



Non-Retirement Funds

Managed by the Minnesota State Board of Investment

2025 Investment Prospectus

Calendar-Year Data as of December 31, 2024

<https://msbi.us>
minn.sbi@state.mn.us
(651) 296-3328

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Non-Retirement Funds

Investment Prospectus

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Message from Executive Director and Chief Investment Officer

The Minnesota State Board of Investment (SBI) is pleased to present the Non-Retirement Funds Investment Prospectus dated December 31, 2024. This Prospectus provides information on the assets, performance, fees, and general descriptions for each investment option offered by the SBI to Trusts and Other Participating Entities, Other Post-Employment Benefits (OPEB) Trusts, and Qualifying Governmental Entities.

As of December 31, 2024, approximately \$6.23 billion was invested in the three Non-Retirement Funds investment options provided by the SBI: the Equity Fund (approximately \$3.70 billion), the Bond Fund (approximately \$1.80 billion), and the Money Market Fund (approximately \$726 million). We are pleased to report that for CY24, investment performance for all three Non-Retirement Funds met or exceeded their applicable benchmarks, net of investment management fees. These options allow participating plans to take advantage of institutional investment management, low fees, and diversified investment options.

Please note that investments carry a risk of loss. In general, economic and market conditions have a dominant influence on the returns available to any investor. There may be periods in which the returns for the Non-Retirement Funds investment options are low or even negative. Each participating entity is responsible for determining its risk tolerance and liquidity requirements and investing accordingly. The SBI does not advise entities regarding their choice among funds unless required by statute.

It is an honor to lead the SBI team in service to participants in the Non-Retirement Funds. We will remain singularly focused on our mission and will continue to build upon the strong foundation that has made the SBI such a well-respected institutional investor. On behalf of all of us at the SBI, thank you for your continued trust and support.

Respectfully submitted,



Jill E. Schurtz
Executive Director and Chief Investment Officer

Introduction

The Minnesota State Board of Investment (SBI) has established three Non-Retirement investment options for eligible entities authorized to invest with the SBI: the Equity Fund, the Bond Fund, and the Money Market Fund. One or more of the three investment options are available to designated trust funds, Other Post-Employment Benefits (OPEB) Trusts, Qualifying Governmental Entities, and other state and public sector entities.

Listed below are the entities authorized to invest in the SBI's Non-Retirement Funds and the corresponding pages of this Prospectus that are specific to the designated entity:

- **Trusts and Other Participating Entities**

- This Prospectus provides information and procedures for all participating entities authorized to invest with the SBI that are not covered by Minnesota Statutes, Sections [118A.09](#) or [471.6175](#). These entities generally include designated trusts or funds and other state and public sector entities.
- For Trusts and Other Participating Entities authorized to invest with the SBI, please refer to the **procedures on pages 9-10** for information on how to invest in the three available investment options.

- **Other Post-Employment Benefits (OPEB) Trusts**

- This Prospectus provides information and procedures specific to those participating entities authorized to invest with the SBI pursuant to the provisions of Minnesota Statutes, Section [471.6175](#). These entities are those political subdivisions or other public entities authorized to establish a trust for the payment of post-employment benefits that meet the criteria provided within the statute.
- For OPEBs authorized to invest with the SBI, please refer to the **procedures on page 11** for information on how to invest in the three available investment options.

- **Qualifying Governmental Entities**

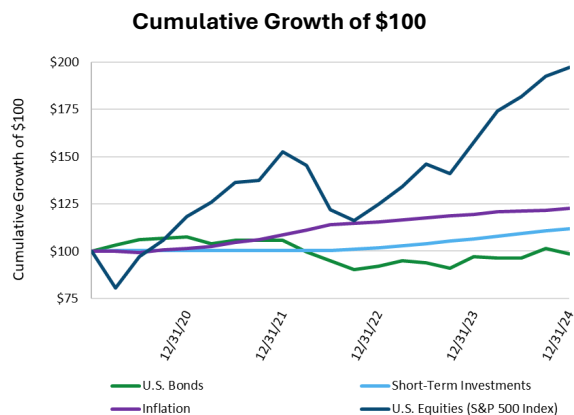
- This Prospectus provides information and procedures specific to those participating entities authorized to invest with the SBI pursuant to the provisions of Minnesota Statutes, Section [118A.09](#). These entities are primarily counties and cities that meet the criteria provided within the statute. The statute also authorizes certain self-insurance pools to invest with the SBI as prescribed in the statute.
- For Qualifying Governmental Entities authorized to invest with the SBI, please refer to the **procedures on page 12** for information on how to invest in the Non-Retirement Equity Fund, which is the one investment option available to Qualifying Governmental Entities.

