PSRSSTL

Public School Retirement System of the City of St. Louis, Missouri

A Pension Trust Fund for Public School Employees

For the Fiscal Years Ended: December 31, 2025 & 2024

Annual Comprehensive Financial Report

Begin Here

Annual Comprehensive Financial Report

For the Fiscal Years Ended December 31, 2025 and 2024

Prepared by:
Susan Kane, CEBS
Executive Director

Public School Retirement System of the City of St. Louis

A Pension Trust Fund for Public School Employees

3641 Olive Street
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St. Louis, Missouri 63108-3601

(314) 534-7444
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Mission Statement

The mission of the Public School Retirement System of the City of St. Louis is to enhance the well-being and financial security of its members, retirees and beneficiaries through benefit programs and services which are soundly financed and prudently administered in an effective and efficient manner.

Mission Statement Principles

The Retirement System adopts the following principles advocated by the National Council on Teacher Retirement, and with respect to such principles hereby pledges as follows:

1. **Courteous Service.** To give members prompt and courteous service and provide complete and accurate information.
2. **Member Statements.** To provide each active member with an annual statement that includes the member's accrued service credit, employee contributions, and other related information.
3. **Information.** To provide new participants in the system a summary plan description that clearly and simply summarizes the benefit provisions of the plan. The System will make available information on changes made in benefits.
4. **Annual Reports.** Full disclosure of financial, actuarial, and investment information in a detailed annual report that will be available for members, elected officials, and the public.
5. **Financial Audits.** To prepare or cause to be prepared an annual financial statement in accordance with generally accepted accounting principles and have an annual audit of the System's financial statement in accordance with generally accepted auditing standards.
6. **Actuarial Studies.** To have an annual or biennial actuarial valuation performed by an enrolled actuary in accordance with actuarial standards and an actuarial experience study at least every five years.
7. **Adequate Funding.** To work to obtain adequate funding of all promised benefits and to ensure the financial integrity of this System.
8. **Independence of Retirement Systems.** To work for a retirement system which functions as an independent retirement trust, separate from state and local government. Such independence includes the power of trustees to set actuarial assumptions, appoint professionals such as actuaries and attorneys on whom they must rely to carry out their responsibilities, and to establish a budget for the System which ensures the delivery of high quality, cost-effective service to their members.
9. **Exclusive Benefit.** To act for the exclusive benefit of the members as fiduciaries entrusted with the management and payment of retirement benefits.
10. **Prudent Investments.** To adopt comprehensive objectives, methods for evaluation of performance, and policies which ensure both the prudent investment of plan assets and the achievement of the highest possible investment return.
11. **Ethical Conduct.** To adhere to the highest standards of conduct set out in the terms of the trust, state statute or other law.
12. **State and Local Government Authority.** To support the continuation of state and local pension plan oversight by the respective state or local government to ensure that decisions are made at the appropriate level of government.

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Government Finance Officers Association

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Presented to

Public School Retirement System of the City of St. Louis Missouri

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

Board of Trustees

A thirteen member Board of Trustees is responsible for general administration of the Retirement System and investing System assets. Active members elect five trustees: one administrator, two teachers and two non-teachers. Retired members elect two trustees: one retired teacher and one retired non-teacher. The St. Louis Public Schools ("SLPS") Board of Education appoints four trustees. The MO Charter Public School Association appoints two trustees. The length of term of office is four years. The following individuals currently serve on the Public School Retirement System of the City of St. Louis Board of Trustees.

Elected by Active Members	**Term Ends**	**Trustee Representation**
Shanise Johnson	12-31-2026	Active Non-Teacher
Yvette Levy	12-31-2027	Active Administrator
Albert Sanders	12-31-2027	Active Teacher
Jennifer Orr	12-31-2028	Active Teacher
Mary Donelson	12-31-2029	Active Non-Teacher

Elected by Retired Members	**Term Ends**	**Trustee Representation**
Louis Cross	09-30-2027	Retired Teacher
Dorris Walker	09-30-2029	Retired Non-Teacher

SLPS Appointments	**Term Ends**	**Trustee Representation**
Christina Bennett	12-31-2026	SLPS Board of Education
Emily Hubbard	12-31-2027	SLPS Board of Education
Kelly Dobell	12-31-2028	SLPS Board of Education
Dr. Candice Carter-Oliver	12-31-2029	SLPS Board of Education

Charter School Appointments	**Term Ends**	**Trustee Representation**
William Heisse	08-31-2027	MO Charter School Association
Andrew Vien	08-31-2029	MO Charter School Association

Public School Retirement System
of the City of St. Louis
3641 Olive Street, Suite 300
St. Louis, MO 63108-3601

Office of the
Executive Director

Phone: (314) 534-7444
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June 1, 2026

To the Board of Trustees and Members of the Retirement System:

I am pleased to present the Annual Comprehensive Financial Report (Annual Report) for the Public School Retirement System of the City of St. Louis ("PSRSSTL", "System", "fund" or "plan") for the fiscal years ended December 31, 2025 and December 31, 2024. Management of the System is responsible for the content in this report. To the best of my knowledge, I believe the information in this report is accurate, in all material respects, and presented in a manner that fairly portrays the financial position and operations of the plan for fiscal years 2025 and 2024.

Overview of the Retirement System

The Public School Retirement System of the City of St. Louis was established January 1, 1944. Through acts of the Missouri Legislature, the System provides retirement benefits to employees of the St. Louis Public Schools District, the System, a number of Charter Schools located in the St. Louis Public Schools District and certain past employees of Harris-Stowe State College. The System's members are covered by Social Security and eligible for Social Security benefits in addition to retirement benefits provided by the plan.

Financial Information

An independent certified accounting firm performs a financial audit each year. The financial statements of the System are prepared in conformity with accounting principles generally accepted in the U.S.A. (GAAP) within guidelines established by the Governmental Accounting Standards Board (GASB). Management uses internal controls to help protect the System's assets from loss due to unauthorized use or erroneous disposition. These internal controls are constrained to keep costs from outweighing the benefits derived from them so there are natural limits to preventing all errors or instances of fraud. Management is confident that within reason, not absolute assurance, the financial statements meet the important objective of providing information free of material misstatements. Please refer to the Management Discussion and Analysis ("MD&A") in the Financial Section for an overview of the System's financial highlights that includes a review of the additions and deductions from the plan during 2025 and 2024.

Investment Activities

The overall investment return for the plan during 2025 was 13.53%, which was higher than the actuarial assumed rate of return of 7.0% adopted by the Board of Trustees in 2021. Thus, the investments added value to the fund for the year. The System's investment return for 2025 ranked in the 53rd percentile when compared to other public pension plans while maintaining similar risk as the peer group.

The Board of Trustees governs investments of the fund through the adoption of investment policies and guidelines, amended as needed, that define the plan's objectives, monitoring procedures and performance measures. The Investment Policies and Operating Guidelines lay out specific parameters for performance expectations, eligible investments, and portfolio characteristics. Key to the success of this governance is the determination of an Asset Allocation Policy. The policy is reviewed by the Board of Trustees at least annually and modified as needed to maximize returns while minimizing risk within the accepted investment guidelines of the System. Through advice from the Investment Consultant, management and staff are primarily responsible for implementing and monitoring the Asset Allocation Policy adopted by the Board of Trustees. Detailed investment information can be found in the Investment Section.

Funding Status and Valuation Results

The System is a defined benefit plan, which means that certain benefit provisions are used in a formula to determine each member's retirement benefit. The formula to calculate retirement benefits for members hired on or before December 31, 2017, is credited service (years of service) multiplied by average compensation (final average salary for three consecutive years) multiplied by 2% (pension multiplier). For members hired for the first time on or after January 1, 2018, the pension multiplier is 1.75%, which changes the retirement benefits formula for these members.

Each year, the System has an actuarial valuation conducted by an independent Actuary. The actuarial valuation has two main purposes: (1) to determine the annual required contribution (ARC), the portion of covered payroll, that employers must pay during a given year, including actuarially determined contributions that would ensure assets are available for benefit obligations into the future and to guarantee actuarial soundness of the fund and (2) to measure the relative financial health of the System.

To determine the relative financial health of the System, the Actuary calculates the plan's actuarial accrued liability using the System's benefit provisions and actuarial assumptions in effect at the time of the calculation. The actuarial accrued liability is then compared to the actuarial value of assets to arrive at a percentage or Funded Ratio. The Funded Ratio measures the ability of the System to pay retirement benefits over the course of time, usually the next 30 years. For plan year 2024, the Funded Ratio was 68.5%, which is the eighth year in a row that the Funded Ratio for the System remained below 80%. The main reason for the low measurements is due to the downgrade of the retirement system's assumed rate of return (discount rate) from 8.0% to 7.5%, in plan year 2017 and then down to 7.0% in 2021.

The Actuary calculates an ARC that is adequate to fund the normal costs of the plan that includes the unfunded actuarial accrued liability amortized over a 30-year period. The Actuary presents the annual Actuarial Valuation Report to the Board of Trustees for consideration. Once the Board of Trustees accepts the actuarial valuation for the year, the employers are notified of the ARC as governed by state statute. However, contributions are based on Statutory requirements.

Legislative Information

There was one major legislative change in 2025 that directly affected the System. The Missouri Legislature passed a law signed by Governor Mike Kehoe to increase the employer contribution rate to 14% effective January 1, 2026. This stopped the decrease in employer contributions that occurred after 2017 legislation was signed into law by Governor Eric Greitens. The 2017 legislation required a drop in the employer contribution rate by .5% each year down to a low of 9% in 2031. The 2025 legislation did not change member contributions, which remain at 9%. The legislation also increased the size of the Board of Trustees to 13 members. The two new members will be appointed by the MO Charter Public School Association. For more details on previous plan provision changes, please refer to the legislative history of the plan summarized on the last page of the Statistical Section.

Professional Services

Certain professional services are provided to the System by retained consultants. The required opinion letters from the Actuary, Gallagher, formerly Buck, and Independent Certified Public Accountants, Williams-Keepers LLC, are contained in the appropriate sections of this report.

The retained consultants that provide professional services to the System appear at the end of this section. Investment professionals that provide brokerage and investment management services to the System can be found on pages 74 – 76 in the Investment Section.

Certificate of Achievement

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Public School Retirement System of the City of St. Louis for its annual comprehensive financial report for the fiscal year ended December 31, 2024. This was the fourteenth consecutive year the System has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the System must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The System believes our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and the System is submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgments

I would like to thank the Board of Trustees, staff and consultants for their assistance in preparing this report. The dedication of these groups contributes to the System's continued stability.

Sincerely,

Susan Kane

Susan Kane, CEBS
Executive Director

Organizational Chart

Board of Trustees – Thirteen Members

Executive Director
Susan Kane

Accounting Specialist
Miata Reeves-Borne

Member Services Manager
Angela Johnson

Technology Manager
Randy Elam*
Kendall Barbee

Customer Service Representative
Robin Willis*
Michelle Clark

Insurance Benefits Specialist
Monica Brewer

Member Services Clerical Assistant
Ann Connor

*Robin Willis retired effective January 1, 2026
*Randy Elam retired effective May 1, 2026

Providers of Professional Services

Actuarial Services
Buck, a Gallagher Company
Michael Ribble,
St. Louis, MO

Auditor
Williams-Keepers, LLC
Nick Mestres, CPA
Columbia, MO

Insurance Consultant
Gallagher Benefit Services, Inc.
(A division of Arthur J. Gallagher & Co.)
Diane Laflash
Worcester, MA

Investment Consultant
Mariner
Gwelda Swilley, Jeff Kuchta
Winter Park, FL

Legal Counsel
Husch Blackwell
David Eckhardt
St. Louis, MO

Property Management
Intelica CRE
St. Louis, MO

Computer Programming Consultant
Jupiter Consulting Services, LLC
St. Louis, MO

Computer Networking Consultant
Blade Technologies, Inc.
St. Louis, MO

Investment professionals, including brokerage services, who provide services to the System can be found on pages 74 – 76.

Financial Section

Independent Auditor's Report

WILLIAMS KEEPERS LLC
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

2005 West Broadway, Suite 100
Columbia, MO 65203 | (573) 442-6171

3220 West Edgewood, Suite E
Jefferson City, MO 65109 | (573) 635-6196

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To the Board of Trustees
Public School Retirement System of the City of St. Louis

Opinion

We have audited the financial statements of Public School Retirement System of the City of St. Louis (the System), which comprise the statement of fiduciary net position as of December 31, 2025, the related statement of changes in fiduciary net position for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the fiduciary net position of the System as of December 31, 2025, and the changes in its fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit 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 the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements of the System as of and for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those statements on April 23, 2025.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control 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 the System's 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.

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 opinion. 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 control. 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 control 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 the System's internal control. 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 the System's 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 control-related matters that we identified during the audit.

Required Supplementary Information

GAAP requires that the management's discussion and analysis, the schedules of changes in the net pension liability, net pension liability and related ratios, System's proportionate share of the net pension liability, employer contributions, and investment returns be presented to supplement the basic financial statements. Such information, 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the System's basic financial statements. The schedules of operating expenses, investment expenses, and limited partnerships are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 schedules of operating expenses, investment expenses, and limited partnerships are 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. 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 opinion 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.

Williams-Keepers LLC

Columbia, Missouri
April 28, 2026

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of the Public School Retirement System of the City of St. Louis (the System) financial performance provides an introduction to the financial statements of the System for the years ended December 31, 2025, 2024, and 2023. Since the MD&A is designed to focus on current activities, resulting changes and current known facts, please read it in conjunction with the financial statements.

Required Financial Statements

As required by the Governmental Accounting Standards Board (GASB) accounting standards, this financial report consists of the MD&A (this section), the basic financial statements (including notes to the basic financial statements), and required supplementary information. Financial statements report information about the System, using accounting methods similar to those used by private-sector companies, by using the economic resources measurement focus and accrual basis of accounting. These statements provide both long-term and short-term information about the System's overall financial status. These statements follow the MD&A:

- The Statements of Fiduciary Net Position includes all the System's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position.
- The Statements of Changes in Fiduciary Net Position account for the respective years additions (income) and deductions (expenses), regardless of when cash is received or paid.

Notes to the Financial Statements are included following the financial statements. The notes to the financial statements provide additional information that is essential for a full understanding of the data provided in the financial statements.

Required Supplementary Information follows the notes and further supports the information in the financial statements.

Financial Analysis

Overall, the financial position of the System increased by $69.5 million, reported as the "net increase". This is primarily a result of the increase in the fair value of investments for the year ended December 31, 2025. The plan's funded status declined by 2.0%, primarily due to the measurement date of January 1, 2025, and the lag in investment return recognition. Under the plan's five-year smoothing method, the 2024 return of 8.77% replaced a higher return in the averaging period, resulting in a modest reduction in the smoothed asset return and contributing to the decrease in funded status.

The following schedules present summarized comparative data from the System's financial statements for each of the fiscal years ended December 31, 2025, 2024, and 2023. Following each schedule is a summary providing explanation and analysis of the major reasons for changes in the condensed financial statements.

Condensed Statements of Fiduciary Net Position

	December 31		
	2025	**2024**	**2023**
Assets			
Cash	$ 11,295,758	$ 10,443,530	$ 9,523,512
Receivables	771,317	1,032,817	1,161,497
Investments	934,335,950	866,034,760	838,634,625
Capital Assets, Net	2,166,001	1,365,235	1,416,862
Total Assets	948,569,026	878,876,342	850,736,496
Deferred Outflows of Resources			
Contributions	77,576	-	-
Pension	85,446	177,559	441,474
Total Deferred Outflows of Resources	163,022	177,559	441,474
Liabilities			
Accounts Payable	1,190,172	1,021,246	1,024,443
Net Pension Liability	787,716	890,985	1,070,465
Total Liabilities	1,977,888	1,912,231	2,094,908
Deferred Inflows of Resources			
Pension	87,622	86,318	63,147
Total Deferred Inflows of Resources	87,622	86,318	63,147
Net Position – Restricted For Pension Benefits	$946,666,538	$877,055,352	$849,019,915

Condensed Statements of Fiduciary Net Position

	2025		2024	
	$ Change	**% Change**	**$ Change**	**% Change**
Assets				
Cash	$ 852,228	8.16%	$ 920,018	9.66%
Receivables	(261,500)	-25.32%	(128,680)	-11.08%
Investments	68,301,190	7.89%	27,400,135	3.27%
Capital Assets, Net	800,766	58.65%	(51,627)	-3.64%
Total Assets	69,692,684	7.93%	28,139,846	3.31%
Deferred Outflows of Resources				
Contributions	77,576	100%	-	0%
Pension	(92,113)	-51.88%	(263,915)	-59.78%
Total Deferred Outflows of Resources	(14,537)	100%	(263,915)	0%
Liabilities				
Accounts Payable	168,926	16.54%	(3,197)	-0.31%
Net Pension Liability	(103,269)	-11.59%	(179,480)	-16.77%
Total Liabilities	65,657	3.43%	(182,677)	-8.72%
Deferred Inflows of Resources				
Pension	1,304	1.51%	23,171	36.69%
Total Deferred Inflows of Resources	1,304	1.51%	23,171	36.69%
Net Position – Restricted For Pension Benefits	$69,611,186	7.94%	$28,035,437	3.30%

Total assets and deferred outflows of resources as of December 31, 2025, 2024 and 2023 were $948.6 million, $879.1 million, and $851.2 million, respectively. Investments increased by $68.3 million or 7.89% to $934.3 million in fiscal year 2025 while in fiscal year 2024 the investments increased by $27.4 million or 3.27% to $866.1 million. Receivables decreased by $261,500 or 25.32% to $771,317 in fiscal year 2025, which consisted of interest and dividend income, while in fiscal year 2024 the receivables decreased by $128,680 or 11.08% to $1,032,817. These increases can be attributed to higher than expected investment returns due to favorable market conditions and changes made to the System's portfolio.

In 2025, some under-performing managers were replaced by managers who provided higher returns. In the fixed income category, two new investments were added in the mutual fund category to provide more investment flexibility. Funds were re-allocated from government and corporate bonds to fund these new investments.

Total liabilities and deferred inflows of resources at December 31, 2025, 2024, and 2023 were $2,065,510, $1,998,549, and $2,158,055, respectively. Liabilities include accounts payable, accrued expenses, and net pension liability. Liabilities increased by $66,961 primarily because of timing differences related to accounts payable offset by a decrease in the System's net pension liability as required by GASB Statement No. 68.

Net assets restricted for pension benefits increased by $69.5 million to $946.6 million for fiscal year 2025 compared to a $28.0 million increase to $877.1 million for fiscal year 2024.

Condensed Statements of Changes in Fiduciary Net Position

	December 31		
	2025	**2024**	**2023**
Additions			
Net Investment Income	$ 112,127,653	$62,936,126	$84,324,668
Employer Contributions	40,376,871	40,257,178	37,930,116
Member Contributions	31,144,414	29,567,398	24,617,494
Rental Income	43,639	80,168	179,383
Other Income (Loss)	199,499	9,424,961	(2,112,674)
Total Additions	183,892,076	142,265,831	144,938,987
Deductions			
Retirement Benefits	96,583,117	97,414,809	98,131,494
Survivor Benefits	2,878,085	2,864,788	2,922,340
Disability Benefits	2,818,372	2,931,585	3,002,947
Health Care Subsidies	1,205,478	527,230	675,513
Operating Expenses	2,133,555	2,351,280	1,665,012
Refunds to Members	8,662,283	8,140,702	7,389,745
Total Deductions	114,280,890	114,230,394	113,787,051
Change in Fiduciary Net Position	69,611,186	28,035,437	31,151,936
Net Position – Restricted For Pension Benefits, Beginning of Year	877,055,352	849,019,915	817,867,979
Net Position – Restricted For Pension Benefits, End of Year	946,666,538	877,055,352	849,019,915

Condensed Statements of Changes in Fiduciary Net Position

	2025		2024	
	$ Change	**% Change**	**$ Change**	**% Change**
Additions				
Net Investment Income	$ 49,191,527	78.16%	$(21,388,542)	-25.36%
Employer Contributions	119,693	0.30%	2,327,062	6.14%
Member Contributions	1,577,016	5.33%	4,949,904	20.11%
Rental Income	(36,529)	-45.57%	(99,215)	-55.31%
Other Income (Loss)	(9,225,462)	-97.88%	11,537,635	-546.12%
Total Additions	41,626,245	29.26%	(2,673,156)	-1.84%
Deductions				
Retirement Benefits	(831,692)	-0.85%	(716,685)	-0.73%
Survivor Benefits	13,297	0.46%	(57,552)	-1.97%
Disability Benefits	(113,213)	-3.86%	(71,362)	-2.38%
Health Care Subsidies	678,248	128.64%	(148,283)	-21.95%
Operating Expenses	(217,725)	-9.26%	686,268	41.22%
Refunds to Members	521,581	6.41%	750,957	10.16%
Total Deductions	50,496	0.04%	443,343	0.39%
Change in Fiduciary Net Position	41,575,749	148.30%	(3,116,499)	-10.00%
Net Position – Restricted For Pension Benefits, Beginning of Year	28,035,437	3.30%	31,151,936	3.81%
Net Position – Restricted For Pension Benefits, End of Year	69,611,186	7.94%	28,035,437	3.30%

The assets needed to finance retirement benefits are accumulated through receipt of employer and member contributions as well as through earnings on investments. Net investment income was $112.1 million for fiscal year 2025, $62.9 million in fiscal year 2024, and $84.3 million in fiscal year 2023. These fluctuations in net investment income occurred because the investment earning rates were 13.53%, 8.77%, and 11.41% in fiscal years 2025, 2024, and 2023, respectively. Net investment income (loss) reflects gross investment income (loss) less investment expenses, such as investment manager, investment advisor and custodial fees.

Employer and member contributions combined was $71.5 million, $69.8 million and $62.5 million for fiscal years 2025, 2024, and 2023, respectively. Contributions increased by $1.7 million in fiscal year 2025 compared to $7.3 million increase in fiscal year 2024. This increase was due to the increase in member compensation in 2025 and the increase in member contributions. Fluctuations in the contribution amounts are primarily due to the decrease of the employer contribution rate to 12.5% of covered compensation in fiscal year 2025 from 13.0% in fiscal year 2024 and 13.5% in fiscal year 2023 and increase in the member contribution rate from 8.0% in fiscal year 2023 to 8.5% in fiscal year 2024 to 9.0% in fiscal year 2025. Additionally, the change in contribution amounts is also due to the number of active members. While the number of active members has remained relatively stable over the last three years, there was a slight increase in active members in 2025.

An active member contribution rate of 5.0% of covered compensation was effective from July 1, 1999 through December 31, 2017. In 2018, through legislation passed in 2017, the active member contribution rate was increased to 5.50% of covered compensation for members hired before January 1, 2018. This rate will increase by 0.50% per year until reaching 9.00%. After that, the contribution rate will remain at 9.00% of covered compensation. The legislation requires new active members hired on or after January 1, 2018, to immediately contribute at a rate of 9.00%. The System's actuary determines the amount of employer contributions required to maintain actuarial soundness of the System as part of the annual actuarial valuation report. In 2025, the System worked with employers and other stakeholders to pass legislation that will increase employer contributions. Effective January 1, 2026, employers will contribute 14% of covered compensation. Active member contributions will remain at 9%.

The primary deductions from fiduciary net position were payments of retirement benefits, survivor benefits, disability benefits, retiree healthcare subsidies and refunds to members who have retired or terminated employment. The System's operating expenses in fiscal year 2025 were approximately 0.23% of assets, while operating expenses were approximately 0.27% and 0.20% of assets for 2024 and 2023, respectively.

Currently Known Facts and Economic Outlook

The Board of Trustees and the System's actuary assume that the System will continue to be funded on a sound actuarial basis provided required member and employer contributions are made as recommended, a prudent and well-diversified Asset Allocation Policy remains in place, quality investment managers continue to be selected, and the financial markets dodge sustained volatility. However, during fiscal year 2017, the Missouri General Assembly, in cooperation with then Governor Eric Greitens, enacted changes to the System's calculations for the required annual employer and member contributions that jeopardize the System's actuarial soundness. Unless this legislation is overturned or replaced, these changes will have adverse effects on the System and its ability to meet future financial obligations to its members. It is assumed that the Board of Trustees will fulfill its fiduciary duty to the System's membership by continuing to take the appropriate legal action against the legislation. In 2025, the Board of Trustees worked with employers and other stakeholders to increase employer contributions. Legislation was signed into law by Governor Kehoe to increase employer contributions to 14% effective January 1, 2026. Member contributions will remain at 9%. The positive returns were due to a favorable investment market and changes in the System's portfolio. There was an increase in returns and a decrease in investment expenses as managers performing below expectations were replaced by managers with lower fees and higher returns.

Requests for Information

This financial report is designed to provide the Board of Trustees, our members and other users of our financial report with a general overview of the System's finances and to demonstrate the System's accountability for its funds. If you have any questions about this report or need additional financial information, contact Public School Retirement System of the City of St. Louis.

