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## 2023 ANNUAL COMPREHENSIVE FINANCIAL REPORT

A Component Unit of the State of Mississippi | Fiscal Year Ended June 30



# 2023 Annual Comprehensive Financial Report

A Blended Component Unit of the State of Mississippi  
Fiscal Year Ended June 30

PREPARED BY:

The Office of Administrative Services  
Public Employees' Retirement System of Mississippi

PERS Building  
429 Mississippi Street  
Jackson, MS  
39201-1005



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A large, solid yellow oval shape centered on a white background. It has a slight drop shadow effect, making it appear to float above the surface.

# Introduction

## Introduction



Providing Benefits for Life

Board of Trustees  
Public Employees' Retirement System  
429 Mississippi Street  
Jackson, MS 39201-1005

December 19, 2023

To the Board of Trustees and Members of PERS:

It is my pleasure to present the 2023 *Annual Comprehensive Financial Report* (ACFR) of the Public Employees' Retirement System. We take our role to heart as a fiduciary for this System and remain vigilant and resourceful in honoring the commitment to our membership. I join with the PERS team as we dedicate ourselves to serving our teachers, law enforcement officers, healthcare workers, and many other public servants who make up the membership of our System.

This ACFR is a presentation of the financial results of the System as of June 30, 2023. We believe this information is useful for transparency and perspective over the long term. We trust you and other members will find this ACFR helpful in understanding your retirement system.

#### PROFILE OF THE SYSTEM

The System was established to provide retirement benefits for all state and public education employees, officers of the Mississippi Highway Safety Patrol, elected members of the State Legislature, the President of the Senate, and other public employees of participating employers. Plans administered by the System include: The Public Employees' Retirement System of Mississippi (PERS), which was established by legislation in 1952; the Mississippi Highway Safety Patrol Retirement System (MHSPRS), established in 1958; the Supplemental Legislative Retirement Plan (SLRP), established in 1989; and the Municipal Retirement Systems (MRS), which came under the System's administration in 1987. As of June 30, 2023, the System's defined benefit plans served a total of 361,104 members, including 118,301 retirees and beneficiaries. There are 880 participating employers from across the state. Primary sources of funding for the System include employer contributions, member contributions, and investment income. Retirement benefits paid during the fiscal year totaled \$3.3 billion. Employers contributed \$1.3 billion during the fiscal year, while members of the System contributed a total of \$665 million. As of June 30, 2023, net position restricted for pension benefits totaled \$32.2 billion.

H. Ray Higgins, Jr. <i>Executive Director</i>	<i>Board of Trustees:</i>	Kimberly Hanna <i>Municipal Employees, Chair</i>	Kelly Breland <i>State Employees, Vice Chair</i>	Bill Benson <i>County Employees</i>	George Dale <i>Retirees</i>	Chris Howard <i>State Employees</i>
		Chris Graham <i>Gubernatorial Appointee</i>	Randy D. McCoy <i>Retirees</i>	David McRae <i>State Treasurer</i>	Brian Rutledge <i>Institutions of Higher Learning Employees</i>	Jay Smith <i>Public Schools Community/Jr. Colleges</i>

Public Employees' Retirement System of Mississippi  
429 Mississippi Street, Jackson, MS 39201-1005 601.359.3589 800.444.PERS [www.pers.ms.gov](http://www.pers.ms.gov)

The System is administered by a 10-member Board of Trustees that includes: The State Treasurer; one gubernatorial appointee who is a member of PERS; two state employees; two PERS retirees; and one representative each from public schools and community colleges, state universities, municipalities, and counties. Apart from the State Treasurer and the gubernatorial appointee, all members are elected to staggered six-year terms by the constituents they represent. The Board of Trustees is responsible for the general administration and proper operation of the System. The Executive Director is designated by the Board to lead and conduct all business for the System. The Public Employees' Retirement System of Mississippi operates under legislative mandate with respect to administrative budgets, human resources, and purchasing guidelines. The System is considered a blended component unit of the State of Mississippi for financial reporting purposes and, as such, the financial statements contained in this report are included in the State of Mississippi's Annual Comprehensive Financial Report.

Annual budgets are legally adopted for the administrative expenditure portion of the System's operations and are funded by earnings of the System. A budget request is approved by the Board of Trustees and submitted to the State Legislature, which legally enacts the budget in the form of an appropriation bill during the subsequent legislative session. Changes may be made in budget categories, consistent with legislative authority. A more detailed discussion of the budgetary process is presented in the Financial Section of this ACFR on page 34.

## FINANCIAL INFORMATION

Our staff issues an ACFR within six months of the close of each fiscal year. The report contains basic financial statements presented in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards, as well as standards applicable to financial audits contained in government auditing standards. The 2022 independent audit was conducted by Eide Bailly LLP, a firm of licensed certified public accountants. The Independent Auditors' Report is presented in the Financial Section on pages 17 through 19.

This ACFR consists of management's representations concerning the finances of the System. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. A framework of internal controls is designed to establish reasonable assurance that assets are safeguarded, transactions are accurately executed, and financial statements are fairly presented in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of a control should not appreciably exceed the benefits likely to be derived and that the analysis of costs and benefits requires estimates and professional judgments by management. To aid in the management of an internal control framework, the System maintains policies and procedures, and adheres to certain statutory requirements. Both external and internal audit processes include assessments of controls and associated recommendations for improvements. Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements, and should be read in conjunction with, this letter of transmittal.

## INVESTMENT INFORMATION

The Board of Trustees continues to focus on an investing approach that emphasizes a diversified portfolio of securities invested over a long-time horizon, which moderates the effects of a changing economic environment. The portfolio is broadly diversified among cash equivalents, equities, debt securities, real estate, and private equity with additional variation through domestic and international investing. Our asset allocation policy is tactically balanced to provide an expected level of return while minimizing risk, which over time will fund the liabilities of the System, given an adequate contribution rate expressed as a percentage of payroll. This year the System posted a gross rate of return on investments of 7.76 percent as measured on June 30, 2023.

Callan LLC is employed by the Board of Trustees as the System's investment consultant. Services include calculating investment returns for both the total fund and for each of the investment managers retained to invest the System's assets. All returns are calculated using a time-weighted rate of return methodology based on portfolio fair values determined by the System's custodial bank. Additional information regarding the System's investment holdings and performance may be found in the Financial and Investment Sections of this report.

## FUNDING INFORMATION

PERS continues to operate under the funding policy initially adopted in June 2018. The goals of the funding policy include an increasing funded ratio over the projection period, with an ultimate goal of 100% funding and contribution stability as a percent of payroll.

The information in this year's ACFR is based on the actuarial valuation reports as of June 30, 2022, which were presented to and approved by the PERS Board in December 2022. The PERS valuation was based on certain changes in assumptions, as approved by the Board in August 2021, including but not limited to a decrease in the assumed investment rate of return from 7.75 percent to 7.55 percent and a change to recently published mortality tables that more closely match the System's experience. After incorporating the 2022 investment return, which is smoothed over 5 years, and the actuarial assumption changes, the funded ratio remained constant at 61.3 percent. More detail specific to the PERS plan and funding, as well as for MHSPRS, SLRP, and MRS, is provided in the footnotes to the financial statements and in the actuarial sections of this report.

## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the System for its annual comprehensive financial report for the fiscal year ended June 30, 2022. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report with contents that conform to program standards. Such financial reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. The System has received a Certificate of Achievement for the last 36 consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA for evaluation.

The Public Employees' Retirement System of Mississippi's submission of a Popular Annual Financial Report to the GFOA resulted in an Award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year ended June 30, 2022. To receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a popular annual financial report with contents that conform to program standards of creativity, presentation, understandability, and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year. The Public Employees' Retirement System of Mississippi has received a Popular Award certificate for the last 19 consecutive fiscal years. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA for consideration this year.

The Public Employees' Retirement System received the Public Pension Coordinating Council's (PPCC) Public Pension Standards 2023 Award in recognition of meeting professional standards for plan design and administration. The PPCC is a national confederation of state retirement associations whose standards are widely recognized benchmarks for public pension systems in the areas of plan design, funding, actuarial, and financial audits, as well as member communications.

## CONCLUSION

This report is a product of the combined efforts of the System's staff and advisors functioning under the Board's leadership and is intended to provide extensive and reliable information as a basis for making management decisions, determining compliance with legal provisions, and determining responsible stewardship for the assets contributed by the System's members and employers. It is available via our website, [www.pers.ms.gov](http://www.pers.ms.gov). I hope all stakeholders of the System will find this report informative and useful.

My deepest thanks go to the PERS Board, our team of staff professionals, the advisors, and others who have worked so diligently as we partner together in the enduring commitment to serve the members and retirees of the Public Employees' Retirement System.

I remain humbled and honored to serve as your Executive Director and I look forward to working together in the future.

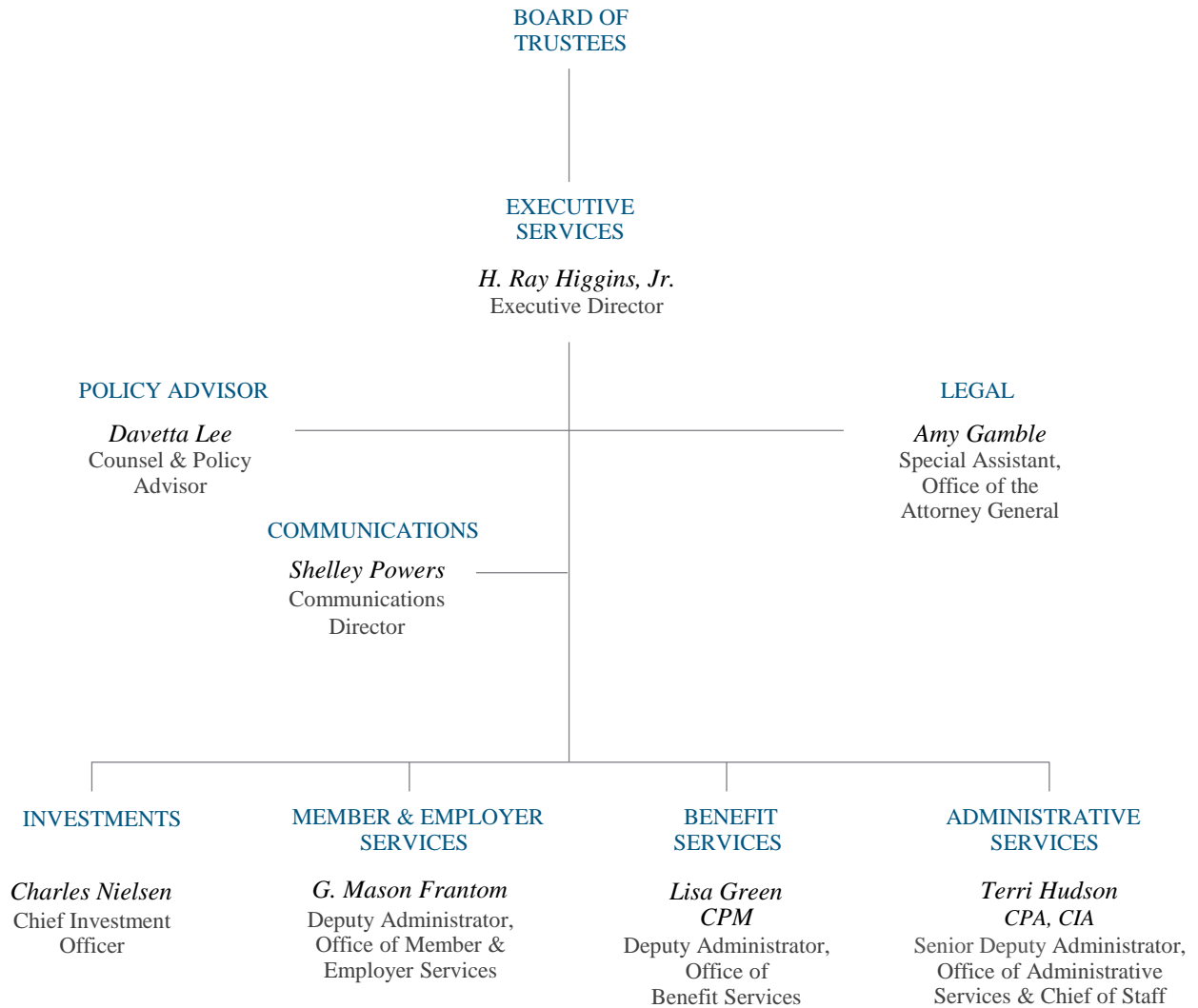
Respectfully submitted,



H. Ray Higgins, Jr.  
Executive Director



## Organizational Chart



## 2023 Board of Trustees

The Board of Trustees of the Public Employees' Retirement System of Mississippi (PERS) is responsible for designating the System's executive director and for establishing the policies for administration of the trust. The Board also works to carry out the intent and purposes of the state Legislature by establishing rules and regulations for the administration of PERS and the transaction of its business.

**CHAIR Bill Benson** *Elected by County Employees*

Term of Service: January 2022 - December 2027

**VICE CHAIR Kimberly Hanna** *Elected by Municipal Employees*

Term of Service: January 2021 - December 2026

**Kelly Breland** *Elected by State Employees*

Term of Service: January 2019 - December 2024

**George Dale** *Elected by Retirees*

Term of Service: May 2023 - April 2029





**Chris Graham** *Gubernatorial Appointee*  
Term of Service: April 2021 - April 2024

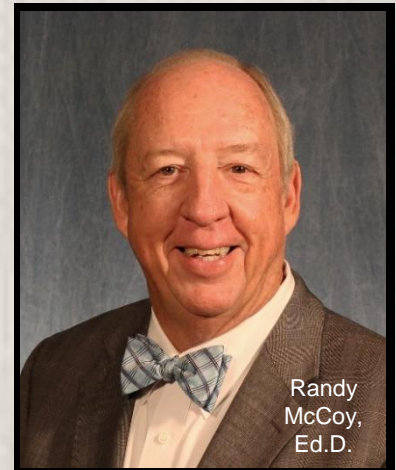
**Chris Howard** *Elected by State Employees*  
Term of Service: July 2020 - June 2026

**Randy McCoy, Ed.D.** *Elected by Retirees*  
Term of Service: July 2019 - June 2025

**David McRae** *State Treasurer*  
Term of Service: January 2020 – January 2024

**Brian Rutledge, Ph.D.** *Elected by Institutions of Higher Learning Employees*  
Term of Service: January 2023 - December 2028

**Jay Smith, Ph.D.** *Elected by Public School and Community/Junior College Employees*  
Term of Service: May 2022 - April 2028



## Outside Professional Services

### ACTUARY

Cavanaugh Macdonald Consulting, LLC

### AUDITOR

Eide Bailly LLP

### INVESTMENT FUNDS CUSTODIAN

Bank of New York Mellon

### INVESTMENT MANAGEMENT CONSULTANT

Callan LLC

### INVESTMENT MANAGERS

#### EQUITY MANAGERS

Acadian Asset Management, LLC  
Arrowstreet Capital, LP  
Artisan Partners, LP  
Baillie Gifford & Company  
Dimensional Fund Advisors, Inc.  
Eagle Capital Management, LLC  
Epoch Investment Partners, Inc.  
Fisher Investments  
Harding Loevner, LP  
Lazard Asset Management, LLC  
LSV Asset Management  
Marathon Asset Management, LLP  
Mondrian Investment Partners, Limited  
Northern Trust Asset Management  
Principal Global Investors, LLC  
Riverbridge Partners, LLC  
Victory Capital Management, Inc.  
Wellington Management Company, LLP

#### DEBT MANAGERS

AllianceBernstein, LP  
Loomis Sayles & Company, LP  
Manulife Investment Management  
Northern Trust Investments, Inc.  
Pacific Investment Management Company  
Prudential Financial, Inc.  
Wellington Management Company, LLP

#### PRIVATE EQUITY MANAGERS

GCM Grosvenor Diversified Partners, LP  
Pathway Capital Management, LLC

### REAL ESTATE MANAGERS

AEW Capital Management, LP  
Angelo, Gordon & Company  
CenterSquare Investment Management  
Cohen & Steers Capital Management, Inc.  
Heitman, LLC  
Invesco, LP  
J.P. Morgan Investment Management, Inc.  
Manulife Investment Management  
Principal Global Investors, LLC  
T.A. Associates Realty  
UBS Realty Investors, LLC  
Westbrook Partners

### LEGAL COUNSEL

Office of the Attorney General  
Amy Gamble, Special Assistant

Ice Miller  
Chapman & Cutler, LLP  
Watkins & Eager PLLC

*Additional information on investment professional fees can be found on pages 60 and 82.  
Information on commissions is also found on page 82.*



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Public Employees' Retirement System of Mississippi**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



Public Pension Coordinating Council

***Public Pension Standards Award  
For Funding and Administration  
2023***

Presented to

***Public Employees' Retirement System of Mississippi***

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, reading 'Alan H. Winkle'. The signature is written in a cursive, flowing style.

Alan H. Winkle  
Program Administrator



Financial

Financial



## Independent Auditor's Report

To the Board of Trustees  
Public Employees' Retirement System of Mississippi  
Jackson, Mississippi

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the Public Employees' Retirement System of Mississippi (the System) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective fiduciary net position of the Public Employees' Retirement System of Mississippi, as of June 30, 2023, and the respective changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 20-26 and the required supplementary information on pages 51-58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the System's basic financial statements. The additional supplementary information including the Schedule of Administrative Expenses and Depreciation, Schedule of Investment Managers' Fees, Investment Global Out-of-Pocket-Fees, and Professional Service Fees, and Schedule of Net Position Restricted for Pension Benefits – MRS Plans (Supplementary Information) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the accompanying financial information listed as supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory, investment, actuarial and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2023 on our consideration of the System's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the System's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the System's internal control over financial reporting and compliance.



Boise, Idaho  
November 16, 2023

## Management's Discussion & Analysis

[unaudited]

This section presents management's discussion and analysis of the Public Employees' Retirement System of Mississippi's (System) financial position and performance for the year ended June 30, 2023. This section is presented as a narrative overview and analysis in conjunction with the Letter of Transmittal included in the Introductory Section, the financial statements, and other information presented in the Financial Section of this *Annual Comprehensive Financial Report*.

The System is responsible for administering retirement benefits for all state and public education employees, sworn officers of the Mississippi Highway Safety Patrol, other public employees whose employers have elected to participate, and elected members of the State Legislature, as well as the President of the Senate. The System is comprised of four defined benefit pension plans: the Public Employees' Retirement System of Mississippi (PERS), the Mississippi Highway Safety Patrol Retirement System (MHSPRS), the Supplemental Legislative Retirement Plan (SLRP), and the Municipal Retirement Systems (MRS). Throughout this discussion and analysis, units of measure (i.e., billions, millions, and thousands) are approximate, being rounded up or down to the nearest tenth of the respective unit value.

The System also oversees two other plans: the Mississippi Government Employees' Deferred Compensation Plan & Trust (MDC) which is a voluntary supplemental retirement savings plan, and the Optional Retirement Plan (ORP), which is offered as an alternative to PERS to certain employees of the state's institutions of higher learning. As explained in Note 1 to the basic financial statements, MDC and ORP are not part of the System's reporting entity.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the System's financial reporting, which is comprised of the following components:

1. Basic financial statements;
2. Notes to the basic financial statements;
3. Required supplementary information; and
4. Other supplementary schedules.

Collectively, this information presents the net position restricted for pension benefits for each of the funds administered by the System as of June 30, 2023. This financial information also summarizes changes in net position restricted for pension benefits for the year then ended. The information in each of these components is briefly summarized as follows:

### 1. BASIC FINANCIAL STATEMENTS

The June 30, 2023, financial statements are presented for the fiduciary funds administered by the System. Fiduciary funds are used to account for resources held for the benefit of parties outside of the System. Fiduciary funds include the PERS, MHSPRS, SLRP, and MRS pension trust funds. A Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position are presented for the fiduciary funds as of and for the year ended June 30, 2023. These financial statements reflect the resources available to pay benefits to members, including retirees and beneficiaries, as of year end, as well as the changes in those resources during the year.

### 2. NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes to the financial statements provide additional information essential to a full understanding of the data provided in the basic financial statements. Information in the notes to the basic financial statements is described as follows:

- » Note 1 provides a general description of the System, as well as a concise description of each of the funds administered by the System. Information regarding employer and member participation in the pension plans administered by the System also is provided.
- » Note 2 provides a summary of significant accounting policies, including the basis of accounting, management's use of estimates, and other significant accounting policies.
- » Note 3 describes investments, including investing authority and policies, fair value measurement, investment risk discussion, and additional information about cash, derivatives, and securities lending.

- » Note 4 provides a summary of the capital assets of the System, including depreciation and net holding amounts.
- » Note 5 provides information about the net pension liability of employers in the defined benefit plans administered by the System.
- » Note 6 provides information about contributions to the defined benefit plans administered by the System.
- » Note 7 provides information about System employees as members of PERS.
- » Note 8 provides information about postemployment benefits other than pensions.

### 3. REQUIRED SUPPLEMENTARY INFORMATION

The required supplementary information consists of this management's discussion and analysis, schedules of changes in the net pension liability and related ratios, schedule of employer contributions, schedule of investment returns, and related notes concerning accounting and financial reporting information for the defined benefit pension plans administered by the System. Also included are the schedule of proportionate share of the net Other Post Employee Benefits (OPEB) liability and the schedule of employer contributions for OPEB and related notes.

### 4. OTHER SUPPLEMENTARY SCHEDULES

Other schedules include detailed information on administrative expenses incurred by the System, investment and other professional service expenses incurred, as well as the net positions for the individual municipal retirement plans.

## Financial Highlights

The combined net position of all the defined benefit plans administered by the System increased by \$836.1 million, or 2.7 percent. This increase was primarily the result of the fiscal year 2023 investment performance.

The defined benefit plan's 2023 rate of return on investments was 7.76 percent, compared to the prior fiscal year's (8.54) percent rate of return. Domestic, global, and international equity portfolios returned 19.45 percent, 16.71 percent, and 14.77 percent, respectively, while the return on fixed income debt securities was 1.19 percent. The rate of return on real estate investments was (9.90) percent, and the rate of return on the private equity portfolio was (3.76) percent.

The PERS, MHSPRS, and SLRP defined benefit plans administered by the System had a Net Pension Liability of \$25.2 billion, \$242.3 million, and \$6.4 million, respectively. The ratios of fiduciary net position to total pension liability were 55.7 percent, 63.2 percent, and 76.6 percent, respectively.

