



SBI Overview

LCPR March 10, 2026

Jill E. Schurtz | Executive Director and Chief Investment Officer

60 Empire Drive | Suite 100 | St. Paul, MN 55103 | 651-296-3328 | <http://mn.gov/sbi/>

Our Mission is our North Star



The primary mission of the SBI is to provide investment returns to support the retirement security of over 850,000 Minnesota public employees and their families.

We are entrusted with this mission on behalf of PERA, MSRS, and TRA, whose plan members contribute a meaningful portion of their salaries in return for their retirement security.

We are fiduciaries and stewards of capital. Plan benefits and policy decisions are the sole responsibility of PERA, MSRS, and TRA, which are separate and independent organizations.

141 years <i>in operation</i>	Established in 1885 by Article XI of the Minnesota Constitution
We invest on behalf of:	PERA, MSRS, TRA
\$161.0 B <i>Total Assets</i> <small>(as of December 31, 2025)</small>	\$107.6 B <i>Combined Funds</i>
Exceptional Performance (net of Inv. mgt. fees)	FY '25 10.9% CY '25 14.2% FYTD '26 7.6% <small>CY '25 and FYTD '26 are as of Dec. 31, 2025.</small>

State Board of Investment (SBI)—Governance



Board composition is set in Article XI
of Minnesota Constitution

Constitutional Members of the State Board

- Governor Tim Walz
- State Auditor Julie Blaha
- Secretary of State Steve Simon
- Attorney General Keith Ellison

Assisted by 17-member Investment Advisory Council (IAC)

- 10 experienced investment professionals
- Executive directors of statewide retirement plans
- Commissioner of Minnesota Management & Budget
- Two active members and one retired member appointed by the governor

State Board of Investment (SBI)—Governance

Annual audit by the Office of the Legislative Auditor



OLA OFFICE OF THE
LEGISLATIVE AUDITOR

Judy Randall, Legislative Auditor
State of Minnesota

January 13, 2026

Jill Schurtz, Executive Director and Chief Investment Officer
Minnesota State Board of Investment
60 Empire Drive, Suite 355
Saint Paul, MN 55103
Sent via email: Jill.Schurtz@state.mn.us

Dear Executive Director Schurtz:

The Office of the Legislative Auditor has completed its audit of certain financial activities at the Minnesota State Board of Investment (SBI). This work supports our audit of the State of Minnesota's financial statements for the fiscal year ended June 30, 2025. The primary objective of the audit was to render an opinion on the State of Minnesota's financial statements, which is included in the *Annual Comprehensive Financial Report*, prepared by Minnesota Management and Budget. The work in your department also supported our audit opinions on the financial statements of the three state retirement systems: Minnesota State Retirement System, Public Employees Retirement Association, and Teachers Retirement Association. This was not a comprehensive audit of the Minnesota State Board of Investment.

In planning and performing this audit, we considered SBI's internal control system to determine the appropriate audit procedures. We gained an understanding of, but did not test, SBI's internal controls. As part of this audit, we also reviewed certain investment-related financial activity presented in the financial statements and notes to the financial statements for the State of Minnesota and the three state retirement systems. This activity included, but was not limited to, investment balances, investment fees, and securities lending.

On December 18, 2025, we issued an unqualified (clean) opinion on the State of Minnesota's financial statements for the fiscal year ended June 30, 2025. Following that, we issued an unqualified (clean) opinion on the financial statements of each of the three state retirement systems. For the fiscal year ending June 30, 2025, we had no written findings or recommendations directed toward SBI.

We appreciate the cooperation and assistance provided by the staff and administration of SBI throughout our audit process.

Sincerely,

Lori Leysen, CPA
Deputy Legislative Auditor

cc: Members, Minnesota State Board of Investment
Paul Anderson, Director, Financial Services and Operations

The SBI continues to receive the highest level of opinion from the OLA.

“...We issued an unqualified (clean) opinion on the State of Minnesota's *Financial Statements* for the fiscal year ended June 30, 2025. Following that, we issued an unqualified (clean) opinion on the financial statements of each of the three state retirement systems. For the fiscal year ending June 30, 2025, we had no written findings or recommendations directed toward the SBI.”

Team Highlights



MarketsGroup

2025 The **NEXT** elite

Andy Christensen
Deputy Executive Director

Erol Sonderegger
Deputy Chief Investment Officer

Women of Influence
in Private Markets

Cassie Boll
Minnesota State Board of Investment

CROSS ASSET

PEI

The Minnesota State Board of Investment is pleased to announce Mr. Krech's promotion to Deputy Director, Head of Active Strategies.