Statements of Fiduciary Net Position December 31, 2025 and 2024

Assets	**2025**	**2024**
Cash	$ 11,295,758	$ 10,443,530
Receivables		
Accrued Interest and Dividends	573,389	828,552
Other Receivables	197,928	204,265
Total Receivables	771,317	1,032,817
Investments, At Fair Value		
Cash Equivalents	50,002,716	27,047,319
U.S. Government and Agency Issued Bonds	7,911,736	42,082,950
Corporate Bonds	15,604,804	26,967,316
Foreign Investments	92,878,598	79,296,290
Common and Preferred Stocks	145,990,133	139,121,486
Mutual and Co-Mingled Funds	439,395,451	384,856,118
Real Estate Partnerships	47,244,224	46,363,491
Limited Partnerships	135,308,288	120,299,790
Total Investments	934,335,950	866,034,760
Capital Assets, Net	2,166,001	1,365,235
Total Assets	948,569,026	878,876,342
Deferred Outflows of Resources		
Outflows Related to Contributions	77,576	-
Outflows Related to Pension	85,446	177,559
Total Deferred Outflows of Resources	163,022	177,559
Liabilities		
Accounts Payable	1,190,172	1,021,246
Net Pension Liability	787,716	890,985
Total Liabilities	1,977,888	1,912,231
Deferred Inflows of Resources		
Inflows Related to Pension	87,622	86,318
Net Position – Restricted For Pension Benefits	$946,666,538	$877,055,352

The notes to financial statements are an integral part of these statements.

Statements of Changes in Fiduciary Net Position

For the Years Ended December 31, 2025 and 2024

	2025	2024
Additions		
Employer Contributions		
St. Louis Public Schools	$ 25,680,060	$ 24,990,986
Sick Leave Conversion	9,664	11,822
Charter Schools	14,609,571	15,174,315
Retirement System	77,576	80,055
Plan Member Contributions		
St. Louis Public Schools	20,586,962	19,187,804
Charter Schools	10,501,452	10,329,290
Retirement System	56,000	50,304
Total Contributions	71,521,285	69,824,576
Investment Income		
Net Appreciation in Fair Value of Investments	107,738,332	57,641,361
Interest From Investments	2,897,478	2,559,050
Interest From Bank Deposits	810,949	724,534
Dividends	4,242,615	5,377,950
Total Investment Income	115,689,374	66,302,895
Investment Expenses	3,561,721	3,366,769
Net Investment Income	112,127,653	62,936,126
Rental Income	43,639	80,168
Other Miscellaneous Income	199,499	9,424,961
Total Additions	183,892,076	142,265,831
Deductions		
Benefits Paid		
Retirement Benefits	96,583,117	97,414,809
Survivor Benefits	2,878,085	2,864,788
Disability Benefits	2,818,372	2,931,585
Health Care Subsidies	1,205,478	527,230
Total Benefits Paid	103,485,052	103,738,412
Operating Expenses	2,133,555	2,351,280
Contribution Refunds	8,662,283	8,140,702
Total Deductions	114,280,890	114,230,394
Net Increase	69,611,186	28,035,437
Net Position – Restricted For Pension Benefits		
Beginning of Year	877,055,352	849,019,915
End of Year	$ 946,666,538	$ 877,055,352

The notes to financial statements are an integral part of these statements.

Notes to Financial Statements

1. Plan Description

General

The System is a cost-sharing, multiple-employer, defined benefit pension plan existing under provisions of the Revised Statutes of the State of Missouri (the Statutes) to provide retirement benefits for all employees of the Board of Education of the City of St. Louis, of the Charter Schools located within the St. Louis School District, and of all employees of the System. The System issues an Annual Comprehensive Financial Report, a publicly available financial report that can be obtained at **www.psrsstl.org**. An eleven member Board of Trustees (the Board) is responsible for general administration of the System and investing the System's assets. Trustees are appointed by plan members and the Board of Education of the City of St. Louis.

Benefits

The System provides defined benefit payments for retirement, death, or disability to eligible employees, or their beneficiaries. Upon retirement at age 65, or at any age if age plus years of credited service equals or exceeds 80 (Rule of 80), or 85 (Rule of 85) if terminated prior to August 28, 2017, members receive monthly payments for life or yearly benefits equal to years of credited service multiplied by 2% of average final compensation or 1.75% of average final compensation if hired on or after January 1, 2018, but not to exceed 60% of average final compensation. Early retirement can occur prior at age 60 with five years of service or at the age the Rule of 80 or Rule of 85 is satisfied. The service retirement allowance is reduced by five ninths of one percent for each month of commencement prior to age 65 or the age at which the Rule of 80 (Rule of 85 if terminated prior to August 28, 2017) would have been satisfied had the employee continued working until that age, if earlier. In lieu of the benefit paid over the lifetime of the participant, reduced benefit options are available for survivor and beneficiary payments.

Members are eligible, after accumulation of five years of credited service, for disability benefits prior to eligibility of normal retirement. Survivor benefits are available for beneficiaries of members who die after at least 18 months of active membership.

The System pays a portion of health insurance premiums for retirees under Section 169.476 of the Statutes, as an expense of the System.

Contributions by Participants

Active participants hired before January 1, 2018 contributed 9.00% and 8.50% of covered compensation for the years ended December 31, 2025 and 2024, respectively. This rate increased 0.50% per year until it reached 9.00%. After this, the contribution rate will remain at 9.00% of covered compensation. Active participants hired on or after January 1, 2018 contribute 9.00% of covered compensation. Accumulated contributions are credited at the rate of interest established by the Board. The current credit rate is 2.00%.

Contributions by Employers

The System's statutory required contribution rate applied to St. Louis Public Schools and the System employees was 13.00% and 13.50% of annual payroll for the years ended December 31, 2025 and 2024, respectively. For all other employers, the System's contractually required contribution rate was set at 12.50% and 13.00% of covered payroll for the years ended December 31, 2025 and 2024, respectively. As a result of House Bill 147, the employer contribution rate is scheduled to increase to 14% of covered payroll. The revised rate becomes effective January 1, 2026, for Charter Schools and January 1, 2027, for St. Louis Public Schools and the System employees.

Contributions to the pension plan for System employees were $77,576 and $80,055 for the years ended December 31, 2025 and 2024, respectively.

Returns on Contributions Upon Death

If, after the death of a participant, no further monthly amounts are payable to the beneficiary under an optional form of payment or under the survivor benefit provisions, the participant's beneficiary shall be paid the excess, if any, of the participant's accumulated contributions over all payments made to, or on behalf of, the deceased participant.

Funding Policy

The funding objective of the System is to meet long-term benefit promises through contributions that remain approximately level from year to year as a percentage of covered payroll.

Members

All persons employed on a full-time basis are members of the System as a condition of employment. The number of members and benefit recipients served by the system at January 1 was as follows:

	2025	2024
Active Members – not yet receiving benefits	5,121	5,000
Inactive Members – not yet receiving benefits	5,001	4,835
Retirees and Beneficiaries - receiving benefits		
Service and Survivors	3,999	4,033
Disability	188	193
Total	14,309	14,061

Tax Status

The Internal Revenue Service has determined and informed the System by a letter dated December 15, 2016, that the System and related trust and amendments are designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Management believes that the System is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believes that the System is qualified and the related trust is tax-exempt.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the System are prepared using the accrual basis of accounting. Member and employer contributions are recognized in the period in which the contributions are due. Benefits are recognized when due and payable in accordance with the terms of the plan. Expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

Method Used to Value Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the latest reported sales price at current exchange rates.

Limited partnerships: Fair values of the limited partnership investments are based on valuations of the underlying companies of the limited partnerships as reported by the general partner. Certain limited partnerships reflect values on a quarter lag basis due to the nature of those investments and the time it takes to value them.

Alternative investments: For alternative investments where no readily ascertainable fair value exists, management, in consultation with their investment advisors, values these investments in good faith based upon audited financial statements, cash flow analysis, purchase and sales of similar investments, other practices used within the industry, or other information provided by the underlying investment advisors. The estimated fair value of these investments may differ significantly from values that would have been used had a ready market existed.

Receivables

Receivables consist of pending interest and dividends payable on investments held at the end of the year. Other receivables are amounts due to the System from members or family members of a deceased member for overpaid benefits.

Capital Assets

The System records property, building, and related improvements at cost while expenditures for normal repairs and maintenance, which do not extend the useful life of the assets, are charged to operations as incurred. The System uses the straight-line method for the depreciation of the building and improvements over the estimated life of 40 years. The System is in the implementation stage of a subscription asset, as such, no amortization or right-of-use lease asset or liability has been recorded during December 31 2025.

Pensions

Deferred outflows of resources represent a consumption of net assets that applies to future periods and deferred inflows of resources represent the acquisition of net assets that applies to future periods. The System has deferred outflows and inflows in the statements of fiduciary net position that relate to pension related deferrals required by GASB Statement No. 68.

Pension-related expenses, liabilities, deferred outflows of resources, and deferred inflows of resources have been determined on the same basis as they are reported by the System. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Events that have occurred subsequent to December 31, 2025, have been evaluated through April 28, 2026, which represents the date the System's financial statements were approved by management and therefore available to be issued.

Recent Accounting Pronouncements

GASB Statement No. 102, *Certain Risk Disclosures*, was effective for the year ended December 31, 2025. System management implemented this standard for the year ended December 31, 2025, although there was no material impact to the financial statements resulting from the implementation.

GASB Statement No. 103, *Financial Reporting Model Improvements*, and Statement No. 104, *Disclosure of Certain Capital Assets*, will be effective for the year ended December 31, 2026.

3. Deposits and Investments

Custodial Credit Risk for Deposits

Custodial credit risk is the risk that in the event of a bank failure, the System's deposits may not be returned to it. At December 31, 2025 and 2024, the System had bank balances that were secured by a combination of federal depository insurance and pledged collateral held in the System's name by the trust department of the depository bank. Financial instruments that potentially subject the System to concentrations of custodial credit and market risk consist principally of cash and investments. The System places its temporary cash investments with major financial institutions. At December 31, 2025 and 2024, the System had approximately $12,309,000 and $11,256,000 in cash on deposit at PNC Bank, respectively. These balances were insured by the Federal Deposit Insurance Corporation (FDIC) for $250,000. The remaining balances are collateralized by PNC Bank's assets held jointly in the name of PNC Bank and the System. Regulations require that government entities, in case of bank failure, have collateral to cover losses that could exceed the FDIC limit of $250,000. The fair value of the collateralized securities at December 31, 2025 and 2024 was $13,781,846 and $20,813,816, respectively. A significant portion of the System's investments are held in trust by PNC Bank. On December 16, 2025 and December 8, 2024, the System received $25,689,724 and $25,002,808, respectively, from the St. Louis Board of Education for the 2025 and 2024 St. Louis Public Schools' annual regular pension contribution and sick leave conversion contribution and held it in a cash equivalents account until investment allocations were implemented.

Investments

The System invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, foreign currency, regulatory and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the statements of fiduciary net position.

Investment Income

Investment income includes realized gains (losses), unrealized appreciation (depreciation), dividends, interest, and other investment income. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment Expenses

Investment expenses consist of investment manager, investment advisor, limited partnership, and custodial bank fees.

Effective February 24, 2025, the Board updated their investment policy, which includes changes to asset allocations. The following table illustrates the System's approved asset allocation as of December 31, 2025:

Asset Class	Allocation Targets	Long-Term Expected Real Rate of Return
Domestic Equity	31.50 %	7.50 %
International Equity	16.50 %	8.50 %
Domestic Bonds	17.80 %	2.50 %
International Bonds	7.20 %	3.50 %
Real Estate	7.00 %	4.50 %
Alternative Assets	20.00 %	5.97 %
Total	100.0 %	

Fair Value Disclosures

The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 1 Unadjusted quoted prices for identical instruments in active markets.

Level 2 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 for which all significant inputs are observable.

Level 3 Valuations derived from valuation techniques in which significant inputs are unobservable.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The System's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of valuation methodologies used for assets recorded at fair value.

U.S. government and agency issued bonds: Valued at the closing price reported in the market in which the individual security is traded.

Corporate bonds: Valued at the closing price reported in the market in which the individual security is traded.

Foreign investments: Valued using quoted closing prices on the principal markets in which they trade. International fixed income securities are valued using quoted prices when available or valuation techniques utilizing observable inputs, including current market yields and spreads for similar instruments, with adjustments for credit and liquidity risk where appropriate.

Stocks and mutual funds: Valued at quoted market prices available on an active market.

Limited partnerships: These funds are structured as a limited partnership designed to provide participating investors with access to alternative investment strategies, which may include private equity, hedge funds, or other opportunistic investments. The objectives of these funds is to generate long-term capital appreciation and/or income through active management and strategic allocation of capital. There can be no assurance that such objective will be achieved. These funds may invest in a variety of securities and financial instruments and may employ leverage and other investment techniques consistent with its governing agreements.

Real estate partnerships: These funds are established as a partnership for the purpose of acquiring, developing, managing, and disposing of real estate investments. The objectives of these funds is to generate income and capital appreciation through investments in commercial and/or residential properties. There can be no assurance that such objective will be achieved. These funds will be invested primarily in real estate assets and may include direct property ownership, joint ventures, and other real estate-related investments, subject to applicable laws and partnership agreements.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the System believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following summarizes the System's assets measured at fair value as of December 31, aggregated by the level in the fair value hierarchy within which those measurements fall:

2025				
Investments by Type	**Total**	**Level 1**	**Level 2**	**Level 3**
Cash Equivalents	$ 50,002,716	$ -	$50,002,716	$ -
U.S. Government and Agency Issued Bonds	7,911,736	-	7,911,736	-
Corporate Bonds	15,604,804	-	15,604,804	-
Foreign Investments	92,878,598	-	92,878,598	-
Common and Preferred Stocks	145,990,133	145,990,133	-	-
Mutual Funds	358,511,758	358,511,758	-	-
Limited Partnerships	135,308,288	-	-	135,308,288
Real Estate Partnerships	47,244,224	-	-	47,244,224
Total Investments Measured at Fair Value	853,452,257	$504,501,891	$166,397,854	$182,552,512
Investments Measured at NAV				
Co-Mingled Funds	80,883,693			
Total	$934,335,950			
2024				
Cash Equivalents	$ 27,047,319	$ -	$ 27,047,319	$ -
U.S. Government and Agency Issued Bonds	42,082,950	-	42,082,950	-
Corporate Bonds	26,967,316	-	26,967,316	-
Foreign Investments	79,296,290	-	79,296,290	-
Common and Preferred Stocks	139,121,486	139,121,486	-	-
Mutual Funds	279,438,670	279,438,670	-	-
Limited Partnerships	120,299,790	-	-	120,299,790
Real Estate Partnerships	46,363,491	-	-	46,363,491
Total Investments Measured at Fair Value	760,617,312	$ 418,560,156	$175,393,875	$166,663,281
Investments Measured at NAV				
Co-Mingled Funds	105,417,448			
Total	$866,034,760			

The following table provides a summary of changes in fair value of the System's Level 3 assets as of December 31:

	Limited Partnerships	Real Estate Partnerships	Total
December 31, 2023	$ 102,221,292	$ 48,396,585	$150,617,877
Realized and Unrealized Gains (Losses), Net	27,412,871	(2,123,411)	25,289,460
Purchases, Sales, Issuances, and Settlements (Net)	13,401,388	(177,674)	13,223,714
Investment Income (Loss), Net	(22,735,761)	422,041	(22,313,720)
Management Fees	-	(154,050)	(154,050)
December 31, 2024	120,299,790	46,363,491	166,663,281
Realized and Unrealized Gains (Losses), Net	5,021,748	-	5,021,748
Purchases, Sales, Issuances, and Settlements (Net)	5,563,368	(1,362,962)	4,200,406
Investment Income (Loss), Net	4,423,382	2,648,621	7,072,003
Management Fees	-	(404,926)	(404,926)
December 31, 2025	$135,308,288	$47,244,224	$182,552,512

All assets have been valued using a market approach, except for Level 3 assets. Fair values in Level 2 are calculated using quoted market prices for similar assets in markets that are not active. The following table describes the valuation technique used to calculate fair values for assets in Level 3. Annually, management determines if the current valuation techniques used in the fair value measurements are still appropriate and evaluates and adjusts the unobservable inputs used in the fair value measurements based on third-party information. There were no changes in the valuation techniques during the current year.

	Fair Value	Valuation Technique	Unobservable Inputs
December 31, 2025			
Limited Partnerships	$135,308,288	Basis in LLC	Undistributed Income
Real Estate Partnerships	$47,244,224	Basis in LLC	Undistributed Income
December 31, 2024			
Limited Partnerships	$120,299,790	Basis in LLC	Undistributed Income
Real Estate Partnerships	$46,363,491	Basis in LLC	Undistributed Income

The significant unobservable inputs used in the fair value measurement of the System's investments in limited partnerships are the original cost of the investment in the partnership plus the cumulative net income of the partnership through the end of the most recent fiscal year. Significant increases or decreases in the partnership's cumulative net income as of December 31, 2025 and 2024 could result in a significantly higher or lower fair value measurement.

Investments also consist of co-mingled funds and pooled separate accounts. These securities are valued at the NAV based on shares held by the System at year-end. The NAV is used as a practical expedient to estimate fair value. The preceding methods described may produce a fair value calculation that may not be indicative of NAV or reflective of future fair values. Furthermore, although the System believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. Investments measured at fair value based on NAV per share practical expedient as of December 31, are as follows:

Investments Measured at NAV	Total	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
2025				
Co-Mingled Funds	$80,883,693	N/A	Daily	30 days
Total	$80,883,693	$ -		
2024				
Co-Mingled Funds	$105,417,448	N/A	Daily	30 days
Total	$105,417,448	$ -		

Co-Mingled Funds

These funds are established to provide a vehicle for investment by multiple investors in a pooled portfolio of securities managed in accordance with a defined investment strategy. The objectives of these funds is to achieve competitive risk-adjusted returns relative to an applicable benchmark over a full market cycle. There can be no assurance that such objective will be achieved. The funds will be invested in a diversified portfolio of assets, which may include equity and fixed income securities, and may utilize other commingled investment vehicles consistent with its strategy.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The System's fixed income investments are managed in accordance with policies established by the Board that are specific as to the degree of interest rate risk that can be taken. The System's policies established by the Board manage the interest rate risk within the portfolio using various methods, including effective duration, option adjusted duration, average maturity, and segmented time distribution, which reflects total fair value of investments maturing during a given time period. The System does not have a specific investment policy on interest rate risk. However, domestic bond managers are limited to seven years average duration and global bond managers cannot differ from the passive benchmark by more than two years as a means of managing its exposure to fair value losses arising from increasing interest rates.

The following summarizes the debt securities' maturities by investment type as of December 31:

Investment Type	Investment maturities (in years)				
2025	**Fair Value**	**Less Than 1**	**1 - 5**	**6 - 10**	**More Than 10**
U.S. Government and Agency Securities	$ 7,911,736	$ -	$ 835,049	$ 2,537,623	$ 4,539,064
Corporate Bonds and Securities	15,604,804	274,635	1,752,196	3,221,008	10,356,965
Foreign Bonds and Securities	92,584	92,584	-	-	-
Total	$23,609,124	$367,219	$2,587,245	$5,758,631	$14,896,029
2024					
U.S. Government and Agency Securities	$42,082,950	$ 8,953	$1,090,902	$ 9,272,395	$ 31,710,700
Corporate Bonds and Securities	26,967,316	516,050	5,088,598	10,613,565	10,749,103
Foreign Bonds and Securities	1,588,078	12,934	327,026	682,430	565,688
Total	$ 70,638,344	$537,937	$6,506,526	$20,568,390	$43,025,491

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the plan. The System's debt investments as of December 31, 2025 and 2024, were rated by Moody's Investor Services (Moody's) and the ratings are presented using the Moody's rating scale. The System's policy to limit credit risk is that the overall average quality of each high-grade domestic fixed income portfolio shall be AA or better and the average quality rating of securities held in a domestic high-yield portfolio shall be B or better. The overall average quality of each global fixed income portfolio shall be A or better. Non-rated issues are allowed as long as the quality is sufficient to maintain the overall average rating noted.

As of December 31, the System held the following fixed income investments with respective Moody's quality ratings or equivalent rating. Foreign investments not considered to have credit risk such as stocks and cash equivalents are not included in the following:

Credit Rating Level	2025	2024
Not rated	$14,734,046	$ 35,856,175
Aaa	917,609	14,289,196
Aa1	3,280,266	313,892
Aa2	140,761	94,598
Aa3	279,968	449,448
A1	915,985	2,421,785
A2	968,417	1,389,115
A3	657,660	1,347,978
Baa1	882,119	2,558,020
Baa2	551,627	3,742,465
Baa3	280,666	3,929,743
Ba1	-	1,575,859
Ba2	-	614,929
Ba3	-	750,517
B1	-	463,712
B2	-	432,260
B3	-	386,814
Caa2	-	21,838
Total	$23,609,124	$70,638,344

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a plan's investment in a single issuer. The System had the following concentrations, defined as investments, excluding U.S. government securities, in any one organization greater than 5% of fiduciary net position restricted for pension benefits.

The following investments were above this threshold at December 31:

Investments	Fair Value	% of Total Net Position
2025		
Causeway	$57,760,011	6.10%
Mellon Capital Management	$51,839,651	5.48%
Fidelity Institutional Asset Management	$51,268,243	5.42%
Dimensional Funds	$49,110,623	5.19%
2024		
Mellon Capital Management	$50,987,319	5.81%
Causeway	$47,810,733	5.45%
UBS Realty Investors, LLC	$46,363,491	5.29%
Fidelity Institutional Asset Management	$45,639,961	5.20%

Money-Weighted Rate of Return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expenses, was 13.53% and 8.77% for the years ended December 31, 2025 and 2024, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amounts actual invested.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. The System does not have a formal policy to limit foreign currency risk. The following is a summary of the System's international equities funds showing the exposure to foreign currency risk as of December 31:

2025

Currency	Cash Equivalents	Equities	Total
Australian Dollar	$ -	$ -	$ -
Bermudan Dollar	-	920,900	920,900
Brazilian Real	-	137,578	137,578
British Pound Sterling	-	17,932,311	17,932,311
Canadian Dollar	-	4,857,736	4,857,736
Cayman Islands Dollar	-	4,731,316	4,731,316
Chinese Yuan	-	158,915	158,915
Danish Krone	-	3,016,538	3,016,538
Euro	-	35,935,866	35,935,866
Guernsey Pound	-	365,754	365,754
Hong Kong Dollar	-	62,173	62,173
Indonesian Rupee	-	39,558	39,558
Israeli New Sheqel	-	1,049,590	1,049,590
Japanese Yen	-	9,515,782	9,515,782
Jersey Pound	-	991,804	991,804
Korean Won	-	3,096,852	3,096,852
Liberian Dollar	-	-	-
Mauritian Rupee	-	-	-
Mexican Peso	-	-	-
Netherlands Antillean Guilder	-	179,427	179,427
New Taiwan Dollar	-	285,353	285,353
Norwegian Krone	-	288,437	288,437
Peruvian Sol	-	-	-
Singapore Dollar	-	603,220	603,220
South African Rand	-	102,578	102,578
Swedish Krone	-	1,329,703	1,329,703
Swiss Franc	-	3,547,943	3,547,943
	$ -	$89,149,334	$89,149,334
Foreign Investment Denominated in U.S. Dollars			3,729,264
			$ 92,878,598

2024

Currency	Cash Equivalents	Equities	Total
Australian Dollar	$ -	$ 28,947	$ 28,947
Bermudan Dollar	-	1,241,576	1,241,576
Brazilian Real	-	-	-
British Pound Sterling	22,160	17,832,420	17,854,580
Canadian Dollar	-	5,861,650	5,861,650
Cayman Islands Dollar	-	3,936,126	3,936,126
Chinese Yuan	-	301,740	301,740
Danish Krone	-	69,131	69,131
Euro	17,818	28,258,101	28,275,919
Guernsey Pound	-	-	-
Hong Kong Dollar	-	676,957	676,957
Indonesian Rupee	-	18,265	18,265
Israeli New Sheqel	-	1,608,782	1,608,782
Japanese Yen	10,280	7,455,465	7,465,745
Jersey Pound	-	-	-
Korean Won	2,734	2,018,312	2,021,046
Liberian Dollar	-	62,729	62,729
Mauritian Rupee	-	34,416	34,416
Mexican Peso	-	122,846	122,846
Netherlands Antillean Guilder	-	-	-
New Taiwan Dollar	-	-	-
Norwegian Krone	-	87,393	87,393
Peruvian Sol	-	33,837	33,837
Singapore Dollar	-	742,613	742,613
South African Rand	-	-	-
Swedish Krone	-	475,945	475,945
Swiss Franc	18,356	2,963,467	2,981,823
	$ 71,348	$73,830,718	$73,902,066
Foreign Investment Denominated in U.S. Dollars			5,394,224
			$79,296,290

4. Capital Assets

Capital assets as of December 31, consist of:

	Balance 12/31/2023	Additions	Disposals
Capital Assets, Not Being Depreciated			
Land	$ 229,451	$ -	$ -
Subscription Asset – Implementation in Progress	-	-	-
Total Capital Assets Not Being Depreciated	229,451	-	-
Capital Assets, Being Depreciated			
Building	2,065,061	-	-
Tenant Improvements	158,120	-	-
Total Capital Assets Being Depreciated	2,223,181	-	-
Less Accumulated Depreciation For			
Building	877,650	51,627	-
Tenant Improvements	158,120	-	-
Total Accumulated Depreciation	1,035,770	51,627	-
Total Capital Assets Being Depreciated, Net	1,187,411	(51,627)	-
Capital Assets, Net	$1,416,862	$(51,627)	$ -

	Balance 12/31/2024	Additions	Disposals	Balance 12/31/2025
Capital Assets, Not Being Depreciated				
Land	$229,451	$ -	$ -	$229,451
Subscription Asset – Implementation in Progress	-	852,392	-	852,392
Total Capital Assets Not Being Depreciated	229,451	852,392	-	1,081,843
Capital Assets, Being Depreciated				
Building	2,065,061	-	-	2,065,061
Tenant Improvements	158,120	-	-	158,120
Total Capital Assets Being Depreciated	2,223,181	-	-	2,223,181
Less Accumulated Depreciation For				
Building	929,277	51,626	-	980,903
Tenant Improvements	158,120	-	-	158,120
Total Accumulated Depreciation	1,087,397	51,626	-	1,139,023
Total Capital Assets Being Depreciated, Net	1,135,784	(51,626)	-	1,084,158
Capital Assets, Net	$1,365,235	$800,766	$ -	$2,166,001

Depreciation expense totaled $51,626 and $51,627 for the years ended December 31, 2025 and 2024, respectively.

