

February 25, 2025



**Pennsylvania State Employees'
Retirement System – 457(b) Plan**

Fourth Quarter 2024

Executive Summary

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Important Disclosures regarding the use of this document are included at the end of this document. These disclosures are an integral part of this document and should be considered by the user.

Callan

Market Environment

Equity Markets Up Sharply in 2024

Stocks have recovered losses of 2022; fixed income still lags

S&P 500 climbed 25% in 2024

- U.S. large cap substantially outperformed U.S. small cap, developed ex-U.S. markets, and emerging markets. Technology and AI drove the S&P 500.

Weak 4Q for core fixed income

- The Bloomberg Aggregate fell 3.1%. Long duration and non-U.S. bonds saw even greater declines.
- Interest rates remain volatile as the markets assess how the Fed will continue with easing.
- CPI-U came in at 2.9% (year-over-year) through December, up from 3Q, but with a welcome decline in the core figure, which rose 3.2%.

Solid growth through 2024

- 3Q GDP came in at a surprisingly strong 3.1%, after another surprise in 2Q, and saw 2.3% growth in 4Q. Consumer spending continues to drive GDP growth.

Returns for Periods ended 12/31/24

	Quarter	1 Year	3 Years	5 Years	10 Years	25 Years
U.S. Equity						
Russell 3000	2.63	23.81	8.01	13.86	12.55	7.84
S&P 500	2.41	25.02	8.94	14.53	13.10	7.70
Russell 2000	0.33	11.54	1.24	7.40	7.82	7.55
Global ex-U.S. Equity						
MSCI World ex USA	-7.43	4.70	1.91	5.10	5.26	3.78
MSCI Emerging Markets	-8.01	7.50	-1.92	1.70	3.64	--
MSCI ACWI ex USA Small Cap	-7.66	3.36	-1.47	4.30	5.66	6.23
Fixed Income						
Bloomberg Aggregate	-3.06	1.25	-2.41	-0.33	1.35	3.94
90-day T-Bill	1.17	5.25	3.89	2.46	1.77	1.91
Bloomberg Long Gov/Credit	-7.42	-4.15	-9.20	-3.26	0.99	5.36
Bloomberg Global Agg ex-US	-6.84	-4.22	-6.28	-3.37	-0.90	2.45
Real Estate						
NCREIF Property Index	0.90	0.43	-0.82	3.13	5.66	7.58
FTSE Nareit Equity	-6.21	8.73	-2.20	4.27	5.73	9.84
Alternatives						
Cambridge Private Equity*	2.68	7.93	2.75	14.27	13.40	12.39
Cambridge Senior Debt*	3.35	10.18	7.08	7.89	7.31	4.59
HFRI Fund Weighted	1.49	9.83	4.41	7.00	5.26	5.57
Bloomberg Commodity	-0.45	5.38	4.05	6.77	1.28	2.15
Gold Spot Price	-0.69	27.47	13.04	11.64	8.35	9.24
Inflation: CPI-U*	0.10	2.89	4.22	4.20	3.00	2.54

*Cambridge Private Equity and Cambridge Senior Debt data as of 9/30/24. Returns greater than one year are annualized.

Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

Diversification Remains Key Risk Control

Periodic Table of Investment Returns

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Emerging Markets	Emerging Markets	Emerging Markets	U.S. Fixed	Emerging Markets	Small Cap	Real Estate Funds	Emerging Markets	Small Cap	Large Cap	Real Estate Funds	Small Cap	Emerging Markets	Real Estate Funds	Large Cap	Small Cap	Large Cap	Real Estate Funds	Large Cap	Large Cap
34.00%	32.17%	39.38%	5.24%	78.51%	26.85%	14.96%	18.23%	38.82%	13.69%	13.95%	21.31%	37.28%	7.36%	31.49%	19.96%	28.71%	6.55%	26.29%	25.02%
Real Estate Funds	Non-U.S. Equity	Real Estate Funds	Non-U.S. Fixed	High Yield	Emerging Markets	U.S. Fixed	Non-U.S. Equity	Large Cap	Real Estate Funds	Large Cap	High Yield	Non-U.S. Equity	Cash Equivalent	Small Cap	Large Cap	Real Estate Funds	Cash Equivalent	Non-U.S. Equity	Small Cap
20.15%	25.71%	14.84%	4.39%	58.21%	18.88%	7.84%	16.41%	32.39%	11.46%	1.38%	17.13%	24.21%	1.87%	25.52%	18.40%	21.02%	1.46%	17.94%	11.54%
Non-U.S. Equity	Small Cap	Hedge Funds	Cash Equivalent	Non-U.S. Equity	Real Estate Funds	High Yield	Small Cap	Non-U.S. Equity	U.S. Fixed	U.S. Fixed	Large Cap	Large Cap	U.S. Fixed	Non-U.S. Equity	Emerging Markets	Small Cap	Hedge Funds	Small Cap	Hedge Funds
14.47%	18.37%	12.56%	2.06%	33.67%	15.26%	4.98%	16.35%	21.02%	5.97%	0.55%	11.96%	21.83%	0.01%	22.49%	18.31%	14.82%	1.06%	16.93%	9.82%
Hedge Funds	Large Cap	Non-U.S. Equity	Real Estate Funds	Small Cap	High Yield	Non-U.S. Fixed	Large Cap	Real Estate Funds	Small Cap	Cash Equivalent	Emerging Markets	Small Cap	High Yield	Emerging Markets	Non-U.S. Fixed	Non-U.S. Equity	High Yield	High Yield	High Yield
7.61%	15.79%	12.44%	-10.70%	27.17%	15.12%	4.36%	16.00%	12.90%	4.89%	0.05%	11.19%	14.65%	-2.08%	18.44%	10.11%	12.62%	-11.19%	13.44%	8.19%
Large Cap	Real Estate Funds	Non-U.S. Fixed	Hedge Funds	Large Cap	Large Cap	Large Cap	High Yield	Hedge Funds	Hedge Funds	Hedge Funds	Real Estate Funds	Non-U.S. Fixed	Non-U.S. Fixed	High Yield	Non-U.S. Equity	Hedge Funds	U.S. Fixed	Emerging Markets	Emerging Markets
4.91%	15.27%	11.03%	-19.07%	26.47%	15.06%	2.11%	15.81%	9.73%	4.13%	-0.71%	7.79%	10.51%	-2.15%	14.32%	7.59%	8.23%	-13.01%	9.83%	7.50%
Small Cap	Hedge Funds	U.S. Fixed	High Yield	Hedge Funds	Hedge Funds	Cash Equivalent	Real Estate Funds	High Yield	High Yield	Non-U.S. Equity	Non-U.S. Equity	High Yield	Hedge Funds	Hedge Funds	U.S. Fixed	High Yield	Non-U.S. Equity	Hedge Funds	Cash Equivalent
4.55%	13.86%	6.97%	-26.16%	18.57%	10.95%	0.10%	9.79%	7.44%	2.45%	-3.04%	2.75%	7.50%	-3.19%	9.31%	7.51%	5.28%	-14.29%	5.83%	5.25%
Cash Equivalent	High Yield	Large Cap	Small Cap	Non-U.S. Fixed	Non-U.S. Equity	Hedge Funds	Hedge Funds	Cash Equivalent	Cash Equivalent	Small Cap	U.S. Fixed	Hedge Funds	Large Cap	U.S. Fixed	High Yield	Cash Equivalent	Large Cap	Non-U.S. Fixed	Non-U.S. Equity
3.06%	11.85%	5.49%	-33.79%	7.53%	8.95%	-2.52%	7.67%	0.07%	0.04%	-4.41%	2.65%	7.12%	-4.38%	8.72%	7.11%	0.05%	-18.11%	5.72%	4.70%
High Yield	Non-U.S. Fixed	Cash Equivalent	Large Cap	U.S. Fixed	U.S. Fixed	Small Cap	U.S. Fixed	U.S. Fixed	Emerging Markets	High Yield	Non-U.S. Fixed	Real Estate Funds	Small Cap	Non-U.S. Fixed	Hedge Funds	U.S. Fixed	Non-U.S. Fixed	U.S. Fixed	U.S. Fixed
2.74%	8.16%	5.00%	-37.00%	5.93%	6.54%	-4.18%	4.21%	-2.02%	-2.19%	-4.47%	1.49%	6.66%	-11.01%	5.09%	6.36%	-1.54%	-18.70%	5.53%	1.25%
U.S. Fixed	Cash Equivalent	High Yield	Non-U.S. Equity	Cash Equivalent	Non-U.S. Fixed	Non-U.S. Equity	Non-U.S. Fixed	Emerging Markets	Non-U.S. Fixed	Non-U.S. Fixed	Hedge Funds	U.S. Fixed	Non-U.S. Equity	Real Estate Funds	Cash Equivalent	Emerging Markets	Emerging Markets	Cash Equivalent	Real Estate Funds
2.43%	4.86%	1.87%	-43.56%	0.21%	4.95%	-12.21%	4.09%	-2.60%	-3.09%	-6.02%	1.25%	3.54%	-14.09%	4.39%	0.67%	-2.54%	-20.09%	5.01%	-2.27%
Non-U.S. Fixed	U.S. Fixed	Small Cap	Emerging Markets	Real Estate Funds	Cash Equivalent	Emerging Markets	Cash Equivalent	Non-U.S. Fixed	Non-U.S. Equity	Emerging Markets	Cash Equivalent	Cash Equivalent	Emerging Markets	Cash Equivalent	Real Estate Funds	Non-U.S. Fixed	Small Cap	Real Estate Funds	Non-U.S. Fixed
-8.65%	4.33%	-1.57%	-53.33%	-30.40%	0.13%	-18.42%	0.11%	-3.08%	-4.32%	-14.92%	0.33%	0.86%	-14.57%	2.28%	0.34%	-7.05%	-20.44%	-12.73%	-4.22%

