



Executive Update

September 20, 2024

Dear Employers,

Our vision for the future continues to drive us forward. This past quarter we've made significant progress with our financial reporting, member engagement, and growing an innovative and efficient organization.

PMRS remains on track with our financial reporting. Since my last update, we completed and posted the 2023 Annual Comprehensive Report, the 2023 Changes in Fiduciary Net Position by Participating Employer, and the 2023 SOC audit on our website. Notably, PMRS received a clean audit opinion on all three reports for the third consecutive year, highlighting our commitment to transparency and accuracy.

The second quarter economic conditions were favorable for our portfolio. In Q2, we realized an investment gain of \$21.8 million, bringing our portfolio to \$3.41 billion. PMRS realized gains through the growth equity, opportunistic credit, and international equity. Our long-term performance remains strong, and as we monitor the markets, we continue to make decisions that benefit our assets. Additionally, PMRS investment fees continue to be roughly half of the national average of other public pension plans.

Since I joined PMRS, we've increased our staff complement by 29%. We recognize the importance of providing exceptional customer support to our members during significant life transitions. Which is why we are invested in PMRS growth by recruiting industry experts to manage our investments and financials. Additionally, we are committed to retaining staff with institutional knowledge and offering opportunities for professional growth. This approach fosters innovative ideas that will propel PMRS into the 21st century.

PMRS continues to build relationships with our municipalities and members, offering personalized support. Our client relations team has been traveling to conferences and events, conducting educational seminars, and holding one-in-one meetings. In November, our client relations team is hosting a pre-retirement

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seminar in the northeast, which will be the largest attended seminar in PMRS' history.

For the past 50 years and into the future, we are dedicated to safeguarding the assets of our local government public servants, ensuring they can retire with peace of mind. Thank you for your continued support as we evolve and grow to better serve you.

Sincerely,

A handwritten signature in black ink that reads "Timothy A. Reese". The signature is written in a cursive style with a large, sweeping initial "T" and a distinct "A" and "R".

Timothy A. Reese
Chief Executive Officer
Pennsylvania Municipal Retirement System