Fiduciary Net Position—Defined Benefit Plans  
As of June 30, 2023 & June 30, 2022

[in thousands]

	PERS		MHSPRS		SLRP	
	2023	2022	2023	2022	2023	2022
<i>Assets:</i>						
Cash, Cash Equivalents, Receivables, & Other Assets	\$1,502,180	\$1,897,729	\$18,271	\$23,521	\$895	\$1,141
Investments at Fair Value	31,278,285	30,427,376	413,828	402,148	20,709	20,014
Invested Securities Lending Collateral	2,004,724	2,154,687	26,524	28,478	1,327	1,417
Capital Assets, net	14,387	12,975	-	-	-	-
<b>Total Assets</b>	<b>34,799,576</b>	<b>34,492,767</b>	<b>458,623</b>	<b>454,147</b>	<b>22,931</b>	<b>22,572</b>
<b>Deferred Outflows of Resources</b>	<b>140</b>	<b>181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Liabilities:</i>						
Investment Accounts & Other Payables	1,199,592	1,544,480	15,732	20,266	793	1,014
Obligations Under Securities Lending	1,977,771	2,157,042	26,167	28,509	1,309	1,419
<b>Total Liabilities</b>	<b>3,177,363</b>	<b>3,701,522</b>	<b>41,899</b>	<b>48,775</b>	<b>2,102</b>	<b>2,433</b>
<b>Deferred Inflows of Resources</b>	<b>370</b>	<b>310</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position Restricted for Pension Benefits</b>	<b>\$31,621,983</b>	<b>\$30,791,116</b>	<b>\$416,724</b>	<b>\$405,372</b>	<b>\$20,829</b>	<b>\$20,139</b>

	MRS		Total Defined Benefit Pension Plan		Total Percent Change
	2023	2022	2023	2022	
<i>Assets:</i>					
Cash, Cash Equivalents, & Receivables	\$5,813	\$7,736	\$1,527,159	\$1,930,127	(20.88)%
Investments at Fair Value	123,684	130,540	31,836,506	30,980,078	2.76
Invested Securities Lending Collateral	7,927	9,244	2,040,502	2,193,826	(6.99)
Capital Assets, net	-	-	14,387	12,975	10.88
<b>Total Assets</b>	<b>137,424</b>	<b>147,520</b>	<b>35,418,554</b>	<b>35,117,006</b>	<b>0.86</b>
<b>Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>140</b>	<b>181</b>	<b>(22.65)</b>
<i>Liabilities:</i>					
Investment Accounts & Other Payables	4,724	6,589	1,220,841	1,572,349	(22.36)
Obligations Under Securities Lending	7,821	9,254	2,013,068	2,196,224	(8.34)
<b>Total Liabilities</b>	<b>12,545</b>	<b>15,843</b>	<b>3,233,909</b>	<b>3,768,573</b>	<b>(14.19)</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>370</b>	<b>310</b>	<b>19.35</b>
<b>Net Position Restricted for Pension Benefits</b>	<b>\$124,879</b>	<b>\$131,677</b>	<b>\$32,184,415</b>	<b>\$31,348,304</b>	<b>2.67%</b>

Changes in Fiduciary Net Position—Defined Benefit Plans  
For the Years Ended June 30, 2023 & June 30, 2022

[in thousands]

	PERS		MHSPRS		SLRP	
	2023	2022	2023	2022	2023	2022
<i>Additions:</i>						
Contributions	\$1,965,549	\$1,826,425	\$23,458	\$21,832	\$884	\$852
Investment Income/(Loss)	2,234,354	(2,980,325)	29,536	(39,468)	1,477	(1,964)
Other Additions	12	10	-	-	-	-
<b>Total Additions/(Losses):</b>	<b>4,199,915</b>	<b>(1,153,890)</b>	<b>52,994</b>	<b>(17,636)</b>	<b>2,361</b>	<b>(1,112)</b>
<i>Deductions:</i>						
Pension Benefits	3,237,085	3,134,859	41,122	40,522	1,653	1,687
Refunds to Terminated Employees	115,517	120,807	161	135	5	-
Administrative Expenses	16,446	15,925	359	319	13	13
<b>Total Deductions</b>	<b>3,369,048</b>	<b>3,271,591</b>	<b>41,642</b>	<b>40,976</b>	<b>1,671</b>	<b>1,700</b>
<b>Net Increase/(Decrease)</b>	<b>830,867</b>	<b>(4,425,481)</b>	<b>11,352</b>	<b>(58,612)</b>	<b>690</b>	<b>(2,812)</b>
<b>Net Position, Beginning of Year</b>	<b>30,791,116</b>	<b>35,216,597</b>	<b>405,372</b>	<b>463,984</b>	<b>20,139</b>	<b>22,951</b>
<b>Net Positions Restricted for Pension Benefits</b>	<b>\$31,621,983</b>	<b>\$30,791,116</b>	<b>\$416,724</b>	<b>\$405,372</b>	<b>\$20,829</b>	<b>\$20,139</b>

	MRS		Total Defined Benefit Pension Plan		Total Percent Change
	2023	2022	2023	2022	
<i>Additions:</i>					
Contributions	\$14,357	\$15,741	\$2,004,248	\$1,864,850	7.48%
Investment Income/(Loss)	8,818	(12,812)	2,274,185	(3,034,569)	174.94
Other Additions	-	-	12	10	20.00
<b>Total Additions/(Losses):</b>	<b>23,175</b>	<b>2,929</b>	<b>4,278,445</b>	<b>(1,169,709)</b>	<b>465.77</b>
<i>Deductions:</i>					
Pension Benefits	29,686	30,509	3,309,546	3,207,577	3.18
Refunds to Terminated Employees	-	-	115,683	120,942	(4.35)
Administrative Expenses	287	315	17,105	16,572	3.22
<b>Total Deductions</b>	<b>29,973</b>	<b>30,824</b>	<b>3,442,334</b>	<b>3,345,091</b>	<b>2.91</b>
<b>Net Increase/(Decrease)</b>	<b>(6,798)</b>	<b>(27,895)</b>	<b>836,111</b>	<b>(4,514,800)</b>	<b>118.52</b>
<b>Net Position, Beginning of Year</b>	<b>131,677</b>	<b>159,572</b>	<b>31,348,304</b>	<b>35,863,104</b>	<b>(12.59)</b>
<b>Net Positions Restricted for Pension Benefits</b>	<b>\$124,879</b>	<b>\$131,677</b>	<b>\$32,184,415</b>	<b>\$31,348,304</b>	<b>2.67%</b>

## *Analysis of Individual Systems*

### **PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

PERS is a defined benefit cost-sharing plan that provides retirement benefits to all eligible state of Mississippi public employees, public education employees, other public employees whose employers have elected to participate, elected members of the state Legislature, and President of the Senate. Benefits of the plan are funded by member and employer contributions and earnings on investments. Net position restricted for pension benefits at June 30, 2023, amounted to \$31.6 billion, an increase of \$830.9 million or 2.7 percent compared to the prior fiscal year end.

Additions to PERS' net position include employer and member contributions of \$2.0 billion and net investment income of \$2.2 billion. While contributions were consistent with the prior year, net investment income increased by \$5.2 billion due to market performance.

Deductions from PERS' net position restricted for pension benefits include retirement and beneficiary benefits, refunds to terminated employees, and administrative expenses. For the 2023 fiscal year, benefit payments amounted to \$3.2 billion, an increase of \$102 million or 3.3 percent over the prior fiscal year. The increase is due to an increase in the number of benefit recipients, higher initial benefits to new retirees, and increased cost-of-living adjustments. This increase in benefit payments is consistent with recent trends. The cost of administering the System for fiscal year 2023, including depreciation expense, amounted to \$16.4 million for an increase compared to the prior fiscal year of \$521 thousand. Administrative expenses accounted for 0.49 percent of total deductions.

At June 30, 2023, PERS employers' total pension liability was \$56.8 billion. The plan fiduciary net position was \$31.6 billion, resulting in a net pension liability of \$25.2 billion. As a result of the increase to total pension liability, the plan fiduciary net position as a percentage of the total pension liability decreased from 59.9 percent to 55.7 percent using Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*, measurements.

### **MISSISSIPPI HIGHWAY SAFETY PATROL RETIREMENT SYSTEM**

MHSPRS provides retirement benefits to sworn officers of the Mississippi Highway Safety Patrol. Benefits of the plan are funded by member and employer contributions and by earnings on investments. MHSPRS' net position restricted for pension benefits at June 30, 2023, amounted to \$416.7 million, an increase of \$11.4 million or 2.8 percent compared to the prior fiscal year end.

Additions to MHSPRS' net position restricted for pension benefits include employer and member contributions and investment income. For the 2023 fiscal year, employer and member contributions combined were \$23.5 million, an increase of \$1.6 million. Motor vehicle fees of \$2.7 million and driver's license reinstatement fees of \$454.0 thousand were included in 2023 employer contributions. For the fiscal year ended June 30, 2023, there was a net investment income of \$29.5 million, an increase in investment earnings of \$69.0 million from the prior year due to market performance.

Deductions from MHSPRS' net position restricted for pension benefits primarily include retirement and beneficiary benefits. For the 2023 fiscal year, benefit payments amounted to \$41.1 million, an increase of \$600.0 thousand or 1.5 percent over the prior fiscal year. For the 2023 fiscal year, MHSPRS transferred \$359.0 thousand to PERS to offset the cost of administration.

At June 30, 2023, MHSPRS employers' total pension liability was \$659.0 million. The plan fiduciary net position was \$416.7 million, resulting in a net pension liability of \$242.3 million. The plan fiduciary net position as a percentage of the total pension liability was 63.2 percent using GASB Statement No. 67 measurements.

### **SUPPLEMENTAL LEGISLATIVE RETIREMENT PLAN**

SLRP provides supplemental retirement benefits to all elected members of the state Legislature and President of the Senate. Benefits of the plan are funded by member and employer contributions and by earnings on investments. The plan's net position restricted for pension benefits at June 30, 2023, amounted to \$20.8 million, an increase of \$690.0 thousand or 3.4 percent from the prior fiscal year.

Additions to SLRP's net position restricted for pension benefits include employer and member contributions and investment income. For the 2023 fiscal year, employer and member contributions were \$884.0 thousand, an increase of \$32.0 thousand or 3.8 percent from those of the prior fiscal year. SLRP had a net investment gain for the 2023 fiscal year of \$1.5 million for an increase of \$3.4 million from the prior year, due to market performance.

Deductions from SLRP's net position restricted for pension benefits primarily include retirement and beneficiary benefits. For the 2023 fiscal year, benefit payments amounted to \$1.7 million. For the 2023 fiscal year, SLRP transferred \$13.0 thousand to PERS to offset the cost of administration.

At June 30, 2023, the SLRP employers' total pension liability was \$27.2 million. The plan fiduciary net position was \$20.8 million, resulting in a net pension liability of \$6.4 million. The plan fiduciary net position as a percentage of the total pension liability was 76.6 percent using GASB Statement No. 67 measurements.

### MUNICIPAL RETIREMENT SYSTEMS

Two municipal retirement plans, and 17 fire and police disability and relief plans comprise MRS. All plans are closed to new members and all active employees were retired as of June 30, 2020. The separate plans provide retirement benefits to municipal employees, fire fighters, and police officers. Financial positions of the MRS plans are aggregated for financial reporting purposes. Individual plan information is included with the specific municipality's annual financial report. Benefits of MRS are funded by employer contributions and by earnings on investments. The aggregated plan's net position restricted for pension benefits at June 30, 2023, amounted to \$124.9 million, a decrease of \$6.8 million or 5.2 percent from \$131.7 million for the prior fiscal year.

Additions to the MRS net position restricted for pension benefits consist of employer contributions and investment income. For the 2023 fiscal year, employer contributions of \$14.4 million were \$1.4 million or 8.8 percent less than contributions of \$15.7 million received the prior fiscal year. MRS employer contributions are funded through taxes levied on assessed properties. The number of retirees will continue to decline and lead to lower contributions and benefits in future years. MRS recognized net investment income of \$8.8 million for the 2023 fiscal year due to market performance compared with a net investment loss of \$12.8 million for the prior fiscal year.

Deductions from MRS' net position restricted for pension benefits include retirement and beneficiary benefits and administrative fees. For the 2023 fiscal year, benefit payments amounted to \$29.7 million, a decrease of \$823 thousand and 2.7 percent from the prior fiscal year. For the 2023 fiscal year, MRS transferred \$287.0 thousand to PERS to offset the cost of administration, compared to \$315.0 thousand transferred for the prior fiscal year.

Under the provisions of GASB Statement No. 67, agent multiple employer plans such as MRS apply the measurements and recognition of net pension liability at the individual plan level for each municipal and fire and police retirement plan administered. Therefore, aggregate information for MRS related to the net pension liability has not been presented.



## *Financial Analysis of the Systems: Defined Benefit Plans*

### INVESTMENTS

The investment assets of the defined benefit plans administered by the System are combined in a commingled investment pool as authorized by state statute. Each plan owns an equity position in the pool and receives a proportionate investment allocation of income or loss from the pool in accordance with its respective ownership percentage. Therefore, the rate of return on investments is approximately the same for each of the plans. In the following pages of the financial section, each plan's allocated share of the total investment pool is shown in the Statement of Fiduciary Net Position. Investment gains or losses are reported in the Statement of Changes in Fiduciary Net Position.

### TOTAL SYSTEM INVESTMENTS

At June 30, 2023 the System's total investments, before securities lending activities, approximated \$31.8 billion, an increase of \$856.4 million from the prior fiscal year. The combined investment portfolio experienced a return of 7.76 percent compared with a median large public benchmark return of 7.50 percent. The Investment Section includes comparisons of the System's investment results to benchmarks over time.

### SHORT-TERM SECURITIES

At June 30, 2023, the System held \$605.5 million in short-term investments, a decrease of \$123.6 million from the prior year holdings. Short-term investments returned 4.10 percent for the year.

### EQUITY SECURITIES

At June 30, 2023, the System held \$18.4 billion in domestic, global, and international equity securities, an increase of \$1.9 billion over the prior fiscal year. Domestic and global equity securities had returns of 19.45 percent and 16.71 percent, respectively. The System's custom benchmark return for domestic equity securities was 18.39 percent while the global securities custom benchmark posted a return of 16.14 percent. International equity securities returned 14.77 percent while the return for the international custom benchmark was 12.31 percent.

### DEBT SECURITIES

At June 30, 2023, the System held \$6.0 billion in debt securities, a decrease of \$279.1 million from the prior fiscal year. Debt securities returned 1.19 percent compared with the System's custom benchmark return of 0.25 percent.

### REAL ESTATE

The real estate asset class includes investments through limited partnerships in core commingled funds, value-added funds, and timber. The System also invests in Real Estate Investment Trusts (REITs), which are exchange-traded securities that provide indirect exposure to real estate properties and real estate management companies. At June 30, 2023, combined holdings totaled \$3.1 billion, a decrease of \$452.0 million from the prior fiscal year. The System experienced a return of (9.90) percent on total real estate holdings compared to the benchmark return of (6.60) percent.

### PRIVATE EQUITY

The private equity asset class, totaling 3.8 billion, posted a return of (3.76) percent. Private equities are investments in operating companies, typically accessed through limited partnerships, that provide a differentiated return stream and diversification. This asset class is generally managed for long-term gains, where returns and asset value take time to develop. The System's benchmark return was 6.93 percent.

### SECURITIES LENDING

The System earns additional income by lending investment securities to broker-dealers. This is done on a pooled basis by the System's custodial bank, Bank of New York Mellon (BNYM). The broker-dealers provide collateral to BNYM for the temporary use of the borrowed securities. BNYM invests cash collateral in debt securities to earn interest. For the 2023 fiscal year, net securities lending income to the System amounted to \$15.5 million, an increase of \$11.6 million from the prior fiscal year.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the System. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Public Employees' Retirement System of Mississippi Accounting Department  
429 Mississippi Street  
Jackson, MS 39201-1005



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Statement of Fiduciary Net Position  
As of June 30, 2023

[in thousands]

	PERS	MHSPRS	SLRP	MRS	Total Defined Benefit Pension Plans
<b>ASSETS</b>					
Cash & Cash Equivalents	\$836,373	\$10,165	\$509	\$3,038	\$850,085
<i>Receivables:</i>					
Employer	67,688	263	-	145	68,096
Member	35,433	-	-	-	35,433
Investment Sales & Other	417,794	5,528	276	1,652	425,250
Interest & Dividends	143,314	1,896	95	567	145,872
Other Assets & Receivables	1,578	419	15	411	2,423
<b>Total Receivables</b>	<b>665,807</b>	<b>8,106</b>	<b>386</b>	<b>2,775</b>	<b>677,074</b>
<i>Investments, at Fair Value:</i>					
Short-term Investments	594,882	7,871	394	2,352	605,499
Long-term Debt Securities	5,851,839	77,423	3,874	23,140	5,956,276
Equity Securities	18,080,487	239,214	11,971	71,496	18,403,168
Private Equity	3,738,083	49,457	2,475	14,782	3,804,797
Real Estate Investments	3,012,994	39,863	1,995	11,914	3,066,766
<b>Total Investments before Lending Activities</b>	<b>31,278,285</b>	<b>413,828</b>	<b>20,709</b>	<b>123,684</b>	<b>31,836,506</b>
<i>Securities Lending:</i>					
Short-term Investments	1,509,665	19,974	1,000	5,969	1,536,608
Long-term Debt Securities	495,059	6,550	327	1,958	503,894
<b>Total Securities Lending</b>	<b>2,004,724</b>	<b>26,524</b>	<b>1,327</b>	<b>7,927</b>	<b>2,040,502</b>
<b>Total Investments</b>	<b>33,283,009</b>	<b>440,352</b>	<b>22,036</b>	<b>131,611</b>	<b>33,877,008</b>
Capital Assets, at Cost, Net of Accumulated Depreciation	14,387	-	-	-	14,387
<b>Total Assets</b>	<b>34,799,576</b>	<b>458,623</b>	<b>22,931</b>	<b>137,424</b>	<b>35,418,554</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Postemployment Benefits	140	-	-	-	140
<b>LIABILITIES</b>					
Investment Purchases & Other	1,185,544	15,685	785	4,688	1,206,702
Accounts Payable & Accrued Expenses	11,619	47	8	36	11,710
Obligations Under Securities Lending	1,977,771	26,167	1,309	7,821	2,013,068
Lease & Software Obligation Payable	1,801	-	-	-	1,801
Net Other Postemployment Benefits	628	-	-	-	628
<b>Total Liabilities</b>	<b>3,177,363</b>	<b>41,899</b>	<b>2,102</b>	<b>12,545</b>	<b>3,233,909</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Other Postemployment Benefits	370	-	-	-	370
<b>NET POSITION RESTRICTED FOR PENSION BENEFITS</b>	<b>\$31,621,983</b>	<b>\$416,724</b>	<b>\$20,829</b>	<b>\$124,879</b>	<b>\$32,184,415</b>

The accompanying notes are an integral part of these basic financial statements.

Statement of Changes in Fiduciary Net Position  
For the Year Ended June 30, 2023

[in thousands]

	PERS	MHSPRS	SLRP	MRS	Total Defined Benefit Pension Plans
<b>ADDITIONS</b>					
<i>Contributions:</i>					
Employer	\$1,303,563	\$20,837	\$629	\$14,357	\$1,339,386
Member	661,986	2,621	255	-	664,862
<b>Total Contributions</b>	<b>1,965,549</b>	<b>23,458</b>	<b>884</b>	<b>14,357</b>	<b>2,004,248</b>
<i>Net Investment Income:</i>					
Net Appreciation in Fair Value	1,613,990	21,354	1,069	6,382	1,642,795
Interest & Dividends	704,883	9,300	464	2,770	717,417
<b>Total Before Lending Activities</b>	<b>2,318,873</b>	<b>30,654</b>	<b>1,533</b>	<b>9,152</b>	<b>2,360,212</b>
<i>Securities Lending:</i>					
Net Appreciation in Fair Value	7,392	98	5	29	7,524
Interest	105,513	1,396	70	417	107,396
Program Fees	(97,648)	(1,292)	(65)	(386)	(99,391)
<b>Net Income from Securities Lending</b>	<b>15,257</b>	<b>202</b>	<b>10</b>	<b>60</b>	<b>15,529</b>
Managers' Fees & Trading Costs	(99,776)	(1,320)	(66)	(394)	(101,556)
<b>Net Investment Income</b>	<b>2,234,354</b>	<b>29,536</b>	<b>1,477</b>	<b>8,818</b>	<b>2,274,185</b>
Other Additions	12	-	-	-	12
<b>Total Additions</b>	<b>4,199,915</b>	<b>52,994</b>	<b>2,361</b>	<b>23,175</b>	<b>4,278,445</b>
<b>DEDUCTIONS</b>					
Pension Benefits	3,237,085	41,122	1,653	29,686	3,309,546
Refunds to Terminated Employees	115,517	161	5	-	115,683
<b>Totals</b>	<b>3,352,602</b>	<b>41,283</b>	<b>1,658</b>	<b>29,686</b>	<b>3,425,229</b>
Administrative Expense	16,446	359	13	287	17,105
<b>Total Deductions</b>	<b>3,369,048</b>	<b>41,642</b>	<b>1,671</b>	<b>29,973</b>	<b>3,442,334</b>
<b>Net Increase/(Decrease)</b>	<b>830,867</b>	<b>11,352</b>	<b>690</b>	<b>(6,798)</b>	<b>836,111</b>
<b>NET POSITION RESTRICTED FOR PENSION BENEFITS</b>					
<b>Beginning</b>	<b>30,791,116</b>	<b>405,372</b>	<b>20,139</b>	<b>131,677</b>	<b>31,348,304</b>
<b>Ending</b>	<b>\$31,621,983</b>	<b>\$416,724</b>	<b>\$20,829</b>	<b>\$124,879</b>	<b>\$32,184,415</b>

The accompanying notes are an integral part of these basic financial statements.

# Notes to Basic Financial Statements

June 30, 2023

## Note 1: Plan Description

### GENERAL

The System is the administrator of four defined benefit trust funds as listed below. Although each of the defined benefit pension trust funds is a legally separate plan, the funds are included in the System's reporting entity due to their financial relationships and because the governing boards are substantially identical.

Plan Name	Type of Plan
PERS	Cost-sharing multiple-employer defined benefit pension plan
MHSPRS	Single-employer defined benefit pension plan
SLRP	Single-employer defined benefit pension plan
MRS *	Agent multiple-employer defined benefit pension plan

\* Closed to New Members

The System's purpose is to provide pension benefits for all state and public education employees, sworn officers of the Mississippi Highway Safety Patrol, other public employees whose employers have elected to participate in the System, and elected members of the state Legislature and the President of the Senate. The System is administered by a ten-member Board of Trustees (Board) that includes the state Treasurer; one gubernatorial appointee who is a member of PERS; two state employees; two PERS retirees; and one representative each from public schools and community colleges, state universities, municipalities, and counties. With the exception of the state Treasurer and the gubernatorial appointee, all members are elected to staggered six-year terms by the constituents they represent.

The System also oversees the MDC and the ORP; however, these plans are not part of the System's reporting entity. The System has contracted with a third-party to administer the MDC plan. MDC is a savings plan organized in accordance with IRC § 457 and is established or may be amended under Miss. Code Ann. § 25-14-1 et seq. Eligible participants are any persons - whether appointed, elected, or under contract - providing services for the state, state agencies, counties, municipalities, or other political subdivisions for which compensation is paid. The plan permits participants to defer a portion of their income. Membership of ORP is composed of eligible teachers and administrators of institutions of higher learning appointed or employed on or after July 1, 1990, who elect to participate in ORP and reject membership in PERS. Title 25, Article 11 of the Mississippi Code states that the Board of the System will provide for administration of the ORP program. MDC and ORP participants direct the investment of their funds among investment managers and vendors. Benefits payable to participants of MDC and ORP are not obligations of the state of Mississippi. Such benefits and other rights of participants or their beneficiaries are the liability of the managers and vendors and are governed solely by the terms of the agreements issued by them. Financial information and activity associated with these plans have been appropriately excluded from this report.

## MEMBERSHIP AND BENEFIT PROVISIONS

**PERS** - Membership in PERS is a condition of employment granted upon hiring for qualifying employees and officials of the state of Mississippi (the State), state universities, community and junior colleges, and teachers and employees of the public-school districts. For those persons employed by political subdivisions and instrumentalities of the State, membership is contingent upon approval of the entity's participation in PERS by the Board. If approved, membership for the entity's employees is a condition of employment and eligibility is granted to those who qualify upon hiring. Members and employers are statutorily required to contribute certain percentages of salaries and wages as specified by the Board. A member who terminates employment from all covered employers and who is not eligible to receive monthly retirement benefits may request a full refund of his or her accumulated member contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions.

Participating members who are vested and retire at or after age 60 or those who retire regardless of age with at least 30 years of creditable service (25 years of creditable service for employees who became members of PERS before July 1, 2011) are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.0 percent of their average compensation for each year of creditable service up to and including 30 years (25 years for those who became members of PERS before July 1, 2011), plus 2.5 percent for each additional year of creditable service. For those who became members on or after July 1, 2011, there is an actuarial reduction in the benefit for each year of creditable service below 30 years or the number of years in age that the member is below 65, whichever is less. Average compensation is the average of the employee's earnings during the four highest compensated years of creditable service. A member may elect a reduced retirement allowance payable for life with the provision that, after death, a beneficiary receives benefits for life or for a specified number of years. Benefits vest upon completion of eight years of membership service (four years of membership service for those who became members of PERS before July 1, 2007). PERS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary.

A Cost-of-Living Adjustment (COLA) payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60 (55 for those who became members of PERS before July 1, 2011), with 3.0 percent compounded for each fiscal year thereafter. For the year ended June 30, 2023, the total COLA payments for PERS were \$901,099,000.

Plan provisions and the Board's authority to determine contribution rates are established by Miss. Code Ann. § 25-11-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature.

**MHSPRS** - Membership in MHSPRS is a condition of employment granted upon hiring for all officers of the Mississippi Highway Safety Patrol who have completed a course of instruction in an authorized highway patrol training school on general law enforcement and who serve as sworn officers of the highway patrol in the enforcement of the laws of the State. Members and employers are statutorily required to contribute certain percentages of salaries and wages as specified by the Administrative Board of MHSPRS. Participating members who withdraw from service at or after age 55 with at least five years of membership service, or after reaching age 45 with at least 20 years of creditable service, or with 25 years of service at any age, are entitled, upon application, to an annual retirement allowance payable monthly for life in an amount equal to 2.5 percent of average compensation during the four highest consecutive years of earnings, with an actuarial reduction in the benefit for each year below age 55 or for each year under 25 years of service, whichever is less. MHSPRS also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary. A member who terminates employment from the highway patrol and who is not eligible to receive monthly retirement benefits may request a full refund of his or her accumulated employee contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions.

A COLA payment is made to eligible retirees and beneficiaries. The COLA is equal to 3.0 percent of the annual retirement allowance for each full fiscal year of retirement up to the year in which the retired member reaches age 60, with 3.0 percent compounded for each fiscal year thereafter. For the year ended June 30, 2023, the total COLA payments for MHSPRS were \$12,413,000.