Please ensure that you refer to the appropriate section of this Prospectus for your organization. In some cases, your organization may have more than one type of Non-Retirement account with the SBI.

Year in Review

Capital Markets Performance

Last Five Years Ending December 31 and Annualized Performance



Performance of Capital Markets

Asset Class/Benchmark	Calendar Year Performance (%)					Annualized Performance (%)	
	2024	2023	2022	2021	2020	3 Year	5 Year
U.S. Equities							
S&P 500 Index	25.0	26.3	-18.1	28.7	18.4	8.9	14.5
U.S. Bonds							
Bloomberg U.S. Aggregate Index	1.3	5.5	-13.0	-1.5	7.5	-2.4	-0.3
Short-Term Investments							
iMoneyNet Money Fund Average	4.9	4.8	1.4	0.0	0.3	3.7	2.3
Inflation Rate							
Consumer Price Index CPI-U	2.9	3.3	6.4	7.2	1.3	4.2	4.2

Calendar Year 2024 Commentary

The **U.S. equity market**, as measured by the S&P 500 Index, rose +25.0% for the year ended December 31, 2024. Performance within the U.S. market continued to be heavily influenced by seven of the largest cap names in the index, dubbed the “Magnificent Seven” (Microsoft, Apple, Alphabet, Amazon, Nvidia, Meta, and Tesla), which collectively accounted for roughly half of the S&P 500’s performance for the year. The second half of the year saw a broadening of market participation outside of mega-cap names in more cyclical industries like industrials and financials.

The **U.S. bond market**, as measured by the Bloomberg U.S. Aggregate Bond Index, rose +1.3% for the year ended December 31, 2024. Returns on U.S. Treasury securities

were largely flat during the year in response to the Fed’s decision to pause its tightening campaign beyond the anticipated three cuts in 2024 in response to sticky inflation. Corporate bonds, bank loans, securitized credit, and other credit-sensitive securities outperformed Treasuries as continued strong economic and corporate fundamentals drove investor demand for credit.

The **cash, or short-term investment market**, as measured by the iMoneyNet Money Fund Average, returned +4.9% for the year ended December 31, 2024. Yields on very short maturity fixed income securities, which are sensitive to changes in the Fed’s overnight policy rate, remained elevated as the Fed paused rate cuts during the year.

Performance

Non-Retirement Funds Performance ¹ (%)									
Investment Option/Benchmark	As of December 31, 2024			Calendar Year-End					Option Since ²
	3 Year	5 Year	10 Year	2024	2023	2022	2021	2020	
Non-Retirement Equity Fund	8.9	14.5	13.1	25.0	26.3	-18.1	28.7	18.4	1993
<i>S&P 500 Index</i>	8.9	14.5	13.1	25.0	26.3	-18.1	28.7	18.4	
Non-Retirement Bond Fund	-2.1	0.0	1.7	2.1	6.3	-13.6	-1.5	8.2	1994
<i>Bloomberg U.S. Aggregate Bond Index</i>	-2.4	-0.3	1.3	1.3	5.5	-13.0	-1.5	7.5	
Non-Retirement Money Market Fund	4.1	2.6	NA	5.5	5.3	1.7	0.1	0.6	2017
<i>iMoneyNet Money Fund Average</i>	3.7	2.3	NA	4.9	4.8	1.4	0.0	0.3	

¹ Average annual performance includes terminated manager performance. Performance reflects the deduction of investment management fees. Performance greater than one year is annualized. Past performance does not guarantee future results.

² Prior to 12/1/2017, the Non-Retirement Equity Fund and Non-Retirement Bond Fund were managed internally.

Special Note Regarding Individual Account Performance

The actual individual account performance for investments may differ from the reported fund performance due to the timing of contributions and withdrawals within individual accounts. Performance calculations may also differ due to rounding.

Overview

Investment Platform

The Minnesota State Board of Investment (SBI) established the Non-Retirement Funds to assist eligible Minnesota public sector entities in achieving their investment objectives by providing them the opportunity to invest in a U.S. equity fund, a U.S. bond fund, or a money market fund. The funds are available to those entities authorized to invest in these strategies with the SBI. All or some of these options are available to designated trust funds, Other Post-Employment Benefits (OPEB) Trusts, Qualifying Governmental Entities, and other state and public sector entities. Participants may allocate their investments among one or more funds within the rules and eligibility established for the participating entity.

Investment Options

Investment options for the Non-Retirement Funds are explained in more detail on pages 5-7. As of December 31, 2024, participating plans invested approximately \$6.2 billion across these funds.