- Bloomberg Barclays Corp High Yield ● Bloomberg Barclays Global Aggregate ex US ● Bloomberg Barclays US Aggregate
- Credit Suisse Hedge Fund ● ICE BofAML US 3-Month Treasury Bill ● MSCI Emerging Markets ● MSCI World ex USA
- NFI-ODCE (value-weighted net) ● Russell 2000 ● S&P 500

DC Industry Talking Points

4Q24

American Airlines ESG Class Action Case Update

- ▶ A Texas district court ruled that American Airlines violated its duty of loyalty in ESG-related 401(k) litigation, stating the company allowed corporate and ESG interests to influence plan management, but not the duty of prudence, ruling that the plan sponsor followed or exceeded industry standard processes.
- ▶ The complaint argued that core investments, including BlackRock index funds, prioritized ESG principles over financial returns through proxy voting, potentially harming plan participants. This complaint does not relate to the use of labeled “ESG funds” in the core lineup.
- ▶ Allegations of financial harm from proxy voting were novel, with no identified harm to participants yet.
- ▶ The court did not rule on damages or relief but requested further evidence on financial losses, the impact of ESG policies in proxy voting on investment performance, and the need for an injunction.
- ▶ The ruling emphasizes the importance of good governance and adherence to documented investment policies, without suggesting changes to the fiduciaries' decision-making process while exploring the potential for increased scrutiny of managers' proxy voting policies and practices in the future.
- ▶ Plan sponsors should review the plan documents, governance documents, and manager agreements, and consult legal counsel.

IRS Announces Updated Retirement Plan Limits for 2025

- ▶ The annual contribution limit will increase by \$500, from \$23,000 to \$23,500.
- ▶ The age 50 annual catch-up contribution limit will remain the same at \$7,500. However, the catch-up limit for those ages 60-63 is \$11,250.
- ▶ The annual compensation limit will increase from \$345,000 to \$350,000.
- ▶ The Section 415(c) limit will increase from \$69,000 to \$70,000.
- ▶ The highly compensated employee threshold will increase from \$155,000 to \$160,000. Visit the [IRS publication](#) to learn more.

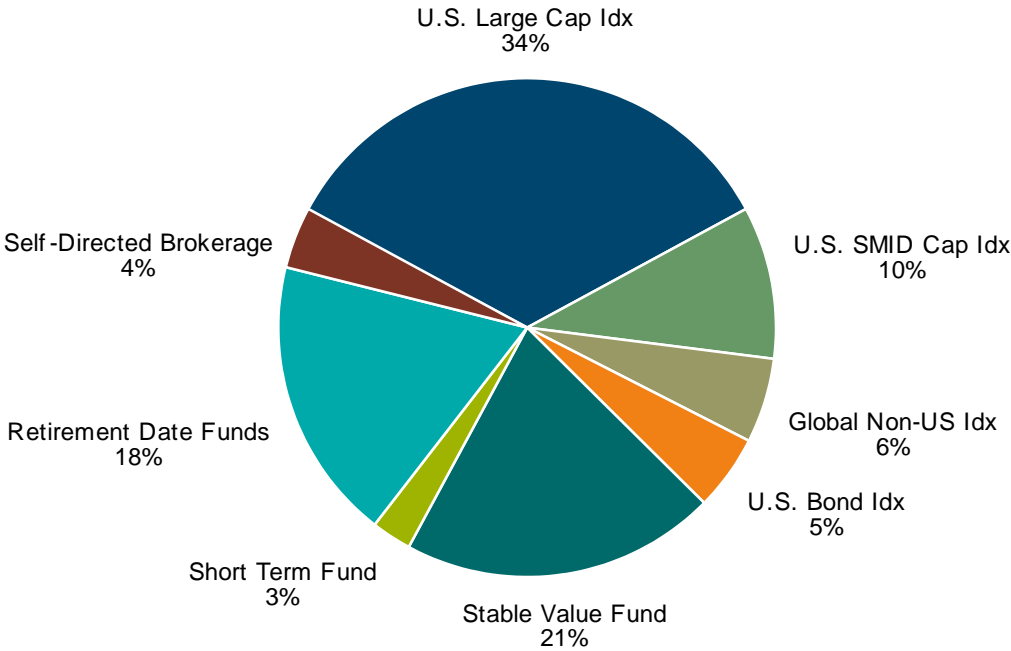
Callan

PA SERS 457(b) Plan Performance Review

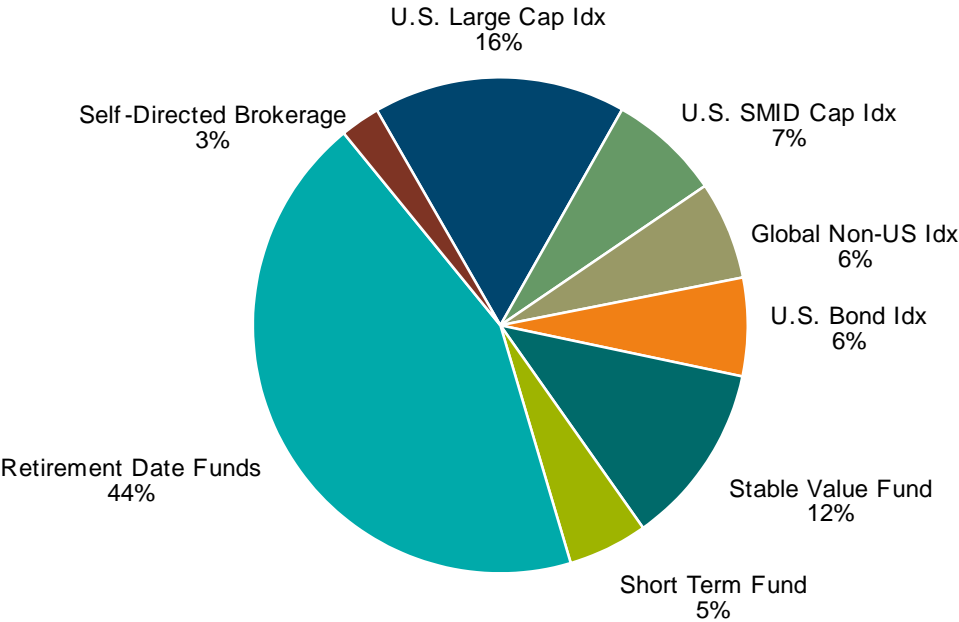
457(b) Plan Asset Allocation & Contributions