Plan provisions and the Administrative Board's authority to determine contribution rates for MHSPRS are established by Miss. Code Ann. § 25-13-1 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature.

**SLRP** - Membership in SLRP is composed of all elected members of the state Legislature and the President of the Senate. This plan is designed to supplement the provisions of PERS. Members and employers are statutorily required to contribute certain percentages of salaries and wages as specified by the Board.

The retirement allowance is 50.0 percent of an amount equal to the retirement allowance payable by PERS, determined by creditable service as an elected senator or representative in the state Legislature or as President of the Senate. Benefits vest upon completion of the requisite number of membership service years in PERS. SLRP also provides certain death and disability benefits. In the event of death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance, the deceased member's accumulated contributions and interest are paid to the designated beneficiary. A member who terminates legislative employment and who is not eligible to receive monthly retirement benefits may request a full refund of his or her accumulated employee contributions plus interest. Upon withdrawal of contributions, a member forfeits service credit represented by those contributions.

Retirees and beneficiaries of SLRP may receive COLAs calculated identically to PERS retirees and beneficiaries. For the year ended June 30, 2023, the total COLAs for SLRP were \$455,000.

Plan provisions and the Board's authority to determine contribution rates for SLRP are established by Miss. Code Ann. § 25-11-301 et seq., (1972, as amended) and may be amended only by the Mississippi Legislature.

**MRS** - Membership in the two general municipal employee plans and the 17 fire and police disability and relief systems under MRS was granted to all municipal employees, fire fighters, and police officers who were not already members of PERS and who were hired prior to July 1, 1976. Two fire and police plans elected to extend the eligibility period for membership to July 1, 1987. All MRS plans were closed to new members by July 1, 1987.

Eligible employees hired after July 1, 1987, automatically become members of PERS. Members covered by MRS were required to contribute varying amounts of their salary, depending on the actuarial soundness of their respective plans. Each employer contributes the remaining amounts necessary to finance participation of its own employees in MRS.

Regardless of age, participating employees who retired with at least 20 years of membership service are entitled to an annual retirement allowance payable monthly for life in an amount equal to 50.0 percent of their average monthly compensation and to an additional 1.7 percent for each year of creditable service beyond 20 years, not to exceed 66.67 percent of average monthly compensation, except as may otherwise be provided through local and private legislation. Average monthly compensation for the MRS plans is the monthly average for the last six months of service. Certain participating employers provide a minimum monthly retirement allowance.

The retirees and beneficiaries of MRS plans with provisions for COLAs who are receiving a retirement allowance on July 1 of each fiscal year may be entitled to a COLA. This payment is equal to the annual percentage change of the Consumer Price Index (CPI) but not to exceed 2.5 percent of the annual retirement allowance for each full fiscal year of retirement. Certain MRS plans may adopt a COLA other than one linked to the change in the CPI. These additional payments will be made only when funded by the employers. For the year ended June 30, 2023, the total COLAs for MRS plans were \$5,224,000.

Plan provisions are established by Miss. Code Ann. § 21-29-1 et seq., Articles 1, 3, 5 and 7, (1972, as amended) and annual local and private legislation. Statutes may be amended only by the Mississippi Legislature.

## Summary of Participating Employers and Members

	PERS	MHSPRS	SLRP	MRS	TOTAL
<i>Employers:</i>					
State Agencies	106	1	1	-	108
State Universities	9	-	-	-	9
Public Schools	140	-	-	-	140
Community/Junior Colleges	15	-	-	-	15
Counties	82	-	-	-	82
Municipalities	244	-	-	17	261
Other Political Subdivisions	265	-	-	-	265
<b>Total Employers</b>	<b>861</b>	<b>1</b>	<b>1</b>	<b>17</b>	<b>880</b>
<i>Members:</i>					
Active Vested	74,321	332	122	-	74,775
Active Non-vested	71,664	175	50	-	71,889
<b>Total Active Members</b>	<b>145,985</b>	<b>507</b>	<b>172</b>	<b>-</b>	<b>146,664</b>
Inactive Vested	17,191	45	33	-	17,269
Inactive Non-vested	78,809	34	27	-	78,870
<b>Total Inactive Members</b>	<b>96,000</b>	<b>79</b>	<b>60</b>	<b>-</b>	<b>96,139</b>
Retirees & Beneficiaries	115,890	792	228	1,391	118,301
<b>Total Retired/Inactive Members</b>	<b>211,890</b>	<b>871</b>	<b>288</b>	<b>1,391</b>	<b>214,440</b>
<b>Total Members</b>	<b>357,875</b>	<b>1,378</b>	<b>460</b>	<b>1,391</b>	<b>361,104</b>
<i>Active Members by Employer:</i>					
State Agencies	24,922	507	172	-	25,601
State Universities	17,220	-	-	-	17,220
Public Schools	61,095	-	-	-	61,095
Community/Junior Colleges	5,835	-	-	-	5,835
Counties	14,671	-	-	-	14,671
Municipalities	15,526	-	-	-	15,526
Other Political Subdivisions	6,716	-	-	-	6,716
<b>Total Active Members</b>	<b>145,985</b>	<b>507</b>	<b>172</b>	<b>-</b>	<b>146,664</b>

### Note 2: Summary of Significant Accounting Policies

#### FINANCIAL REPORTING ENTITY

The System is considered a blended component unit of the state of Mississippi reporting entity in accordance with Governmental Accounting Standards Board (GASB) requirements. Public employees of the state and its political subdivisions are provided pension benefits by the System, and administration expenses of the System are subject to legislative budget controls.

## BASIS OF ACCOUNTING

PERS, MHSPRS, MRS and SLRP use the accrual basis of accounting and the economic resources measurement focus as contained in generally accepted accounting principles established by the GASB (GAAP). Member and employer contributions are recognized as revenue when due pursuant to legal requirements; investment income is recognized when earned. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Other expenses are recognized when incurred.

## INVESTMENTS

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Mortgage securities are valued on the basis of future principal and interest payments and are discounted at prevailing interest rates for similar instruments. Short-term investments are reported at fair value when published prices are available or at cost plus accrued interest, which approximates fair value. The fair value of commingled real estate funds is based on independent appraisals, while REITS traded on a national or international exchange are valued at the last reported sales price at current exchange rates. For individual investments where no readily ascertainable fair value exists, the System, in consultation with its investment advisors and custodial bank, has determined the fair values based on cash flows and prices for similar investments. Security transactions are accounted for on a trade-date basis.

## CAPITAL ASSETS

Capital assets used for administering the plans are carried at historical cost. Depreciation is provided using the straight-line method. The System's policy is to capitalize all acquisitions of furniture and equipment with a unit cost of \$5,000 or more and software with a cost of \$1,000,000 or more. The following schedule summarizes estimated useful lives by asset classification:

Asset Classification	Estimated Useful Life
Building	40 Years
Improvements	20 Years
Furniture & Equipment	5-15 Years
Computer Equipment	3 Years
Vehicles	3-10 Years
Software	5 Years

Equipment leases and software subscriptions with aggregate payments over the life of the contract in excess of \$100,000 are capitalized as right-to-use assets. The assets are amortized over the life of the lease.

## ACCUMULATED PERSONAL LEAVE AND MAJOR MEDICAL LEAVE

Miss. Code Ann. § 25-3-97, (1972, as amended) authorizes a lump sum payment for a maximum of 30 days of accrued personal leave upon termination of employment. No payment is authorized for accrued major medical leave unless the employee presents medical evidence that his or her physical condition is such that he or she no longer has the capacity to work in state government. Accumulated personal leave (including fringe benefits) of employees directly related to the administration of the System is paid from the pension trust funds and is accrued in the financial statements when earned, up to a maximum of 30 days per employee. The System does not accrue accumulated major medical leave since it is not probable that the compensation will be paid and since the leave vests only upon termination for medical disability.

## USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of additions to and deductions from net position. Actual results could differ from those estimates.

## NEW ACCOUNTING PRONOUNCEMENTS

As of July 1, 2022, PERS has implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, resulting in the capitalization of subscription software assets in excess of \$100,000 as right-to-use software subscription assets and a software subscription liability for the present value of the software subscription payments. The asset and liability are reported on the Statement of Fiduciary Net Position.

## OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been measured using the same basis as the State Life and Health Insurance Plan's fiduciary net position. For the purposes of determining the OPEB fiduciary net position, benefit payments are recognized when due and payable in accordance with benefit terms. The OPEB Plan reports investments at fair value.

## ANNUAL BUDGET

Annual budgets are legally adopted for the administrative expenditure portion of the System's operations and are funded by earnings of the System. A budget request is approved by the Board and submitted to the state Legislature, which legally enacts the budget in the form of an appropriation bill during the subsequent legislative session. Changes may be made in budget categories consistent with legislative authority.



### *Note 3: Cash, Cash Equivalents, and Investments*

#### **CASH AND CASH EQUIVALENTS**

For cash deposits and cash equivalents, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. Miss. Code Ann. § 25-11-121 (1972, as amended) provides that funds may be deposited in any institution insured by the Federal Deposit Insurance Corporation (FDIC) that maintains a facility that takes deposits in the State or in a custodial bank. As of June 30, 2023, deposits totaling \$111,254,000 were covered by FDIC.

The System's Board of Trustees determines the degree of collateralization necessary for both foreign and domestic demand deposits in addition to that which is guaranteed by FDIC. Deposits of the System must, where possible, be safeguarded and guaranteed by the posting of bonds, notes, and other securities as collateral by the depository. Where possible, the types of collateral securing deposits are limited to securities in which the System itself may invest. The Board has formally adopted a short-term investment policy that requires the fair value of securities guaranteeing deposits be equal to 100.0 percent of the funds on deposit at all times.

At June 30, 2023, the System's custodial bank held \$738,831,000 in cash equivalents in the highly liquid BNYM Government Short-Term Investment Fund (GSTIF). GSTIF is a custodial bank-sponsored commingled fund invested in short-term domestic government securities and repurchase agreements. Cash equivalents are created through daily sweeps of excess cash held in investment manager accounts and the internally managed administrative account used by the System to maintain appropriate liquidity for meeting short-term cash obligations.

#### **INVESTMENTS**

Investment assets for all systems are pooled and invested in equity securities, debt securities, real estate, and private equity. These investments are accounted for as part of the PERS pension trust fund and then allocated to MHSPRS, MRS, and SLRP based on their proportionate share.

For the fiscal year ending June 30, 2023, the annual money-weighted rate of return on the System's investments was 7.36 percent. A money-weighted rate of return expresses investment performance, net of investment expense, and considers the effect of timing of transactions that increase the amount of pension plan investments, such as contributions, and those that decrease the amount of pension plan investments, such as benefit payments.

**Investment Policies** – As stated in Miss. Code Ann. § 25-11-121, (1972, as amended) the System is authorized to invest in the following:

- » Corporate bonds and taxable municipal bonds, corporate short-term obligations of corporations or of wholly owned subsidiaries of corporations, whose short-term obligations are rated A-2 or better by S&P, rated P-2 or better by Moody's Investment Service, F-2 or better by Fitch Ratings, Ltd., or the equivalent of these ratings if assigned by another United States Securities and Exchange Commission designated Nationally Recognized Statistical Rating Organization;
- » Agency and nonagency residential and commercial mortgage-backed securities and collateralized mortgage obligations;
- » Asset-backed securities;
- » Bank loans;
- » Convertible bonds;
- » Bonds of the Tennessee Valley Authority;
- » Bonds, notes, certificates and other valid obligations of the United States and other valid obligations of any federal instrumentality that issues securities under authority of an act of Congress and are exempt from registration with the Securities and Exchange Commission;
- » Bonds, notes, debentures, and other securities issued by any federal instrumentality and fully guaranteed by the United States;
- » Interest-bearing revenue bonds or notes that are general obligations of any state in the United States or of any city or county therein;

- » Bonds of established non-United States companies and foreign government securities. The Board may take requisite action to effectuate or hedge transactions or invest in currency through foreign or domestic banks, including the purchase and sale, transfer, exchange, or otherwise disposal of, and generally deal in foreign exchange through the use of foreign currency, interbank forward contracts, futures contracts, options contracts, swaps and other related derivative instruments, notwithstanding any other provisions of the statute to the contrary;
- » Shares of stocks, common and/or preferred, of corporations created by or existing under the laws of the United States or any state, district or territory thereof and shares of stocks, common and/or preferred, and convertible securities of non-United States companies; provided: (1) the maximum investments in stocks shall not exceed 80 percent of the total book value of the total investment fund of the System; (2) the stock of such corporation shall be listed on a national stock exchange or be traded in the over-the-counter market; (3) the outstanding shares of such corporation shall have a total fair value of not less than \$50,000,000; (4) the amount of investment in any one corporation shall not exceed 3 percent of the book value of the assets of the System; and (5) the shares of any one corporation owned by the system shall not exceed 5 percent of that corporation's outstanding stock. The Board may take requisite action utilizing foreign currency as an investment vehicle, or to effectuate or hedge transactions for shares of stocks and convertible securities of non-United States companies through foreign or domestic banks, including the purchase and sale, transfer, exchange, or otherwise disposal of, and generally deal in foreign exchange through the use of foreign currency, interbank forward contracts, futures contracts, options contracts, swaps and other related derivative instruments, notwithstanding any other provisions of this article to the contrary;
- » Covered call and put options on securities traded on one or more of the regulated exchanges;
- » Pooled or commingled funds managed by a corporate trustee or by a Securities and Exchange Commission registered investment advisory firm retained as an investment manager by the Board, and shares of investment companies and unit investment trusts registered under the Investment Company Act of 1940, where such pooled or commingled funds or shares are comprised of common or preferred stocks, bonds, money market instruments or other investments authorized under this section. Such investment in commingled funds or shares shall be held in trust; provided that the total book value of investments under this paragraph shall at no time exceed 5 percent of the total book value of all investments of the system. Any investment manager approved by the Board shall invest such commingled funds or shares as a fiduciary;
- » Pooled or commingled real estate funds or real estate securities managed by a corporate trustee or by a Securities and Exchange Commission registered investment advisory firm retained as an investment manager by the Board. Such investment in commingled funds or shares shall be held in trust; provided that the total book value of investments under this paragraph shall at no time exceed 10 percent of the total book value of all investments of the System. Any investment manager approved by the Board shall invest such commingled funds or shares as a fiduciary. The 10 percent limitation in this paragraph shall not be subject to the 5 percent limitation in the previous paragraph; and
- » Types of investments not specifically authorized by this subsection if the investments are in the form of a separate account managed by a Securities and Exchange Commission registered investment advisory firm retained as an investment manager by the Board, or a limited partnership or commingled fund approved by the Board provided that the total book value of investments under this paragraph shall at no time exceed 20 percent of the total book value of all investments of the System. Any person or entity who exercises any discretionary authority or discretionary control respecting management of the separate account, limited partnership or commingled fund, or who exercises any authority or control respecting management or disposition of the assets of the separate account, limited partnership or commingled fund, shall exercise such authority or control as a fiduciary.

The statute requires that investments of the System be managed solely for the interest of the System with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like sums, including diversifying the investments of the System so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

The PERS Board has adopted a policy that further restricts all short-term investments to be of corporations with long-term debt rated A or better by S&P or Moody's.

In accordance with the System's investment policy, the System's investment consultant conducts periodic asset allocation studies that include consideration of projected future liabilities of the System, expected risk, return and correlations for various asset classes and the System's statutory investment restrictions. An asset allocation study is performed every five years, or more frequently should significant liability changes occur. A strategic long-term asset allocation is adopted by the Board in conjunction with the study. The Investment Committee of the Board evaluates the actual investment allocation quarterly and may propose periodic adjustments to the System's strategic long-term asset allocation based on the investment consultant's recommendations, market conditions, and internal investment analysis.

The following table shows the Board approved asset allocation policy applicable for fiscal year 2023 with the legacy policy target weights:

Asset Class	Target Allocation
Domestic Equities	27.0%
International Equities	22.0
Global Equities	12.0
<b>Total Equities</b>	<b>61.0%</b>
Debt Securities	20.0
Real Estate	10.0
Private Equity	8.0
Cash & Equivalents	1.0

The following table shows the new long-term strategic asset allocation approved in 2022; however, the legacy asset allocation target will be maintained until the new complementary strategies have been implemented:

Asset Class	Target Allocation
Domestic Equities	25.0%
International Equities	20.0
Global Equities	12.0
<b>Total Equities</b>	<b>57.0%</b>
Debt Securities	18.0
Real Estate	10.0
Private Equity	10.0
Private Infrastructure	2.0
Private Credit	2.0
Cash & Equivalents	1.0

**Fair Value Measurements** – Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs. Highest priority is given to unadjusted quoted prices in active markets and relies on observable inputs when available. The lowest level results from unobservable inputs. The three levels of the fair value hierarchy are as follows:

- » Level 1 – Unadjusted quoted prices for identical instruments traded on an active exchange;
- » Level 2 – Quoted prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets not active, and model-derived valuations in which all significant inputs are observable; and
- » Level 3 – Valuations derived from valuation techniques in which significant inputs are unobservable.

In instances where inputs used to measure fair value fall into different levels in the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The System's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The System's equity and debt securities in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Included in Level 1 equities are real estate investment trusts (REITs), exchange-traded securities that provide indirect exposure to real estate properties and real estate management companies.

Securities classified in Level 2 of the fair value hierarchy are valued using a proprietary pricing source. The primary proprietary source uses continuous evaluations throughout the trading day based on factors such as dealer quotes and trades, trade execution data and transaction reporting services. Market sources, relative credit information, observed market movements and sector news are integrated and incorporated into evaluation pricing applications and models.

Commercial and residential mortgage-backed securities classified in Level 3 are valued using discounted cash flow techniques. Collateralized debt obligations classified in Level 3 are valued using a proprietary model that monitors structured product markets, interest rate movements, new issue information and other pertinent data. Evaluations of tranches (non-volatile and volatile) are based on market modeling, trading, and pricing conventions. New issue features are analyzed on data such as pricing speed, spread, and volatility. Information is also solicited from outside sources including secondary dealers, portfolio managers, and research analysts.

The System has the following fair value measurements as of June 30, 2023 [in thousands]:

	Amounts	Level 1	Level 2	Level 3
<i>Equity Securities:</i>				
Basic Materials	\$668,780	\$668,780	\$-	\$-
Communications	2,171,952	2,171,952	-	-
Consumer, Cyclical	2,131,547	2,131,343	204	-
Consumer, Non-Cyclical	3,399,115	3,399,115	-	-
Diversified	14,643	14,643	-	-
Energy	990,816	990,816	-	-
Financial	3,115,626	3,115,626	-	-
Industrial	2,274,226	2,274,226	-	-
Technology	3,519,419	3,519,419	-	-
Utilities	333,144	333,144	-	-
<b>Total Equity Securities</b>	<b>18,619,268</b>	<b>18,619,064</b>	<b>204</b>	<b>-</b>
<i>Debt Securities:</i>				
Commercial Paper	1,276,745	-	1,276,745	-
Repurchase Agreements	308,466	-	308,466	-
US Government Agency Obligations	60,353	-	60,353	-
US Treasury Obligations	1,358,721	1,358,721	-	-
Collateralized Mortgage Obligations	506,146	-	503,340	2,806
Domestic Corporate Bonds	1,195,796	-	1,168,312	27,484
Non-Domestic Corporate Bonds	818,765	-	818,765	-
Mortgage Pass-Throughs	1,073,119	-	1,073,119	-
State & Local Obligations	36,182	-	36,182	-
Asset-Backed Securities	446,392	-	446,392	-
Yankee/Global Bonds	58,301	-	58,301	-
Sovereign Governments Debt	1,077,949	-	1,077,949	-
<b>Total Debt Securities</b>	<b>8,216,935</b>	<b>1,358,721</b>	<b>6,827,924</b>	<b>30,290</b>
<b>Total Investments by Fair Value Level</b>	<b>\$26,836,203</b>	<b>\$19,977,785</b>	<b>\$6,828,128</b>	<b>\$30,290</b>
<i>Investments Measured at NAV:</i>				
Total Real Estate*	2,850,666	* REITS, exchange traded investments, are reported in equity securities for this presentation, REITS totaled \$216.1 million.		
Private Equity Funds	3,804,797			
<b>Total Investments Measured at NAV</b>	<b>6,655,463</b>	** Total investments do not include the \$2.0 billion of Obligations under Securities Lending.		
<b>Total Investments Measured at Fair Value</b>	<b>33,491,666</b>			
International Currency	385,342			
<b>Total Investments**</b>	<b>\$33,877,008</b>			
<i>Investments Derivative Instruments:</i>				
Foreign Exchange Contracts (Liabilities)	1,159,348			
<b>Total Investment Derivative Instruments</b>	<b>\$1,159,348</b>			

As of June 30, 2023, the System had real estate and private equity investments legally structured as limited partnerships. The System was one of the limited partners within each fund, with the investment managers serving as the general partners.

Real estate funds include open-end and closed-end limited partnerships that invest primarily in domestic commercial real estate. The fair values of these commingled investment funds are calculated using the net asset value (NAV) per share and the number of shares owned by the System. Fair values of the underlying properties are based on the most recent independent appraisal values. Valuations are conducted at least annually by independent appraisal firms who are members of the Appraisal Institute. The governing document for each open-end real estate fund provides investors the ability to request the redemption of all or part of their investment.

A redemption request is funded by the sale of underlying real estate investments held by the open-end fund. Closed-end real estate funds have a finite life and do not contain provisions for limited partner redemptions on demand. Typically, real estate investments must be made within the first three to four years of the partnership's lifespan and liquidated by the end of the 10th year. As underlying real estate investments are sold over the life of the closed-end fund, pro-rata distributions of the proceeds are made to each partner.

The System's private equity investments consist of two fund-of-funds limited partnerships that invest in multiple private equity funds. Private equity funds invest primarily in non-public companies whose prices are not quoted on an exchange, are typically illiquid in nature, and cannot be redeemed on demand. It is probable that the private equity underlying investments will be sold at an amount different from the NAV per share of the System's ownership interest in partner's capital. Fair values of underlying investments have been determined using recent observable transaction information for similar investments and non-binding bids received from potential buyers of the investments of each partnership. The System's ownership agreements allow pro-rata distributions from liquidation of the assets. Based on the terms of each limited partnership, all partnership assets should be liquidated over the 10- to 12-year life of the partnerships. Each private equity fund's general partner has full discretion for the disposition of each partnership investment, including determining the most appropriate timing for the sale, determining the best exit strategy, identifying buyers and approving sale transactions of partnership investments.

Investments Measured at NAV [in thousands]:

	Fair Value	Unfunded Commitments	Redemption Eligibility	Redemption Notice Period
<i>Real Estate Funds:</i>				
Core – Open End	\$2,302,445	\$-	Quarterly	45-90 Days
Value Added – Closed End	504,285	290,014	N/A	N/A
Timber	43,936	-	N/A	N/A
<b>Total Real Estate</b>	<b>2,850,666</b>	<b>290,014</b>		
<i>Private Equity Funds:</i>				
Diversified	3,804,797	1,218,686	N/A	N/A
<b>Total Private Equity</b>	<b>3,804,797</b>	<b>1,218,686</b>		
<b>Total Investments Measured at NAV</b>	<b>\$6,655,463</b>	<b>\$1,508,700</b>		

*The average life of a fund is 10 to 12 years.*

**Investment Commitments** - As part of the limited partnership agreements, the System agrees to potentially invest up to the committed amounts during the stated fund investment period.