Investment Option	Assets as of 12/31/2024
Non-Retirement Equity Fund	\$3,703,897,562
Non-Retirement Bond Fund	\$1,800,400,152
Non-Retirement Money Market Fund	\$725,703,940
Total Non-Retirement Assets	\$6,230,001,654

Pricing of the Non-Retirement Funds

Share values in each of the Non-Retirement Funds investment options are priced daily. Contributions, withdrawals, or fund transfers may occur on any business day during the month.

Asset Allocation

The three Non-Retirement Funds each correspond to a public market asset class. The three asset classes chosen are intended to offer participating entities the ability to tailor a mix suitable for their unique investment needs and objectives.

The SBI does not advise entities regarding their choice among funds unless required by statute. This information is provided solely to aid participating entities in selecting the most appropriate investments for their circumstances.

Selection of Investment Options

Guidelines regarding allowable investment funds vary among entities. Each participating entity must contact their trust/account administrator for more specific information.

List of Holdings


For a list of domestic and international equities, fixed income, and cash equivalent securities owned by the SBI, visit msbi.us/asset-listings.

Total Fund Expenses

Investment management fees and administrative fees are subject to change. Additionally, some plans may bear a higher or lower SBI administrative fee based on the individual needs of the plan, the investment option selected, and an appropriate allocation of expenses pursuant to Minnesota Statutes, Sections [11A.04](#) and [11A.07](#). Please contact the SBI with any questions regarding fund expenses associated with your account.

Trust/account administrators may impose and deduct additional fees. Any questions regarding individual accounts should be directed to the SBI or the appropriate trust/account administrator identified on page 8.

Investment Options/Risk Spectrum

	<u>Investment Option</u>	<u>Asset Type</u>	<u>Investment Management Approach</u>
Higher Risk	Non-Retirement Equity Fund	U.S. Equities	Passive management
	Non-Retirement Bond Fund	Fixed Income	Active management
	Non-Retirement Money Market Fund	Short-Term Securities	Active management
Lower Risk			

Over the long run, higher-risk assets are expected to provide higher investment returns than lower-risk assets. However, there is no guarantee that any investment will not suffer a loss of principal.

Investment Option: Non-Retirement Equity Fund

The **Non-Retirement Equity Fund** (“Fund”) market value as of December 31, 2024, was approximately \$3.70 billion. The Fund is passively managed by utilizing an index replication strategy owning all the stocks in the S&P 500 Index at the weightings assigned by the Index.

Entities Authorized to Invest

- Trusts and Other Participating Entities
- Other Post-Employment Benefits (OPEB) Trusts
- Qualifying Governmental Entities

Objectives

The investment objective of the Non-Retirement Equity Fund is to track the S&P 500 Index, a widely used benchmark of large-capitalization U.S. stocks. The Fund is expected to have a realized active risk level relative to the benchmark of 0.2% or less, where active risk is the annualized standard deviation of the Fund’s excess returns relative to the benchmark. Over time, the annual return shortfall relative to the benchmark, due to fees and trading expenses, is expected to be within 0.1%.

The returns from the Fund will closely track the S&P 500 Index. Investors in the Non-Retirement Equity Fund should be willing to accept returns that may be volatile and negative, particularly over shorter periods of time. Over longer time periods, expectations are that the Fund should average higher returns than those achieved by fixed income or money market investments.

Investment Management

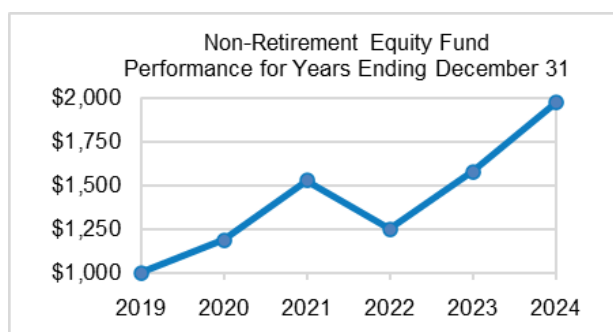
The Non-Retirement Equity Fund is managed by Mellon Corporation.

Valuation

Investors own shares in the Fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire Fund. Any dividend income is reinvested in the Fund at the time it is earned. Investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the Fund.

Investment Performance

The graph below shows how \$1,000 would have changed over the past five years had it been invested in the Fund. Cumulatively, \$1,000 would have grown to approximately \$1,970.



The table below displays the Fund’s returns for the last five calendar years. The annualized (annual compounded) return for the five-year period ended December 31, 2024, was +14.5%. The rate of return for the Fund is calculated after investment management fees are paid but before administrative fees are deducted.

