



# ANNUAL REPORT

For the Year Ended June 30, 2025

**Massachusetts State Retirement Board**

*You Serve the Commonwealth.*

*We Serve You.*

# Annual Statement for the Year Ended June 30, 2025 of the Conditions and Affairs of the MASSACHUSETTS STATE RETIREMENT BOARD (‘MSRB’)

Organized under the Laws of the Commonwealth of Massachusetts to the  
PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

Date of Certificate: By Chapter 532 of the Acts of 1911

## Administration Office

One Winter Street, 8th Floor Telephone Number: (617) 367-9333

We, the undersigned, members of the Massachusetts State Retirement Board (‘MSRB’) certify under penalties of perjury, that we are the official board members of said retirement system, and that on the thirtieth date of June last, all of the herein-described assets were the absolute property of said retirement system, free and clear from any liens or claims thereon, except as stated, and the following statements, with the schedules and explanations therein contained, annexed, or referred to, are a full and correct exhibit of all of the assets, liabilities, income and disbursements, changes in fund balances, and the conditions and affairs of said retirement system on the said thirtieth date of June last, and for the year ended on that date, according to the best of our information, knowledge, and belief respectively.

<b>Massachusetts State Retirement Board</b>	<b>Ex-officio Member</b> Deborah B. Goldberg	_____
		(Signature)
	<b>Appointed Member</b> Joanne Goldstein Term Expires 01/24/2027	_____
		(Signature)
	<b>Elected Member</b> Theresa McGoldrick, Esq Term Expires 04/30/2027	_____
	(Signature)	
	<b>Elected Member</b> Francis E. Valeri Term Expires 01/01/2026	_____
	(Signature)	
	<b>Member Appointed By Other Members</b> Archibald Gormley, Jr. Term Expires 03/25/2027	_____
	(Signature)	
<b>Investment Manager</b>	<b>Pension Reserves Investments Management Board</b> 53 State Street, Boston MA 02109	



Public Pension Coordinating Council

***Public Pension Standards Award  
For Funding and Administration  
2025***

Presented to

***Massachusetts State Employees' Retirement System***

In recognition of meeting professional standards for  
plan funding and administration as  
set forth in the Public Pension Standards.

*Presented by the Public Pension Coordinating Council, a confederation of*

National Association of State Retirement Administrators (NASRA)  
National Conference on Public Employee Retirement Systems (NCPERS)  
National Council on Teacher Retirement (NCTR)

A handwritten signature in black ink that reads 'Robert A. Wylie'.

Robert A. Wylie  
Program Administrator

## Dear State Employees Retirement System Members:

### *"You Serve the Commonwealth. We Serve You"*

The MSRB Team is honored to serve all our members to meet their retirement needs. Whether actively contributing, deciding to retire, or receiving your regular monthly retirement allowance, we are here to deliver high-quality service. Our team is skilled in each retirement area and supported by a legal team to address complicated matters pursuant to M.G.L. Chapter 32. Our vast membership of approximately 160,000 can rely on us to address a wide array of topics, such as creditable service, buybacks, group classification, disability benefits, survivor benefits, to name a few, and to collaboratively solve problems by working with you, your beneficiaries, and the payroll agency where you are employed.

This past year has been a successful year, and we are pleased to share with you some of the results. Please see "The Year in Review..." for a complete list of Fiscal Year 2025 milestones

- **Estimated Initial Benefit Payments ("EIBP"):** Since its inception in February 2023, the EIBP continues to grow and deliver first payments within 60 days of the employee's retirement date. Through the EIBP, the time to issue first payments has improved by 50 percent. Or, 134 days in 2022 vs. 53 days this past year.
- **Refunds, Rollovers, and Transfers to Other Boards:** Our process improvement initiatives have reduced wait times by approximately 50 percent. In calendar year 2025, refunds, rollovers, and transfers to other Boards have been paid on average within 36 days from receiving a complete application, versus 63 days in 2022, and paying 100 recipients monthly versus 50-75 on average.
- **PERAC Triennial Audit:** On October 2, 2024, PERAC issued its Triennial Audit Report of the State Employees Retirement System as required by statute. The report presented two findings with recommendations: (1) Late Payments to Members and Transfers Out to Other Boards; (2) Chapter 32, Section 91A Non-compliance and Overearnings. Our response to the findings was prompt, and, at PERAC's six-month follow-up, MSRB demonstrated compliance with the recommendations. PERAC's testing confirmed the improvements to operations and processing time of member payments and disbursements in compliance with Chapter 32. MSRB also demonstrated, as verified by PERAC's testing, compliance with s. 91A non-compliance and overearnings issues. PERAC acknowledged the significant commitment of staff in this area.

In a letter dated June 6, 2025, PERAC's Executive Director Keefe wrote, *"A heartfelt congratulations to you, the board and the staff,...on the tremendous results disclosed in this follow-up...These are remarkable improvements which deserved to be recognized."*

- **MSRBeyond, a member self-service portal:** Following a procurement and vendor selection process, the MSRB awarded a contract to Nagarro Inc. to develop and implement a comprehensive Member Self Service portal.

The MSRB and Nagarro conducted the Member Self Service "MSRBeyond" project kickoff on March 31, 2025, which included an introduction and overview event for all MSRB staff, followed by a detailed project session for the MSRB and Nagarro personnel who will lead and deliver the project. Treasurer Goldberg addressed the teams and endorsed the effort. The Treasurer's vision, collaboration of subject matter experts, and staff commitment brought the MSRB to this milestone.

The Member Self Service portal will launch with three individual feature releases that will provide members with the option to view member account information on record and to initiate transactions.

The MSRB and Nagarro are currently focused on the initial release and have completed the Initiation and Define Phases. Work is underway on the Design phase, which documents the MSRB's decisions, business process rules, member user experience, and system requirements for the portal.

- **MSRB Staffing Resources:** Significant attention and commitment have been dedicated to staffing, which has allowed MSRB to realize our achievements. Through recruitment strategies, hiring, and workforce planning, we have increased staffing by approximately 34 percent in the past two years. Effective staffing allows MSRB to achieve our goals, to comply with Chapter 32 and other required regulations, and meet member expectations through high-quality customer service. Budget approval of salaries, an employee retention program, salary analysis, and improved alignment of positions and grades were key to getting this done.
- **Public Pension Standard Award:** MSRB is again the recipient of the Public Pension Standard Award. For 18 consecutive years, MSRB has been recognized for its high standards in plan design.
- **Legislation Enacted:** A year ago, the Governor signed the [HERO Act](#), an Act Honoring, Empowering, and Recognizing our Service Members and Veterans. MSRB was required to implement this new buyback opportunity for members with military service. This required quick action from the MSRB Team to issue communications, modify technology, generate forms pursuant to regulations, and allocate customer service and analyst resources to serve our members. This one-year endeavor resulted in over 1,500 applications from members who applied for the benefit to enhance creditable service. This incredible volume, together with complex variables, will keep us busy for some time, but we are pleased that so many military members were able to take advantage.

Another productive response by the MSRB team was to comply with the [Salary Transparency Act](#). This law addressed the Anti-Spiking provisions of the retirement law and members whose retirement allowances were reduced due to those provisions. It requires a look back to 2018 to adjust retirement allowances that could possibly result in an enhanced monthly payment amount. This ongoing endeavor requires engagement of payroll representatives of each retiree affected to collect verifiable salary information.

The [Violent Assault Disability Act](#), passed by the Legislature, is a new disability benefit that the MSRB is required to offer to certain public safety members who meet its criteria. Further amendments suggest that the benefit may include a broader population. MSRB has focused on how to deliver the new disability benefit to comply with the law and address the significant operational and technology costs.

### In Closing...

I am pleased to serve as the Executive Director but cannot overstate my appreciation for the support I have received this past year. With each member experience, I am reminded of the important work we do. I am grateful to Treasurer Deborah Goldberg, Board Members Theresa McGoldrick, Frank Valeri, Arch Gormley, Jr., Joanne Goldstein, Treasury leadership and Human Resources in support of our achievements and staff development. Other professional partners, such as PERAC, PRIM, Office of the Comptroller, Mass Retirees, MTRS, and our vendor relationships—thank you. Special recognition to the MSRB Team for your commitment, expertise, and determination.

We will continue to meet the challenge and serve you to the best of our ability.

Sincerely,



Kathryn Kougias  
Executive Director



# SECTION 1

## *About the System*



## About the System

The Massachusetts State Employees' Retirement System ("MSERS") is a contributory defined benefit retirement plan governed by Massachusetts General Law, Chapter 32. The MSERS was created under Chapter 532 of the Acts of 1911 and covers all eligible state employees and employees of certain other public entities. The MSERS is qualified by the United States Internal Revenue Service.

The State Board of Retirement ("Board") manages the MSERS operations and also administers the former Massachusetts Turnpike Authority Employees' Retirement System ("MTAERS"). The MSERS and MTAERS assets are invested and managed separately by the Pension Reserves Investment Management ("PRIM") Board.