NAMED TOP 26 IN '26
Limited Partners in Real Assets

MERCY NDUNGU
Minnesota State Board of Investment
Vice President, Private Markets

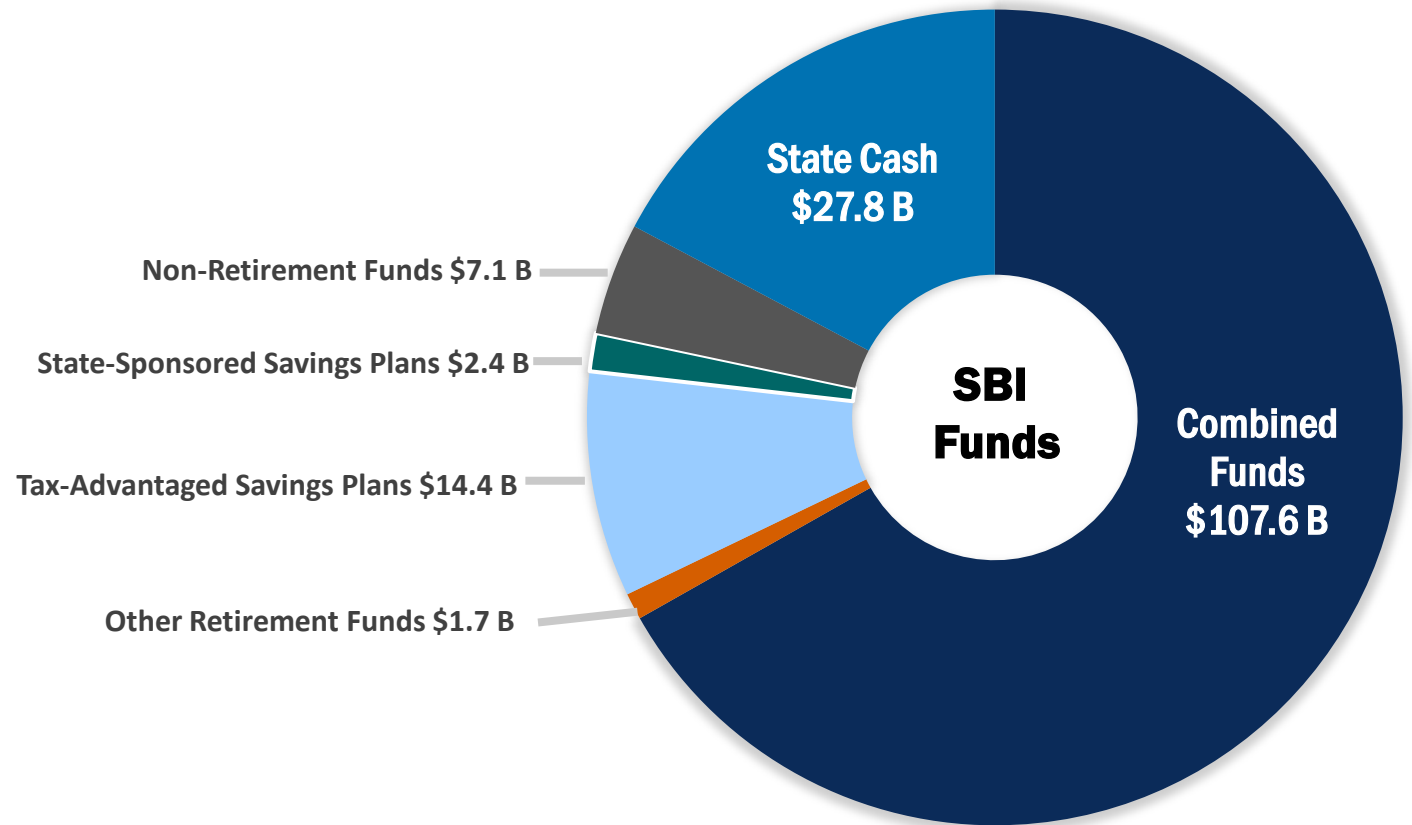
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SBI Funds Under Management – Total Assets

As of December 31, 2025 (In \$ Billions)



