

TIME **WELL** SPENT

people • progress • pensions



Missouri State Employees' Retirement System
SUMMARY ANNUAL REPORT TO MEMBERS

Fiscal Year Ended June 30, 2025

MISSION

MOSERS exists to advance the financial security of its members.

VISION

We endeavor to:

Exceed customer expectations

Educate stakeholders

Ensure sound investment practices

Encourage responsible funding of the plan through a commitment to *Excellence. Always.*

VALUES

Quality • Respect • Integrity
Openness • Accountability

Being named one of the Best Places to Work in 2024 by the money management industry reflects more than just workplace culture—it reflects purpose. At MOSERS, empowering employees leads to better service, encourages innovation, boosts operational efficiency, and builds a valuable, trusted workforce. This recognition reminds us that when people thrive, so does the mission—and the impact lasts for generations.

Overview

About MOSERS

MOSERS was established on September 1, 1957, by state statute and administers retirement, life insurance, and long-term disability benefits for most state employees, including:

- General state employees
- Employees of ten regional universities
- Members of the Missouri General Assembly
- Statewide elected officials (including the Governor, Lt. Governor, Attorney General, State Treasurer, Secretary of State, and State Auditor)
- Judges, administrative law judges, and legal advisors

The MO Deferred Comp Plan is also administered by MOSERS. This retirement savings plan for state of Missouri employees is designed to provide additional income to supplement the MOSERS defined benefit pension and Social Security benefits in retirement.

MOSERS' eleven-member Board of Trustees has responsibility for the operation and administration of the System.

Defined Benefit Plans

MOSERS administers the Missouri State Employees' Plan (MSEP) and the Judicial Plan, which are defined benefit plans covering most Missouri state employees and judges.

A defined benefit (DB) plan requires a member to be vested (work a set number of years in a benefit-eligible position) and provides a set benefit (based on service and salary) for life once the member meets the age and service requirements for retirement. In other words, the "benefit" is "defined" by the law.

The MSEP has two benefit structures known as the MSEP (closed plan) and MSEP 2000 (which includes the MSEP 2011 tier). The structure for judges includes the Judicial Plan (closed plan) and Judicial Plan 2011. The date a member is first employed in a benefit-eligible position determines which plan they will be in when they retire.

This *Summary Annual Report to Members* is derived from the information contained in MOSERS' *Annual Comprehensive Financial Report* (ACFR) but does not include all funds administered by MOSERS or certain other information required for conformity with Generally Accepted Accounting Principles (GAAP). MOSERS' financial statements are produced in conformity with GAAP. The full report can be viewed on our website at www.mosers.org/funding/annual-reports. To request an alternative format, please contact MOSERS at (573) 632-6100 or (800) 827-1063. MOSERS is an equal opportunity employer.

Message from the Executive Director

It is my pleasure to present the MOSERS *Summary Annual Report to Members*, which provides a brief overview of our financial condition as of June 30, 2025. During fiscal year 2025, the Board and staff worked extensively and collaboratively on solutions to ensure the fiscal sustainability of MOSERS for current and future members. I would like to thank our trustees and staff for their dedication and commitment.

The MOSERS investment portfolio generated a time-weighted return of 9.8%, net of fees, for fiscal year 2025. The total fund returned 1.1% more than would have been expected through passive investing in the benchmarks, adding approximately \$98 million in value to the MOSERS portfolio.

To allow for more predictable and stable contribution rates, MOSERS' funding is based upon the actuarial value of assets, which smooths asset gains and losses over a five-year period. As of June 30, 2025, the Missouri State Employees' Plan (MSEP) was 55.4% pre-funded and the Judicial Plan was 31.1% pre-funded on an actuarial basis. The MSEP reflected an increase compared to the June 30, 2024, funded status of 55.3%. The Judicial Plan reflected an increase from the June 30, 2024, funded status of 31.0%.

This year's theme, "Time Well Spent," highlights MOSERS' ongoing commitment to serving our members and our stakeholders with purpose and integrity. Every moment our staff devotes to managing investments, strengthening our financial foundation, and delivering exceptional service helps to ensure the long-term sustainability of the System. It is our honor to serve the great state of Missouri and to support our members in their efforts to secure the financial security they have earned and deserve.