During the year ended December 31, 2025, the System capitalized implementation-stage outlays related to a subscription-based information technology arrangement for its pension administration system in accordance with GASB Statement No. 96. As of December 31, 2025, the System had capitalized $852,392 as a subscription asset related to implementation in progress. No amortization of the subscription asset has been recognized as of December 31, 2025, as the pension administration system is not expected to be placed into service until November 2027. As of December 31, 2025 no subscription term commencement date has been established.

5. Occupancy

The System occupies offices in a building it owns. Occupancy expenses for the years ended December 31, 2025 and 2024 were $26,198 and $36,607, respectively. The System leases a portion of its building to an unrelated party. Effective May 2022, the lease agreement required annual rent of $174,365 and the lease term extended through May 2024. Upon expiration of that lease agreement, a new lease agreement with a different unrelated party became effective in December 2024. This new lease agreement requires monthly rent of $3,000, plus approximately $650 for utilities and recoupment of leasehold improvements. The current lease term extends through December 2028, with annual base rent of $36,000, excluding utilities and reimbursement of build-out costs. Rental income received for the years ended December 31, 2025 and 2024 totaled $43,639 and $80,168, respectively.

6. Net Pension Liability of Employers

The components of the net pension liability of employers as of December 31, are as follows:

	2025	2024
Total Pension Liability	$1,320,833,168	$1,301,019,568
Plan Fiduciary Net Position	(946,666,538)	(877,055,352)
Employers' Net Pension Liability	$ 374,166,630	$ 423,964,216
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	71.67%	67.41%
Covered Payroll	$ 330,637,902	$ 308,111,270
Employers' Net Pension Liability as a Percentage of Covered Payroll	113.17%	137.60%

Actuarial Assumptions

Actuarial valuations of the System involve estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future compensation increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The total pension liability as of December 31, 2025 and 2024, was based on the most recent actuarial valuation as of January 1, 2025 and 2024, respectively, using the following actuarial assumptions. An actuarial experience study is performed every five years. The most recent actuarial experience study covered the period 2016 through 2020. The next actuarial experience study will be performed in 2026 and will cover the period 2021 through 2025.

	January 1, 2025 and 2024
Actuarial Cost Method	Entry age normal
Amortization Method	15-year closed, level dollar amount
Asset Valuation Method	Actuarial value of assets with 5 years smoothing of gains and losses
Investment Rate of Return	7.00%
Inflation	2.50%
Participating Account Interest Credit Rating	2.00%
Compensation Increases	Salaries are assumed to increase at the rate of 5.0% per year for the first 5 years of employment and at the rate of 3.5% per year thereafter
Cost of Living Adjustments	Cost-of-living increases for participants who retired prior to August 28, 1996, with at least 15 years of credited service. The cost-of-living increases are up to 3% in one year, with a cumulative maximum of 10%.
Retirement Age	Age 55-70. Rates are various based on actual experience of the System.
Mortality Rates	Healthy Lives: PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021. The mortality assumption for retired participants receiving benefits is increased by 2% for males and 10% for females. Beneficiary: PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021. Disabled: PubT/G-2010 Mortality Disability Table, amount weighted, projected fully generationally using projection scale MP-2021.

Sensitivity of the Net Pension Liability

The sensitivity of the net pension liability of employers to changes in the discount rate is presented below. As of December 31, 2025 and 2024, respectively, the net pension liability calculated using the discount rate of 7.00% is presented as well as what the employers' net pension liability would be using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

		Current Single Discount	
2025	**1% Decrease (6.00%)**	**Rate Assumption (7.00%)**	**1% Increase (8.00%)**
Total Pension Liability	$1,451,652,716	$1,320,833,168	$ 1,210,895,113
Plan Fiduciary Net Position	946,666,538	946,666,538	946,666,538
Net Pension Liability (Asset)	$ 504,986,178	$ 374,166,630	$ 264,228,575
2024			
Total Pension Liability	$1,427,662,909	$1,301,019,568	$ 1,194,185,517
Plan Fiduciary Net Position	877,055,352	877,055,352	877,055,352
Net Pension Liability (Asset)	$ 550,607,557	$ 423,964,216	$ 317,130,165

The discount rate used to measure the total pension liability as of December 31, 2025 and 2024 was 7.00%. The projection of cash flows used to determine the discount rate assumed that System contributions will continue to follow the current funding policy. Based on those assumptions, the System's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members.

The long-term expected rate of return on pension plan investments was developed using a building-block approach. This approach evaluates best-estimate ranges of expected future real rates of return (net of investment expenses and inflation) for each major asset class. The assumptions were established through an evaluation process overseen by Mariner Institutional, which considered a variety of factors, including the intellectual capital of its tenured professionals, long-term historical capital market returns, forward-looking 10–15 year capital market expectations, and historical, current, and anticipated inflation data. These real return estimates are combined and weighted based on the System's target asset allocation as of December 31, 2025 (see Note 3), and expected inflation is added to derive the long-term nominal rate of return.

7. Retirement Plan of the System

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the fiduciary net position of the System and additions to/deductions from the System fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Plan Membership and Benefits Provided

All full-time employees of the System participate in the cost-sharing, multiple-employer defined benefit pension plan administered by the System. Employees become vested after 5 years of creditable service. Employees who retire on or after age 65 with five or more years of service are entitled to an allowance for life. Employees may retire with an early retirement benefit prior to age 65 and will receive a reduced allowance.

Contributions

The contribution requirements of the plan are governed by the plan document, which may be amended by the Board. The System is required to contribute an amount at least equal to the actuarially determined rate. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Employees contributed 9.00% and 8.50% of covered compensation for the years ended December 31, 2025 and 2024, respectively.

At December 31, 2025 and 2024, the System reported a liability of $787,716 and $890,985, respectively, as its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024 and 2023, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The System's proportionate share of the net pension liability was based on the System's actual employer's compensation relative to the actual compensation of all participating employers for the System's plan years ended December 31, 2024 and 2023. At December 31, 2025 and 2024, the System's portion was 0.19% and 0.20%, respectively.

For the years ended December 31, 2025 and 2024, the System recognized pension expense of $9,852 and $103,449, respectively, consisting of the current year contribution, pension liability adjustment, and amortization of deferred outflows and inflows of resources.

At December 31, the System reported deferred outflows and inflows of resources related to pensions from the following sources:

2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 29,264	$ -
Changes in Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	56,182	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	-	87,622
Contributions Subsequent to the Measurement Date	77,576	-
	$163,022	$87,622
2024		
Difference Between Expected and Actual Experience	$25,046	$ 4,144
Changes in Assumptions	2,216	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	122,630	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	26,669	82,174
	$176,561	$86,318

Deferred outflows of resources resulting from the System's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025 and 2024, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the System's year ending December 31 as follows:

Year	Amount
2026	$ (9,966)
2027	31,812
2028	(18,261)
2029	(5,761)
	$ (2,176)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for each of the years ended December 31, 2025 and 2024. The projection of cash flows used to determine the discount rate assumed that System contributions will continue to follow the funding policy established prior to the year ended December 31, 2024. Based on those assumptions, the System's fiduciary net position was projected to be sufficient to make all projected future benefit payments of current plan members. Projections include excess contributions over service cost for future new entrants, assuming such new entrants have the same age, gender and salary characteristics of new active members reported over the last five evaluations. Active membership is assumed to stay level throughout the projection.

Sensitivity of the System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the System's proportionate share of the net pension liability calculated using the discount rate of 7.00% for the years ended December 31, 2025 and 2024 as well as what the System's proportionate share of the net pension liability would be if it were calculated using a discount rate.

		Current Single Discount	
System's Proportionate Share of the Net Pension Liability for the Year Ended:	**1% Decrease (6.00%)**	**Rate Assumption (7.00%)**	**1% Increase (8.00%)**
December 31, 2025	$1,023,016	$ 787,716	$ 589,221
December 31, 2024	$ 1,155,332	$890,985	$660,884

8. Funding Status

The funded status as of January 1, which is the most recent actuarial date, is as follows:

	2025	**2024**
Actuarial Value of Assets	$ 900,463,567	$ 916,023,414
Actuarial Accrual Liability (AAL)	1,315,485,060	1,298,589,905
Unfunded AAL (UAAL)	415,021,493	382,566,491
Funded Ratio	68.5%	70.5%
Annual Covered Payroll	$ 330,637,902	$ 308,111,270
UAAL as a Percentage of Covered Payroll	125.5%	124.2%

9. Risks and Uncertainties

System contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

10. Risk Management

The System is exposed to various risks of loss related to natural disasters, asset theft or damage, errors and omissions, torts, and employee injuries.

The System has purchased commercial insurance related to capital asset loss and damage. Ancillary coverage provided through the System's insurance program includes business liability, employment practices liability, hired and non-owned automobile liability, and umbrella liability coverage of $2 million per occurrence and in the aggregate, subject to a self-insured retention. The System maintains a separate crime policy providing coverage for employee theft, forgery and alteration, loss of money and securities on premises and in transit, computer fraud, computer program and electronic data restoration, and funds transfer fraud, subject to specified single-loss limits and retentions. The System also maintains a fiduciary liability policy on a claims made and reported basis with a $10 million aggregate limit and a $100,000 retention per claim, with defense costs included within and eroding the limit of liability. Workers' compensation and employers' liability coverage is maintained through a commercial workers' compensation policy providing statutory benefits in Missouri and employers' liability limits of $500,000 per accident, $500,000 per policy for disease, and $500,000 per employee for disease. The System also maintains cyber and related coverages under a separate cyber policy. Settlements have not exceeded insurance coverages for each of the past three fiscal years.

The System has a disaster recovery plan that provides for continued computer operations at a remote location should the retirement office be unavailable for normal computing operations.

Public School Retirement System of the City of St. Louis

Required Supplementary Information

Schedule of Changes in the Net Pension Liability

for the Years Ended December 31,
Required Supplementary Information

	2025	2024	2023
Total Pension Liability			
Service Cost	$ 27,355,382	$ 25,472,303	$ 23,932,967
Interest Cost	89,127,476	87,782,168	86,902,165
Changes in Benefit Terms	-	-	-
Difference Between Actual and Expected Experience	15,478,077	16,091,282	12,198,842
Benefit Payments, Including Refunds of Member Contributions	(112,147,335)	(111,877,508)	(112,122,039)
Changes of Assumptions	-	-	-
Net Change in Total Pension Liability	19,813,600	17,468,245	10,911,935
Total Pension Liability – Beginning of Year	1,301,019,568	1,283,551,323	1,272,639,388
Total Pension Liability – End of Year	$1,320,833,168	$1,301,019,568	$1,283,551,323
Plan Fiduciary Net Position			
Employer Contributions	$ 40,376,871	$ 40,257,178	$ 37,930,116
Member Contributions	31,144,414	29,567,398	24,617,494
Net Investment Return*	112,370,791	72,441,255	82,391,377
Benefit Payments, Including Refunds of Member Contributions	(112,147,335)	(111,879,114)	(112,122,039)
Administrative and Other Expenses	(2,133,555)	(2,351,280)	(1,665,012)
Net Change in Plan Fiduciary Net Position	69,611,186	28,035,437	31,151,936
Plan Fiduciary Net Position – Beginning of Year	877,055,352	849,019,915	817,867,979
Plan Fiduciary Net Position – End of Year	946,666,538	877,055,352	849,019,915
Net Pension Liability – End of Year	$ 374,166,630	$ 423,964,216	$ 434,531,408

*Net investment return also includes rental income and other miscellaneous income.

	2022	2021	2020
Total Pension Liability			
Service Cost	$ 21,576,380	$ 21,761,352	$ 23,374,806
Interest Cost	86,429,627	93,253,627	92,951,028
Changes in Benefit Terms	(1,389,661)	-	-
Difference Between Actual and Expected Experience	11,135,437	(22,232,218)	3,525,167
Benefit Payments, Including Refunds of Member Contributions	(114,552,519)	(113,687,442)	(112,681,273)
Changes of Assumptions	-	11,880,738	-
Net Change in Total Pension Liability	3,199,264	(9,023,943)	7,169,728
Total Pension Liability – Beginning of Year	1,269,440,124	1,278,464,067	1,271,294,339
Total Pension Liability – End of Year	$1,272,639,388	$1,269,440,124	$1,278,464,067
Plan Fiduciary Net Position			
Employer Contributions	$ 41,034,190	$ 41,226,981	$ 41,822,334
Member Contributions	22,794,266	20,880,189	17,607,279
Net Investment Return*	(102,915,817)	111,154,045	76,895,738
Benefit Payments, Including Refunds of Member Contributions	(114,552,519)	(113,687,442)	(112,681,273)
Administrative and Other Expenses	(1,319,797)	(1,523,071)	(2,162,726)
Net Change in Plan Fiduciary Net Position	(154,959,677)	58,050,702	21,481,352
Plan Fiduciary Net Position – Beginning of Year	972,827,656	914,776,954	893,295,602
Plan Fiduciary Net Position – End of Year	817,867,979	972,827,656	914,776,954
Net Pension Liability – End of Year	$454,771,409	$ 296,612,468	$ 363,687,113

*Net investment return also includes rental income and other miscellaneous income.

	2019	2018	2017	2016
Total Pension Liability				
Service Cost	$ 40,762,465	$ 41,332,913	$ 19,950,269	$ 19,260,511
Interest Cost	78,546,085	79,257,906	92,276,865	92,358,115
Changes in Benefit Terms	-	-	18,979,978	-
Difference Between Actual and Expected Experience	(631,432)	(21,350,805)	(8,215,370)	6,392,416
Benefit Payments, Including Refunds of Member Contributions	(113,101,170)	(114,010,652)	(112,950,471)	(113,608,409)
Changes of Assumptions	(392,633,162)	-	397,218,720	70,532,232
Net Change in Total Pension Liability	(387,057,214)	(14,770,638)	407,259,991	74,934,865
Total Pension Liability – Beginning of Year	1,658,351,553	1,673,122,191	1,265,862,200	1,190,927,335
Total Pension Liability – End of Year	$1,271,294,339	$1,658,351,553	$1,673,122,191	$1,265,862,200
Plan Fiduciary Net Position				
Employer Contributions	$ 43,902,706	$ 48,797,779	$ 41,077,344	$ 39,519,979
Member Contributions	17,019,685	14,248,567	12,591,552	12,652,029
Net Investment Return*	127,614,501	(41,671,079)	124,796,919	44,492,088
Benefit Payments, Including Refunds of Member Contributions	(113,101,170)	(114,010,652)	(112,950,471)	(113,608,409)
Administrative and Other Expenses	(1,590,013)	(1,996,982)	(1,613,506)	(1,554,314)
Net Change in Plan Fiduciary Net Position	73,845,709	(94,632,367)	63,901,838	(18,498,627)
Plan Fiduciary Net Position – Beginning of Year	819,449,893	914,082,260	850,180,422	868,679,049
Plan Fiduciary Net Position – End of Year	893,295,602	819,449,893	914,082,260	850,180,422
Net Pension Liability – End of Year	$377,998,737	$838,901,660	$ 759,039,931	$ 415,681,778

*Net investment return also includes rental income and other miscellaneous income.

Schedule of Net Pension Liability

for the Years Ended December 31, Required Supplementary Information

Fiscal Year Ended	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability	Plan Fiduciary Net Position as a % of TPL	Employee Covered Payroll	NPL as a % of Covered Payroll
2025	$1,320,833,168	$946,666,538	$374,166,630	71.67%	$330,637,902	113.17%
2024	$1,301,019,568	$877,055,352	$423,964,216	67.41%	$308,111,270	137.60%
2023	$1,283,551,323	$849,019,915	$434,531,408	66.15%	$285,949,641	151.96%
2022	$1,272,639,388	$817,867,979	$454,771,409	64.27%	$259,440,417	175.29%
2021	$ 1,269,440,124	$972,827,656	$296,612,468	76.63%	$264,676,845	112.07%
2020	$1,278,464,067	$914,776,954	$363,687,113	71.55%	$272,973,377	133.23%
2019	$1,271,294,339	$893,295,602	$377,998,737	70.27%	$263,772,380	143.30%
2018	$1,658,351,553	$819,449,893	$838,901,660	49.41%	$265,773,659	315.65%
2017	$1,673,122,191	$914,082,260	$759,039,931	54.63%	$260,223,066	291.69%
2016	$1,265,862,200	$850,180,422	$415,681,778	67.16%	$252,127,288	164.87%

Schedule of the System's Proportionate Share of the Net Pension Liability

for the Years Ended December 31, Required Supplementary Information

	2025	2024	2023	2022	2021
System's Proportion of the Net Pension Liability	0.19%	0.20%	0.24%	0.24%	0.19%
System's Proportionate Share of the Net Pension Liability	$787,716	$890,985	$1,070,465	$713,847	$688,612
System's Covered Payroll	$552,883	$571,021	$589,410	$560,925	$446,482
System's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	142.47%	156.03%	181.62%	127.26%	154.23%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.41%	66.15%	64.27%	76.63%	71.55%

	2020	2019	2018	2017	2016
System's Proportion of the Net Pension Liability	0.21%	0.19%	0.23%	0.21%	0.20%
System's Proportionate Share of the Net Pension Liability	$1,051,687	$1,621,273	$1,727,361	$876,434	$649,399
System's Covered Payroll	$509,484	$453,896	$535,096	$478,280	$454,115
System's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	206.42%	357.19%	322.81%	183.25%	143.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.27%	49.41%	54.63%	67.16%	72.94%

The amounts present at for each fiscal year were determined as of December 31 of the previous year.

Schedule of Investment Returns

for the Years Ended December 31, Required Supplementary Information

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expenses
2025	13.53%
2024	8.77%
2023	11.41%
2022	-11.42%
2021	12.79%
2020	10.03%
2019	17.11%
2018	-4.60%
2017	15.91%
2016	5.98%

Schedule of Employer Contributions

for the Years Ended December 31, Required Supplementary Information

Board of Education

Year Ended	Actuarially Determined Contribution	Statutory Annual Required Contributions	Contributions Recognized by the System	Contributions Excess (Deficiency)	Covered Payroll	Contributions as a % of Covered Payroll
2025	$27,539,099	$25,680,060	$25,680,060	$(1,859,039)*	$197,538,920	13.00%
2024	$24,818,383	$25,680,060	$24,990,986	$172,603*	$185,118,414	13.50%
2023	$24,105,039	$24,990,986	$23,639,359	$(465,680)*	$168,852,563	14.00%
2022	$31,478,829	$23,639,359	$26,692,454	$(4,786,375)*	$184,085,888	14.50%
2021	$35,274,153	$26,692,454	$29,106,335	$(6,167,818)*	$194,042,234	15.00%
2020	$36,133,150	$29,106,335	$29,884,664	$(6,248,486)*	$192,817,182	15.50%
2019	$34,715,003	$29,884,664	$31,344,663	$(3,370,340)*	$195,904,143	16.00%
2018	$37,376,323	$31,344,663	$37,376,323	-	$195,723,057	19.10%
2017	$30,459,434	$37,376,323	$30,459,434	-	$193,647,262	15.73%
2016	$29,007,501	$30,459,434	$29,007,501	-	$191,534,175	15.14%

*The Board of Education paid the statutory required contribution that was recognized by the System a year in arrears.
The actuarial determined contribution is determined from prior year census data (which includes prior year covered payroll); therefore, the contributions are recognized one year in arrears.

Retirement System

Year Ended	Actuarially Determined Contribution	Statutory Annual Required Contributions	Contributions Recognized by the System	Contributions Excess (Deficiency)	Covered Payroll	Contributions as a % of Covered Payroll
2025	$85,850	$80,055	$77,576	$(8,274)	$615,805	12.60%
2024	$82,355	$80,055	$80,055	$(2,300)	$614,280	13.03%
2023	$83,558	$82,355	$82,928	$(630)	$585,315	14.17%
2022	$94,588	$81,944	$81,944	$(12,644)	$553,144	14.81%
2021	$91,988	$80,206	$80,206	$(11,782)	$506,024	15.85%
2020	$75,452	$75,904	$74,309	$(1,143)	$402,634	18.46%
2019	$98,558	$64,408	$98,558	-	$556,184	17.72%
2018	$100,565	$98,558	$100,565	-	$526,616	19.10%
2017	$74,644	$100,565	$74,644	-	$474,551	15.73%
2016	$79,497	$74,644	$79,497	-	$524,915	15.14%

The actuarial determined contribution is determined from prior year census data (which includes prior year covered payroll); therefore, the contributions are recognized one year in arrears.

Charter Schools

Year Ended	Actuarially Determined Contribution	Statutory Annual Required Contributions	Contributions Recognized by the System	Contributions Excess (Deficiency)	Covered Payroll	Contributions as a % of Covered Payroll
2025	$15,329,153	$14,774,421	$14,609,571	$(719,582)*	$109,956,545	13.29%
2024	$13,435,847	$14,294,351	$15,174,315	$1,738,468*	$100,216,947	15.14%
2023	$12,848,574	$13,529,288	$14,186,314	$1,337,740*	$90,002,539	15.76%
2022	$13,686,528	$12,600,355	$14,215,977	$529,449*	$80,037,813	17.76%
2021	$14,256,585	$11,605,483	$11,930,457	$(2,326,128)*	$78,425,119	15.21%
2020	$13,221,261	$11,763,768	$11,746,232	$(1,475,029)*	$70,552,564	16.65%
2019	$12,282,602	$10,935,647	$12,267,081	$(15,521)*	$69,313,332	17.70%
2018	$12,216,701	$11,090,133	$11,018,669	$(1,198,032)*	$63,973,393	17.22%
2017	$9,123,878	$12,216,701	$10,130,296	$1,006,418*	$58,005,475	17.46%
2016	$8,123,754	$9,123,878	$9,718,163	$1,594,409*	$53,640,493	18.12%

*Charter Schools report and pay employer contributions in the current year as service is credited.
The actuarial determined contribution is determined from prior year census data (which includes prior year covered payroll); therefore, the contributions are recognized one year in arrears.

Total Board of Education, Retirement System, and Charter Schools

Year Ended	Actuarially Determined Contribution	Statutory Annual Required Contributions	Contributions Recognized by the System	Contributions Excess (Deficiency)	Covered Payroll	Contributions as a % of Covered Payroll
2025	$42,954,102	$40,534,536	$40,367,207	$(2,586,895)	$308,111,270	13.10%
2024	$38,336,585	$40,054,466	$40,245,356	$1,908,771	$285,949,641	14.07%
2023	$37,037,171	$38,602,629	$37,908,601	$871,430	$259,440,417	14.61%
2022	$45,259,945	$36,321,658	$40,990,375	$(4,269,570)	$264,676,845	15.49%
2021	$49,622,726	$38,378,143	$41,116,998	$(8,505,728)	$272,973,377	15.06%
2020	$49,429,863	$40,946,007	$41,705,205	$(7,724,658)	$263,772,380	15.81%
2019	$47,096,163	$40,884,719	$43,710,302	$(3,385,861)	$265,773,659	16.45%
2018	$49,693,589	$42,533,354	$48,495,557	$(1,198,032)	$260,223,066	18.64%
2017	$39,657,956	$49,693,589	$40,664,374	$1,006,418	$252,127,288	16.13%
2016	$37,210,752	$39,657,956	$38,805,161	$1,594,409	$245,699,583	15.79%

The actuarial determined contribution is determined from prior year census data (which includes prior year covered payroll); therefore, the contributions are recognized one year in arrears.

