Summary Annual Financial Report

for the fiscal year ended June 30, 2023

Embracing Change for Long-term Success

Adapt
Evolve
Innovate

PSRS/PEERS

PUBLIC SCHOOL & EDUCATION EMPLOYEE RETIREMENT SYSTEMS OF MISSOURI

Adapt

"Every success story is a tale of constant adaptation, revision and change."

Richard Branson

Embracing Change for Long-Term Success

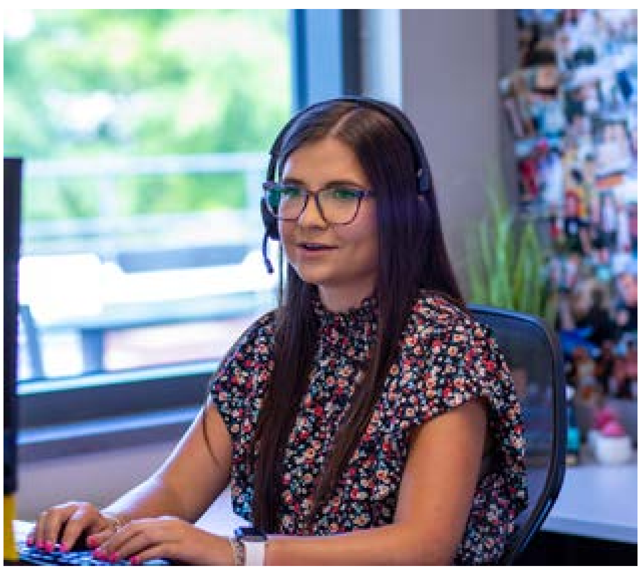
Like any type of organization, pension plans must adapt and embrace change. Successful, planned and strategically orchestrated change allows us to thrive and reach our goals.

At PSRS/PEERS, we welcome opportunities to improve, and that gives us a distinct advantage. For us, meaningful change involves all areas of our business, including internal processes, technology upgrades, member and employer interactions, investment portfolio construction and legislative enhancements.

Enhanced Employee Engagement: Hybrid Work

We began a trial of remote work for our staff in 2018-2019, as part of our overall business continuity and disaster recovery planning. As a result, we had the technology and procedural foundations in place for large-scale remote work when it became necessary during the COVID-19 pandemic in 2020-2021.

Although staff returned to the office in 2021, many expressed a desire to work on a hybrid schedule, working remotely part of each week. We have integrated this into the work schedules of many employees. Flexible, hybrid work schedules have successfully provided improved employee engagement and retention, without sacrificing the quality or quantity of the work performed.



Enhanced Employer Reporting Experience: Employer Web Portal

In March 2020, we began work on a new and improved Employer Web Portal (EWP). EWP is the online system our partner-employers use to report payroll data and contributions. The information they provide is used to determine our members' service and retirement eligibility.

The goal of the EWP rewrite was to create a robust, intuitive and user-friendly employer reporting experience. Many of the changes were based on feedback from our employers. The new EWP went live in early 2023. Now, employers can submit data, get messages and view outstanding invoices all in one place. Our employers have been complimentary of the simpler processes, helpful new calculators and wizards incorporated into the system to make their reporting easier and more accurate.

Enhanced Investment Efficiency and Productivity: Horizon

Our investment staff manages a large, world-class investment program that requires work involving many contacts and relationships that must be tracked. Horizon, our internally developed investment application, was originally created to streamline and manage the deal flow of our Private Equity, Private Credit and Private Real Estate portfolios.

The application went live in 2020 but has since been built out to include a customer relationship management module for all of our investment manager, consultant and advisor relationships, as well as a securities litigation module. Currently, we are working on expanding Horizon to include the full lifecycle of all the Systems' investment portfolios.

Enhanced Educator and School Opportunity: Legislation

The PSRS/PEERS Board of Trustees supports retirement system legislation that helps our members and participating employers, while causing no harm to them or the Retirement Systems. Legislative change can be a powerful way to provide our schools and our members with new opportunities and beneficial programs.

In 2022, legislation was passed to help address statewide teacher shortages by waiving all working after retirement limits for PSRS/PEERS retirees who return to work for covered employers as substitute teachers. This work limit waiver remains in effect through June 30, 2025. The Systems' external actuaries have emphasized the importance of such legislation to be temporary and that any permanent increase or removal of such limits would likely come with a significant fiscal cost to the Systems.

During the 2023 Missouri legislative session, legislation was passed to provide even more support in this area, increasing work limits for PSRS retirees working in non-certificated positions, and for PSRS/PEERS retirees working in positions declared as having a critical shortage of qualified applicants.

From left to right: House Pensions Committee Chairman Barry Hovis, PSRS/PEERS Chief Counsel Mike Moorefield, PSRS/PEERS Executive Director Dearld Snider, Governor Mike Parson (seated), a constituent of Senator Rusty Black and Senator Rusty Black.

In addition, legislation was passed to help encourage experienced teachers to stay in the classroom longer by restoring a higher retirement benefit factor for PSRS members who retire with 32 or more years of service. This new provision resulted in an actuarial gain of $242.3 million.

These are just a few improvements achieved by embracing change. We recognize that change provides us with ongoing opportunities and look forward to even more positive outcomes in the years ahead. Embracing change isn't just a choice, it is a necessity as we move forward. By harnessing the power of change, we are better positioned for success in the ever-evolving public pension landscape.

Adapt

Adapt for our Members

PSRS/PEERS has historically been, and continues to be, a forward-thinking organization. Even after 77 years in the public pension arena, we continue to adapt to succeed, be proactive and excel. Our members can rest assured that their Retirement Systems remain financially strong and their benefits remain stable and well-funded. We will continue to adapt and serve with excellence now, and in the future.

A Snapshot of PSRS/PEERS Members

PSRS/PEERS has helped more than 159,000 members and their families achieve financial security during retirement. We are dedicated to helping our current and future members achieve the financially secure retirement they deserve after a full career of service to Missouri's public schools and students.

The average age and years of service among our working members have remained constant over the past five years, and average annual salaries have increased.

Our total membership and benefit recipient numbers continue to grow. However, active member numbers have levelled off over the past five years for PSRS and have increased for PEERS. As our membership grows, we remain dedicated to maintaining our financial strength and providing the highest level of service and retirement security to all our members, now and in the future.