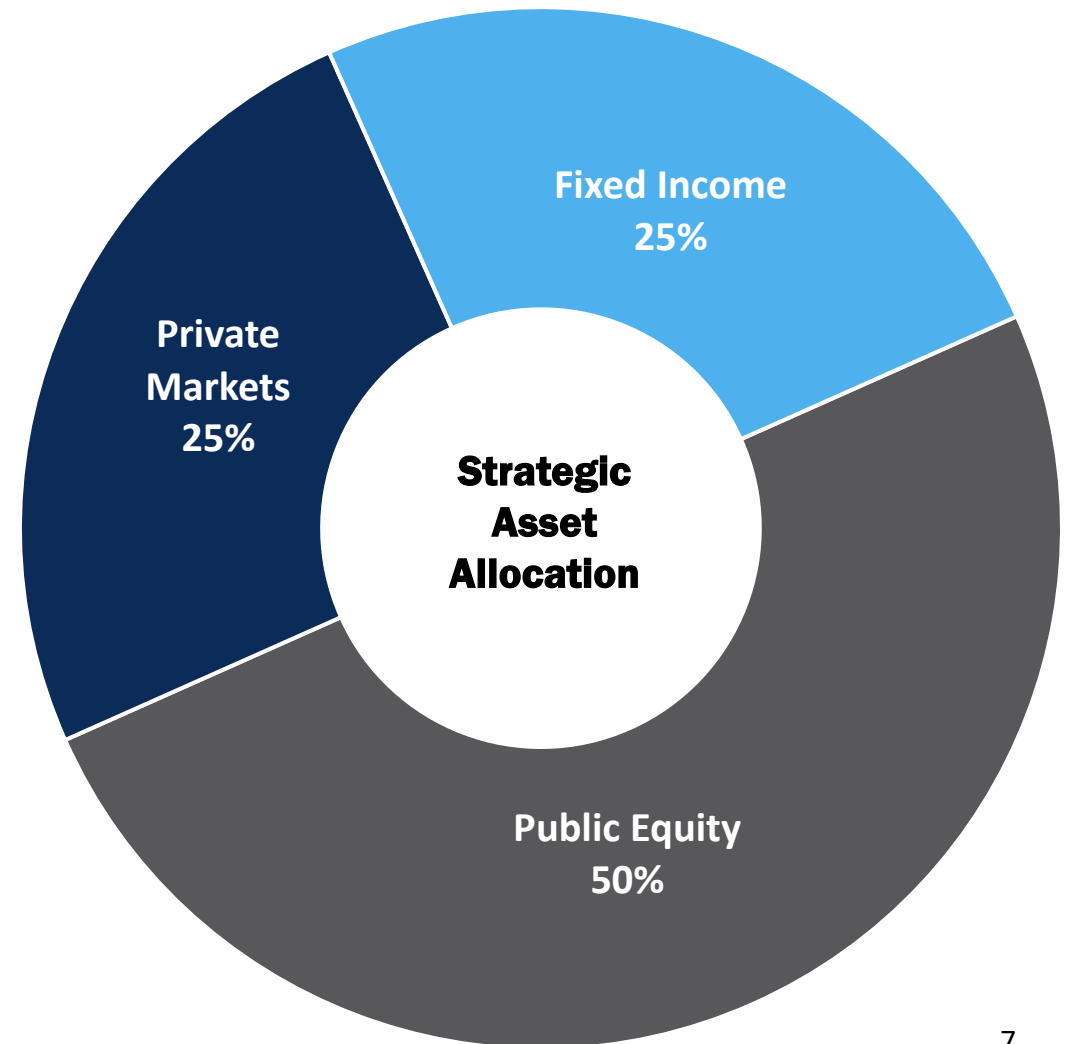
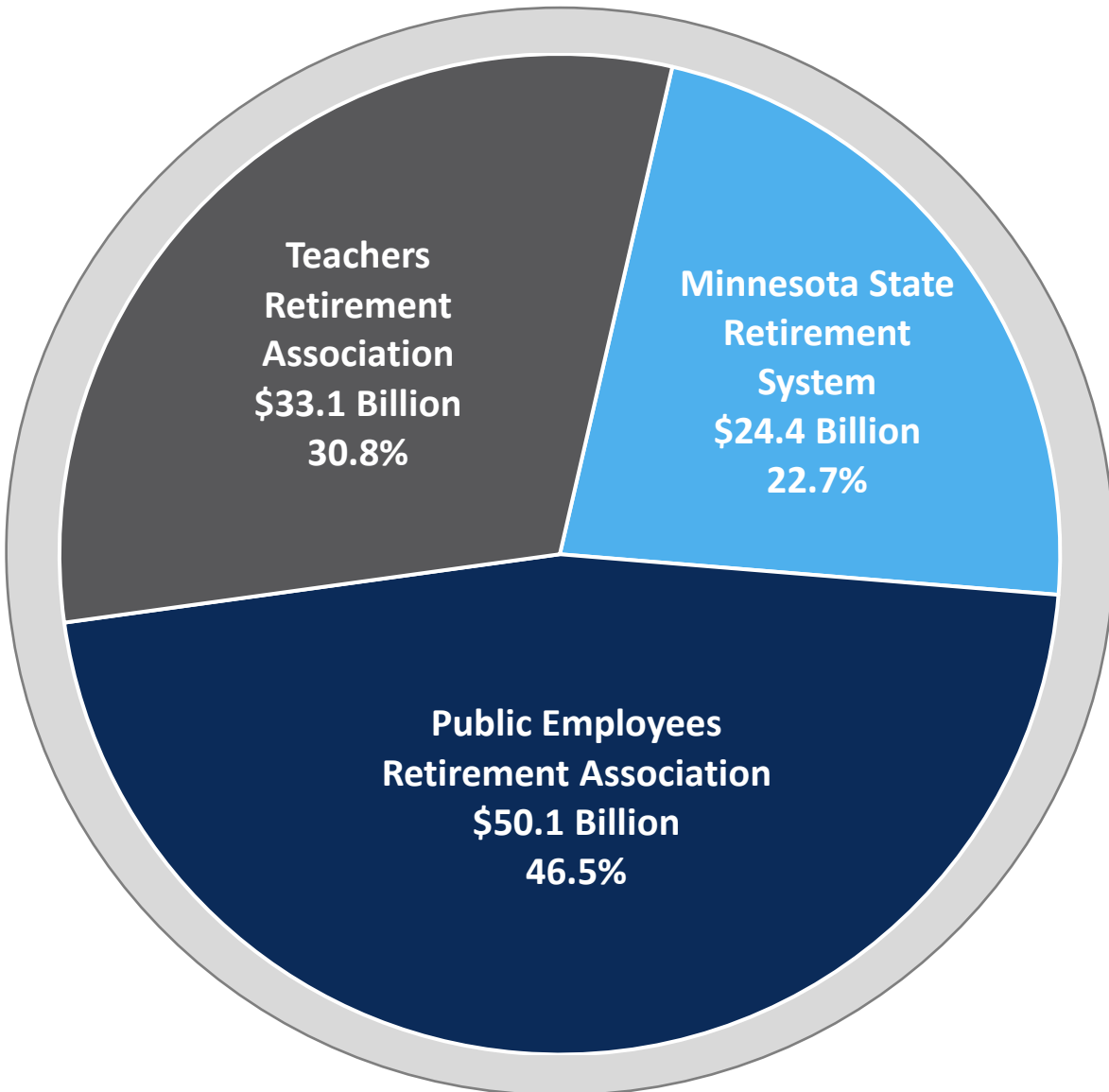
- Total assets under management as of December 31, 2025: **\$161.0 billion**
- Assets include retirement plans, trust accounts, and state cash accounts



