year after the June 30 valuation date. It is assumed that among new employees hired on or after July 1, 2024, that 98% will become Class T-G members, 1% will become Class T-H members and 1% will become Class DC-only participants. The actual rate will vary by employer based on Class T-G, Class T-H, and Class DC membership/participation.

## DESCRIPTION OF ACTUARIAL ASSUMPTIONS AND METHODS (Continued)

**Actuarial Cost Method for GASB 74 Accounting for Health Insurance:** The actuarial liability and service cost are determined under the entry age actuarial cost method.

**Summary of Changes since the June 30, 2023 Valuation:** None.

### DATA

**Census and Assets:** The valuation was based on members of the Retirement System as of June 30, 2024, and does not take into account future members. All census data was supplied by the Retirement System and was subject to reasonable consistency checks. The actuaries adjust the data to account for service and pay

earned by members on or before the valuation that is not reported by the Retirement System until after the actuarial valuation is performed. Asset data was supplied by the Retirement System.

For employer DC contributions, it is assumed among new employees hired on or after July 1, 2024, that 98% will become Class T-G members, 1% will become Class T-H members and 1% will become Class DC only participants. This is the same assumption that was used for the June 30, 2023, valuation. The assumption reflects the actual Class T-G, Class T-H and Class DC membership/participation elections as of June 30, 2020.

### 30-YEAR HISTORICAL INTEREST RATE ASSUMPTION

June 30 Valuation	Interest Rate
2023	7.00%
2022	7.00
2021	7.00
2020	7.25
2019	7.25
2018	7.25
2017	7.25
2016	7.25
2015	7.50
2014	7.50

June 30 Valuation	Interest Rate
2013	7.50%
2012	7.50
2011	7.50
2010	8.00
2009	8.00
2008	8.25
2007	8.50
2006	8.50
2005	8.50
2004	8.50

June 30 Valuation	Interest Rate
2003	8.50%
2002	8.50
2001	8.50
2000	8.50
1999	8.50
1998	8.50
1997	8.50
1996	8.50
1995	8.50
1994	8.50

### SCHEDULE OF ACTIVE MEMBERS VALUATION DATA<sup>1</sup>

Valuation as of June 30	Number of Participating Employers	Number of Active Members	Annual Compensation (Thousands)	Average Compensation	% Increase in Average
2024	763	254,818	\$ 15,643,059	\$ 61,389	2.68%
2023	764	250,820	14,995,870	59,787	2.94
2022	770	247,873	14,397,002	58,082	2.50
2021	769	248,091	14,057,526	56,663	3.90
2020	770	256,246	13,974,295	54,535	2.01
2019	773	255,749	13,671,927	53,458	2.43
2018	775	256,362	13,379,041	52,188	2.48
2017	775	255,945	13,033,919	50,924	1.87
2016	781	257,080	12,851,289	49,989	2.46
2015	784	259,868	12,678,213	48,787	1.79

1. Excludes Class DC participants.

**SCHEDULE OF RETIRED MEMBERS AND BENEFICIARIES  
ADDED TO AND REMOVED FROM ROLLS**

Valuation Date as of June 30	Added to Rols		Removed from Rols		Rols at End of Year		% Increase in Annual Allowance	Average Annual Allowance
	Number	Annual Allowance (Millions)	Number	Annual Allowance (Millions)	Number	Annual Allowance <sup>1</sup> (Millions)		
2024	10,572	\$ 294.5	6,400	\$ 125.5	253,896	\$ 6,700.7	2.43%	\$ 26,392
2023	10,606	278.0	7,783	147.2	249,724	6,542.0	1.61	26,197
2022	11,493	309.9	7,431	120.4	246,901	6,438.6	2.01	26,078
2021	11,682	320.2	8,457	135.9	242,839	6,311.8	2.28	25,992
2020	9,708	256.1	7,433	115.6	239,614	6,170.9	1.97	25,753
2019	10,553	246.6	6,502	107.0	237,339	6,051.6	2.11	25,498
2018	11,806	235.3	8,532	98.6	233,288	5,926.7	1.90	25,405
2017	12,876	274.2	7,690	102.1	230,014	5,816.4	2.65	25,287
2016	12,686	267.1	7,633	93.5	224,828	5,666.4	2.64	25,203
2015	15,017	297.3	9,142	91.7	219,775	5,520.6	3.39	25,119

1. Reflects changes in annuities for continuing payees due to finalization of benefit calculations and due to the commencement of supplemental annuity payments.

**POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS  
SCHEDULE OF RETIRED MEMBERS ADDED TO AND REMOVED FROM ROLLS**

Valuation Date as of June 30	Added to Rols		Removed from Rols		Rols at End of Year		% Increase/ (Decrease) in Annual Premium Assistance	Average Annual Premium Assistance
	Number <sup>2</sup>	Annual Premium Assistance (Millions)	Number <sup>2</sup>	Annual Premium Assistance (Millions)	Number <sup>2</sup>	Annual Premium Assistance (Millions)		
2024	5,969	\$ 4.2	3,800	\$ 2.7	157,417	\$ 111.5	(0.27)%	\$ 1,200
2023	5,829	4.2	6,645	4.8	155,248	111.8	(3.70)	1,200
2022	6,601	4.9	4,505	3.4	156,064	116.1	(0.26)	1,200
2021	6,734	5.1	5,431	4.1	153,968	116.4	0.87	1,200
2020	5,979	4.5	4,230	5.0	152,665	115.4	1.14	1,200
2019	5,673	4.3	3,999	3.0	150,916	114.1	1.15	1,200
2018	5,501	4.2	3,770	2.9	149,242	112.8	1.17	1,200
2017	5,821	4.4	3,806	2.9	147,511	111.5	1.36	1,200
2016	5,758	4.4	3,516	2.7	145,496	110.0	0.00	1,200
2015	6,516	5.0	3,635	2.8	143,254	110.0	0.46	1,200

2. Number of retired members eligible to participate in the Health Insurance Premium Assistance; 59% of eligible retirees are assumed to elect premium assistance as of June 30, 2024; 60% of eligible retirees are assumed to elect premium assistance as of June 30, 2023; 62% of eligible retirees are assumed to elect premium assistance as of June 30, 2022; 63% of eligible retirees are assumed to elect premium assistance as of June 30, 2016 to June 30, 2021; 65% of eligible retirees are assumed to elect premium assistance as of June 30, 2014.

**SOLVENCY TEST FOR PENSIONS**  
**COMPARATIVE SUMMARY OF ACCRUED LIABILITY AND**  
**ACTUARIAL VALUE OF ASSETS**  
(Dollar Amounts in Thousands)

Valuation as of June 30	Accrued Liabilities for			Actuarial Value of Assets	Portion of Accrued Liability Covered by Valuation Assets		
	(1) Active Member Contributions	(2) Retirees and Beneficiaries	(3) Active Member Employer Financed		(1)	(2)	(3)
2024	\$ 19,630,600	\$ 63,319,486	\$ 36,213,432	\$ 77,181,702	100%	91%	0%
2023	19,188,548	62,344,050	34,710,615	73,903,408	100	88	0
2022	18,802,945	61,869,159	33,804,697	70,511,293	100	84	0
2021	18,156,350	61,168,172	33,326,303	67,116,157	100	80	0
2020	17,558,412	58,415,383	31,859,604	63,798,937	100	79	0
2019	16,839,956	57,413,088	30,946,461	61,065,304	100	77	0
2018	16,120,538	56,742,925	30,127,445	58,135,539	100	74	0
2017	15,500,215	56,184,146	30,164,456	57,336,856	100	74	0
2016	14,907,731	55,314,858	29,766,812	57,265,506	100	77	0
2015	14,079,658	52,739,489	27,757,563	57,240,946	100	82	0

**SCHEDULE OF FUNDING PROGRESS FOR PENSIONS<sup>1</sup>**  
(Dollar Amounts in Thousands)

Valuation as of June 30	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll <sup>2</sup>	Unfunded Accrued Liability as a Percentage of Covered
2024	\$ 77,181,702	\$ 119,163,518	\$ 41,981,816	64.8%	\$ 15,643,059	268.4%
2023	73,903,408	116,243,213	42,339,805	63.6	14,995,870	282.3
2022	70,511,293	114,476,801	43,965,508	61.6	14,397,002	305.4
2021	67,116,157	112,650,825	45,534,668	59.6	14,057,526	323.9
2020	63,798,937	107,833,399	44,034,462	59.2	13,974,295	315.1
2019	61,065,304	105,199,505	44,134,201	58.0	13,671,927	322.8
2018	58,135,539	102,990,908	44,855,369	56.4	13,379,041	335.3
2017	57,336,856	101,848,817	44,511,961	56.3	13,033,919	341.5
2016	57,265,506	99,989,401	42,723,895	57.3	12,851,289	332.4
2015	57,240,946	94,576,710	37,335,764	60.5	12,678,213	294.5

1. The amounts reported include assets and liabilities for Pensions.
2. The salaries shown represent an annual rate of pay for the year ended June 30th for members who were in active service on June 30th.