PSRS Active Member Profile					
	2023	2022	2021	2020	2019
Average Age	42.5	42.4	42.3	42.3	42.2
Average Years of Service	12.4	12.4	12.3	12.2	12.0
Average Annual Salary	$69,995	$67,225	$65,639	$63,688	$62,769

PEERS Active Member Profile					
	2023	2022	2021	2020	2019
Average Age	47.2	47.5	47.9	48.0	48.1
Average Years of Service	7.6	7.9	8.2	8.2	8.3
Average Annual Salary	$41,326	$39,112	$37,257	$35,800	$35,110

PSRS Total Membership					
	2023	2022	2021	2020	2019
Active	78,437	78,973	78,944	78,848	78,863
Inactive*	20,695	19,420	18,552	18,419	18,075
Retired	63,262	61,604	60,122	58,855	57,502
Disabled	1,026	1,032	1,043	1,032	1,020
Survivors	5,219	5,040	4,915	4,708	4,550
Total Membership	168,639	166,069	163,576	161,862	160,010

PEERS Total Membership					
	2023	2022	2021	2020	2019
Active	51,787	50,179	49,572	50,179	49,345
Inactive*	48,931	45,120	41,248	38,978	37,118
Retired	34,281	32,891	31,463	30,166	28,947
Disabled	767	776	809	831	832
Survivors	2,689	2,531	2,399	2,235	2,071
Total Membership	138,455	131,497	125,491	122,389	118,313

**Inactive members includes vested and non-vested memberships, as well as terminated memberships.*

About Our Retirees

It is our mission to provide our members with the secure and well-funded benefits they deserve. This mission has not wavered over the past seven decades. A major reason for our success has been our ability to continuously adapt, embrace change and navigate challenges of all kinds.

Most PSRS/PEERS benefit recipients are service retirees. Lifetime service retirement benefits are payable to members who have met age and service requirements. Disability benefits are provided for members who are unable to earn a livelihood due to permanent disability and who have met eligibility criteria. The Systems also provide death benefits to qualified beneficiaries of deceased members.

PSRS 2022-2023 School Year* Retirees

Years of Service at Retirement	Number of Retirees	Average Years of Service	Average Single Life Monthly Benefit	Average Age at Retirement
5 - 9.9	296	6.9	$688	61.7
10 - 14.9	229	12.3	$1,410	61.0
15 - 19.9	269	17.1	$2,285	62.4
20 - 24.9	553	22.5	$3,592	60.0
25 - 29.9	1,169	27.3	$4,708	54.4
30 - 34.9	399	31.4	$6,115	56.3
35 - 39.9	49	36.2	$6,881	61.3
40+	13	44.4	$7,236	70.1
Overall Average		23.1	$3,864	57.9

PEERS 2022-2023 School Year* Retirees

Years of Service at Retirement	Number of Retirees	Average Years of Service	Average Single Life Monthly Benefit	Average Age at Retirement
5 - 9.9	657	6.9	$277	63.8
10 - 14.9	443	12.3	$559	63.6
15 - 19.9	375	17.2	$900	63.7
20 - 24.9	508	22.3	$1,295	61.7
25 - 29.9	306	27.0	$1,845	60.1
30+	139	33.9	$2,554	62.6
Overall Average		16.8	$966	62.8

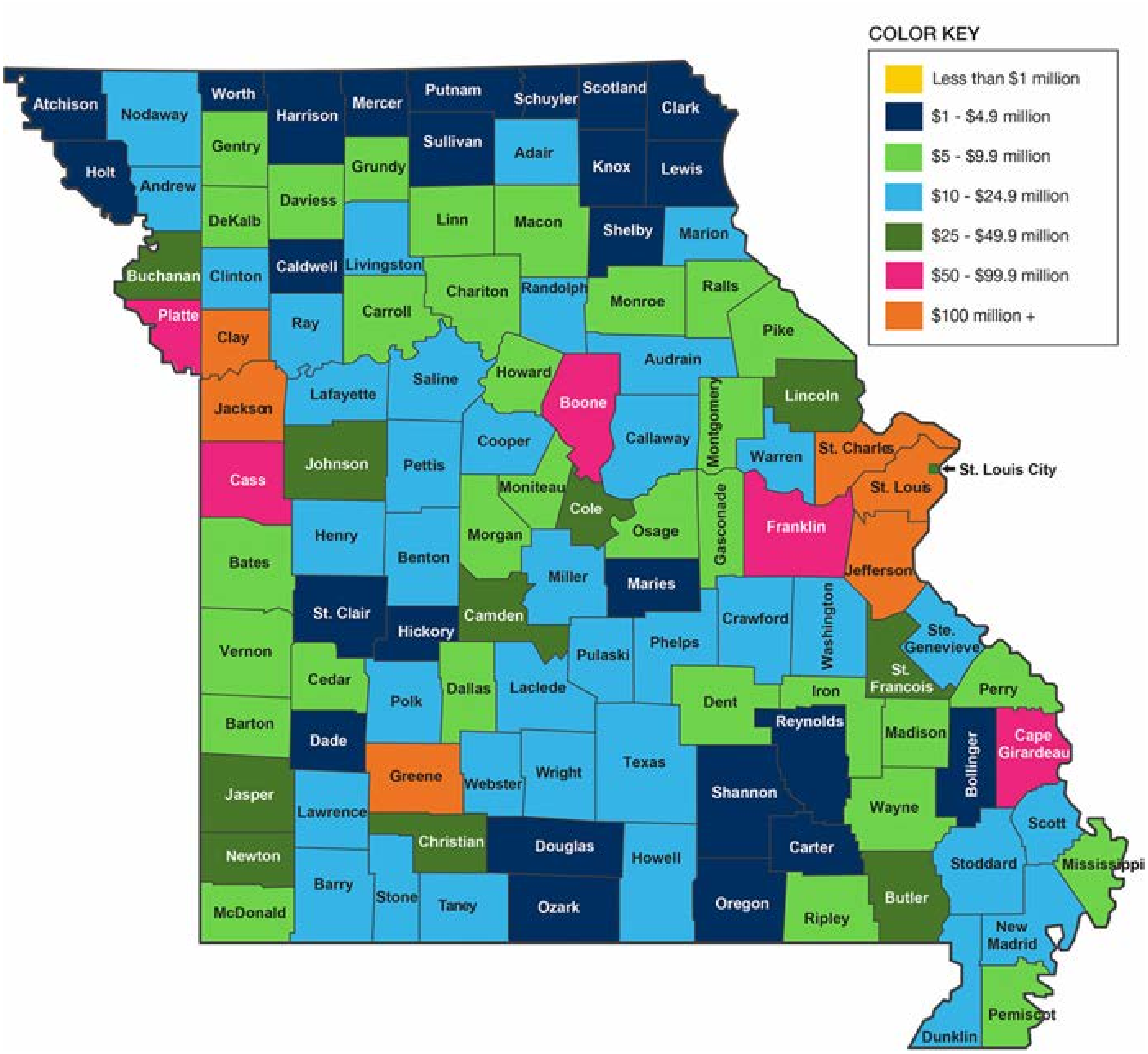
** A school year runs July 1 to June 30.*

The average 2022-2023 single life monthly benefit for new PSRS retirees is $3,864 and for PEERS retirees is $966. PSRS/PEERS members can estimate their future monthly service retirement benefits using our online Benefit Estimator located in Web Member Services at www.psrs-peers.org.