- Non-Retirement Funds include State Trust Funds, Other Post Employment Benefits Accounts (OPEB), and Qualifying Governmental Entities.
- State-Sponsored Savings Plans include Minnesota College Savings Plan, and the Minnesota Achieving a Better Life Experience (ABLE) Plan.
- Tax-Advantaged Savings Plans Include Health Care Savings Plan, Hennepin County Supplemental Retirement Plan, and State Deferred Compensation Plan
- Other Retirement Funds include the PERA Defined Contribution Plan, Statewide Volunteer Firefighter Plan, Unclassified Employees Retirement Plan, and Volunteer Fire Relief Associations.

Combined Funds

Constituents / Strategic Asset Allocation – December 31, 2025



FY2025 Year-End Snapshot



Exemplary Investment track record – SBI Combined Funds

\$101.2 Billion

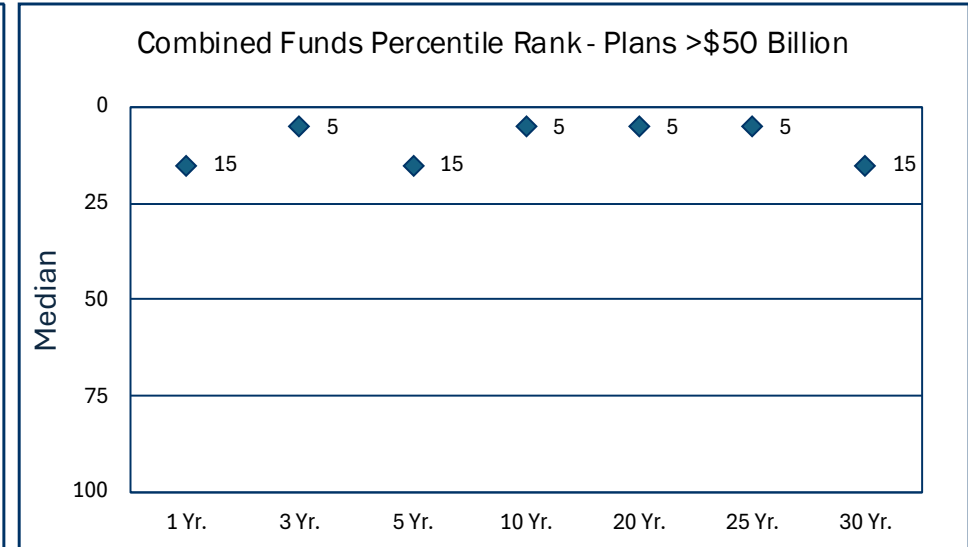
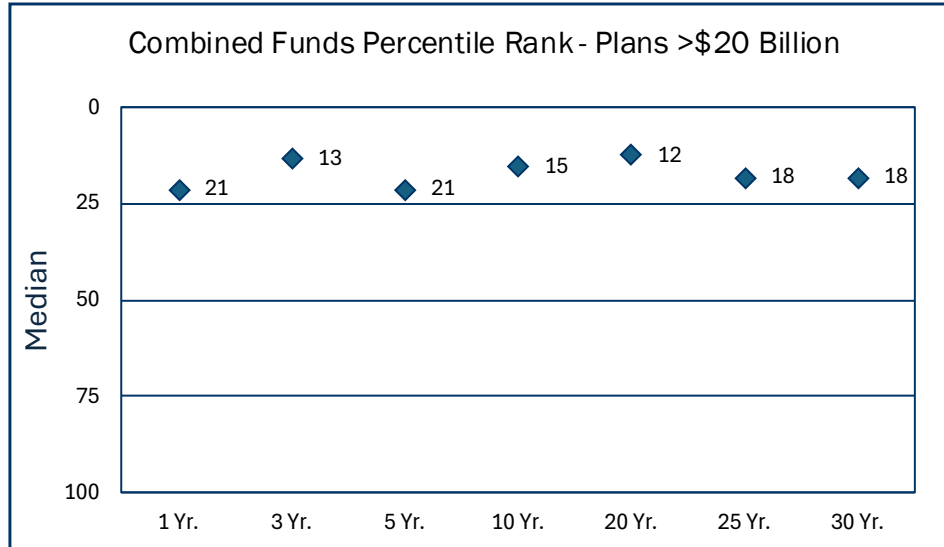
As of 6/30/2025

Performance:
(Net of Inv. Mgmt Fees)

	1 Yr	3Yr	5Yr	10Yr	20Yr	30Yr
Combined Funds – Net	10.9%	10.7%	10.6%	8.9%	8.3%	8.6%
Composite Index	10.9%	10.5%	10.2%	8.7%	8.1%	8.3%

Peer Comparison: Performance Rank in TUCS Universe As of 6/30/25

The Combined Funds' Performance Consistently Ranks in the Top Quartile Among Large Plan Peers over time.