Year Ending December 31		
Year	Share Value (\$)	Rate of Return (%)
2024	124.40	25.0
2023	100.92	26.3
2022	81.33	-18.1
2021	100.93	28.7
2020	79.53	18.4

Fund Expenses¹

The average annual investment management fee for the Non-Retirement Equity Fund for CY24 was 0.004%. The investment management fee is charged by the external investment manager responsible for investing the Fund’s assets. Additionally, the SBI charges an administrative fee to each account. The SBI administrative fee charged in CY24 was 0.01%. The total fund expense (the combination of the investment management fee and SBI administrative fee) for CY24 was 0.02% or \$0.15 per \$1,000 invested.

Fund Statistics and Equity Holdings

Risk Return Statistics as of December 31, 2024		
	Equity Fund	S&P 500 Index
Number of Stocks	503	503
Dividend Yield	1.3%	1.3%
P/E Ratio	27.7	27.7
Return on Equity	28.6%	28.6%
Mean Market Cap \$ Weighted	\$1,103 B	\$1,104 B

Top Individual Holdings as of December 31, 2024		
Security Name	Equity Fund	S&P 500 Index
Apple Inc	7.6%	7.6%
NVIDIA Corp	6.6%	6.6%
Microsoft Corp	6.3%	6.3%
Amazon.com Inc	4.1%	4.1%
Alphabet Inc	4.0%	4.0%

¹ Investment management fees and administrative fees are subject to change.

Investment Option: Non-Retirement Bond Fund

The **Non-Retirement Bond Fund** (“Fund”) market value as of December 31, 2024, was approximately \$1.80 billion. The objective of this Fund is to invest in fixed income securities (bonds) to generate returns from interest income and capital appreciation.

The Fund primarily invests in U.S. government, corporate, mortgage, and structured securities. As an actively managed strategy, the Fund’s sector allocation is expected to deviate from the benchmark composition. As of December 31, 2024, the Fund had a higher allocation to corporate bonds and commercial mortgage-backed securities and less exposure to U.S. Government securities relative to its benchmark, the Bloomberg U.S. Aggregate Bond Index.

The Fund is invested entirely in fixed income securities. No stocks are held in the Fund. Depending on the underlying investment manager’s economic forecast, cash reserves may fluctuate over time.

Entities Authorized to Invest

- Trusts and Other Participating Entities
- Other Post-Employment Benefits (OPEB) Trusts

Objectives

The investment objective of the Non-Retirement Bond Fund is to deliver positive returns over its benchmark, the Bloomberg U.S. Aggregate Bond Index, while controlling the level and composition of active risk relative to the benchmark. The Bloomberg U.S. Aggregate Bond Index is a broad-based index of investment grade, U.S. dollar-denominated, fixed income securities.

As a fixed income fund, the share value will typically move in the opposite direction of interest rate changes. Investors must be willing to assume potential losses when interest rates rise or during periods of economic stress.

Investment Management

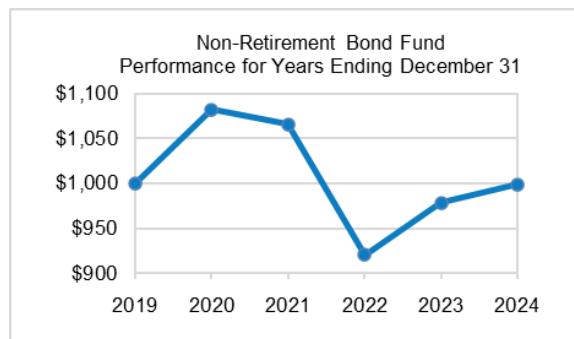
The Non-Retirement Bond Fund is managed by Prudential Global Investment Management.

Valuation

Investors own shares in the Fund, much like a mutual fund. The share value is determined daily and is based on the market value of the entire Fund. Any interest earnings are reinvested at the time they are received. Investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the Fund.

Investment Performance

The graph to the right shows how \$1,000 would have changed over the past five years had it been invested in the Fund. Cumulatively, \$1,000 would have decreased to approximately \$999.



The table below displays the Fund’s actual share values and returns for the last five calendar years. The annualized (annual compounded) return for the five-year period ended December 31, 2024, was -0.0%. The rate of return for the Fund is calculated after investment management fees are paid but before administrative fees are deducted.

Year Ending December 31		
Year	Share Value (\$)	Rate of Return (%)
2024	975.20	2.1
2023	993.33	6.3
2022	967.63	-13.6
2021	1,150.81	-1.5
2020	1,196.88	8.2

Fund Expenses¹

The average annual investment management fee for the Bond Fund for CY24 was 0.09%. The investment management fee is charged by the external investment manager responsible for investing the Fund’s assets. Additionally, the SBI charges an administrative fee to each account. The SBI administrative fee charged in CY24 was 0.01%. The total fund expense (the combination of the investment management fee and SBI administrative fee) for CY24 was 0.10% or \$1.04 per \$1,000 invested.