As of June 30, 2023, the System had the following outstanding investment commitments [in thousands]:

	Committed Capital	Capital Contributed Net of Recallable Distributions & Released Commitments	Unfunded Commitments
Real Estate	\$1,250,000	\$959,986	\$290,014
Private Equity	5,188,928	3,970,242	1,218,686
<b>Totals</b>	<b>\$6,438,928</b>	<b>\$4,930,228</b>	<b>\$1,508,700</b>

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty will not fulfill its obligation to the holder of the investment. The System follows the statute as previously discussed as its policy for limiting exposure to credit risk. The System's exposure to credit risk as of June 30, 2023, was as follows [in thousands]:

Investment Type	Quality Ratings at Fair Value					
	Aaa/AAA	Aa/AA	A/A	Baa/BBB	Ba/BB	B/B
Asset-Backed Securities	\$320,263	\$24,203	\$54,204	\$34,490	\$1,505	\$4,580
Collateralized Mortgage Obligations	319,312	93,514	12,074	28,464	11,835	2,672
Commercial Paper	-	-	1,276,745	-	-	-
Corporate Bonds	71,707	91,206	716,613	780,118	240,511	94,514
Mortgage Pass-Throughs	-	954,234	-	-	-	-
Repurchase Agreements	-	108,100	-	-	-	-
Sovereign Governments Debt	53,676	288,030	246,966	207,916	124,266	86,548
State & Local Obligations	5,727	16,414	12,105	1,936	-	-
US Government Agency Obligations	-	60,353	-	-	-	-
Yankee/Global Bonds	27,161	30,208	158	774	-	-
<b>Totals *</b>	<b>\$797,846</b>	<b>\$1,666,262</b>	<b>\$2,318,865</b>	<b>\$1,053,698</b>	<b>\$378,117</b>	<b>\$188,314</b>

Investment Type	Caa/CCC	Ca/CC	C/C	D/D	NR**	Total
Asset-Backed Securities	\$2,855	\$2	\$-	\$9	\$4,281	\$446,392
Collateralized Mortgage Obligations	1,986	623	570	-	35,096	506,146
Commercial Paper	-	-	-	-	-	1,276,745
Corporate Bonds	7,680	2,535	2,978	-	6,699	2,014,561
Mortgage Pass-Throughs	-	-	-	-	-	954,234
Repurchase Agreements	-	-	-	-	200,366	308,466
Sovereign Governments Debt	24,705	6,608	156	7,769	31,309	1,077,949
State & Local Obligations	-	-	-	-	-	36,182
US Government Agency Obligations	-	-	-	-	-	60,353
Yankee/Global Bonds	-	-	-	-	-	58,301
<b>Totals *</b>	<b>\$37,226</b>	<b>\$9,768</b>	<b>\$3,704</b>	<b>\$7,778</b>	<b>\$277,751</b>	<b>\$6,739,329</b>

\*In accordance with GASB guidelines, totals exclude US Treasury obligations and GNMA mortgage pass-throughs due to their explicit guarantee by the US Government.

Short-term US Treasury Obligations	\$24,166
US Treasury Obligations	1,334,555
GNMA Mortgage Pass-Throughs	118,885
<b>Total</b>	<b>\$1,477,606</b>

\*\*Not publicly rated.

**Custodial Credit Risk** - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the pension trust fund will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name. Miss. Code Ann. § 25-11-121, (1972, as amended) requires that all investments be clearly marked as to ownership, and to the extent possible, shall be registered in the name of the System.

On June 30, 2023, \$2.3 billion in securities purchased and lent, held in the name of the lending agent, were exposed to custodial credit risk while counterparty risk was mitigated by the cash and security collateral received.

	Fair Value (in thousands)
Securities Purchased with Cash Collateral	\$2,040,502
Securities Lent for Non-Cash Collateral	253,851
<b>Total Subject to Custodial Credit Risk</b>	<b>\$2,294,353</b>

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates on securities will adversely affect the fair value of an investment. As of June 30, 2023, the System had the following debt security investments and maturities:

	Fair Value [in thousands]	Investment Maturities [in years]			
		Less Than 1	1-5	6-10	More Than 10
Asset-Backed Securities	\$446,392	\$264,192	\$62,561	\$29,764	\$89,875
Collateralized Mortgage Obligations	506,146	304,308	1,717	3,166	196,955
Commercial Paper	1,276,745	1,276,745	-	-	-
Corporate Bonds	2,014,561	289,072	832,027	436,752	456,710
Mortgage Pass-Throughs	1,073,119	11	679	4,689	1,067,740
Repurchase Agreements	308,466	308,466	-	-	-
Sovereign Governments Debt	1,077,949	82,100	335,926	396,472	263,451
State & Local Obligations	36,182	1,300	6,404	4,541	23,937
US Government Agency Obligations	60,353	33,702	18,688	616	7,347
US Treasury Obligations	1,358,721	126,274	256,645	423,716	552,086
Yankee/Global Bonds	58,301	5,693	17,862	33,258	1,488
<b>Totals</b>	<b>\$8,216,935</b>	<b>\$2,691,863</b>	<b>\$1,532,509</b>	<b>\$1,332,974</b>	<b>\$2,659,589</b>

The System's investment policy does not limit investment maturities as a means of managing its exposure to potential fair value losses arising from future changes in interest rates. Market or interest rate risk is the greatest risk faced by an investor in the debt securities market. The price of a debt security typically moves in the opposite direction of the change in interest rates. Asset-backed securities, collateralized mortgage obligations, and mortgage pass-throughs are examples of investments whose fair values may be highly sensitive to interest rate changes. These securities are reported at fair value in the Statement of Fiduciary Net Position.

Asset-backed securities (ABS) are bonds or notes backed by loan paper or accounts receivable and are originated by banks, credit card companies, or other credit providers. The originator of the loan or accounts receivable paper sells it to a specially created trust, which repackages it as securities. Asset-backed securities have been structured as pass-throughs and as structures with multiple bond classes. Of the \$446.4 million in ABS that the System held as of June 30, 2023, \$22.5 million are highly sensitive to changes in interest rates. System policy prohibits ABS with leveraged structures or residual interests.

Collateralized mortgage obligations (CMOs) are bonds collateralized by whole-loan mortgages, mortgage pass-through securities, or stripped mortgage-backed securities. Income is derived from payments and prepayments of principal and interest generated from collateral mortgages. Cash flows are distributed to different investment classes or tranches in accordance with the CMO's established payment order. Some CMO tranches have more stable cash flows relative to changes in interest rates while others are significantly more sensitive to interest rate fluctuations. In a declining interest rate environment, some CMOs may be subject to a reduction in interest payments as a result of prepayments of mortgages that make up the collateral pool. A reduction in interest payments causes a decline in cash flows and a decline in the fair value of the CMO security. Rising interest rates may cause an increase in interest payments and an increase in the fair value of the security. As of June 30, 2023, the System held \$506.1 million in CMOs and of this amount, \$52.8 million were in tranches highly sensitive to future changes in interest rates. CMOs include Interest-Only (IO) and Principal-Only (PO) strips, which are mortgage obligations separated into their interest and principal components. During periods of declining interest rates, these securities are highly sensitive to prepayments by mortgagors. As of June 30, 2023, the System held only IO strips valued at \$13.4 million. The System's derivatives policy limits IO and PO strips to 3.0 percent of the investment portfolio and prohibits CMO residuals.

As of June 30, 2023, the System had invested \$1.1 billion in mortgage pass-through securities issued by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. These investments are moderately sensitive to changes in interest rates because they are backed by mortgage loans and subject to prepayment risk.



**Foreign Currency Risk** - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The System's asset allocation policy does not limit foreign currency-denominated investments of the System. The Investment Committee of the Board evaluates the actual investment asset allocation quarterly, in accordance with its target asset allocation policy. Based on current market conditions, the Board adjusts the allocation as necessary.

The System's exposure to foreign currency risk at June 30, 2023, was as follows [in thousands]:

<i>Currency</i>	Cash & Equivalents	Equities & REITS	Debt Securities	Total Fair Value	Percent
Argentina Peso	\$398	\$-	\$-	\$398	0.01%
Australian Dollar	(35,659)	297,223	47,614	309,178	4.23
Brazil Real	5,584	148,940	-	154,524	2.11
Canadian Dollar	(61,027)	429,986	62,914	431,873	5.91
Chilean Peso	(147)	2,072	-	1,925	0.03
Chinese Yuan Renminbi	(29,325)	188,321	18,337	177,333	2.42
Colombian Peso	1	-	-	1	-
Czech Koruna	5	-	-	5	-
Danish Krone	(15,214)	167,684	19,666	172,136	2.35
Egyptian Pound	11	82	-	93	-
Euro Currency Unit	(285,562)	1,664,602	313,518	1,692,558	23.16
Hong Kong Dollar	197	542,817	-	543,014	7.43
Hungarian Forint	533	23,026	1,335	24,894	0.34
Indian Rupee	9,270	125,907	-	135,177	1.85
Indonesian Rupiah	(3,058)	80,369	6,498	83,809	1.15
Israel Shekel	(10,342)	13,952	10,653	14,263	0.20
Japanese Yen	(45,029)	1,199,224	59,021	1,213,216	16.60
Kuwaiti Dinar	630	-	-	630	0.01
Malaysian Ringgit	(4,264)	2,556	4,179	2,471	0.03
Mexican New Peso	(10,498)	72,152	28,364	90,018	1.23
New Taiwan Dollar	(9,134)	302,604	-	293,470	4.01
New Zealand Dollar	(18,260)	9,377	14,826	5,943	0.08
Norwegian Krone	7,819	30,129	-	37,948	0.52
Pakistan Rupee	-	735	-	735	0.01
Peruvian Nuevo Sol	(805)	-	7,139	6,334	0.09
Philippines Peso	-	287	-	287	-
Polish Zloty	7	8,081	-	8,088	0.11
Pound Sterling	(138,901)	753,994	140,007	755,100	10.33
Qatari Riyal	106	2,732	-	2,838	0.04
Romanian Leu	(990)	-	1,082	92	-
Russian Ruble	79	3,777	-	3,856	0.05
Saudi Arabia Riyal	178	25,166	-	25,344	0.35
Singapore Dollar	(1,275)	78,350	1,452	78,527	1.07
South African Rand	(6,009)	80,235	6,387	80,613	1.10
South Korean Won	(55,042)	281,362	54,683	281,003	3.84
Swedish Krona	1,009	209,192	-	210,201	2.88
Swiss Franc	5,044	350,908	7,698	363,650	4.97
Thailand Baht	3,181	35,078	2,489	40,748	0.56
Turkish Lira	334	47,485	-	47,819	0.65
UAE Dirham	259	3,583	-	3,842	0.05
Uruguayan Peso	-	-	17,113	17,113	0.23
Total	(\$695,896)	\$7,181,988	\$824,975	\$7,311,067	100.00%



**Derivative Instruments** - At June 30, 2023, the System held derivative instruments for currency conversions related to pending foreign exchange contracts. The System's derivatives policy limits foreign currency forwards to no more than 100.0 percent of the amount needed to settle pending trades.

At June 30, 2023, the counterparties of the foreign currency forwards primarily had short-term credit ratings of A as rated by the nationally recognized statistical rating organizations. The System's general policy requires that the counterparty has a long-term credit rating of A or better and a short-term credit rating of A-1/P-1, at a minimum. More specifically, the policy requires that all over-the-counter derivatives be rated AA or better by the nationally recognized statistical rating organizations.

The foreign currency forwards are presented in the foreign currency risk table.

The following table presents the investment derivative instruments outstanding at June 30, 2023 [in thousands]:

		Changes in Fair Value		Fair Value at June 30, 2023	
	Notional Units	Classification	Amount	Classification	Amount
Currency					
Australian Dollar	(\$58,874)	Investment Income	\$42	Investment	(\$42)
Brazilian Real	18,640	Investment Income	(119)	Investment	119
Canadian Dollar	(83,024)	Investment Income	(1,021)	Investment	1,021
Chilean Peso	(211,744)	Investment Income	(17)	Investment	17
Chinese Yuan Renminbi	(209,772)	Investment Income	518	Investment	(518)
Danish Krone	(153,842)	Investment Income	(322)	Investment	322
Euro Currency Unit	(285,039)	Investment Income	(3,265)	Investment	3,265
Hungarian Forint	182,813	Investment Income	5	Investment	(5)
Indian Rupee	593,924	Investment Income	16	Investment	(16)
Indonesian Rupiah	(52,289,967)	Investment Income	12	Investment	(12)
Israel Shekel	(39,148)	Investment Income	813	Investment	(813)
Japanese Yen	(14,662,143)	Investment Income	8,141	Investment	(8,141)
Malaysian Ringgit	(20,450)	Investment Income	60	Investment	(60)
Mexican Peso	(181,597)	Investment Income	(536)	Investment	536
New Taiwan Dollar	(307,687)	Investment Income	217	Investment	(217)
New Zealand Dollar	(29,897)	Investment Income	(105)	Investment	105
Norwegian Krone	80,614	Investment Income	70	Investment	(70)
Peruvian Sol	(3,060)	Investment Income	(7)	Investment	7
Polish Zloty	(47)	Investment Income	(12)	Investment	12
Pound Sterling	(111,265)	Investment Income	(3,390)	Investment	3,390
Romanian Leu	(4,510)	Investment Income	(20)	Investment	20
Singapore Dollar	(2,133)	Investment Income	39	Investment	(39)
South African Rand	(121,670)	Investment Income	107	Investment	(107)
South Korean Won	(73,963,134)	Investment Income	748	Investment	(748)
Swedish Krona	(334)	Investment Income	(225)	Investment	225
Swiss Franc	(7,038)	Investment Income	13	Investment	(13)
Thailand Baht	105,691	Investment Income	(52)	Investment	52
TBA Securities					
U.S. Dollar	\$327,479	Investment Income	(\$2,426)	Debt Securities	\$298,988

**Securities Lending Transactions** - The Board has authorized the System to participate in a securities lending program. The System has contracted with its custodian to lend all long-term securities to authorized broker-dealers subject to the receipt of acceptable collateral. The types of securities on loan at June 30, 2023, were short-term and long-term US government and agency obligations, corporate bonds, REITs, and domestic and international equities. The contractual agreement with the custodian provides indemnification in the event the borrower fails to return the securities lent or fails to pay the System income distributions by the securities' issuers while the securities are on loan.

Collateral may be in the form of either cash or other securities. All cash collateral is to be in US dollars. For cash collateralized loans, in the case of loaned securities denominated in US dollars or whose primary trading market is located in the US, or sovereign debt issued by foreign governments denominated in US dollars, the amount of cash collateral required is 102.0 percent of the fair value of the loaned securities. In the case of loan securities which are not denominated in US dollars or whose primary trading market is not located in the US, the cash collateral required is 105.0 percent of the fair value of loaned securities. Higher values may be applicable dependent on the jurisdiction in which such loaned securities are customarily traded.

Loans of securities for non-cash collateral denominated in US dollars or whose primary trading market is located in the US require 102.0 percent collateral from the borrowers. In the case of loaned securities which are not denominated in US dollars or whose primary trading market is not located in the US, 105.0 percent collateral is required. The System cannot pledge, lend, or sell the securities received as collateral unless the borrower defaults. Securities non-cash collateral as of June 30, 2023, includes debt securities in accordance with current guidelines. Authorized non-cash securities collateral includes "US Collateral" or "Foreign Collateral", as defined in Sections V(e) and (f) of US Department of Labor Prohibited Transaction Exemption 2006-16. As with cash collateral, the borrower must provide additional collateral to correct any deficiency. Securities held as collateral and the corresponding obligation to return the collateral to the borrower are netted in obligations under securities lending on the Statement of Fiduciary Net Position.

The custodian, as agent for the System, is authorized to reinvest cash collateral received in any investment instrument allowed by the securities lending agreement. The maturities of the loans of securities generally do not match the maturities of the investments purchased with cash collateral. All securities loans can be terminated on demand by either the System or the borrower. At June 30, 2023, the average term of these loans was six days. At June 30, 2023, cash collateral was invested in commercial paper, repurchase agreements, corporate bonds, and asset-backed securities. The weighted average effective duration and weighted average maturity of cash collateral investments were six days.

The following table presents the fair values of the securities on loan and the value of the collateral pledges at June 30, 2023 [in thousands]:

	Fair Value Securities Lent*	Collateral Received
<i>Lent for Cash Collateral:</i>		
Equity Securities	\$1,166,938	\$1,192,785
Debt Securities	771,095	787,885
REITS	31,922	32,398
<b>Subtotal</b>	<b>1,969,955</b>	<b>2,013,068</b>
<i>Lent for Non-Cash Collateral:</i>		
Equity Securities	154,828	162,264
Debt Securities	97,211	101,878
REITS	1,812	1,874
<b>Subtotal</b>	<b>253,851</b>	<b>266,016</b>
<b>Total Securities Lent</b>	<b>\$2,223,806</b>	<b>\$2,279,084</b>

*\* The fair values of the underlying securities loaned for cash and the collateral for the securities include accrued income and expenses.*

The fair value of securities purchased with cash collateral as of June 30, 2023, are presented by type below [in thousands]:

Securities Purchased with Cash Collateral	Fair Value
Commercial Paper	\$1,276,745
Repurchase Agreements	202,270
Corporate Bonds	342,719
Asset-Backed Securities	218,768
<b>Total</b>	<b>\$2,040,502</b>

The following table details the net income from securities lending for the year ended June 30, 2023 [in thousands]:

	PERS	MHSPRS	MRS	SLRP	TOTAL
Change in Fair Value	\$7,392	\$98	\$29	\$5	\$7,524
Interest Income	105,513	1,396	417	70	107,396
<b>Income From Securities Lending</b>	<b>112,905</b>	<b>1,494</b>	<b>446</b>	<b>75</b>	<b>114,920</b>
<i>Less:</i>					
Interest Expense	95,584	1,265	378	64	97,291
Bank Fees	2,064	27	8	1	2,100
<b>Expenses From Securities Lending</b>	<b>97,648</b>	<b>1,292</b>	<b>386</b>	<b>65</b>	<b>99,391</b>
<b>Net Income From Securities Lending</b>	<b>\$15,257</b>	<b>\$202</b>	<b>\$60</b>	<b>\$10</b>	<b>\$15,529</b>

At June 30, 2023, securities lending total assets with related accrued interest are \$2,049,831,000, and total liabilities with accrued expenses are \$2,047,896,000. The difference of (\$1,935,000) is due to the collateral investment fund's change in fair value, agent lender fees, and earnings receivable until the final distribution takes place the following month.

[Commission Recapture Program](#) - The Board has authorized the System to participate in a commission recapture program. This program allows the System to recapture a portion of the commissions paid to broker-dealers with which the System has entered into an agreement. Recaptures for the fiscal year ended June 30, 2023, were \$160,000.

#### Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows [in thousands]:

Description	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$508	\$-	\$-	\$508
Construction in Progress	1,209	-	-	1,209
<b>Total Capital Assets Not Being Depreciated</b>	<b>1,717</b>	<b>-</b>	<b>-</b>	<b>1,717</b>
Capital Assets Being Depreciated:				
Building	18,817	-	-	18,817
Furniture & Equipment	2,262	218	-	2,480
Right-to-Use Asset	233	2,154	-	2,387
Software	20,417	-	-	20,417
<b>Total Capital Assets Being Depreciated</b>	<b>41,729</b>	<b>2,372</b>		<b>44,101</b>
<i>Less Accumulated Depreciation:</i>				
Building	7,993	376	-	8,369
Furniture & Equipment	2,026	64	-	2,090
Right-to-Use Asset	35	520	-	555
Software	20,417	-	-	20,417
<b>Total Accumulated Depreciation</b>	<b>30,471</b>	<b>960</b>	<b>-</b>	<b>31,431</b>
Total Capital Assets Being Depreciated, Net	<b>11,258</b>	<b>1,412</b>	<b>-</b>	<b>12,670</b>
<b>Net Capital Assets</b>	<b>\$12,975</b>	<b>\$1,412</b>	<b>\$-</b>	<b>\$14,387</b>

Implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, resulted in the addition of \$2,154,000 in right-to-use subscription software assets and associated software subscription obligation payable. The average rate of the State's outstanding general obligation bonds during fiscal year 2023, 3.81 percent, was used to arrive at the present value of payments over the life of the software agreements. The present value of each agreement was used to record the intangible asset, which will be amortized over the life of the agreement. Of the right-to-use assets included in capital assets, equipment leases account for \$233,000 and software subscriptions account for \$2,154,000. Accumulated depreciation of the right-to-use assets include \$82,000 for equipment and \$473,000 for software subscriptions. Remaining lease and software subscription obligations associated with right-to-use assets are as follows [in thousands]:

Year Ended June 30	Equipment Lease		Software Subscription	
	Principal	Interest	Principal	Interest
2024	\$46	\$5	\$722	\$33
2025	48	3	715	60
2026	50	2	208	22
2027	12	-	-	-
<b>Total Lease &amp; Software Subscription Obligation Payable</b>	<b>\$156</b>	<b>\$10</b>	<b>\$1,645</b>	<b>\$115</b>

#### Note 5: Net Pension Liability of Employers

The following tables present the components of the liability of the employers, or net pension liability, to plan members for benefits provided through the System's cost-sharing and single employer defined benefit pension plans at June 30, 2023 [in thousands].

	PERS	MHSPRS	SLRP
Total Pension Liability	\$56,773,303	\$659,011	\$27,185
<i>Less:</i> Plan Fiduciary Net Position	31,621,983	416,724	20,829
Plan Net Pension Liability	25,151,320	242,287	6,356
Ratio of Fiduciary Net Position to Total Pension Liability	55.70%	63.23%	76.62%

## SIGNIFICANT ASSUMPTIONS AND OTHER INPUTS

An actuarial survey of the mortality, service, withdrawals, compensation experience of members, and valuation of assets and liabilities is performed annually to determine the actuarial soundness of the System. To validate that the assumptions recommended by the actuary are, in aggregate, reasonably related to actual experience, the System requests the actuary to conduct an experience investigation every other year.

The total pension liability was determined by an actuarial valuation as of June 30, 2022, which was based on the results of an actuarial experience study for the four-year period ending June 30, 2022. The June 30, 2022, total pension liability was then rolled forward to the June 30, 2023, measurement date. Actuarial assumptions based on the actuarial experience study for the four-year period ending June 30, 2022, were adopted by the Board in April 2023 and incorporated in the calculation of the total pension liability as of June 30, 2023. The roll forward techniques are applied to the liabilities before and after the assumption changes then compared as of June 30, 2023, to reflect the assumption gain and loss for the year. The following actuarial assumptions apply to all periods included in the measurement.

	PERS	MHSPRS	SLRP
Investment Rate of Return*	7.00%	7.00%	7.00%
Inflation	2.40%	2.40%	2.40%
Salary Increases	2.65 -17.90%	3.50-5.00%	2.65%

\* Including inflation and net of pension plan investment expense.

Assumptions for post-retirement mortality are based on the PubS.H-2010(B) Retiree Table. Male rates are adjusted by 95.0 percent for ages less than 60 then scaled up to 110.0 percent for ages 61 to 75 and 101.0 percent for ages above 77. Females are adjusted by 84.0 percent for ages less than 72 then scaled up to 100.0 percent for ages above 76. The PubG.H-2010 Disabled Retiree Table is used for disabled retirees, adjusted to 134.0 percent of male rates and 121.0 percent of female rates for all ages. The PubS.H-2010(B) Contingent Annuitant Table is used for contingent annuitants, adjusted to 97.0 percent of male rates and 110.0 percent of female rates for all ages. The projection scale MP-2020 is used to project future improvements in life expectancy generationally.

The long-term expected rate of return on the PERS, MHSPRS and SLRP investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of the plans' investment expense, and the assumed rate of inflation) were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation. The actuarial assumptions used for target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	27.0%	4.75%
International Equity	22.0	4.75
Global Equity	12.0	4.95
Debt Securities	20.0	1.75
Real Estate	10.0	3.25
Private Equity	8.0	6.00
Cash Equivalents	1.0	0.25
<b>Total</b>	<b>100.0%</b>	<b>N/A</b>

## DISCOUNT RATE

The discount rate used to measure the total pension liabilities for PERS, MHSPRS and SLRP was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at current contribution rates and that employer contributions for PERS, MHSPRS and SLRP will be made at rates set in accordance with the Board's Funding Policy. Based on those assumptions, each plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine each plan's total pension liability.

### SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following table presents the net pension liability of PERS, MHSPRS and SLRP, calculated using the discount rate of 7.00 percent, as well as what the plans' net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate [in thousands]:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
PERS	\$32,433,265	\$25,151,320	\$19,175,675
MHSPRS	\$327,069	\$242,287	\$172,637
SLRP	\$9,092	\$6,356	\$4,016

### Note 6: Contribution Requirements

Policies for PERS, MHSPRS, and SLRP provide for employer and member contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Contribution rates for PERS, MHSPRS, and SLRP are established in accordance with actuarial contribution requirements determined through actuarial valuations and adopted by the Board with respect to PERS and SLRP or the MHSPRS Administrative Board. Required contribution rates are expressed as a level percentage of covered payroll and are actuarially determined using an individual entry age normal actuarial method.

Contribution policies for MRS provide for a property tax to be levied within each municipality. An actuarial valuation is performed annually, as of June 30, to determine the necessary rates. Mississippi statutes limit any increase in the property tax levy for employer pension contributions to one-half mill per year. All members of the MRS plan have retired, therefore there are no member contributions to the plan.

### CONTRIBUTION RATES

	Contribution Rates as a Percentage of Covered Payroll	
	Member	Employer
PERS	9.00%	17.40%
MHSPRS	7.25%	49.08%
SLRP	3.00%	7.40%
MRS	-%	0.35-5.09 mills*

\* Based on assessed property values.

Employer contributions for MHSPRS are augmented by certain additional fees, estimated to be \$3,600,000 annually. These amounts vary based on the level of activity. The amount collected for the year ending June 30, 2023, was \$2,704,000 for motor vehicle fees and \$454,000 for driver's license reinstatement fees.