### ANALYSIS OF PAST FINANCIAL EXPERIENCE RECONCILIATION OF EMPLOYER CONTRIBUTION RATES

Fiscal Year Ending June 30	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Effective Prior Year Contribution Rate	33.90%	34.00%	35.26%	34.94%	34.51%	34.29%	33.43%	32.57%	30.03%	25.84%
Prior Year Adjustment for Legislation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.82
<b>Net Change Due to:</b>										
Change in Normal Rate	(0.23)	(0.18)	(0.21)	(0.18)	(0.17)	(0.12)	(0.10)	(0.11)	(0.23)	(0.07)
Payroll Growth and Liability Experience	0.02	(0.15)	(1.08)	0.12	0.39	0.25	(0.12)	(0.17)	0.96	0.14
Investment Loss/(Gain)	0.25	0.16	0.07	(0.01)	0.26	0.02	0.98	1.22	1.08	0.83
Health Insurance Contribution Change	(0.01)	(0.01)	(0.11)	(0.05)	(0.02)	(0.02)	0.01	—	0.01	(0.01)
Assumption/Method Change	N/A	N/A	N/A	0.39	N/A	N/A	N/A	(0.08)	0.44	N/A
Act 5 Benefit and Funding Reforms <sup>1</sup>	0.07	0.08	0.07	0.05	(0.03)	0.09	0.09	N/A	N/A	N/A
Amortization of Prior Legislation Deferrals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.28	0.48
Actual Contribution Rate:	34.00%	33.90%	34.00%	35.26%	34.94%	34.51%	34.29%	33.43%	32.57%	30.03%

1. Act 5 Defined Contribution rate. The above rate is an average DC contribution rate. Actual rate will vary by employer.

# STATISTICAL SECTION



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## Statistical Section Narrative

To assist readers in the assessment of the System's economic condition, the Statistical Section of this Annual Comprehensive Financial Report presents information to add historical perspective, context, and detail to the financial statements, notes to financial statements, and required supplementary information presented in the preceding sections. To provide historical perspective and a sense of trend, the exhibits in this section are presented in multiple-year formats. The information is categorized into three topical groups: *Financial Trends*, *Demographic and Economic Information*, and *Operating Information*.

### Financial Trends

The Financial Trend Schedules and Graphs provide detailed information to present how PSERS' financial position has changed over time.

The following Financial Trend Schedules are presented:

- Schedule of Trend Data
- Total Changes in Fiduciary Net Position - Pension
- Total Changes in Fiduciary Net Position - Postemployment Healthcare Plans
- Total Changes in Fiduciary Net Position - DC

### Demographic and Economic Information

Some of the following schedules listed are dependent upon an actuarial valuation. For those schedules, the most recent information is presented as of the year ended June 30, 2024, the date of PSERS' most current actuarial valuation completed at the time of publication.

- Summary Membership Data
- Summary Annuity Data
- Pension Benefit and Refund Deductions from Fiduciary Net Position
- Average Monthly Pension Benefit Payments
- Average Monthly Pension Benefit Payments and Average Final Average Salary
- Average Monthly Premium Assistance Benefit Payments and Average Final Average Salary

### Operating Information

- Ten Largest Employers
- Schedule of Employers

## Schedule of Trend Data

### 10 Year

(Dollar Amounts in Thousands)\*

For years ended June 30	2025	2024	2023	2022	2021
Contribution Rates:					
Total Pension	32.92%	33.09%	34.31%	33.99%	33.51%
Health Insurance Premium Assistance	0.63%	0.64%	0.75%	0.80%	0.82%
Defined Contribution	0.35%	0.20%	0.20%	0.15%	0.18%
Total Employer	33.90%	34.00%	35.26%	34.94%	34.51%
Average Member	7.37%	7.44%	7.52%	7.56%	7.61%
Total Employer Contributions ***	\$ 5,574,123	\$ 5,364,925	\$ 5,363,739	\$ 5,115,090	\$ 4,875,708
Market Value of Assets ***	\$ 82,765,000	\$ 76,629,000	\$ 72,253,000	\$ 70,664,000	\$ 72,100,000
Actuarial Value of Assets	**	\$ 77,318,200	\$ 74,044,100	\$ 70,647,000	\$ 67,249,000
Accrued Actuarial Liability	**	\$ 119,300,000	\$ 116,383,900	\$ 114,612,000	\$ 112,783,000
Actuarial Funded Ratio	**	64.80%	63.60%	61.60%	59.60%
Total Benefits & Refunds	\$ 8,454,278	\$ 8,338,361	\$ 8,151,007	\$ 7,794,495	\$ 7,631,376
Average Pension *	\$ 26,522	\$ 26,392	\$ 26,197	\$ 26,078	\$ 25,992
Annuitants & Beneficiaries	254,735	253,896	249,724	246,901	242,839
Average Annual Member Compensation *	\$ 63,142	\$ 61,319	\$ 59,709	\$ 58,076	\$ 56,663
Active Members	261,669	255,652	251,732	248,393	248,410
Retirements	8,732	9,396	10,080	9,356	9,411

For years ended June 30	2020	2019	2018	2017	2016
Contribution Rates:					
Total Pension	33.36%	32.60%	31.74%	29.20%	25.00%
Health Insurance Premium Assistance	0.84%	0.83%	0.83%	0.83%	0.84%
Total Employer	34.29%	33.43%	32.57%	30.03%	25.84%
Average Member	7.59%	7.57%	7.54%	7.52%	7.49%
Total Employer Contributions ***	\$ 4,794,320	\$ 4,602,349	\$ 4,361,597	\$ 3,943,758	\$ 3,302,817
Market Value of Assets ***	\$ 58,687,000	\$ 58,859,000	\$ 56,486,000	\$ 53,279,000	\$ 49,957,000
Actuarial Value of Assets	\$ 63,929,000	\$ 61,190,000	\$ 58,258,000	\$ 57,461,000	\$ 57,390,000
Accrued Actuarial Liability	\$ 107,964,000	\$ 105,325,000	\$ 103,114,000	\$ 101,973,000	\$ 100,114,000
Actuarial Funded Ratio	59.20%	58.10%	56.50%	56.30%	57.30%
Total Benefits & Refunds	\$ 7,365,198	\$ 7,237,244	\$ 7,143,341	\$ 6,923,904	\$ 6,779,577
Average Pension *	\$ 25,753	\$ 25,498	\$ 25,405	\$ 25,287	\$ 25,203
Annuitants & Beneficiaries	239,614	237,339	233,288	230,014	224,828
Average Annual Member Compensation *	\$ 54,535	\$ 53,458	\$ 52,188	\$ 50,925	\$ 49,989
Active Members	256,246	255,749	256,362	255,945	257,080
Retirements	8,290	8,746	9,840	9,479	10,135

\* All dollar amounts are in thousands, except Average Annual Member Compensation and Average Pension.

\*\* Data for these categories relate to the actuarial valuation for fiscal year ended June 30, 2024. Results for this valuation were not available at publication date.

\*\*\* Excludes Health Options Program and Defined Contribution Plan.