2025 Calendar Year-End Snapshot



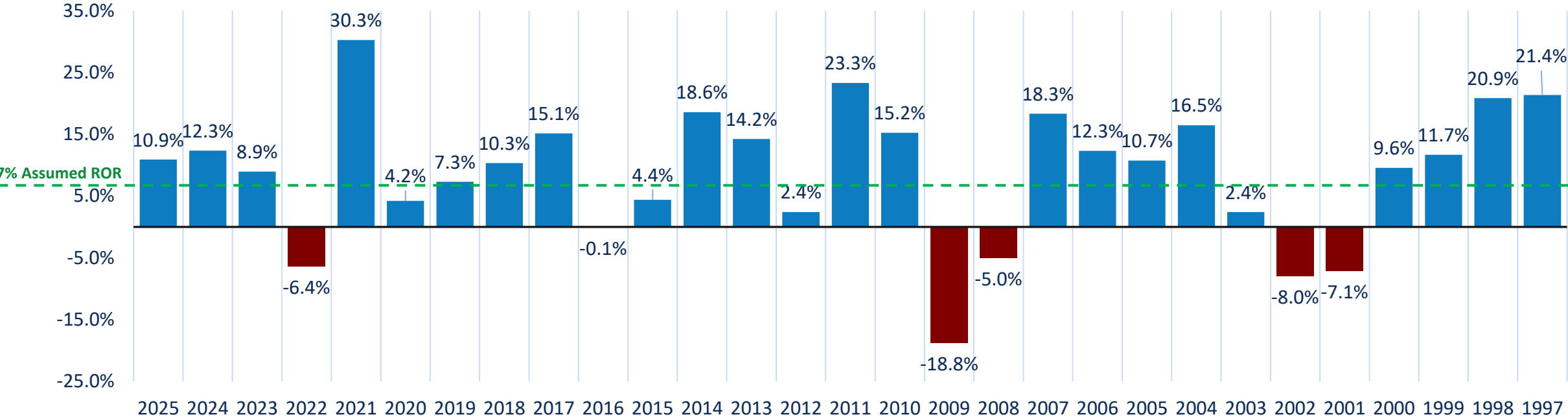
\$107.6 Billion

As of 12/31/2025

Performance:
(Net of Inv. Mgmt Fees)

	Q4	FYTD	1 Yr	3Yr	5Yr	10Yr	20Yr	30Yr
Combined Funds – Net	2.6%	7.6%	14.2%	13.4%	8.7%	9.9%	8.3%	8.5%
Composite Index	2.3%	7.2%	14.1%	13.0%	8.3%	9.7%	8.1%	8.2%