As of December 31, 2024

Asset Allocation

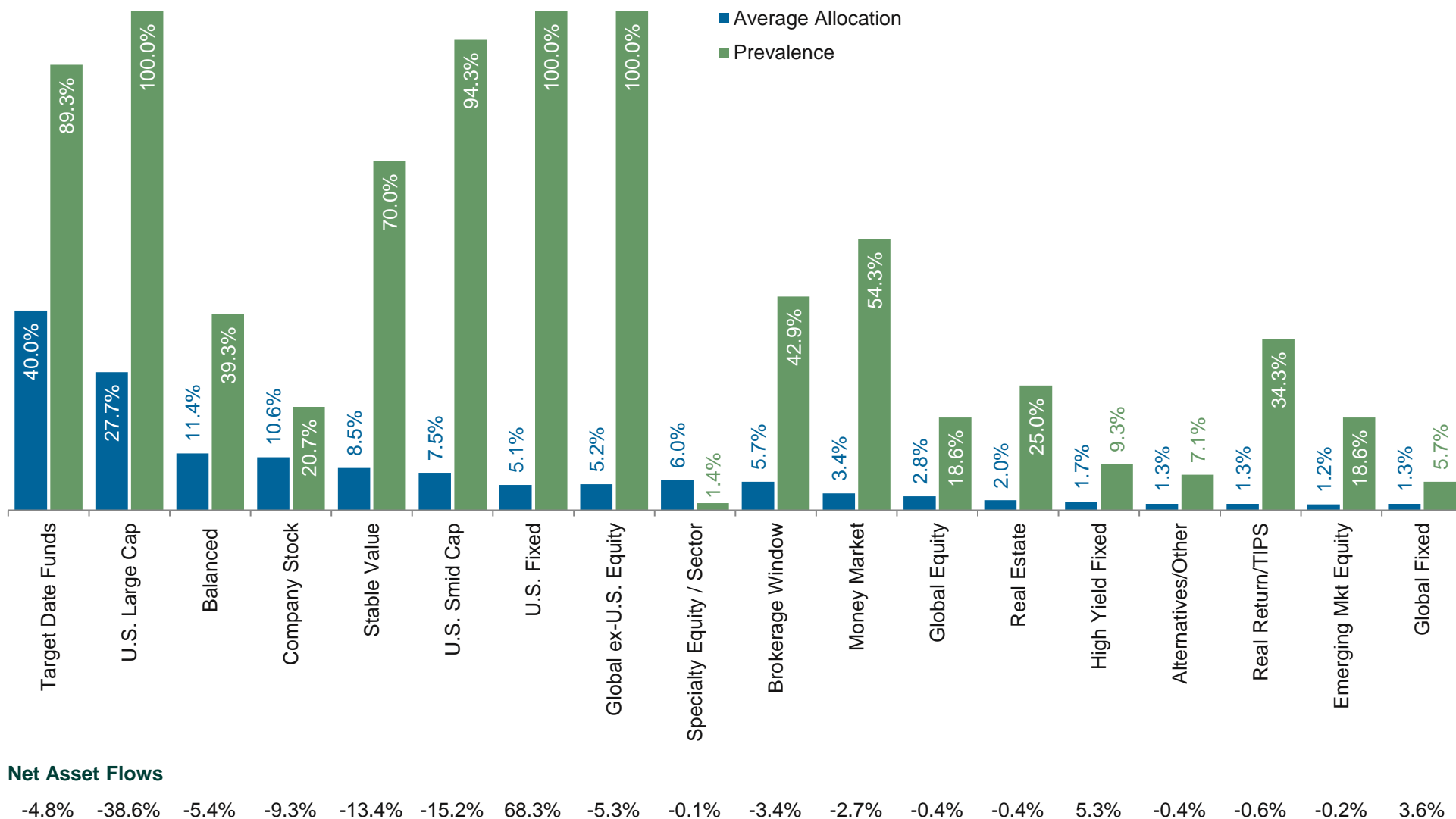


Contributions



Callan DC Index Asset Allocation as of 9/30/24

Callan DC Index™ tracks the underlying fund performance, asset allocation, and cash flows of more than 100 large defined contribution plans representing approximately \$400 billion in assets.