### Board Members and Board Staff

By statute, a five-member Board is comprised of the Chair, the Treasurer and Receiver General; two elected members; an appointed member; and a fifth member chosen by the other four members. The Board staff is a multi-generational and diverse personnel within the Office of the State Treasurer of over 100 full-time, part-time, and contract employees. The MSRIB workplace is a hybrid of remote and in office in Boston and Springfield.

The primary mission is the support of our active and retired members through the successful and accurate administration of pension and related benefits. This mission touches almost every current state employee and retiree in one form or another. Through education, outreach, and communications, members are supported through each phase of their participation in the State Employees Retirement System.

### Membership

As of June 30, 2025, the Board is responsible for 95,724 active members and 71,444 retirees or beneficiaries. The MSERS provides retirement, disability, survivor, and death benefits to members and their beneficiaries.

### Vesting

Most members become vested for retirement benefits after ten full-time years of creditable service, with consideration of the following:

Prior to April 2, 2012, Group 1 members eligible for superannuation retirement allowance may begin at age 55 with the completion of ten years of creditable service or at any age upon the completion of twenty years of full-time creditable service.

After April 2, 2012, members must be at least age 60 and have completed ten years of creditable service.

Different eligibility rules and benefit formulas apply to those who became members on or after April 2, 2012. As of January 1, 2025, there were approximately 59,400 members hired after April 1, 2012.

### Retirement Allowance

The maximum retirement allowance benefit is 80% of a member's highest consecutive three-year average annual rate of regular compensation if hired prior to April 2, 2012, or a consecutive five-year salary average if hired thereafter. Benefit payments are based on a member's age, length of creditable service, level of compensation, and group classification. Retirement for certain hazardous duty and public safety positions may occur earlier.

A retirement allowance consists of the member's accumulated total deductions and interest, called the annuity and the pension amount.

### Refunds to Members and Survivors

Members with less than ten years of creditable service who voluntarily resign from state service will receive their contributions plus 3% interest. Members with more than ten years of creditable service or who are involuntarily terminated will receive their contributions plus the regular interest which has accrued on those deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

## 2025 Fiscal Year Payments—Benefits, Refunds, Rollovers

### Benefits

During the 2025 fiscal year, the Board issued retirement allowance benefits and annuity payments to retirees and survivors totaling more than \$3.03 billion.

A total of 3,034 first payments were processed. The Estimated Initial Benefits Payment (“EIBP”) is an *estimated* first payment that is issued within 60 days of the retirement date. As of June 30, 2025, 1,280 EIBP were issued and an additional 555 were paid in the first quarter of FY2026. Additionally, 1,754 regular first payments were issued.

A total of 4,980 refund/rollover disbursements were processed in the amount of \$99.3 million.

### Actuarial Valuation Results

The January 1, 2025, MSERS actuarial valuation prepared by PERAC was issued in November 2025. Annually, the Commonwealth establishes a schedule and appropriates funding based on the prior year’s valuation results. The FY 2026 appropriation is \$4.933 billion. The results are as follows:

- A 7.0% investment return assumption was approved.
- The funded ratio was 73.9%, an increase of 1.4% from the previous year; The actuarial liability was \$52.8b, and the actuarial value of plan assets was \$39.0b. The difference between the liabilities and assets is the unfunded actuarial liability or UAL of approximately \$13.8b.
- The average retirement benefit was reported at \$43,083, compared to \$42,078 in 2024 (an increase of \$1,005).
- The valuation on January 1, 2025, reports 93,138 active members compared to 90,988 in 2024 (an increase of 2,150) and 70,243 retirees and beneficiaries receiving benefits, compared to 69,750 in 2024 (an increase of 493).

It is important to note that plan assets have grown 10.5 times faster since January 1, 1990, to current (\$3.7b/\$39.0b), versus the actuarial liabilities rate of growth of 7 times (\$7.5b/\$52.8b).

### Supplemental Pension Funding

M.G.L. c. 29, §5G requires that capital gains tax revenue in excess of the fiscal year capital gains tax threshold be transferred as follows: (i) 90% to the Commonwealth Stabilization Fund; (ii) 5% to the State Retiree Benefits Trust Fund (SRBTF); and (iii) 5% to the Commonwealth’s Pension Liability Fund (PRIT). As a result, the Commonwealth Pension Fund received \$25.05m, divided proportionally between the MSERS and MTRS.

### The Year in Review -- Member and System Administration

Each year, member services, including account reporting and statements, communication, and other developments, are delivered. Administration of the State Employees Retirement System complies with all statutory and regulatory requirements.

The following milestones were completed for FY2025, July 1, 2024 – June 30, 2025:

#### July 2024

**Member Annual Statements:** A calendar year statement ending December 31, 2024, was issued to all 91,451 active members timely and within budget.

**Cost-of-Living Adjustment (“COLA”):** The retiree COLA was issued to members who retired before July 1, 2023. If eligible, the 3% COLA increase applied to the first \$13,000 (\$390 per year) of the annual benefit paid in monthly installments effective July 1, 2024.

## July 1, 2024 – June 30, 2025

**Member and Employer Outreach:** 93 webinars were offered with attendance of approximately 6,700. Onsite sessions were held at various state agencies and subdivisions. Approximately 1,850 in-person and virtual counseling sessions were conducted with members. Each month, the *Retiree eNews Bulletin* was issued; a quarterly *Active Member eNews Bulletin* was distributed to active members.

**Internal Control Questionnaire:** MSRB participated as required to report on controls of MSERS as of June 30, 2025. The requirements are in accordance with guidelines established by the Office of the Comptroller, under the authority of The Control Act, Chapter 647 of the Acts of 1989.

## August 2024

**HERO Act:** Starting in August 2024 through August 2025, military veterans were allowed a one-year opportunity to purchase creditable military service. Approximately 1,500 member veterans applied.

## October 2024 – December 2024

**Salary Transparency Act:** A communication package was sent to agencies informing them of the Salary Transparency Act and requesting updated salary information for employees who were impacted by the Anti-Spiking regulations. The Act stipulated that recalculations were allowed on retirement allowances starting in 2018.

## November 2024

**MSRB Member Self-Service Portal Procurement and Vendor Selection:** Following the yearlong procurement implementation process, the Board selected Nagarro Inc. as the vendor to define, design, and implement the self-service portal.

**Finance Reporting – Independent Audit:** MSRB management engaged with the Office of the State Comptroller and Clifton Larson Allen to meet all requirements for Fiscal Year 2025. The Audit is in its final phase, and we await the report.

**COLA Commission:** The State Board of Retirement voted to appoint the Executive Director to the COLA Commission for State Retirement and Teachers' Retirement, as approved in the Governor's FY2025 Budget. Board Member Frank Valeri was appointed by the Governor to serve on the Commission. The Commission convened in January 2025 and intends on issuing a report by year end to the legislature.

## December 2024

**COLA Payments to Other Boards:** Approximately \$9.4million was issued to Other Boards for the COLA as appropriated by the Commonwealth

**FY2024 Annual Report:** As required by statute, the FY2024 Annual Report was presented to the Board for its review and approval.

## January 2025

**Issuance of IRS Form 1099-R:** For calendar year 2024, the IRS Form 1099-R was issued to members who received a pension allowance or any payment in calendar year 2024.

## March 2025

**MSRBeyond, Member Self-Service Portal Kickoff:** On March 31, 2025, the Board kicked off the MSRBeyond project: A member self-service online portal--a multi-year project that will modernize the State Employees Retirement System.

**Electronic Signature Regulation:** This regulation was developed to clarify when it is acceptable to use an electronic signature in lieu of an original "wet" signature. The regulation was approved by PERAC, and the expected implementation is early 2026.

## April 2025

**FY2026 Budget Approved by the Board:** Board staff delivered the Operating and Capital Spending Budgets to the Board for their review and approval. By a unanimous vote the Board approved the Operating at \$22.8m and Capital at \$4.8m.

**3(8)(c) and 59A Reimbursement Obligations and Collections:** MSRB issued nearly \$10 million to other retirement boards for the required 3(8)(c) payments. The payments represent the portion of SERS creditable service earned by members who then retired from another Board. By the close of the fiscal year, MSRB collected over \$12m from other Boards for creditable service earned and retired from SERS. Funds collected are transferred to the Commonwealth.

### **May 2025**

**PERAC Triennial Audit 6-month follow-up:** With the completion of the audit for the period July 1, 2018 – June 30, 2021, two findings were issued: (1) Timely payments; (2) Section 91A overearnings and non-compliant members. The 6-month follow-up in May showed that MSRB promptly implemented PERAC's recommendations and ensured the Board's adherence going forward.

### **June 2025**

**Fiscal Year End:** The Board's close of the fiscal year end on June 30, 2025, was initiated to report on the MSRB Financials. The financials are reported in compliance with the Commonwealth's requirements and PERAC's accounting regulations. The financials include the funding of SERS, the inflows and outflows, contributions, payments, transfers, and related schedules, as well as all operating and capital spending as approved by the Board.