Characteristics and Sector Weights

Characteristics as of December 31, 2024		
Characteristic	Bloomberg U.S.	
	Bond Fund	Aggregate Bond Index
Effective Duration (years) ¹	5.9	5.9
Effective Yield ²	5.2%	4.9%
Average Quality Rating ³	Aa2	Aa2

¹ The average % change in the portfolio return given a 1% shift in the yield curve.
² The annual internal rate of return on the bonds if held to maturity. Assumes compounded reinvestment of coupons.
³ Moody’s credit rating for bonds in portfolio weighted by market value.

Sector Weights as of December 31, 2024		
Sector	Bloomberg U.S.	
	Bond Fund	Aggregate Bond Index
Investment Grade Corporates	31.2%	23.8%
Mortgages	26.5%	25.1%
U.S. Government	20.9%	44.3%
Structured Products (CMBS/ABS)	18.0%	1.9%
Other	3.5%	4.9%

¹ Investment management fees and administrative fees are subject to change.

Investment Option: Non-Retirement Money Market Fund

The **Non-Retirement Money Market Fund** (“Fund”) market value as of December 31, 2024, was approximately \$726 million. The objective of the Fund is to provide safety of principal by investing in high-quality, short-term instruments. The return for the Fund is based on the interest income produced by the Fund’s investments.

Unlike the funds described earlier, the Non-Retirement Money Market Fund does not own stocks or long-term bonds. The Fund is invested in short-term, high-quality money market instruments, including U.S. Treasury and Agency issues, repurchase agreements, commercial paper, and certificates of deposit.

Entities Authorized to Invest

- Trusts and Other Participating Entities
- Other Post-Employment Benefits (OPEB) Trusts

Objectives

The objective of the Non-Retirement Money Market Fund is to provide current income and safety of principal by investing in high-quality, short-term securities. The Fund’s return is based on the interest income generated by its investments, rather than price appreciation. The Fund’s performance is measured against the iMoneyNet Money Fund Average.

While a Non-Retirement Money Market Fund’s objective generally includes the preservation of capital, it is possible to lose money by investing in the Fund.

Investment Management

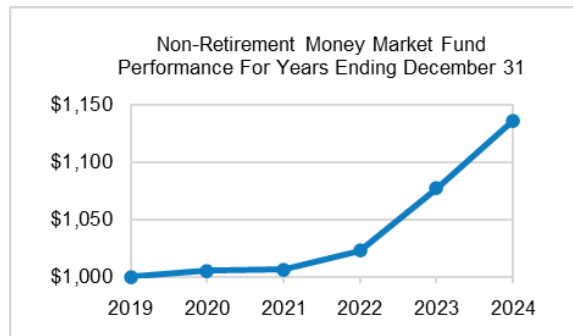
The Non-Retirement Money Market Fund is managed by State Street Global Advisors.

Valuation

The share value for the Non-Retirement Money Market Fund is uniformly priced at \$1.00 per share. There is no assurance that the portfolio will be able to maintain a stable net asset value of \$1.00 per share. Interest earnings for the Fund are credited daily by purchasing additional shares. The credited interest rate changes only modestly from day-to-day and reflects the yield available for all investments in the Fund.

Investment Performance

The graph to the right shows how \$1,000 would have changed over the past five years had it been invested in the Fund. Cumulatively, \$1,000 would have grown to approximately \$1,137.



The table below displays the Fund’s actual returns for the last five years. The annualized (annual compounded) return for the five-year period ended December 31, 2024, was +2.6%. The rate of return for the Fund is calculated after investment management fees are paid but before administrative fees are deducted.

Year Ending December 31		
Year	Non-Retirement Money Market Fund Rate of Return (%)	iMoneyNet Money Fund Average All Taxable Rate of Return (%)
2024	5.5	4.9
2023	5.3	4.8
2022	1.7	1.4
2021	0.1	0.0
2020	0.6	0.3

Fund Expenses¹

The average annual investment management fee for the Non-Retirement Money Market Fund for CY24 was 0.003%. The investment management fee is charged by the external investment manager responsible for investing the Fund’s assets. Additionally, the SBI charges an administrative fee to each account. The SBI administrative fee charged in CY24 was 0.01%. The total fund expense (the combination of the investment management fee and administrative fee) for CY24 was 0.01% or \$0.14 per \$1,000 invested.

Characteristics and Sector Weights

Characteristics as of December 31, 2024	
Annual Effective Yield	4.6%
Weighted Average Maturity (days)	41

Sector Weights as of December 31, 2024	
Sector	Portfolio Weight
Government Related	30.3%
Repurchase Agreements	30.9%
Asset Backed Commercial Paper	19.0%
Commercial Paper	8.5%
Certificate of Deposit	11.2%

¹ Investment management fees and administrative fees are subject to change.