## Total Changes in Fiduciary Net Position - Pension 10 Year Trend

(Dollar Amounts in Thousands)

Additions to Fiduciary Net Position					
Year Ended June 30	Member Contributions	Employer Contributions	Net Investment Income (Loss)	Total Additions	
2025	\$ 1,188,582	\$ 5,470,733	\$ 7,323,837	\$ 13,983,152	
2024	1,197,871	5,262,714	5,704,271	12,164,856	
2023	1,174,580	5,249,018	2,795,296	9,218,894	
2022	1,134,051	4,997,912	(267,250)	5,864,713	
2021	1,080,701	4,759,189	14,754,624	20,594,514	
2020	1,067,957	4,676,413	1,001,846	6,746,216	
2019	1,064,043	4,487,520	3,628,710	9,180,273	
2018	1,026,375	4,249,611	4,714,158	9,990,144	
2017	1,013,847	3,832,773	4,995,362	9,841,982	
2016	989,266	3,189,510	473,206	4,651,982	

Deductions from Fiduciary Net Position										
Benefit Payments										
Year Ended June 30	Annuities	Lump Sums**	Refunds	Administrative	Gross Receipts	Gross Payments	Net Transfers*	Total Deductions	Net Increase / (Decrease)	
2025	\$ 6,672,574	\$1,063,408	\$ 44,540	\$ 59,155	\$ (5,308)	\$ 10,567	\$ 5,259	\$ 7,844,936	\$ 6,138,215	
2024	6,553,139	1,121,821	45,726	55,447	(4,499)	12,558	8,059	7,784,192	4,380,664	
2023	6,426,706	1,108,373	43,110	53,823	(5,145)	7,940	2,794	7,634,807	1,584,087	
2022	6,306,428	906,337	36,560	49,451	(5,272)	10,319	5,047	7,303,823	(1,439,110)	
2021	6,181,330	917,539	26,925	49,616	(6,264)	14,802	8,538	7,183,948	13,410,566	
2020	6,051,233	794,675	27,463	46,799	(6,539)	9,683	3,144	6,923,314	(177,098)	
2019	5,925,048	808,016	27,027	48,931	(4,566)	5,647	1,081	6,810,103	2,370,170	
2018	5,813,139	814,384	19,881	46,544	(5,679)	13,421	7,742	6,701,690	3,288,454	
2017	5,673,309	780,015	20,928	45,127	(11,015)	10,342	(673)	6,518,706	3,323,276	
2016	5,522,662	815,131	20,069	45,118	(9,916)	12,379	2,463	6,405,443	(1,753,461)	

\* Net transfers to the Commonwealth of Pennsylvania State Employees' Retirement System.

\*\* Lump-Sums includes both pension and death lump sums.

## Total Changes in Fiduciary Net Position - Postemployment Healthcare Plans 10 Year Trend

(Dollar Amounts in Thousands)

### Premium Assistance

	Additions to Fiduciary Net Position			
	Year Ended June 30	Employer Contributions	Net Investment Income	Total Additions
2025		\$ 103,390	\$ 5,187	\$ 108,577
2024		102,211	6,184	108,395
2023		114,721	4,474	119,195
2022		117,178	316	117,494
2021		116,519	260	116,779
2020		117,907	1,752	119,659
2019		114,829	2,313	117,142
2018		111,986	1,455	113,441
2017		110,985	663	111,648
2016		113,307	542	113,849

	Deductions from Fiduciary Net Position				
	Year Ended June 30	Benefits	Administrative	Total Deductions	Net Increase / (Decrease)
2025	\$	110,528	\$ 1,120	\$ 111,648	\$ (3,071)
2024		111,659	1,004	112,663	(4,268)
2023		112,870	1,085	113,955	5,240
2022		113,707	826	114,533	2,961
2021		113,538	1,143	114,681	2,098
2020		113,279	1,148	114,427	5,232
2019		112,777	1,914	114,691	2,451
2018		111,847	2,603	114,450	(1,009)
2017		110,229	2,239	112,468	(820)
2016		108,273	1,656	109,929	3,920

## Total Changes in Fiduciary Net Position - Postemployment Healthcare Plans 10 Year Trend (continued)

(Dollar Amounts in Thousands)

### Health Options Program

	Additions to Fiduciary Net Position				
	Year Ended June 30	Participant Premiums	CMS Contributions	Net Investment Income	Total Additions
2025	\$	430,655	\$ 155,814	\$ 18,009	\$ 604,478
2024		421,491	89,270	17,127	527,888
2023		413,136	65,725	9,088	487,949
2022		409,361	71,482	346	481,189
2021		402,945	67,812	214	470,971
2020		390,883	81,248	2,464	474,595
2019		376,449	60,379	3,654	440,482
2018		359,896	63,998	1,960	425,854
2017		336,646	73,771	678	411,095
2016		308,132	51,034	299	359,465

	Deductions from Fiduciary Net Position				
	Year Ended June 30	Benefits	Administrative	Total Deductions	Net Increase / (Decrease)
2025	\$	543,423	\$ 40,586	\$ 584,009	\$ 20,469
2024		487,975	40,598	528,573	(685)
2023		450,984	39,740	490,724	(2,775)
2022		422,786	39,290	462,076	19,113
2021		382,466	39,051	421,517	49,454
2020		381,536	39,029	420,565	54,030
2019		363,295	45,515	408,810	31,672
2018		376,348	41,853	418,201	7,653
2017		340,096	37,071	377,167	33,928
2016		310,979	33,457	344,436	15,029

## Total Changes in Fiduciary Net Position-Defined Contribution (DC) Plan 10 Year Trend

(Dollar Amounts in Thousands)

Year Ended June 30	Additions to Fiduciary Net Position			
	Participant Contributions	Employer Contributions	Net Investment Income (Loss)	Total Additions
2025	\$ 91,117	\$ 69,914	\$ 58,959	\$ 219,990
2024	69,748	53,796	44,415	167,959
2023	50,676	39,328	21,534	111,538
2022	32,875	25,424	(15,813)	42,486
2021	19,282	14,946	9,314	43,542
2020	8,343	6,586	655	15,584

Year Ended June 30	Deductions from Fiduciary Net Position			
	Benefits	Administrative	Total Deductions	Net Increase / (Decrease)
2025	\$ 14,546	\$ 4,287	\$ 18,833	\$ 201,157
2024	9,982	3,538	13,520	154,439
2023	6,170	2,458	8,628	102,910
2022	3,630	2,161	5,791	36,695
2021	1,040	1,587	2,627	40,915
2020	12	3,167	3,179	12,405

Defined Contribution table is intended to show information for 10 years. Additional years will be displayed as they become available.

## Summary Membership Data 10 Year Trend

For year ended June 30	Male			Female			Total Number of Active Members
	Average Age	Average Service	Average Annual Salaries	Average Age	Average Service	Average Annual Salaries	
2025	45.5	11.9	66,655	45.2	11.8	61,795	261,669
2024	45.5	12.0	65,192	45.2	11.8	59,842	255,652
2023	45.6	12.2	63,940	45.3	11.9	58,106	251,732
2022	45.6	12.3	62,541	45.4	12.0	56,393	248,393
2021	45.6	12.4	61,388	45.5	12.0	54,874	248,410
2020	45.6	12.1	59,699	45.5	11.7	52,599	256,246
2019	45.3	12.0	58,960	45.5	11.6	51,395	255,749
2018	45.2	11.8	57,722	45.4	11.4	50,115	256,362
2017	45.0	11.7	56,369	45.3	11.3	48,879	255,945
2016	44.8	11.6	55,518	45.2	11.1	47,912	257,080

## Summary Annuity Data 10 Year Trend

For year ended June 30	Number of Annuitants & Beneficiaries	Total Annual Annuities (In Thousands)	Average Annual Annuity
2025	254,735	\$ 6,755,973	\$ 26,522
2024	253,896	6,700,704	26,392
2023	249,724	6,542,014	26,197
2022	246,901	6,438,598	26,078
2021	242,839	6,311,758	25,992
2020	239,614	6,170,896	25,753
2019	237,339	6,051,632	25,498
2018	233,288	5,926,658	25,405
2017	230,014	5,816,388	25,287
2016	224,828	5,666,392	25,203



## Pension Benefits and Refund Deductions from Fiduciary Net Position 10 Year Trend

(Dollar Amounts in Thousands)

For year ended June 30	Retirements				
	Normal	Early	Disability	Pension Lump Sum Benefits	Survivor and Beneficiary**
2025	\$ 4,020,548	\$ 2,350,768	\$ 187,519	\$ 961,727	\$ 215,420
2024	3,960,671	2,314,738	186,809	1,008,115	204,627
2023	3,871,686	2,275,803	185,692	1,008,341	193,557
2022	3,795,603	2,243,335	184,686	806,300	182,841
2021	3,725,656	2,187,995	175,004	821,512	188,702
2020	3,621,470	2,171,691	182,731	702,122	167,894
2019	3,485,370	2,111,663	181,178	700,911	253,942
2018	3,357,416	2,114,708	191,527	734,989	228,883
2017	3,292,906	2,040,966	186,674	678,736	254,042
2016	3,203,542	2,007,372	182,320	686,988	257,571

For year ended June 30	Net Transfers*	Total Pension Benefits Deductions	Regular Refunds	Death Refunds	Total Pension Benefits and Refund Deductions
2025	\$ 5,259	\$ 7,741,241	\$ 44,281	\$ 259	\$ 7,785,781
2024	8,059	7,683,019	45,360	366	7,728,745
2023	2,794	7,537,873	42,723	387	7,580,983
2022	5,047	7,217,812	36,131	429	7,254,372
2021	8,538	7,107,407	26,818	107	7,134,332
2020	3,144	6,849,052	27,328	135	6,876,515
2019	1,081	6,734,145	26,901	126	6,761,172
2018	7,742	6,635,265	19,833	47	6,655,146
2017	(673)	6,452,651	20,886	42	6,473,579
2016	2,463	6,340,256	20,032	37	6,360,325

\* Net transfers to the Commonwealth of Pennsylvania State Employees' Retirement System.