# State Employees' Retirement System Staff\*

**Kathryn Kougias**, Executive Director

**Sandor Zapolin**, Deputy Executive Director / Chief Operating Officer

## Benefit Account Management

Nidhi Garg, Director  
Michael Tevenan, Manager  
Angela Guarino  
Susan Horn  
John McDonough  
Barbie Welch  
Aneta Wertman

## Benefits Calculation

Joseph MacInnis, Co-Director  
Stephanie Sicard, Co-Director  
Nicholas Leon, Jr., Manager  
Sahar Abdul-Adl  
Arvelle Adamson  
Deborah Cook (S)  
Alexandria Florence (S)  
Natasha Galindo  
Joi Haynes-Headley (S)  
Justin Hunt  
Christopher Janke (S)  
Darlene Keenan  
Tenzin Latoe  
Denise Lara  
Amanda Lavalley  
Russell Lepage (S)  
Shaniqua Marrow  
Jamie Miletsky  
Douglas Nelson  
Aamir Sheriff  
Gail Spader  
Charleen Stiles (S)  
Andrew Young (S)  
Mary Grace Runci

## Business Support

Angela Olszewski, Director  
Diane Lloyd  
Jason Olimpia  
Jean Simone  
Judy Yim

## Business & Technology Operations

Joanna Kolis  
Michael Sarnie  
(Fnu) Saurav

## Communications & Member Outreach

Paula Daddona, Director  
Zachary Pierce, Manager  
Lauren Lavanchy

## Disability

Lisa Zale, Assistant Director  
Joisei Horton, Manager  
Jasmine Chasse  
Robert Liford  
Wilmer Villafane

## Disbursements

Diana Reyes, Director  
Marsha Knight, Manager  
Hilda Alston-Nestor  
Thomeesha Clark  
William Denning  
Karolyn Pires  
Yves Sanon

## Electronic Content Management

Paula Daddona, Director  
Domingas Amado Da Silva  
Michaela Biggs  
Lisa Leary

## Finance & Budget

Sharon Sullivan, Director  
Daniel Dillon, Manager  
John Garvey  
Anthony Lee  
Jiajun Wang  
Jadene Yoke

## Internal Audit

Cecilia Yau, Manager

## Legal Services

Alison Eggers, Deputy General Counsel  
Pamela Diggs  
Kanan Gasimov  
Rachel Alexander Healey  
Yande Lombe  
Brendan McGough  
Kathryn Richards  
James Salvie  
Marko Samardzic  
Jacqueline Sullivan  
Matthew Szafranski

## Information Systems & Technology

Kimberly Griffin, Director  
William Mullen  
Kevin Thea  
Christian Wangia

## Member Account Management

Drenna Barrett, Assistant Director  
Gabriel Lyrae  
Gregory Paquet  
Jacquelynn Reid  
Robert Rivard  
Aleida Sidney  
Marsha Shaw

## Member Services/Call Center

Paula Daddona, Director  
Sandra Doctor, Assistant Manager  
Tara Brown  
Stephanie Che  
Carolane Creighton  
Monique Findlay  
Alexis Holstead  
James Squarey

## Mailroom

Paula Daddona, Director  
Bryce Brown  
Robert Tarlow

## Office Management

Laura Mercure, EA/Manager

## Reinstatements/Service Purchases

Pamela Forde, Assistant Director  
Jonathan Carey  
Prima Lau  
Kenneth MacMaster

## Survivor Benefits

Diana Reyes, Director  
Beth Durfee  
Carol Powers  
Eloy Sanchez  
Erik Van Zandt

## Training

Eldon Strickland, HR Team Lead  
Winnie Rankin  
Mara Safer

\*as of November 2025  
(S) Springfield Office



## **SECTION 2**

# *Financial Statements of the Massachusetts State Employees' Retirement System*



# ANNUAL STATEMENT BALANCE TESTS

## 1. ASSET BALANCE

Assets Previous Year	37,737,197,310.16
Income Current Year	6,359,450,108.19
Disbursements Current Year	3,369,678,435.87
Assets Current Year	40,726,968,982.48

## 2. ASSET DIFFERENCE

Assets Current Year	40,726,968,982.48
Assets Previous Year	37,737,197,310.16
Difference	2,989,771,672.32

## 3. INCOME DIFFERENCE

Income Current Year	6,359,450,108.19
Disbursements Current Year	3,369,678,435.87
Difference	2,989,771,672.32

## 4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	7,674,762,583.22
Total Fund Change Debits Current Year	-4,684,990,910.90
Difference	2,989,771,672.32

**Note: The difference as a result of tests 2, 3 and 4 should be the same.**

## Assets and Liabilities

	FY 2025	FY 2024	FY 2023
1040 - 1070 Cash	140,779,845.79	145,086,036.49	148,947,975.68
8888 Accounting Software Offset Account	0.00	0.00	3.17
1198 PRIT Cash Fund	18,742,592.58	8,716,248.11	8,608,019.14
1199 PRIT Capital Fund	40,487,292,166.96	37,546,293,722.78	34,960,253,645.49
1350 Prepaid Expenses	7,660.38	5,656.65	9,598.13
1397 Accounts Receivable (A)	2,483,368.97	3,826,904.09	5,056,494.30
1398 Accounts Receivable (A)	102,991,503.65	69,899,549.46	106,154,421.41
1399 Accounts Receivable (A)	29,629,989.03	24,499,883.31	24,895,615.30
2020 Accounts Payable (A)	(-54,958,144.88)	(-61,130,690.74)	(-60,526,360.71)
<b>TOTAL:</b>	<b><u>40,726,968,982.48</u></b>	<b><u>37,737,197,310.15</u></b>	<b><u>35,193,399,411.91</u></b>

## Funds

	FY 2025	FY 2024	FY 2023
3293 Annuity Savings Fund	8,038,453,992.47	7,685,805,831.25	7,390,972,699.70
3294 Annuity Reserve Fund	1,545,217,115.45	1,660,380,064.67	1,816,851,613.73
3295 Special Military Service Credit Fund	34,871.56	33,799.59	33,765.82
3296 Pension Fund	0.00	0.00	0.00
3298 Expense Fund	0.00	0.00	0.00
3297 Pension Reserve Fund	31,143,263,003.00	28,390,977,614.64	25,985,541,332.66
<b>TOTAL ASSETS AT MARKET VALUE:</b>	<b><u>40,726,968,982.48</u></b>	<b><u>37,737,197,310.15</u></b>	<b><u>35,193,399,411.91</u></b>

(A) Refer to Schedule A for Detail of Accounts Receivable and Accounts Payable.

ANNUAL STATEMENT OF THE STATE EMPLOYEES' RETIREMENT SYSTEM FOR JULY 1, 2024 - JUNE 30, 2025

	<b>Balance Jun 30 Prior year</b>	<b>Receipts</b>	<b>Interfund Transfers</b>	<b>Disbursements</b>	<b>Balance Jun 30 Current Year</b>
Annuity Savings Fund	7,685,805,831.25	932,153,159.60	-480,214,366.49	-99,290,631.89	8,038,453,992.47
Annuity Reserve Fund	1,660,380,064.67	47,787,148.71	468,536,522.34	-631,486,620.27	1,545,217,115.45
Pension Fund	0.00	1,636,689,899.27	803,906,467.68	-2,440,596,366.95	0.00
Military Service Fund	33,799.59	1,071.97	0.00	0.00	34,871.56
Expense Fund	0.00	198,304,816.76	0.00	-198,304,816.76	0.00
Pension Reserve Fund	28,390,977,614.65	3,544,514,011.88	-792,228,623.53	0.00	31,143,263,003.00
<b>Total All Funds</b>	<b>37,737,197,310.16</b>	<b>6,359,450,108.19</b>	<b>- 0 -</b>	<b>-3,369,678,435.87</b>	<b>40,726,968,982.48</b>

**List below all transfers:**

Xfer from	Annuity Savings Fund	to	Annuity Reserve Fund	in the amt of	468,536,522.34	on acct of	Retirements 2025
	Control Acct						
Xfer from	Annuity Savings Fund	to	Pension Reserve Fund	in the amt of	27,273,664.58	on acct of	10 Year Inactivations
	Control Acct						
Xfer from	Pension Reserve Fund	to	Annuity Savings Fund	in the amt of	15,543,218.08	on acct of	10 Activations
			Control Acct				
Xfer from	Pension Reserve Fund	to	Annuity Savings Fund	in the amt of	52,602.35	on acct of	Herrick Interest
			Control Acct				
Xfer from	Pension Reserve Fund	to	Pension Fund Control	in the amt of	803,906,467.68	on acct of	Pension Schedule Funding
			Account				
Xfer from		to		in the amt of		on acct of	