Investing in the Non-Retirement Funds

Trusts and Other Participating Entities

For Trusts and Other Participating Entities authorized to invest with the SBI, please refer to the **procedures on page 9-10** for information on how to invest in the Non-Retirement Funds.

Account Administrator
Respective State Agency

Investment Options Available to Trusts and Other Participating Entities

- Non-Retirement Equity Fund
- Non-Retirement Bond Fund
- Non-Retirement Money Market Fund

Other Post-Employment Benefits (OPEB) Trusts

For OPEB participants authorized to invest with the SBI, please refer to the **procedures on page 11** for information on how to invest in the Non-Retirement Funds.

Trust Administrator

Public Employees Retirement Association (PERA)

mnpera.org

60 Empire Drive, Suite 200
St. Paul, MN 55103-2088
(651) 296-7460

Investment Options Available to OPEBs

- Non-Retirement Equity Fund
- Non-Retirement Bond Fund
- Non-Retirement Money Market Fund

Qualifying Governmental Entities

For Qualifying Governmental Entities authorized to invest with the SBI, please refer to the **procedures on page 12** for information on how to invest in the Non-Retirement Equity Fund.

Account Administrator

Public Employees Retirement Association (PERA)

mnpera.org

60 Empire Drive, Suite 200
St. Paul, MN 55103-2088
(651) 296-7460

Investment Option Available to Qualifying Governmental Entities

- Non-Retirement Equity Fund

Trusts and Other Participating Entities

Procedures

Trusts and Other Participating Entities¹ interested in investing in the Non-Retirement Funds should refer to the relevant statutes in determining the investable amount for any eligible fund(s).

How To Open a Plan Account with the SBI

When purchasing shares for the first time, the entity must complete the **Trusts and Other Participating Entities Contact Form** and the **Trusts Wire Instructions Form** and return both to the SBI. (All the forms referenced can be downloaded from msbi.us/trusts-other-participating-entities or by contacting the SBI via phone or email.)

- The **Contact Form** provides the SBI with the permanent address of the Plan and the name, phone number, and email address of the contact person for the Plan.

Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the contact person at the email address provided.

SBI will email credentials and instructions regarding website access and transaction implementation within five business days of receiving the Contact Form.

- The **Wire Instructions Form** provides the SBI with the name of the financial institution and wire instructions that will be used for all withdrawals.

All withdrawals from the account will be sent to the named financial institution via the wire instructions provided. The SBI cannot issue checks for any withdrawals.

The Wire Instructions Form must be notarized before returning to SBI.

Investment Options²

Investment Options

Non-Retirement Equity Fund

Non-Retirement Bond Fund

Non-Retirement Money Market Fund

Investments carry a risk of loss, and the participating entity is responsible for determining its risk tolerance and investing accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your trust account with the SBI is not intended for operating or short-term funds. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your account with the SBI is not intended for operating or short-term funds. The SBI's Executive Director reserves the right to suspend or close an account or restrict withdrawals or transfers from an account if the Executive Director determines that excessive trading has occurred with respect to the account, or that such action is appropriate under the circumstances.

Contribution, Withdrawal, and Transfer Procedures

An entity may contribute, withdraw, or transfer funds on any business day of the month using one of two methods:

• Mail/Email

Complete the **Transaction Form**.

- The form instructs the SBI what transaction to perform, the Fund(s) involved, the dollar amount of the transaction, and whether a check or wire transfer will be used.
- **The authorized contact person for your entity must sign the form and send it to the SBI before 2:00pm CT for the trade to be settled on the third business day. Same-day trades are not allowed.**

• Online

Enter your Trades online.

- If you wish to use this method, you must first have completed and sent to the SBI the Contact Form and the Wire Instructions Form.
- Once the forms are received and approved the SBI will send information regarding access to the system. **Please allow three business days to process.**

¹ Excluding the following trusts as they follow procedures per state statute: Permanent School, Environmental, Lifetime Fish & Wildlife, Closed Landfill, Emergency Medical Service, Water and Soil Conservation Easement Stewardship, Mitigation Easement Stewardship, Natural Resources Conservation, and Metropolitan Landfill Contingency Action Trust.

² Investments with the SBI are subject to the policies and procedures established by the SBI.