Respectfully submitted,

Abby Spieler
Executive Director



Abby Spieler
Executive Director

MOSERS reached a major milestone with the successful implementation of our new pension administration system in FY25. This advanced platform streamlines complex processes, improves data accuracy, enhances member engagement, and lays the foundation for continued growth. Every hour invested in modernization moves us forward, ensuring a more responsive, reliable, and sustainable future for MOSERS and its members.

Fiscal Year 2025

\$797 Million
Employer Contributions

\$69 Million
Employee Contributions

\$1.1 Billion
Benefit Payments

\$1,267
Average Base Monthly
Benefit Amount for
New FY25 MSEP Retirees

57,133
Retirees & Beneficiaries

\$9.52 Billion
Net Trust Fund Assets

MOSERS exists to advance the financial security of its members. Our strategic plan not only reflects this mission but also guides our decision-making, improves transparency, and strengthens the long-term sustainability of the System. It ensures we stay focused on both the needs of today and the promises we must keep for decades to come.

Financial Highlights

Net Position

The *Summary Comparative Statements of Fiduciary Net Position* report the pension plan's financial position as of the end of the current and prior fiscal year.

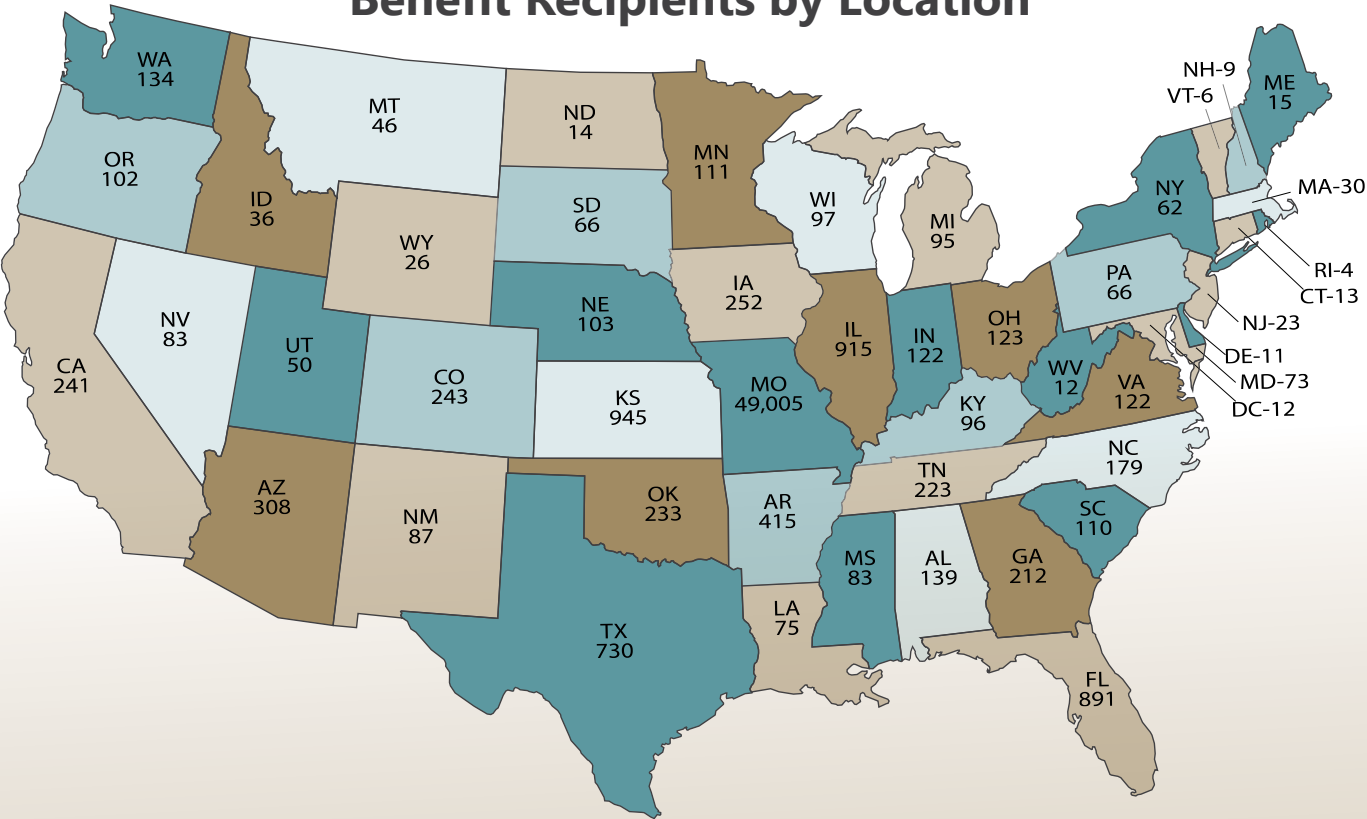
Summary Comparative Statements of Fiduciary Net Position (As of June 30, 2025 and 2024)		
	As of June 30, 2025	As of June 30, 2024
Assets		
Administrative operating cash and equivalents	\$ 7,939,565	\$ 16,374,267
Receivables	1,159,727,469	682,177,634
Investments	10,899,610,931	12,303,351,397
Capital assets, net of accumulated depreciation	18,893,447	16,728,940
Total assets	12,086,171,412	13,018,632,238
Deferred outflow of resources	1,193,520	1,008,133
Liabilities		
Administrative and other payables	8,526,028	18,426,077
Investment-related payables and obligations	2,502,418,380	3,993,980,968
MOSERS investment portfolio liability (MIP)	2,742,513	3,838,147
Net OPEB liability	6,086,710	5,574,870
Total liabilities	2,519,773,631	4,021,820,062
Deferred inflow of resources	1,790,687	2,185,471
Net positions restricted for fiduciary activities	\$ 9,565,800,614	\$ 8,995,634,838