Asset Allocation

As of December 31, 2024

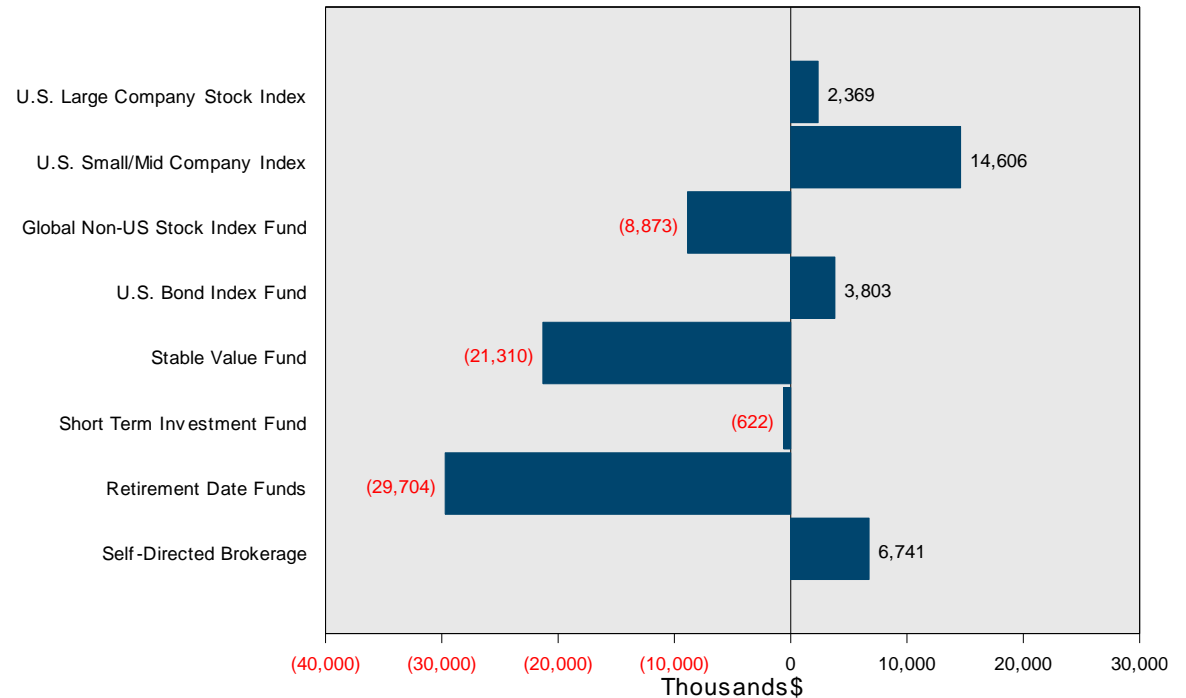
	December 31, 2024				September 30, 2024	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
SERS Retirement Date Funds	\$908,629,959	18.35%	\$124,300,997	\$(154,005,045)	\$938,334,006	18.83%
SERS Post Retirement Fund	331,972,246	6.71%	122,473,754	(6,880,061)	216,378,553	4.34%
SERS 2025 Retirement Fund	0	0.00%	(134,502,038)	(946,885)	135,448,923	2.72%
SERS 2030 Retirement Fund	144,071,196	2.91%	(1,244,638)	(3,365,761)	148,681,596	2.98%
SERS 2035 Retirement Fund	139,869,064	2.83%	208,269	(3,056,167)	142,716,962	2.86%
SERS 2040 Retirement Fund	98,962,860	2.00%	792,041	(1,995,060)	100,165,878	2.01%
SERS 2045 Retirement Fund	86,413,244	1.75%	(878,365)	(1,610,803)	88,902,411	1.78%
SERS 2050 Retirement Fund	63,294,908	1.28%	2,103,613	(1,003,707)	62,195,002	1.25%
SERS 2055 Retirement Fund	25,392,063	0.51%	219,334	(377,298)	25,550,027	0.51%
SERS 2060 Retirement Fund	11,417,924	0.23%	314,718	(170,173)	11,273,378	0.23%
SERS 2065 Retirement Fund	7,218,089	0.15%	293,818	(97,004)	7,021,276	0.14%
SERS 2070 Retirement Fund	18,365	0.00%	18,453	(88)	-	-
SERS U.S. Equity	\$2,186,226,461	44.16%	\$(44,833,535)	\$61,808,835	\$2,169,251,161	43.53%
SERS U.S. Large Company Index Fund	1,697,504,850	34.29%	(37,561,054)	39,930,430	1,695,135,474	34.02%
SERS U.S. SMID Company Index Fund	488,721,611	9.87%	(7,272,481)	21,878,406	474,115,687	9.51%
SERS Non-U.S. Equity	\$273,760,307	5.53%	\$13,790,831	\$(22,663,766)	\$282,633,242	5.67%
SERS Global Non-US Index Fund	273,760,307	5.53%	13,790,831	(22,663,766)	282,633,242	5.67%
SERS Fixed Income	\$1,386,080,823	28.00%	\$(19,208,193)	\$1,079,520	\$1,404,209,496	28.18%
SERS Short Term Investment Fund	127,303,785	2.57%	(2,064,612)	1,443,039	127,925,358	2.57%
SERS Stable Value Fund	1,015,313,513	20.51%	(28,568,239)	7,258,203	1,036,623,550	20.80%
SERS U.S. Bond Index Fund	243,463,525	4.92%	11,424,659	(7,621,722)	239,660,588	4.81%
Self-Directed Brokerage Account	\$195,747,930	3.95%	\$5,002,846	\$1,737,816	\$189,007,268	3.79%
SERS 457(b) Total Fund	\$4,950,445,480	100.0%	\$79,052,947	\$(112,042,640)	\$4,983,435,173	100.0%

Changes in Market Values and Contributions

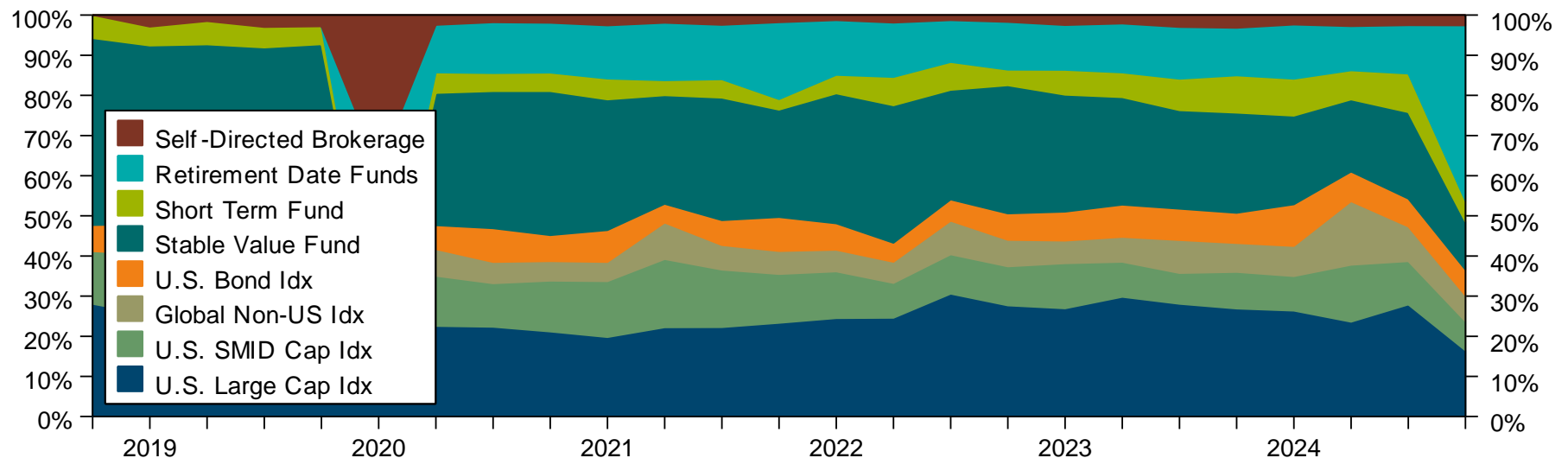
As of December 31, 2024

- The chart to the right shows the change in fund values across the various investment options for the quarter ended December 31, 2024. The change in value for each fund is the result of a combination of 3 factors:

1. Market movements
2. Contributions or disbursements into or out of the fund by the participants (and any matching done by the company)
3. Transfers between funds by the participants