Notes to the Required Supplementary Information

for the Years Ended December 31,

Required Supplementary Information

	2025	2024
Actuarial Cost Method	Entry age normal	Entry age normal
Amortization Method	15-year closed, level dollar amount	15-year closed, level dollar amount
Investment Rate of Return	7%, net of expenses	7%, net of expenses
Participating Account Interest Credit Rating	2.00%	2.00%
Turnover or Withdrawal Rates	Various by age and year of membership based on actual experience	Various by age and year of membership based on actual experience
Mortality and Death Rates	a) PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021. The mortality assumption for retired participants receiving benefits is increased by 2% for males and 10% for females. b) PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021.	a) PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021. The mortality assumption for retired participants receiving benefits is increased by 2% for males and 10% for females. b) PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021.
Disability Rates	PubT/G-2010 Mortality Disability Table, amount weighted, projected fully generationally using projection scale MP-2021.	PubT/G-2010 Mortality Disability Table, amount weighted, projected fully generationally using projection scale MP-2021.
Rates of Retirement Between the Ages of 55 and 70	Various based on actual experience of the System.	Various based on actual experience of the System.
Rate of Salary Increases	Salaries are assumed to increase at the rate of 5.0% per year for the first 5 years of employment and at the rate of 3.5% per year thereafter.	Salaries are assumed to increase at the rate of 5.0% per year for the first 5 years of employment and at the rate of 3.5% per year thereafter.
Cost of Living Adjustments	Cost-of-living increases for participants who retired prior to August 28, 1996, with at least 15 years of credited service. The cost-of-living increases are up to 3% in one year, with a cumulative maximum of 10%.	Cost-of-living increases for participants who retired prior to August 28, 1996, with at least 15 years of credited service. The cost-of-living increases are up to 3% in one year, with a cumulative maximum of 10%.
Asset Valuation Method	The smoothed market value method.	The smoothed market value method.

Public School Retirement System of the City of St. Louis

Supplementary Information

Schedule of Operating Expenses For the Years Ended December 31

	2025	2024
Actuarial Services	$ 100,882	$ 161,937
Accounting and Auditing Fees	111,600	114,330
Computer Programming and Consulting	318,594	418,428
Conventions, Conferences, Seminars – Trustees	15,877	50,453
Depreciation Expense	51,626	51,627
Dues and Subscriptions	11,380	9,805
Health Insurance Consulting	-	51,711
Insurance – Group Health	321,715	114,874
Insurance – Casualty and Bonding	152,461	141,695
Legal Fees and Expenses	173,607	136,958
Miscellaneous Expense	27,844	145,483
Occupancy Expense	26,198	36,607
Office Repairs and Maintenance	57,241	48,998
Office Supplies and Expenses	17,036	15,374
Payroll Taxes	41,377	38,381
Pension Expense (Benefit)	(9,852)	103,449
Postage	79,684	79,138
Printing and Publishing	35,580	34,466
Salaries – Administrative and Clerical	550,933	547,304
Telephone	15,402	14,589
Utilities	34,370	35,673
Total Operating Expenses	$2,133,555	$2,351,280

Trustees' Expenses

The Trustees attended conferences and business meetings in connection with business of the System. The Trustees received no salaries but were allowed expenses relating to their attendance at such events.

	2025	2024
Lodging, Meals, and Miscellaneous	$ 8,130	$ 4,622
Transportation and Registration	7,747	45,831
Total Trustees' Expenses	$15,877	$50,453

Schedule of Investment Expenses For the Years Ended December 31

	2025	2024
Investment Management Fees		
Causeway Capital Management	$ 336,615	$ 310,092
Earnest Partners	58,789	55,618
Edgar Lomax Company	279,263	303,819
Fidelity Institutional Asset Management	271,191	258,293
Invesco Global Performance	-	135,122
Lazard Asset Management	120,258	189,239
Loomis Sayles & Company, L.P.	184,619	124,977
Manulife Asset Management	92,791	134,890
Mellon Capital Management	32,670	21,763
PNC Bank	111,875	94,232
Systematic Financial Management	246,128	260,984
TCW Asset Management Company	214,271	224,252
UBS Realty Investors LLC	404,926	-
Westfield Capital Management	245,774	248,403
Whitebox Multi-Strategy Fund, L.P.	362,845	405,742
Xponance	311,164	261,667
Total Investment Management Fees	3,273,179	3,029,093
Banking Services	45,341	51,187
Brokerage Commissions	49,201	96,489
Mariner Investments Consulting	194,000	190,000
Total Investment Expenses	$3,561,721	$3,366,769

Schedule of Limited Partnerships For the Years Ended December 31

Partnership Name	Style	2025
Alidade Capital Fund V, LP.	Private Equity & Private Debt	$ 2,524,706
Asia Alternatives Capital Partners VI, L.P.	Private Equity & Private Debt	8,534,418
Asia Alternatives Delaware VI, L.P.	Private Equity & Private Debt	629,601
Bain Capital Special Situations Asia II, L.P.	Private Equity & Private Debt	5,260,967
BIG Real Estate Fund I, L.P.	Private Equity & Private Debt	5,634,875
BIG Real Estate Fund II, L.P.	Private Equity & Private Debt	6,694,396
Brightwood Capital Fund IV, L.P.	Private Equity & Private Debt	6,913,437
Carlyle Direct Lending Fund	Private Equity & Private Debt	12,520,904
Crayhill Principal Strategies Fund II, L.P.	Private Equity & Private Debt	2,811,487
ElmTree U.S. Net Lease Fund IV, L.P.	Private Equity & Private Debt	-
Fairview Private Markets Fund VI, L.P.	Private Equity & Private Debt	3,796,745
Fort Washington Private Equity Investors IX, L.P.	Private Equity & Private Debt	15,019,080
GCM Grosvenor Advance Fund, L.P.	Private Equity & Private Debt	10,590,511
HarbourVest Global Fund, L.P.	Private Equity & Private Debt	4,199,388
Kayne Anderson Real Estate Partners VI, L.P.	Private Equity & Private Debt	6,618,287
Landmark Equity Partners XIV, L.P.	Private Equity & Private Debt	16,376
Landmark Equity Partners XV, L.P.	Private Equity & Private Debt	1,360,993
Landmark Equity Partners XVI, L.P.	Private Equity & Private Debt	10,048,519
MC Credit Partner, L.P.	Private Equity & Private Debt	5,120,637
Mesirow Financial Private Equity Partnership Fund III, L.P.	Private Equity & Private Debt	10,906
Mesirow Financial Private Equity Partnership Fund V, L.P.	Private Equity & Private Debt	10,435,778
Monroe Capital Private Credit Fund II L.P.	Private Equity & Private Debt	1,522,760
Monroe Capital Private Credit Fund III L.P.	Private Equity & Private Debt	4,190,749
NB Strategic Investment Fund V, L.P.	Private Equity & Private Debt	2,796,150
Pantheon Global Secondary Fund III B, L.P.	Private Equity & Private Debt	107,489
Strategic Value Capital Solutions Fund II, L.P.	Private Equity & Private Debt	5,891,626
Vista Foundation Fund II, L.P.	Private Equity & Private Debt	2,057,503
Total Limited Partnerships		$135,308,288

Partnership Name	Style	2024
Alidade Capital Fund V, LP.	Private Equity & Private Debt	$ 2,682,584
Asia Alternatives Capital Partners VI, L.P.	Private Equity & Private Debt	6,390,278
Asia Alternatives Delaware VI, L.P.	Private Equity & Private Debt	194,944
Bain Capital Special Situations Asia II, L.P.	Private Equity & Private Debt	3,780,221
BIG Real Estate Fund I, L.P.	Private Equity & Private Debt	5,656,794
BIG Real Estate Fund II, L.P.	Private Equity & Private Debt	6,070,661
Brightwood Capital Fund IV, L.P.	Private Equity & Private Debt	8,645,310
Carlyle Direct Lending Fund	Private Equity & Private Debt	4,662,947
Crayhill Principal Strategies Fund II, L.P.	Private Equity & Private Debt	3,899,815
ElmTree U.S. Net Lease Fund IV, L.P.	Private Equity & Private Debt	2,973
Fairview Private Markets Fund VI, L.P.	Private Equity & Private Debt	2,051,074
Fort Washington Private Equity Investors IX, L.P.	Private Equity & Private Debt	14,816,604
GCM Grosvenor Advance Fund, L.P.	Private Equity & Private Debt	9,995,896
HarbourVest Global Fund, L.P.	Private Equity & Private Debt	3,651,053
Kayne Anderson Real Estate Partners VI, L.P.	Private Equity & Private Debt	5,402,813
Landmark Equity Partners XIV, L.P.	Private Equity & Private Debt	18,247
Landmark Equity Partners XV, L.P.	Private Equity & Private Debt	1,461,098
Landmark Equity Partners XVI, L.P.	Private Equity & Private Debt	9,842,175
MC Credit Partner, L.P.	Private Equity & Private Debt	6,162,734
Mesirow Financial Private Equity Partnership Fund III, L.P.	Private Equity & Private Debt	97,115
Mesirow Financial Private Equity Partnership Fund V, L.P.	Private Equity & Private Debt	8,071,278
Monroe Capital Private Credit Fund II L.P.	Private Equity & Private Debt	1,620,603
Monroe Capital Private Credit Fund III L.P.	Private Equity & Private Debt	7,768,351
NB Strategic Investment Fund V, L.P.	Private Equity & Private Debt	-
Pantheon Global Secondary Fund III B, L.P.	Private Equity & Private Debt	107,102
Strategic Value Capital Solutions Fund II, L.P.	Private Equity & Private Debt	5,141,188
Vista Foundation Fund II, L.P.	Private Equity & Private Debt	2,105,932
Total Limited Partnerships		$120,299,790

Investment Section

"to enhance the well-being and financial security of its members, retirees and beneficiaries…."

MARINER

May 8, 2026

The Board of Trustees
Public School Retirement System of the City of St. Louis
3641 Olive Street, Suite 300
St. Louis, MO 63108

Dear Board Members,

We are pleased to report that the System's assets experienced continued growth in 2025 while the investment and operational structures adhered to the highest fiduciary standards designed to further the best interests of the Participants and Beneficiaries. Following is a summary of activity for the year:

- Review and update of the System's Investment Policy Statement and Operating Guidelines to reflect investment structure and manager changes and enhance manager monitoring criteria.
- Conducted a formal Asset Allocation and Liability study to support the investment structure relative to the System's actuarial objectives, constraints and circumstances.
- Comprehensive review of the System's investment managers and holdings to confirm compliance with recent foreign holdings regulations and restrictions.
- Implementation of fixed income structure and manager revisions approved at the end of the prior fiscal year along with repositioning the international equity structure to incorporate a more diversified and opportunistic full-market manager.
- Annual review of outstanding private equity, private debt, and private real estate fund commitments along with a pacing study to determine ongoing capital commitment requirements to maintain compliance with policy ranges to these asset classes. As a result, an additional private debt manager was interviewed and selected to continue building out this program.
- Continued review and enforcement of the MWDBE brokerage mandates of the Systems separate account managers.
- Review and negotiation of investment management fees to ensure that the System is paying reasonable and customary fees in line with or better than peer averages.

The overall objective of the Public School Retirement System of the City of St. Louis is to provide service, disability, death and vested retirement benefits, and other postemployment benefits to Members and their Beneficiaries. To ensure a solid foundation for the future of the System, the investment program is designed to achieve the actuarial assumed rate of return in the long term, while prudently managing the risks and costs of the portfolio.

Asset Allocation and Investment Results

The System employs an asset allocation that is well diversified, optimally structured within asset classes, limits uncompensated risks, and maintains an adequate level of liquidity to satisfy ongoing benefit payments and expenses.

At December 31, 2025, the asset allocation of the System was 47.4% equities, 20.5% fixed income, 2.7% liquid global asset allocation strategies, 5.0% hedge funds, 7.3% real estate, 7.7% private equity, 4.4% private debt, and 5.0% cash equivalents.

During the year ending December 31, 2025 the System returned +13.8%. While below the Policy Index for the year, the return was well above the actuarial return assumption and in line with peer Public Plans. Although maintaining a lower allocation to US Equities relative to peer plans, the System's other diversifying asset classes performed well and contributed to a strong return. This diversified structure is designed to protect downside risk in stressed markets while still providing a reasonable probability of meeting the System's actuarial return assumption over longer market cycles. Over the trailing 5- and 10-year periods ending December 31, 2025, the System earned annualized rates of return of 6.8% and 7.9%, respectively. As the benefits of recent revisions to the investment structure accrue, the expectation is that longer-term results will move in line with median Public Pension Fund results. Longer-term returns, dating back more than 25 years, are in line with the 7.0% actuarial return assumption.

Assets increased from $866.0 million at the end of fiscal year 2024 to approximately 934.3 million as of year end 2025.

Investment performance throughout this report is calculated using a time-weighted rate of return based on fair values.

Economy and Markets

The AI trade that has taken shape for much of the past two years continued in 2025. The top performing sectors were within the communication services and information technology sectors, each posting gains of more than 23% for the year. This phenomenon contributed to narrow market leadership particularly in the large cap segment of the market. The concentration in the large cap indexes helped the S&P post its second straight year of double-digit returns which further widened the performance gap between large and smaller capitalization benchmarks.

The international markets saw a reversal in several years of lackluster performance with the developed markets represented by the MSCI EAFE returning 31.2% and the MSCI ACWI ex US which includes emerging markets returning 32.4%. The returns were also bolstered by the weakening of the dollar.

Economic growth moderated late in 2025 along with a weaker job market and softening consumer sentiment. There is uncertainty around inflation and the trajectory of economic growth. These factors along with the geopolitical events have created an environment of uncertainty as it pertains to the Federal Reserve's monetary policy path in 2026.

Global Equity Markets

2025 closed with both US and international equity markets with positive returns. Domestic equity indices finished the year adding to their already strong returns. International equity markets also delivered positive returns in 2025 exceeding the returns of the US equity markets. A portion of the international equity return premium in the year was attributable to a weaker U.S. dollar relative to most major currencies.

During the 2025 calendar year, US equity markets posted strong performance. The large-cap S&P 500 Index finished 2025 with a 17.9% return. The lowest domestic equity performance for the year was from the Russell mid cap Index, which still climbed 10.6%.

International equity markets were very strong in 2025. The MSCI Emerging Markets Index was the best international index performer, returning 33.6%. The developed MSCI EAFE and full market MSCI ACWI ex US indexes posted returns of 31.2% and 32.4%, respectively.

Global Fixed Income Markets

Domestic bond markets were positive for the year. Mortgage bonds were the best-performing sector of the US Aggregate Index and gained 8.6% for the year. The bellwether fixed income benchmark, the Bloomberg US Aggregate Index, returned 7.3% in 2025.

The Bloomberg Global Aggregate ex-US finished the year weaker than its domestic counterpart, with a positive return of 4.86%.

Real Assets and Alternatives

U.S. Private Equity fundraising was slow in most of 2025. Although, the largest buyout firms in 2025 raised a combined $85.9 billion Buyout firms delivered a strong year of activity throughout 2025, prompted by a strong second half recovery that lifted total deal value to $44 billion, the second largest annual total on record. However, this strength was despite a moderating level of deal volume, which declined from the prior year. Middle market activity remained subdued throughout the year, reflecting continued selectivity from private equity sponsors. Market strength was concentrated in the upper end of the market, where sponsors increasingly targeted durable high-quality assets amidst uncertainty and volatility. Deployment of capital has become more selective and opportunistic relative to less discerning placements of capital over the past several years. Secondary market interest and transactions remained strong and have continued to grow as a source of liquidity, but a higher bar of selectivity is also present in this segment of the market.

Private debt fundraising moderated in 2025 due to increased financing costs and competition among traditional debt financing sources. Private debt has been in the news with headlines around an uptick in default rates, redemption pressure, AI fears, valuation and fundraising. We continue to recommend portfolios that are diversified with strong interest rate coverage and conservatively sized loans with material equity cushions and meaningful covenants. Much like recent trends in private equity capital raising, private credit investors have trended to a more selective process for deploying capital.

Although real estate results trailed the other major asset classes in 2025, the positive return for the year marked a continuation of a turnaround from the prior years. The Office sector, which has experienced valuation challenges since the COVID shutdowns, has demonstrated improvements as more companies bring employees back to the office. The Industrial and warehouse sector maintains a robust pipeline of occupancy and new construction demand to support server space in the new AI era. Private fund liquidity has also shown signs of improvement with industry-wide redemptions beginning to taper and property transactions occurring at better valuations.

Diversified hedge funds provided a solid nominal return of nearly 12% for the year as managers were able to participate in the strong equity market results and take advantage of trades focused on higher market volatility and global macro trends (e.g. oil prices and related volatility). A higher level of interest rates also supported the floor level of spread-based trades (e.g., merger arbitrage).

In Closing

While Inflation and rising interest rates represented modest headwinds for portions of the System's assets in 2025, solid positioning, diversification and risk management contributed to a strong nominal return and growth in the System's assets. It's important to reiterate that the structure of the System's asset allocation, asset class compositions and manager selection are designed to withstand different types of market conditions and maximize the probability of meeting the actuarial return assumption and liquidity requirements over longer market cycles.

Sincerely,

Gwelda Swilley

Gwelda Swilley
Senior Institutional Advisor

Jeff Kuchta

Jeff Kuchta, CFA, CPFA
Senior Institutional Advisor

Investment Policies

Pursuant to the Rules & Regulations established by the PSRSSTL Board of Trustees, the System's assets are invested according to Rule XIV. – Investment Policies. The following is a summary of the System's Investment Goals under Rule XIV., Section 3:

> *Assets of the System shall be invested in a manner designed to preserve and enhance principal over the long term, both in real and nominal terms. Total return, consistent with prudent investment management, is the primary goal of the System. Total return, as used herein, includes income less expenses plus realized and unrealized gains and losses in the System's assets. The Trustees will establish, in the Investment and Operating Guidelines, both real and nominal long-term target rates of return for the Fund that are projected to provide a high probability of achieving the System's long-term investment objectives within acceptable risk levels. The Trustees shall establish, in the Investment and Operating Guidelines, additional performance expectations for the Fund as a whole and for each asset classification within the Fund. Total Fund risk exposure and risk adjusted returns will be regularly evaluated and compared to such peer group or groups that the Trustees and investment consultant may from time to time select.*

Investment and Operating Guidelines

PSRSSTL has issued Investment and Operating Guidelines to steer the System's fiduciaries, including staff, investment consultants, investment professionals and investment managers, in the course of investing and administering the Fund's assets, and to measure the performance of the Fund and its investment managers. The guidelines contain specific directives for the following:

Performance Objectives by Asset Class
Operating Guidelines by Asset Class
Standards of Investment Performance
Reporting Requirements
Asset Allocation Policy
Liquidity Assumption for Benefit Payments
Watch List / Probation Process
Use of Guidelines by Investment Managers

Code of Ethics Policy

The Board of Trustees has adopted a Code of Ethics Policy that prohibits conflicts of interest and requires representatives of the Fund to act with the highest level of ethical responsibility in the performance of their duties. All Trustees, employees, professionals and vendors are required to acknowledge their understanding of the policy on an annual basis.

Investment Policies and Operating Guidelines Review

The Investment Policies and Operating Guidelines may be amended or modified from time to time by the Trustees, in the manner provided in the PSRSSTL Rules and Regulations, upon consideration of the advice and recommendations from the System's retained professionals, including the actuary, accountant, investment managers, investment consultant, and attorney. The Investment Policies and Operating Guidelines are regularly reviewed by the Board of Trustees to ensure their relevance to the current needs of the Fund and to communicate any material changes thereto to the investment managers.

To view or print the PSRSSTL Investment Policies and Guidelines, please visit
http://www.psrsstl.org/about-us/rules-regulations-statutes/

For the fiscal year ended December 31, 2025, the System's portfolio posted a gain of 13.78%, ranking 53rd within the InvestmentMetrics Universe of Public Funds. For the three-year and five-year periods ending December 31, 2025, the System's portfolio ranked 75th and 60th, returning 11.45% and 6.83%, respectively.

Investment returns for the System's total portfolio and asset class components for one-year, three-year and five-year periods ending December 31, 2025, are set forth below:

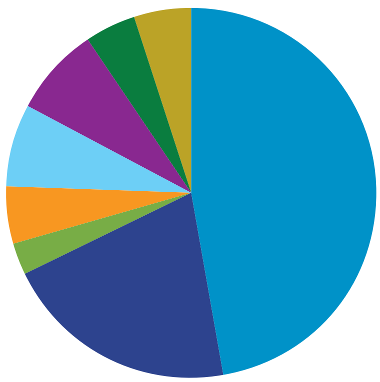
		Annualized Returns for Periods Ended[1] *December 31, 2025, gross of fees*	
Investment Category	**One Year**	**Three Years**	**Five Years**
PSRS Total Portfolio	13.78%	11.45%	6.83%
Allocation Index[2]	13.40%	11.05%	6.55%
PSRS Domestic Equity	15.06%	17.63%	11.18%
Russell 3000	17.15%	22.25%	13.15%
PSRS International Equity	31.85%	19.34%	10.60%
MSCI EAFE	31.22%	17.22%	8.92%
PSRS Emerging Market Equity	28.87%	15.02%	4.22%
MSCI Emerging Markets	33.57%	16.40%	4.20%
PSRS Global Equity	19.96%	17.21%	9.57%
MSCI All Country World	22.34%	20.65%	11.19%
Global Asset Allocation	14.83%	9.71%	4.95%
GAA Custom Benchmark	16.00%	14.23%	6.17%
PSRS Fixed Income	7.85%	5.94%	1.21%
Custom Benchmark	8.42%	4.29%	-0.46%
PSRS Hedge Funds	11.69%	11.86%	8.66%
HFRI FOFs Composite	10.62%	8.60%	5.19%
PSRS Real Estate	6.28%	-0.48%	3.75%
NCREIF	2.90%	-4.26%	2.50%

[1]The investment returns in the schedule are annualized by calculating the time weighted rates of return for the time periods.

[2]The Allocation Index is comprised of various equity, fixed income, hedge fund, real estate and Treasury bill indices in proportion to the asset weights within the System.