\*\* Survivor and Beneficiary includes both death lump sums and survivor annuities.

## Average Monthly Pension Benefit Payments Total Annuitants Grouped by Years of Credited Service 10 Year Trend

	Years of Credited Service									
	< 5	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40+	Total
										Average

### Fiscal year ended June 30, 2025

Normal and Early	4,399	21,294	27,411	24,191	25,484	29,719	49,355	37,675	11,418	230,946
	\$ 93	\$ 218	\$ 422	\$ 918	\$ 1,571	\$ 2,376	\$ 3,338	\$ 4,299	\$ 4,572	\$ 1,979
Disability	17	1,748	2,012	1,757	1,708	1,342	377	14	—	8,975
	\$ 2,296	\$ 845	\$ 1,196	\$ 1,741	\$ 2,431	\$ 3,238	\$ 4,045	\$ 3,631	\$ —	\$ 2,428
Beneficiary and Survivor	598	708	1,319	1,227	1,344	1,419	2,478	2,432	793	12,318
	\$ 871	\$ 219	\$ 357	\$ 653	\$ 970	\$ 1,406	\$ 1,961	\$ 2,413	\$ 2,610	\$ 1,273

### Fiscal year ended June 30, 2024

Normal and Early	4,460	20,951	27,356	24,033	25,030	29,119	49,128	37,494	10,898	228,469
	\$ 93	\$ 218	\$ 417	\$ 908	\$ 1,551	\$ 2,343	\$ 3,317	\$ 4,278	\$ 4,597	\$ 1,969
Disability	17	1,787	2,040	1,771	1,711	1,369	396	15	—	9,106
	\$ 2,296	\$ 842	\$ 1,209	\$ 1,682	\$ 2,425	\$ 3,234	\$ 4,007	\$ 3,636	\$ —	\$ 2,416
Beneficiary and Survivor	634	675	1,313	1,178	1,320	1,374	2,419	2,345	776	12,034
	\$ 897	\$ 214	\$ 351	\$ 640	\$ 952	\$ 1,371	\$ 1,906	\$ 2,346	\$ 2,560	\$ 1,249

### Fiscal year ended June 30, 2023

Normal and Early	4,498	20,545	27,211	23,748	24,526	28,588	48,923	37,259	10,466	225,764
	\$ 95	\$ 215	\$ 412	\$ 897	\$ 1,535	\$ 2,315	\$ 3,296	\$ 4,261	\$ 4,592	\$ 1,958
Disability	17	1,819	2,054	1,748	1,706	1,347	389	17	—	9,097
	\$ 2,296	\$ 858	\$ 1,075	\$ 1,598	\$ 2,359	\$ 3,216	\$ 4,069	\$ 3,559	\$ —	\$ 2,379
Beneficiary and Survivor	674	660	1,279	1,155	1,300	1,326	2,354	2,273	756	11,777
	\$ 892	\$ 211	\$ 342	\$ 624	\$ 929	\$ 1,337	\$ 1,855	\$ 2,290	\$ 2,503	\$ 1,220

### Fiscal year ended June 30, 2022

Normal and Early	4,485	20,084	27,047	23,240	23,899	27,959	48,705	37,077	9,941	222,436
	\$ 92	\$ 207	\$ 399	\$ 870	\$ 1,499	\$ 2,279	\$ 3,276	\$ 4,245	\$ 4,584	\$ 1,939
Disability	17	1,827	2,034	1,757	1,695	1,354	391	17	—	9,092
	\$ 2,296	\$ 792	\$ 1,026	\$ 1,584	\$ 2,358	\$ 3,176	\$ 3,999	\$ 3,559	\$ —	\$ 2,088
Beneficiary and Survivor	705	629	1,257	1,137	1,259	1,291	2,250	2,179	756	11,463
	\$ 908	\$ 211	\$ 335	\$ 606	\$ 907	\$ 1,297	\$ 1,810	\$ 2,227	\$ 2,403	\$ 1,189

### Fiscal year ended June 30, 2021

Normal and Early	4,468	19,690	26,884	22,719	23,313	27,320	48,496	36,849	9,502	219,241
	\$ 88	\$ 206	\$ 390	\$ 853	\$ 1,475	\$ 2,265	\$ 3,265	\$ 4,235	\$ 4,592	\$ 1,930
Disability	16	1,842	2,057	1,698	1,659	1,363	380	17	1	9,033
	\$ 2,318	\$ 813	\$ 1,135	\$ 1,534	\$ 2,283	\$ 3,062	\$ 3,966	\$ 3,559	\$ 4,550	\$ 2,580
Beneficiary and Survivor	749	596	1,219	1,114	1,192	1,251	2,155	2,051	734	11,061
	\$ 907	\$ 209	\$ 325	\$ 579	\$ 875	\$ 1,252	\$ 1,757	\$ 2,167	\$ 2,310	\$ 1,153

## Average Monthly Pension Benefit Payments Total Annuitants Grouped by Years of Credited Service 10 Year Trend (Continued)

	Years of Credited Service										Total
	< 5	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40+	Average	

### Fiscal year ended June 30, 2020

Normal and Early	4,498	19,335	26,748	22,391	22,666	26,725	48,227	36,688	9,153	216,431
	\$ 86	\$ 206	\$ 393	\$ 835	\$ 1,444	\$ 2,229	\$ 3,240	\$ 4,209	\$ 4,591	\$ 1,915
Disability	17	1,937	2,159	1,830	1,776	1,425	390	17	1	9,552
	\$ 2,197	\$ 746	\$ 972	\$ 1,593	\$ 2,311	\$ 3,062	\$ 3,960	\$ 3,559	\$ 4,550	\$ 2,550
Beneficiary and Survivor	783	571	1,180	1,102	1,148	1,191	2,031	1,972	717	10,695
	\$ 927	\$ 203	\$ 322	\$ 562	\$ 856	\$ 1,219	\$ 1,717	\$ 2,101	\$ 2,206	\$ 1,124

### Fiscal year ended June 30, 2019

Normal and Early	4,504	18,870	26,468	22,032	22,088	26,182	47,919	36,550	8,757	213,370
	\$ 85	\$ 216	\$ 385	\$ 817	\$ 1,413	\$ 2,200	\$ 3,226	\$ 4,194	\$ 4,604	\$ 1,904
Disability	17	1,885	2,095	1,741	1,716	1,398	361	17	1	9,231
	\$ 2,197	\$ 750	\$ 965	\$ 1,628	\$ 2,265	\$ 3,017	\$ 3,475	\$ 3,559	\$ 4,550	\$ 2,490
Beneficiary and Survivor	786	545	1,143	1,084	1,123	1,150	1,963	1,901	700	10,395
	\$ 933	\$ 198	\$ 315	\$ 551	\$ 836	\$ 1,199	\$ 1,680	\$ 2,019	\$ 2,128	\$ 1,095

### Fiscal year ended June 30, 2018

Normal and Early	4,491	18,293	26,168	21,619	21,551	25,664	47,527	36,395	8,352	210,060
	\$ 83	\$ 218	\$ 380	\$ 807	\$ 1,388	\$ 2,176	\$ 3,210	\$ 4,180	\$ 4,572	\$ 1,890
Disability	19	1,884	2,088	1,708	1,694	1,417	353	21	1	9,185
	\$ 2,322	\$ 784	\$ 956	\$ 1,631	\$ 2,189	\$ 3,032	\$ 3,260	\$ 3,562	\$ 4,550	\$ 2,476
Beneficiary and Survivor	826	519	1,113	1,055	1,096	1,088	1,885	1,825	682	10,089
	\$ 945	\$ 196	\$ 308	\$ 528	\$ 806	\$ 1,178	\$ 1,636	\$ 1,953	\$ 2,047	\$ 1,066