Trusts and Other Participating Entities

Contributions	
<p>Contributions via Wire Transfer</p> <p>Contributions must be made via wire, and all participating entities must give the SBI four business days advance notice for contributions:</p> <ul style="list-style-type: none"> • If you instruct the SBI to process a contribution that was wired to the SBI's custodian bank, you must notify the SBI on the Transaction Form of the exact date the wire contribution will be sent from the entity's financial institution to the SBI's custodian (State Street Bank) using the wire instructions below. • If you process an online contribution using website access, you must make the contribution via wire transfer using the wire instructions provided. 	<p>Wire Instructions for State Street Bank</p> <p>State Street/Boston/Public Funds for the State of Minnesota Credit GP31 Credit DDA #59845743 ATTN: William Bowles ABA #0110 000 28 Corporate Headquarters One Heritage Drive 3rd Floor N Quincy, MA 02171</p>
Withdrawals	
<ul style="list-style-type: none"> • The SBI will return withdrawn amounts to the entity only by means of a wire transfer. • Withdrawals will be sent to the financial institution via your entity's wire instructions on file with the SBI. • The SBI requires a minimum of three business days' notice for any withdrawals. 	
Fees ¹	
<p>Administrative Fees</p> <p>The SBI annual administrative fee in CY24 was 0.01%. This represented an annual charge of \$0.11 per \$1,000. The SBI deducts its administrative fee quarterly using the order below.</p> <p>First: Non-Retirement Money Market Fund Second: Non-Retirement Equity Fund Third: Non-Retirement Bond Fund</p>	<p>Investment Management Fees</p> <p>There are no "front-end" or "back-end" fees charged on contributions, withdrawals, or transfers. Investment management fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.</p> <p>Please refer to pages 5-7 of this Prospectus for investment management fee information for each of the Funds.</p>
Reporting	
<ul style="list-style-type: none"> • Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the contact person on file with the SBI. • Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month. All transactions use the daily share value established for each Fund. • Online access to your Plan's account is available and includes downloadable current balances, transactions, and past statements. 	
Change Contact Person / Banking Information	Contact The SBI:
<p>Submit a newly completed Contact Form to update a contact on file, or a notarized Wire Instructions Form to change banking information. Allow five business days for processing.</p>	<p>Minnesota State Board of Investment 60 Empire Drive, Suite 100 St. Paul, MN 55103 Phone: (651) 296-3328 Fax: (651) 296-9572 Amanda Allen: amanda.allen@state.mn.us (investment questions) Shirley Baribeau: shirley.baribeau@state.mn.us and SBI Accounting Team: acctg.sbi@state.mn.us (account questions)</p>

¹ Investment management fees and administrative fees are subject to change. Additionally, some plans may bear a higher or lower SBI administrative fee based on the individual needs of the plan, the investment option selected, and an appropriate allocation of expenses pursuant to Minnesota Statutes, Sections [11A.04](#) and [11A.07](#).

Other Post-Employment Benefits (OPEB) Trusts

Procedures

OPEBs that are authorized to invest in the Non-Retirement Funds must follow the appropriate individual statute in determining the investment amount for any eligible fund(s). (See Minnesota Statutes, Section [471.6175](#).)

How To Open a Plan Account with the SBI

All OPEBs must contact Public Employees Retirement Association (PERA) to open an account. PERA will then forward the trust account information to SBI. Once the trust account is set up, the SBI will send your account's credentials and instructions for accessing and using the Plan website. The website will give the participating entity online access to your account's current balance, posted/pending transactions, and statements. Each participating entity must maintain an OPEB Administrative Account Agreement with PERA to invest through the SBI.

Investment Option¹

Investment Options

Non-Retirement Equity Fund
Non-Retirement Bond Fund
Non-Retirement Money Market Fund

Investments carry a risk of loss, and the participating entity is responsible for determining its risk tolerance and investing accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your trust account with the SBI is not intended for operating or short-term funds. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your account with the SBI is not intended for operating or short-term funds. The SBI's Executive Director reserves the right to suspend or close an account or restrict withdrawals or transfers from an account if the Executive Director determines that excessive trading has occurred with respect to the account, or that such action is appropriate under the circumstances.

Contribution, Withdrawal, and Transfer Procedures

All contributions, withdrawals, and transfers must be requested through PERA, the trust administrator. PERA requires five business days' notice for all transactions. Please contact PERA for the required forms. Once a trade has been entered, it cannot be canceled.

Fees²

Administrative Fees

PERA will charge an annual administrative fee of \$500 per plan per year.

The SBI administrative fee in CY24 was 0.01%. This represented an annual charge of \$0.11 per \$1,000. The SBI deducts its administrative fee quarterly using the order below.

First: Non-Retirement Money Market Fund
Second: Non-Retirement Equity Fund
Third: Non-Retirement Bond Fund

Investment Management Fees

There are no "front-end" or "back-end" fees charged on contributions, withdrawals, or transfers. Investment management fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.

Please refer to pages 5-7 of this Prospectus for investment management fee information for each of the Funds.

Reporting

- Monthly reports, statement notifications, and other correspondence from the SBI will be emailed to the contact person on file with the SBI.
- Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month.
- Online access to your Plan's account is available and includes downloadable current balances, transactions, and past statements.