# Receipts

	FY 2025	FY 2024	FY 2023
<b>1. Annuity Savings Fund:</b>			
(a) 4891 Members' Deductions	885,958,844.07	760,850,695.76	722,381,939.67
(b) 4892 Transfers from Other Systems	26,910,154.22	27,785,166.99	24,087,628.48
(c) 4893 Member Make Up Payments and Redeposits	3,983,139.62	3,741,981.72	4,672,508.94
(d) 4900 Member Payments from Rollovers	4,051,755.47	3,972,378.28	5,508,785.98
(e) Investment Income Credited to Members' Accounts	11,249,266.22	10,177,715.68	9,638,597.77
<b>Subtotal:</b>	<b>932,153,159.60</b>	<b>806,527,938.43</b>	<b>766,289,460.84</b>
<b>2. Annuity Reserve Fund:</b>			
(a) 4750 Recovery of Annuity from Reinstatements	0.00	0.00	0.00
(b) 4752 Recovered Annuities Death	32,813.37	46,409.38	567,848.53
(c) Investment Income Credited to Annuity Reserve Fund	47,754,335.34	51,631,774.13	55,469,046.14
<b>Subtotal:</b>	<b>47,787,148.71</b>	<b>51,678,183.51</b>	<b>56,036,894.67</b>
<b>3. Pension Fund:</b>			
(a) 4898 3(8)(c) Reimbursements from Other Systems	12,780,835.31	9,193,959.38	41,366,773.63
(b) 4894 Pension Fund Appropriation	1,622,900,000.00	1,523,491,324.19	1,491,567,291.19
(c) 4894 Pension Fund Appropriation	447,978.07	261,500.00	566,400.00
(c) 4840 Workers' Compensation Settlements	429,832.40	206,871.64	280,580.43
(d) 4841 Recovery of 91A Overearnings	131,253.49	185,637.51	2,271,394.09
(e) 4753 Recovered Pensions Death	1,636,689,899.27	1,533,339,292.72	1,536,052,439.34
<b>Subtotal:</b>	<b>1,636,689,899.27</b>	<b>1,533,339,292.72</b>	<b>1,536,052,439.34</b>
<b>4. Military Service Fund:</b>			
(a) Investment Income Credited to Military Service Fund	33.77	33.77	33.70
(b) 4890 Military Service Fund Contributions	1,038.20	0.00	0.00
<b>Subtotal:</b>	<b>1,071.97</b>	<b>33.77</b>	<b>33.70</b>
<b>5. Expense Fund:</b>			
(a) Investment Income Credited to Expense Fund	198,304,816.76	199,576,455.08	181,208,527.30
<b>Subtotal:</b>	<b>198,304,816.76</b>	<b>199,576,455.08</b>	<b>181,208,527.30</b>
<b>6. Pension Reserve Fund:</b>			
(a) 4830 ORP Employer Reimbursements	0.00	0.00	0.00
(b) 4895 Pension Reserve Appropriation	0.00	0.00	872,984.55
(c) 4897 Federal Grant Reimbursement	10,056,619.59	7,846,998.23	7,489,602.25
(d) 4897 Federal Grant Reimbursement	99,977.08	106,579.68	96,538.36
(d) 4822 Interest Not Refunded	22,620,658.06	15,861,663.51	25,429,134.61
(e) 4825 Miscellaneous Income	3,511,736,757.15	3,214,500,382.80	1,826,368,918.43
(f) Excess Investment Income Credited to Pension	3,544,514,011.88	3,238,315,624.22	1,860,257,178.20
<b>Subtotal:</b>	<b>3,544,514,011.88</b>	<b>3,238,315,624.22</b>	<b>1,860,257,178.20</b>
<b>TOTAL RECEIPTS</b>	<b>6,359,450,108.19</b>	<b>5,829,437,527.73</b>	<b>4,399,844,534.05</b>

## Disbursements

	FY 2025	FY 2024	FY 2023
<b>1. Annuity Savings Fund:</b>			
(a) 5757 Refunds to Members	70,540,251.98	71,190,491.96	63,032,990.08
(b) 5756 Transfers to Other Systems	28,750,379.91	35,326,795.01	12,916,966.70
<b>Subtotal:</b>	<b>99,290,631.89</b>	<b>106,517,286.97</b>	<b>75,949,956.78</b>
<b>2. Annuity Reserve Fund:</b>			
(a) 5750 Annuities Paid	625,582,928.95	598,318,081.39	571,753,596.60
(b) 5759 Option B Refunds	5,903,691.32	5,607,538.85	6,082,665.48
<b>Subtotal:</b>	<b>631,486,620.27</b>	<b>603,925,620.24</b>	<b>577,836,262.08</b>
<b>3. Pension Fund:</b>			
(a) 5751 Pensions Paid	2,408,346,436.59	2,335,813,652.51	2,259,752,761.79
Regular Pension Payments	2,147,697,844.18	2,080,963,889.38	2,011,833,852.35
Survivorship Payments	9,753,842.95	9,479,594.09	9,152,495.08
Ordinary Disability Payments	15,579,370.15	15,768,785.39	15,812,826.31
Accidental Disability Payments	171,373,874.35	166,862,758.08	161,515,584.53
Accidental Death Payments	59,276,761.07	57,992,911.16	56,576,335.10
Section 101 Benefits	4,664,743.89	4,745,714.41	4,861,668.42
(b) 5755 3(8)(c) Reimbursements To Other Systems	9,862,059.32	19,544,670.93	19,656,689.47
(c) 5752 COLAs Paid	9,442,968.87	10,835,937.49	13,311,573.04
(d) 5600 Bad Debt Expense	164,066.86	232,046.89	216,295.71
(e) 5700 3(8)(c) Reimbursements To General Fund	12,780,835.31	9,193,959.38	41,366,773.63
<b>Subtotal:</b>	<b>2,440,596,366.95</b>	<b>2,375,620,267.20</b>	<b>2,334,304,093.64</b>
<b>4. Expense Fund:</b>			
(a) 5119 Staff Salaries	7,678,778.56	6,719,811.82	5,909,162.04
(b) 5120 Benefits	3,372,277.36	2,915,487.31	2,377,299.39
(c) 5304 Management Fees	150,460,800.21	153,856,540.94	140,605,446.96
(d) 5305 Custodial Fees	29,408,102.31	28,319,815.58	24,698,905.33
(e) 5308 Legal Expenses	17,454.94	50,280.69	63,933.46
(f) 5310 Fiduciary Insurance	58,845.78	58,955.79	0.00
(g) 5311 Service Contracts	3,556,455.77	1,240,806.70	272,429.04
(h) 5312 Rent Expense	924,264.44	907,158.13	889,181.39
(i) 5315 Professional Services	1,948,649.01	4,471,046.23	5,118,948.25
(j) 5320 Education And Training	0.00	17,633.55	26,443.71
(k) 5588 Miscellaneous Expense	0.00	0.00	0.00
(l) 5589 Administrative Expenses	826,089.37	967,999.67	1,148,328.35
(m) 5599 Furniture and Equipment	43,560.00	47,726.70	88,039.52
(n) 5719 Travel Expenses	9,539.01	3,191.97	10,409.86
<b>Subtotal:</b>	<b>198,304,816.76</b>	<b>199,576,455.08</b>	<b>181,208,527.30</b>
<b>TOTAL DISBURSEMENTS</b>	<b>3,369,678,435.87</b>	<b>3,285,639,629.49</b>	<b>3,169,298,839.80</b>

## Investment Income

	FY 2025	FY 2024	FY 2023
Investment Income received from:			
(a) Pooled Funds (from Schedule 5)	985,622,295.20	966,646,922.36	903,727,566.27
(b) MMDT Investment Income	1,104,898.65	1,233,515.04	855,355.19
<b>4821 TOTAL INVESTMENT INCOME</b>	<u>986,727,193.85</u>	<u>967,880,437.40</u>	<u>904,582,921.46</u>
Plus:			
4884 Realized Gains	1,203,271,553.53	885,836,873.48	306,059,023.37
4886 Unrealized Gains	4,081,480,202.99	4,715,470,113.58	5,382,742,274.88
Less:			
4885 Realized Losses	17,669,976.56	34,209,332.64	101,314,711.52
4887 Unrealized Losses	2,484,763,764.57	3,059,091,730.36	4,419,384,384.85
<b>NET INVESTMENT INCOME</b>	<u>3,769,045,209.24</u>	<u>3,475,886,361.46</u>	<u>2,072,685,123.34</u>
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	11,249,266.22	10,177,715.68	9,638,597.77
Annuity Reserve Fund	47,754,335.34	51,631,774.13	55,469,046.14
Expense Fund	198,304,816.76	199,576,455.08	181,208,527.30
Military Service Fund	33.77	33.77	33.70
<b>TOTAL INCOME REQUIRED</b>	<u>257,308,452.09</u>	<u>261,385,978.66</u>	<u>246,316,204.91</u>
<b>EXCESS INCOME TO PENSION RESERVE FUND</b>	<u>3,511,736,757.15</u>	<u>3,214,500,382.80</u>	<u>1,826,368,918.43</u>

**Schedule A: Detail of Accounts Receivable and Accounts Payable****1397 - Accounts Receivable On Deaths**

1397 Accounts Receivable On Deaths	2,483,368.97
<b>TOTAL RECEIVABLES:</b>	<u>2,483,368.97</u>

**1398 - Accounts Receivable**

Prior Year Balance	55,465,365.98
4891 Members' Deductions	34,043,318.79
4892 Transfers From Other Systems	0.00
4893 Makeups & Buybacks	87,800.21
4897 Federal Grant Reimbursement	575,824.66
4898 3(8)(c) Reimbursements from Other Systems	12,819,194.01
<b>TOTAL RECEIVABLES:</b>	<u>102,991,503.65</u>