Administration of the System is financed from investment earnings. In addition, employers of MHSPRS, SLRP, and MRS contribute an administrative fee to the System equal to 2.0 percent of the plan's respective employer contributions. As of June 30, 2023, administrative fees were \$359,000 from MHSPRS, \$13,000 from SLRP, and \$287,000 from MRS. ORP contributes administrative fees of 2.6 percent of covered wages for a total of \$12,663,000.

Member contributions and accumulated interest are credited to the annuity savings reserve account. Upon retirement, the balance in the member's account is transferred to the annuity reserve account. The employer's accumulation reserve is the account to which contributions made by employers and investment income are credited, and from which employer-provided benefits under the plan are paid.

### Note 7: Retirement Plan of System Employees

PERS employees are members of the System. Salaries and wages for PERS employees for the year ended June 30, 2023, were \$7,882,000 and employer contributions to the system were \$1,357,000. Contributions made were 100.0 percent of required contributions. PERS contributions represent less than 1.0 percent of total contributions required for all participating employers.

## Note 8: Other Postemployment Benefits

### PLAN DESCRIPTION

The State and School Employees' Health Insurance Management Board administers the state's self-insured medical plan and life insurance program established by Miss. Code Ann. § 25-15-3 (1972, as amended), which may be amended only by the state Legislature. State law mandates that all state, public education, library, junior and community college, and retiring employees be offered health and life benefit coverage through the State and School Employees' Life and Health Insurance Plan (Plan).

### BENEFITS PROVIDED

The Plan provides other postemployment benefits (OPEB) as a cost-sharing multiple-employer defined benefit OPEB plan. Benefits of the Plan consist of an implicit rate subsidy, which is essentially the difference between the average cost of providing healthcare benefits to retirees under age 65 and the average cost of providing healthcare benefits to all participants when premiums paid by retirees are not age-adjusted.

The Plan offers a base option and a select option for health benefits for non-Medicare participants. The Plan includes a separate level for Medicare eligible retirees, Medicare eligible surviving spouses, and Medicare eligible dependents of retirees and surviving spouses.

### CONTRIBUTIONS

Employees' premiums are funded primarily by their employers. Retirees must pay their own premiums, as do active employees for spouse and dependent medical coverage. Pursuant to the authority granted by Mississippi statute, the Plan's Management Board has the authority to establish and change premium rates for the participants, employers, and the other contributing parties. If it is determined actuarially that premiums paid by participating retirees adversely affect the overall cost of the Plan to the State, a premium surcharge may be imposed on participating retired employees under the age of Medicare eligibility. For those initially employed on or after January 1, 2006, a premium surcharge may be imposed in an amount determined actuarially to cover the full cost of insurance, while the surcharge for those employed before that date may not exceed 15.0 percent.

### OPEB LIABILITY, OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES RELATED TO OPEB, AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

At June 30, 2023, the System reported a liability of \$628,000 for its proportionate share of the net OPEB liability. The liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The System's portion of the OPEB liability was based on a projection of the long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At the measurement date, the System's proportion was 0.13 percent, which is consistent with the prior year.

For the year ended June 30, 2023, the System recognized an OPEB expense offset of (\$119,000). At June 30, 2023, the System reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources [in thousands]:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1	\$272
Changes in Proportion	11	40
Changes in Assumptions	97	58
Contributions Subsequent to the Measurement Date	31	-
<b>Total</b>	<b>\$140</b>	<b>\$370</b>

Contributions subsequent to the measurement date of \$31,000 will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (expense offset) as follows [in thousands]:

Year Ended June 30	Net Outflows & Inflows of Resources
2023	(\$ 61)
2024	(53)
2025	(59)
2026	(50)
2027	(27)
Thereafter	(11)
<b>Total</b>	<b>(\$261)</b>



## ACTUARIAL ASSUMPTIONS

The collective total OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate	2.40%
Salary Increases, Including Wage Inflation	2.65% - 17.90%
Cost Method	Entry age
Municipal bond index rate: Measurement Date	3.37%
Prior Measurement Date	2.13%
Year FNP is projected to be depleted: Measurement Date	2022
Prior Measurement Date	2021
Single Equivalent Interest Rate*: Measurement Date	3.37%
Prior Measurement Date	2.13%
Health Care Cost Trends, Pre-Medicare Claims	7.00% for 2023 decreasing to an ultimate rate of 4.5% by 2029

\* Including inflation and net of pension plan investment expense.

Mortality rates for service retirees were based on the PubS.H-2010(B) Retiree Table with male rates adjusted to 95.0 percent of male rates up to age 60, 110.0 percent for ages 61 to 75, and 101.0 percent for ages above 77, and female rates adjusted to 84.0 percent of the female rates up to age 72 and 100.0 percent for ages above 76. Mortality rates for disability retirees were based on the PubG.H-2010 Disabled Table adjusted 134.0 percent for males and 121.0 percent for females. Mortality rates for Contingent Annuityants were based on the PubS.H-2010(B) Contingent Annuityant Table, adjusted 97.0 percent for males and 110.0 percent for females. Projection scale MP-2020 will be used to project future improvements in life expectancy generationally.

The demographic actuarial assumptions used in the June 30, 2022 valuation were based on the results of the last actuarial experience study dated April 20, 2021. The remaining actuarial assumptions (e.g., initial per capita costs, healthcare cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2022 valuation were based on a review of recent plan experience done concurrently with the June 30, 2022 valuation.

## CHANGES IN ACTUARIAL ASSUMPTIONS & METHODS

The discount rate was changed from 2.13 percent to 3.37 percent for the current measurement date.

### DISCOUNT RATE

The discount rate used to measure the total OPEB liability was 3.37 percent. As of June 30, 2023, the balance of the trust is \$1,049,000 with a long-term rate of return of 4.5 percent. The discount rate determination uses a municipal bond rate to the extent the trust is projected to run out of money before all benefits are paid. The balance of the trust is projected to be depleted immediately, therefore the rate used for the single equivalent interest rate is equal to the monthly average of the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

### SENSITIVITY OF SYSTEM'S PROPORTIONATE SHARE OF THE COLLECTIVE OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following table presents the System's proportionate share of the net OPEB liability using the discount rate of 3.37 percent, as well as what the System's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.37 percent) or one percentage point higher (4.37 percent) than the current rate [in thousands].

	1% Decrease (2.37%)	Current Discount (3.37%)	1% Increase (4.37%)
System Proportionate Share of Net OPEB Liability	\$692	\$628	\$573

### SENSITIVITY OF SYSTEM'S PROPORTIONATE SHARE OF THE COLLECTIVE OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATE

The following table presents the System's proportionate share of the net OPEB liability using the healthcare trend rate of 7.00 percent decreasing to 4.50 percent by 2029, as well as what the System's proportionate share of the net OPEB liability would be if it were calculated using a healthcare trend that is one percentage point lower (6.00 percent decreasing to 3.50 percent) or one percentage point higher (8.00 percent decreasing to 5.50 percent) than the current rate [in thousands].

	1% Decrease (6.00% Decreasing to 3.5%)	Current Discount Rate (7.00% Decreasing to 4.5%)	1% Increase (8.00% Decreasing to 5.5%)
System Proportionate Share of Net OPEB Liability	\$584	\$628	\$677

The audited financial report for the Plan can be found at [knowyourbenefits.dfa.ms.gov](http://knowyourbenefits.dfa.ms.gov).



## Required Supplementary Information

June 30, 2023

### Schedule of Changes in the Net Pension Liability & Related Ratios Year Ended June 30, 2023

[in thousands] [unaudited]

Changes in the Net Pension Liability	PERS									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>										
Service Cost	\$694,726	\$758,601	\$719,623	\$712,354	\$696,445	\$702,559	\$754,552	\$734,545	\$673,626	\$681,778
Interest	3,752,233	3,651,875	3,536,951	3,433,801	3,330,054	3,239,471	3,154,382	3,032,131	2,867,679	2,754,573
Difference Between Actual & Expected Experience	672,606	222,910	181,270	224,426	-	21,361	(172,476)	413,494	325,351	257,464
Assumption Changes	3,631,586	-	1,469,257	-	231,354	-	24,141	(66,606)	1,821,236	-
Benefit Payments	(3,237,085)	(3,134,859)	(2,995,255)	(2,878,073)	(2,747,397)	(2,609,415)	(2,477,914)	(2,367,709)	(2,219,240)	(2,099,843)
Refunds to Terminated Employees	(115,517)	(120,807)	(101,044)	(104,851)	(108,042)	(124,306)	(113,707)	(112,926)	(119,356)	(121,532)
<b>Net Change in Total Pension Liability</b>	<b>5,398,549</b>	<b>1,377,720</b>	<b>2,810,802</b>	<b>1,387,657</b>	<b>1,402,414</b>	<b>1,229,670</b>	<b>1,168,978</b>	<b>1,632,929</b>	<b>3,349,296</b>	<b>1,472,440</b>
<b>Total Pension Liability - Beginning</b>	<b>51,374,754</b>	<b>49,997,034</b>	<b>47,186,232</b>	<b>45,798,575</b>	<b>44,396,161</b>	<b>43,166,491</b>	<b>41,997,513</b>	<b>40,364,584</b>	<b>37,015,288</b>	<b>35,542,848</b>
<b>Total Pension Liability - Ending (A)</b>	<b>\$56,773,303</b>	<b>\$51,374,754</b>	<b>\$49,997,034</b>	<b>\$47,186,232</b>	<b>\$45,798,575</b>	<b>\$44,396,161</b>	<b>\$43,166,491</b>	<b>\$41,997,513</b>	<b>\$40,364,584</b>	<b>\$37,015,288</b>
<b>Plan Fiduciary Net Position:</b>										
Contributions - Employer	\$1,303,563	\$1,211,004	\$1,169,679	\$1,171,805	\$1,038,108	\$1,018,163	\$1,019,084	\$1,021,261	\$996,478	\$969,674
Contributions - Member	661,986	615,421	594,876	594,711	580,941	570,807	570,066	572,574	557,909	549,528
Net Investment Income/(Loss)	2,234,354	(2,980,325)	8,736,632	856,935	1,701,321	2,385,913	3,436,144	130,900	827,666	3,905,728
Pension Benefits	(3,237,085)	(3,134,859)	(2,995,255)	(2,878,073)	(2,747,397)	(2,609,415)	(2,477,914)	(2,367,709)	(2,219,240)	(2,099,843)
Refunds to Terminated Employees	(115,517)	(120,807)	(101,044)	(104,851)	(108,042)	(124,306)	(113,707)	(112,926)	(119,356)	(121,532)
Administrative Expenses	(16,446)	(15,925)	(15,691)	(19,757)	(16,905)	(16,264)	(17,056)	(15,166)	(13,523)	(12,837)
Other	12	10	6	22	(4,614)	(4,805)	(8,536)	(474)	(497)	(510)
<b>Net Change in Fiduciary Net Position</b>	<b>830,867</b>	<b>(4,425,481)</b>	<b>7,389,203</b>	<b>(379,208)</b>	<b>443,412</b>	<b>1,220,093</b>	<b>2,408,081</b>	<b>(771,540)</b>	<b>29,437</b>	<b>3,190,208</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>30,791,116</b>	<b>35,216,597</b>	<b>27,827,394</b>	<b>28,206,602</b>	<b>27,763,190</b>	<b>26,543,097</b>	<b>24,135,016</b>	<b>24,906,556</b>	<b>24,877,119</b>	<b>21,686,911</b>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<b>31,621,983</b>	<b>30,791,116</b>	<b>35,216,597</b>	<b>27,827,394</b>	<b>28,206,602</b>	<b>27,763,190</b>	<b>26,543,097</b>	<b>24,135,016</b>	<b>24,906,556</b>	<b>24,877,119</b>
<b>Net Pension Liability-Ending (A-B)</b>	<b>\$25,151,320</b>	<b>\$20,583,638</b>	<b>\$14,780,437</b>	<b>\$19,358,838</b>	<b>\$17,591,973</b>	<b>\$16,632,971</b>	<b>\$16,623,394</b>	<b>\$17,862,497</b>	<b>\$15,458,028</b>	<b>\$12,138,169</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>55.70%</b>	<b>59.93%</b>	<b>70.44%</b>	<b>58.97%</b>	<b>61.59%</b>	<b>62.54%</b>	<b>61.49%</b>	<b>57.47%</b>	<b>61.70%</b>	<b>67.21%</b>
<b>Covered Payroll</b>	<b>\$7,065,419</b>	<b>\$6,454,276</b>	<b>\$6,246,077</b>	<b>\$6,287,441</b>	<b>\$6,144,916</b>	<b>\$5,999,231</b>	<b>\$6,038,229</b>	<b>\$6,022,533</b>	<b>\$5,904,827</b>	<b>\$5,834,687</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>355.98%</b>	<b>318.91%</b>	<b>236.64%</b>	<b>307.90%</b>	<b>286.29%</b>	<b>277.25%</b>	<b>275.30%</b>	<b>296.59%</b>	<b>261.79%</b>	<b>208.03%</b>

See notes to Required Supplementary Information.

Schedule of Changes in the Net Pension Liability & Related Ratios  
Year Ended June 30, 2023

[in thousands] [unaudited]

Changes in the Net Pension Liability	MHSPRS									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<i>Total Pension Liability:</i>										
Service Cost	\$7,333	\$7,711	\$8,235	\$8,104	\$7,372	\$7,205	\$7,328	\$6,858	\$6,361	\$6,461
Interest	42,378	41,965	41,571	40,624	39,532	37,338	37,086	35,869	34,503	33,396
Changes of Benefit Terms	15,058	-	-	-	-	-	-	-	-	-
Difference Between Actual & Expected Experience	9,498	(3,244)	7,018	(7)	-	17,311	(5,780)	3,536	1,013	2,652
Assumption Changes	44,102	-	1,677	-	2,286	-	(3,598)	-	19,176	-
Benefit Payments	(41,122)	(40,522)	(37,433)	(35,455)	(34,671)	(32,315)	(31,001)	(29,913)	(28,909)	(28,220)
Refunds to Terminated Employees	(161)	(135)	(67)	(48)	(16)	(103)	(144)	(52)	(163)	(42)
<b>Net Change in Total Pension Liability</b>	<b>77,086</b>	<b>5,775</b>	<b>21,001</b>	<b>13,218</b>	<b>14,503</b>	<b>29,436</b>	<b>3,891</b>	<b>16,298</b>	<b>31,981</b>	<b>14,247</b>
<b>Total Pension Liability - Beginning</b>	<b>581,925</b>	<b>576,150</b>	<b>555,149</b>	<b>541,931</b>	<b>527,428</b>	<b>497,992</b>	<b>494,101</b>	<b>477,803</b>	<b>445,822</b>	<b>431,575</b>
<b>Total Pension Liability - Ending (A)</b>	<b>\$659,011</b>	<b>\$581,925</b>	<b>\$576,150</b>	<b>\$555,149</b>	<b>\$541,931</b>	<b>\$527,428</b>	<b>\$497,992</b>	<b>\$494,101</b>	<b>\$477,803</b>	<b>\$445,822</b>
<i>Plan Fiduciary Net Position:</i>										
Contributions - Employer	\$20,837	\$19,476	\$19,563	\$20,144	\$19,375	\$15,128	\$14,809	\$14,755	\$13,695	\$13,500
Contributions - Member	2,621	2,356	2,378	2,428	2,340	2,271	2,147	2,128	1,938	1,963
Net Investment Income/(Loss)	29,536	(39,468)	115,761	11,196	25,280	27,719	44,499	1,704	10,812	51,575
Pension Benefits	(41,122)	(40,522)	(37,433)	(35,455)	(34,671)	(32,315)	(31,001)	(29,913)	(28,909)	(28,220)
Refunds to Terminated Employees	(161)	(135)	(67)	(48)	(16)	(103)	(144)	(52)	(163)	(42)
Administrative Expenses	(359)	(319)	(320)	(328)	(312)	(250)	(203)	(217)	(198)	(200)
Other	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>11,352</b>	<b>(58,612)</b>	<b>99,882</b>	<b>(2,063)</b>	<b>11,996</b>	<b>12,450</b>	<b>30,107</b>	<b>(11,595)</b>	<b>(2,825)</b>	<b>38,576</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>405,372</b>	<b>463,984</b>	<b>364,102</b>	<b>366,165</b>	<b>354,169</b>	<b>341,719</b>	<b>311,612</b>	<b>323,207</b>	<b>326,032</b>	<b>287,456</b>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<b>416,724</b>	<b>405,372</b>	<b>463,984</b>	<b>364,102</b>	<b>366,165</b>	<b>354,169</b>	<b>341,719</b>	<b>311,612</b>	<b>323,207</b>	<b>326,032</b>
<b>Net Pension Liability - Ending (A-B)</b>	<b>\$242,287</b>	<b>\$176,553</b>	<b>\$112,166</b>	<b>\$191,047</b>	<b>\$175,766</b>	<b>\$173,259</b>	<b>\$156,273</b>	<b>\$182,489</b>	<b>\$154,596</b>	<b>\$119,790</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>63.23%</b>	<b>69.66%</b>	<b>80.53%</b>	<b>65.59%</b>	<b>67.57%</b>	<b>67.15%</b>	<b>68.62%</b>	<b>63.07%</b>	<b>67.64%</b>	<b>73.13%</b>
<b>Covered Payroll</b>	<b>\$34,846</b>	<b>\$30,895</b>	<b>\$29,780</b>	<b>\$32,346</b>	<b>\$31,811</b>	<b>\$29,555</b>	<b>\$28,845</b>	<b>\$27,380</b>	<b>\$25,505</b>	<b>\$25,554</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>695.31%</b>	<b>571.46%</b>	<b>376.65%</b>	<b>590.64%</b>	<b>552.53%</b>	<b>586.23%</b>	<b>541.77%</b>	<b>666.50%</b>	<b>606.14%</b>	<b>468.77%</b>

See notes to Required Supplementary Information.

Schedule of Changes in the Net Pension Liability & Related Ratios  
Year Ended June 30, 2023

[in thousands] [unaudited]

Changes in the Net Pension Liability	SLRP									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<i>Total Pension Liability:</i>										
Service Cost	\$676	\$714	\$594	\$589	\$590	\$431	\$433	\$420	\$406	\$404
Interest	1,818	1,693	1,673	1,638	1,595	1,557	1,593	1,586	1,569	1,549
Difference Between Actual & Expected Experience	(22)	920	(133)	(37)	-	(58)	(204)	(468)	(333)	(453)
Assumption Changes	1,458	-	364	-	31	-	(868)	(6)	588	-
Benefit Payments	(1,653)	(1,687)	(1,608)	(1,857)	(1,442)	(1,410)	(1,397)	(1,454)	(1,220)	(1,216)
Refunds to Terminated Employees	(5)	-	(5)	(20)	-	(18)	(17)	(32)	(37)	(22)
<b>Net Change in Total Pension Liability</b>	<b>2,272</b>	<b>1,640</b>	<b>885</b>	<b>313</b>	<b>774</b>	<b>502</b>	<b>(460)</b>	<b>46</b>	<b>973</b>	<b>262</b>
<b>Total Pension Liability - Beginning</b>	<b>24,913</b>	<b>23,273</b>	<b>22,388</b>	<b>22,075</b>	<b>21,301</b>	<b>20,799</b>	<b>21,259</b>	<b>21,213</b>	<b>20,240</b>	<b>19,978</b>
<b>Total Pension Liability - Ending (A)</b>	<b>\$27,185</b>	<b>\$24,913</b>	<b>\$23,273</b>	<b>\$22,388</b>	<b>\$22,075</b>	<b>\$21,301</b>	<b>\$20,799</b>	<b>\$21,259</b>	<b>\$21,213</b>	<b>\$20,240</b>
<i>Plan Fiduciary Net Position:</i>										
Contributions - Employer	\$629	\$607	\$604	\$512	\$525	\$513	\$522	\$514	\$511	\$514
Contributions - Member	255	245	245	207	214	207	212	208	207	208
Net Investment Income/(Loss)	1,477	(1,964)	5,732	554	1,287	1,412	2,264	86	552	2,605
Pension Benefits	(1,653)	(1,687)	(1,608)	(1,857)	(1,442)	(1,410)	(1,397)	(1,454)	(1,220)	(1,216)
Refunds to Terminated Employees	(5)	-	(5)	(20)	-	(18)	(17)	(32)	(37)	(22)
Administrative Expenses	(13)	(13)	(12)	(10)	(11)	(10)	(10)	(10)	(10)	(10)
Other	-	-	-	-	-	-	-	-	-	-
<b>Net Change in Fiduciary Net Position</b>	<b>690</b>	<b>(2,812)</b>	<b>4,956</b>	<b>(614)</b>	<b>573</b>	<b>694</b>	<b>1,574</b>	<b>(688)</b>	<b>3</b>	<b>2,079</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>20,139</b>	<b>22,951</b>	<b>17,995</b>	<b>18,609</b>	<b>18,036</b>	<b>17,342</b>	<b>15,768</b>	<b>16,456</b>	<b>16,453</b>	<b>14,374</b>
<b>Plan Fiduciary Net Position - Ending (B)</b>	<b>20,829</b>	<b>20,139</b>	<b>22,951</b>	<b>17,995</b>	<b>18,609</b>	<b>18,036</b>	<b>17,342</b>	<b>15,768</b>	<b>16,456</b>	<b>16,453</b>
<b>Net Pension Liability-Ending (A-B)</b>	<b>\$6,356</b>	<b>\$4,774</b>	<b>\$322</b>	<b>\$4,393</b>	<b>\$3,466</b>	<b>\$3,265</b>	<b>\$3,457</b>	<b>\$5,491</b>	<b>\$4,757</b>	<b>\$3,787</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>76.62%</b>	<b>80.84%</b>	<b>98.62%</b>	<b>80.38%</b>	<b>84.30%</b>	<b>84.67%</b>	<b>83.38%</b>	<b>74.17%</b>	<b>77.58%</b>	<b>81.29%</b>
<b>Covered Payroll</b>	<b>\$8,425</b>	<b>\$8,180</b>	<b>\$8,030</b>	<b>\$6,891</b>	<b>\$6,937</b>	<b>\$6,833</b>	<b>\$6,928</b>	<b>\$6,862</b>	<b>\$6,861</b>	<b>\$6,918</b>
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	<b>75.43%</b>	<b>58.35%</b>	<b>4.01%</b>	<b>63.75%</b>	<b>49.96%</b>	<b>47.78%</b>	<b>49.90%</b>	<b>80.02%</b>	<b>69.33%</b>	<b>54.74%</b>

See notes to Required Supplementary Information.

## Schedule of Employer Contributions

Last 10 Fiscal Years

[in thousands] [unaudited]

	2023	2022	2021	2020	2019
<i>Public Employees' Retirement System</i>					
Actuarially Determined Employer Contribution	\$1,518,359	\$1,257,938	\$1,184,881	\$1,107,847*	\$967,824
Actual Employer Contribution	1,303,563	1,211,004	1,169,679	1,171,805	1,038,108
Annual Contribution Deficiency (Excess)	214,796	46,934	15,202	(63,958)	(70,284)
Covered Payroll	7,065,419	6,454,276	6,246,077	6,287,441	6,144,916
Actual Contributions as a Percentage of Covered Payroll	18.45%	18.76%	18.73%	18.64%	16.89%
<i>MS Highway Safety Patrol Retirement System</i>					
Contractually Required Employer Contribution	\$20,302	\$18,663	\$18,160	\$19,594	\$19,383
Actual Employer Contribution	20,837	19,476	19,563	20,144	19,375
Annual Contribution Deficiency (Excess)	(535)	(813)	(1,403)	(550)	8
Covered Payroll	34,846	30,895	29,780	32,346	31,811
Actual Contributions as a Percentage of Covered Payroll	59.80%	63.04%	65.69%	62.28%	60.91%
<i>Supplemental Legislative Retirement System</i>					
Contractually Required Employer Contribution	\$623	\$605	\$594	\$510	\$513
Actual Employer Contribution	629	607	604	512	525
Annual Contribution Deficiency (Excess)	(6)	(2)	(10)	(2)	(12)
Covered Payroll	8,425	8,180	8,030	6,891	6,937
Actual Contributions as a Percentage of Covered Payroll	7.47%	7.42%	7.52%	7.43%	7.57%
	2018	2017	2016	2015	2014
<i>Public Employees' Retirement System</i>					
Contractually Required Employer Contribution	\$944,879	\$ 951,021	\$948,549	\$930,010	\$921,872
Actual Employer Contribution	1,018,163	1,019,084	1,021,261	996,478	969,674
Annual Contribution Deficiency (Excess)	(73,284)	(68,063)	(72,712)	(66,468)	(47,802)
Covered Payroll	5,999,231	6,038,229	6,022,533	5,904,827	5,834,687
Actual Contributions as a Percentage of Covered Payroll	16.97%	16.88%	16.96%	16.88%	16.62%
<i>MS Highway Safety Patrol Retirement System</i>					
Contractually Required Employer Contribution	\$14,430	\$14,431	\$14,025	\$13,226	\$13,595
Actual Employer Contribution	15,128	14,809	14,755	13,695	13,500
Annual Contribution Deficiency (Excess)	(698)	(378)	(730)	(469)	95
Covered Payroll	29,555	28,845	27,380	25,505	25,554
Actual Contributions as a Percentage of Covered Payroll	51.19%	51.34%	53.89%	53.70%	52.83%
<i>Supplemental Legislative Retirement System</i>					
Contractually Required Employer Contribution	\$506	\$513	\$508	\$508	\$519
Actual Employer Contribution	513	522	514	511	514
Annual Contribution Deficiency (Excess)	(7)	(9)	(6)	(3)	5
Covered Payroll	6,833	6,928	6,862	6,861	6,918
Actual Contributions as a Percentage of Covered Payroll	7.51%	7.53%	7.49%	7.45%	7.43%

\*Beginning with fiscal year 2020 reporting, PERS calculation of Employer Contributions changed from Contractually Required to Actuarially Determined.