Economic Impact

The benefits distributed by PSRS/PEERS make a sizable contribution to Missouri's economy and help Missouri public schools attract and retain quality teachers and education employees.

As of June 30, 2023, approximately 107,000 individuals received benefits from PSRS/PEERS. Total annual benefits paid for the one-year period ended June 30, 2023 were over $3.6 billion. Of this amount, almost $3.2 billion, or 88%, was distributed among Missouri's 114 counties, positively impacting the state's economy.



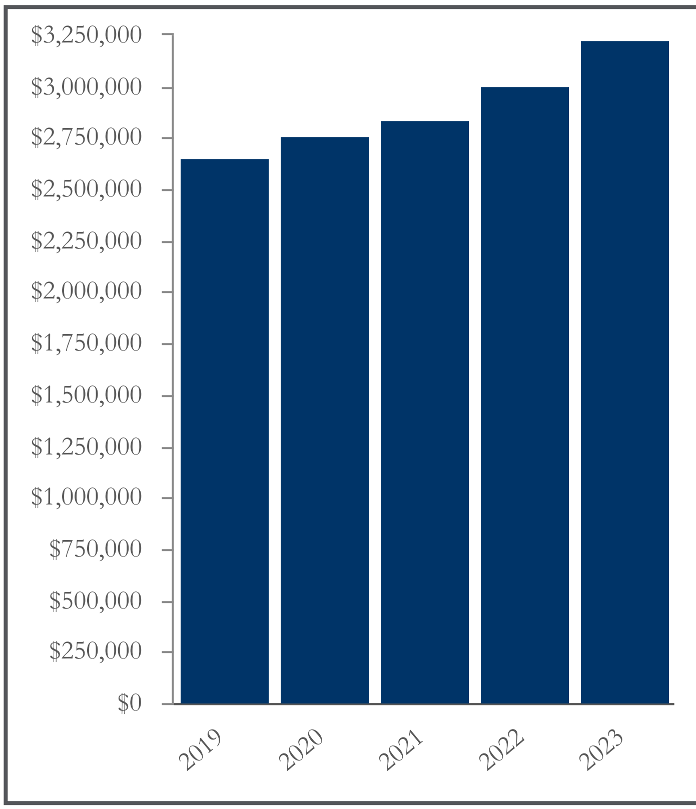
Retirement Trends

The total number of PSRS/PEERS retirees and amount of benefits paid each year continues to grow. In fiscal year 2023 (July 1, 2022 to June 30, 2023) we helped 5,405 new service retirees begin their new chapter by providing them lifetime monthly benefits.

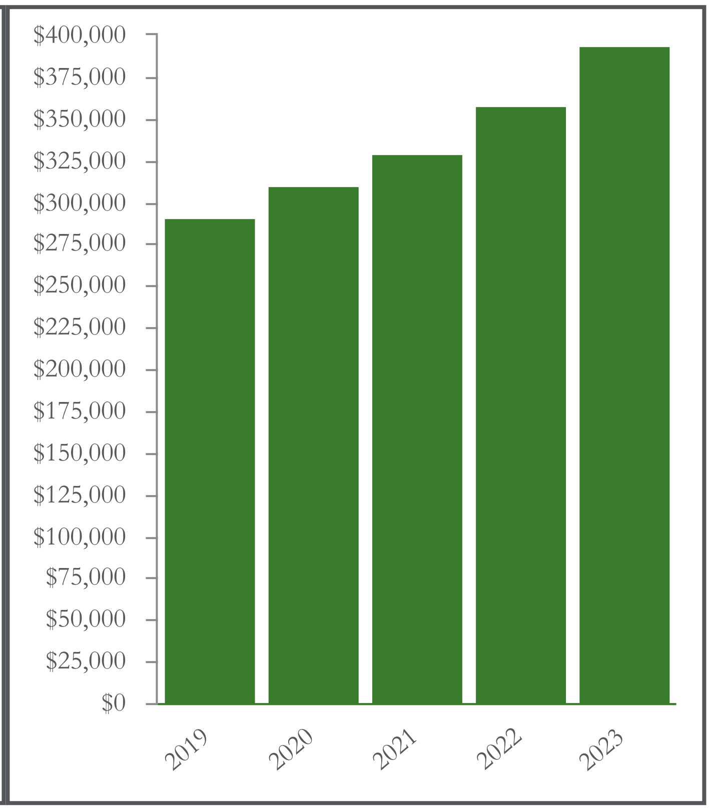
PSRS Members Retiring By Year					
	2023	**2022**	**2021**	**2020**	**2019**
Number of Retirements	2,977	2,731	2,587	2,472	2,502
Average Age	57.9	58.5	58.8	58.7	58.8
Average Years of Service	23.1	22.5	22.5	22.8	22.5
Average Monthly Benefit	$3,864	$3,645	$3,527	$3,634	$3,484

PEERS Members Retiring By Year					
	2023	**2022**	**2021**	**2020**	**2019**
Number of Retirements	2,428	2,492	2,326	2,132	2,104
Average Age	62.8	63.0	63.1	62.6	62.8
Average Years of Service	16.8	16.4	16.4	16.5	16.8
Average Monthly Benefit	$966	$941	$879	$873	$902

Total PSRS Benefits* Paid Over Time ($000s)



Total PEERS Benefits* Paid Over Time ($000s)



**Annual benefits paid to service retirees, disability retirees, and survivors. Includes PLSO Payments.*

Adapt

Adapt to Excel

We take pride in our ability to find solutions, to adapt to situations as they develop and to excel at what we do. What does it take to excel? First, the willingness and ability to change, sometimes relatively quickly. Second, it takes an overall organizational philosophy that supports adaptation and makes it a seamless part of everyday operations. Third, it takes bigger picture thinking and genuine pride in what one does. At PSRS/PEERS, we rise to the occasion and adapt to the new normal with grace and resilience.