Fiscal Year Performance as of June 30, 2025



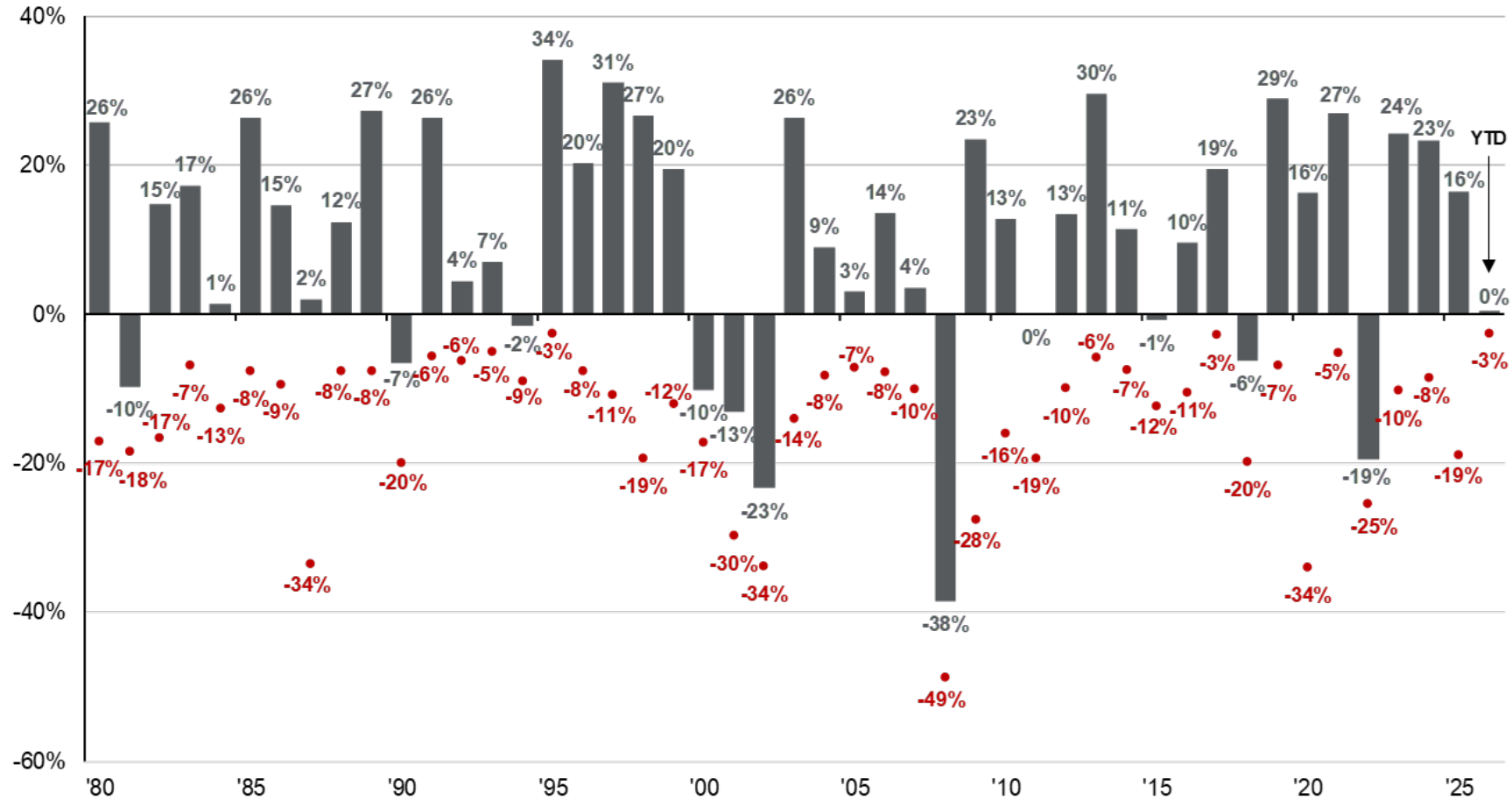
■ Combined Funds

S&P Annualized Returns and Intra-year Declines



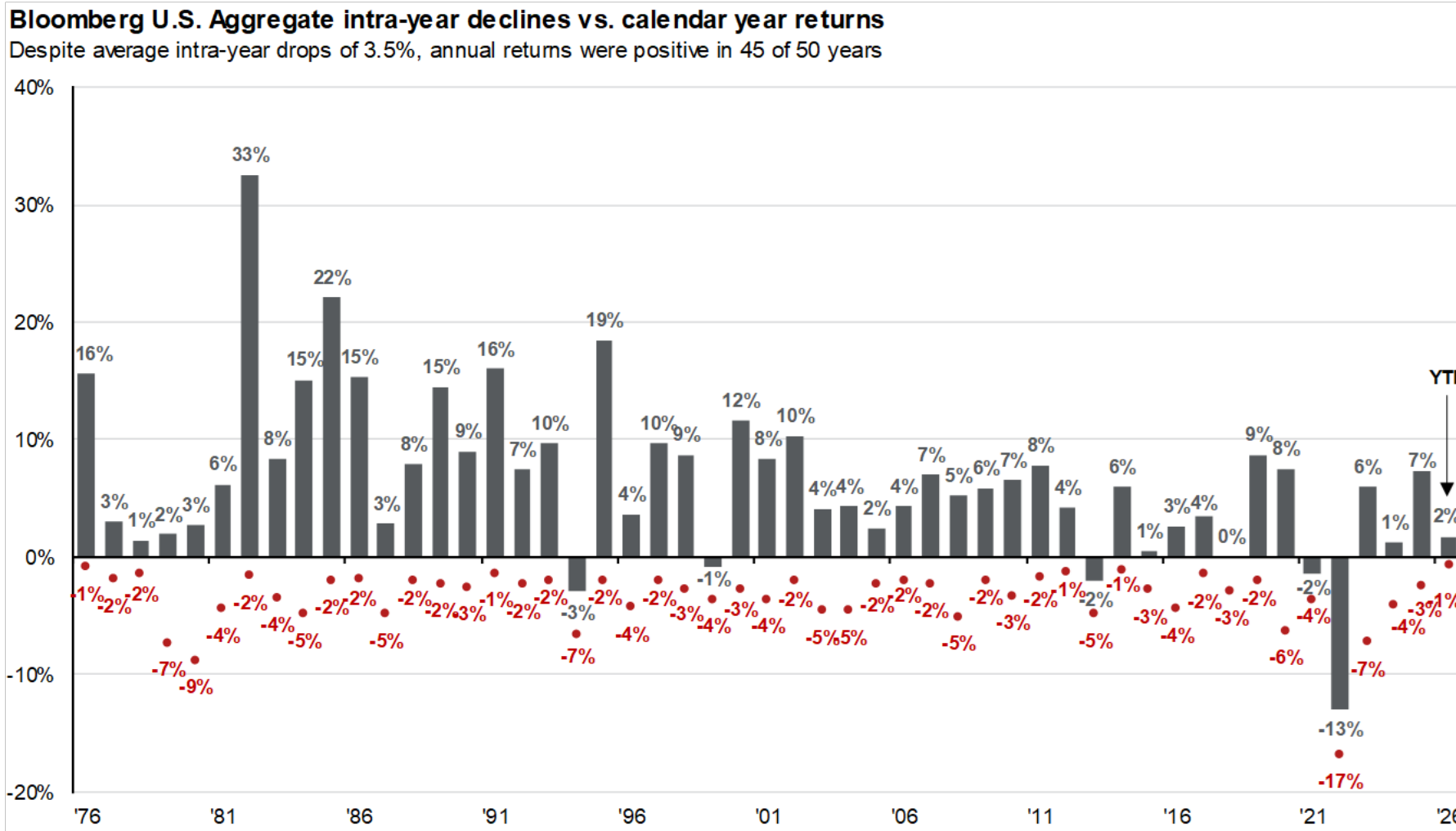
S&P 500 intra-year declines vs. calendar year returns