Following is the System's asset allocation at the fiscal year ended December 31, 2025:

December 2025: $933,607,512

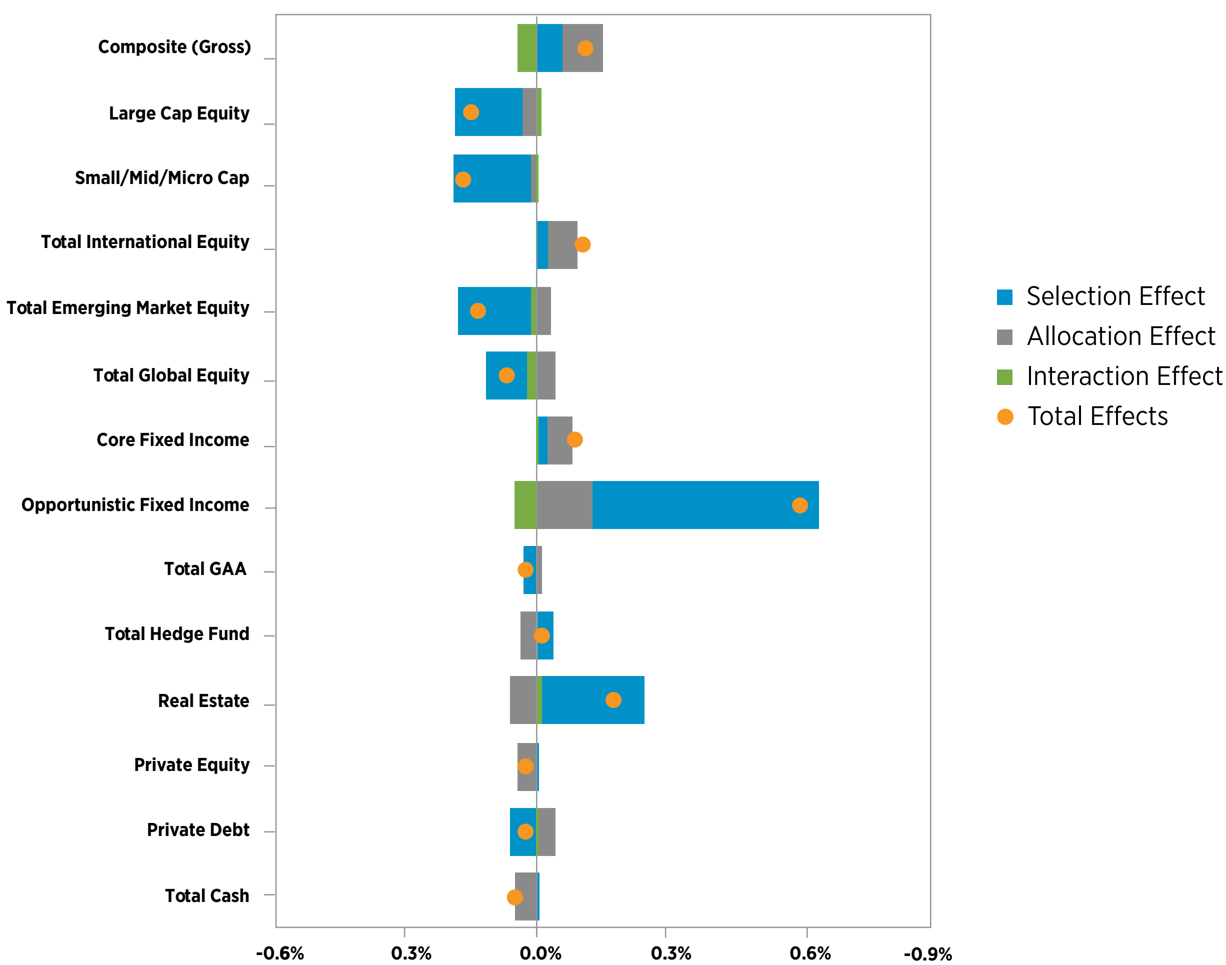


Allocation

	Market Value	Allocation
Equity	$442,465,168	47.4
Fixed Income	$191,226,240	20.5
GAA	$25,420,757	2.7
Hedge Fund	$46,710,801	5.0
Real Estate	$68,308,599	7.3
Private Equity	$72,045,701	7.7
Private Debt	$40,903,449	4.4
Cash	$46,526,797	5.0

Following is the System's relative performance attribution by asset class for the fiscal year ended December 31, 2025:

Attribution Effects Relative to Allocation Index 1 Year Ending December 31, 2025



Fair Value of All Assets Years Ended December 31, 2023 – 2025

	December 31, 2023		December 31, 2024		December 31, 2025	
Investment Category	**Fair Value**	**Total**	**Fair Value**	**Total**	**Fair Value**	**Total**
Cash, Receivables, Cash Equivalents	$38,386,844	4.51%	$38,523,663	4.38%	$50,002,716	5.34%
Property and Building	$1,416,862	0.16%	$1,365,235	0.16%	$2,166,001	.23%
U.S. Government & Agency Issued Bonds	$42,407,500	4.99%	$42,082,950	4.78%	$7,911,736	.85%
Corporate Bonds	$23,284,426	2.74%	$26,967,317	3.07%	$15,604,804	1.67%
Foreign Investments (bonds and stocks)	$83,077,338	9.76%	$79,296,289	9.02%	$92,878,598	9.91%
Common and Preferred Stocks	$170,482,041	20.03%	$139,121,485	15.83%	$145,990,133	15.59%
Mutual and Co-Mingled Funds	$341,063,608	40.07%	$384,856,119	43.78%	$439,395,451	46.91%
Real Estate Partnerships	$48,396,585	5.69%	$46,363,491	5.28%	$47,244,224	5.04%
Limited Partnerships	$102,221,292	12.00%	$120,299,790	13.67%	$135,308,288	14.45%
Other Assets	$441,474	0.05%	$177,559	0.03%	$163,022	.01%
Total	$851,177,970	100.0%	$879,053,898	100.0%	$936,664,973	100.0%

Investment Summary As of December 31, 2025

		Relative to Total Portfolio						Asset Class	
Asset Class		**Market Value**		**Target Value**		**Variance**		**Fair Value**	
Money Managers	**Management Style**	**Value**	**%**	**Value**	**%**	**Value**	**%**	**Value**	**%**
Large Cap Growth Domestic Equities		75,637	8.1%	74,644	8.0%	993	0.1%		
Mellon Large Cap Stock Index Fund	Large Cap Growth							39,329	52.0%
TCW Asset Management	Large Cap Growth							36,308	48.0%
Large Cap Core Domestic Equities		27,600	3.0%	27,058	2.9%	542	0.1%		
Mellon Stock Index Fund	Large Cap Core							27,600	100.0%
Large Cap Value Domestic Equities		77,447	8.3%	73,711	7.9%	3,736	0.4%		
Mellon Large Cap Value Fund	Large Cap Value							32,851	42.4%
The Edgar Lomax Company	Large Cap Value							44,596	57.6%
Mid/Small/Micro Cap Domestic Equities		83,734	9.0%	83,974	9.0%	(240)	0.0%		
Westfield Capital Management	Small Cap Growth							27,080	32.3%
Systematic Financial Management	Small Cap Value							28,724	34.3%
Dimensional Fund Advisors (DFA)	Micro Cap							27,930	33.4%
Global Tactical Asset Allocation		25,421	2.7%	26,125	2.8%	(704)	-0.1%		
PIMCO	Balanced Fund							25,421	100.0%
Global Equities		47,829	5.1%	46,652	5.0%	1,177	0.1%		
ARGA	Global Equities							47,829	100.0%
Xponance, Inc.	Global Equities								
Foresight Global Investors (FGI)	Global Equities								
Martin Investment Management (MIM)	Global Equities								
Redwood Global	Global Equities								
International Equities		130,217	14.0%	139,024	14.9%	(8,807)	-0.9%		
Dimensional Fund Advisors (DFA)	Emerging Markets							21,181	16.3%
Invesco Trust Company	Emerging Markets							0	0.0%
Open	Emerging Markets Small Cap							0	0.0%
Fidelity Institutional Asset Management	International Equities							51,268	39.4%
Causeway	International Equities							57,768	44.4%
Core Domestic Bonds		77,408	8.3%	84,907	9.1%	(7,499)	-0.8%		
EARNEST Partners	Core Domestic Bonds							24,023	31.0%
Manulife Investment Management	Core Domestic Bonds							27,394	35.4%
Loop Capital	Core Domestic Bonds							25,991	
Absolute Return Domestic Bonds		34,306	3.7%	36,389	3.9%	(2,083)	-0.2%		
Loomis Sayles	Unconstrained Fixed Income							34,306	100.0%
Treasury Inflation-Protected Securities		24,158	2.6%	27,058	2.9%	(2,900)	-0.3%		
Mellon TIPS Index Fund	TIPS							24,158	100.0%
Global Multi-Sector Bonds		25,451	2.7%	34,523	3.7%	(9,072)	-1.0%		
Wellington Multi Sector	Global Opportunistic							25,451	0.0%
Global Multi-Sector Bonds		29,902	3.2%	32,657	3.5%	(2,755)	-0.3%		
Neuberger Berman Trust Co.	Global Opportunistic Bonds							29,902	100.0%
Hedged Strategies		46,692	5.0%	47,585	5.1%	(893)	-0.1%		
EnTrustPermal*	Fund of Funds							132	0.3%
Grosvenor Capital Management	Fund of Funds							24,261	52.0%
Whitebox Advisors	Multi-Strategy Direct							22,299	47.8%
Real Estate		46,704	5.0%	75,577	8.1%	(28,873)	-3.1%		
UBS Trumbull Property & Income Funds	Commercial Real Estate							46,704	100.0%
Private Markets		134,014	14.4%	116,631	12.5%	17,383	1.9%		
Private Equity, Private Debt, Private Real Estate	Limited Partnerships							134,015	100.0%
Cash		46,527	5.0%	6,531	0.7%	39,996	4.3%		
PNC Bank (checking & operating accounts)	Cash Accounts							46,527	
Total (000's Omitted)		**$933,048**	**100.0%**	**$933,048**	**100.0%**			**$933,048**	

*Estimate for Entrust holdback of Gramercy Peruvian (in full liquidation since 06/2018)

Portfolio Characteristics Total Domestic Equity SMAs As of December 31, 2025

Portfolio Characteristics (Benchmark: Russell 3000 Index)

	Portfolio	**Benchmark**
Wtd. Avg. Mkt. Cap ($)	541,197,709,718	1,241,453,699,735
Median Mkt. Cap ($)	7,226,748,670	2,333,385,570
Price/Earnings Ratio	23.8	27.4
Price/Book Ratio	3.5	4.8
5 Yr. EPS Growth Rate (%)	21.1	25.2
Current Yield (%)	1.5	1.2
Beta (5 Years, Monthly)	0.94	1.00
Number of Stocks	315	2,966

Top Ten Equity Holdings (Benchmark: Russell 3000 Index)

	Port Wt	**Bench Wt**
NVIDIA Corporation	4.3	6.7
Microsoft Corp	2.8	5.5
Alphabet Inc	2.0	2.3
CVS Health Corp	1.7	0.2
Broadcom Inc	1.5	2.4
Amazon.com Inc	1.4	3.4
Target Corp	1.4	0.1
UnitedHealth Group Inc	1.3	0.5
FedEx Corp.	1.3	0.1
Coca-Cola Co (The)	1.2	0.4
% of Portfolio	18.9	21.6

Top Ten Contributors (Benchmark: Russell 3000 Index)					
	Port Wt	Bench Wt	Active Wt	1 Year Return	CTR (%)
NVIDIA Corporation	4.0	5.6	-1.6	38.9	1.6
Alphabet Inc	2.0	1.6	0.4	65.4	1.3
Comfort Systems USA Inc	1.0	0.0	1.0	120.9	1.2
GE Aerospace	0.8	0.3	0.5	85.7	0.7
CVS Health Corp	0.8	0.1	0.7	84.3	0.7
Citigroup Inc	0.9	0.2	0.7	70.4	0.6
Johnson & Johnson	1.1	0.6	0.5	47.5	0.5
Microsoft Corp	3.0	5.5	-2.5	15.6	0.5
Cisco Systems Inc	1.3	0.4	0.9	33.5	0.4
Ascendis Pharma AS	0.8	0.0	0.8	54.9	0.4
% of Portfolio	15.7	14.3	1.4		7.8

Top Ten Detractors (Benchmark: Russell 3000 Index)					
	Port Wt	Bench Wt	Active Wt	1 Year Return	CTR (%)
ServiceNow Inc	2.0	0.4	1.6	-27.7	-0.6
Trade Desk Inc (The)	0.6	0.1	0.5	-67.7	-0.4
UnitedHealth Group Inc	0.9	0.8	0.1	-33.1	-0.3
MoonLake Immunotherapeutics	0.3	0.0	0.3	-75.7	-0.2
Gartner Inc	0.5	0.1	0.4	-47.9	-0.2
Target Corp	0.9	0.1	0.8	-24.5	-0.2
Dow Inc	0.6	0.0	0.6	-37.4	-0.2
Vaxcyte Inc	0.4	0.0	0.4	-43.6	-0.2
Shift4 Payments Inc	0.3	0.0	0.3	-39.3	-0.1
Wix.com Ltd	0.3	0.0	0.3	-51.6	-0.1
% of Portfolio	6.8	1.5	5.3		-2.6

Domestic Bond Investments

A complete list of portfolio holdings is available for a fee based on preparation time and the cost of materials. The information shown reflects securities held at the fiscal year ended December 31, 2025, excluding pooled or mutual funds.

PSRSSTL Domestic Bond Portfolio Performance & Characteristics

2025 Return	7.7%
Average Yield to Maturity	4.8%
Average Duration	5.8 Years
Average Quality Rating	AA
Five-Year Annualized Return	0.4%

PSRSSTL Domestic Bond Portfolio Quality Ratings	Percentage of PSRSSTL Domestic Bond Portfolio (%)
AAA	7.5
AA	73.5
A	11.9
BBB	7.1
BB and Below	0.0
Not Rated	0.0

Domestic Bond Portfolio Top Ten Holdings

Holding	% of System Assets
USA TREASURY NOTES 04.250% DUE 08/15/2035	0.08%
USA TREASURY NOTES 02.250% DUE 08/15/2046	0.06%
USA TREASURY NOTES 04.250% DUE 11/15/2034	0.06%
GOVT NATL MTG ASSN SERIES 2025 128 CLASS AK VAR% DUE 09/16/2067	0.05%
GOVERNMENT NATIONAL MORTGAGE SERIES 2025 142 CLASS BA VAR% DUE 03/16/2067	0.05%
SMALL BUSINESS ADMINISTRATION SERIES 2025 25E CLASS 1 05.120% DUE 05/01/2050	0.05%
SMALL BUSINESS ADMINISTRATION SERIES 2023 25A CLASS 1 04.910% DUE 01/01/2048	0.05%
USA TREASURY NOTES 01.875% DUE 02/15/2051	0.04%
SMALL BUSINESS ADMINISTRATION SERIES 2025 25C CLASS 1 04.970% DUE 03/01/2050	0.04%
SMALL BUSINESS ADMINISTRATION SERIES 2023 25B CLASS 1 04.610% DUE 02/01/2048	0.04%

Brokerage Commissions Paid Year Ended December 31, 2025

Company	Commissions	Shares Traded	Dollars Traded
BAIRD & COMPANY	$543.15	14,715.00	$1,014,080.86
BARCLAYS CAPITAL	$491.00	19,253.00	$1,655,874.48
BERNSTEIN INSTITUTIONAL	$396.68	18,040.00	$1,471,610.65
WILLIAM BLAIR	$97.60	2,440.00	$131,839.45
BMO CAPITAL MARKETS	$131.20	3,280.00	$142,198.11
BOFA SECURITIES, INC.	$663.77	50,249.00	$7,533,897.80
BTIG, LLC	$55.20	1,380.00	$50,088.60
CANTOR FITZGERALD & CO.	$138.80	3,720.00	$185,508.29
CAP INSTITUTIONAL SERVICES INC	$7,146.65	189,850.00	$6,450,119.00
CITIGROUP	$380.54	20,603.00	$1,332,195.68
CL KING	$1,117.00	52,500.00	$1,252,154.05
COWEN AND COMPANY LLC	$3,791.40	108,300.00	$6,695,582.49
DIRECT TRADING	$936.43	54,147.00	$3,215,972.65
DAVIDSON	$18.80	470.00	$23,663.83
EVERCORP ISI	$608.31	20,090.00	$1,271,148.74
GOLDMAN SACHS & CO. LLC	$576.00	42,696.00	$1,867,165.97
GUGGENHEIM SECURITIES, LLC	$114.80	2,870.00	$154,407.28
GUZMAN & COMPANY	$5,162.67	172,089.00	$6,283,431.00
INSTINET	$633.67	34,737.00	$2,092,197.76
J.P. MORGAN SECURITIES LLC	$1,225.43	75,456.00	$3,215,308.28
JEFFERIES LLC	$441.18	21,444.00	$1,921,200.31
JMP SECURITIES	$250.40	6,260.00	$323,721.00
JONES TRADING	$90.00	3,000.00	$219,152.05
KEEFE BRUYETTE AND WOODS INC.	$114.00	2,850.00	$318,710.14
KEYBANC CAPITAL MARKETS INC	$158.00	3,950.00	$354,783.42
LEERINK SWANN	$336.80	8,420.00	$414,852.47
LIQUIDNET INC	$1,429.20	65,220.00	$2,774,169.51
LUMINEX TRADING AND ANALYTICS	$930.02	34,445.00	$1,970,848.47
MIZUHO SECURITIES, INC.	$16.40	410.00	$49,295.71
MISCHLER FINANCIAL GROUP, INC	$4,469.04	148,968.00	$7,477,326.00

Company	Commissions	Shares Traded	Dollars Traded
MERRILL LYNCH	$127.20	3,180.00	$224,951.81
MORGAN STANLEY & CO. LLC	$301.45	8,371.00	$288,679.50
NEEDHAM AND COMPANY LLC	$241.20	6,030.00	$176,363.72
O'NEIL SECURITIES INC.	$43.20	1,080.00	$57,252.68
OPPENHEIMER & CO. INC.	$167.60	4,190.00	$345,815.34
PIPER JAFFRAY & CO	$187.95	2,430.00	$95,086.78
RAYMOND JAMES	$123.95	3,565.00	$185,030.00
ROTH CAPITAL PARTNERS LLC	$17.20	430.00	$11,951.85
RBC CAPITAL MARKETS, LLC	$196.00	4,900.00	$215,473.19
STATE STREET BROKERAGE SERVICES	$4,097.22	136,574.00	$7,897,387.25
STEPHENS, INC.	$22.00	550.00	$14,182.91
STIFEL, NICOLAUS & CO.,INC.	$591.70	5,430.00	$145,067.54
SUNTRUST CAPITAL MARKETS	$372.45	26,625.00	$1,274,571.61
TD SECURITIES	$2,192.25	71,655.00	$948,941.15
UBS SECURITIES LLC	$692.08	20,160.00	$1,190,015.00
WEDBUSH SECURITIES INC.	$19.60	490.00	$73,716.97
Total WELLS FARGO SECURITIES, LLC	$328.40	8,808.00	$425,087.76
Miscellaneous	$7,017.41	-	-
Grand Total	**$49,201**	**$1,486,320.00**	**$75,432,079.11**

Investment Management Fees and Expenses Years Ended December 31, 2025 and 2024

	2025	2024
Investment Management Fees		
Causeway Capital Management	$ 336,615	$ 310,092
Earnest Partners	58,789	55,618
Edgar Lomax Company	279,263	303,819
Fidelity Institutional Asset Management	271,191	258,293
Invesco Global Performance	-	135,122
Lazard Asset Management	120,258	189,239
Loomis Sayles & Company, LP	184,619	124,977
Manulife Asset Management	92,791	134,890
Mellon Capital Management	32,670	21,763
Systematic Financial Management	246,128	260,984
TCW Asset Management Company	214,271	224,252
UBS Realty Investors LLC	404,926	-
PNC Bank	111,875	94,232
Westfield Capital Management	245,774	248,403
Whitebox Multi-Strategy Fund, L.P.	362,845	405,742
Xponance	311,164	261,667
Total Investment Management Fees	3,273,179	3,029,093
Mariner	194,000	190,000
Banking Services	45,341	51,187
Brokerage Commissions	49,201	96,489
Total Investment Expenses	$3,561,721	$3,366,769

Actuarial Section

"through benefit programs and services which are soundly financed and..."

June 2025

Ms. Susan Kane
Executive Director
PSRS of the City of St. Louis
3641 Olive Street, Suite 300
St. Louis, MO 63108-3601

Re: Actuarial Certification of January 1, 2025 Valuation

Dear Members of the Public School Retirement System of the City of St. Louis Board:

Gallagher has been retained to complete the actuarial valuation for the Public School Retirement System of the City of St. Louis ("System") for the plan year beginning January 1, 2025. The results of that valuation are included in this report.

The computations herein were performed as of January 1, 2025. They were determined on the basis of employee data and financial data furnished as of January 1, 2025 and December 31, 2024, respectively, by System staff. The actuary did not verify the data submitted but did perform tests for consistency and reasonableness.

The purposes of the valuation are to:

(1) determine the required annual contributions from the board of education, the retirement system, and the charter schools; and

(2) present the valuation results of the System as of January 1, 2025.

This report is submitted in accordance with Section 169.450-16 Revised Statutes of Missouri (R.S. Mo.). The required contribution to the System from the board of education, the retirement system, and the charter schools is computed in accordance with Section 169.490 R.S. Mo. The amount of the required contribution is stated in Section 1.2: Required Annual Contribution. Information with respect to financial disclosures under GASB 67 and 68 may be found in a separate report.

In preparing this valuation, we have employed generally accepted actuarial methods and assumptions, in conjunction with member data and financial information provided to us by the System, to determine a reasonable and sound value for the System liability. The member data has not been audited, but it has been reviewed and found to be consistent, both internally and with prior years' data. The validity of the valuation results is dependent upon the accuracy of the data and financial information provided.

In our opinion, the actuarial assumptions used are reasonable, taking into account the experience of the System and reasonable long-term expectations. In our professional judgment, the combined effect of the assumptions is expected to have no significant bias. The actuary performs an analysis of System experience periodically and recommends changes if, in the opinion of the actuary, assumption changes are needed to more accurately reflect expected future experience. The Experience Study for the period January 1, 2016 to December 31, 2020 was prepared by Gallagher (previously known as Buck), and approved by the Board for use beginning with the January 1, 2022 actuarial valuation and will remain in effect for valuation purposes until such time as the Board adopts revised assumptions. The next Experience Study will be based on the period from January 1, 2021 to December 31, 2025 and upon approval by the Board will be the basis of valuations performed from January 1, 2027 through January 1, 2031. A summary of all assumptions and methods is presented in Section 3.9 of this report.

Where presented, references to "funded ratio" and "unfunded accrued liability" typically are measured on an actuarial value of assets basis. It should be noted that the same measurements using market value of assets would result in different funded ratios and unfunded accrued liabilities. Moreover, the funded ratio presented is appropriate for evaluating the need and level of future contributions but makes no assessment regarding the funded status of the plan if the plan were to settle (i.e. purchase annuities) for a portion or all of its liabilities.

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. Because of limited scope, Gallagher performed no analysis of the potential range of such future differences.

Gallagher prepared this report for use by the Retirement System and its auditors in reviewing the operation of the System, including the determination of contributions to be made to the System. Use of this report by other parties or for any other purpose may not be appropriate and may result in mistaken conclusions due to failure to understand applicable assumptions, methodologies, or the inapplicability of the report for that purpose. Because of the risk of misinterpretation of actuarial results, Gallagher recommends requesting its advance review of any statement, document, or filing to be based on information contained in this report. Gallagher will accept no liability for any such statement, document or filing made without its prior review.

Actuarial Standards of Practice (“ASOP”) 27 ask the actuary to disclose the information and analysis used to support the actuary’s determination that the assumptions selected by the Board do not significantly conflict with what, in the actuary’s professional judgment, are reasonable for the purpose of the measurement. In the case of the Board’s selection of expected return on assets (“EROA”), the signing actuaries have used economic information and tools provided by Gallagher’s Financial Risk Management (“FRM”) practice. A spreadsheet tool created by the FRM team converts averages, standard deviations, and correlations from Gallagher’s Capital Markets Assumptions (“CMA”) that are used for stochastic forecasting into approximate percentile ranges for the arithmetic and geometric average returns. It is intended to suggest possible reasonable ranges for EROA without attempting to predict or select a specific best estimate rate of return. It takes into account the duration (horizon) of investment and the target allocation of assets in the portfolio to various asset classes. Based on the actuary’s analysis, including consistency with other assumptions used in the valuation and the percentiles generated by the spreadsheet described above, the actuary believes the EROA does not significantly conflict with what, in the actuary’s professional judgment, is reasonable for the purpose of the measurement.

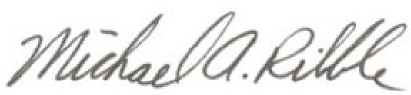
Actuarial Standard of Practice No. 56 provides guidance to actuaries when performing actuarial services with respect to designing, developing, selecting, modifying, using, reviewing, or evaluating models. Gallagher uses third-party software in the performance of annual actuarial valuations and projections. The model is intended to calculate the liabilities associated with the provisions of the plan using data and assumptions as of the measurement date under the funding rules specified in this report. The output from the third-party vendor software is used as input to an internally developed model that applies applicable funding rules to the derived liabilities and other inputs, such as plan assets and contributions, to generate many of the exhibits found in this report. Gallagher has an extensive review process in which the results of the liability calculations are checked using detailed sample life output, changes from year to year are summarized by source, and significant deviations from expectations are investigated. Other funding outputs and the internal model are similarly reviewed in detail and at a higher level for accuracy, reasonability, and consistency with prior results.

Gallagher also reviews the third-party model when significant changes are made to the software. This review is performed by experts within Gallagher who are familiar with applicable funding rules, as well as the manner in which the model generates its output. If significant changes are made to the internal model, extra checking and review are completed. Significant changes to the internal model that are applicable to multiple clients are generally developed, checked, and reviewed by multiple experts within Gallagher who are familiar with the details of the required changes.

The undersigned meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein and are available to answer questions regarding this report.

We believe that the assumptions and methods used for funding purposes are individually and in aggregate, a reasonable representation of anticipated experience under the plan and meet the parameters set by the Actuarial Standards of Practice (ASOPs). We believe that this report conforms with the requirements of the Missouri statutes, and where applicable, other federal and accounting laws, regulations and rules, as well as actuarial principles and practices in accordance with all ASOPs.

Sincerely,



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Gallagher

Report Highlights

This report has been prepared by Gallagher to:

- Present the results of a valuation of the Public School Retirement System of the City of St. Louis ("System") as of January 1, 2025; and
- Determine the required annual contribution for 2026.

This report is divided into four sections:

Section 1 contains the results of the valuation. It includes the experience of the System during the 2024 plan year, the actuarially required costs, and funded levels.

Section 2 contains asset information. It includes market value of assets, the calculation of actuarial value of assets, the expense & contingency reserve, and asset returns.

Section 3 describes the basis of the valuation. It summarizes the System provisions, provides information relating to the System members, and describes the funding methods and actuarial assumptions used in determining liabilities and costs. Also included is historical information about the System.

Section 4 contains the Actuarial Standards of Practice (ASOP) 51 disclosure and the Low-default Risk Obligation Measure required by ASOP 4. This section will provide insight of potential risks to the system.