**1399 - Accounts Receivable For Yearly Employer Pension Reimbursement**

Prior Year Balance	20,545,285.21
4825 Miscellaneous Income	9,084,703.82
<b>TOTAL RECEIVABLES:</b>	<u>29,629,989.03</u>

**2020 - Accounts Payable**

Prior Year Balance	31,580,130.75
5119 Staff Salaries	0.00
5120 Benefits	0.00
5311 Service Contracts	90,998.86
5315 Operating Expense-Professional Services	570,360.85
5320 Education and Training	0.00
5589 Administrative Expenses	34,720.02
5599 Furniture and Equipment	0.00
5700 3(8)(c) Reimbursement to General Fund	12,819,194.01
5719 Travel Expenses	681.07
5755 3(8)(c) Reimbursement to Other Systems	9,862,059.32
<b>TOTAL PAYABLES:</b>	<u>54,958,144.88</u>

## Membership Information for Fiscal Year 2025

### Active Members

An active member is a participating employee of the MSERS who is currently employed and making retirement contributions

MEMBERSHIP FOR CURRENT YEAR				
ACTIVE MEMBERS	Group 1	Group 2 & 4	Group 3	TOTAL
Active Membership, 6/30, Previous Year	83,455	8,255	2,564	94,274
Inactive Membership, 6/30, Previous Year	75,978	8,390	828	85,196
Vested	5,006	521	44	5,571
Non Vested	70,972	7,869	784	79,625
Enrolled During Current Year	8,483	547	72	9,102
Transfers Between Groups	0	0	0	0
Reinstatements of Disabled Members	0	0	0	0
SUBTOTAL	8,483	547	72	9,102
Deduct:				
Death	171	18	9	198
Withdrawals	3,532	252	28	3,812
Retirements	2,201	556	110	2,867
SUBTOTAL	5,904	826	147	6,877
Active Membership, 6/30, Current Year	86,384	7,128	2,534	96,046
Inactive Membership, 6/30, Current Year	77,706	8,358	820	86,884
Vested	4,804	438	39	5,281
Non Vested	72,902	7,920	781	81,603
<hr/>				
RETIRED MEMBERS, BENEFICIARIES & SURVIVORS				
Retired, Beneficiary and Survivor Membership, 06/30, Previous Year	51,878	14,729	2,611	69,218
Retirements During the Year				
Superannuation	2,138	502	89	2,729
Ordinary Disability	8	3	0	11
Accidental Disability	48	51	21	120
Termination Retirement Allowance	7	0	0	7
Beneficiary of Deceased Retiree	287	68	15	370
Survivor Benefits from Active Membership	56	13	8	77
SUBTOTAL	2,544	637	133	3,314
Deduct:				
Deaths of Retired Members	1,463	278	49	1,790
Termination of Survivor Benefits	236	18	12	266
Reinstatements of Disabled Pensions	2	0	0	2
SUBTOTAL	1,701	296	61	2,058
Retired Membership, 6/30, Current Year				
Superannuation	43,132	13,022	1,817	57,971
Ordinary Disability	361	138	6	505
Accidental Disability	1,974	919	552	3,445
Termination Retirement Allowance	1,714	5	0	1,719
Beneficiaries from Accidental Deaths	129	9	0	138
Beneficiaries from Section 100	2	0	13	15
Beneficiaries from Section 101	197	29	83	309
Beneficiaries under Option (C)	3,075	618	107	2,800
Option (D) Survivor Allowance	2,014	330	39	2,383
Section 12B Survivor Allowance	0	0	0	0
Total Retired, Beneficiary and Survivor Membership, 06/30, Current Year	52,540	15,070	2,675	70,285
TOTAL MEMBERSHIP:				
Active, Inactive, Retired, Beneficiary and Survivor, 06/30, Current Year	216,630	30,556	6,029	253,215

### Annuity Reserve Interest Calculation

FY2025	Debit Balance		Credit Balance					
			Transfers	Recovery From		Transfers		Interest
	5750	5759	Out	4750	3294	In	Balance	(Balance x .0025)
<b>July 1st (2024)</b>	*****	*****	*****	*****	*****	*****	1,660,380,064.67	4,150,950.16
8/1/2024	50,953,794.84	636,473.24	0.00	0.00	30,250,170.39	0.00	1,639,039,966.98	4,097,599.92
9/1/2024	51,011,924.49	0.00	0.00	0.00	30,924,154.07	0.00	1,618,952,196.56	4,047,380.49
10/1/2024	51,725,004.11	413,707.38	0.00	0.00	55,916,308.27	0.00	1,622,729,793.34	4,056,824.48
11/1/2024	51,875,191.21	1,048,797.28	0.00	0.00	45,368,159.34	0.00	1,615,173,964.19	4,037,934.91
12/1/2024	51,731,540.27	506,934.71	0.00	0.00	31,951,272.26	0.00	1,594,886,761.47	3,987,216.90
1/1/2025	52,103,896.25	448,788.38	0.00	0.00	35,536,316.42	0.00	1,577,870,393.26	3,944,675.98
2/1/2025	52,350,241.18	453,692.55	0.00	0.00	45,956,952.36	0.00	1,571,023,411.89	3,927,558.53
3/1/2025	52,527,294.03	265,324.25	0.00	0.00	58,557,568.36	0.00	1,576,788,361.97	3,941,970.90
4/1/2025	52,800,364.13	703,400.89	0.00	0.00	44,009,126.09	0.00	1,567,293,723.04	3,918,234.31
5/1/2025	52,616,228.35	507,815.73	0.00	0.00	27,049,633.03	0.00	1,541,219,311.99	3,853,048.28
6/1/2025	52,942,716.21	506,308.57	0.00	0.00	28,605,898.63	0.00	1,516,376,185.84	3,790,940.46
<b>June 30th (2025)</b>							<b>TOTAL:</b>	<b><u>\$ 47,754,335.34</u></b>

To calculate interest required for the ARF (3294), begin with the balance on July 1st of the current year. Subtract from that balance any debits such as annuities paid (5750), option B refunds paid (5759), and any transfer resulting from a surplus in the ARF (3294). Next, add any credits such as transfers from the ASF and any transfer resulting from a deficit in the ARF. Then multiply each monthly balance by .0025. Lastly, enter the total of the 12 months' interest as an adjusting entry, and add it to the balance of June 30th of the statement year.

**Annual Statement of the Mass. State Retirement Board for the Year Ended June 30, 2025**

**Schedule 1**

**Cash Account Activity During Year**

<b>Description</b>	<b>Book Value at End of Previous Year</b>	<b>Total Deposits this Year</b>	<b>Income Reinvested/ Redeposited into Account</b>	<b>Total Withdrawals this Year</b>	<b>Total Book Value June 30 this Year</b>	<b>Cash Income Paid to System Not Reinvested or Redeposited</b>	<b>Interest Due and Accrued June 30th</b>
1040 Cash Annuity - MMARS	56,151,180.69		741,514,044.21	736,185,403.49	61,479,821.41		
1042 BNY Mellon Bank	33,314.88		900,937,463.05	900,965,372.25	5,405.68		
1050 Pension Payments & Receipts - MMARS	43,382,032.79		2,414,066,192.20	2,429,184,890.48	28,263,334.51		
1051 Returned Pensions & Annuities - M&T Bank	-		2,601,878.44	2,601,878.44	-		
1052 3(8)(c) & 59A Receipts - M&T Bank	-		28,680,522.89	28,680,522.89	-		
1053 COLA Payments	23,473,958.77		10,375,216.99	9,443,185.86	24,405,989.90		
1054 Cap. Gains Tax Rev. Transfer	7,464,944.66		26,634,799.59	24,464,062.67	9,635,681.58		
1060 Cash MMDT Acct-PRITCash for Pensions	-		802,981,843.57	799,000,000.00	3,981,843.57		
1062 Operating Expenses - MMARS	3,342,385.40		17,000,263.28	18,370,160.15	1,972,488.53		
1063 Capital Expenses - MMARS	2,013,877.75		85.31	203,024.01	1,810,939.05		
1070 COLA Repayment Credits	9,224,341.56		-	-	9,224,341.56		
1198 PRIT Cash	8,716,248.11		1,574,500,674.65	1,564,474,330.18	18,742,592.58		
<b>Schedule Totals</b>	<b>\$ 153,802,284.61</b>	<b>\$ -</b>	<b>\$ 6,519,292,984.18</b>	<b>\$ 6,513,572,830.42</b>	<b>\$ 159,522,438.37</b>	<b>\$ -</b>	<b>\$ -</b>