¹ Investments with the SBI are subject to the policies and procedures established by the SBI.

² Investment management fees and administrative fees are subject to change. Additionally, some plans may bear a higher or lower SBI administrative fee based on the individual needs of the plan, the investment option selected, and an appropriate allocation of expenses pursuant to Minnesota Statutes, Sections [11A.04](#) and [11A.07](#).

Qualifying Governmental Entities

Procedures

Qualifying Governmental Entities authorized to invest in the Non-Retirement Equity Fund must follow the appropriate statute in determining the investable amount for any eligible funds. (See Minnesota Statutes, Section [118A.09](#).)

How To Open a Plan Account with the SBI

All Qualifying Governmental Entities must contact Public Employees Retirement Association (PERA) to open an account. PERA will then forward the account information to SBI. Once the account is set up, the SBI will send credentials and instructions for accessing and using the Plan website. The website will give the governmental entity online access, including the current balance, posted/pending transactions, and statements. Each entity must maintain a Long-Term Equity Investment Account Agreement with PERA to invest through the SBI.

Investment Option¹

Investment Option

Non-Retirement Equity Fund

Equity investments carry a risk of loss, and each Qualifying Governmental Entity is responsible for determining its risk tolerance for equities and investing accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your account with the SBI is not intended for operating or short-term funds. The SBI's Executive Director reserves the right to suspend or close an account or restrict withdrawals or transfers from an account if the Executive Director determines that excessive trading has occurred with respect to the account, or that such action is appropriate under the circumstances.

Contribution, Withdrawal, and Transfer Procedures

All contributions, withdrawals, and transfers must be requested through PERA, the account administrator. PERA requires five business days' notice for all transactions. Please contact PERA for the required forms. Once a trade has been entered, it cannot be canceled.

Fees²

Administrative Fees

PERA will charge a one-time fee of \$2,500 when the account is opened and an annual administrative fee of \$500 per plan per year.

The SBI administrative fee in CY24 was 0.01%. This represented an annual charge of \$0.11 per \$1,000. The SBI deducts its administrative fee quarterly.

Investment Management Fees

There are no "front-end" or "back-end" fees charged on contributions, withdrawals, or transfers. Investment management fees are paid out of the Funds quarterly, and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.

Please refer to page 5 of this Prospectus for investment management fee information.

Reporting

- Monthly reports, statement notifications, and other correspondence from the SBI will be emailed to the contact person on file with the SBI.
- Monthly reports contain current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month.
- Online access to Plan accounts is available and includes downloadable current balances, transactions, and past statements.

PERA Contact Information

Public Employees Retirement Association
60 Empire Drive, Suite 200, St. Paul, MN 55103
Phone: (651) 296-3636 Fax: (651) 297-2547
PERA Accounting: PERA.accounting@mnpera.org

SBI Contact Information

Minnesota State Board of Investment
60 Empire Drive, Suite 100, St. Paul, MN 55103
Phone: (651) 296-3328 Fax: (651) 296-9572
Amanda Allen: amanda.allen@state.mn.us (investment questions)
Shirley Baribeau: shirley.baribeau@state.mn.us and
SBI Accounting Team: acctg.sbi@state.mn.us (account questions)

¹ Investments with the SBI are subject to the policies and procedures established by the SBI.

² Investment management fees and administrative fees are subject to change. Additionally, some plans may bear a higher or lower SBI administrative fee based on the individual needs of the plan, the investment option selected, and an appropriate allocation of expenses pursuant to Minnesota Statutes, Sections [11A.04](#) and [11A.07](#).

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Minnesota Non-Retirement Funds Investment Prospectus

About the SBI

Established

The Minnesota State Board of Investment (SBI) was established in 1885 by Article XI of the Minnesota Constitution. The SBI serves the State of Minnesota by investing the assets of state and local employee benefit plans, other public retirement savings plans, tax advantaged saving plans, state cash accounts, and non-retirement assets.

Board Members

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

The primary responsibility of the Board is to monitor and evaluate the investment programs as a fiduciary with the goal of making sound investment decisions. The Board delegates responsibility through the retention of the Executive Director/CIO, staff, consultants, and with the advice of various committees.

Executive Director and Staff

The Board retains an Executive Director/CIO and staff to meet the objectives of the Board, execute its policies, and manage the SBI's day-to-day investment activities and operations. A listing of SBI staff can be found on the SBI website at <https://msbi.us/staff>.

Investment Advisory Council

A 17-member Investment Advisory Council was established in state statute to advise the Board and its staff on investment-related matters. A listing of the IAC membership can be found on the SBI website at <https://msbi.us/IAC-members>.

<https://msbi.us>
minn.sbi@state.mn.us
(651) 296-3328