Experience Gains and Losses

Actuarial gains (or losses) result from differences between the actual experience of the System and the expected experience based upon the actuarial assumptions. Annual gains (or losses) should be expected because short-term deviations from expected long-term average experience are common.

For the 2024 plan year, total (net) actuarial loss due to plan experience was about $50.8 million. The experience may be broken into three components:

1. **Investment:** Approximately $33.7 million loss is attributable to the System's actuarial value of assets (AVA) rate of return on assets, which was 3.24% for plan year 2024, or 3.76% lower than the assumed rate of return of 7.0%. The loss resulted from returns being lower than expected. Even though the Plan saw a market value return of 8.89% during 2024, the large 2022 loss is still being recognized, resulting in the AVA return being below the expected 7.0%.

2. **Actuarial Liability:** Approximately $14.5 million loss is attributable to the demographic experience of the Plan. The Plan experienced higher than expected reported compensation during 2024, which was the main source of the loss. However, the Plan's total liability loss was reduced by actuarial gains resulting from higher-than-expected number of reported deaths during 2024.

3. **Other:** The Plan recognizes other gain/losses in addition to investment and actuarial liability through actual versus expected contributions and expense & contingency reserve. Approximately $2.6 million loss is attributable to the Plan's expense & contingency reserve experience which resulted from the actual expense & contingency reserve being higher-than-expected due to the increase in Medical Advantage premiums, and Plan actual contributions being lower-than-expected.

Actuarial Assumption and Method Changes

For the 2025 valuation, the Medicare Expense and Contingency Reserve was updated to reflect negotiated rates effective January 1, 2025. The updated rates resulted in revision to the projected Medicare Advantage – member only monthly rates. A detailed description of the actuarial assumptions and methods appears in section 3.9.

Normal Cost

The annual normal cost contribution with an interest adjustment increased from $26.3 million in 2024 to $28.3 million in 2025. This increase is primarily due to the large increase in covered payroll and increase in active population. Covered payroll increased from $308.1 million to $330.6 million. The annual normal cost rate as a percentage of covered payroll increased from 8.55% in 2024 to 8.56% in 2025.

Amortization Payment of Unfunded Actuarial Accrued Liability

The actuarial accrued liability contribution is determined as the amount necessary to amortize the remaining Unfunded Actuarial Accrued Liability (UAAL). The Plan implemented a 15-year, level dollar, closed amortization period with layered amortization for future changes as of January 1, 2022. The initial UAAL as of January 1, 2022 will be paid off in 15 years from initial payment. Any deviations in UAAL due to actuarial gains and losses, assumptions changes, and plan amendments will be amortized over a new 15-year period. The total amortization payment with an interest adjustment increased from $43.6 million to $49.0 million. A detailed description of the layered amortization payments can be seen in section 1.3. The amortization payment component of the contribution rate increased from 14.16% to 14.83% of covered payroll. Under the plan's funding policy to determine the Actuarially Determined Contribution (ADC), we expect the ADC to increase as a percentage of covered payroll in the near term due to there cognition of the 2022 asset loss assuming no future gains or losses. After the 2022 asset loss is fully recognized, future ADC amounts are expected to decline as a percentage of payroll until after 17 years (two additional years of 2022 asset loss recognition, plus 15 years of amortization of the last year of recognition of the 2022 asset loss) when the unfunded is fully paid and then remain level as a percent of payroll. Absent future gains and losses and assuming the plan sponsor contributes the actuarially determined contribution, the funded status of the pension trust is expected to increase to 100% in 17 years (two additional years of 2022 asset loss recognition, plus 15 years of amortization of the last year of recognition of the 2022 asset loss). To the extent statutory contribution rates are less than ADC rates, additional actuarial losses will increase future ADC rates. Under the plan's current funding policy with statutory contributions, the plan is expected to be fully funded by 2056.

Actuarially Determined Employer Contribution

The Actuarially Determined Employer Contribution (ADEC) is determined annually and equals the normal cost with an interest adjustment plus the Amortization Payment of UAAL with an interest adjustment less expected member contributions. Expected member contributions for 2025 were 9.00% of covered payroll. For plan year 2025, the actuarially determined employer contribution is $47.6 million as compared to $43.0 million for plan year 2024. This increase is primarily due to the recognition of the 2022 loss, payroll being higher than expected, and growth in the active population. The total employer cost rate increased from 13.94% to 14.39% due to the changes described above.

The Actuarially Determined Contribution and Actuarially Determined Employer Contribution shown in this report are compliant with the definition of a reasonable actuarially determined contribution under ASOP 4 Section 3.21. The balance among benefit security, intergenerational equity, and stability or predictability of actuarially determined contributions, the timing and duration of expected benefit payments, the nature and frequency of plan amendments, and relevant input from the principal were taken into account when determining the actuarial cost method, smoothing period for the actuarial value of assets and the amortization period for any unfunded actuarial accrued liability.

Required Contribution and Timing

In 2001, the Board of Education agreed to institute a one-year lag for payments of the annual required contributions due from SLPS for future years. Therefore, this actuarial valuation is used to determine the annual required contribution (ARC) payment from SLPS for plan year 2025, due to the Plan no later than December 31, 2026. Due to legislation passed August 28, 2017, the contribution rate is set as a fixed percentage rather than an actuarially determined percentage. The dollar amount of the ARC due from SLPS no later than December 31, 2026 increased from $25.7 million for plan year 2024 to $26.5 million for plan year 2025. The increase in statutory required contribution amount resulted from a higher covered compensation in 2025 compared to 2024, despite the decrease in statutory contribution rate.

As a percentage of covered payroll in plan year 2025, the contribution rate decreased from 13.00% for plan year 2024 to 12.50% for plan year 2025. Charter Schools pay both employer and member contributions as they occur shortly after each payroll period; therefore, this actuarial valuation is used to determine the contribution rate of 12.50% that Charter Schools should be paying beginning with payroll periods ending on or after January 1, 2025.

Summary and Comparison of Principal Valuation Results

Annual Required Contribution

2025	Board of Education	Retirement System	Charter Schools	Total
Normal Cost Contribution	$ 18,128,127	$ 53,113	$ 10,115,387	$ 28,296,627
Actuarial Accrued Liability Contribution	31,409,798	92,026	17,526,480	49,028,304
Member Contributions	(19,063,973)	(55,855)	(10,637,583)	(29,757,411)
Actuarially Determined Employer Contribution (ADEC)	30,473,952	89,284	17,004,284	47,567,520
Covered Payroll	211,821,925	620,606	118,195,371	330,637,902
ADEC as % of Covered Payroll	14.39%	14.39%	14.39%	14.39%
Statutory Required Contribution Rate	12.50%	12.50%	12.50%	12.50%
Statutory Annual Required Contribution (ARC)	$ 26,477,741	$ 77,576	$ 14,774,421	$ 41,329,738
2024				
Normal Cost Contribution	$ 16,892,938	$ 52,662	$ 9,403,155	$ 26,348,755
Actuarial Accrued Liability Contribution	27,975,654	87,211	15,572,153	43,635,018
Member Contributions	(17,329,493)	(54,023)	(9,646,155)	(27,029,671)
Actuarially Determined Employer Contribution (ADEC)	27,539,099	85,850	15,329,153	42,954,102
Covered Payroll	197,538,920	615,805	109,956,545	308,111,270
ADEC as % of Covered Payroll	13.94%	13.94%	13.94%	13.94%
Statutory Required Contribution Rate	13.00%	13.00%	13.00%	13.00%
Statutory Annual Required Contribution (ARC)	$25,680,060	$ 80,055	$14,294,351	$ 40,054,466

	January 1, 2025	January 1, 2024
System Assets		
Expense and Contingency Reserve	$ 16,208,008	$ 12,837,383
Market Value, Excluding Expense & Contingency Reserve	$ 860,847,344	$ 835,332,532
Actuarial Value	$ 900,463,567	$ 916,023,414
System Liabilities		
Unfunded Actuarial Accrued Liability (UAAL)	$ 415,021,493	$ 382,566,491
Entry Age Normal (EAN) Actuarial Accrued Liability	$ 1,315,485,060	$1,298,589,905
EAN Funding Ratio		
Actuarial Value Funding Ratio	68.5%	70.5%
Market Value Funding Ratio	65.4%	64.3%

Analysis of the Valuation

(1) Investment Experience

Our actuarial calculations were based upon the assumption that the System's assets earn 7.00% for 2024. The approximate market value rate of return during 2024 was 8.89%. The approximate actuarial value rate of return was 3.24%. The actuarial value rate of return continues to account for the Plan's loss on assets in 2022, which will also impact the 2026 and 2027 valuations due to five-year smoothing of asset experience.

(2) Demographic Experience

The number of active members increased from 5,000 to 5,121 for the period. The average service of active members decreased from 7.0 to 6.9, the average age increased slightly, and the average covered payroll increased by $2,943 (4.8%). There were small changes in the inactive statistics. The membership statistics are provided in Sections 3.3 through 3.8 of this report.

(3) Salary Increases

The average covered payroll increased by 4.8% between January 1, 2024 and January 1, 2025.
Total annual covered payroll increased by 7.3% between January 1, 2024 and January 1, 2025.

(4) Changes in Methods from the Prior Valuation

There have been no changes in methods since the prior valuation.

(5) Changes in Assumptions from the Prior Valuation

The Medicare Expense and Contingency Reserve Medicare Advantage – member only monthly rates were updated to reflect negotiated rates and expectations effective January 1, 2025.

(6) Changes in Benefit Provisions from the Prior Valuation

There have been no changes in benefit provisions since the prior valuation.

(7) Other Changes

There have been no other changes since the prior valuation.

(8) Summary

The overall effect of experience during the period resulted in a decreased change in the Entry Age Normal funding ratio utilizing the actuarial value of assets from 70.5% to 68.5%. The total actuarially determined contribution rate increased from 13.94% to 14.39% of covered payroll.

(9) Comments on the Valuation

The Plan experienced an investment loss due to unfavorable returns in 2022. However, the Plan was able to limit the volatility of the actuarially determined employer contributions (ADEC) and funded status with the Plan's actuarial value of assets, which smooth gains and losses over a 5-year period. Although the Plan experienced favorable returns in 2023 and 2024, the gains were not enough to outpace the 2022 loss. Unless favorable asset returns occur in upcoming years, the Plan should anticipate the ADEC to increase and funded status to decrease as the deferred loss from the 2022 asset experience will continue to be smoothed into the actuarial value of assets.

Actuarial Balance Sheet as of January 1, 2025

Actuarial Assets	
Actuarial value of present assets	$ 900,463,567
Actuarial present value of future participant contributions	180,439,900
Actuarial present value of future employer contributions	397,971,604
Total present and future assets	$1,478,875,071
Actuarial Liabilities	
Actuarial present value of benefits now payable	$ 829,941,068
Actuarial present value of benefits payable in the future:	
Active participants	$ 577,172,371
Terminated vested participants	50,867,591
Terminated nonvested participants	20,894,041
Total payable in the future	$648,934,003
Total liabilities for benefits	$1,478,875,071
Surplus / (deficit)	0

Prioritized Solvency Test

Valuation Date January 1	Active Participants' Accumulated Contributions	Retirees, Beneficiaries and Inactive Participants	Active Participants (employer-financed)	Actuarial Value of Assets	Percent of Present Value Covered by Valuation Assets		
	(1)	(2)	(3)		(1)	(2)	(3)
1999	130,705,014	276,290,128	303,953,494	694,250,672	100%	100%	95%
2000	129,398,364	353,852,977	288,213,016	770,090,498	100%	100%	100%
2001	127,086,325	414,052,293	269,590,438	828,097,298	100%	100%	100%
2002	116,506,785	476,104,516	372,221,726	861,128,076	100%	100%	72%
2003	115,570,837	492,633,382	361,818,972	873,260,102	100%	100%	73%
2004	106,021,476	528,287,121	364,459,284	901,996,455	100%	100%	73%
2005	89,710,662	518,880,414	368,306,240	935,328,638	100%	100%	89%
2006	90,001,111	661,353,685	319,920,373	983,828,243	100%	100%	73%
2007	96,223,413	712,467,372	305,409,824	1,003,428,983	100%	100%	64%
2008	98,112,123	781,006,957	249,244,208	1,014,923,381	100%	100%	54%
2009	104,576,264	801,995,237	187,035,147	963,851,408	100%	100%	31%
2010	110,054,510	805,831,292	195,185,151	950,709,944	100%	100%	18%
2011	103,178,297	842,643,351	169,510,764	944,356,735	100%	100%	0%
2012	116,268,566	850,498,527	189,084,439	925,389,359	100%	95%	0%
2013	120,355,959	849,412,565	190,553,739	914,494,335	100%	93%	0%
2014	114,092,991	896,477,122	164,014,835	922,922,386	100%	90%	0%
2015	116,755,946	892,626,625	156,682,397	926,905,797	100%	91%	0%
2016	120,507,482	887,757,927	157,501,063	915,391,079	100%	90%	0%
2017	122,746,557	933,916,821	166,666,305	901,076,683	100%	83%	0%
2018	122,241,799	935,005,411	178,661,824	899,816,911	100%	83%	0%
2019	126,636,422	932,068,226	179,448,673	886,156,011	100%	81%	0%
2020	130,619,480	934,865,605	176,132,159	888,759,194	100%	81%	0%
2021	135,068,312	928,763,007	157,461,633	894,251,149	100%	82%	0%
2022	137,779,168	940,721,438	201,346,468	943,201,853	100%	86%	0%
2023	152,726,632	932,049,809	199,263,734	940,664,216	100%	85%	0%
2024	166,571,634	913,647,311	218,370,960	916,023,414	100%	82%	0%
2025	180,439,900	901,702,700	233,342,460	900,463,567	100%	80%	0%

Prioritized Solvency Test reflects Entry Age Normal effective January 1, 2022. Years prior to 2022 used Projected Unit Credit

Schedule of Funding Progress

Plan Year	Actuarial Value of Assets (AVA) (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
1/1/2015	$926,905,797	$192,678,372	$65,772,575	77.7%	$245,699,583	108.2%
1/1/2016	915,391,079	1,196,846,239	281,455,160	76.5%	252,127,288	111.6%
1/1/2017	901,076,683	1,258,219,995	357,143,312	71.6%	260,223,066	137.2%
1/1/2018	899,816,911	1,266,012,715	366,195,804	71.1%	265,773,659	137.8%
1/1/2019	886,156,011	1,268,885,279	382,729,268	69.8%	263,772,380	145.1%
1/1/2020	888,759,194	1,274,573,564	385,814,370	69.7%	272,973,377	141.3%
1/1/2021	894,251,149	1,257,782,934	363,531,785	71.1%	264,676,845	137.3%
1/1/2022	943,201,853	1,279,847,074	336,645,221	73.7%	259,440,417	129.8%
1/1/2023	940,664,216	1,284,040,175	343,375,959	73.3%	285,949,641	120.1%
1/1/2024	916,023,414	1,298,589,905	382,566,491	70.5%	308,111,270	124.2%
1/1/2025	900,463,567	1,315,485,060	415,021,493	68.5%	330,637,902	125.5%

Actuarial Accrued Liability (AAL) method changed from Frozen Entry Age to Entry Age Normal level percent of pay effected January 1, 2022. AAL shown in the Schedule of Funding Progress table above is on an Entry Age Normal level percentage of pay actuarial cost method for all years.

Development of the Actuarial Value of Assets

A. Market Value of Assets (MVA) on January 1, 2024	$	848,169,915
B. Member Contributions		29,567,399
C. Employer Contributions		40,257,177
D. Benefits paid		(111,877,508)
E. Administrative Expenses		(2,453,142)
F. Investment return (net of investment expenses only)		73,391,511
G. Market Value of Assets on January 1, 2025		877,055,352
H. Expense and Contingency Reserve as of January 1, 2025		16,208,008
I. MVA on January 1, 2025 minus Expense & Contingency Reserve (G. – H.)		860,847,344
J. Yield for the 2024 plan year based upon Market Value of Assets		8.89%
K. Expected Return on Assets	$	57,840,527
L. Gain/(Loss)		
(a) 2024	$	15,550,984
(b) 2023		26,053,667
(c) 2022		(169,223,026)
(d) 2021		N/A
(e) 2020		N/A
M. Amount to be Recognized		
(a) 2024	$	3,110,197
(b) 2023		5,210,733
(c) 2022		(33,844,605)
(d) 2021		N/A
(e) 2020		N/A
N. Amount not Recognized		
(a) 2024 (La x 4/5)	$	12,440,787
(b) 2023 (Lb x 3/5)		15,632,201
(c) 2022 (Lc x 2/5)		(67,689,211)
(d) 2021 (Ld x 1/5)		N/A
(e) 2020 (Le x 0/5)		N/A
(f) Total		(39,616,223)
O. Actuarial value of assets at January 1, 2025, (I) – (Nf)	$	900,463,567
P. Minimum Corridor of Actuarial Value of Assets (80% x I.)		688,677,875
Q. Maximum Corridor of Actuarial Value of Assets (120% x I.)		1,033,016,813
R. Actuarial value of assets at January 1, 2025 adjusted for limits	$	900,463,567
S. Yield for the 2024 plan year based upon the Actuarial Value of Assets		3.24%

Market value of assets (MVA) used in the January 1, 2024 PSRS valuation report dated June 2024. Final MVA for January 1, 2024 was $849,019,915.

The Expense and Contingency Reserve

Effective January 1, 1996, the Board of Trustees revised Rule X, which governs the determination of the amount of the expense and contingency reserve. The expense portion of the reserve is the sum of:

1. The estimated annual operating expenses for the ensuing year;
2. An amount equal to the liability for non-insurance supplements;
3. An amount equal to the liability for insurance supplements for those participants participating in the program on January 1; and
4. The estimated amount of insurance supplements to be paid for participants expected to retire and participate in the program during the ensuing year.

The investment contingency portion of the reserve was established to help cover significant shortfalls in the actuarial rate of return. However, the entire contingency reserve was released in 2009.

Below is a history of the expense and contingency reserve:

January 1	Expense Reserve	Investment Contingency Reserve	Total Expense and Contingency Reserve
1998	$30,891,555	$24,100,041	$54,991,596
1999	22,142,759	45,972,067	68,114,826
2000	27,992,032	50,003,862	77,995,894
2001	29,837,776	50,003,743	79,841,519
2002	23,527,529	50,003,743	73,531,272
2003	24,952,255	37,759,976	62,712,231
2004	26,028,780	37,759,976	63,788,756
2005	27,170,188	45,115,876	72,286,064
2006	32,534,770	45,115,876	77,650,646
2007	29,864,946	50,732,410	80,597,356
2008	31,987,370	57,234,574	89,221,944
2009	30,555,388	0	30,555,388
2010	29,903,107	0	29,903,107
2011	29,480,465	0	29,480,465
2012	29,564,563	0	29,564,563
2013	29,181,897	0	29,181,897
2014	30,439,781	0	30,439,781
2015	29,868,370	0	29,868,370
2016	29,537,454	0	29,537,454
2017	30,921,897	0	30,921,897
2018	30,751,247	0	30,751,247
2019	30,776,068	0	30,776,068
2020	30,244,590	0	30,244,590
2021	30,004,728	0	30,004,728
2022	29,625,803	0	29,625,803
2023	12,582,184	0	12,582,184
2024	12,837,383	0	12,837,383
2025	16,208,008	0	16,208,008

Effective January 1, 2023, expense & contingency reserve is calculated based on cost information and participant enrollment provided from the Plan including renegotiated rates under Medical Advantage. See section 3.8 for full details.

Investment Performance

There are several different methods of approximating the rates of return on investments of the trust fund. Following is a brief comparison of the actuarial assumed rate of return as compared with rates of return on market and actuarial value bases:

a. Market Value Basis

The rate of return on a market value basis is the ratio of the appreciation (or depreciation) of assets less contributions plus disbursements to the market value at the beginning of the year plus the average of the receipts and disbursements made during the year. This may be approximated as follows:

i. A = Market value of assets as of January 1, 2024	$848,169,915
ii. B = Market value of assets as of January 1, 2025	877,055,352
iii. C = Contributions during the period	69,824,576
iv. D = Disbursements during the period	114,330,650
v. Rate of return: $\frac{B - A + D - C}{A + 0.5 * (C - D)}$	8.89%
vi. Actuarial assumed rate of return for 2024	7.00%
vii. Difference between actual and assumed rates of return, (v) – (vi)	1.89%

b. Actuarial Value Basis

The rate of return on an actuarial value basis is approximated using the same method:

i. A = Actuarial value of assets as of January 1, 2024	$916,023,414
ii. B = Actuarial value of assets as of January 1, 2025	900,463,567
iii. C = Contributions during the period	69,824,576
iv. D = Disbursements during the period	114,330,650
v. Rate of return: $\frac{B - A + D - C}{A + 0.5 * (C - D)}$	3.24%
vi. Actuarial assumed rate of return for 2024	7.00%
vii. Difference between actual and assumed rates of return, (v) – (vi)	-3.76%

Summary of Investment Yield Performance

January 1	Market Value of Assets (MVA)	Actuarial Value of Assets (AVA)	MVA Rate of Return	AVA Rate of Return
2017	$850,180,422	$901,076,683	5.31%	5.51%
2018	914,082,259	899,816,911	15.22%	6.85%
2019	819,449,893	886,156,011	-4.69%	4.50%
2020	893,295,602	888,759,194	16.10%	6.56%
2021	914,776,954	894,251,149	8.85%	7.04%
2022	972,827,656	943,201,853	12.51%	11.76%
2023	817,867,979	940,664,216	-10.87%	3.31%
2024	848,169,915	916,023,414	10.29%	2.91%
2025	877,055,352	900,463,567	8.89%	3.24%

The Plan's geometric average from January 1, 2017 to December 31, 2024 for market value of assets is 6.48% and for actuarial value of assets is 5.71%.

Summary of Plan Provisions

Participants

All persons regularly employed by the board of education, charter schools, and members of the board of trustees are in the System.

Retirement Age

Normal: Age 65 or any age if age plus the years of credited service equals or exceeds 80 (Rule of 80).

Early: Age 60 with 5 years of service

Service Retirement Allowance

a. 2.00% (1.25% if terminated prior to July 1, 1999 or 1.75% if hired on or after January 1, 2018) times years of credited service, subject to a maximum of 60%

b. Times average final compensation (AFC)

c. Subject to a maximum of 60% of AFC.

i. AFC is the highest average compensation for any three consecutive years of the last 10 years of service.

ii. Compensation is the regular wages plus what the employer pays towards the participant's health and welfare benefits.

iii. Minimum monthly benefit is $10.00 for each year of credited service, up to 15 years, retirement age 65 and over.

iv. Unused sick leave is added to a participant's credited service and age.

Early Retirement Benefit

Service retirement allowance reduced five-ninths of one percent for each month of commencement prior to age 65 or the age at which the Rule of 80 (Rule of 85 if terminated prior to August 28, 2017) would have been satisfied had the member continued working until that age, if earlier.

Disability Benefit

Service retirement allowance using actual service, or 25% of AFC if larger, provided that in no case will the benefit exceed that payable if service had continued to age 65.

a. Disability must be incurred while a member as determined by the medical board and approved by the board of trustees.

b. The participant must have a minimum of five years of credited service and not be eligible for normal retirement.

Continued disability is subject to routine verification.

Withdrawal Benefit

Accumulated contributions of participant with interest credited to the participant's account.

Vested Benefit

Full vesting on termination of employment after at least five years of service is provided if contributions are left with the System. The full accrued benefit is payable at age 65 or a reduced early retirement benefit prior to age 65.

Retirement Options

In lieu of the benefit paid only over the lifetime of the participant, a reduced benefit payable for life of participant with:

Option 1 Same retirement allowance continued after death to the beneficiary.

Option 2 One-half of the retirement allowance continued after death to the beneficiary.

Option 3 Same retirement allowance continued after death to the beneficiary. If the beneficiary predeceases the participant, the retirement allowance is adjusted back to the unreduced allowance.

Option 4 One-half of retirement allowance continued after death to the beneficiary. If the beneficiary predeceases the participant, the retirement allowance is adjusted back to the unreduced allowance.

Option 5 Increased retirement allowance is provided up to age 62, such that benefit provided prior to age 62 is approximately equal to the sum of the reduced retirement allowance paid after age 62 and Social Security.

Option 6 Options 1 and 5 combined.

Option 7 Options 2 and 5 combined.

Survivor Benefits

If an active participant dies after completing 18 months of service, leaving a surviving spouse or other dependent beneficiaries, survivor benefits are payable. The widow or dependent beneficiary may elect to receive either a refund of accumulated contributions, or:

a. A survivor who is the widow at least age 62 and married to a participant for at least one year receives $60 per month.

b. A widow with dependent, unmarried children under age 22 receives $60 per month plus $60 per dependent child, not to exceed $180 per month. The benefit ceases when youngest child is age 22 and resumes again under (a) at age 62.

c. If no benefits are payable under (a) or (b), minor children may receive a benefit of $60 per child or $180 divided among them if more than three children.

d. If no benefits are payable under (a), (b) or (c), a dependent parent or parents may receive or share $60 per month upon attaining age 62.