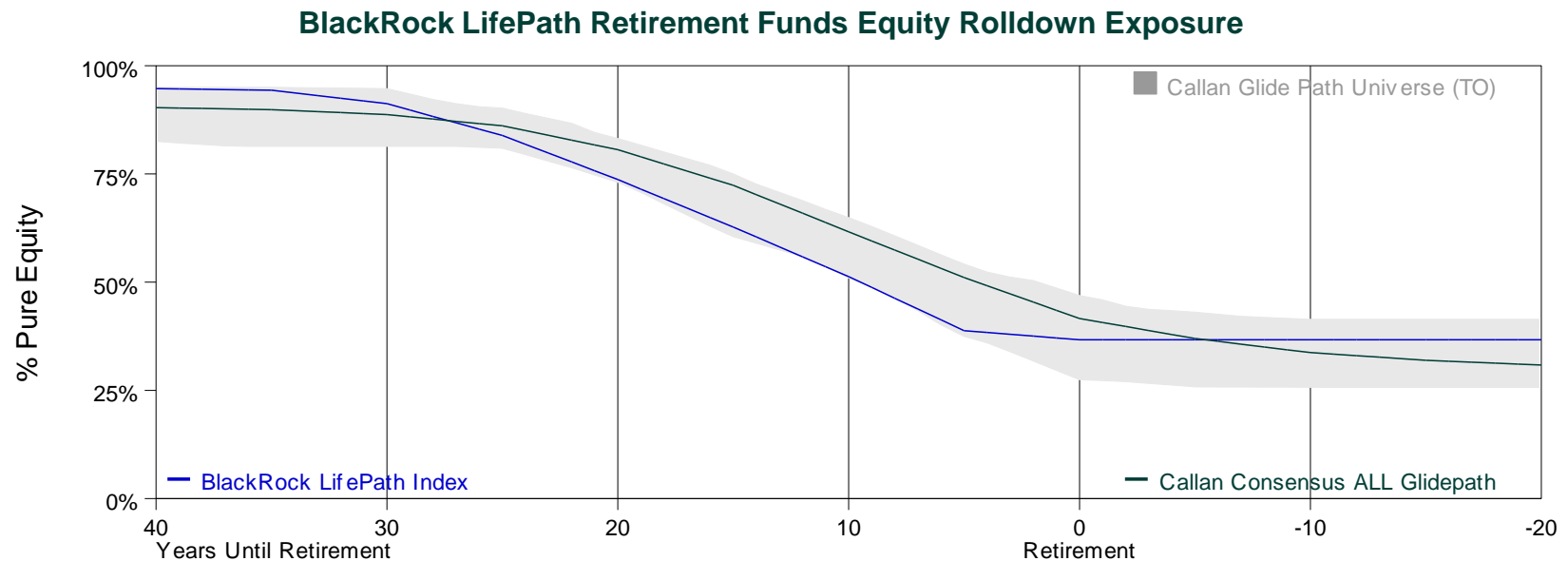
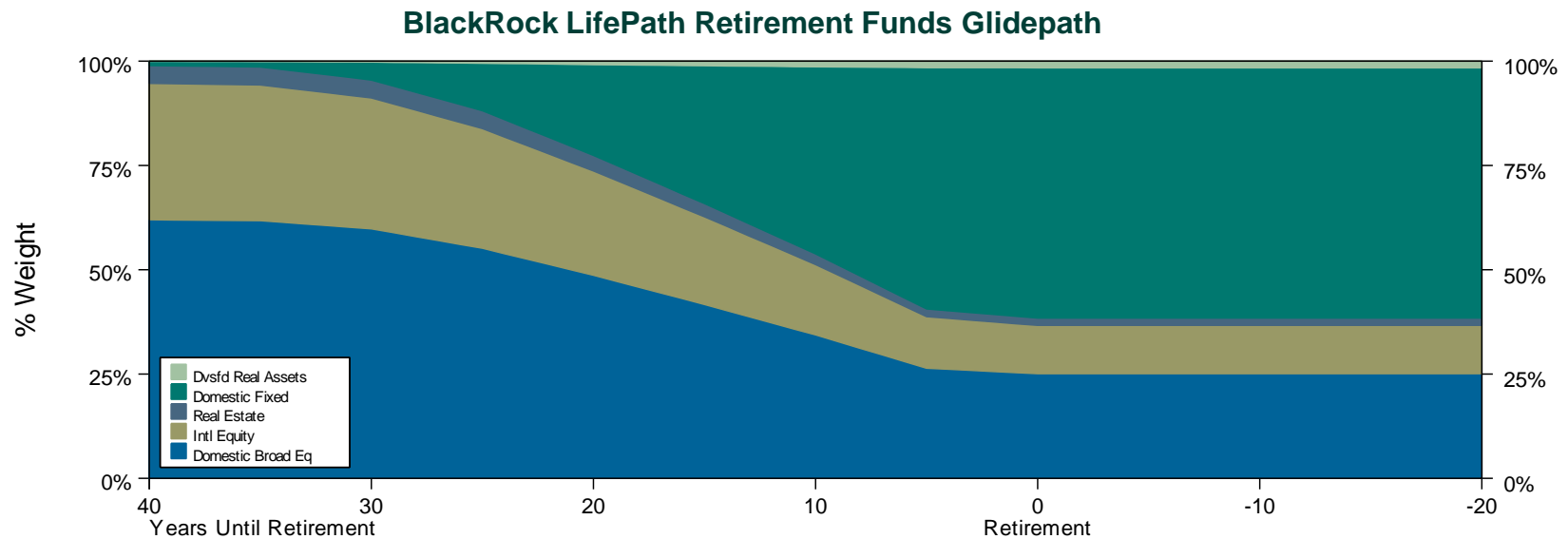


Historical Allocation of Contributions



Blackrock LifePath Retirement Funds

Glidepath and Equity Rolldown Exposure as of December 31, 2024



Cumulative Performance - Net of Fees

As of December 31, 2024

	Last Quarter	Last 1 Year	Last 3 Years	Last 5 Years
Net Performance				
Retirement Date Funds				
SERS Post Retirement Fund	(2.24%)	7.08%	0.53%	4.00%
BlackRock Post Retirement Index	(2.23%)	7.08%	0.56%	4.00%
Callan Tgt Date Ret Inc	(1.91%)	6.88%	0.87%	3.70%
SERS 2030 Retirement Fund	(2.24%)	9.12%	1.56%	5.67%
BlackRock 2030 Index	(2.24%)	9.12%	1.58%	5.67%
Callan Target Date 2030	(1.86%)	9.77%	1.91%	6.17%
SERS 2035 Retirement Fund	(2.11%)	10.88%	2.42%	6.79%
BlackRock 2035 Index	(2.10%)	10.89%	2.43%	6.77%
Callan Target Date 2035	(1.88%)	11.31%	2.52%	7.08%
SERS 2040 Retirement Fund	(1.95%)	12.62%	3.26%	7.83%
BlackRock 2040 Index	(1.94%)	12.63%	3.25%	7.79%
Callan Target Date 2040	(1.76%)	12.80%	3.23%	7.95%
SERS 2045 Retirement Fund	(1.79%)	14.26%	4.07%	8.78%
BlackRock 2045 Index	(1.75%)	14.32%	4.05%	8.74%
Callan Target Date 2045	(1.71%)	13.86%	3.76%	8.62%
SERS 2050 Retirement Fund	(1.51%)	15.56%	4.65%	9.40%
BlackRock 2050 Index	(1.45%)	15.66%	4.64%	9.35%
Callan Target Date 2050	(1.60%)	14.27%	3.95%	8.83%
SERS 2055 Retirement Fund	(1.36%)	16.21%	4.90%	9.61%
BlackRock 2055 Index	(1.29%)	16.32%	4.89%	9.57%
Callan Target Date 2055	(1.59%)	14.49%	4.05%	8.98%
SERS 2060 Retirement Fund	(1.35%)	16.23%	4.91%	9.61%
BlackRock 2060 Index	(1.26%)	16.36%	4.91%	9.58%
Callan Target Date 2060	(1.60%)	14.40%	4.03%	9.01%
SERS 2065 Retirement Fund	(1.34%)	16.26%	4.92%	9.58%
BlackRock 2065 Index	(1.27%)	16.37%	4.91%	9.58%
Callan Target Date 2065	(1.62%)	14.71%	4.03%	9.05%
SERS 2070 Retirement Fund	(1.33%)	-	-	-
BlackRock 2070 Index	(1.27%)	-	-	-
Callan Target Date 2065	(1.62%)	14.71%	4.03%	9.05%

Note: SERS Funds are the top fund in each grouping followed by each fund's respective benchmark and median peer.
*Target Date funds replaced risk-based funds in 1Q20.

Cumulative Performance - Net of Fees

As of December 31, 2024

	Last 7 Years	Last 10 Years	Last 15 Years	Last 20 Years
Net Performance				
Retirement Date Funds				
SERS Post Retirement Fund	4.47%	4.61%	5.43%	-
BlackRock Post Retirement Index	4.47%	4.60%	5.41%	5.08%
Callan Tgt Date Ret Inc	3.97%	4.10%	4.76%	4.20%
SERS 2030 Retirement Fund	5.97%	6.32%	7.27%	-
BlackRock 2030 Index	5.95%	6.25%	7.22%	6.07%
Callan Target Date 2030	6.21%	6.59%	7.84%	6.23%
SERS 2035 Retirement Fund	6.90%	7.18%	7.99%	-
BlackRock 2035 Index	6.86%	7.08%	7.92%	6.52%
Callan Target Date 2035	6.90%	7.31%	8.46%	6.76%
SERS 2040 Retirement Fund	7.75%	7.95%	8.64%	-
BlackRock 2040 Index	7.69%	7.83%	8.54%	6.91%
Callan Target Date 2040	7.58%	7.89%	8.99%	7.12%
SERS 2045 Retirement Fund	8.50%	8.58%	9.18%	-
BlackRock 2045 Index	8.42%	8.45%	9.08%	7.24%
Callan Target Date 2045	8.08%	8.34%	9.17%	7.22%
SERS 2050 Retirement Fund	8.95%	8.94%	9.53%	-
BlackRock 2050 Index	8.88%	8.81%	9.43%	7.59%
Callan Target Date 2050	8.26%	8.50%	9.31%	-
SERS 2055 Retirement Fund	9.11%	9.04%	-	-
BlackRock 2055 Index	9.05%	8.92%	-	-
Callan Target Date 2055	8.35%	8.56%	9.70%	-
SERS 2060 Retirement Fund	9.11%	9.04%	-	-
BlackRock 2060 Index	9.05%	8.94%	-	-
Callan Target Date 2060	8.44%	8.80%	-	-

Note: SERS Funds are the top fund in each grouping followed by each fund's respective benchmark and median peer.