There are no nonemployer contributing entities in the plan reporting entity. See notes to Required Supplementary Information.

## Schedule of Investment Returns

Last 10 Fiscal Years

[unaudited]

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money-weighted Rate of Return, Net of Investment Expense	7.36%	(8.56)%	32.35%	3.06%	6.27%	9.17%	14.53%	0.69%	3.05%	18.37%

## Schedule of Proportionate Share of the Net OPEB Liability

[in thousands] [unaudited]

	2023	2022	2021	2020	2019	2018
<i>State Life &amp; Health Insurance OPEB Plan</i>						
System's Proportion of the Net OPEB Liability	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
System's Proportionate Share of the Net OPEB Liability	\$628	\$848	\$1,042	\$1,130	\$1,013	\$1,031
System's Covered-Employee Payroll*	\$6,565	\$6,487	\$7,295	\$7,648	\$7,431	\$6,810
System's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	9.57%	13.07%	14.28%	14.77%	13.63%	15.14%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.21%	0.16%	0.13%	0.13%	0.13%	-%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. See notes to Required Supplementary Information.*

## Schedule of Employer Contributions for OPEB

[in thousands] [unaudited]

	2023	2022	2021	2020	2019	2018
<i>State Life &amp; Health Insurance OPEB Plan</i>						
Actuarially Required Contribution	\$31	\$26	\$30	\$41	\$45	\$44
Contributions in Relation to Contractually Required Contribution	\$31	\$26	\$30	\$41	\$45	\$44
Contribution Deficiency (Excess)	-	-	-	-	-	-
System's Covered-Employee Payroll*	\$7,087	\$6,565	\$6,487	\$7,295	\$7,648	\$7,431
Actual Contributions as a Percentage of Covered-Employee Payroll	0.44%	0.40%	0.46%	0.56%	0.59%	0.59%

*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available. See notes to Required Supplementary Information.*

\* The OPEB plan is not based on a measure of pay.

## Notes to Required Supplementary Schedules

June 30, 2023

### *Note 1: Schedule of Changes in the Net Pension Liability & Related Ratios*

The total pension liabilities presented in these schedules were provided by the System's actuarial consultants, Cavanaugh Macdonald Consulting, LLC. The net pension liability is measured as the total pension liability less the amount of the fiduciary net position for PERS, MHSPRS and SLRP.

Plan requirements may be affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, or other significant factors.

#### ACTUARIAL ASSUMPTIONS

The total pension liability for the year ended June 30, 2023, is based on the June 30, 2022, actuarial valuation, rolled forward to the June 30, 2023, measurement date. Roll forward procedures include incorporating changes in assumptions from the experience study for the four-year period ended June 30, 2022, and the revised investment rate of return in the calculation of the total pension liability. The assumptions and methods used for the actuarial valuation were recommended by the actuary and adopted by the board.

#### Changes in assumptions

- » The investment rate of return was reduced from 8.00 percent to 7.75 percent in fiscal year 2015, 7.55 percent in 2021, and to 7.00 percent in 2023.
- » Price inflation was reduced from 3.50 percent to 3.00 percent in fiscal year 2015, 2.75 percent in 2019, and to 2.40 percent in 2021.
- » The wage inflation assumption was reduced from 3.75 percent to 3.25 percent in fiscal year 2017, 3.00 percent in 2019, and to 2.65 percent in fiscal year 2021.
- » The percentage of active member disabilities assumed to be in the line of duty was increased in 2017 from 6.00 percent to 7.00 percent. The assumed rate was increased again in 2019 to 9.00 percent and to 12.00 percent in 2021.
- » The percentage of active member deaths assumed to be in the line of duty was decreased in 2021 from 6.00 percent to 4.00 percent.
- » Administrative expenses were increased from 0.25 to 0.28 percent of payroll in fiscal year 2021 and decreased to 0.26 percent in 2023.
- » Assumed rates of salary increase were adjusted in 2015, 2017, 2019, 2021, and 2023 to more closely reflect actual and anticipated experience.
- » The percentage of participants assumed to receive a deferred benefit upon attaining the eligibility requirements for retirement was increased from 60.0 percent to 65.0 percent in 2023.
- » For married members, the number of years that a male is assumed to be older than his spouse was changed from 3 years to 2 years in 2023.
- » The assumed amount of unused sick leave at retirement was increased from 0.50 years to 0.55 years in 2023.
- » The assumed average number of years of military service that participants will have at retirement decreased from 0.25 years to 0.20 years in 2023.
- » The assumed rate of interest credited to employee contributions was changed from 3.50 percent to 2.00 percent in 2016.
- » Withdrawal rates, pre-retirement mortality rates, disability rates, and service retirement rates were adjusted to more closely reflect actual experience in 2015, 2017, 2019, 2021, and 2023.
- » In 2015, the mortality table for retired life mortality was changed from the RP-2000 Mortality Table to the RP-2014 Healthy Annuitant Blue Collar Table projected to 2016 using Scale BB.

In 2017, the expectation of retired life mortality was changed to the RP-2014 Healthy Annuitant Blue Collar Mortality Table projected with Scale BB to 2022.

In 2019, the expectation of retired life mortality was changed to the PubS.H-2010(B) Retiree Table with male rates adjusted to 112.0 percent of male rates from ages 18 to 75 scaled down to 105.0 percent for ages 80 to 119, and female rates adjusted to 85.0 percent of the female rates from ages 18 to 65 scaled up to 102.0 percent for ages 75 to 119. Projection scale MP-2018 will be used to project future improvements in life expectancy generationally.

In 2021, the adjustments to the PubS.H-2010(B) Retiree Table were changed for males to 95.0 percent of male rates up to age 60, 110.0 percent for ages 61 to 75, and scaled up to 101.0 percent for ages above 77. Adjustments for females were changed to 84.0 percent of female rates up to age 72 scaled up to 100.0 percent for ages above 76. Projection scale MP-2020 will be used to project future improvements in life expectancy generationally. Additionally, an allowance was added for contingent annuitants using the same table adjusted for males to 97.0 percent and females to 110.0 percent for all ages.

- » The expectation of disabled mortality was changed from the RP-2000 Disabled Mortality Table to the RP-2014 Disabled Retiree Table in 2015. Small adjustments were also made to the mortality table in 2017. In 2019 the expectation of disabled mortality was changed to the PubT.H-2010 Disabled Retiree Table for disabled retirees, with male rates adjusted to 137.0 percent and female rates adjusted to 115.0 percent. Projection scale MP-2018 will be used to project future improvements in life expectancy generationally. The expectation of disabled mortality was changed to PubG.H-2010 Disabled Table for disabled retirees with males adjusted to 134.0 percent of males rates and females adjusted to 121.0 percent of female rates with projection scale MP-2020 used to project future improvements in life expectancy generationally.

## Notes to Required Supplementary Schedules

June 30, 2023

### CHANGES IN BENEFIT PROVISIONS

In fiscal year 2016, the interest rate on employee contributions was changed to the money market rate as published by the Wall Street Journal on December 31 of each preceding year with a minimum rate of 1.0 percent and a maximum rate of 5.0 percent.

### Note 2: Schedule of Employer Contributions

The required employer contributions and amount of those contributions actually made are presented in this 10-year schedule.

#### » PERS

In fiscal year 2014, the Board implemented a revised funding policy aimed at stabilizing the employer contribution rate, which was set at 15.75 percent. At its June 26, 2018, meeting, the Board voted to increase the employer contribution rate from 15.75 percent to 17.40 percent effective July 1, 2019.

#### » MHSPRS

Effective July 1, 2018, the employer contribution rate was increased by the MHSPRS Administrative Board from 37.00 percent to 49.08 percent. Motor vehicle and driver's license reinstatement fees augment employer contributions. The amount of fees vary each year depending on activity, with \$3.2 million collected for fiscal year 2023.

#### » SLRP

The employer contribution rate is 7.40 percent. The employee contribution rate has remained at 3.00 percent since plan inception. SLRP is a small plan with a relatively fixed number of members.

The information presented in the required supplementary schedules was used in the actuarial valuation for purposes of determining the required employer contribution rates. The employer contribution rates were calculated as of June 30, 2021, two years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine contribution rates reported in the schedule:

	PERS	MHSPR	SLRP
Actuarial Cost Method	Entry age	Entry age	Entry age
Amortization Method	Level percentage of payroll, closed	Level percentage of payroll, open	Level percentage of payroll, open
Remaining Amortization Period	26.7 years	21.0 years	25.1 years
Asset Valuation Method	5-year Smoothed Fair Value	5-year Smoothed Fair Value	5-year Smoothed Fair Value
<i>Actuarial Assumptions:</i>			
Investment Rate of Return*	7.55%	7.55%	7.55%
Salary Increase	2.65-17.90%	3.00-8.56%	2.65%
Inflation	2.40%	2.40%	2.40%

\* Including inflation and net of pension plan investment expense.



### Note 3: Investment Returns

#### SCHEDULE OF INVESTMENT RETURNS

The annual money-weighted rate of return on investments is calculated as the internal rate of return on plan investments, net of plan investment expense. A money-weighted rate of return expresses investment performance, net of plan investment expense, adjusted for the changing amounts actually invested. The investment assets of the defined benefit plans administered by the System are combined in a comingled investment pool. Each plan owns an equity position in the pool in accordance with its ownership percentage. The annual money-weighted rate of return is, therefore, approximately the same for PERS, MHSPRS, SLRP, and MRS.

### Note 4: Net OPEB Liability

#### SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY

This schedule presents historical trend information about the System's proportionate share of the net OPEB liability for its employees who participate in the Plan. The net OPEB liability is measured as the total OPEB liability less the amount of fiduciary net position of the Plan. Only six fiscal years information is available; therefore, trend information will be accumulated to display a ten-year presentation.

#### SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR OPEB

The required contributions and percentage of those contributions actually made are presented in the schedule. Only six fiscal years information is available; therefore, trend information will be accumulated to display a ten-year presentation.

#### CHANGES IN ACTUARIAL ASSUMPTIONS AND METHODS:

The discount rate was changed from 3.56 percent to 3.89 percent in 2018, to 3.50 percent in 2019, to 2.19 percent in 2020, to 2.13 percent in 2021, and to 3.37 percent for the current measurement date.

#### CHANGES IN BENEFIT TERMS:

Changes to benefit terms impact the total OPEB liability. The schedule of monthly retiree contributions was increased as of January 1, 2021, 2022, and 2023. In addition, the deductibles and coinsurance maximums were increased for the Select coverage and coinsurance maximums were increased for the Base coverage beginning January 1, 2021. The in-network medical deductible was increased for the Select coverage beginning January 1, 2022, and again beginning January 1, 2023.

#### METHODS & ASSUMPTIONS USED IN CALCULATIONS OF ACTUARIALLY DETERMINED CONTRIBUTIONS:

The actuarially determined contribution rates, as a percentage of payroll, used to determine the actuarially determined contribution amounts in the schedule of employer contributions are calculated as of the most recent valuation date. The following actuarial methods and assumptions (from the June 30, 2021 actuarial valuation) were used to determine contribution rates reported in that schedule for the year ending June 30, 2022:

Actuarial Cost Method	Entry age
Amortization Method	Level dollar
Amortization Period	30 years, open
Asset Valuation Method	Fair value of assets
Inflation	2.75%
Salary Increases, Including Wage Inflation	3.00% to 18.25%
Initial health care cost trend rates:	
Medicare Supplement Claims – Pre Medicare	6.50%
Ultimate health care cost trend rates:	
Medicare Supplement Claims – Pre Medicare	4.75%
Year of ultimate trend rates:	
Medicare Supplement Claims – Pre Medicare	2030
Investment rate of return*	2.13%

\* Including inflation and net of investment expense.



Schedule 1  
Schedule of Administrative Expenses & Depreciation  
For the Year Ended June 30, 2023

[in thousands]

Administrative Expense	Amount
<i>Personal Services:</i>	
Salaries & Wages	\$7,882
Employee Benefits	2,679
Employee Travel	68
<b>Total Personal Services</b>	<b>10,629</b>
<i>Contractual Services:</i>	
Employee Training	41
Communications, Transportation, & Utilities	238
Rentals	76
Repair & Maintenance	222
Professional Services (See Schedule 2)	1,660
Other Fees & Services	1,008
Memberships, Subscriptions, & Insurance	187
Data Processing	1,662
<b>Bank Charges</b>	<b>161</b>
<b>Total Contractual Services</b>	<b>5,255</b>
<i>Commodities:</i>	
Office Equipment, Supplies & Parts	184
Printing, Binding & Padding	63
Other Supplies & Materials	14
<b>Total Commodities</b>	<b>261</b>
<i>Depreciation:</i>	
Building	376
Furniture & Equipment	64
Right-to-Use Asset	520
<b>Total Depreciation</b>	<b>960</b>
<b>Total Administrative Expenses &amp; Depreciation</b>	<b>\$17,105</b>

**Schedule 2**  
**Schedule of Investment Managers' Fees, Investment Global Out-of-Pocket Fees &**  
**Professional Service Fees**  
**For the Year Ended June 30, 2023**

[in thousands]

	Amount		Amount
<i>Investment Managers' Fees:</i>		<i>Investment Managers' Fees:</i>	
Acadian Asset Management, LLC	\$3,477	Northern Trust Investments, Inc. – S&P 500	\$248
AEW Capital Management, LP - Fund VII	25	Pacific Investment Management Company – Domestic Fixed Income	950
AEW Capital Management, LP - Fund VIII	128	Pacific Investment Management Company – Global Fixed Income	1,775
AEW Capital Management, LP - Fund IX	516	Principal Global Investors, LLC - SC Equity	1,188
AllianceBernstein, LP	1,768	Principal Global Investors, LLC - Real Estate	7,367
Angelo Gordon & Company - Fund III	16	Prudential Investment Management, Inc.	1,481
Angelo Gordon & Company - Fund IV	451	Riverbridge Partners, LLC	2,086
Angelo Gordon & Company - Fund X	737	T.A. Associates Realty - Fund XI	416
Angelo Gordon & Company - Fund XI	1,206	T.A. Associates Realty - Fund XII	1,630
Arrowstreet Capital, LP	3,701	UBS Realty Investors, LLC - Core Real Estate	2,194
Artisan Partners, LP - MC Equity	1,806	UBS Realty Investors, LLC - Value Added Real Estate	2,606
Baillie Gifford & Company	2,524	Victory Capital Management, Inc.	1,953
CenterSquare Investment Management	666	Wellington Management Company, LLP - Emerging Markets Debt	2,829
Cohen & Steers Capital Management, Inc.	650	Wellington Management Company, LLP - MC Equity	91
Dimensional Fund Advisors, Inc.	950	Wellington Management Company, LLP - SC Equity	2,093
Eagle Capital Management, LLC	5,033	Westbrook Partners - Fund X	234
Epoch Investment Partners, Inc.	3,969	Westbrook Partners - Fund XI	768
Fisher Investments	3,458	Private Equity Managers: GCM Grosvenor Diversified Partners, LP & Pathway Capital Management, LLC	14,617
Harding Loevner, LP	3,369	Total Investment Managers' Fees	\$100,928
Heitman, LLC - Fund IV	268	Bank of New York Mellon - Global Out-of-Pocket Fees	628
Heitman, LLC - Fund V	283	<b>Total Investment Managers' Fees &amp; Global Out-of-Pocket Fees*</b>	<b>\$101,556</b>
Invesco, LP - Fund IV	50		
Invesco, LP - Fund V	814	<i>Securities Lending Fees:</i>	
Invesco, LP - Fund VI	243	<b>Bank of New York Mellon</b>	<b>\$2,100</b>
Invesco, LP – Income Fund	1,114		
J.P. Morgan Investment Management, Inc.	3,871	<i>Professional Service Fees:</i>	
LSV Asset Management	2,695	Actuary - Cavanaugh MacDonald Consulting, LLC	\$313
Lazard Asset Management, LLC	2,184	Audit - Eide Bailly, LLP; Cheiron, Inc.	325
Loomis Sayles & Company, LP	1,921	Investment Management Consultant - Callan LLC; FactSet Research Systems, Inc.	656
Manulife Investment Management – Domestic Fixed Income	955	Legal - Outside - Chapman & Cutler, LLP; Ice Miller, LLP, Watkins & Eager, PLLC	114
Manulife Investment Management - Timber	607	Medical Fees - Clinics Labs	109
Marathon Asset Management, LLP	4,557	Accounting Consultants – ANM Consulting LLC; Harper, Rains, Knight & Company, P.A.	143
Mondrian Investment Partners Limited	2,079	<b>Total Professional Service Fees</b>	<b>\$1,660</b>
Northern Trust Investments, Inc. - BB.AGG	89		
Northern Trust Investments, Inc. – Global Equity Index	16		
Northern Trust Investments, Inc. – MSCI World Ex-US	200		
Northern Trust Investments, Inc. – Russell MC	6		

\* Fees are subject to estimation.

Schedule 3  
Schedule of Net Position Restricted for  
Pension Benefits – MRS Plans  
June 30, 2023

[in thousands]

	<u>Amounts</u>
Biloxi Municipal	\$1,806
Biloxi Fire & Police	6,021
Clarksdale Fire & Police	870
Clinton Fire & Police	8,663
Columbus Fire & Police	1,332
Greenville Fire & Police	2,088
Greenwood Fire & Police	2,254
Gulfport Fire & Police	8,254
Hattiesburg Fire & Police	18,004
Jackson Fire & Police	40,689
Laurel Fire & Police	4,625
McComb Fire & Police	639
Meridian Municipal	3,115
Meridian Fire & Police	7,691
Natchez Fire & Police	1,003
Pascagoula Fire & Police	6,281
Tupelo Fire & Police	4,080
Vicksburg Fire & Police	7,269
Yazoo City Fire & Police	195
<b>Total Net Position Restricted for Pension Benefits – MRS Plans</b>	<b>\$124,879</b>

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Investment

Investment





## Providing Benefits for Life

September 28, 2023

Dear Members,

The fiscal year 2023 began with its set of challenges, including high inflation, increasing interest rates, and uncertainty spreading through the economy. These were compounded by the typical headlines that we have become accustomed to since the early 2000's, such as banking crises, the market's performance being dominated by a few companies, and debt ceiling negotiations. At this, the year did not offer great expectations.

However, investment results were generally positive:

- For the year ending June 30, 2023, the portfolio returned 7.76%, underperforming the System's policy benchmark return of 9.72%;
- Longer term, the portfolio had 3-, 5-, and 10-year returns of 9.36%, 7.63%, and 8.47%, respectively;
- The 1-year return of 7.76% was in the 44th percentile of the System's peer group comprised of public pension plans with assets greater than \$10 billion;
- Assets of the System totaled \$32.03 billion as of June 30;
- The System ranked as the 71st largest pension and retirement savings plan in the country.

As of June 30, 2023, the System's portfolio asset allocation was in line with its strategic target allocation.

Overweight allocations to Private Equity (+4.0%) and Cash (+0.1%) were offset by underweight allocations to Fixed Income (-1.5%), International Equity (-1.5%), Domestic Equity (-0.9%), Global Equity (-0.2%), and Real Estate (-0.1%).

The first quarter of the fiscal year was marked by significant volatility in the financial markets. The S&P 500 Index fell 4.9%, while fixed income struggled with some of its worse returns in history. This was due to weakening economic fundamentals, stubbornly high inflation, two 75-basis-point hikes to the federal funds rate by the Federal Reserve (Fed), and growing talks of a recession. The yield curve inverted at quarter-end, with the 10-year yield at 3.83% and 2-year yield at 4.22%, resulting in commercial real estate showing signs of slowing down.

In contrast, global markets posted gains in the second quarter of the fiscal year amid expectations that central banks might change course. The gains for the quarter came in October and November on expectations for the Fed to potentially pause interest rate hikes as inflation's pace appeared to have eased. However, enthusiasm may have been a bit overdone (as is common with markets) because the Fed remained firm in its rate-hike outlook for 2023, and the markets sold off in December.

The third quarter of FY2023 started with strong gains in January, which were primarily supported by perceived declines in inflation indicators. Moderating inflation, along with the labor market's surprisingly strong economic data, increased hopes that the Fed could deliver an economic soft landing, slowing the economy but avoiding full recession. However, in February, the growing anticipation for an economic soft landing hit a speed bump (see above about what is all-to-common with enthusiasm in markets). The January jobs report released in early February showed a sizeable gain in jobs, suggesting that the labor market would remain extremely tight. Following the release, the Fed raised rates another quarter percent. The quarter was capped off with the

shocking failure of Silicon Valley Bank, which was the 16th largest bank in the country. Signature Bank of New York failed just days later, and concerns about a regional banking crisis surged. Even though these failures and concerns were believed to be, at least partially, due to the quickest tightening cycle in history, the Fed still raised rates by .25% in March, bringing the top end of the funds rate to 5%. This was an increase of 4.75% since March 2022.

At the close of the fiscal year, the S&P 500 Index rose 8.7% for the quarter, with nearly all the gain coming in June and largely from the seven largest tech companies in the index. These companies saw an average increase of 26% during the quarter, while the other 493 companies in the index returned only 3%. This raises concerns about the health of the markets. Markets in which performance is dominated by a few companies are not healthy, and this could very well be an indication that a "Bear Market" is on the horizon. US gross domestic product (GDP) grew at an annualized rate of 2.0% over the quarter. Consumer and government spending were the main proponents of the increase, and both utilized debt to do it. This put the Federal Reserve in a difficult position in trying to curb spending/inflation, and they raised rates another 25 basis points in May. With this, the inversion in the yield curve steepened to 4.87% for the 2-year Treasury and 3.81% for the 10-year Treasury.

In the second half of the fiscal year, private markets shared the unease of the public markets, with deal flows taking a breather. Although PERS private equity portfolios did post modestly positive returns for the period, they trailed the benchmark. Despite the recent challenges, the outlook for the asset class remains strong. Since 1996, the number of U.S. public companies has decreased from over eight thousand to just under five thousand currently (according to the World Bank Data Base). Companies are choosing to stay private rather than going public, so having access to some of the most innovative companies requires tapping into the private markets. These markets have very favorable return profiles in comparison to their publicly traded counterparts, according to numerous different forward-looking assumptions.

Overall, the investment return of 7.76% was remarkable, putting PERS in the top half of the peer universe of Public Funds > \$10 billion maintained by our investment consultant, Callan.

The structuring of this well-diversified portfolio enabled the System to achieve these commendable returns in an extremely erratic year. The Investment Team is always focused on evaluating how best to position the portfolio to successfully overcome the investment challenges ahead. As I write this, we are currently in the finishing process of adding an allocation to private credit to the portfolio. One of the outcomes of our Asset Liability Study carried out last year was the decision to add a 2% allocation to private credit. This asset class, due to the changes in the interest rate landscape, is forecasted to produce returns very similar to public equities with less risk. By adding broader diversification to help reduce portfolio volatility and improve risk-adjusted performance, we aim to continue producing the returns that this fund deserves well into the future. The Investment Team remains focused on the investment horizon and continuously preparing for investment challenges ahead to provide a System that is both sound and secure for current and future members.

Respectfully,



Charles R. Nielsen III  
Chief Investment Officer



September 30, 2023

**Members of the Board:**

Callan LLC is pleased to present the Public Employees' Retirement System of Mississippi (PERS) results for the fiscal year ended June 30, 2023. The state of the economy has defied expectations of a major slowdown. A recession in the U.S. does not appear imminent despite the most aggressive rate hikes since the 1980s over the past 15 months. The labor market remains strong, expectations for GDP growth are positive, consumer spending has exceeded expectations, and even housing has shown signs of life. Further good news comes from inflation, which has moderated, though largely due to falling energy prices.