If an active participant dies after completing 5 years of service, the widow or dependent beneficiary may elect to receive either a refund of accumulated contributions or:

a. If the survivor is the widow, a survivor benefit calculated as if the participant had been age 60 at death and elected Option 1, plus $60 per dependent child not to exceed $180 per month.

b. If there is no widow, a survivor benefit calculated as if the participant had been age 60 at death and elected Option 1.

Return of contributions upon death

If after the death of a participant, no further monthly benefits are payable to a beneficiary under an optional form of payment, or under the survivor benefit provisions, the participant's beneficiary shall be paid the excess, if any, of the participant's accumulated contributions over all payments made to or on behalf of the deceased participant.

DROP

Effective July 1, 2001, active participants may elect to enter the deferred retirement option plan (DROP) for up to four years. Upon entering the DROP, the participant's retirement benefit is frozen and credited to the participant's DROP account. At the end of the DROP, or upon earlier termination of employment, the DROP account is paid in a lump sum or installments, at the participant's option. During the DROP, the participant continues as an active participant, but does not pay contributions. To enter the DROP the participant must be age 65 or meet the Rule of 85. The DROP program is no longer available, ending June 30, 2008.

Contributions by Participants

Participants hired before January 1, 2018 contribute 5.50% of compensation in 2018. This rate increases 0.50% per year until it reaches 9.00%. After this, the contribution rate will remain at 9.00% of compensation.

Participants hired on or after January 1, 2018 contribute 9.00% of compensation.

Accumulated contributions are credited at the rate of interest established by the board of trustees. The current crediting rate is 5% per year.

Contributions by Employers

The employer contribution rate will be set at a flat 16.00% of covered payroll for Plan year 2018. This contribution rate shall be decreased by 0.50% in each subsequent Plan year until reaching 9.00% of covered payroll. After this, the employer contribution rate will remain at 9.00% of covered payroll.

Changes in Provisions from Prior Valuation

None.

Member Census Information

As of January 1	2025	2024
Active Members		
Number	5,121	5,000
Average Age	44.0	43.8
Average Service*	6.9	7.9
Average Covered Payroll	$64,565	$61,622
Vested Terminated Members		
Number	1,057	1,025
Average Account Balance	$38,500	$37,482
Non-vested Terminated Members		
Number	3,944	3,810
Average Account Balance	$5,298	$5,230
Retired Benefit Recipients		
Number	3,740	3,779
Average Age	76.1	75.8
Average Monthly Benefit	$2,148	$2,142
Beneficiary Benefit Recipients		
Number	259	254
Average Age	79.8	79.4
Average Monthly Benefit	$1,037	$1,046
Disabled Benefit Recipients		
Number	188	193
Average Age	70.5	69.8
Average Monthly Benefit	$1,315	$1,300

*Prior valuations have reported average service for active members as elapsed time from date of hire to valuation date. Average service for 2024 and 2025 reported in this January 1, 2025 valuation reflects member's credited service provided by St. Louis PSRS, which reflects the service used to project future benefit eligibility and amounts.

Distribution of Active Members

Schedule of Active Member Valuation Data (Last Ten Years)

Plan Year	Number of Active Members	Number of Employers	Annual Payroll	Average Annual Pay	% Increase in Average Pay
2016	5,034	21	252,127,288	50,085	2.15%
2017	5,101	19	260,223,066	51,014	1.85%
2018	5,138	20	265,773,659	51,727	1.40%
2019	5,050	20	263,772,380	52,232	0.98%
2020	5,108	22	272,973,377	53,440	2.30%
2021	4,984	22	264,676,845	53,105	-0.63%
2022	4,594	19	259,440,417	56,474	6.34%
2023	4,940	19	285,949,641	57,885	2.50%
2024	5,000	18	308,111,270	61,622	6.46%
2025	5,121	18	330,637,902	64,565	4.78%

Years of Service by Age: Charter Schools

Age	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34	35 – 39	40+	Total
Under 25	115	0	0	0	0	0	0	0	0	115
25 - 29	263	19	0	0	0	0	0	0	0	282
30 - 34	246	104	10	0	0	0	0	0	0	360
35 - 39	175	80	40	8	0	0	0	0	0	303
40 - 44	132	42	21	12	1	0	0	0	0	208
45 - 49	115	40	17	18	10	2	0	0	0	202
50 - 54	81	36	23	11	6	0	0	0	0	157
55 - 59	74	22	17	8	1	1	2	0	0	125
60 - 64	44	23	8	7	4	1	0	0	0	87
65 - 69	16	6	6	2	0	0	0	0	0	30
70 & Up	6	1	2	1	0	0	0	0	0	10
Total	1,267	373	144	67	22	4	2	0	0	1,879

Years of Service by Age: School District

Age	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34	35 – 39	40+	Total
Under 25	141	0	0	0	0	0	0	0	0	141
25 - 29	294	21	0	0	0	0	0	0	0	315
30 - 34	238	95	7	0	0	0	0	0	0	340
35 - 39	225	93	45	5	0	0	0	0	0	368
40 - 44	186	78	50	37	5	1	0	0	0	357
45 - 49	154	73	48	44	46	11	0	0	0	376
50 - 54	136	63	56	41	50	58	4	0	0	408
55 - 59	129	63	46	36	51	35	12	3	0	375
60 - 64	88	50	53	37	26	22	8	15	1	300
65 - 69	43	39	33	11	10	13	6	13	6	174
70 & Up	22	10	16	3	5	9	5	2	9	81
Total	1,656	585	354	214	193	149	35	33	16	3,235

Years of Service by Age: Total

Age	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34	35 – 39	40+	Total
Under 25	256	0	0	0	0	0	0	0	0	256
25 - 29	557	40	0	0	0	0	0	0	0	597
30 - 34	484	199	17	0	0	0	0	0	0	700
35 - 39	400	173	85	13	0	0	0	0	0	671
40 - 44	318	120	71	49	6	1	0	0	0	565
45 - 49	269	113	65	62	56	13	0	0	0	578
50 - 54	217	99	79	52	56	58	4	0	0	565
55 - 59	204	86	63	44	52	36	14	3	0	502
60 - 64	134	74	61	45	30	23	8	15	1	391
65 - 69	59	46	39	13	10	13	6	13	6	205
70 & Up	28	11	18	4	5	9	5	2	9	91
Total	2,926	961	498	282	215	153	37	33	16	5,121

Schedule of Retirees and Beneficiaries Added/Removed From Rolls

	Added to Payroll		Removed from Payroll		Payroll Year-End			
Plan Year	No.	Annual Allowances	No.	Annual Allowances	No.	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowance
2016	151	$3,279,162	188	$3,058,449	4,587	$105,295,884	0.22%	$22,955
2017	145	$3,114,108	171	$2,978,925	4,561	$105,434,220	0.13%	$23,116
2018	158	$4,044,180	193	$3,526,969	4,526	$105,976,561	0.51%	$23,415
2019	162	$3,400,180	188	$3,450,225	4,500	$105,995,116	0.02%	$23,554
2020	161	$3,739,591	184	$2,728,795	4,477	$106,259,608	0.25%	$23,735
2021	143	$3,675,006	234	$4,350,523	4,386	$105,502,094	-0.71%	$24,054
2022	168	$3,679,768	191	$3,788,412	4,363	$105,333,657	-0.16%	$24,142
2023	148	$3,234,579	201	$3,934,795	4,310	$104,664,363	-0.64%	$24,284
2024	123	$2,704,530	207	$4,007,623	4,226	$103,313,627	-1.31%	$24,447
2025	143	$3,174,890	182	$3,954,058	4,187	$102,570,933	-0.72%	$24,497

Projection of Fiduciary Net Position (000's Omitted)

Year	Projected Beginning Fiduciary Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Fiduciary Net Position
2026	$ 946,589	$ 68,858	$ 109,646	$ 2,266	$ 63,856	$ 967,391
2027	967,391	69,157	107,381	2,323	65,280	992,124
2028	992,124	66,905	105,354	2,381	67,002	1,018,296
2029	1,018,296	65,379	103,747	2,441	68,828	1,046,315
2030	1,046,315	64,329	102,787	2,502	70,776	1,076,131
2031	1,076,131	63,600	102,462	2,564	72,831	1,107,536
2032	1,107,536	63,013	102,199	2,628	75,003	1,140,725
2033	1,140,725	62,573	101,805	2,694	77,308	1,176,107
2034	1,176,107	62,296	101,332	2,761	79,772	1,214,082
2035	1,214,082	62,145	100,674	2,830	82,427	1,255,150
2036	1,255,150	62,116	100,098	2,901	85,301	1,299,568
2037	1,299,568	62,190	99,392	2,974	88,413	1,347,805
2038	1,347,805	62,390	98,665	3,048	91,799	1,400,281
2039	1,400,281	62,717	97,908	3,124	95,482	1,457,448
2040	1,457,448	63,127	97,420	3,202	99,489	1,519,442
2041	1,519,442	63,607	96,732	3,282	103,842	1,586,877
2042	1,586,877	64,164	96,097	3,364	108,574	1,660,154
2043	1,660,154	64,812	95,573	3,449	113,716	1,739,660
2044	1,739,660	65,563	95,033	3,535	119,294	1,825,949
2045	1,825,949	66,412	94,548	3,623	125,347	1,919,537
2046	1,919,537	67,330	94,022	3,714	131,915	2,021,046
2047	2,021,046	68,326	93,541	3,807	139,038	2,131,062
2048	2,131,062	69,411	92,981	3,902	146,759	2,250,349
2049	2,250,349	70,583	92,717	3,999	155,122	2,379,338
2050	2,379,338	71,852	92,326	4,099	164,169	2,518,934
2051	2,518,934	73,203	91,707	4,202	173,970	2,670,198
2052	2,670,198	74,629	90,851	4,307	184,597	2,834,266
2053	2,834,266	76,161	89,884	4,415	196,127	3,012,255
2054	3,012,255	77,782	88,801	4,525	208,634	3,205,345
2055	3,205,345	79,475	87,332	4,638	222,215	3,415,065
2056	3,415,065	81,244	85,779	4,754	236,964	3,642,740
2057	3,642,740	83,083	83,913	4,873	252,980	3,890,017
2058	3,890,017	85,002	81,878	4,995	270,379	4,158,525
2059	4,158,525	86,994	79,688	5,119	289,266	4,449,978
2060	4,449,978	89,050	77,403	5,247	309,766	4,766,144
2061	4,766,144	91,163	74,868	5,379	332,006	5,109,066
2062	5,109,066	93,345	72,137	5,513	356,124	5,480,885
2063	5,480,885	95,596	69,284	5,651	382,272	5,883,818
2064	5,883,818	97,913	66,334	5,792	410,601	6,320,206
2065	6,320,206	100,292	63,362	5,937	441,274	6,792,473
2066	6,792,473	102,731	60,379	6,085	474,458	7,303,198
2067	7,303,198	105,233	57,388	6,238	510,338	7,855,143
2068	7,855,143	107,804	54,416	6,394	549,100	8,451,237
2069	8,451,237	110,439	51,468	6,553	590,953	9,094,608
2070	9,094,608	113,140	48,554	6,717	636,117	9,788,594
2071	9,788,594	115,908	45,683	6,885	684,821	10,536,755

Actuarial Present Values of Projected Benefit Payments (000's Omitted)

		Benefit Payments			Present Value of Benefit Payments		
Fiscal Year Ending 12/31	Beginning Fiduciary Net Position	Benefit Payments	Funded Portion	Unfunded Portion	Funded Portion at 7.00%	Funded Portion at 4.83%	Using a Single Discount Rate of 7.00%
2026	$ 946,589	$ 109,646	$ 109,646	$ -	$105,999	$ -	$ 105,999
2027	967,391	107,381	107,381	-	97,018	-	97,018
2028	992,124	105,354	105,354	-	88,960	-	88,960
2029	1,018,296	103,747	103,747	-	81,872	-	81,872
2030	1,046,315	102,787	102,787	-	75,807	-	75,807
2031	1,076,131	102,462	102,462	-	70,624	-	70,624
2032	1,107,536	102,199	102,199	-	65,834	-	65,834
2033	1,140,725	101,805	101,805	-	61,290	-	61,290
2034	1,176,107	101,332	101,332	-	57,014	-	57,014
2035	1,214,082	100,674	100,674	-	52,939	-	52,939
2036	1,255,150	100,098	100,098	-	49,192	-	49,192
2037	1,299,568	99,392	99,392	-	45,650	-	45,650
2038	1,347,805	98,665	98,665	-	42,351	-	42,351
2039	1,400,281	97,908	97,908	-	39,277	-	39,277
2040	1,457,448	97,420	97,420	-	36,524	-	36,524
2041	1,519,442	96,732	96,732	-	33,894	-	33,894
2042	1,586,877	96,097	96,097	-	31,469	-	31,469
2043	1,660,154	95,573	95,573	-	29,250	-	29,250
2044	1,739,660	95,033	95,033	-	27,182	-	27,182
2045	1,825,949	94,548	94,548	-	25,274	-	25,274
2046	1,919,537	94,022	94,022	-	23,489	-	23,489
2047	2,021,046	93,541	93,541	-	21,840	-	21,840
2048	2,131,062	92,981	92,981	-	20,289	-	20,289
2049	2,250,349	92,717	92,717	-	18,908	-	18,908
2050	2,379,338	92,326	92,326	-	17,596	-	17,596
2051	2,518,934	91,707	91,707	-	16,335	-	16,335
2052	2,670,198	90,851	90,851	-	15,124	-	15,124
2053	2,834,266	89,884	89,884	-	13,984	-	13,984
2054	3,012,255	88,801	88,801	-	12,912	-	12,912
2055	3,205,345	87,332	87,332	-	11,867	-	11,867
2056	3,415,065	85,779	85,779	-	10,894	-	10,894
2057	3,642,740	83,913	83,913	-	9,960	-	9,960
2058	3,890,017	81,878	81,878	-	9,082	-	9,082
2059	4,158,525	79,688	79,688	-	8,261	-	8,261
2060	4,449,978	77,403	77,403	-	7,499	-	7,499
2061	4,766,144	74,868	74,868	-	6,779	-	6,779
2062	5,109,066	72,137	72,137	-	6,105	-	6,105
2063	5,480,885	69,284	69,284	-	5,479	-	5,479
2064	5,883,818	66,334	66,334	-	4,903	-	4,903
2065	6,320,206	63,362	63,362	-	4,377	-	4,377
2066	6,792,473	60,379	60,379	-	3,898	-	3,898
2067	7,303,198	57,388	57,388	-	3,463	-	3,463
2068	7,855,143	54,416	54,416	-	3,068	-	3,068
2069	8,451,237	51,468	51,468	-	2,712	-	2,712
2070	9,094,608	48,554	48,554	-	2,391	-	2,391
2071	9,788,594	45,683	45,683	-	2,103	-	2,103

Summary of Methods and Assumptions

The following assumptions and methods were selected by the Board and used in this analysis. The plan's actuaries perform an experience study every 5 years and discuss anticipated future trends with the Public School Retirement System of the City of St. Louis, Missouri to ensure appropriate and reasonable assumptions and methods for the purpose of the measurement. The last experience study was completed in December 2021.

Interest

7.00% per annum, which includes a 2.50% allowance for inflation; 7.00% is net of investment expenses.

Participant Account Interest Crediting Rate

2.0% per annum.

Expenses

The rate of investment return assumed is net of investment expenses. Expected administrative expenses based on actual administrative expenses in the prior year. Administrative expenses are paid out of the expenses and contingency reserve determined in Section 2.2.

Mortality – Healthy Lives

PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021. The mortality assumption for retired participants receiving benefits is increased by 2% for males and 10% for females.

Beneficiary Mortality

PubG-2010 (Below Median) Mortality Table, amount weighted, projected fully generationally using projection scale MP-2021.

Disability Mortality

PubT/G-2010 Mortality Disability Table, amount weighted, projected fully generationally using projection scale MP-2021.

Withdrawal

Withdrawals are assumed to occur at rates based on actual experience of the retirement system. During the first five years of membership, withdrawals are assumed to occur at the following rates:

Year of Membership	Non-charter School Members	Charter School Members
1st	22.5%	35.0%
2nd	22.5%	30.0%
3rd	20.0%	25.0%
4th	20.0%	20.0%
5th	15.0%	20.0%

The rates used after the first five years of membership are shown in Table 1.

Salary Scale

Salaries are assumed to increase at the rate of 5.0% per year for the first 5 years of employment and 3.50% thereafter.

Disability

Disabilities are assumed to occur at rates based on the actual experience of the retirement system. The rates used are shown in Table 3.

Retirement

Retirements occur at rates based on the actual experience of the retirement system. The age-related rates used are shown in Table 2. The rates are different for those eligible to retire under the Rule of 80 and those not eligible to retire under the Rule of 80.

Deferred Vested

The liability for deferred vested members is assumed to be 125% of the member's total accumulated contributions.

Optional Form

The optional form selected at retirement is assumed to be a single life annuity.

Family Structure

The probability of a participant being married, and the probable number of children are based on a table constructed by the Social Security Administration, modified to reflect the experience of the retirement system. The rates used are shown in Table 4. For married participants, husbands are assumed to be 3 years older than their wives.

Gender

Members with no gender provided in the member data by the System are assumed to be female.

Usage of Cash-out Option

Participants terminating in vested status are given the option of taking a refund of their accumulated participant contributions instead of a deferred retirement benefit. Active members who terminate in the future with a vested benefit are assumed to take a deferred vested annuity, unless a refund of contributions and interest is greater than the actuarial present value of their vested deferred benefit.

Future Benefit Increases or Additional Benefits

When funding is adequate, the Board may authorize cost of living adjustments (COLAs), as noted in the summary of plan provisions. This valuation assumes that no future COLAs will be awarded.

Actuarial Valuation Method – Entry Age Normal

Entry Age Normal cost method. Under this method, the actuarial value of projected benefits for each individual participant is allocated as a level percentage of compensation over the working lifetime of the participant between the date of employment and assumed date of exit.

Amortization of Unfunded Liability

Amortization is based on a 15-year closed, level dollar amount. All future changes in the accrued liability due to amendments, experience gains and losses, and assumption changes are amortized over a 15-year closed, layered method. The initial amortization base was created for the unfunded actuarial accrued liability as of January 1, 2022.

Employer Contribution – Interest Adjustment

The total contributions include an interest adjustment of one-half year's interest at the valuation interest rate to better reflect timing of contributions.

Valuation of Assets

The actuarial value of assets is based upon a smoothed market value method. Under this method, asset returns in excess of or less than the expected investment return on market value of assets will be reflected in the actuarial value of assets over a five-year period. The plan's actuarial value of assets will be set equal to the plan's market value of assets less the expense and contingency reserve as of January 1, 2022. The calculation of the Actuarial Value of Assets is based on the following formula:

MV – 80% x G/(L)1 – 60% x G/(L)2 – 40% x G/(L)3 – 20% x G/(L)4 – Expense and Contingency Reserve

MV = the market value of assets as of the valuation date

G/(L)i = the asset gain or (loss) for the i-th year preceding the valuation date

Expense and Contingency Reserve

Medicare – Inactive

The Medicare portion of the Expense and Contingency Reserve is based on estimated costs provided by the Plan as of January 1, 2025. The Plan's monthly cost for members who are not covered under Medicare Advantage or covered under Medicare Advantage and include covered for spouse or child is assumed to remain the same in future years. The Plan's monthly cost for members covered under Medicare Advantage – members only are assumed to be as follows:

Year	Plan's Monthly Cost
2025	$50
2026	$60
2027	$70
2028+	$80

Dental and Vision – Inactive

The dental and vision portion of the Expense and Contingency Reserve is based on actual costs provided by the Plan as of January 1, 2025. It is assumed the costs in which the Plan will cover in the form of a subsidy will remain the same in future years.

Medical, Dental, and Vision – Active

50% of active members are assumed to elect medical, dental, and vision in the future. The total premium for these three equals $89.10 based on current plan cost for members not in Medicare Advantage. The 50% assumption is based the number of current inactive members who elected Medicare coverage.

Changes in Methods and Assumptions from the Prior Valuation

Updated Medicare Expense and Contingency Reserve to reflect negotiated rates effective January 1, 2025 and projected Medicare Advantage – member only monthly rates.

Table 1: Withdrawal Rates – Annual Rates Per 1,000 Members

Age	Rate	Age	Rate
20	170.0	45	76.0
21	170.0	46	73.0
22	170.0	47	70.0
23	170.0	48	69.0
24	170.0	49	68.0
25	167.0	50	67.0
26	164.0	51	67.0
27	161.0	52	65.0
28	158.0	53	60.0
29	155.0	54	55.0
30	152.0	55	50.0
31	149.0	56	47.0
32	145.0	57	45.0
33	141.0	58	43.0
34	137.0	59	41.0
35	133.0	60	39.0
36	129.0	61	0.0
37	120.0	62	0.0
38	111.0	63	0.0
39	102.0	64	0.0
40	93.0		
41	88.0		
42	85.0		
43	82.0		
44	79.0		

Table 2: Retirement Rates – Annual Rates Per 1,000 Members

Age	Rule of 80 Rate	Not Rule of 80 Rate
50-51	200.0	N/A
52-54	150.0	N/A
55	200.0	N/A
56-59	150.0	N/A
60	180.0	75.0
61-63	180.0	100.0
64	180.0	175.0
65	350.0	250.0
66-71	250.0	150.0
72	1,000.0	1,000.0

Table 3: Disability Rates – Annual Rates Per 1,000 Members

	Rate				
Age	**Males**	**Females**	**Age**	**Males**	**Females**
20	0.00	0.00	45	1.50	1.00
21	0.00	0.00	46	1.60	1.10
22	0.00	0.00	47	1.70	1.20
23	0.00	0.00	48	1.80	1.30
24	0.00	0.00	49	1.90	1.40
25	0.00	0.00	50	2.00	1.50
26	0.00	0.00	51	2.30	1.70
27	0.00	0.00	52	2.50	1.90
28	0.00	0.00	53	2.80	2.10
29	0.00	0.00	54	3.00	2.50
30	0.40	0.40	55	3.30	3.00
31	0.40	0.40	56	3.50	3.50
32	0.40	0.40	57	3.80	4.00
33	0.40	0.40	58	4.00	4.00
34	0.40	0.40	59	4.50	4.00
35	0.40	0.40	60	5.00	4.00
36	0.50	0.45	61	5.50	4.00
37	0.50	0.50	62	6.00	4.00
38	0.60	0.60	63	6.00	4.00
39	0.70	0.70	64	6.00	4.00
40	0.80	0.75	65	6.00	4.00
41	1.00	0.80			
42	1.10	0.85			
43	1.30	0.90			
44	1.40	0.95			

Definition of Actuarial Terms

Accrued Benefit

The benefit earned by a participant as of the date at which the determination is made payable in the form of an annual benefit commencing at normal retirement age. The accrued benefit is payable for the member's lifetime only, however if the total monthly payments at the member's death are less than contributions accumulated with interest, the remaining member contribution balance will be paid to the member's beneficiary.

Accumulated Plan Benefits

The accrued benefits and any other benefits, whether vested or not, that have been earned by the participants covered by the plan as of the date at which the determination is made. These other benefits include any death, early retirement or disability benefits provided under the plan.

Actuarial Accrued Liability

Equal to the actuarial present value of future benefits less the present value of future annual normal costs.

Actuarial Cost Method

The method for allocating the actuarial present value of a pension plan's benefits and expenses to various time periods. An actuarial cost method is also referred to as a funding method.

Actuarial Gain/(Loss)

The difference between the plan's actual experience and that expected based upon a set of actuarial assumptions. A gain occurs when the experience of the plan is more favorable (in terms of cost) than the assumptions projected; a loss occurs when experience is less favorable. May also be referred to as experience gains/(losses).

Actuarial Present Value

See present value.

Actuarial Valuation

The determination, as of a valuation date, of the annual normal cost, actuarial accrued liability, actuarial value of assets and related actuarial present values for a pension plan.

Actuarial Value of Assets

The value of cash, investments and other property belonging to a pension plan determined by the actuary for the purpose of an actuarial valuation. Actuarial asset methods are generally designed to reduce fluctuations in asset value due to large variations in returns from year to year. Actuarial values are generally a smoothed market value that recognize gains and losses over time.

Amortization

The spreading of a present value or a cost over a period of years. A plan's unfunded actuarial accrued liability is amortized over a period of years.

Fiscal Year

The year on which the plan sponsor maintains its financial records.

Funded

Provided by plan assets. A liability is fully funded when assets exceed or equal the liability.

Normal Cost

That portion of the actuarial present value of pension plan benefits and expenses which is allocated to a valuation year by the actuarial cost method.

Normal Retirement Age

An age defined in the plan for purposes of establishing when a terminated participant is entitled to an accrued benefit.

Normal Retirement Benefit

The benefit payable when it commences at the normal retirement age.

Participant

A person covered by a pension plan in accordance with its terms including active participants, retired participants and beneficiaries, vested terminations, and vested transfers.