Funding Status and Valuation Results

The PSRS/PEERS Board of Trustees and staff take great pride in serving Missouri's public school educators and staff by helping to provide them with a secure financial future. As part of that service, the Board evaluates a large amount of information each year including, but not limited to, the annual actuarial evaluations prepared by the Systems' external actuaries, PwC, US.

The Board of Trustees' funding goals are:

Each year the Board of Trustees reviews the sensitivities to changes in cost-of-living adjustment (COLA) assumptions, inflation projections and investment returns. The Systems completed comprehensive experience studies in May 2021. All economic and demographic assumptions were reviewed, and certain assumptions were updated, where appropriate, based on the results of the studies and effective with the June 30, 2021, valuations.

For the June 30, 2022, valuations, the long-term inflation assumption was re-evaluated considering the inflationary environment, short and long-term inflation assumptions reflected in the capital market forecasts from various investment advisors and analysts, and volatility of capital market assumptions in recent years. Based on this information, the long-term inflation assumption and the related COLA assumption were not adjusted.

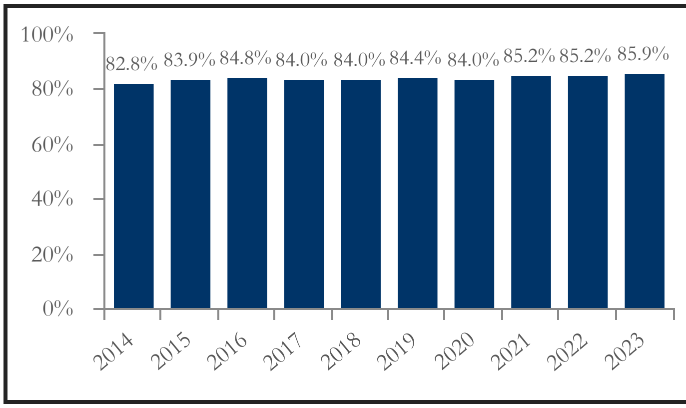
For June 30, 2023, this assumption was once again revisited due to continued elevated inflation. After a detailed review, no changes were made to the assumption for the current year. We continue to proactively monitor data sources and the effectiveness of the Federal Reserve's actions in reducing inflation to help determine whether the long-term inflation assumption or COLA assumption should be updated before the next experience studies.

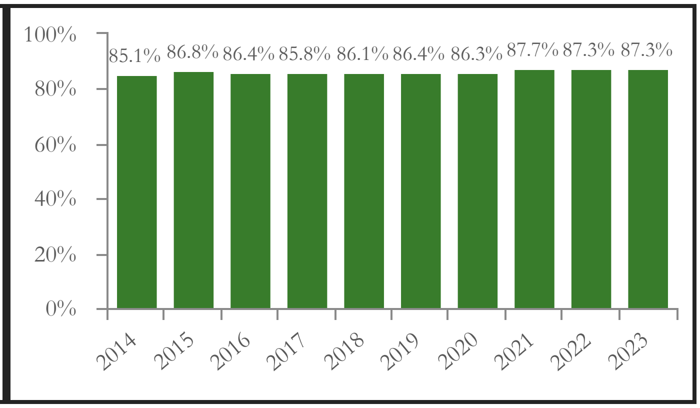
Due to the passage of legislation during the fiscal year (CCS SB 20 and HCS SS SB 75), the PSRS service retirement rate assumption was amended at the October 30, 2023, Board meeting and effective for the June 30, 2023, PSRS valuation. There were no other assumption changes for PSRS and no assumption changes for PEERS.

The Systems' funding objective continues to be to achieve a funded ratio of 100% over a closed 30-year period. For this purpose, funded ratio is defined as the actuarial value of assets divided by the actuarial accrued liability determined under the entry age normal cost method and the actuarial assumptions adopted by the Board of Trustees. As of June 30, 2023, PSRS was 85.9% pre-funded, while PEERS was 87.3% pre-funded. The funding status of PSRS increased from the June 30, 2022, funded percentage of 85.2% and PEERS remained unchanged from the June 30, 2022 funded percentage of 87.3%. The liabilities increased more than expected mainly due to salary increases being greater than assumed, but the actuarial value of assets also increased by more than the 7.3% expected return assumption because average returns over the last five years have exceeded the assumed returns. Over time, we expect the annual gains/losses to be offset.

Additional information on actuarial assumptions and funding can be found in the actuarial section of the ***Annual Comprehensive Financial Report***. Based upon the June 30, 2023, valuations and overall financial projections, the Board of Trustees set the fiscal year 2025 contribution rates at the same levels as fiscal year 2024 for both members and employers.

PSRS Pre-Funded Percentage	PEERS Pre-Funded Percentage





Actuarial value of assets as a percentage of actuarial accrued liabilities

The pre-funded status of both systems has remained relatively stable over the last 10 years.

Funding Sources

MEMBERS

While working, members contribute a percentage of salary to PSRS and PEERS to help fund benefits. The contribution rate is set each year by the PSRS/PEERS Board of Trustees, based on the recommendation of the Systems' actuary after the annual actuarial valuation is complete.

EMPLOYERS

Employers contribute an equal amount. All employer contributions are used solely to fund benefits for retirees and beneficiaries of deceased members.

INVESTMENTS

Investment earnings account for the majority of the assets needed to fund benefits. The investment portfolios of PSRS and PEERS represent all contributions to the plans, from members and their employers, as well as all net earnings on these assets. These funds are held in support of current and future liabilities.

Over the last 25 years, approximately 63¢ of every dollar used to pay retirees is generated from investment earnings.

Note: The 19¢ includes member contributions and service purchases.