Investors have also successfully weathered a couple of storms this year. Regional bank worries have abated after the high-profile collapse of Silicon Valley Bank and the debt ceiling saga is behind us. Investors are generally optimistic; stock indices registered strong gains and risk appetite was evident in bond markets. Meanwhile, the Fed has not abandoned its rate hike path and goal of 2% inflation and has suggested that further hikes are possible. Higher interest rates have a lagged effect, but the impact can already be seen in some areas. U.S. banks have tightened lending standards for loans to small businesses. Additionally, rising payments for credit card debt, auto loans, commercial mortgage payments, and corporate debt all have the potential to put the brakes on economic growth.

Highlights within the capital markets for the trailing 12 months include the following:

- Domestic equity markets were dominated by mega-cap tech companies (dubbed the "Magnificent Seven"), reflecting investor exuberance around the impacts of artificial intelligence. The Russell 3000 Index, an index of domestic stocks covering all capitalizations, gained 19.0%.
- International equity markets registered solid gains but trailed the U.S. The MSCI All Country World Index ex U.S. (ACWI ex U.S. IMI), a broad index of stocks outside the U.S. that includes developed and emerging market countries, returned 12.5%. International equity market performance faced additional headwinds from a strong U.S. dollar.
- U.S. fixed income markets fell as rates continued to rise. The yield curve remained sharply inverted. In the latter half of the fiscal year, a "risk-on" environment bolstered returns for credit and securitized sectors, both of which outperformed U.S. Treasuries on a duration-adjusted basis. The Bloomberg U.S. Aggregate Bond Index declined -0.9%. Global markets performed only modestly better, with the Bloomberg Global Aggregate Bond Index (hedged) gaining 0.5%.
- Private real estate was weighed down by increasing borrowing costs, while the office and retail sectors have come under stress from lower occupancy. The NCREIF Property Index declined -6.6%.

For the fiscal year ended June 30, 2023, the System's investments produced a return of 7.8% versus 9.7% for the policy benchmark. Assets stood at \$32.0 billion at the end of the fiscal period, up from \$31.2 billion at the beginning of the period.

Over the trailing five-, ten-, and fifteen-year periods, PERS exceeded its policy benchmark with annualized returns of 7.6%, 8.5%, and 7.5%, respectively. Long-term returns remain very competitive against the policy benchmark and large public retirement systems.

The System recently completed a comprehensive fixed income structure review and approved a new target allocation to short-duration fixed income ("liquidity sleeve") which will help in funding annual pension obligations. Additionally, the System is building out its allocation to private credit and in the early stages of structuring a private infrastructure portfolio.

The Public Employees' Retirement System of Mississippi (PERS) maintains an appropriately diversified investment approach, designed to maximize return with an acceptable risk level. Callan supports the System's ongoing efforts to enhance the investment program and its continued due diligence activities.

Sincerely,



John P. Jackson, CFA  
Senior Vice President  
Callan LLC



Alexander W. Ford  
Vice President  
Callan LLC

## Defined Benefit Plans — Report on Investments

### Fiscal Year 2023

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The System is committed to ensuring secure retirement benefits are available for its current and future retirees through the prudent investment of its assets.

The Board is responsible for directing the investment program in accordance with the laws of the State.

Facing each year's unique investment challenges and opportunities, the Board, the Executive Director, and investment staff remain clearly focused on the fundamental principle that investing for the future of our membership is a long-term commitment, and the prudent management of the System's assets demands constant attention and specialized expertise. The Board is committed to maintaining a well-diversified portfolio designed to minimize risks and maximize returns over the long term. The goal of the investment program is to ensure adequate funding is available to meet all current and future pension obligations. As fiduciaries, the Board, the Executive Director, and the investment staff rely on the following principles to guide them in making investment related decisions.

#### *Investment Policy Summary*

### INVESTMENT OBJECTIVES

The primary objective of the investment program is to ensure that the System meets its financial responsibility to provide stable benefits for its members. As such, the investment program strives to:

- » achieve a long-term annual rate of return that meets or exceeds actuarial assumed rate of return on investments;
- » protect the investment portfolio from severe extended declines in asset value during periods of adverse market conditions by prudent diversification of assets;
- » provide adequate liquidity to meet all benefit payments and other cash requirements; and
- » maintain a total portfolio risk profile that is controlled through diversification by asset class, investment approach, and by individual investments within each asset class.

### INVESTMENT CONSTRAINTS

- » Laws and Regulations - The specific types of investments in which the System is authorized to invest are enumerated in Section 25-11-121 of the Mississippi Code, Annotated (1972, as amended).
- » Time Horizon - Acknowledging the impact of annual investment returns on the actuarial evaluation, the System views the appropriate investment time horizon for a public pension plan to be thirty (30) years.
- » Liquidity Requirements - Annual liquidity requirements must be considered when designing the portfolio structure.

### RISK CONTROLS

The System's greatest risk is that plan assets will not support liabilities over the long term. To help mitigate this concern and evaluate the funded status of the System, the Board conducts annual actuarial valuations and projection reports, as well as periodic experience studies. Additionally, at least every five years, an independent external audit of the actuary is conducted to ensure the assumptions and calculation methods used are appropriate for properly computing the liabilities of the System.

### STRATEGIC OBJECTIVE

The Board's strategic investment objectives are to maximize total return on assets, preserve principal, and to attain competitive investment results. By achieving the strategic objectives, the Board seeks to be able to provide adequate benefits and maintain stable contribution rates.

### IMPLEMENTATION

The strategic asset allocation is the primary tool for reaching the investment objectives. The asset allocation decision is based on an evaluation of both expected returns and risk levels for the allowable asset classes. In making the asset allocation decision, the Board must strike a balance between the desired level of risk and return. The result of the asset allocation decision should be a well-diversified portfolio that reflects both the Board's desired level of return and the Board's risk tolerance level for the portfolio.

## REBALANCING

The Board's investment policy includes a provision for rebalancing the asset allocation any time the current allocation is not in alignment with the long-term target. The investment staff is responsible for implementing the rebalancing activity as contained in the policy.

## ROLES AND RESPONSIBILITIES

### *Board of Trustees*

The Systems' investment activities are governed by the ten-member Board of Trustees who are responsible for directing the investment program in accordance with the laws of the State. As fiduciaries of a pension fund, the board members rely heavily on the executive director, the investment staff, consultants, actuaries, and other contracted service providers to assist them in this process.

The Board is responsible for:

- » approval of long-term risk tolerance and asset allocation decisions;
- » approval of all formal investment policies;
- » approval of the investment structure within the asset allocation policy structure;
- » retention and termination of external managers, consultants, and custodial banks; and
- » periodically approving the System's Investment Policy Statement.

Information and recommendations related to investment program activities and policies are provided to the Board by the investment staff and consultant to aid the decision-making process.

### *Executive Director*

The Board employs the Executive Director who is responsible for, among other duties, broad oversight of the investment function, including ensuring the System has in place the appropriate resources, training opportunities, and compensation structures to attract and retain a competent and qualified investment staff.

### *Investment Staff*

The Chief Investment Officer (CIO), as head of the investment staff, is charged with maintaining the integrity of the investment program. This responsibility includes working directly with the Executive Director and Board on the development of investment policy, asset allocation decisions, portfolio structure, investment manager/consultant selection and termination, and custodian selection. The CIO is charged with providing advice and recommendations on all investment related matters and to make all necessary information available to the Executive Director and Board to assist them in making prudent investment decisions.

The investment staff discharges their duties solely in the interest of the members and benefit recipients of the System. These duties include implementation of and adherence to the Board's investment policies. Primary responsibilities are:

- » monitoring investment managers' compliance with the guidelines established in their Investment Management Agreements (IMA);
- » meeting and/or communicating with external managers regularly to review investment strategies and results;
- » managing the short-term account assets to ensure monthly benefit payrolls are funded;
- » recommending investment program enhancements; and
- » implementing the adopted rebalancing policy.

### *Investment Consultant*

The investment consultant is charged with assisting the investment staff in providing advice and recommendations to the Executive Director and Board on all investment matters and to discharge their investment duties solely in the interest of the System's members and benefit recipients, assisting in the System's prudent management and oversight of investments.

The consultant attends all investment related meetings of the Board and provides an independent perspective on investment goals, structure, performance, and managers. The consultant reviews asset allocation, manager structure and performance, and makes recommendations to the Board as appropriate. The consultant assists in the manager search process and in keeping the Board informed as to changes within the pension and investment communities that could affect the System.

*Investment Managers*

External investment managers are retained for their skill and expertise within a specialized part of the System’s portfolio. Investment managers are charged with managing the assets in compliance with the policies, guidelines, and objectives included in their IMAs with the System.

Investment managers construct and manage investment portfolios, which are consistent with the investment philosophy and disciplines for which they were hired. All investment managers provide periodic reporting as directed by the investment staff.

Each investment manager acts as a fiduciary to the System. Further, each manager is responsible for achieving best execution in all trades including foreign exchange transactions. Trades must meet the test of best execution as defined under Section 28(e) of the Securities and Exchange Act of 1934.

*Custodial Bank*

The custodial bank is responsible for settling all security trades as authorized by the investment managers. The custodial bank maintains accurate records of all transactions related to investment activity and serves as trustee of all assets within its control. It is responsible for capturing and recording all monies due to the System from investment activities and investment income. The custodial bank is also responsible for all securities lending activities, income collection, and record keeping.

PORTFOLIO REVIEW AND EVALUATION

Periodically, the Board reviews and evaluates reports on the investment performance of the System’s portfolio. These reviews also include the performance of each investment manager portfolio and at the total fund level. Performance reports are generated by the investment consultant and include performance data, asset allocation, and peer group comparison information. The Board places greater emphasis on long-term rather than short-term results.

The Board recognizes that though its investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. This prevents ad hoc revisions to its philosophy and policies in reaction to either speculation or short-term market fluctuations.

To maintain this long-term view, the Board utilizes the following formal review schedule:

Formal Review Agenda Item	Review Schedule
Total Fund Performance	Quarterly
Broad Asset Allocation	At least every five years
Manager Structure	At least every three years
Investment Policy	Periodically

*Standard of Care*

The standard of care which governs members of the Board is the prudent person standard. This standard requires fiduciaries to discharge their duties solely in the interests of participants and their beneficiaries with such care, skill, prudence, and diligence as a person acting in like circumstances would exercise in the conduct of an enterprise of similar character and with similar aims.

*Ethics and Conflicts of Interest*

As it pertains to ethics and conflicts of interest, it is understood that:

- » all Board members are fund fiduciaries with a duty of loyalty and responsibility to observe the exclusive benefit rule;
- » all members of the Board, Executive Director, and investment staff will disclose any conflict of interest related to investments;
- » all investment managers, consultants, and custodial banks shall be required to disclose all third-party relationships, which in any way involve payment of fees, shared fees, or any “soft dollar” exchanges not otherwise disclosed; and
- » upon request, each investment manager and consultant will disclose its ethics policy to the Board.

### *Investment Management Fees*

Investment management fees are closely monitored by the investment staff for reasonableness. Comparative fee information is obtained from various sources including the investment consultant and other annual fee surveys in which the System participates. Fees paid to each external investment management firm are presented to the Board periodically.

### *Proxy Voting*

The Board charges its investment managers with the responsibility of voting proxies on the System's behalf and in its best interest. It is the intent of the Board to have proxies voted in a manner solely to protect the interest of its participants. As a rule, proxies should be voted in such a manner as to avoid activity which would:

- » be detrimental to the long-term interests of the System's holdings;
- » excessively insulate present management from take-over or stockholder rejection;
- » reduce investment liquidity; and
- » reduce shareholder interests.

Proxies are to be voted and submitted in adequate time for the proxy to be received by the appropriate corporate official. A record of the proxy voting positions taken by each investment manager should be reported to the investment staff by the 30th calendar day following the end of each quarter.

### *Securities Lending*

Lending securities to qualified borrowers enables the System to realize incremental income on assets currently in the portfolio. This represents an opportunity to increase the return on the fund by reinvesting the income generated.

The custodial bank, as lending agent for the System, is responsible for the lending and cash collateral reinvestment activities. All loans will have an initial collateral margin of 102.00 percent for loaned securities denominated in US dollars or whose primary trading market is located in the US, or sovereign debt issued by foreign governments denominated in US dollars and 105.00 percent for loaned securities which are not in denominations of US dollars or whose primary trading market is not located in the US, with the potential of higher values dependent on the jurisdiction in which such loaned securities are customarily traded.

### *Manager Watch List or Termination Guidelines*

Managers may be placed on a Watch List for either qualitative or quantitative factors.

Qualitative Factors - Qualitative factors that may be grounds for being placed on a Watch List or terminated include, but are not limited to the following:

- » violation of investment guidelines;
- » deviation from stated investment style;
- » turnover of key personnel;
- » change in ownership;
- » litigation; and
- » failure to disclose significant information including potential conflicts of interest, regulatory agency investigations and/or sanctions, and any other such pertinent occurrences.

The Board can place a manager on the Watch List at any time based on qualitative factors. Watch List status, based on qualitative factors, mandates closer monitoring of the manager's organization. The Board will notify the manager of its decision to place the firm on a Watch List. At the end of six months the Board will reevaluate and decide what action, if any, to take.

### *Quantitative Factors*

Quantitative factors pertain primarily to performance. The performance of the Plan's investment managers is reviewed by the Board on a continuing basis. Below are some of the factors to be considered in determining the appropriateness of placing an investment manager on a Watch List.

<u>Performance Test</u>	<u>Benchmark</u>	<u>Fail Criteria</u>
Test 1 – Performance relative to market index, for 4 consecutive quarters of rolling 3-year period returns	Annualized performance relative to the agreed upon market index or appropriate benchmark	Managers fail if they underperform their index or benchmark over 4 quarters of rolling 3-year periods
Test 2 – Performance relative to a peer group for 4 consecutive quarters of rolling 3-year period returns	Performance compared to that of an appropriate peer group	Managers fail if their performance is below the 50th percentile over 4 quarters of rolling 3-year periods

The Board will notify a manager of its decision to place them on a Watch List. The investment manager will be informed that failure to show steady improvement in performance could result in termination or a reduction of the assets managed for the System. The Board, at its discretion, can place an investment manager on a Watch List, or terminate an investment manager at any time with a 30-day notice.

#### *Strategic Asset Allocation Policy*

The primary method utilized in achieving the investment return objectives is the allocation of assets. The Board adopts an asset allocation policy as the framework to ensure the assets are invested in a prudently managed and well diversified portfolio designed to meet the established return targets. To assist the Board in this decision, the System's investment consultant conducts periodic asset/liability allocation studies that include consideration of projected future liabilities, expected risk, return, correlations for various asset classes, and the System's statutory investment restrictions.

In August 2022, to allow for further portfolio diversification opportunities, the Board approved a modification to the system's investment policy to reallocate the asset mix, primarily to allow up to 2% investment in each of the categories of private credit and private infrastructure while also increasing the private equity allocation from 8% to 10% (with corresponding reductions in public equity and fixed income). A multi-year implementation strategy has been undertaken, beginning with the private credit category, which will be accomplished through a fund-of-one investment strategy. Until these strategies are implemented, performance will be measured utilizing the Board-approved investment allocation prior to these changes and the associated benchmarks, as set forth below.

Strategic Asset Allocation	Targets	Rebalancing Ranges
Equity Securities	61%	±5%
Debt Securities	20%	±5%
Real Estate	10%	±5%
Private Equity	8%	±5%
Cash Equivalents	1%*	±1%

*\* Cash equivalents will consist of the assets in the short-term account used for benefit payments. Target may exceed the max when necessary to meet the current obligations of the system for a period of ninety (90) days as enumerated in Section 25-11-121 of the Mississippi Code, Annotated (1972, as amended).*

The current long-term performance measurement for each asset class is as follows:

Asset Class	Benchmark
Public Equities	MSCI ACWI IMI Index
Private Equity	S&P 500 Index + 3% (1 Quarter Lag)
Fixed Income	Bloomberg Barclays US Aggregate Index
Real Estate	NCREIF Property Index
Cash Equivalents	30-day U.S. T-bills
Total Fund Policy	27.0% Russell 3000 Index, 22.0% MSCI ACWI ex US IMI, 20.0% Bloomberg Aggregate, 12.0% MSCI ACWI IMI, 10.0% NCREIF Total Index, 8.0% S&P 500 Index +3.0% (1 Quarter Lag) and 1.0% FTSE 1 Mo T-Bill.

#### *Investment Summary*

As of June 30, 2023, the System's portfolio value as reported by the investment consultant totaled \$32.03 billion. This represents an increase of approximately \$830 million compared to fiscal year 2022. As is common in mature pension plans, the System's annual distributions again surpassed contributions made by employees and employers. For fiscal year 2023, contributions totaled \$2.0 billion, while the System paid out approximately \$3.4 billion to members and beneficiaries.

#### **ASSET ALLOCATION**

The asset allocation at year end, excluding investments purchased with securities lending cash collateral, was in line with its strategic target allocation as shown above. An overweight allocation to Private Equity (+4.0%) was offset by underweight allocations to the other asset classes.



It is important to note that the asset allocation decision for a public pension system is unique to the individual plan and is based on that plan's specific liability requirements, as well as any statutory investment restrictions under which the investment program must operate. As a result, the System's allocation could be somewhat different than that of other public pension plans. From time to time, these differences can result in significant differences in investment returns.

## SECURITIES LENDING

The System's securities lending program is managed by its custodial bank, BNY Mellon. This program generates ancillary income by lending securities from the System's portfolio to securities dealers in return for a premium payment on loans collateralized by securities and earnings generated by the investment of cash collateral. All loans are secured by the receipt of collateral valued at 102.00 or 105.00 percent of the value of the loaned security. In fiscal year 2023, the securities lending program generated almost \$12.0 million\* in additional revenue for the investment program.

\* \$12.0 million were the earnings distributed for the fiscal year; \$15.5 million was the reported net income as required by Governmental Accounting Standards Board Statement No. 28.

## Portfolio Performance

*All returns for periods greater than one year are annualized.*

Callan LLC services include calculating investment returns both for the total fund and for each of the investment managers retained to invest the System's assets and comparing those results to certain performance benchmarks. Actual returns are calculated by Callan using a time-weighted rate of return methodology based on portfolio fair values determined by the System's custodial bank.

For FY2023, the combined investment portfolio experienced a gross return of 7.76 percent which outperformed the peer-universe median 7.50 percent return by 0.26 percent and ranked in the 44th percentile of the funds in the Callan Public Very Large Defined Benefit (DB) universe. The System's three-year total return of 9.36 percent and the five-year return of 7.63 percent outpaced its policy benchmark of 7.79 percent and 6.87 percent, respectively, maintaining top-tier ranking in the peer universe. For the 10 years ended June 30, 2023, the portfolio returned 8.47 percent, outperforming the Target Policy benchmark return of 7.95 percent, performing better than 88 percent of the System's peers.

The System's portfolio structure is designed to achieve success over the long term. Challenges are always present, in whatever form they come, and the effects they have on the global financial markets are seldom the same. This underlines the value of the System's Asset Allocation Policy, as demonstrated by the 30-year return of 7.80 percent relative to the policy benchmark return of 7.49 percent.

## PUBLIC EQUITY PORTFOLIO

Globally, fiscal year 2023 equity markets saw strong returns. Broad market benchmarks like the Russell 3000, the MSCI All Country World Index ex US - Investable Markets Index (MSCI ACWI ex US - IMI), and MSCI Emerging Markets Indices posted returns of 18.95, 17.41, and 1.75 percent, respectively. The System's domestic equity portfolio returned 19.45 percent for the fiscal year, ranking PERS in the 12th percentile of the Callan Public Plan domestic equity universe. The international equity portfolio return was 14.77 percent, placing it in the 41st percentile of the Callan Public Plan international equity universe for the year. The System's global equities portfolio posted returns of 16.71 percent, placing it in the 60th percentile of the Callan Public Plan global equity universe for the year.

Combining all segments of the public equity portfolio, the program returned 17.29 percent for the fiscal year outperforming the 16.14 percent return of the MSCI ACWI - IMI. The total public equity portfolio return for the three-year period ended June 30 was 11.19 percent, and the five-year return was 8.00 percent. These gains exceeded the MSCI ACWI - IMI returns of 10.97 and 7.65 percent for the three-year and five-year periods, respectively. For the 10 years ended June 30, the System's public equity portfolio return of 9.24 percent also exceeded the Index return of 8.62 percent.

As of June 30, the System had allocated 26.1 percent of the total portfolio to domestic equities, 20.55 percent to international markets, and 11.8 percent to global equities. Within the domestic equity portfolio 77.11 percent was invested in large-capitalization (cap), 11.59 percent in mid-cap, and 11.3 percent in small-cap securities.

The total public equity was divided into approximately 58.00 percent active and 42.00 percent passive management.

## DEBT PORTFOLIO

At the close of the year, the fixed income portfolio included both active and passive core US portfolios, core-plus strategies (incorporates some high-yield debt, non-US debt, and US core debt exposures), global bond portfolios, and a dedicated emerging market debt portfolio.

The total fixed income portfolio's positive 1.19 percent return for the year outperformed the Bloomberg Barclays Aggregate Index performance by 213 basis points. For the three-year and five-year periods ended June 30, fixed income returns were negative 2.69 and positive 1.47 percent (annualized), respectively, outperforming the Index by 127 basis points and 70 basis points (annualized) for the same periods. The ten-year performance for the fixed income portfolio was 2.54 percent, while the Index returned 1.52 percent, annualized.

The System ended the year with 18.54 percent of the total portfolio invested in fixed income securities. The debt portfolio allocations consisted of 27.47 percent in both active and passive core US mandates, 37.11 percent core-plus, and 24.53 percent hedged global bond strategies. The remaining 10.89 percent was invested in emerging market debt.

## REAL ESTATE PORTFOLIO

On June 30, the real estate investment program consisted of domestic and global private investments in core, core plus, and value-added real estate funds, timber, as well as public REITs. The total real estate portfolio returned negative 10.54 percent for the fiscal year, underperforming its custom benchmark return of negative 6.60 percent by 394 bps. The longer-term three-year return of 7.18 percent exceeded the benchmark return of 6.79 percent by 39 bps. The five-year and seven-year portfolio returns of 5.50 and 5.89 percent were slightly under the benchmark's 5.90 and 6.24 percent respective returns.

The portfolio added a new core plus investment to the portfolio during the year to provide greater diversification among the primary real estate sector and bring the portfolio more in line with the ODCE benchmark. The core and core plus real estate portfolio returned negative 12.36 percent for the year, thereby underperforming the benchmark NFI-ODCE Equal Weighted Net Index return of negative 10.51 percent. Core and core plus real estate has realized a three-year return of 6.04 percent, while the Index returned 7.59 percent for the same period. The five-year and seven-year returns of 4.74 and 5.45 also underperformed the relative benchmark returns.

At the end of the fiscal year, the System's value-added real estate portfolio consisted of 20 limited partnerships representing broad diversification both geographically and in sector opportunities. The value-add portfolio posted a negative 6.80 return, slightly trailing the NCREIF Total Index benchmark return of negative 6.60 percent. For the three-year return, the value-add portfolio returned 13.20 percent, significantly outperforming the 6.79 percent benchmark return by 641 bps. For longer periods, the program posted five-year and seven-year gains of 11.65 and 11.48 percent returns, respectively, both exceeding their benchmark by over 500 bps.

At the beginning of the fiscal year, the System's timber portfolio, comprised of both US and non-US timber investments, with the primary US asset being sold during the year. The portfolio returned negative 0.72 percent for the fiscal year, while NCREIF Timberland Index returns for the same period were 11.13 percent. With the single remaining asset in the timber portfolio being in New Zealand, primary contributing factors to the underperformance were currency exchange rates as well as lingering Covid effects in China and Southeast Asia's construction market. The portfolio's three-year, five-year, and seven-year returns of 8.11, 6.06, and 7.65 percent were close to or exceeded their respective 8.67, 5.80, and 5.13 percent returns of the NCREIF Timberlands Index.

The public REIT portfolio, comprised of both US and non-US REIT investments, returned negative 1.33 percent for the fiscal year and 7.60 percent for the three-year period ending June 30, significantly outperforming both relative benchmarks. The custom REIT portfolio benchmark returned negative 3.59 and 4.29 percent for the same periods. The five-year return of 4.43 percent outpaced the 0.82 percent benchmark return, and the portfolio's seven-year return of 4.03 percent outpaced the benchmark return of 1.69 percent.

## PRIVATE EQUITY PORTFOLIO

The System's private equity program consists of seven separate fund-of-funds limited partnership commitment series investing in buyouts, venture capital/growth, and special situation opportunities. On a time-weighted basis, the System's private equity investments returned negative 3.76 percent for the fiscal year, underperforming the 6.93 percent return of the benchmark (S&P 500 Index plus 3.00 percent). The significant underperformance is primarily due to the lag in performance and valuation reporting for private investments relative to those in the public markets in which the benchmark is based. The private equity program realized returns of 24.44, 18.26, 18.29, and 17.32 percent for the three-year, five-year, seven-year, and ten-year periods, respectively, significantly outperforming the relative benchmark returns of 12.73, 12.77, 14.56, and 14.67\* percent for the same periods. Additionally, the portfolio ranked in the top decile among peers for the 5-, 7-, and 10-year time periods.