The *Summary Comparative Statements of Changes in Fiduciary Net Position* report MOSERS' contributions, benefit expenses, investment income and expenses.

Summary Comparative Statements of Changes in Fiduciary Net Position (Fiscal Years Ended June 30, 2025 and 2024)		
	Year Ended June 30, 2025	Year Ended June 30, 2024
Additions		
Contributions and premiums*	\$ 903,803,944	\$ 811,296,711
Net investment income	854,635,369	569,520,077
Miscellaneous income	481,126	481,148
Total additions	\$ 1,758,920,439	1,381,297,936
Deductions		
Benefit payments	\$ 1,123,094,440	1,070,147,669
Premium disbursements	36,423,636	34,574,075
Service transfers and refunds	15,333,544	16,708,833
Administrative expenses	13,903,043	12,465,384
Total deductions	1,188,754,663	1,133,895,961
Net increase	570,165,776	247,401,975
Net position beginning of year	8,995,634,838	8,748,232,863
Net position restricted for fiduciary activities	\$ 9,565,800,614	\$ 8,995,634,838

* Includes employee and employer contributions, purchases of service credit, and incoming service transfers.

Benefit Recipients by Location



- 22 Alaska

10 Hawaii

3 Army Post Office

1 Argentina

2 Australia

1 Belgium

14 Canada
- 1 Costa Rica

1 Ecuador

2 Germany

3 Guam

1 Hong Kong

1 Israel

3 Italy
- 1 Latvia

1 Marshall Islands

1 Mexico

1 Northern Mariana Islands

1 Philippines

1 Puerto Rico
- 1 Spain

1 Sweden

1 Switzerland

2 Thailand

4 United Kingdom

5 Virgin Islands

Service is an investment that creates lasting value—time well spent serving the citizens of Missouri, ensuring a lifetime pension benefit for members of MOSERS. It's a commitment that honors the past, supports the present, and secures the future for those who dedicate their careers to public service.

Member Data

June 30, 2025	MSEP*	Judicial Plan**
Active Members		
Average age	44.7	54.1
Average years of service	9.6	9.1
Average annual salary	\$57,008	\$170,192
Retired Members & Beneficiaries		
Average age	71.9	76.9
Average annual benefit	\$18,184	\$81,611

* Includes MSEP, MSEP 2000, and MSEP 2011 members.