**Annual Statement of the Mass. State Retirement Board for the Year Ended June 30, 2025  
Schedule 7**

**Summary of Investment Related Fees**

<b>Manager/Vendor-All Managers/Vendors Must be Listed</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Accrued Payable at Year End</b>	<b>Total Paid or Accrued in 2025</b>	<b>Market Value as of 6/30/2025</b>	<b>*Payment Method (N, C, W)</b>	<b>#4701 Carried Interest Expense</b>	<b>#4702 Equalization Expense</b>	<b>#4703 Miscellaneous Expense</b>
<b>5304 Management Fees:</b>											
Pension Reserves Investment Trust Fund	34,885,684.88	38,355,376.43	37,895,527.74	39,324,211.16		150,460,800.21		N			
						-					
<b>5304 Management Fees Total</b>	<b>\$ 34,885,684.88</b>	<b>\$ 38,355,376.43</b>	<b>\$ 37,895,527.74</b>	<b>\$ 39,324,211.16</b>	<b>\$ -</b>	<b>\$ 150,460,800.21</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>5305 Custodial Fees:</b>											
BNY Mellon Bank	5,914,459.74	9,550,618.58	6,198,897.94	7,744,126.05		29,408,102.31		N			
						-					
<b>5305 Custodial Fees Total</b>	<b>\$ 5,914,459.74</b>	<b>\$ 9,550,618.58</b>	<b>\$ 6,198,897.94</b>	<b>\$ 7,744,126.05</b>	<b>\$ -</b>	<b>\$ 29,408,102.31</b>					
<b>5307 Investment Consultant/OCIO Fees:</b>											
						-					
<b>5307 Investment Consultant/OCIO Fees Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>								
<b>Total Investment Related Fees and Expenses</b>	<b>\$ 40,800,144.62</b>	<b>\$ 47,905,995.01</b>	<b>\$ 44,094,425.68</b>	<b>\$ 47,068,337.21</b>	<b>\$ -</b>	<b>\$ 179,868,902.52</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*N=Net/C=Check/W=Wire



## **SECTION 3**

*Financial Statements of the  
Massachusetts Turnpike Authority  
Employees' Retirement System*



# Annual Statement for the Year Ended June 30, 2025 of the Conditions and Affairs of the MASSACHUSETTS TURNPIKE AUTHORITY

Organized under the Laws of the Commonwealth of Massachusetts to the  
PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

Date of Certificate: By Chapter 532 of the Acts of 1911

## Administration Office

One Winter Street, 8th Floor Telephone Number: (617) 367-9333

We, the undersigned, members of the Massachusetts Turnpike Authority certify under penalties of perjury, that we are the official board members of said retirement system, and that on the thirtieth date of June last, all of the herein-described assets were the absolute property of said retirement system, free and clear from any liens or claims thereon, except as stated, and the following statements, with the schedules and explanations therein contained, annexed, or referred to, are a full and correct exhibit of all of the assets, liabilities, income and disbursements, changes in fund balances, and the conditions and affairs of said retirement system on the said thirtieth date of June last, and for the year ended on that date, according to the best of our information, knowledge, and belief respectively.

**Massachusetts**

**Ex-officio Member**

Deborah B. Goldberg

\_\_\_\_\_  
(Signature)

**State**

**Appointed Member**

Joanne Goldstein

Term Expires 01/24/2027

\_\_\_\_\_  
(Signature)

**Retirement**

**Elected Member**

Theresa McGoldrick Esq.

Term Expires 04/30/2027

\_\_\_\_\_  
(Signature)

**Board**

**Elected Member**

Francis E Valeri

Term Expires 01/01/2026

\_\_\_\_\_  
(Signature)

**Member Appointed By**

**Other Members**

Archibald Gormley, Jr.

Term Expires 03/25/2027

\_\_\_\_\_  
(Signature)

**Investment**

**Manager**

**Pension Reserves Investment Management Board**

53 State Street, Suite 600, Boston, MA 02109

# ANNUAL STATEMENT BALANCE TESTS

## 1. ASSET BALANCE

Assets Previous Year	166,124,112.68
Income Current Year	16,269,924.04
Disbursements Current Year	13,168,055.15
Assets Current Year	169,225,981.57

## 2. ASSET DIFFERENCE

Assets Current Year	169,225,981.57
Assets Previous Year	166,124,112.68
Difference	3,101,868.89

## 3. INCOME DIFFERENCE

Income Current Year	16,269,924.04
Disbursements Current Year	13,168,055.15
Difference	3,101,868.89

## 4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	26,549,638.88
Total Fund Change Debits Current Year	-23,447,769.99
Difference	3,101,868.89

**Note: The difference as a result of tests 2, 3 and 4 should be the same.**

## Assets and Liabilities

	<b>FY 2025</b>	<b>FY 2024</b>	<b>FY 2023</b>
1040 - 1070 Cash	<b>1,668,174.70</b>	2,385,436.41	5,708,206.93
8888 Accounting Software Offset Account	<b>0.00</b>	0.00	0.00
1198 PRIT Cash Fund	<b>211,872.15</b>	166,047.76	214,377.16
1199 PRIT Capital Fund	<b>167,305,839.29</b>	163,137,470.93	158,257,272.35
1350 Prepaid Expenses	<b>0.00</b>	0.00	0.00
1397 Accounts Receivable (A)	<b>0.00</b>	0.00	0.00
1398 Accounts Receivable (A)	<b>409,387.10</b>	451,080.33	458,225.55
1399 Accounts Receivable (A)	<b>0.00</b>	0.00	0.00
2020 Accounts Payable (A)	<b>(-369,291.67)</b>	(-15,922.74)	(-526,954.47)
<b>TOTAL:</b>	<b><u>169,225,981.57</u></b>	<u>166,124,112.69</u>	<u>164,111,127.52</u>

## Funds

	<b>FY 2025</b>	<b>FY 2024</b>	<b>FY 2023</b>
3293 Annuity Savings Fund	<b>40,976,603.58</b>	41,062,135.35	41,051,478.37
3294 Annuity Reserve Fund	<b>24,178,319.98</b>	25,136,130.29	26,209,738.46
3295 Special Military Service Credit Fund	<b>438.77</b>	438.33	437.89
3296 Pension Fund	<b>0.00</b>	0.00	0.00
3298 Expense Fund	<b>0.00</b>	0.00	0.00
3297 Pension Reserve Fund	<b>104,070,619.24</b>	99,925,408.71	96,849,472.80
<b>TOTAL ASSETS AT MARKET VALUE:</b>	<b><u>169,225,981.57</u></b>	<u>166,124,112.68</u>	<u>164,111,127.52</u>

(A) Refer to Schedule A for Detail of Accounts Receivable and Accounts Payable.

ANNUAL STATEMENT OF THE TURNPIKE EMPLOYEES' RETIREMENT SYSTEM FOR JULY 1, 2024 - JUNE 30, 2025

	<b>Balance Jun 30 Prior year</b>	<b>Receipts</b>	<b>Interfund Transfers</b>	<b>Disbursements</b>	<b>Balance Jun 30 Current Year</b>
Annuity Savings Fund	41,062,135.35	41,051.48	-43,633.75	-82,949.50	40,976,603.58
Annuity Reserve Fund	25,136,130.29	730,540.44	43,633.75	-1,731,984.50	24,178,319.98
Pension Fund	0.00	360,910.58	10,236,081.09	-10,596,991.67	0.00
Military Service Fund	438.33	0.44	0.00	0.00	438.77
Expense Fund	0.00	756,129.48	0.00	-756,129.48	0.00
Pension Reserve Fund	99,925,408.71	14,381,291.62	-10,236,081.09	0.00	104,070,619.24
<b>Total All Funds</b>	<b>166,124,112.68</b>	<b>16,269,924.04</b>	<b>- 0 -</b>	<b>-13,168,055.15</b>	<b>169,225,981.57</b>

List below all transfers:

Xfer from	MTA Pension Reserve Fund	to	MTA Pension Fund Control Account	in the amt of	10,236,081.09	on acct of	Pension Schedule Funding
Xfer from	MTA Annuity Savings Fund Control Acct	to	MTA Annuity Reserve Fund	in the amt of	43,633.75	on acct of	Retirements 2025
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	
Xfer from		to		in the amt of		on acct of	