Adapt

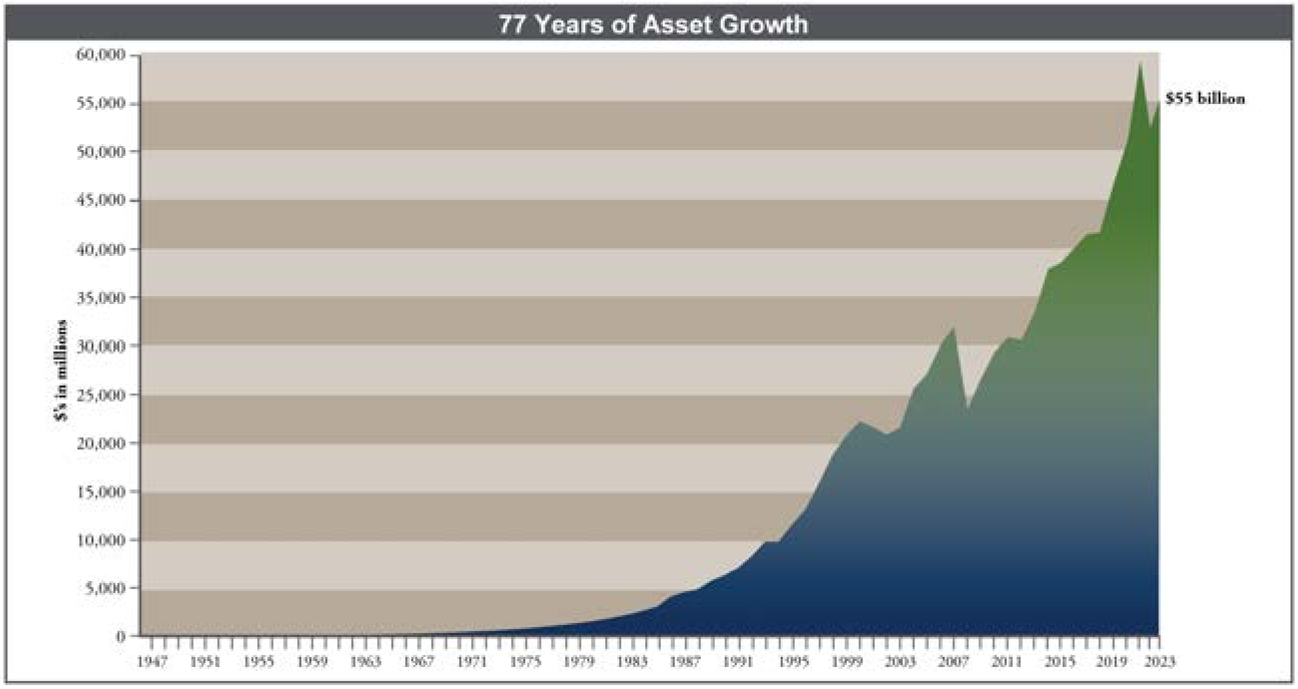
Adapt to Be Proactive

Falling behind is not an option at PSRS/PEERS. We proactively address everything from the everyday challenges of doing business to pension industry issues to political challenges with flexibility, an eye toward growth and openness to change. We embrace new technology, investment strategies, customer service techniques and products all with the same positive energy.

Growth in Assets

Prudent and cost-efficient management of investments is a major tenant of the PSRS/PEERS investment program. Through an investment program that mixes innovation with a successfully proven investment strategy, our investment staff has excelled at producing consistent and stable investment returns over long periods of time that exceed the actuarial assumed rate of return.

The Systems' total invested assets were $55 billion as of June 30, 2023. There has been a long-term growth in assets since the inception of PSRS in 1946 and PEERS in 1965, as shown in the graph below



Plan Performance

The Systems earned an investment return of 6.4% for fiscal year 2023 (6.2% net of all investment expenses and fees). The Systems' well-structured investment portfolio added approximately $3.2 billion in investment earnings to the growth of assets during the year.

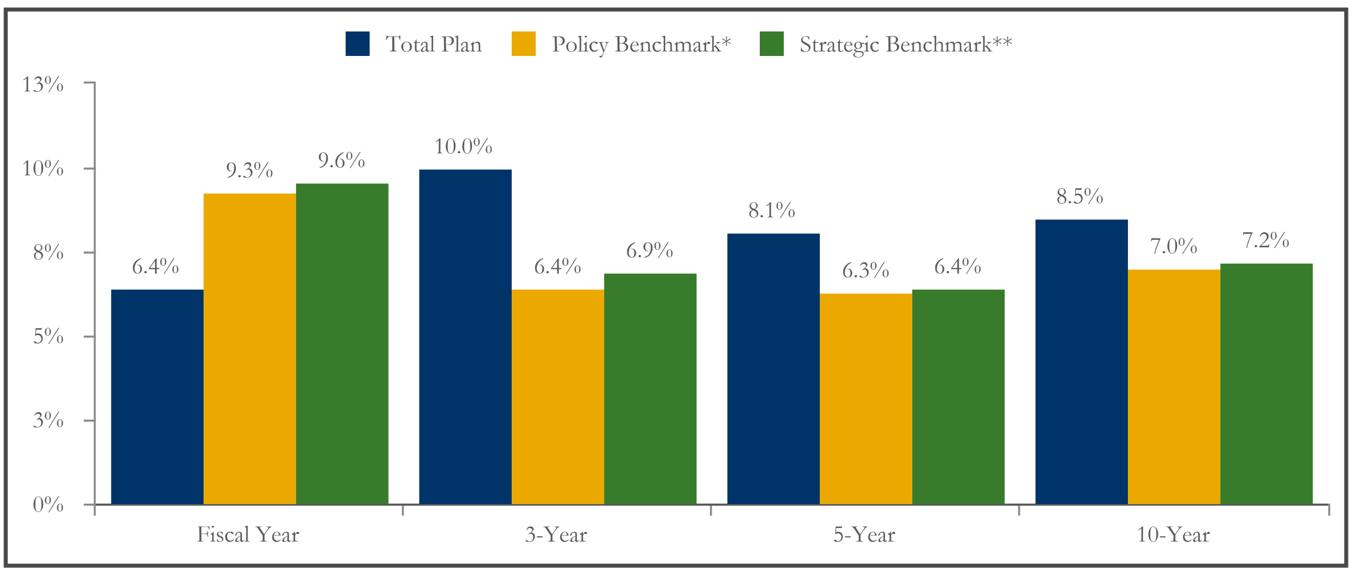
Over long periods of time, PSRS and PEERS continue to produce investment returns that meet or exceed the Systems’ long-term objective of 7.3%. The annualized investment return for the Systems is 7.7% (7.5% net of all investment expenses and fees) over the last 30 years.