** Includes Judicial Plan and Judicial Plan 2011 members.

MSEP Members Retired During Fiscal Year 2025

Years Credited Service	Average Monthly Benefit	Average Final Average Salary	Number of Retirees
<5	\$ 491	\$ 8,576	8
5-10	364	3,217	548
11-15	633	3,514	417
16-20	1,024	3,849	309
21-25	1,581	4,424	415
26-30	2,088	4,766	471
31+	2,895	5,462	199
New Total 2025 Retirees*	1,267	4,079	2,367

* Includes MSEP, MSEP 2000, and MSEP 2011 members, but does not include Judicial Plan and Judicial Plan 2011 members.

Investment Growth

It takes a long time to grow defined benefit pension assets. MOSERS' first investment transaction occurred in 1957, when a single outside advisor placed \$100,000 in a 90-day Treasury Bill on behalf of participants. It took nearly 30 years for the System's investments to reach the \$1 billion mark. As reflected in the graph (top right), the investment portfolio as of June 30, 2025, was \$9.52 billion.

Fund Allocation & Risk

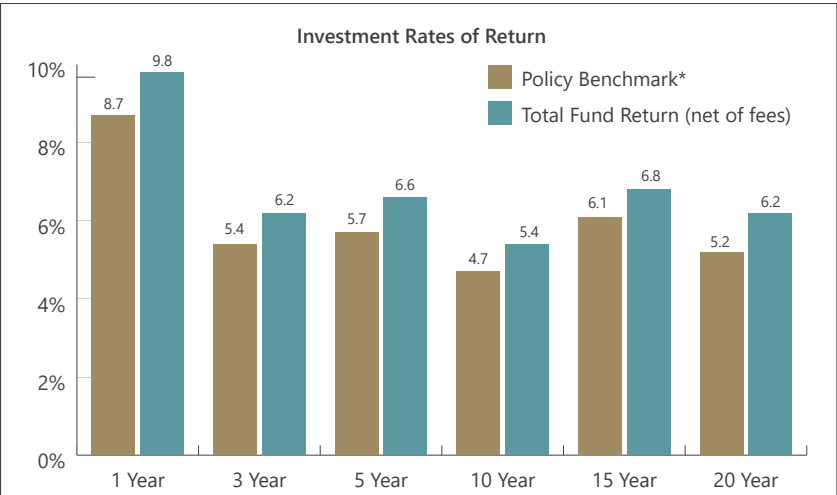
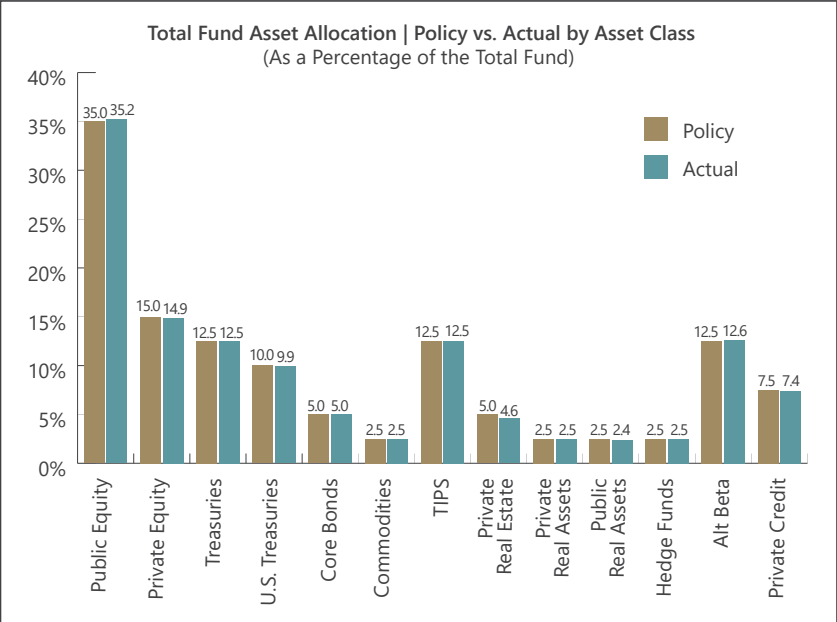
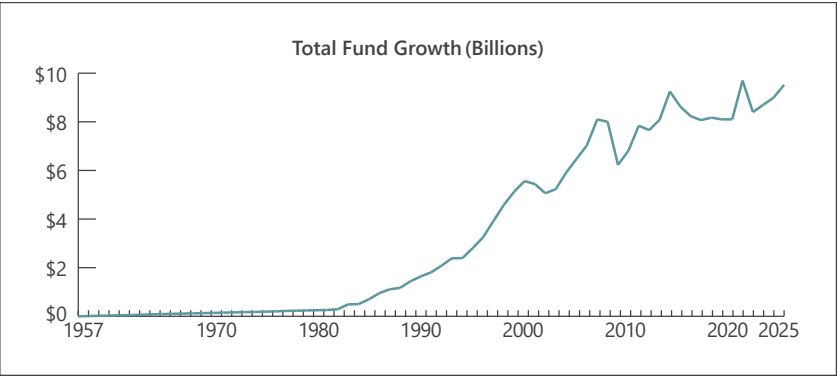
Market volatility is what investors traditionally consider to be the risk of investing. To protect against this risk, our investment portfolio is diversified across numerous asset classes and investment strategies.