*Funds not listed do not have longer term history.

**Target Date funds replaced risk-based funds in 1Q20.

Cumulative Performance - Net of Fees

As of December 31, 2024

	Last Quarter	Last 1 Year	Last 3 Years	Last 5 Years
Net Performance				
Domestic Equity				
SERS U.S. Large Company Index	2.41%	25.00%	8.93%	14.53%
S&P 500 Index	2.41%	25.02%	8.94%	14.53%
Callan Lg Cap Broad MF	1.91%	23.41%	7.74%	13.59%
SERS U.S. SMID Company Index	4.66%	17.10%	2.75%	10.09%
Dow Jones US Completion	4.74%	16.89%	2.38%	9.77%
Callan SMID Broad MFs	(0.35%)	11.71%	1.49%	8.68%
International Equity				
SERS Global Non-US Index	(7.78%)	5.53%	0.99%	4.33%
MSCI ACWI ex US	(7.60%)	5.53%	0.82%	4.10%
Callan Non US Equity MFs	(7.92%)	4.41%	1.37%	4.50%
Domestic Fixed Income				
SERS Short Term Investment Fund	1.17%	5.20%	3.92%	2.48%
3-month Treasury Bill	1.17%	5.25%	3.89%	2.46%
Callan Cash Database(1)	1.16%	5.40%	3.95%	2.60%
SERS Stable Value Fund	0.74%	2.94%	2.44%	2.26%
3-month Treasury Bill	1.17%	5.25%	3.89%	2.46%
Callan Stable Value SA	0.76%	2.92%	2.53%	2.38%
SERS U.S. Bond Index Fund	(3.07%)	1.25%	(2.38%)	(0.32%)
Blmbg Aggregate	(3.06%)	1.25%	(2.41%)	(0.33%)
Callan Core Bond MFs	(3.00%)	1.79%	(2.30%)	0.07%

(1) Callan Cash Database includes STIF, enhanced cash, and money market funds.

*The Global Non-U.S. Stock Index Fund replaced the International Company Stock Index Fund in 1Q20.

Cumulative Performance - Net of Fees

As of December 31, 2024

	Last 7 Years	Last 10 Years	Last 15 Years	Last 20 Years
Net Performance				
Domestic Equity				
SERS U.S. Large Company Index	13.84%	13.11%	13.90%	10.39%
S&P 500 Index	13.83%	13.10%	13.88%	10.35%
Callan Lg Cap Broad MF	13.10%	12.19%	13.22%	10.02%
SERS U.S. SMID Company Index	9.43%	9.57%	11.98%	9.53%
Dow Jones US Completion	9.13%	9.30%	11.73%	9.29%
Callan SMID Broad MFs	8.46%	9.00%	11.18%	9.04%
International Equity				
SERS Global Non-US Index	3.78%	5.08%	4.88%	-
MSCI ACWI ex US	3.53%	4.80%	4.68%	4.97%
Callan Non US Equity MFs	3.92%	5.06%	5.46%	5.36%
Domestic Fixed Income				
SERS Short Term Investment Fund	2.40%	1.86%	1.31%	1.79%
3-month Treasury Bill	2.35%	1.77%	1.20%	1.66%
Callan Cash Database(1)	2.53%	2.03%	1.46%	2.00%
SERS Stable Value Fund	2.31%	2.22%	2.49%	3.04%
3-month Treasury Bill	2.35%	1.77%	1.20%	1.66%
Callan Stable Value SA	2.41%	2.34%	2.47%	2.99%
SERS U.S. Bond Index Fund	0.97%	1.33%	2.34%	2.99%
Blmbg Aggregate	0.97%	1.35%	2.37%	3.01%
Callan Core Bond MFs	1.21%	1.60%	2.75%	3.26%

(1) Callan Cash Database includes STIF, enhanced cash, and money market funds.

*Funds not listed do not have longer term history.

*The Global Non-U.S. Stock Index Fund replaced the International Company Stock Index Fund in 1Q20.

Performance Summary & Expense Ratios as of December 31, 2024

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	10 Year Return	5 Year Return Consistency	5 Year Risk Quadrant	Expense Ratio
Net of Fee Performance									
Retirement Date Funds									
SERS Post Retirement Fund Callan Tgt Date Ret Inc BlackRock Post Retirement Index	-2.2 77	7.1 37	0.5 62	4.0 29	4.5 18	4.6 16			0.07 75
	-2.2 76	7.1 37	0.6 60	4.0 29	4.5 18	4.6 17			
SERS 2030 Retirement Fund Callan Target Date 2030 BlackRock 2030 Index	-2.2 73	9.1 75	1.6 71	5.7 73	6.0 60	6.3 68			0.07 68
	-2.2 71	9.1 75	1.6 70	5.7 73	5.9 61	6.3 72			
SERS 2035 Retirement Fund Callan Target Date 2035 BlackRock 2035 Index	-2.1 68	10.9 61	2.4 58	6.8 71	6.9 52	7.2 60			0.07 74
	-2.1 68	10.9 61	2.4 58	6.8 72	6.9 53	7.1 71			
SERS 2040 Retirement Fund Callan Target Date 2040 BlackRock 2040 Index	-1.9 69	12.6 56	3.3 47	7.8 58	7.8 40	7.9 46			0.07 71
	-1.9 68	12.6 55	3.2 48	7.8 60	7.7 46	7.8 54			
SERS 2045 Retirement Fund Callan Target Date 2045 BlackRock 2045 Index	-1.8 58	14.3 34	4.1 24	8.8 32	8.5 27	8.6 30			0.07 74
	-1.7 55	14.3 31	4.1 27	8.7 38	8.4 29	8.4 41			
SERS 2050 Retirement Fund Callan Target Date 2050 BlackRock 2050 Index	-1.5 44	15.6 11	4.7 11	9.4 14	9.0 14	8.9 18			0.07 71
	-1.5 38	15.7 10	4.6 12	9.4 16	8.9 15	8.8 29			
SERS 2055 Retirement Fund Callan Target Date 2055 BlackRock 2055 Index	-1.4 31	16.2 9	4.9 10	9.6 9	9.1 8	9.0 16			0.07 74
	-1.3 28	16.3 9	4.9 10	9.6 10	9.0 13	8.9 24			
SERS 2060 Retirement Fund Callan Target Date 2060 BlackRock 2060 Index	-1.3 36	16.2 11	4.9 12	9.6 14	9.1 14	9.0 22			0.07 72
	-1.3 32	16.4 10	4.9 12	9.6 15	9.1 15	8.9 34			
SERS 2065 Retirement Fund Callan Target Date 2065 BlackRock 2065 Index	-1.3 29	16.3 10	4.9 13	9.6 20					0.07 76
	-1.3 27	16.4 9	4.9 13	9.6 19					

Returns:
■ above median
■ third quartile
■ fourth quartile

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:

Return
Risk

Expense Ratio:
■ below median
■ second quartile
■ first quartile

Note: For returns, each SERS Fund and corresponding benchmark return are shown with their respective peer group rankings. For returns, lower peer group rankings are more desirable (e.g. 25th percentile equates to top quartile performance). Expense Ratio: Higher peer group rankings are more desirable (e.g. 75th percentile equates to bottom quartile/cheapest fees).