### Fiscal year ended June 30, 2017

Normal and Early	4,417	17,616	25,734	21,177	20,989	24,996	47,090	36,155	8,019	206,193
	\$ 81	\$ 222	\$ 382	\$ 793	\$ 1,357	\$ 2,145	\$ 3,193	\$ 4,161	\$ 4,539	\$ 1,875
Disability	18	1,831	2,001	1,634	1,639	1,381	346	6	1	8,857
	\$ 2,449	\$ 778	\$ 948	\$ 1,638	\$ 2,208	\$ 3,024	\$ 3,240	\$ 3,951	\$ 4,550	\$ 2,532
Beneficiary and Survivor	864	507	1,104	1,025	1,074	1,085	1,800	1,756	669	9,884
	\$ 953	\$ 195	\$ 301	\$ 505	\$ 781	\$ 114	\$ 1,586	\$ 1,880	\$ 1,960	\$ 919

### Fiscal year ended June 30, 2016

Normal and Early	4,437	19,030	25,603	21,411	21,273	25,037	46,029	36,489	5,534	204,843
	\$ 93	\$ 189	\$ 373	\$ 798	\$ 1,383	\$ 2,200	\$ 3,247	\$ 4,250	\$ 4,616	\$ 1,905
Disability	—	1,829	2,149	1,714	1,567	1,337	554	17	9	9,176
	\$ —	\$ 777	\$ 1,001	\$ 1,342	\$ 1,985	\$ 2,807	\$ 3,588	\$ 3,078	\$ 2,353	\$ 1,881
Beneficiary and Survivor	—	6,100	580	574	593	609	1,008	943	402	10,809
	\$ —	\$ 1,256	\$ 278	\$ 421	\$ 613	\$ 902	\$ 1,233	\$ 1,452	\$ 1,508	\$ 851

## Average Monthly Pension Benefit Payments and Average Final Average Salary New Annuitants Grouped by Years of Credited Service 10 Year Trend

	Years of Credited Service								
	< 5	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40+
<b>Fiscal year ended June 30, 2025</b>									
Number of retired members	170	823	915	906	792	825	632	256	66
Final Average Salary	\$ 25,766	\$ 31,067	\$ 41,073	\$ 51,319	\$ 59,166	\$ 74,119	\$ 89,883	\$ 83,763	\$ 68,001
Monthly Benefit	\$ 122	\$ 297	\$ 670	\$ 1,332	\$ 2,018	\$ 3,064	\$ 4,401	\$ 4,774	\$ 4,493
<b>Fiscal year ended June 30, 2024</b>									
Number of retired members	179	885	921	954	835	746	637	301	73
Final Average Salary	\$ 22,217	\$ 30,042	\$ 40,162	\$ 49,336	\$ 54,997	\$ 72,695	\$ 85,729	\$ 89,608	\$ 66,204
Monthly Benefit	\$ 114	\$ 297	\$ 667	\$ 1,297	\$ 1,883	\$ 2,999	\$ 4,258	\$ 5,184	\$ 4,567
<b>Fiscal year ended June 30, 2023</b>									
Number of retired members	195	901	1,000	1,041	1,078	931	850	377	66
Final Average Salary	\$ 22,183	\$ 28,396	\$ 39,643	\$ 49,857	\$ 59,972	\$ 70,629	\$ 84,743	\$ 90,191	\$ 80,547
Monthly Benefit	\$ 119	\$ 275	\$ 688	\$ 1,336	\$ 2,068	\$ 2,961	\$ 4,207	\$ 5,195	\$ 5,399
<b>Fiscal year ended June 30, 2022</b>									
Number of retired members	199	896	963	906	871	630	576	253	73
Final Average Salary	\$ 20,801	\$ 29,994	\$ 36,567	\$ 45,363	\$ 54,314	\$ 68,144	\$ 79,417	\$ 81,632	\$ 77,212
Monthly Benefit	\$ 112	\$ 290	\$ 635	\$ 1,177	\$ 1,866	\$ 2,872	\$ 3,937	\$ 4,685	\$ 5,194
<b>Fiscal year ended June 30, 2021</b>									
Number of retired members	194	939	1,077	1,023	1,037	753	734	299	84
Final Average Salary	\$ 18,606	\$ 27,782	\$ 37,252	\$ 46,464	\$ 54,096	\$ 68,005	\$ 78,032	\$ 78,324	\$ 75,778
Monthly Benefit	\$ 105	\$ 262	\$ 654	\$ 1,228	\$ 1,875	\$ 2,892	\$ 3,887	\$ 4,612	\$ 5,192
<b>Fiscal year ended June 30, 2020</b>									
Number of retired members	172	850	821	711	641	471	405	181	70
Final Average Salary	\$ 21,714	\$ 30,682	\$ 37,547	\$ 46,199	\$ 54,113	\$ 64,876	\$ 71,857	\$ 76,131	\$ 79,480
Monthly Benefit	\$ 124	\$ 291	\$ 620	\$ 1,202	\$ 1,858	\$ 2,721	\$ 3,613	\$ 4,438	\$ 5,331
<b>Fiscal year ended June 30, 2019</b>									
Number of retired members	212	1,322	1,329	1,439	1,321	1,201	1,212	517	169
Final Average Salary	\$ 19,164	\$ 29,025	\$ 36,844	\$ 47,538	\$ 57,936	\$ 67,160	\$ 79,421	\$ 82,570	\$ 82,190
Monthly Benefit	\$ 104	\$ 272	\$ 648	\$ 1,258	\$ 2,017	\$ 2,822	\$ 3,967	\$ 4,910	\$ 5,510
<b>Fiscal year ended June 30, 2018</b>									
Number of retired members	263	1,482	1,494	1,582	1,412	1,405	1,336	665	208
Final Average Salary	\$ 20,236	\$ 31,055	\$ 37,759	\$ 46,933	\$ 58,435	\$ 67,357	\$ 77,429	\$ 82,396	\$ 81,987
Monthly Benefit	\$ 104	\$ 275	\$ 680	\$ 1,230	\$ 2,034	\$ 2,849	\$ 3,906	\$ 4,944	\$ 5,575
<b>Fiscal year ended June 30, 2017</b>									
Number of retired members	265	1,614	1,482	1,446	1,220	1,307	1,155	709	160
Final Average Salary	\$ 18,974	\$ 30,501	\$ 37,885	\$ 45,909	\$ 56,379	\$ 66,588	\$ 77,070	\$ 79,036	\$ 84,568
Monthly Benefit	\$ 111	\$ 279	\$ 651	\$ 1,217	\$ 2,000	\$ 2,839	\$ 3,929	\$ 4,736	\$ 5,806
<b>Fiscal year ended June 30, 2016</b>									
Number of retired members	373	1,865	1,576	1,443	1,334	1,352	1,160	775	181
Final Average Salary	\$ 18,335	\$ 31,100	\$ 37,355	\$ 48,242	\$ 56,310	\$ 68,557	\$ 75,449	\$ 79,529	\$ 78,836
Monthly Benefit	\$ 129	\$ 269	\$ 634	\$ 1,302	\$ 1,964	\$ 2,958	\$ 3,890	\$ 4,845	\$ 5,464

## Average Monthly Premium Assistance Benefit Payments and Average Final Average Salary New Annuitants Grouped by Years of Credited Service 10 Year Trend

