



## Executive Update

June 27, 2025

Dear Employers,

This week, the PMRS Board of Trustees held the June board meeting, and I'd like to share several updates on PMRS' ongoing initiatives and commitment to serving you.

In the first quarter of 2025, PMRS saw an investment gain of \$29.9 million with assets totaling \$3.53 billion. During the meeting, our trustees approved Jacobs Levy as our new Large Cap Growth Manager. Jacobs Levy aligns closely with our long-term investment strategy and commitment to low management fees. PMRS remains in the top five percent of fully funded pension plans of its size nationwide, with a funding level of 104% - a testament to our strong financial position.

The board also approved an amendment to the Base Plan Document. Key updates include:

- To comply with the Secure Act and Secure ACT 2.0, the amendment increases the involuntary lump sum payout threshold from \$5,000 to \$7,000.
- Additionally, raises the required minimum distribution age from 70½ to 72, 73 or 75, based on date of birth.
- Aligns the definition of "disabled" to reflect current PMRS practice: an individual is considered disabled if unable to perform the substantial duties of occupations for which they are qualified through education, training, or experience, while maintaining their pre-disability standard of living.
- Implements provisions from Act 49 of 2024, allowing municipalities the ability to offer vested police officers the option to purchase up to five years of prior police or military service. If a municipality chose to offer this, they would be required to pass a plan amendment.

These amendments will be effective on July 1, 2025.

Beyond the actions taken by the board, PMRS remains committed to making meaningful progress across key operational areas to better serve our members and municipalities. This month we completed the 2024 Annual Comprehensive Financial Report. I am pleased to report that PMRS received a clean audit opinion with no findings or comments. [The report is available for download on our website.](#)

Our Client Relations team has been actively participating in municipal association conferences including PSATS, Boroughs, Authorities, and County Commissioners to engage directly with you

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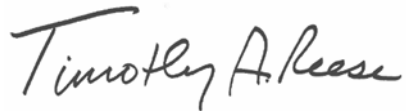
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and your employees. Following the success of last year's large group retirement seminar, we plan to host another event. These seminars continue to be a valuable forum for education, engagement and relationship-building.

Our progress over the past few months reaffirms our mission, as we look ahead, we remain dedicated to administering secure pensions for our employers and members.

Thank you for your continued trust and support.

Sincerely,

A handwritten signature in black ink that reads "Timothy A. Reese". The signature is written in a cursive, flowing style with a large initial 'T'.

Timothy A. Reese

Chief Executive Officer

Pennsylvania Municipal Retirement System