The percentage of the total investment portfolio by specific asset class as of June 30, 2025, is reflected in the graph (middle right). The asset allocation is built on the belief that diversification is critical in achieving consistent, long-term, risk-adjusted investment returns.

Investment Performance vs. Benchmark Return

The policy benchmark provides a point of comparison when assessing the investment performance of the total fund. By comparing the policy benchmark return to the total fund return, we can determine how the MOSERS staff performed on a comparative basis over a given time period. Value is added when the total fund return exceeds the policy benchmark return. The policy benchmark also provides guidance for staff as well as other stakeholders of the fund through the establishment of concrete investment goals. Additionally, the policy benchmark establishes the Board's long-term view regarding investments, which puts into perspective any reaction, or overreaction, to short-term market conditions. Returns for the total fund versus these benchmarks are displayed in the corresponding graph (lower right).

Investments



* As of June 30, 2025, the total fund policy benchmark was comprised of the following components: 35.0% global public equities policy, 15% global private equities policy, 12.5% long treasuries policy, 10% U.S. treasuries policy, 5% core bonds policy, 2.5% commodities policy, 12.5% treasury inflation protected securities (TIPS) policy, 5% private real estate policy, 2.5% private real assets policy, 2.5% public real assets policy, 2.5% hedge funds policy, 12.5% alternative beta policy, and 7.5% private credit policy.

Policy return components are adjusted for financing costs associated with the program where applicable.