	Years of Credited Service								
	< 5	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40+
<b>Fiscal year ended June 30, 2025</b>									
Number of retired members	—	—	5	94	136	191	177	67	24
Final Average Salary	\$ —	\$ —	\$ 57,645	\$ 58,413	\$ 60,761	\$ 75,445	\$ 93,822	\$ 89,090	\$ 69,099
Monthly Benefit	\$ —	\$ —	\$ 100	\$ 98	\$ 100	\$ 99	\$ 99	\$ 100	\$ 100
<b>Fiscal year ended June 30, 2024</b>									
Number of retired members	—	2	—	121	157	178	200	92	33
Final Average Salary	\$ —	\$ 22,776	\$ —	\$ 56,474	\$ 61,145	\$ 77,542	\$ 92,018	\$ 95,992	\$ 67,547
Monthly Benefit	\$ —	\$ 100	\$ —	\$ 99	\$ 99	\$ 98	\$ 99	\$ 98	\$ 100
<b>Fiscal year ended June 30, 2023</b>									
Number of retired members	—	—	2	163	253	277	285	136	42
Final Average Salary	\$ —	\$ —	\$ 43,620	\$ 57,414	\$ 64,820	\$ 72,333	\$ 91,063	\$ 92,998	\$ 92,117
Monthly Benefit	\$ —	\$ —	\$ 100	\$ 99	\$ 100	\$ 100	\$ 99	\$ 99	\$ 99
<b>Fiscal year ended June 30, 2022</b>									
Number of retired members	—	1	1	120	207	209	192	83	39
Final Average Salary	\$ —	\$ 43,256	\$ 25,553	\$ 50,295	\$ 59,139	\$ 67,466	\$ 85,152	\$ 82,408	\$ 82,455
Monthly Benefit	\$ —	\$ 100	\$ 100	\$ 100	\$ 100	\$ 97	\$ 99	\$ 99	\$ 100
<b>Fiscal year ended June 30, 2021</b>									
Number of retired members	—	1	—	186	270	278	261	107	43
Final Average Salary	\$ —	\$ 49,634	\$ —	\$ 52,262	\$ 55,535	\$ 69,202	\$ 78,565	\$ 80,486	\$ 75,087
Monthly Benefit	\$ —	\$ 100	\$ —	\$ 100	\$ 99	\$ 99	\$ 99	\$ 100	\$ 100
<b>Fiscal year ended June 30, 2020</b>									
Number of retired members	—	2	5	124	161	172	167	82	30
Final Average Salary	\$ —	\$ 34,396	\$ 45,093	\$ 48,660	\$ 55,672	\$ 67,434	\$ 72,738	\$ 79,472	\$ 82,504
Monthly Benefit	\$ —	\$ 100	\$ 100	\$ 100	\$ 99	\$ 96	\$ 99	\$ 99	\$ 100
<b>Fiscal year ended June 30, 2019</b>									
Number of retired members	—	3	7	323	457	578	618	283	100
Final Average Salary	\$ —	\$ 41,862	\$ 59,557	\$ 53,896	\$ 63,581	\$ 70,831	\$ 80,662	\$ 81,735	\$ 80,136
Monthly Benefit	\$ —	\$ 100	\$ 100	\$ 100	\$ 99	\$ 99	\$ 99	\$ 99	\$ 100
<b>Fiscal year ended June 30, 2018</b>									
Number of retired members	—	4	11	407	488	686	719	397	129
Final Average Salary	\$ —	\$ 50,976	\$ 51,460	\$ 54,563	\$ 62,642	\$ 69,894	\$ 78,859	\$ 82,780	\$ 84,484
Monthly Benefit	\$ —	\$ 100	\$ 100	\$ 100	\$ 99	\$ 99	\$ 99	\$ 99	\$ 99
<b>Fiscal year ended June 30, 2017</b>									
Number of retired members	—	8	11	407	478	691	697	428	111
Final Average Salary	\$ —	\$ 42,397	\$ 44,435	\$ 52,914	\$ 62,343	\$ 70,886	\$ 77,638	\$ 80,600	\$ 88,119
Monthly Benefit	\$ —	\$ 98	\$ 100	\$ 99	\$ 99	\$ 99	\$ 98	\$ 98	\$ 99
<b>Fiscal year ended June 30, 2016</b>									
Number of retired members	—	11	18	364	490	751	679	477	119
Final Average Salary	\$ —	\$ 49,259	\$ 54,492	\$ 55,542	\$ 61,110	\$ 71,925	\$ 76,944	\$ 82,180	\$ 80,265
Monthly Benefit	\$ —	\$ 100	\$ 98	\$ 99	\$ 99	\$ 99	\$ 99	\$ 99	\$ 99

## Ten Largest Employers

(Based on number of reported members)

As of June 30, 2025			
	Employer	Number of Reported Members	Percentage of Total
1.	Philadelphia City School District	20,550	7.88%
2.	Pittsburgh School District	3,805	1.46%
3.	Central Bucks School District	3,147	1.21%
4.	Allentown City School District	2,363	0.91%
5.	Commonwealth Charter Academy	2,319	0.89%
6.	North Penn School District	2,240	0.86%
7.	Reading School District	2,071	0.79%
8.	Bethlehem Area School District	2,031	0.78%
9.	Downingtown Area School District	1,857	0.71%
10.	Lower Merion School District	1,789	0.69%

As of June 30, 2016			
	Employer	Number of Reported Members	Percentage of Total
1.	Philadelphia City School District	16,810	6.31%
2.	Pittsburgh School District	4,107	1.54%
3.	Central Bucks School District	2,788	1.05%
4.	North Penn School District	2,180	0.82%
5.	Allentown City School District	2,121	0.80%
6.	Bethlehem Area School District	1,903	0.71%
7.	Reading School District	1,801	0.68%
8.	Council Rock School District	1,781	0.67%
9.	Lower Merion School District	1,647	0.62%
10.	Downingtown Area School District	1,646	0.62%

## Schedule of Employers for FY 2025

### School Districts

#### A

Abington  
Abington Heights  
Albert Gallatin  
Aliquippa  
Allegheny Valley  
Allegheny-Clarion Valley  
Allentown City  
Altoona Area  
Ambridge Area  
Annville-Cleona  
Antietam  
Apollo-Ridge  
Armstrong  
Athens Area  
Austin Area  
Avella Area  
Avon Grove  
Avonworth

#### B

Bald Eagle Area  
Baldwin-Whitehall  
Bangor Area  
Beaver Area  
Bedford Area  
Belle Vernon Area  
Bellefonte Area  
Bellwood-Antis  
Bensalem Township  
Benton Area  
Bentworth  
Berlin Brothersvalley  
Bermudian Springs  
Berwick Area  
Bethel Park  
Bethlehem Area  
Bethlehem-Center  
Big Beaver Falls Area  
Big Spring  
Blackhawk  
Blacklick Valley  
Bloomsburg Area  
Blue Mountain  
Blue Ridge  
Boyertown Area  
Bradford Area  
Brandywine Heights Area  
Brentwood Borough  
Bristol Borough  
Bristol Township  
Brockway Area

Brookville Area  
Brownsville Area  
Burgettstown Area  
Burrell  
Butler Area

#### C

California Area  
Cambria Heights  
Cameron County  
Camp Hill  
Canon-Mcmillan  
Canton Area  
Carbondale Area  
Carlisle Area  
Carlynton  
Carmichaels Area  
Catasauqua Area  
Centennial  
Central Bucks  
Central Cambria  
Central Columbia  
Central Dauphin  
Central Fulton  
Central Greene  
Central Valley  
Central York  
Chambersburg Area  
Charleroi Area  
Chartiers Houston  
Chartiers Valley  
Cheltenham Township  
Chester-Upland  
Chestnut Ridge  
Chichester  
Clairton City  
Clarion Area  
Clarion-Limestone Area  
Claysburg-Kimmel  
Clearfield Area  
Coatesville Area  
Cocalico  
Colonial  
Columbia Borough  
Commodore Perry  
Conemaugh Township  
Conemaugh Valley  
Conestoga Valley  
Conewago Valley  
Conneaut  
Connellsville Area  
Conrad Weiser Area

Cornell  
Cornwall-Lebanon  
Corry Area  
Coudersport Area  
Council Rock  
Cranberry Area  
Crawford Central  
Crestwood  
Cumberland Valley  
Curwensville Area

#### D

Dallas  
Dallastown Area  
Daniel Boone Area  
Danville Area  
Deer Lakes  
Delaware Valley  
Derry Area  
Derry Township  
Donegal  
Dover Area  
Downingtown Area  
Dubois Area  
Dunmore  
Duquesne City

#### E

East Allegheny  
East Lycoming  
East Penn  
East Pennsboro Area  
East Stroudsburg Area  
Eastern Lancaster County  
Eastern Lebanon County  
Eastern York  
Easton Area  
Elizabeth Forward  
Elizabethtown Area  
Elk Lake  
Ellwood City Area  
Ephrata Area  
Erie City  
Everett Area  
Exeter Township

