



CEO Update

September 22, 2023

Despite the challenging market conditions in the past few years, PMRS has diversified and de-risked our portfolio through strategic investments. I am proud to share that PMRS remains 100% funded, placing us in the top tier of national pension plans.

We are confident in our investment strategy, yet remain vigilant, closely monitoring financial markets and conditions to protect our members' retirement assets.

Our Board of Directors reviews our financial performance and market conditions annually to determine our interest rates and whether to distribute excess interest. With continued inflation impacts, we decided to maintain the regular interest rate at 5.25%.

As an agency, we continue to make significant strides. At our semi-annual All-Hands staff meeting, we reviewed our goals and accomplishments so far this year. While we continue to make improvements to address long-standing issues, we continue to focus on goals that increase efficiency, collaboration, and innovation. Some accomplishments so far this year include our system software training for staff, the transition to more email communications with our municipalities, and automation of letters and benefit summaries.

A critical goal for PMRS has been to bring our financials up to date and our team continues to make great progress. In July, we completed the 2021 financial cycle with a clean audit. In addition, PMRS' staff have been working on the 2022, 2023, and 2024 financial reporting concurrently to bring us up to date by the end of the year.

Our goals align with our five guiding principles that empower our members, improve the employer experience, optimize our investment management, instill an innovative mindset, and promote inclusiveness and transparency. In the past year, I have observed the adoption of new tools and processes that have significantly enhanced our work. I continue to be impressed by the commitment and dedication of the PMRS staff. We've made great progress, but we will always strive for more improvements that will benefit our municipalities, members, and retirees.

We thank you for your ongoing support of PMRS.

Sincerely,

Timothy Reese, CEO

Pennsylvania Municipal Retirement System

P.O. Box 1165 | Harrisburg, PA 17108-1165

P: 1-800-622-7968 | 717-787-2065 | F: 717-783-8363

www.pmrs.state.pa.us