Despite average intra-year drops of 14.2%, annual returns were positive in 35 of 46 years



Source: FactSet, Standard & Poor's, J.P. Morgan Asset Management. Returns are based on price index only and do not include dividends. Intra-year drops refers to the largest peak-to-trough decline during the year. Returns shown are calendar year returns from 1980 to 2025, over which the average annual return was 10.7%. Past performance is no guarantee of future results. Guide to the Markets – U.S. Data are as of February 27, 2026.

Bloomberg U.S. Agg. Annualized Returns and Intra-year Declines



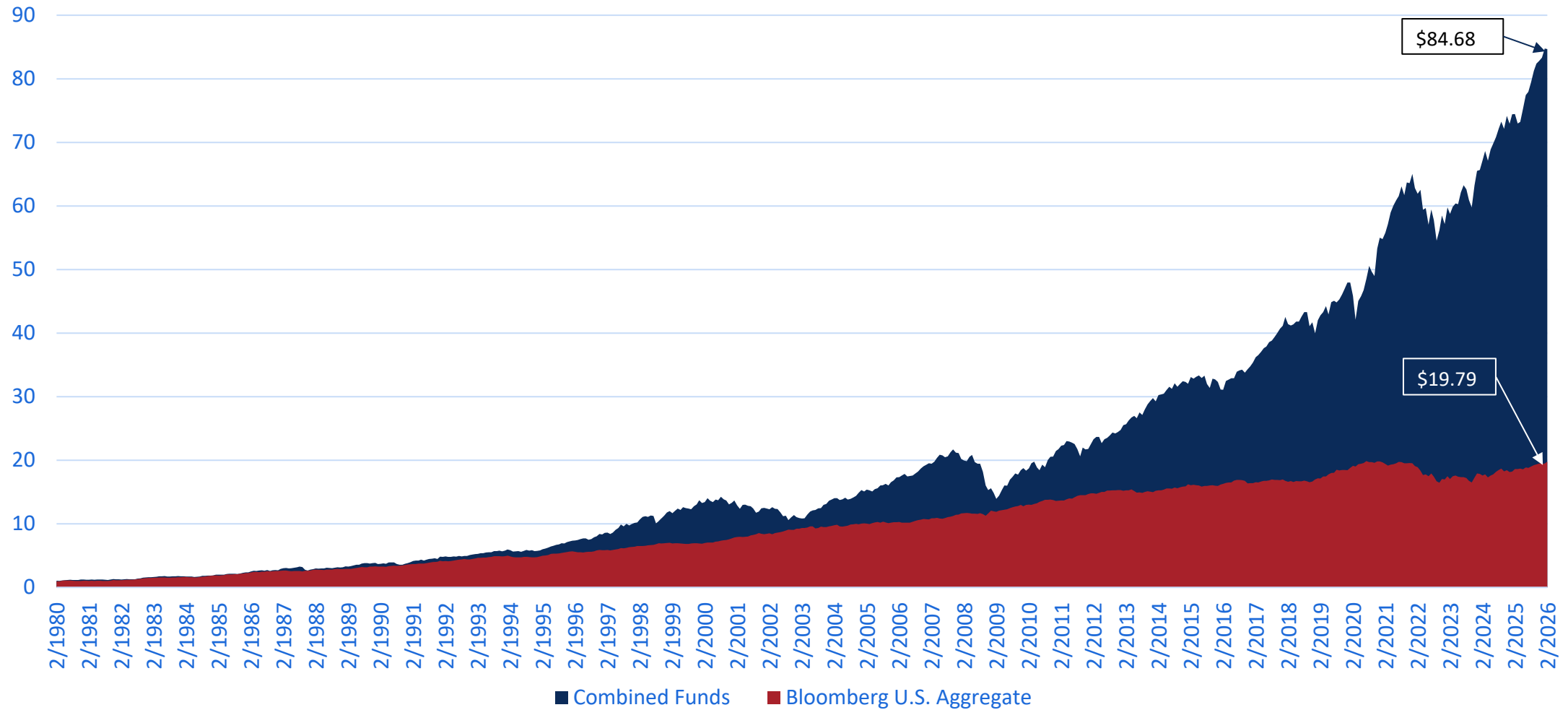
Source: Bloomberg, FactSet, J.P. Morgan Asset Management.