#### F

Fairfield Area  
Fairview  
Fannett Metal  
Farrell Area  
Ferndale Area



## Schedule of Employers (Continued)

Fleetwood Area  
 Forbes Road  
 Forest Area  
 Forest City Regional  
 Forest Hills  
 Fort Cherry  
 Fort Leboeuf  
 Fox Chapel Area  
 Franklin Area  
 Franklin Regional  
 Frazier  
 Freedom Area  
 Freeport Area

### G

Galeton Area  
 Garnet Valley  
 Gateway  
 General McLane  
 Gettysburg Area  
 Girard  
 Glendale  
 Governor Mifflin  
 Great Valley  
 Greater Johnstown  
 Greater Latrobe  
 Greater Nanticoke Area  
 Greencastle-Antrim  
 Greensburg Salem  
 Greenville Area  
 Greenwood  
 Grove City Area

### H

Halifax Area  
 Hamburg Area  
 Hampton Township  
 Hanover Area  
 Hanover Public  
 Harbor Creek  
 Harmony Area  
 Harrisburg City  
 Hatboro-Horsham  
 Haverford Township  
 Hazleton Area  
 Hempfield  
 Hempfield Area  
 Hermitage  
 Highlands  
 Hollidaysburg Area  
 Homer-Center  
 Hopewell Area  
 Huntingdon Area

### I

Indiana Area  
 Interboro  
 Iroquois

### J

Jamestown Area  
 Jeannette City  
 Jefferson-Morgan  
 Jenkintown  
 Jersey Shore Area  
 Jim Thorpe Area  
 Johnsonburg Area  
 Juniata County  
 Juniata Valley

### K

Kane Area  
 Karns City Area  
 Kennett Consolidated  
 Keystone  
 Keystone Central  
 Keystone Oaks  
 Kiski Area  
 Knoch  
 Kutztown Area

### L

Lackawanna Trail  
 Lakeland  
 Lake-Lehman  
 Lakeview  
 Lampeter-Strasburg  
 Lancaster  
 Laurel  
 Laurel Highlands  
 Lebanon  
 Leechburg Area  
 Lehigh Area  
 Lewisburg Area  
 Ligonier Valley  
 Line Mountain  
 Littlestown Area  
 Lower Dauphin  
 Lower Merion  
 Lower Moreland Township  
 Loyalsock Township

### M

Mahanoy Area  
 Manheim Central  
 Manheim Township  
 Marion Center Area

Marple Newtown  
 Mars Area  
 McGuffey  
 McKeesport Area  
 Mechanicsburg Area

Mercer Area  
 Methacton  
 Meyersdale Area  
 Mid Valley  
 Middletown Area  
 Midd-West  
 Midland Borough  
 Mifflin County  
 Mifflinburg Area

Millcreek Township  
 Millersburg Area  
 Millville Area  
 Milton Area  
 Minersville Area  
 Mohawk Area  
 Monessen  
 Moniteau  
 Montgomery Area  
 Montour  
 Montoursville Area  
 Montrose Area  
 Moon Area

Morrisville Borough  
 Moshannon Valley  
 Mount Carmel Area  
 Mount Pleasant Area  
 Mount Union Area  
 Mountain View

Mt Lebanon  
 Muhlenberg  
 Muncy

### N

Nazareth Area  
 Neshaminy  
 Neshannock Township  
 New Brighton Area  
 New Castle Area  
 New Hope-Solebury  
 New Kensington-Arnold  
 Newport  
 Norristown Area  
 North Allegheny

North Clarion County  
 North East  
 North Hills  
 North Penn  
 North Pocono

## Schedule of Employers (Continued)

North Schuylkill  
 North Star  
 Northampton Area  
 Northeast Bradford  
 Northeastern York  
 Northern Bedford County  
 Northern Cambria  
 Northern Lebanon  
 Northern Lehigh  
 Northern Potter  
 Northern Tioga  
 Northern York County

Northgate

Northwest Area

Northwestern

Northwestern Lehigh

Norwin

## O

Octorara Area  
 Oil City Area  
 Old Forge  
 Oley Valley  
 Oswayo Valley  
 Otto-Eldred  
 Owen J Roberts  
 Oxford Area

## P

Palisades  
 Palmerton Area  
 Palmyra Area  
 Panther Valley S  
 Parkland  
 Pen Argyl Area  
 Penn Cambria  
 Penn Hills  
 Penn Manor  
 Penncrest  
 Penn-Delco  
 Pennridge  
 Penns Manor  
 Penns Valley Area  
 Pennsbury  
 Penn-Trafford  
 Pequea Valley  
 Perkiomen Valley  
 Peters Township  
 Philadelphia City  
 Philipsburg-Osceola Area  
 Phoenixville Area  
 Pine Grove Area  
 Pine-Richland

Pittsburgh  
 Pittston Area  
 Pleasant Valley  
 Plum Borough  
 Pocono Mountain  
 Port Allegany  
 Portage Area  
 Pottsgrove  
 Pottstown  
 Pottsville Area  
 Punxsutawney Area  
 Purchase Line

## Q

Quaker Valley  
 Quakertown Community

## R

Radnor Township  
 Reading  
 Red Lion Area  
 Redbank Valley  
 Reynolds  
 Richland  
 Ridgway Area  
 Ridley  
 Ringgold  
 River Valley  
 Riverside  
 Riverside Beaver County  
 Riverview  
 Rochester Area  
 Rockwood Area  
 Rose Tree Media

## S

Saint Clair Area  
 Saint Marys Area  
 Salisbury Township  
 Salisbury-Elk Lick  
 Saucon Valley  
 Sayre Area  
 Schuylkill Haven Area  
 Schuylkill Valley  
 Scranton  
 Selinsgrove Area  
 Seneca Valley  
 Shade Central City  
 Shaler Area  
 Shamokin Area  
 Shanksville-Stonycreek  
 Sharon City  
 Sharpsville Area

Shenandoah Valley  
 Shenango Area  
 Shikellamy  
 Shippensburg Area  
 Slippery Rock Area  
 Smethport Area  
 Solanco  
 Somerset Area  
 Souderton Area  
 South Allegheny  
 South Eastern  
 South Fayette Township  
 South Middleton  
 South Park  
 South Side Area  
 South Western

South Williamsport Area

Southeast Delco

Southeastern Greene

Southern Columbia Area

Southern Fulton

Southern Huntingdon

Southern Lehigh

Southern Tioga

Southern York County

Southmoreland

Spring Cove

Spring Grove Area

Springfield

Springfield Township

Spring-Ford Area

State College Area

Steel Valley

Steelton-Highspire

Sto-Rox

Stroudsburg Area

Sullivan County

Susquehanna Community

Susquehanna Township

Susquenita

## T

Tamaqua Area  
 Titusville Area  
 Towanda Area  
 Tredyffrin-Easttown  
 Trinity Area  
 Tri-Valley  
 Troy Area  
 Tulpehocken Area  
 Tunkhannock Area  
 Turkeyfoot Valley Area  
 Tuscarora

## Schedule of Employers (Continued)

Tussey Mountain  
Twin Valley  
Tyrone Area

### U

Union  
Union Area  
Union City Area  
Uniontown Area  
Unionville-Chadds Ford  
United  
Upper Adams  
Upper Darby  
Upper Dauphin Area  
Upper Dublin  
Upper Merion Area  
Upper Moreland Township  
Upper Perkiomen  
Upper Saint Clair

### V

Valley Grove  
Valley View

### W

Wallenpaupack Area  
Wallingford-Swarthmore  
Warren County  
Warrior Run  
Warwick  
Washington  
Wattsburg Area  
Wayne Highlands  
Waynesboro Area  
Weatherly Area  
Wellsboro Area  
West Allegheny  
West Branch Area  
West Chester Area  
West Greene  
West Jefferson Hills  
West Middlesex Area  
West Mifflin Area  
West Perry  
West Shore  
West York Area  
Western Beaver County

Western Wayne  
Westmont Hilltop  
Whitehall-Coplay  
Wilkes Barre Area  
Wilkesburg Borough  
William Penn  
Williams Valley  
Williamsburg Community  
Williamsport Area  
Wilmington Area  
Wilson  
Wilson Area  
Windber Area  
Wissahickon  
Woodland Hills  
Wyalusing Area  
Wyoming Area  
Wyoming Valley West  
Wyomissing Area