The fiscal year 2023 return underperformed the policy benchmark return of 9.3% by 290 basis points. However, the Systems' earned 750 basis points in excess return over the policy benchmark return of -10.3% during a period of very weak markets in fiscal year 2022 and earned 580 basis points in excess return over the policy benchmark return of 22.9% in fiscal year 2021, a period of very strong markets. The Systems' three-year return of 10% over this time period outperformed the policy benchmark return of 6.4% by 360 basis points. Performing well over time during periods of both strong and weak markets signifies the Systems' well-structured and diversified investment portfolio's ability to deliver higher returns and lower risk than the policy benchmark.

Additionally, the total fund return has exceeded the policy benchmark in six of the last 10 fiscal years. Over this 10-year time period, the total fund return has exceeded the policy benchmark by 150 basis points, on an annualized basis, resulting in approximately $7 billion in excess performance (net of all investment expenses and fees) to the Systems. This indicates that internal staff and active investment management have added value to the Systems.

The Systems utilize the Trust Universe Comparison Services (TUCS) to compare the total return and risk levels of the Systems relative to other public pension funds with assets in excess of $1 billion. The total fund return has exceeded the median return of other large public funds over all extended time periods. The Systems have taken substantially less risk than comparable funds during all time periods yet have consistently provided higher long-term investment returns.

Total Plan Performance



**As of June 30, 2023: 39.8% Russell 3000 Index, 22.2% MSCI ACWI ex-USA net Index, 18% Bloomberg U.S. Treasury Index, 11% NFI-ODCE, 6% ICE BofA U.S. High Yield Index, and 3% Bloomberg U.S. Intermediate Credit Index.*

***As of June 30, 2023: 41.7% Russell 3000 Index, 23.5% MSCI ACWI ex-USA net Index, 13.7% Bloomberg U.S. Treasury Index, 10.6% NFI-ODCE, 5.2% ICE BofA U.S. High Yield Index, 4.3% Bloomberg U.S. Intermediate Credit Index, and 1.9% ICE BofA 3-Month U.S. Treasury Note Index. The Total Plan Strategic Benchmark changes monthly based on the actual asset allocation at the end of the previous month.*

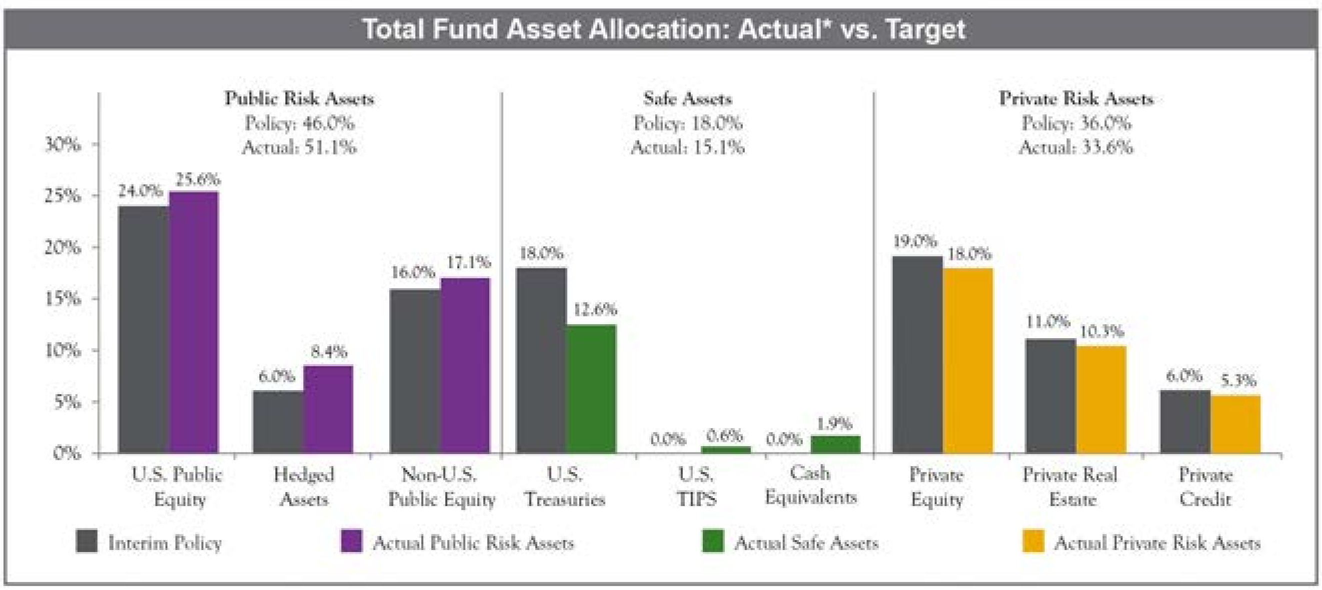
Asset Allocation

The internal investment staff, under the direction of the PSRS/PEERS Board of Trustees, has adopted a disciplined and diversified investment portfolio that includes allocations to multiple asset classes. Over time, every specific asset class within the investment portfolio performs a valuable function.

The Board most recently amended the long-term target asset allocation during fiscal year 2022 as a result of the 2022 asset allocation/liability study. The allocation to each investment program considers both the risk tolerance of the Systems and the long-term return objective. The new long-term target asset allocation is expected to maintain similar levels of total portfolio risk while allowing for more efficient investment returns. However, given the nature of investing in Private Risk Assets, it is expected to take several years to implement through a disciplined investment approach. The policy benchmarks will change over time as the Systems make meaningful progress to the new long-term targets. The changes to the asset allocation were as follows: Private Risk Assets increased by 5% to 40% and Safe Assets decreased by 5% to 15%. Within Safe Assets, U.S. Treasuries decreased from 20% to 15% and within Private Risk Assets, Private Equity increased from 16% to 21%.

The June 30, 2023, interim policy allocation was 46% Public Risk Assets, 18% Safe Assets and 36% Private Risk Assets. In fiscal year 2023, the interim asset class targets were updated to reflect the progress made in funding the Private Risk programs. Private Equity increased from 18% to 19%, Real Estate increased from 10% to 11% and Private Credit increased from 3% to 6% while Public Credit decreased from 5% to 0%. These sub-asset class target allocation updates resulted in a 5% increase in Private Risk Assets from 31% to 36% and a corresponding 5% decrease in Public Risk Assets from 51% to 46%.

As illustrated in the chart, internal staff utilized the flexibility built into the investment policy to strategically overweight or underweight certain asset classes throughout the year.