Returns are based on total return. Intra-year drops refers to the largest market drops from a peak to a trough during the year. Returns shown are calendar year returns from 1976 to 2025, over which time period the average annual return was 6.5%. Returns from 1976 to 1989 are calculated on a monthly basis; daily data are used afterward. For illustrative purposes only. Past performance is no guarantee of future results.

Guide to the Markets – U.S. Data are as of February 27, 2026.

Growth of a Dollar

Combined Funds vs. Bloomberg U.S. Aggregate



SBI Investments and Distributions

FY '21-25



Across Our Portfolios:

- ✓ Increased MSRS, PERA, and TRA (the "Combined Funds") pension plan assets by \$30.17 billion, with a fiscal year average of \$6.03 billion;
- ✓ Distributed \$13.02 billion, net of contributions, to pay pension plan benefits, with a fiscal year average of \$2.60 billion;
- ✓ Increased non-retirement assets by \$2.62 billion, with a fiscal year average of \$525 million; and
- ✓ Earned \$3.64 billion for the State's Invested Treasurers Cash assets, with a fiscal year average of \$727 million.

Defined Benefit Assets:

- ✓ Increased MSRS pension plan assets by \$6.94 billion, PERA pension plan assets by \$14.69 billion, and TRA pension plan assets by \$8.54 billion, with a fiscal year average of \$1.39 billion, \$2.94 billion, \$1.71 billion, respectively.
- ✓ Distributed \$2.83 billion, \$5.20 billion, and \$4.99 billion, net of contributions, to pay pension plan benefits for MSRS, PERA, and TRA, respectively, with a fiscal year average of \$567 million for MSRS and \$1.04 billion for PERA and \$998 million for TRA.

Note: Slight differences may occur due to rounding

Volunteer Fire Relief Funds



- There are 318 Minnesota Volunteer Fire Departments invested in the Statewide Volunteer Firefighter (SVF) Plan with assets totaling \$324.7 million.*
- An additional 140 Minnesota Volunteer Fire Relief Plans invest across other SBI-managed investment options, with assets totaling \$443.8 million.*
- These plans benefit from the scale of the SBI asset base, investing in the same strategies and at the same management fees and expenses as the pension funds.

*As of 12/31/2025

2025 Investment Policy Updates



**Asset
Allocation
Study**

**Delegated
Authority**

**Investment
Policy
Statement**



Disclaimer

Investing in funds or securities involves risk, including possible loss of principal.

- All figures, results and opinions expressed herein are for informational purposes only and do not constitute investment advice.
- Any historical returns or return expectations are not representative of future returns. Past performance does not guarantee future results.
- While the models utilized to produce this report are believed to be accurate, both the inputs and outputs subject to error and should not be relied upon as the basis for any investment decision.
- All data provided are current as of the date listed and are subject to change without notice.



Jill E. Schurtz

Ms. Schurtz is the Executive Director and Chief Investment Officer of the Minnesota State Board of Investment, where she oversees investment portfolios valued at over \$160 billion. She previously served as the Executive Director and Chief Investment Officer for the St. Paul Teachers' Retirement Fund Association. Her other professional affiliations include serving as the CEO of Robeco-Sage, a NY-based asset management firm; investment banking at US Bancorp Piper Jaffray; the technical research group at Knight Equity Markets; and practicing law at Skadden, Arps. Over the course of her career, she has served on a number of for-profit and nonprofit boards. She currently serves on the West Point Investment Committee; the Board and Investment Committee of the M.A. Mortenson Company; the National Institute of Retirement Security Board; and the MN Secure Choice Board. In 2024, she was recognized as one of Pensions & Investments' Influential Women in Institutional Investing. Jill is a graduate of the United States Military Academy, West Point, and served seven years in the US Army, where she attained the rank of Captain. Following her military service, she received her JD from Columbia Law School.

Andy Christensen

Mr. Christensen is the Deputy Executive Director of the Minnesota State Board of Investment (SBI), where he supports the Executive Director and CIO in managing the agency. His prior experience includes serving as Director of Private Markets at GHR Foundation and at Carleton College. Earlier in his career, he was a Portfolio Manager of Alternative Investments for the SBI and an Investment Analyst at Ameriprise Financial. Andy serves on nonprofit investment committees and boards, including the Minnesota Workers' Compensation Reinsurance Association. He holds a B.S. in Economics from the University of Minnesota and an M.B.A. in Finance from the Carlson School of Management at the University of Minnesota. He has achieved the Chartered Financial Analyst (CFA) and Chartered Alternative Investment Analyst (CAIA) designations. In 2025, Markets Group recognized Andy as a "Next Elite" honoree for his significant contributions to SBI and the institutional investment community.

Sara Bruggeman

Ms. Bruggeman currently serves as Deputy General Counsel for the SBI. Prior to joining the SBI in 2023, Sara served as an Assistant Attorney General at the Office of the Minnesota Attorney General, where she represented the Department of Revenue in litigation, and as an Assistant County Attorney in the Hennepin County Attorney's Office where she served as General Counsel to the Hennepin County Assessor. Sara graduated magna cum laude from the University of Minnesota Law School in 2006.