# Receipts

	FY 2025	FY 2024	FY 2023
<b>1. Annuity Savings Fund:</b>			
(a) 4891 Members' Deductions	0.00	0.00	0.00
(b) 4892 Transfers from Other Systems	0.00	0.00	0.00
(c) 4893 Member Make Up Payments and Redeposits	0.00	0.00	0.00
(d) 4900 Member Payments from Rollovers	0.00	0.00	0.00
(e) Investment Income Credited to Members' Accounts	41,051.48	41,010.45	41,024.66
<b>Subtotal:</b>	<b>41,051.48</b>	41,010.45	41,024.66
<b>2. Annuity Reserve Fund:</b>			
(a) 4750 Recovery of Annuity from Reinstatements	0.00	0.00	0.00
(b) 4752 Recovered Annuities Death	0.00	0.00	0.00
(c) Investment Income Credited to Annuity Reserve Fund	730,540.44	760,925.66	793,326.49
<b>Subtotal:</b>	<b>730,540.44</b>	760,925.66	793,326.49
<b>3. Pension Fund:</b>			
(a) 4898 3(8)(c) Reimbursements from Other Systems	360,910.58	370,748.17	759,484.72
(b) 4894 Pension Fund Appropriation	0.00	0.00	0.00
(c) 4840 Workers' Compensation Settlements	0.00	0.00	0.00
(d) 4841 Recovery of 91A Overearnings	0.00	0.00	0.00
(e) 4753 Recovered Pensions Death	0.00	0.00	0.00
<b>Subtotal:</b>	<b>360,910.58</b>	370,748.17	759,484.72
<b>4. Military Service Fund:</b>			
(a) Investment Income Credited to Military Service Fund	0.44	0.44	0.44
(b) 4890 Military Service Fund Contributions	0.00	0.00	0.00
<b>Subtotal:</b>	<b>0.44</b>	0.44	0.44
<b>5. Expense Fund:</b>			
(a) Investment Income Credited to Expense Fund	756,129.48	808,497.16	762,970.43
<b>Subtotal:</b>	<b>756,129.48</b>	808,497.16	762,970.43
<b>6. Pension Reserve Fund:</b>			
(a) 4830 ORP Employer Reimbursements	0.00	0.00	0.00
(b) 4895 Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4897 Federal Grant Reimbursement	0.00	0.00	0.00
(d) 4822 Interest Not Refunded	0.00	0.00	0.00
(e) 4825 Miscellaneous Income	0.00	28.40	0.00
(f) Excess Investment Income Credited to Pension	14,381,291.62	13,804,178.49	7,863,754.85
<b>Subtotal:</b>	<b>14,381,291.62</b>	13,804,206.89	7,863,754.85
<b>TOTAL RECEIPTS</b>	<b>16,269,924.04</b>	15,785,388.77	10,220,561.59

## Disbursements

	FY 2025	FY 2024	FY 2023
<b>1. Annuity Savings Fund:</b>			
(a) 5757 Refunds to Members	47,743.53	30,353.47	0.00
(b) 5756 Transfers to Other Systems	35,205.97	0.00	0.00
<b>Subtotal:</b>	<b>82,949.50</b>	<b>30,353.47</b>	<b>0.00</b>
<b>2. Annuity Reserve Fund:</b>			
(a) 5750 Annuities Paid	1,731,984.50	1,834,533.85	1,912,980.46
(b) 5759 Option B Refunds	0.00	0.00	0.00
<b>Subtotal:</b>	<b>1,731,984.50</b>	<b>1,834,533.85</b>	<b>1,912,980.46</b>
<b>3. Pension Fund:</b>			
(a) 5751 Pensions Paid	10,217,341.91	10,761,255.35	11,179,395.61
Regular Pension Payments	7,774,501.16	8,270,679.94	8,616,527.76
Survivorship Payments	129,297.36	127,874.67	125,716.29
Ordinary Disability Payments	198,940.25	229,304.52	246,557.45
Accidental Disability Payments	1,560,040.64	1,575,507.69	1,621,143.98
Accidental Death Payments	462,750.72	452,636.60	473,452.53
Section 101 Benefits	91,811.78	105,251.93	95,997.60
(b) 5755 3(8)(c) Reimbursements To Other Systems	379,649.76	337,763.79	526,954.47
(c) 5752 COLAs Paid	0.00	0.00	0.00
(d) 5600 Bad Debt Expense	0.00	0.00	0.00
(e) 5700 3(8)(c) Reimbursements To General Fund	0.00	0.00	0.00
<b>Subtotal:</b>	<b>10,596,991.67</b>	<b>11,099,019.14</b>	<b>11,706,350.08</b>
<b>4. Expense Fund:</b>			
(a) 5119 Staff Salaries	0.00	0.00	0.00
(b) 5120 Benefits	0.00	0.00	0.00
(c) 5304 Management Fees	632,728.38	682,965.21	649,127.53
(d) 5305 Custodial Fees	123,401.10	125,531.95	113,842.90
(e) 5308 Legal Expenses	0.00	0.00	0.00
(f) 5310 Fiduciary Insurance	0.00	0.00	0.00
(g) 5311 Service Contracts	0.00	0.00	0.00
(h) 5312 Rent Expense	0.00	0.00	0.00
(i) 5315 Professional Services	0.00	0.00	0.00
(j) 5320 Education And Training	0.00	0.00	0.00
(k) 5588 Miscellaneous Expense	0.00	0.00	0.00
(l) 5589 Administrative Expenses	0.00	0.00	0.00
(m) 5599 Furniture and Equipment	0.00	0.00	0.00
(n) 5719 Travel Expenses	0.00	0.00	0.00
<b>Subtotal:</b>	<b>756,129.48</b>	<b>808,497.16</b>	<b>762,970.43</b>
<b>TOTAL DISBURSEMENTS</b>	<b>13,168,055.15</b>	<b>13,772,403.62</b>	<b>14,382,300.97</b>

## Investment Income

	FY 2025	FY 2024	FY 2023
Investment Income received from:			
(a) Pooled Funds (from Schedule 5)	4,168,935.65	4,312,833.37	4,193,663.53
(b) MMDT Investment Income	11,160.59	12,459.77	10,971.65
<b>4821 TOTAL INVESTMENT INCOME</b>	<u>4,180,096.24</u>	<u>4,325,293.14</u>	<u>4,204,635.18</u>
Plus:			
4884 Realized Gains	5,075,955.01	3,921,939.01	1,412,872.19
4886 Unrealized Gains	17,185,175.30	20,972,544.53	24,973,655.46
Less:			
4885 Realized Losses	74,029.36	153,639.98	472,559.65
4887 Unrealized Losses	10,458,183.73	13,651,524.48	20,657,526.31
<b>NET INVESTMENT INCOME</b>	<u>15,909,013.46</u>	<u>15,414,612.22</u>	<u>9,461,076.87</u>
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	41,051.48	41,010.45	41,024.66
Annuity Reserve Fund	730,540.44	727,336.04	793,326.49
Expense Fund	756,129.48	808,497.16	762,970.43
Military Service Fund	0.44	0.44	0.44
<b>TOTAL INCOME REQUIRED</b>	<u>1,527,721.84</u>	<u>1,576,844.09</u>	<u>1,597,322.02</u>
<b>EXCESS INCOME TO PENSION RESERVE FUND</b>	<u>14,381,291.62</u>	<u>13,837,768.13</u>	<u>7,863,754.85</u>

**Schedule A: Detail of Accounts Receivable and Accounts Payable****1397 - Accounts Receivable On Deaths**

1397 Accounts Receivable On Deaths	0.00
<b>TOTAL RECEIVABLES:</b>	<u>0.00</u>

**1398 - Accounts Receivable**

Prior Year Balance	48,476.52
4891 Members' Deductions	0.00
4892 Transfers From Other Systems	0.00
4893 Makeups & Buybacks	0.00
4897 Federal Grant Reimbursement	0.00
4898 3(8)(c) Reimbursements from Other Systems	360,910.58
<b>TOTAL RECEIVABLES:</b>	<u>409,387.10</u>

**1399 - Accounts Receivable For Yearly Employer Pension Reimbursement**

Prior Year Balance	0.00
4825 Miscellaneous Income	0.00
<b>TOTAL RECEIVABLES:</b>	<u>0.00</u>

**2020 - Accounts Payable**

Prior Year Balance	-741,337.74
5119 Staff Salaries	0.00
5120 Benefits	0.00
5311 Service Contracts	0.00
5315 Operating Expense-Professional Services	0.00
5320 Education and Training	0.00
5589 Administrative Expenses	0.00
5599 Furniture and Equipment	0.00
5700 3(8)(c) Reimbursement to General Fund	0.00
5719 Travel Expenses	0.00
5755 3(8)(c) Reimbursement to Other Systems	372,046.07
<b>TOTAL PAYABLES:</b>	<u>-369,291.67</u>

### Annuity Reserve Interest Calculation

<b>FY2025</b>	Debit Balance		Credit Balance				Interest	
	5750	5759	Transfers Out	Recovery From Reinstatement 4750	3294	Transfers In	(Balance x .0025)	
	*****	*****	*****	*****	*****	*****	Balance	
<b>July 1st (2024)</b>							25,136,130.29	62,840.33
8/1/2024	<b>147,494.29</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,988,636.00	62,471.59
9/1/2024	<b>145,781.21</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,842,854.79	62,107.14
10/1/2024	<b>145,469.13</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,697,385.66	61,743.46
11/1/2024	<b>144,297.20</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,553,088.46	61,382.72
12/1/2024	<b>145,497.08</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,407,591.38	61,018.98
1/1/2025	<b>144,305.39</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,263,285.99	60,658.21
2/1/2025	<b>144,012.43</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	24,119,273.56	60,298.18
3/1/2025	<b>145,070.30</b>	0.00	0.00	0.00	<b>43,633.75</b>	0.00	24,017,837.01	60,044.59
4/1/2025	<b>145,730.55</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	23,872,106.46	59,680.27
5/1/2025	<b>142,555.12</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	23,729,551.34	59,323.88
6/1/2025	<b>141,114.53</b>	0.00	0.00	0.00	<b>0.00</b>	0.00	23,588,436.81	58,971.09
<b>June 30th (2025)</b>							<b>TOTAL:</b>	<b>\$ 730,540.44</b>

To calculate interest required for the ARF (3294), begin with the balance on July 1st of the current year. Subtract from that balance any debits such as annuities paid (5750), option B refunds paid (5759), and any transfer resulting from a surplus in the ARF (3294). Next, add any credits such as transfers from the ASF and any transfer resulting from a deficit in the ARF. Then multiply each monthly balance by .0025. Lastly, enter the total of the 12 months' interest as an adjusting entry, and add it to the balance of June 30th of the statement year.