**Total Plan assets include 0.2% invested in an operating cash account that is not reflected in the chart above.*

Top 10 Public Equity Holdings

The top 10 U.S. public equity holdings as of June 30, 2023 are shown in the table below.

U.S. Public Equity - Top 10 Holdings			
Top 10 Largest Holdings* June 30, 2023		**Fair Value**	**% of Total U.S. Public Equity**
Microsoft Corp.	$	187,325,605	1.3%
Amazon.com Inc.		139,849,817	1.0%
Apple Inc.		136,433,649	1.0%
Alphabet Inc.		122,973,561	0.9%
UnitedHealth Group Inc.		117,710,178	0.8%
Meta Platforms Inc.		107,396,238	0.8%
Johnson & Johnson		82,905,327	0.6%
Visa Inc.		74,531,436	0.5%
Nvidia Corp.		69,408,699	0.5%
Eli Lilly & Co.		58,932,496	0.4%
Total	**$**	**1,097,467,006**	**7.8%**

**Includes only actively managed separate accounts.*
A complete list of portfolio holdings is available upon request.

The top 10 Non-U.S. public equity holdings as of June 30, 2023 are shown in the table below.

Non-U.S. Public Equity - Top 10 Holdings			
Top 10 Largest Holdings* June 30, 2023		**Fair Value**	**% of Total Non-U.S. Public Equity**
LVMH SE	$	89,253,563	1.0%
Novo Nordisk		83,542,705	0.9%
Nestle SA		78,207,695	0.8%
Roche Holding AG		78,041,275	0.8%
Schneider Electric SE		68,402,056	0.7%
Compass Group PLC		66,622,020	0.7%
ASML Holding		66,573,400	0.7%
Air Liquide SA		65,892,084	0.7%
AIA Group Ltd.		61,627,233	0.7%
SAP SE		60,913,899	0.7%
Total	**$**	**719,075,930**	**7.7%**

**Includes only actively managed separate accounts.*
A complete list of portfolio holdings is available upon request.

Adapt

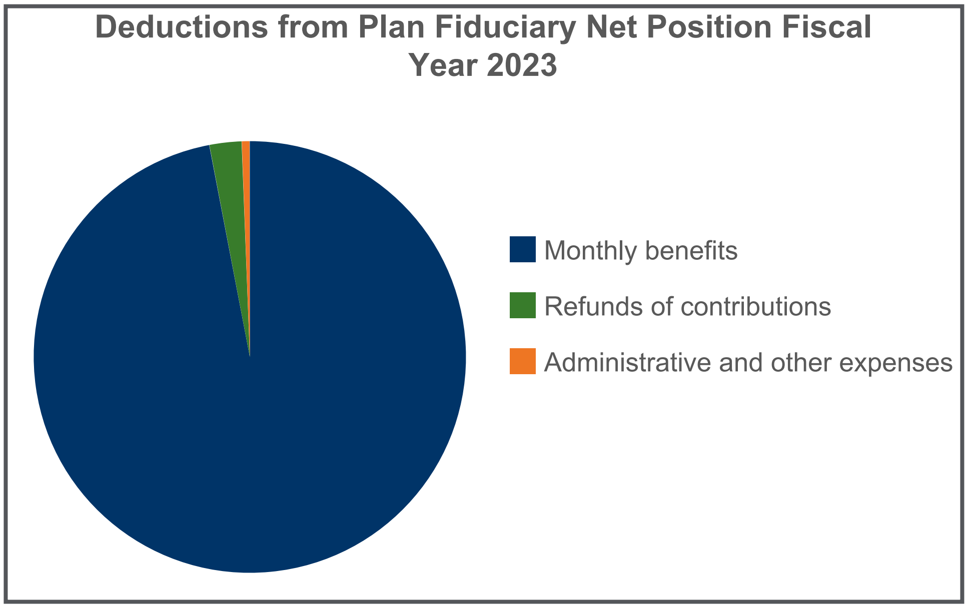
Adapt to Succeed

At PSRS/PEERS, the willingness and ability to adapt to change is something we meet not with trepidation but with resolve. This mindset has resulted in our long standing as one of the strongest and best funded public pension funds. We have navigated challenges large and small. In recent years, volatile investment markets, high inflation, rising interest rates and a worldwide pandemic all reminded us that we must adapt in order to succeed.

Fiscal Year 2023 Expenses

The sole purpose of the Retirement Systems is to provide financial benefits to our members and their beneficiaries.

Therefore, it is no surprise that the primary expense incurred by PSRS/PEERS is the payment of monthly benefits to members and beneficiaries.



Benefits Paid in Fiscal Year 2023 (000's)			
Type of Benefit	**PSRS**	**PEERS**	**Total**
Service Retirement Benefits	$ 3,016,551	$ 370,489	$ 3,387,040
Disability Benefits	31,982	4,901	36,883
Beneficiary Payments	181,167	18,519	199,686
Subtotal Monthly Benefits	**$ 3,229,700**	**$ 393,909**	**$ 3,623,609**
Refunds to Former Members	$ 62,610	$ 25,363	$ 87,973

- The largest percentage of the Systems' benefit recipients is service retirees. Monthly service retirement benefits are payable to members who have met age and service requirements.
- Disability benefits are paid to members who are unable to earn a livelihood due to a permanent disability and who have met certain eligibility requirements.
- Beneficiary payments are available to survivors if the retiree elected this option. In PSRS, survivor benefits are also available to designated beneficiaries of members who die before retirement.

Other expenses include the payment of refunds of contributions to former members, and the costs to administer the Systems.

For a detailed look at the Systems' expenses during fiscal year 2023, see the financial statements on page 21.

Financial Statements

The Statements of Fiduciary Net Position present information on the Systems' assets, deferred outflows, liabilities, deferred inflows and resulting net position, where assets plus deferred outflows less liabilities and deferred inflows is reported as net position. The net position of the Systems reflects the resources available to pay benefits to members when due. Over time, increases and decreases in net position measure whether the Systems' financial position is improving or deteriorating.