### Y

York City  
York Suburban  
Yough

## Area Vocational Technical Schools

A. W. Beattie Career Center  
Adams County Technical Institute  
Admiral Peary AVTS  
Beaver County AVTS  
Bedford County Technical Center  
Berks CTC  
Bethlehem AVTS  
Bucks County Technical  
Butler County AVTS  
Carbon Career & Technical Institute  
Career Institute of Technology  
Central Montco Technical High School  
Central PA Institute of Science & Technology  
Central Westmoreland CTC  
Clarion County CTC  
Clearfield County CTC  
Columbia-Montour AVTS  
Crawford County CTC  
CTC of Lackawanna County  
Cumberland-Perry AVTS  
Dauphin County Technical School  
Delaware County AVTS  
Eastern Center for Arts & Technology  
Eastern Westmoreland CTC  
Erie County Technical School  
Fayette County AVTS  
Forbes Road CTC  
Franklin County CTC

Fulton County AVTS  
Greater Altoona CTC  
Greater Johnstown AVTS  
Greene County CTC  
Huntingdon County CTC  
Indiana County Technology Center  
Jefferson County-DuBois AVTS  
Lancaster County CTC  
Lawrence County CTC  
Lebanon County CTC  
Lehigh Career & Technical Institute  
Lenape Tech  
Lycoming CTC  
Mercer County Career Center  
Middle Bucks Institute of Technology  
Mifflin County Academy of Science & Technology  
Mon Valley CTC  
Monroe Career & Tech Institute  
North Montco Technical Career Center  
Northern Tier Career Center  
Northern Westmoreland CTC  
Northumberland County AVTS  
Parkway West CTC  
Reading-Muhlenberg CTC  
Schuylkill County Technology Centers  
Somerset County Technology Center  
Steel Center AVTS  
SUN Area Technical Institute

Susquehanna County CTC  
Upper Bucks County AVTS  
Venango Technology Center  
West Side AVTS  
Western Area CTC  
Western Center for Technical Studies  
Wilkes-Barre Area CTC  
York County School of Technology

## Schedule of Employers (Continued)

### Intermediate Units

Allegheny #3  
Appalachia #8  
Arlin #28  
Beaver Valley #27  
Berks County #14  
BLaST #17  
Bucks County #22  
Capital Area #15  
Carbon-Lehigh #21  
Central #10

Central Susquehanna #16  
Chester County #24  
Colonial #20  
Delaware County #25  
Intermediate Unit #1  
Lancaster-Lebanon #13  
Lincoln #12  
Luzerne #18  
Midwestern #4  
Montgomery County #23

Northeastern Educational #19  
Northwest Tri-County #5  
Pittsburgh-Mt. Oliver #2  
Riverview #6  
Schuylkill #29  
Seneca Highlands #9  
Tuscarora #11  
Westmoreland #7

### Colleges / Universities

State System of Higher Education

- Bloomsburg University
- California University
- Cheyney University
- Clarion University of Pennsylvania
- East Stroudsburg University
- Edinboro University
- Indiana University
- Kutztown University
- Lock Haven University
- Mansfield University
- Millersville University
- Shippensburg University
- Slippery Rock University
- West Chester University

Bucks County Community College  
Butler County Community College  
Community College of Allegheny County  
Community College of Beaver County  
Community College of Philadelphia  
Delaware County Community College  
Harrisburg Area Community College  
Lehigh Carbon Community College  
Luzerne County Community College  
Montgomery County Community College  
Northampton County Community College  
Penn State University  
Pennsylvania College of Technology  
Pennsylvania Highlands Community College  
Reading Area Community College

Thaddeus Stevens College of Technology  
Westmoreland County Community College

### Other

Berks County Earned Income Tax Bureau  
Department of Education -  
Commonwealth of Pennsylvania  
Lancaster County Academy  
Overbrook School for the Blind  
Pennsylvania School Boards Association

Pennsylvania School for the Deaf  
Western Pennsylvania School for Blind  
Children  
Western Pennsylvania School for the  
Deaf  
York Adams Academy

### Charter Schools

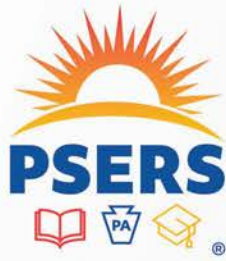
21st Century Cyber  
Achievement House  
Ad Prima  
Agora Cyber  
Alliance For Progress  
Antonia Pantoja  
Arts Academy  
Aspira Bilingual Cyber  
Avon Grove  
Baden Academy  
Bear Creek Community  
Belmont  
Boys' Latin of Philadelphia  
Bucks County Montessori

California Academy of Learning  
Casa  
Center for Student Learning Charter School  
at Pennsbury  
Central Pennsylvania Digital Learning  
Foundation  
Centre Learning Community  
Christopher Columbus  
Circle of Seasons  
City Charter High School  
Collegium  
Commonwealth Charter Academy  
Community Academy of Philadelphia  
Crispus Attucks Youthbuild

Discovery  
Dr. Robert Ketterer  
Environmental Charter School at Frick Park  
Esperanza Academy  
Esperanza Cyber  
Eugenio Maria de Hostos Community  
Evergreen Community  
Fell  
First Philadelphia Charter School for  
Literacy  
Folk Arts - Cultural Treasures  
Franklin Towne Charter Elementary School  
Franklin Towne Charter High School  
Frederick Douglas Mastery

## Schedule of Employers (Continued)

Freire	Pan American Academy	West Philadelphia Achievement Charter
Gettysburg Montessori	Passport Academy	Elementary School
Gillingham	Penn Hills C S for Entrepreneurship	Wissahickon
Global Leadership Academy	Pennsylvania Cyber	York Academy Regional
Global Leadership Academy C S- Huey	Pennsylvania Distance Learning	Young Scholars
Green Woods	Pennsylvania Leadership	Young Scholars of Central Pennsylvania
Hardy Williams Academy	Pennsylvania Steam Academy	Young Scholars of Western Pennsylvania
Howard Gardner Multiple Intelligence	Pennsylvania Virtual	
IMHOTEP Institute	People for People	
Independence	Perseus House Charter School of Excellence	
Infinity	Philadelphia Academy	
Inquiry	Philadelphia Charter School for Arts & Sciences at H.R. Edmunds	
Insight PA Cyber	Philadelphia Electrical & Technology Charter High School	
Keystone Academy	Philadelphia Harambee Institute of Science and Technology	
Keystone Education Center	Philadelphia Montessori	
Kipp Academy	Philadelphia Performing Arts	
La Academia: The Partnership	Premier Arts & Science	
Laboratory	Preparatory Charter School of Mathematics,	
Lehigh Valley Academy Regional	Science, Technology & Careers	
Lehigh Valley Charter School for the Performing Arts	Propel Charter School - Braddock Hills	
Lehigh Valley Dual Language	Propel Charter School - East	
Lincoln	Propel Charter School - Hazelwood	
Lincoln Leadership Academy	Propel Charter School - Homestead	
Lincoln Park Performing Arts	Propel Charter School - McKeesport	
Lindley Academy	Propel Charter School - Montour	
Manchester Academic	Propel Charter School - Northside	
Mariana Bracetti Academy	Propel Charter School - Pitcairn	
Maritime Academy	Renaissance Academy - Edison	
Mastery Charter High School	Richard Allen Preparatory	
Mastery Charter School - Cleveland Elementary	Robert Benjamin Wiley Community	
Mastery Charter School - Clymer Elementary	Roberto Clemente	
Mastery Charter School - Francis D Pastorius Elementary	Russell Byers	
Mastery Charter School - Harrity Elementary	Sankofa Freedom Academy	
Mastery Charter School - John Wister Elementary	School Lane	
Mastery Charter School - Mann Elementary	Seven Generations	
Mastery Charter School - Pickett Campus	Souderton Charter School Collaborative	
Mastery Charter School - Prep Elementary	Spectrum	
Mastery Charter School - Shoemaker Campus	Sugar Valley Rural	
Mastery Charter School - Simon Gratz	Sylvan Heights Science	
Mastery Charter School - Smedley Campus	Tacony Academy	
Mastery Charter School - Thomas Campus	Tidioute Community	
Math Civics and Sciences	Universal Alcorn	
Mathematics, Science & Technology Community	Universal Audenried	
Memphis Street Academy C S - J.P. Jones	Universal Creighton	
Montessori Regional	Universal Institute	
Multi-Cultural Academy	Universal Vare	
New Day	Urban Academy Greater Pittsburgh	
New Foundations	Urban Pathways 6-12	
Nittany Valley	Urban Pathways K - 5 College	
Northwood Academy	Vida	
	West Oak Lane	



## CONTACT



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