**Annual Statement of the Mass. Turnpike Authority Employees' Retirement System for the Year Ended June 30, 2025**  
**Schedule 1**

**Cash Account Activity During Year**

**FY 2025**

<b>Description</b>	<b>Book Value at End of Previous Year</b>	<b>Total Deposits this Year</b>	<b>Income Reinvested/ Redeposited into Account</b>	<b>Total Withdrawals this Year</b>	<b>Total Book Value June 30 this Year</b>	<b>Cash Income Paid to System Not Reinvested or Redeposited</b>	<b>Interest Due and Accrued June 30th</b>
1040 Cash Annuity - MMARS	6.93		1,814,927.07	1,814,934.00	-		
1050 Pension Payments & Receipts - MMARS	2,365,436.68		9,500,000.00	10,254,520.82	1,610,915.86		
1052 3(8)(c) & 59A Receipts - BNY Mellon Bank	-		428,884.64	428,884.64	-		
1060 Cash MMDT Acct-PRITCash for Pensions	-		9,537,266.05	9,500,000.00	37,266.05		
1062 Operating Expenses - MMARS	19,992.78		-	-	19,992.78		
<b>1040-1070 Subtotal</b>	<b>2,385,436.39</b>		<b>21,281,077.76</b>	<b>21,998,339.46</b>	<b>1,668,174.69</b>		
<b>1198-2000 PRIT Cash</b>	<b>166,047.76</b>		<b>11,375,958.84</b>	<b>11,330,134.45</b>	<b>211,872.15</b>		
<b>Schedule Totals</b>	<b>\$ 2,551,484.15</b>	<b>\$ -</b>	<b>\$ 32,657,036.60</b>	<b>\$ 33,328,473.91</b>	<b>\$ 1,880,046.84</b>	<b>\$ -</b>	<b>\$ -</b>



Annual Statement of the Mass. Turnpike Authority Employees' Retirement System for the Year Ended June 30, 2025  
 Schedule 7  
 Summary of Investment Related Fees

Manager/Vendor-All Managers/Vendors Must be Listed	Q1	Q2	Q3	Q4	Accrued Payable at Year End	Total Paid or Accrued in 2025	Market Value as of 6/30/2025	*Payment Method (N, C, W)	#4701 Carried Interest Expense	#4702 Equalization Expense	#4703 Miscellaneous Expense
<b>5304 Management Fees:</b>											
Pension Reserves Investment Trust Fund	149,764.33	162,128.99	158,057.46	162,777.60		632,728.38		N			
						-					
						-					
						-					
						-					
						-					
						-					
						-					
						-					
<b>5304 Management Fees Total</b>	<b>\$ 149,764.33</b>	<b>\$ 162,128.99</b>	<b>\$ 158,057.46</b>	<b>\$ 162,777.60</b>	<b>\$ -</b>	<b>\$ 632,728.38</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>5305 Custodial Fees:</b>											
BNY Mellon Bank	25,301.79	40,260.20	25,818.03	32,021.08		123,401.10		N			
						-					
<b>5305 Custodial Fees Total</b>	<b>\$ 25,301.79</b>	<b>\$ 40,260.20</b>	<b>\$ 25,818.03</b>	<b>\$ 32,021.08</b>	<b>\$ -</b>	<b>\$ 123,401.10</b>					
<b>5307 Investment Consultant/OCIO Fees:</b>											
						-					
						-					
<b>5307 Investment Consultant/OCIO Fees Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>								
<b>Total Investment Related Fees and Expenses</b>	<b>\$ 175,066.12</b>	<b>\$ 202,389.19</b>	<b>\$ 183,875.49</b>	<b>\$ 194,798.68</b>	<b>\$ -</b>	<b>\$ 756,129.48</b>			<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*N=Net/C=Check/W=Wire

## Notes on Financial

### Accounting Policies

The accounting records of the MSERS and MTAERS are maintained on a fiscal year basis beginning January 1, 2013, under M.G.L. Chapter 32, Sec. 20, paragraph(h) in accordance with the standards and procedures established by the Executive Director of the Public Employees Retirement Administration Commission.

### Annuity Savings Fund

The Annuity Savings Fund is the fund for which members' contributions are deposited. Members' contributions earn interest at a rate determined by PERAC. Upon retirement members' contributions and interest are transferred to the Annuity Reserve Fund to process refunds. Refunds to Members for fiscal year 2025 were \$99.2 million. The value of the Annuity Savings Fund was \$8.3 billion as of the end of the fiscal year.

### Annuity Reserve Fund

The Annuity Reserve Fund is the fund to which a member's account is transferred upon retirement from the Annuity Savings Fund and Special Military Service Credit Fund. The annuity portion of the retirement allowance is paid from this fund. Interest is credited monthly to this fund at the rate of 3% annually on the previous month's balance. The number of new retirees from July 1, 2024 to June 30, 2025 was over 3,000 and an amount of \$469 million was transferred from the Annuity Savings Fund to the Annuity Reserve Fund. The value of the Annuity Reserve Fund was \$1.6 billion as of the end of the fiscal year.

### Pension Fund

The Pension Fund contains the amounts, as established by PERAC, to be appropriated by governmental units to pay the pension portion of retirement allowances. This fund is depleted by pension benefit payments and replenished by appropriations, deposited in accordance with a funding schedule, to provide for the costs of the system that exceed members' contributions and investment gains achieved over the duration of the plan. Amounts recovered. Amounts recovered or paid to other systems for their proportionate share of retirees' pension benefits plus any cost-of-living adjustments paid or reimbursed similarly flow through the Pension Fund.

#### Legislative Funding for Pensions

The State Employees' Retirement System received \$1,612,600 in appropriation funds from the Commonwealth of Massachusetts for the fiscal year 2025.

#### Legislative Funding for COLA Reimbursements

The Commonwealth appropriated \$10,300,00 in order to set aside COLA (Cost of Living Adjustment) reimbursements to the other retirement systems in FY 2024. Approximately \$9.4 million was paid out, and a balance of approximately \$24.4 million remains as of June 30, 2025.

### Pension Reserve Fund

The Pension Reserve Fund contains amounts appropriated by the governmental units for purposes of funding future retirement benefits. Any profit or loss realized on the sale or maturity of any investment or on the unrealized gain of a market valued investment as of the valuation date is credited to the Pension Reserve Fund. The State Employees' Retirement Systems Trust ("MASTERS") was merged into the Pension Reserves Investment Trust ("PRIT") Fund to form a consolidated pension fund under the management of the Pension Reserves Investment Management Board. Inactive member account balances must be transferred to the Pension Reserve Fund after a period of ten years of inactivity. The Pension Reserve Fund receipts for FY2025 were \$3.50 billion and total fund value at year end was \$31.1 billion. The total PRIT Fund as of June 30, 2025, was over \$115 billion and the MSERS proportionate share was \$40.5 billion.

### Military Service Fund

The Military Service Fund contains contributions plus interest made by governmental units on behalf of members who are on leave of absence while in the military and who receive creditable service for the period on leave. On March 10, 1993, the Military Service Fund received a state appropriation of \$117,206.94 for military service credit for the 81 members of the State Employees' Retirement System who participated in Operation Desert Storm. Interest income credited to the Military Service Fund was \$33.77. The balance in the Military Service Fund on June 30, 2025, was \$34,871.

### Expense Fund

The Expense Fund contains amounts transferred from investment income for the purpose of administering the State Employees' Retirement System and all costs associated with investments. Remaining account balances are expended in the following month leaving an account balance of \$0.

### Interest Not Refunded

Interest Not Refunded is interest forfeited by members upon withdrawal from the System prior to becoming fully vested. It applies to members who commenced employment on or after January 1, 1984. The total interest not refunded transferred to Pension Reserve Fund for FY 2025 was \$99,977.

### Bad Debt Expense

This represents the write-off of outstanding pension receivables owed on behalf of deceased retirees and survivors deemed uncollectible after three years. At the June 2025 Board Meeting, the Board approved SRB to write off \$164,067 for 159 accounts deemed uncollectible based on members' dates of death as of June 30, 2021, and remained outstanding as of June 30, 2024.

### Miscellaneous Income

Miscellaneous Income for this fiscal year is \$22.6 million, representing obligations assessed yearly for employer pension reimbursement revenues as authorized by M.G.L. c. 32, section 8(4)(a). This amount also includes \$9,635,682 transferred from the Commonwealth's Stabilization Fund (Capital Gains Tax Revenues).



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