Performance Summary & Expense Ratios as of December 31, 2024

Investment Manager	Last Quarter Return	Last Year Return	3 Year Return	5 Year Return	7 Year Return	10 Year Return	5 Year Return Consistency	5 Year Risk Quadrant	Expense Ratio
SERS 2070 Retirement Fund	-1.3 29								0.07 76
Callan Target Date 2065									
BlackRock 2070 Index	-1.3 27								
Domestic Equity									
SERS U.S. Large Company Index	2.4 44	25.0 42	8.9 25	14.5 41	13.8 41	13.1 41			0.01 100
Callan Lg Cap Broad MF									
S&P 500 Index	2.4 44	25.0 42	8.9 25	14.5 41	13.8 41	13.1 41			
SERS U.S. Small/Mid Company Index	4.7 8	17.1 19	2.7 30	10.1 32	9.4 33	9.6 41			0.02 100
Callan SMID Broad MFs									
Dow Jones US Completion	4.7 8	16.9 19	2.4 34	9.8 34	9.1 43	9.3 45			
International Equity									
SERS Global Non-U.S. Index Fund	-7.8 48	5.5 37	1.0 57	4.3 52	3.8 54	5.1 50			0.04 99
Callan Non US Equity MFs									
MSCI ACWI ex US	-7.6 46	5.5 37	0.8 60	4.1 56	3.5 65	4.8 59			
Domestic Fixed Income									
SERS Short Term Investment Fund	1.2 49	5.2 86	3.9 53	2.5 73	2.4 79	1.9 76			0.00 100
Callan Cash Database									
3-month Treasury Bill	1.2 49	5.3 83	3.9 54	2.5 75	2.4 83	1.8 87			
Comments: Callan Cash Database includes STIF, enhanced cash, and money market funds.									
SERS Stable Value Fund	0.7 70	2.9 44	2.4 65	2.3 63	2.3 63	2.2 70			0.25 70
Callan Stable Value SA									
3-month Treasury Bill	1.2 1	5.3 1	3.9 1	2.5 34	2.4 59	1.8 93			
SERS U.S. Bond Index Fund	-3.1 67	1.3 85	-2.4 67	-0.3 93	1.0 88	1.3 90			0.01 100
Callan Core Bond MFs									
Blmbg Aggregate	-3.1 67	1.3 85	-2.4 68	-0.3 93	1.0 89	1.3 87			

Returns:
■ above median
■ third quartile
■ fourth quartile

Return Consistency:
■ above median
■ third quartile
■ fourth quartile

Risk Quadrant:

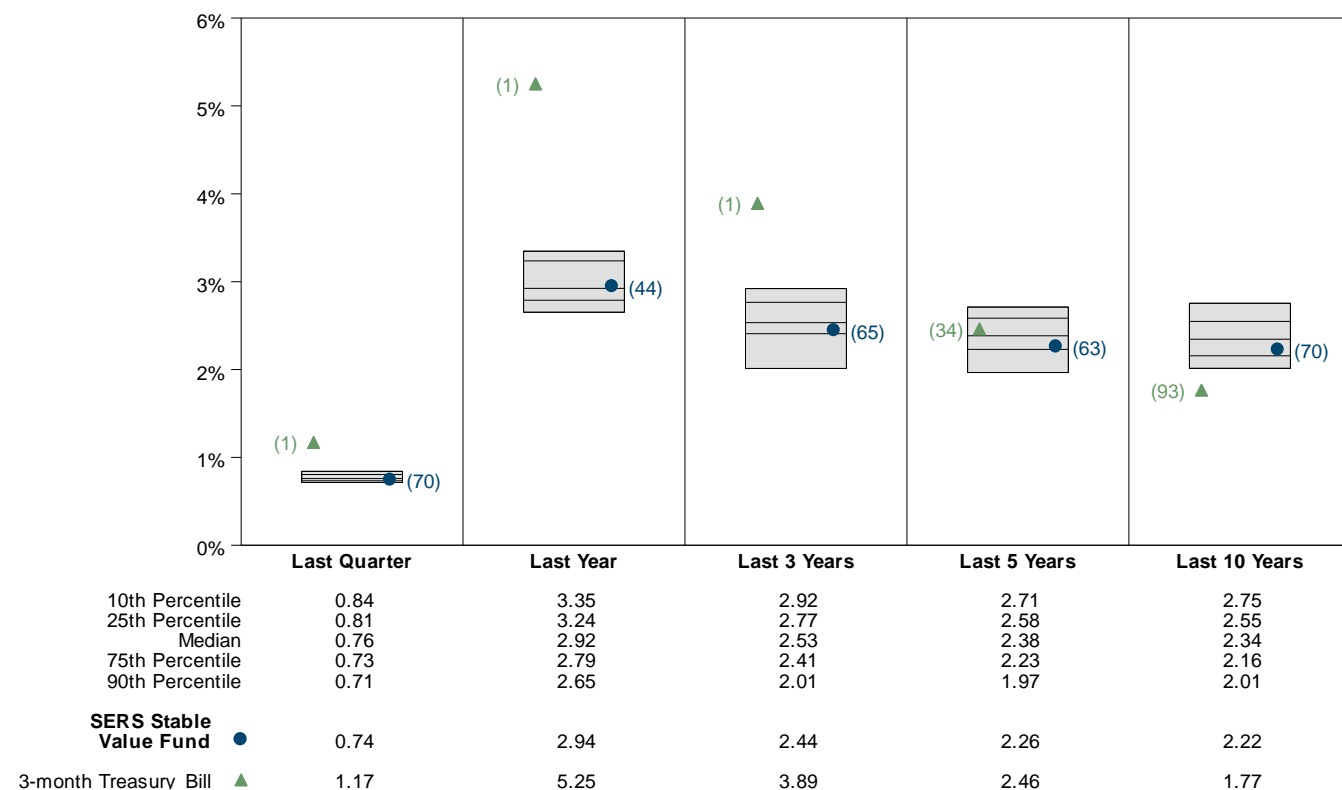
 Return
 Risk

Expense Ratio:
■ below median
■ second quartile
■ first quartile

Note: For returns, each SERS Fund and corresponding benchmark return are shown with their respective peer group rankings. For returns, lower peer group rankings are more desirable (e.g. 25th percentile equates to top quartile performance). Expense Ratio: Higher peer group rankings are more desirable (e.g. 75th percentile equates to bottom quartile/cheapest fees).