Statements of Fiduciary Net Position

			Combined Totals	
	PSRS	**PEERS**	**June 30, 2023**	**June 30, 2022**
ASSETS				
Cash - operating	$ 495,589,441	$ 73,271,976	$ 568,861,417	$ 550,986,909
Receivables				
Contributions	192,222,588	26,958,207	219,180,795	250,114,881
Accrued interest and dividends	85,008,707	11,144,598	96,153,305	92,637,552
Investment sales	831,773,312	108,711,141	940,484,453	956,185,086
Receivable from PEERS for allocated expenses	778,610	—	778,610	1,267,330
Other	11,011	2	11,013	9,120
Total receivables	1,109,794,228	146,813,948	1,256,608,176	1,300,213,969
Investments, at fair value				
Cash and short-term investments	1,038,225,594	137,370,694	1,175,596,288	569,326,492
U.S. Treasuries and TIPS	7,045,770,339	923,457,539	7,969,227,878	8,656,469,234
U.S. public equities	12,104,759,075	1,586,490,406	13,691,249,481	12,195,489,797
Non-U.S. public equities	8,173,148,664	1,071,216,087	9,244,364,751	7,828,243,624
Public debt	—	—	—	1,399,307,457
Private equity	8,765,896,846	1,148,902,914	9,914,799,760	9,861,719,407
Private credit	2,569,959,757	336,833,107	2,906,792,864	2,240,241,245
Private real estate	4,987,599,428	653,702,303	5,641,301,731	5,869,804,213
Hedged assets	3,785,590,445	495,018,339	4,280,608,784	4,667,817,214
Total investments	48,470,950,148	6,352,991,389	54,823,941,537	53,288,418,683
Invested securities lending collateral	27,452	3,598	31,050	225,765,397
Prepaid expenses	243,252	—	243,252	200,113
Capital assets, net of accumulated depreciation and amortization	33,007,317	—	33,007,317	33,025,996
Total assets	50,109,611,838	6,573,080,911	56,682,692,749	55,398,611,067
DEFERRED OUTFLOW OF RESOURCES				
Outflows related to other post-employment benefit obligations	127,384	88,521	215,905	222,897
LIABILITIES				
Accounts payable and other liabilities	25,567,401	3,242,582	28,809,983	28,578,418
Interest payable	1,261,350	165,314	1,426,664	86,116
Securities lending collateral	27,452	3,598	31,050	225,783,140
Investment purchases	1,243,396,130	162,804,318	1,406,200,448	1,310,273,546
Payable to PSRS for allocated expenses	—	778,610	778,610	1,267,330
Lease Liability	902,698	—	902,698	—
Accrued medical claims	143,960	100,040	244,000	147,000
OPEB liability	1,921,097	1,335,000	3,256,097	2,996,971
Compensated absences	2,589,777	1,436,115	4,025,892	3,427,457
Total liabilities	1,275,809,865	169,865,577	1,445,675,442	1,572,559,978
DEFERRED INFLOW OF RESOURCES				
Inflows related to other post-employment benefit obligations	821,243	570,695	1,391,938	1,628,963
NET POSITION - RESTRICTED FOR PENSIONS	$ 48,833,108,114	$ 6,402,733,160	$ 55,235,841,274	$ 53,824,645,023

See accompanying Notes to the Financial Statements in the financial section of the Annual Comprehensive Financial Report.

Financial Statements

The Statements of Changes in Fiduciary Net Position show the incoming revenue (additions) and outgoing expenses (deductions) of the Systems throughout the fiscal year. All changes in net position are reported on an accrual basis. This means that the revenue or expense is recognized as soon as the underlying event giving rise to the change occurs, regardless of when the actual cash is received or paid.

Statements of Changes in Fiduciary Net Position

			Combined Totals Year Ended	
	PSRS	**PEERS**	**June 30, 2023**	**June 30, 2022**
ADDITIONS				
Contributions				
Employer	$ 792,646,705	$ 147,463,789	$ 940,110,494	$ 899,529,189
Member	832,155,051	156,401,863	988,556,914	951,760,571
Total contributions	1,624,801,756	303,865,652	1,928,667,408	1,851,289,760
Investment income (loss)				
From investing activities:				
Net appreciation (depreciation) in fair value of investments	2,745,828,833	358,314,806	3,104,143,639	(1,228,030,073)
Interest from investments	206,849,246	26,991,396	233,840,642	201,611,259
Interest from bank deposits	681,524	95,221	776,745	11,186
Dividends	235,193,576	30,578,310	265,771,886	238,655,812
Total investment income (loss)	3,188,553,179	415,979,733	3,604,532,912	(787,751,816)
Less investment expenses	346,367,780	42,817,156	389,184,936	853,779,656
Net income (loss) from investing activities	2,842,185,399	373,162,577	3,215,347,976	(1,641,531,472)
From security lending activities:				
Security lending gross income	1,000,810	130,730	1,131,540	766,164
Net appreciation (depreciation) in fair value of security lending collateral	15,713	2,031	17,744	(36,706)
Less security lending activity expenses:				
Agent fees	81,800	10,721	92,521	364,683
Broker rebates paid (received)	661,707	86,727	748,434	(548,678)
Total security lending expenses	743,507	97,448	840,955	(183,995)
Net income from security lending activities	273,016	35,313	308,329	913,453
Total net investment income (loss)	2,842,458,415	373,197,890	3,215,656,305	(1,640,618,019)
Other income				
Miscellaneous income	64,028	3,757	67,785	54,119
Total other income	64,028	3,757	67,785	54,119
Total additions	4,467,324,199	677,067,299	5,144,391,498	210,725,860
DEDUCTIONS				
Monthly benefits	3,229,699,884	393,909,238	3,623,609,122	3,361,467,891
Refunds of contributions	62,609,523	25,362,284	87,971,807	78,908,788
Administrative expenses	12,957,247	8,645,987	21,603,234	19,371,654
Other expenses	3,923	7,161	11,084	13,539
Total deductions	3,305,270,577	427,924,670	3,733,195,247	3,459,761,872
Net increase (decrease) in net position	1,162,053,622	249,142,629	1,411,196,251	(3,249,036,012)
NET POSITION - RESTRICTED FOR PENSIONS				
Beginning of year	47,671,054,492	6,153,590,531	53,824,645,023	57,073,681,035
End of year	$ 48,833,108,114	$ 6,402,733,160	$ 55,235,841,274	$ 53,824,645,023

See accompanying Notes to the Financial Statements in the financial section of the Annual Comprehensive Financial Report.

PUBLIC SCHOOL & EDUCATION EMPLOYEE
RETIREMENT SYSTEMS OF MISSOURI

23MGTB0440

PO Box 268
3210 W. Truman Blvd.
Jefferson City, MO 65102-0268
(573) 634-5290 or (800) 392-6848
Email: **psrspeers@psrspeers.org**
Website: **www.psrs-peers.org**