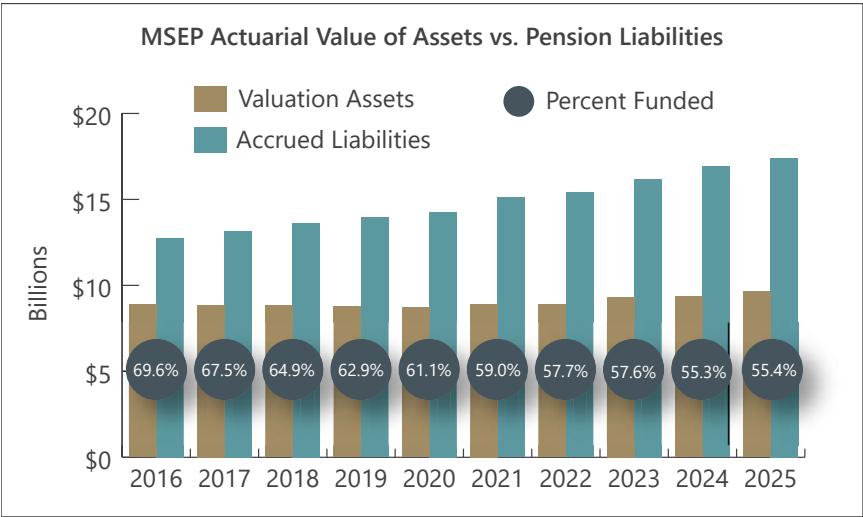
MSEP Retirement Funding

Funded Status

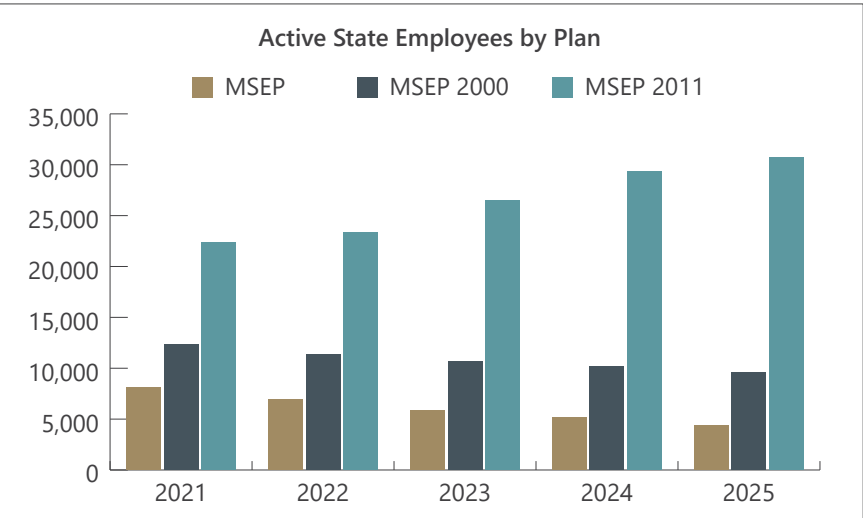
To help ensure your benefits are properly funded, MOSERS contracts with an outside actuarial firm to perform an annual actuarial valuation. This valuation determines the funded status of the plans at year-end and the contribution rates needed to adequately fund the System in the future. The percentages shown in the bar graph indicate the extent to which the System was funded as of a given year-end.

Employers contribute the actuarially determined contribution that, when combined with current assets and expected future investment returns, will be sufficient to meet the current and future assumed financial obligations of the System.

Through a history of reasonable benefit levels, mandatory participation, actuarially determined employer contributions, and professionally managed investments, MOSERS benefits remain secure.

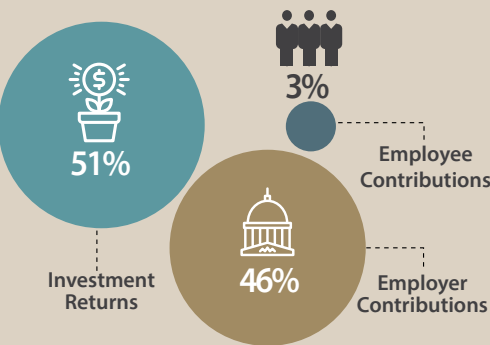


Pension reform in 2010, known as MSEP 2011, works to stabilize plan funding, retains the defined benefit structure, and provides sustainability for future generations. As of June 30, 2025, nearly 69% of active employees are in MSEP 2011.



Plan Revenue

MOSERS is an advance-funded retirement system. Unlike “pay-as-you-go” plans, employer and employee contributions plus investment earnings are accumulated and professionally managed during employees’ careers and paid out over their retirement years. Over the long term, the largest contributor to accumulated plan assets is investment earnings, which accounts for 51% of the assets in the MOSERS Trust Fund.



A few key components used to calculate the employer contribution rate and the plan's funded ratio are the assumed rate of return on investments and demographic assumptions about MOSERS’ membership base. These inputs are set using realistic expectations in order to appropriately fund the plan over time.

MOSERS has provided employee benefits for over 60 years. Our pension benefits are funded by three sources: employer contributions, employee contributions, and investment earnings. Over the long term, these investments generate income that lasts—and supports our members throughout their lifetimes.



Awards

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to MOSERS for its Popular Annual Financial Report for the fiscal year ended June 30, 2024. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

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

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. MOSERS has received this award for 30 consecutive years (fiscal years ended 1995 through 2024). We believe our current report continues to conform to the Popular Financial Reporting requirements, and we are submitting it to the GFOA to determine its eligibility for another Award.

Want to Know More?



Visit us online at www.mosers.org
or email us at mosers@mosers.org



Watch for "A Moment With MOSERS" video updates in your email and online to quickly learn about actions taken by the MOSERS Board of Trustees.



Benefit counselors are a valuable source of information regarding your benefits. Call to speak with a benefit counselor or to make an appointment.

Office Hours

Monday - Friday
8:00 a.m. - 12:00 p.m.
1:00 p.m. - 4:30 p.m.

Phone

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(800) 827-1063

Mailing Address

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Board of Trustees

as of June 30, 2025

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Executive Director
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Chief Operating Officer
- TJ Carlson
Chief Investment Officer