Stable Value Fund as of December 31, 2024

Performance vs Callan Stable Value SA (Gross)



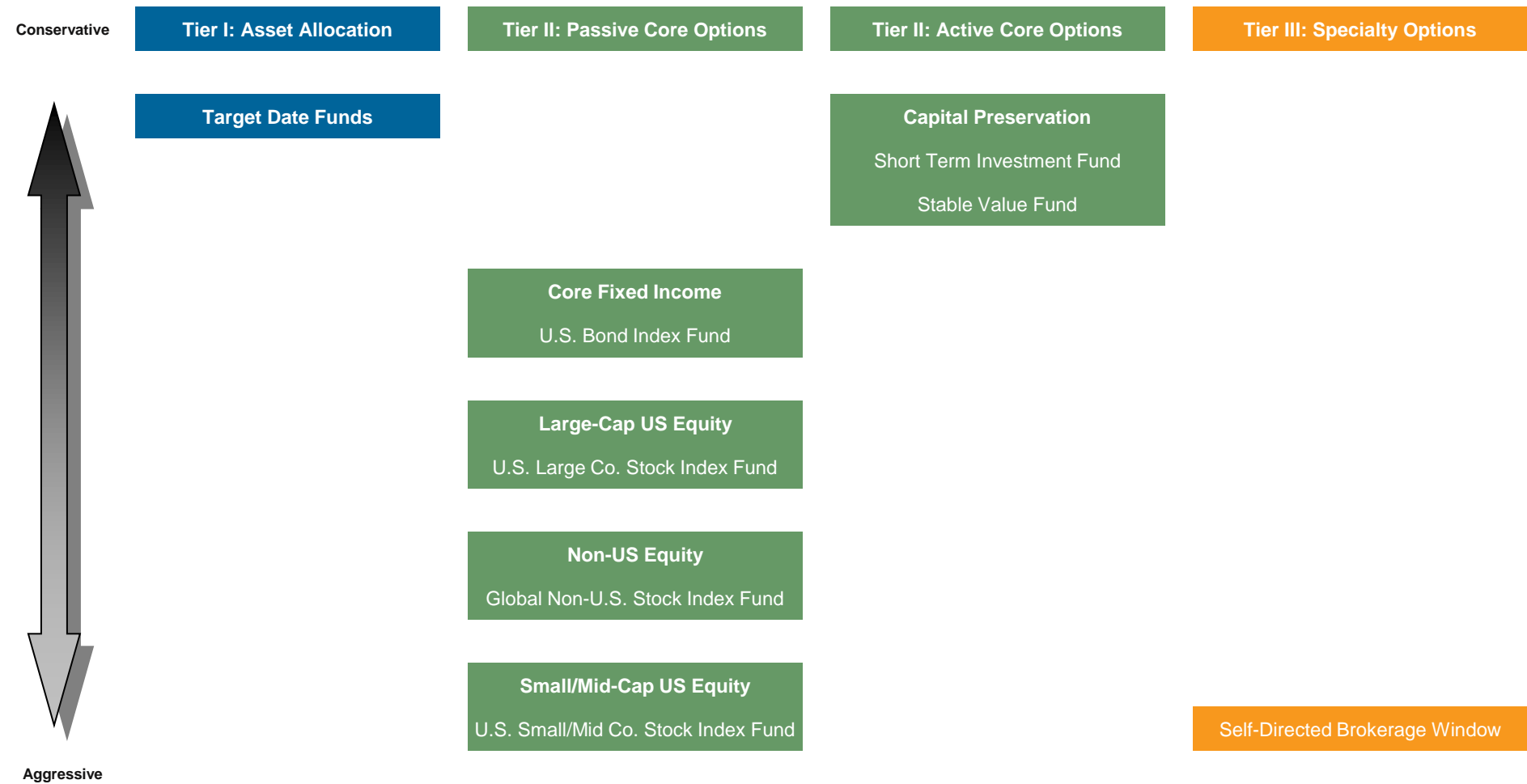
Manager Diversification*	
Manager	Portfolio
Jennison	3.4%
Dodge & Cox	4.1%
Invesco	61.6%
Loomis Sayles	9.8%
PFM	9.2%
Ramirez (DWDO Manager)	9.4%
STIF	2.6%
Total	100%

Wrap Provider Exposure*					
Contract Issuer	Portfolio	Average Fee	Moody's Rating	S&P Rating	Fitch Rating
Nationwide Life Insurance	20.55%	0.14%	A1	A+	NR
Met Tower Life	20.47%	0.15%	Aa3	AA-	AA-
RGA	15.48%	0.15%	A1	AA-	A+
Prudential Insurance Co.	15.43%	0.15%	Aa3	AA-	AA-
Pacific Life Insurance	12.91%	0.15%	Aa3	AA-	AA-
State Street Bank	12.75%	0.15%	Aa2	AA-	AA
	97.59%	0.14%			

*Source: Invesco

457(b) Plan Investment Structure

Lineup Mapped to Callan's Clean Sheet



Callan

Appendix – Callan Update

Published Research Highlights: 4Q24

2024 Real Assets Fees and Terms Study



2024 ESG Survey



3Q24 Market Intelligence Report (clients-only)



Coming Soon: 2025 Capital Markets Assumptions



Recent Blog Posts

IRS Guidance: How Reliable Is it?

Jana Steele

Public DB Plan Trends (and Some That Will Be)

Weston Lewis

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Ric Ford and Drew
Beiger

Additional Reading

Active vs. Passive quarterly charts
Capital Markets Review quarterly newsletter
Monthly Updates to the Periodic Table
Market Pulse Flipbook quarterly markets update
Market Intelligence (clients-only)
Real Estate Indicators market outlook

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Upcoming conferences, workshops, and webinars

2025 National Conference

Registration is now open for this event in Scottsdale on April 27-29, 2025!

Our annual conference will feature mainstage speakers and Callan-led workshops on a variety of topics.

This year we welcome Zanny Minton Beddoes, Ethan Mollick, Admiral James Stavridis, Barry Sternlicht, and Evy Poumpouras to the stage! We will be updating our website as we add additional information regarding this event!

Learn more about this event at:
<https://www.callan.com/events/2025nationalconference/>



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June 3, 2025 – Denver

June 5, 2025 – New York

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October 30, 2025 – San Francisco

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February 20, 2025

Research Café: ESG Interview Series

March 20, 2025

Research Café: Sector-Specific Strategies

March 28, 2025

STAR Webinar

April 25, 2025

Market Intelligence Report and Webinar

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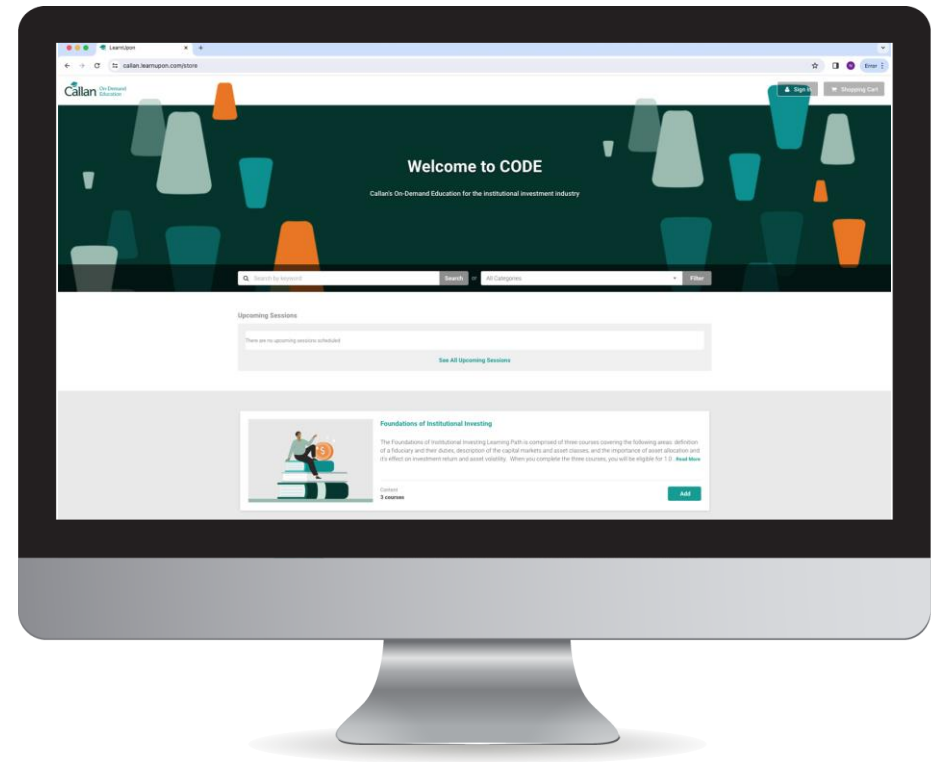


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- 3 Learn from Callan's investment experts

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