Plan Year

The year on which the plan maintains its financial records.

Present Value

The value of an amount or series of amounts payable at various times, determined as of a given date by the application based on a particular set of actuarial assumptions. It is a single sum which reflects the time value of money and the probabilities of payment.

Rate of Return

The actual or expected investment income as a percentage of a plan's average assets.

System

Public School Retirement System of the City of St. Louis, Missouri.

Unfunded Actuarial Accrued Liability

The excess of the actuarial accrued liability over the actuarial value of assets.

Vested Benefit

A benefit that is not forfeited if the participant terminates employment.

Statistical Section

"**prudently administered in an effective and efficient manner.**"

Summary

The statistical section contains information about the System not found elsewhere in the Annual Report that is broken down into several different parts.

The first part, found on page 117, is a Schedule of Changes in Fiduciary Net Position for the last 10 fiscal years that provides detail on the additions and deductions from the plan's assets and concludes with the annual change to the fiduciary net position for each year.

The second part, found on pages 120 – 122, contains membership schedules and a graph that detail information about the plan's retired, active and inactive members. The information found on these pages includes census data for retirees by payment option and type of retirement, average benefit payments for new retirees for the last five fiscal years, covered members for the last ten fiscal years and a summary of membership changes in fiscal year 2025.

There are several historical charts and graphs on pages 123 – 124 that provide information on the progress of the plan's market value of assets, employer and employee contributions, and investment income.

The last page in the statistical section provides a summary of the plan's legislative history that began on January 1, 1944, when the Missouri General Assembly created the retirement system.

Schedule of Changes in Fiduciary Net Position Last 10 Fiscal Years Ended December 31,

Fiscal Year	2016	2017	2018	2019	2020
Additions by Source					
Employer Contributions	$ 39,519,979	$ 41,077,344	$ 48,797,779	$43,902,706	$ 41,822,334
Employee Contributions	12,652,029	12,591,552	14,248,567	17,019,685	17,607,279
Investment Income (loss)	44,341,661	124,643,375	(41,828,299)	127,469,970	76,730,861
Other Income	150,427	153,544	157,219	161,263	164,877
Total Additions (depreciation)	$ 96,664,096	$178,465,815	$ 21,375,266	$188,553,624	$136,325,351
Deductions by Type					
Retirement Benefits	$ 99,419,975	$ 99,499,140	$ 99,641,973	$99,624,865	$ 99,692,129
Survivor Benefits	2,973,225	3,056,046	3,082,696	3,043,126	3,007,912
Disability Benefits	3,479,852	3,512,352	3,616,435	3,575,042	3,412,356
Health Care Subsidies	2,515,000	2,442,339	2,381,857	2,249,449	2,129,938
Operating Expenses	1,554,314	1,613,506	1,996,981	1,862,658	1,906,813
Contribution Refunds	5,220,357	4,440,594	5,287,691	4,608,688	4,438,938
Total Deductions by Type	$ 115,162,723	$114,563,977	$ 116, 007,633	$114,963,828	$114,588,086
Change in Fiduciary Net Position	$(18,498,627)	$ 63,901,838	$(94,632,367)	$ 73,589,796	$ 21,737,265

Fiscal Year	2021	2022	2023	2024	2025
Additions by Source					
Employer Contributions	$ 41,226,981	$ 41,034,190	$ 37,930,116	$ 40,257,177	$ 40,376,871
Employee Contributions	20,880,189	22,794,266	24,617,494	29,567,399	31,144,414
Investment Income (loss)	110,983,648	(103,834,311)	84,324,668	62,936,126	112,127,653
Other Income	170,397	173,594	179,383	9,505,129	243,138
Total Additions (depreciation)	$ 173,261,215	$(39,832,261)	$147,051,661	$142,265,831	$183,892,076
Deductions by Type					
Retirement Benefits	$ 99,362,102	$ 98,918,142	$ 98,131,494	$ 97,414,809	$ 96,583,117
Survivor Benefits	2,987,195	2,975,242	2,922,340	2,864,788	2,878,085
Disability Benefits	3,347,554	3,196,493	3,002,947	2,931,585	2,818,372
Health Care Subsidies	2,093,653	2,005,848	675,513	527,230	1,205,478
Operating Expenses	1,523,071	1,319,797	1,665,012	2,351,280	2,133,555
Contribution Refunds	5,896,938	7,456,794	7,389,745	8,140,702	8,662,283
Total Deductions by Type	$ 115,210,513	$ 115,872,316	$ 113,787,051	$114,230,394	$114,280,890
Change in Fiduciary Net Position	$58,050,702	$(155,704,577)	$ 33,264,610	$28,035,437	$ 69,611,186

Retired Members and Beneficiaries by Payment Option & Type on January 1, 2025

Option	Service Benefit	Disability Benefit	Survivor Benefit	Total
0	3,153	153	14	3,320
1	130	10	120	260
2	72	5	24	101
3	188	12	53	253
4	159	5	42	206
5	22	1	0	23
6	12	2	5	19
7	4	-	1	5
Total	3,740	188	259	4,187

Amount of Annual Benefits by Payment Option & Type on January 1, 2025

Option	Service Benefit	Disability Benefit	Survivor Benefit	Total
0	$82,855,005	$2,365,676	$ 160,719	$ 85,381,400
1	2,343,911	133,955	1,581,322	4,059,188
2	1,851,299	117,333	209,117	2,177,749
3	4,181,195	205,759	806,135	5,193,089
4	4,314,715	109,652	435,713	4,860,080
5	502,287	9,911	-	512,198
6	245,727	24,994	27,046	297,767
7	85,485	-	3,978	89,463
Total	$ 96,379,624	$2,967,280	$3,224,030	$102,570,934

Option 1: Same retirement allowance continued after death to the beneficiary.

Option 2: One-half of the retirement allowance continued after death to the beneficiary.

Option 3: Same retirement allowance continued after death to the beneficiary. If the beneficiary predeceases the participant, the retirement allowance is adjusted back to the unreduced allowance.

Option 4: One-half of retirement allowance continued after death to the beneficiary. If the beneficiary predeceases the participant, the retirement allowance is adjusted back to the unreduced allowance.

Option 5: Increased retirement allowance is provided up to age 62, such that benefit provided prior to age 62 is approximately equal to the sum of the reduced retirement allowance paid after age 62 and Social Security.

Option 6: Options 1 and 5 combined.

Option 7: Options 2 and 5 combined.

Average Annual Benefit Payments by Payment Option & Type on January 1, 2025

Option	Service Benefit	Disability Benefit	Survivor Benefit	All
0	$26,278	$15,462	$11,480	$25,717
1	18,030	13,396	13,178	15,612
2	25,712	23,467	8,713	21,562
3	22,240	17,147	15,210	20,526
4	27,137	21,930	10,374	23,593
5	22,831	9,911	-	22,269
6	20,477	12,497	5,409	15,672
7	21,371	-	3,978	17,893
All	$25,770	$15,783	$12,448	$24,497

Average Monthly Benefit Payments by Payment Option & Type on January 1, 2025

Option	Service Benefit	Disability Benefit	Survivor Benefit	Total
0	$2,190	$1,289	$957	$2,143
1	1,503	1,116	1,098	1,301
2	2,143	1,955	726	1,797
3	1,853	1,429	1,268	1,711
4	2,261	1,828	865	1,966
5	1,903	826	-	1,856
6	1,706	1,041	451	1,306
7	1,781	-	332	1,491
Total	$2,148	$1,282	$1,037	$2,041

Option 1: Same retirement allowance continued after death to the beneficiary.

Option 2: One-half of the retirement allowance continued after death to the beneficiary.

Option 3: Same retirement allowance continued after death to the beneficiary. If the beneficiary predeceases the participant, the retirement allowance is adjusted back to the unreduced allowance.

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Option 5: Increased retirement allowance is provided up to age 62, such that benefit provided prior to age 62 is approximately equal to the sum of the reduced retirement allowance paid after age 62 and Social Security.

Option 6: Options 1 and 5 combined.

Option 7: Options 2 and 5 combined.

Schedule of Average Benefit Payments Last Five Fiscal Years Ended December 31st

Retirement Year(s)	0 - 5	6 - 10	11 - 15	16 - 20	21 - 25	26 - 30	31+
2021							
Average Monthly Benefit	$717	$744	$978	$1,887	$2,329	$2,853	$3,652
Average Monthly Salary	$5,945	$4,646	$4,721	$5,032	$5,258	$5,543	$6,404
Number of Retirees	11	28	20	25	25	17	22
2022							
Average Monthly Benefit	$475	$662	$1,295	$2,217	$2,595	$3,073	$3,617
Average Monthly Salary	$5,095	$4,318	$4,905	$6,244	$5,900	$6,074	$6,192
Number of Retirees	13	34	18	16	26	17	12
2023							
Average Monthly Benefit	$261	$723	$1,599	$1,754	$2,417	$3,655	$3,347
Average Monthly Salary	$4,029	$5,009	$6,223	$5,142	$5,594	$6,979	$6,125
Number of Retirees	5	25	21	14	15	15	9
2024							
Average Monthly Benefit	$384	$704	$1,310	$1,781	$2,398	$4,305	$4,040
Average Monthly Salary	$4,669	$4,537	$5,417	$5,554	$5,679	$7,430	$7,272
Number of Retirees	11	33	23	14	14	20	10
2025							
Average Monthly Benefit	$637	$740	$1,361	$1,966	$2,884	$4,411	$4,543
Average Monthly Salary	$4,828	$4,790	$5,583	$5,710	$6,072	$8,118	$7,272
Number of Retirees	16	31	23	11	17	16	15
2021 – 2025							
Average Monthly Benefit	**$495**	**$709**	**$1,309**	**$1,921**	**$2,525**	**$3,659**	**$3,840**
Average Monthly Salary	**$4,913**	**$4,660**	**$5,370**	**$5,536**	**$5,701**	**$6,829**	**$6,713**
Number of Retirees	**56**	**151**	**105**	**80**	**97**	**85**	**68**

Note: The calculations for the 2021 – 2025 monthly averages are weighted using the sum of an average for each year x number of retirees each year ÷ by the 2021 – 2025 number of retirees.

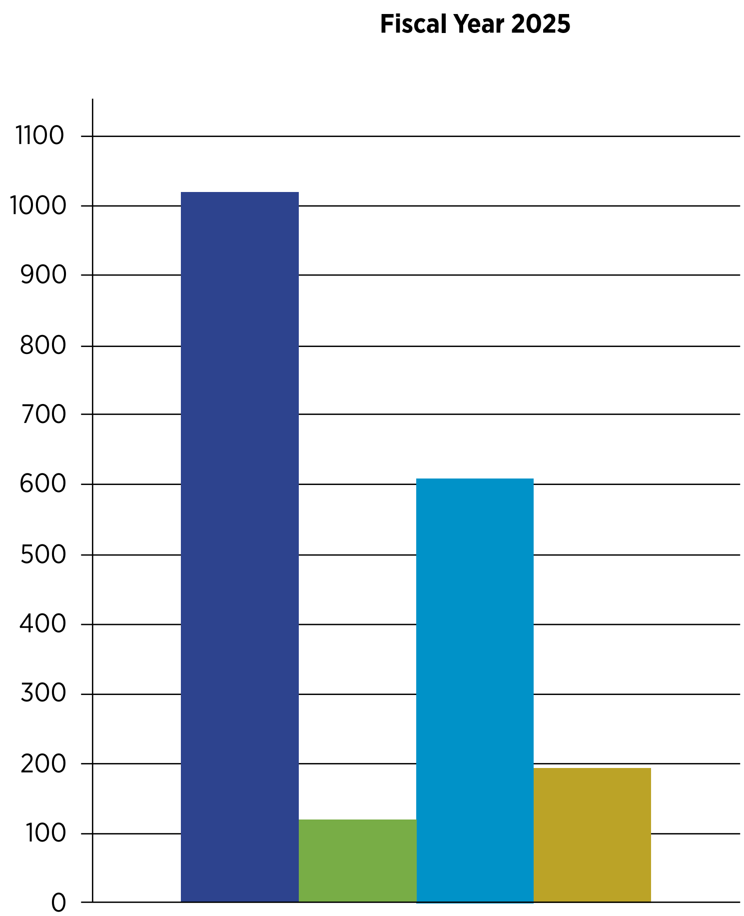
Schedule of Covered Members Last Ten Fiscal Years Ended December 31st

	2025		2024		2023		2022		2021	
Member Type	Covered Members	Percentage of Total	Covered Members	Percentage of Total	Covered Members	Percentage of Total	Covered Members	Percentage of Total	Covered Members	Percentage of Total
Active	5,121	35.0%	5,000	35.6%	4,940	34.8%	4,594	34.8%	4,984	38.5%
Inactive	5,001	35.0%	4,835	34.4%	4,568	32.2%	4,256	32.2%	3,560	27.5%
Retired (includes Beneficiaries)	4,187	30%	4,226	30.0%	4,310	33.0%	4,363	33.0%	4,386	34.0%
Total	14,309	100%	14,061	100%	13,818	100%	13,213	100%	12,930	100%

	2020		2019		2018		2017		2016	
Member Type	Covered Members	Percentage of Total	Covered Members	Percentage of Total	Covered Members	Percentage of Total	Covered Members	Percentage of Total	Covered Members	Percentage of Total
Active	5,108	39.7%	5,040	40.6%	5,138	41.3%	5,101	41.8%	5,034	42.3%
Inactive	3,274	25.5%	2,886	23.2%	2,791	22.4%	2,554	20.9%	2,271	19.1%
Retired (includes Beneficiaries)	4,477	34.8%	4,500	36.2%	4,526	36.3%	4,561	37.3%	4,587	38.6%
Total	12,859	100%	12,436	100%	12,455	100%	12,216	100%	11,892	100%

The Year in Review

During the fiscal year ended December 31, 2025, PSRSSTL added 1,028 new active members and 124 new retired members to payroll. The retirement system processed 607 refund distributions for members who left the System and bid farewell to 182 members due to death.



Membership Changes

- New Active Members
- New Retired Members
- Refund Distributions
- Deceased Members

Total Refund Distributions: 607

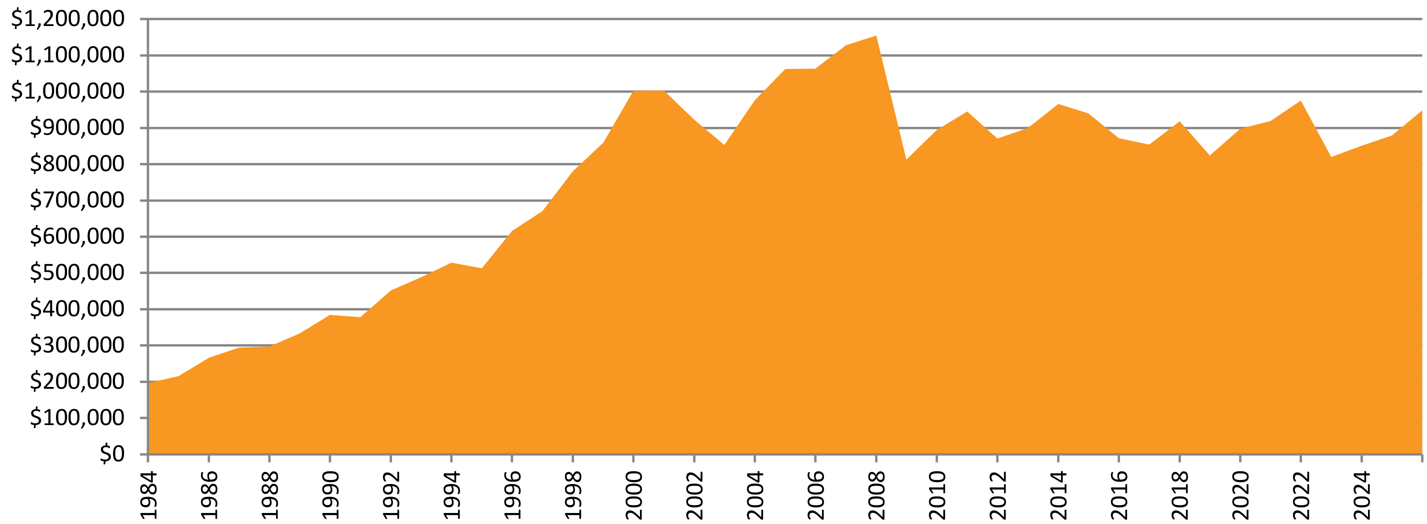
Separation: 575

Death: 32

These charts and graphs show changes in market value of assets, contributions, and investment earnings for fiscal years ended December 31, 1984 thru December 31, 2025.

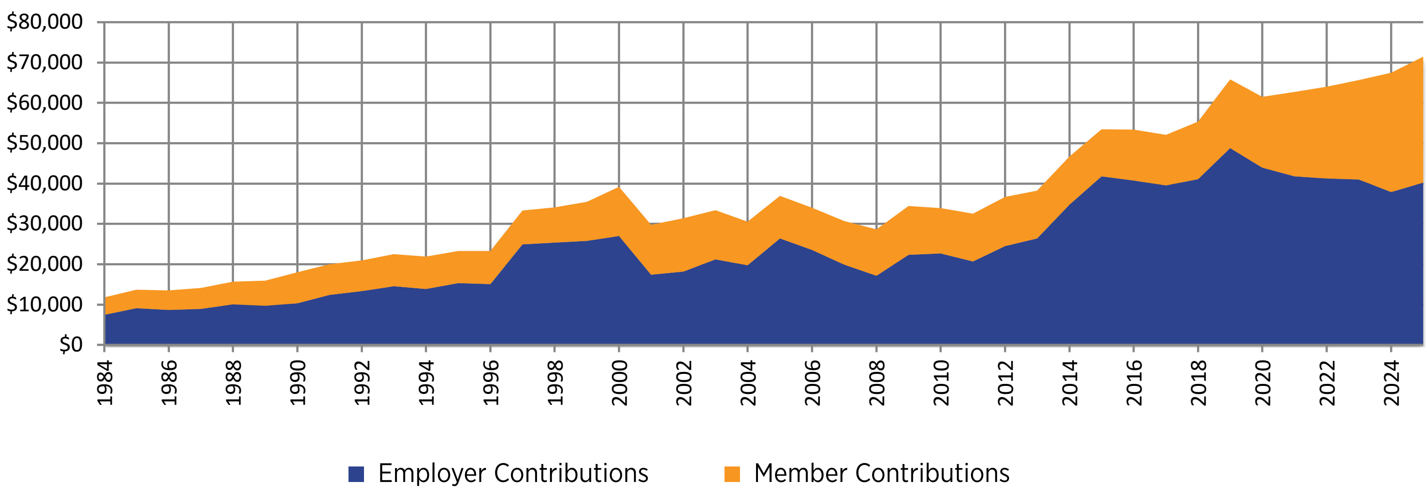
Market Value of Assets

(add 000's)

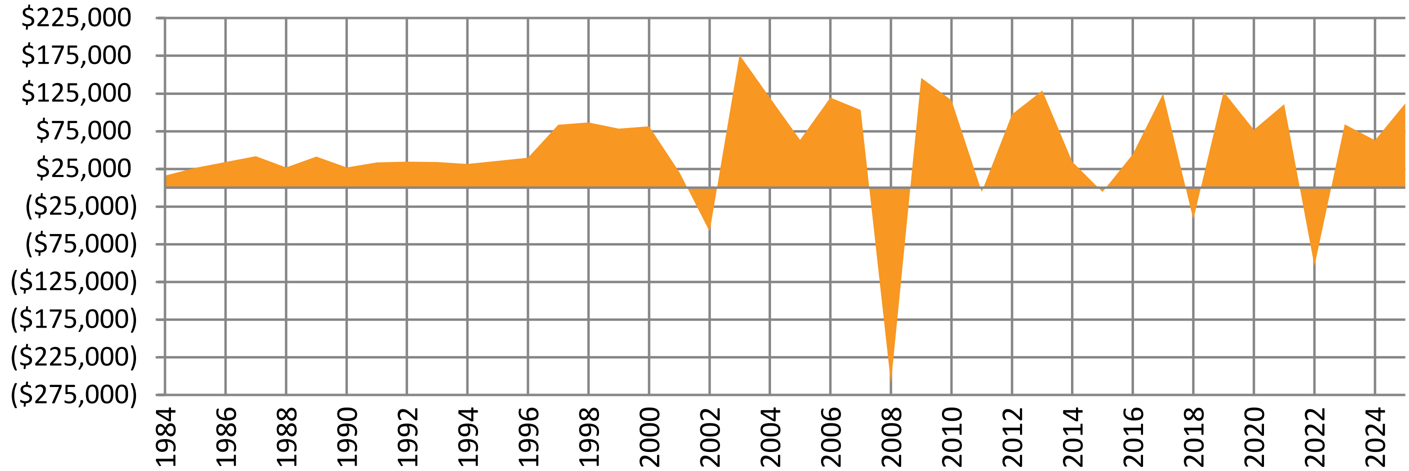


Employer & Employee Contributions

(add 000's)



Investment Income (Loss)



Participating Employers

	Covered Employees	% of Total	Covered Employees	% of Total
	2025		**2024**	
St. Louis Public Schools	3,235	63%	3,172	63%
All Others	1,886	37%	1,828	37%
Total – 19 Employers	5,121	100%	5,000	100%
	2023		**2022**	
St. Louis Public Schools	3,130	63%	2,503	63%
All Others	1,810	37%	1,691	37%
Total – 18 Employers	4,940	100%	4,594	100%
	2021		**2020**	
St. Louis Public Schools	3,503	70%	3,614	71%
All Others	1,481	30%	1,494	29%
Total – 20 Employers	4,984	100%	5,108	100%
	2019		**2018**	
St. Louis Public Schools	3,679	73%	3,733	73%
All Others	1,371	27%	1,405	27%
Total – 20 Employers	5,050	100%	5,138	100%
	2017		**2016**	
St. Louis Public Schools	3,808	75%	3,800	75%
All Others	1,293	25%	1,234	25%
Total – 20 Employers	5,101	100%	5,034	100%

Public School Retirement System of the City of St. Louis

1944	Creation of the retirement system by the Missouri General Assembly
1961	Plan provisions revised, active members able to choose the “old plan” or “new plan”
1969	Credited Service allowed for time lost from 1944 - 1947
1972	Credited Service options added, survivor, disability and minimum benefits added, another chance for “old plan” members to upgrade to the “new plan”
1975	First increase in benefits granted to certain retired teacher
1978	Service limits removed, survivor benefits revised, employee contributions set at 3%, Trustees granted rule-making authority, 1st back-to-work provision for some retirees
1979	Plan provisions revised to allow sick leave balances to be added to credited service and age requirements for retirement, early retirement and survivor benefits revised
1981	Plan provisions upgraded, insurance benefits improved, actuarial cost method changed, broadening of investment authority for the Board of Trustees
1984	Survivor and disability benefits upgraded, 2nd back-to-work provision for some retirees
1985	First supplemental early retirement benefit added for certain retirees
1987	Another chance for “old plan” members to join “new plan,” increase in minimum pension benefit, administrative changes made
1988	Survivor and supplemental benefits enhanced
1989	Certain plan provision improvements
1990	Supplemental benefits extended for some retirees
1993	Supplemental benefits enhanced for some retirees
1996	Service purchases allowed for some lay-off periods, investment trustee replaced with school administrator trustee, COLA provisions added
1997	COLA provision added for certain retirees
1998	Employee contribution rate set at 4.5%, pension factor set at 2%, catch-up COLA for some retirees, employer contribution rate set at 8.3% for three years
1999	Employee contribution rate set at 5%

2001	COLA provisions added for some retirees, DROP added until 2005, employer contribution rate set at 8%, employer contribution rate to be actuarial determined beginning in 2002 and future years
2002	Credited service rules revised, pre-tax transfers allowed between certain retirement plans, Charter School provisions added and clarified, new social security leveling pension benefit options, actuarial provisions revised for more Board of Trustees flexibility, amortization limit set at 30 years
2007	Some administrative changes, granted the Board of Trustees authority to increase pension within strict guidelines, Board of Trustees educational requirements expanded, actuarial cost reporting revised for all Missouri retirement plans
2009	State reporting requirements revised for all Missouri retirement plans
2014	General provisions revised for all Missouri retirement plans
2017	Plan provisions changed, effective January 1, 2018, new active members required to contribute 9%, current active members to contribute 9% after a series of annual increases of 0.5% reaches ceiling, beginning with 16% employers to contribute 9% after a series of annual decreases of 0.5% reaches floor, pension factor for new active members reduced to 1.75%, pension factor for current members to remain 2.0%, and effective August 28, 2017, “Rule of 85” changed to “Rule of 80”
2025	Employer contributions changed, effective January 1, 2026, employers to contribute 14%. Two new Trustees, appointed by the MO Public Charter School Association, were added to the Board increasing the number of Trustees to thirteen from eleven.

Public School Retirement System
of the City of St. Louis

A Pension Trust Fund for Public School Employees

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