*\* Prior to 2013 the private equity benchmark was the S&P 500 Index plus 5 percent.*

## SHORT-TERM PORTFOLIO

Cash flows generated by employee and employer contributions to the System and from ancillary income-generating activities, including securities lending and the System's commission recapture program, are invested by the System's investment staff. These assets are used to fund monthly benefits, refunds, and annual Cost-of-Living-Adjustment (COLA) payments. As interest rates at the short end of the yield curve increased throughout the fiscal year, the return on the short-term investment program was 4.10 percent. The cash portion of the accounts managed by external investment managers is invested in interest-earning cash equivalents. All short-term investments are made in accordance with state law and policies set by the Board.



**Defined Benefit Plans**  
**Asset Allocation, Target Asset Allocation**  
For Fiscal Year Ended June 30, 2023

The long-term target asset allocation below represents the legacy policy target weights. A new long-term strategic asset allocation was approved in 2022; however, the legacy allocation target and Total Fund Benchmark will be maintained until the new complementary strategies have been implemented.

	Asset Allocation at Fair Value	Long-Term Target Asset Allocation
Equity Securities	58.5%	61.0%
Debt Securities	18.5	20.0
Real Estate	9.9	10.0
Private Equity	12.0	8.0
Cash & Equivalents	1.1	1.0

**Defined Benefit Plans:**  
**Performance Summary**  
For Fiscal Year Ended June 30, 2023

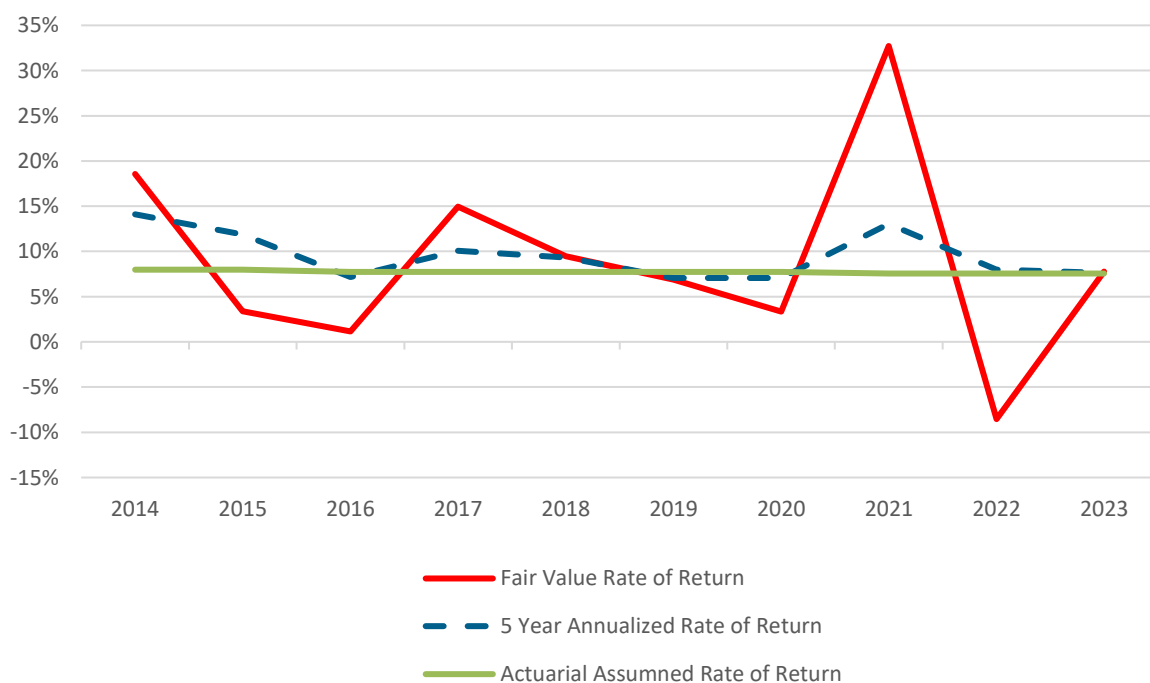
	Annualized				
	Current	3-year	5-year	10-year	30-year
<i>Total Fund:</i>					
System Combined Return*	7.76%	9.36%	7.63%	8.47%	7.80%
Public Funds Policy Benchmark	9.72	7.79	6.87	7.95	7.49
Public Funds > \$10 Billion Peer Comparison Group	7.50	9.49	7.41	7.94	7.92
<i>Total Equity Securities:</i>					
Total Equity Managers Composite*	17.29	11.19	8.00	9.24	-
MSCI ACWI IMI Benchmark	16.14	10.97	7.65	8.62	-
Total Equity Custom Benchmark	16.14	10.97	7.76	8.97	-
<i>Domestic Equity:</i>					
Domestic Equity Managers Composite*	19.45	14.56	11.26	11.98	10.12
Russell 3000 Index	18.95	13.89	11.39	12.34	9.94
Domestic Equity Custom Benchmark	18.39	14.07	10.67	11.94	9.81
<i>International Equity:</i>					
International Equity Managers Composite*	14.77	7.81	4.19	5.55	-
International Equity Benchmark	12.47	7.33	3.38	4.88	5.32
International Equity Custom Benchmark	12.31	6.97	3.21	4.90	6.58
<i>Global Equity:</i>					
Global Equity Managers Composite*	16.71	9.66	7.50	9.30	-
Global Equity Benchmark	16.14	10.97	7.65	8.59	-
<i>Debt Securities:</i>					
Debt Securities Managers Composite*	1.19	(2.69)	1.47	2.54	5.05
Bloomberg Aggregate Index	(0.94)	(3.96)	0.77	1.52	4.39
Fixed Income Custom Benchmark	0.25	(3.58)	0.84	1.77	-
<i>Real Estate:</i>					
Commingled Funds and REITS Composite*	(10.54)	7.18	5.50	8.38	-
Real Estate Benchmark	(6.60)	6.79	5.90	7.82	-
<i>Private Equity:</i>					
Private Equity Composite*	(3.76)	24.44	18.26	17.32	-
Private Equity Benchmark	6.93	12.73	12.77	14.67	-

\* Calculations for the System are prepared using a time-weighted rate of return methodology based upon fair values.



Defined Benefit Plans:  
Total Pension Investment Rates of Return  
Last 10 Fiscal Years  
[in thousands]

Fiscal Year	Investments Before Lending Activities	Fair Value Rates of Return	Five-Year Rates of Return	Actuarial Assumed Rates of Return
2014	24,600,195	18.58%	14.11	8.00
2015	24,735,121	3.40	11.89	8.00
2016	23,938,414	1.15	7.18	7.75
2017	26,592,048	14.96	10.08	7.75
2018	28,280,303	9.48	9.32	7.75
2019	28,226,443	6.87	7.06	7.75
2020	27,956,585	3.35	7.05	7.75
2021	35,265,335	32.71	13.03	7.55
2022	30,980,078	(8.54)	7.97	7.55
2023	31,836,506	7.76	7.63	7.55



Defined Benefit Plans:  
Net Investment Income by Source  
Last 10 Fiscal Years

[in thousands]

Fiscal Year	Bond Interest Income	Dividend Income	Short-term Income	Realized Gain on Investments	Appreciation (Depreciation) in Fair Value of Investments
2014	\$176,286	\$392,423	\$8,627	\$1,264,402	\$2,213,619
2015	183,456	365,567	8,045	1,450,502	(1,087,742)
2016	177,516	346,655	14,723	574,260	(909,931)
2017	173,692	351,444	14,411	1,136,714	1,900,834
2018	181,409	368,696	19,638	1,907,081	38,573
2019	195,358	380,435	29,032	957,634	260,730
2020	185,298	356,415	19,798	921,453	(525,979)
2021	170,610	355,288	8,714	2,954,584	5,508,267
2022	187,209	446,840	8,400	1,794,709	(5,369,210)
2023	213,321	458,895	45,201	(103,506)	1,746,301

Fiscal Year	Net Income from Securities Lending	Total Income/(Loss)	Manager* and Trading Fees	Net Income from Investments
2014	\$16,453	\$4,071,810	\$(83,449)	\$3,988,361
2015	13,778	933,606	(88,884)	844,722
2016	19,429	222,652	(89,116)	133,536
2017	22,333	3,599,428	(95,916)	3,503,512
2018	17,151	2,532,548	(105,462)	2,427,086
2019	15,535	1,838,724	(104,675)	1,734,049
2020	15,438	972,423	(99,541)	872,882
2021	10,665	9,008,128	(110,484)	8,897,644
2022	3,941	(2,928,111)	(106,458)	(3,034,569)
2023	15,529	2,375,741	(101,556)	2,274,185

\* Manager fees are subject to estimation.

Defined Benefit Plans:  
Investment Summary  
For the Year Ended June 30, 2023

[in thousands]

	July 1, 2022 Beginning Fair Value *	Purchases	Sales & Maturities	Increase (Decrease) in Fair Value	June 30, 2023 Ending Fair Value **	Percent of Total Fair Value
Equities	\$16,485,061	\$6,352,707	\$6,753,484	\$2,318,884	\$18,403,168	54.33%
Long-term Debt Securities	6,688,711	9,657,223	10,092,787	207,023	6,460,170	19.07
Private Equity	4,011,754	1,062,294	975,264	(293,987)	3,804,797	11.23
Real Estate	3,518,784	484,930	483,062	(453,886)	3,066,766	9.05
Short-term Investments	2,469,594	63,152,199	63,451,461	(28,225)	2,142,107	6.32
<b>Totals</b>	<b>\$33,173,904</b>	<b>\$80,709,353</b>	<b>\$81,756,058</b>	<b>\$1,749,809</b>	<b>\$33,877,008</b>	<b>100.00%</b>

\* Includes investment securities on loan to broker-dealers with a fair value of \$2,468,922. It also includes the securities purchased with the cash collateral received in the lending program with a fair value of \$2,193,826. As of June 30, 2022, 7.44 percent of the total fair value of investments were on loan to broker-dealers. To arrive at the beginning net asset value of investments of \$31.2 billion, the fair value total must be adjusted by (\$2.0) billion, which represents the fair value of cash, sweep investments, accrued interest and dividends, net receivables and payables for pending trades, and the securities lending obligations.

\*\* Includes investment securities on loan to broker-dealers with a fair value of \$2,223,806. It also includes the securities purchased with the cash collateral received in the lending program with a fair value of \$2,040,502. As of June 30, 2023, 6.56 percent of the total fair value of investments were on loan to broker-dealers. To arrive at the ending net asset value of investments of \$32.0 billion, the fair value total must be adjusted by (\$1.9) billion, which represents the fair value of cash, sweep investments, accrued interest and dividends, net receivables and payables for pending trades, and the securities lending obligations.

Defined Benefit Plans:  
Non-US Investments by Country  
Fair Value at June 30, 2023

Angola	0.12%	Guatemala	0.03%	Oman	0.13%
Argentina	0.07%	Guernsey CI	0.04%	Pakistan	0.02%
Australia	4.57%	Hong Kong	1.57%	Panama	0.23%
Austria	0.34%	Hungary	0.55%	Paraguay	0.04%
Azerbaijan	0.01%	Iceland	0.03%	Peru	0.19%
Belgium	0.32%	India	1.75%	Philippines	0.01%
Benin	0.02%	Indonesia	1.04%	Poland	0.17%
Bermuda	0.81%	Ireland	2.67%	Portugal	0.33%
Brazil	2.09%	Isle of Man	0.02%	Puerto Rico	0.03%
British Virgin Islands	0.05%	Israel	0.79%	Qatar	0.14%
Bulgaria	0.10%	Italy	1.06%	Romania	0.30%
Canada	9.15%	Jamaica	0.02%	Russia	0.06%
Cayman Islands	1.31%	Japan	11.95%	Saudi Arabia	0.65%
Chile	0.37%	Jersey CI	0.22%	Senegal	0.02%
China	4.92%	Jordan	0.14%	Serbia	0.05%
Colombia	0.33%	Kazakhstan	0.03%	Singapore	0.91%
Costa Rica	0.10%	Liberia	0.03%	South Africa	0.90%
Cote d'Ivoire	0.04%	Luxembourg	0.74%	South Korea	3.35%
Croatia	0.05%	Macau	0.04%	Spain	1.29%
Curacao	0.21%	Macedonia	0.04%	Sri Lanka	0.03%
Denmark	1.73%	Malaysia	0.07%	Supranational Geographic Focus	0.50%
Dominican Republic	0.31%	Malta	0.02%	Sweden	3.21%
Ecuador	0.04%	Marshall Islands	0.05%	Switzerland	4.29%
Egypt	0.13%	Mauritius	0.04%	Taiwan	3.00%
Ethiopia	0.01%	Mexico	1.41%	Thailand	0.38%
Finland	1.22%	Mongolia	0.04%	Turkey	0.63%
France	6.45%	Morocco	0.05%	Ukraine	0.06%
Gabon	0.09%	Netherlands	3.91%	United Arab Emirates	0.13%
Germany	4.10%	New Zealand	0.33%	United Kingdom	10.37%
Ghana	0.04%	Nigeria	0.03%	Uruguay	0.16%
Greece	0.07%	Norway	0.53%	Venezuela	0.01%

Defined Benefit Plans:  
Equity Portfolio

Equity Portfolio Summary

Total Equity Securities:  
\$18,403,168,301

Total Number of Shares of Equity Securities Held:  
6,488,584,522

Total Number of Issues of Equity Securities Held:  
3,861

Equity Portfolio by Industry Type  
Fair Value at June 30, 2023

Industry	Percent
Basic Industries	3.63%
Communications	11.80
Consumer Cyclical	11.58
Consumer Non-Cyclical	18.47
Diversified	0.08
Energy	5.38
Financial Services	15.76
Industrial	12.36
Technology	19.13
Utilities	1.81
<b>Totals</b>	<b>100.00%</b>

Ten Largest Equity Holdings

	Shares	Fair Value
Microsoft Corporation	1,596,883	\$543,802,537
Apple, Inc.	2,670,968	518,087,663
Amazon.com, Inc.	2,121,365	276,541,141
Meta Platforms, Inc.	945,199	271,253,209
Nvidia Corporation	467,228	197,646,789
Alphabet Inc-Class A	1,548,393	185,342,642
Alphabet Inc-Class C	1,517,102	183,523,829
UnitedHealth Group, Inc.	313,286	150,577,783
Taiwan Semiconductor Manufacturing Co.	7,441,115	137,619,234
Berkshire Hathaway, Inc.	365,328	124,576,848
<b>Totals</b>	<b>18,986,867</b>	<b>\$2,588,971,675</b>

A complete list of portfolio holdings is available upon written request.

Defined Benefit Plans:  
Private Equity Portfolio

Private Equity Portfolio Summary

Total Private Equity Investments:  
\$3,804,796,382

Private Equity Portfolio by Industry Type  
Fair Value at June 30, 2023

Private Equity Portfolio By Strategy  
June 30, 2023

Strategy	Percent
Buyouts	66.22%
Special Situations	18.55
Venture Capital	15.23
<b>Total</b>	<b>100.00%</b>

Industry	Percent
Technology	38.63%
Consumer Discretionary	14.15
Health Care	12.15
Industrials	11.45
Financial	10.12
Materials	3.94
Energy	3.04
Consumer Staples	1.98
Communication Services	1.97
Real Estate	1.03
Utilities	0.77
Other/Miscellaneous	0.77
<b>Totals</b>	<b>100.00%</b>

Defined Benefit Plans:  
Bond Portfolio

Bond Portfolio Summary\*

Total Bond Investments:  
\$6,460,169,854

Total Par of Bond  
Investments Held:  
187,679,266,878

Total Number  
of Bond Issues Held:  
5,871

Corporate Bond Investments by Industry Type  
Fair Value at June 30, 2023

Industry	Percent
Communications	6.44%
Consumer	16.35
Energy	9.74
Financial	43.91
Industrial	11.97
Technology	2.69
Utilities	8.37
Miscellaneous	0.53
<b>Totals</b>	<b>100.00%</b>

*\*Includes investments purchased with cash collateral received in the securities lending program.*

Ten Largest Long-term Corporate Bond Holdings

	PAR	Fair Value
Cooperatieve Rabobank UA	37,242,000	\$37,233,097
Caterpillar Financial Services	28,930,000	28,913,589
Loomis Sayles Senior Loan Fund	27,484,540	27,484,540
New York Life Global Funding	26,300,000	26,319,643
UBS AG London	26,300,000	26,211,028
Australia & New Zealand Banking Group Ltd.	25,800,000	25,850,235
Bank America NA/Charlotte NC	25,875,000	25,825,748
John Deere Capital Corporation	25,475,000	25,474,333
Caterpillar Financial Services	25,000,000	25,025,250
Toyota Motor Credit Corporation	16,600,000	16,621,508
<b>Totals</b>	<b>265,006,540</b>	<b>\$264,958,971</b>

*A complete list of portfolio holdings is available upon written request.*

Defined Benefit Plans:  
Real Estate Investment Portfolio

Real Estate Investment Portfolio Summary

Total Real Estate Investments: \$3,066,765,985	Total Number of Shares* of Real Estate Investments Held: 604,579,927	Total Number of Issues of REITs Held: 114
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\* Includes units of commingled funds and shares of REITs.

Portfolio Distribution by Property Type  
Fair Value at June 30, 2023

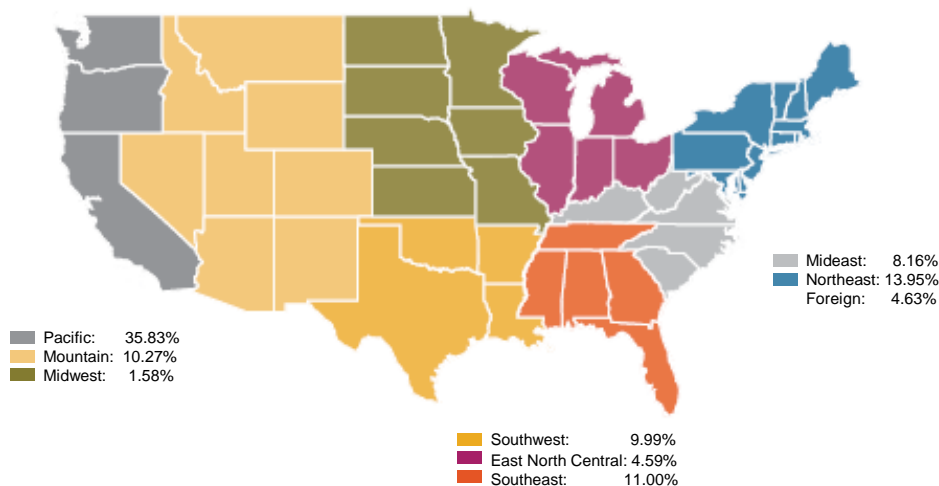
Property Type	Fair Value
Apartments	13.61%
Health Care	1.80
Hotels	0.97
Industrial	30.39
Office	15.72
Residential	19.12
Retail	9.77
Self-Storage	1.83
Timber	1.43
Other	5.36
<b>Totals</b>	<b>100.00%</b>

Ten Largest REIT Holdings

	Shares	Fair Value
Prologis, Inc.	158,479	\$19,434,280
Digital Realty Trust, Inc.	104,442	11,892,811
Equinix, Inc.	14,715	11,535,677
Welltower, Inc.	129,993	10,515,134
Realty Income Corporation	171,039	10,226,422
Invitation Homes, Inc.	283,274	9,744,626
Public Storage	30,416	8,877,822
Simon Property Group, Inc.	66,772	7,710,831
Sun Communities, Inc.	45,937	5,992,941
Equity Residential	77,720	5,127,188
<b>Totals</b>	<b>1,082,787</b>	<b>\$101,057,732</b>

A complete list of portfolio holdings is available upon written request

Portfolio Distribution By Geographic Location  
Fair Value at June 30, 2023





Defined Benefit Plans:  
Portfolio Detail Illustrated by Investment Manager  
At June 30, 2023

Investment Manager	Fund Type	Date Initiated	Fair Value Percent of Total Portfolio*
<i>Equity Securities:</i>			
Northern Trust Asset Management	Passive Large Cap (S&P 500 Index)	July 1985	17.64%
Northern Trust Asset Management	MSCI World Ex-US	April 2022	6.96
Acadian Asset Management, LLC	Global	July 2005	3.27
Epoch Investment Partners, Inc.	Global	February 2012	3.16
Harding Loevner, LP	Global	February 2012	2.89
Eagle Capital Management	Large Cap	January 2005	2.79
LSV Asset Management	Global	August 2022	2.62
Marathon Asset Management, LLP	ACWI Ex-US	May 2016	2.59
Arrowstreet Capital, LP	ACWI Ex-US	June 2013	2.50
Baillie Gifford & Company	ACWI Ex-US	August 2014	2.28
Lazard Asset Management, LLC	Emerging Markets	April 1998	2.24
Fisher Investments	Emerging Markets	April 2016	1.98
Victory Capital Management, Inc.	Domestic Mid Cap Value	September 2022	1.72
Artisan Partners, LP	Domestic Mid Cap Growth	September 2002	1.33
Principal Global Investors, LLC	International Small Cap	September 2018	1.12
Wellington Management Company, LLP	Domestic Small Cap Core	July 2002	1.04
Dimensional Fund Advisors, Inc.	Small Cap Value	July 2002	0.99
Mondrian Investment Partners Limited	International Small Cap	May 2011	0.99
Riverbridge Partners, LLC	Small Cap Growth	November 2013	0.96
<b>Subtotal</b>			<b>59.07%</b>
<i>Debt Securities:</i>			
Loomis Sayles & Company, LP	Core Plus	August 2009	3.47%
Prudential Financial, Inc.	Core Plus	January 2012	3.47
AllianceBernstein, LP	Global	February 2013	2.30
Pacific Investment Management Company	Global	February 2013	2.29
Pacific Investment Management Company	Domestic Core	August 1983	2.03
Manulife Investment Management	Domestic Core	March 2017	2.02
Wellington Management Company, LLP	Emerging Market	May 2010	2.00
Northern Trust Asset Investment	Passive Domestic Core (BB Agg Index)	December 2017	1.09
<b>Subtotal</b>			<b>18.67%</b>

\* Includes cash and cash equivalents.

Defined Benefit Plans:  
Portfolio Detail Illustrated by Investment Manager  
[continued]

Investment Manager	Fund Type	Date Initiated	Fair Value Percent of Total Portfolio*
<i>Real Estate:</i>			
Principal Global Investors, LLC	Core	June 2003	3.00%
J.P. Morgan Investment Management, Inc.	Core	July 2012	1.54
UBS Realty Investors, LLC	TPF Core	June 2003	1.33
UBS Realty Investors, LLC	TPG Core Plus	January 2011	0.90
Invesco, LP	Core	July 2022	0.59
CenterSquare Investment Management	Domestic REITs	June 2017	0.39
T.A. Associates Realty	Fund XII – value added	March 2020	0.36
Cohen & Steers Capital Management, Inc.	Global REITs	October 2010	0.31
Invesco, LP	Fund V – value added	February 2019	0.24
AEW Capital Management, LP	Fund IX – value added	April 2020	0.19
Angelo Gordon & Company	Fund X – value added	July 2018	0.18
Manulife Investment Management	Timber	March 2008	0.15
Heitman, LLC	Fund IV – value added	September 2017	0.14
T.A. Associates Realty	Fund XI – value added	April 2016	0.11
Heitman, LLC	Fund V – value added	December 2020	0.11
Invesco, LP	Fund VI – value added	September 2022	0.11
Westbrook Partners	Fund XI – value added	March 2021	0.10
Angelo Gordon & Company	Fund IV – value added	August 2015	0.07
Westbrook Partners	Fund X – value added	March 2016	0.07
T.A. Associates Realty	Fund X – value added	January 2013	0.05
AEW Capital Management, LP	Fund VIII – value added	July 2016	0.05
Angelo Gordon & Company	Fund XI – value added	March 2023	0.02
AEW Capital Management, LP	Fund VII – value added	June 2013	0.01
Invesco, LP	Fund IV – value added	April 2015	0.01
<b>Subtotal</b>			<b>10.03%</b>
<i>Private Equity:</i>			
Pathway Capital Management, LLC	Series 2016 Diversified	July 2016	3.99%
Pathway Capital Management, LLC	Series 2013 Diversified	April 2013	2.53
GCM Grosvenor Diversified Partners, LP	Series 2014 Diversified	February 2014	2.30
GCM Grosvenor Diversified Partners, LP	Series 2018 Diversified	July 2018	1.24
Pathway Capital Management, LLC	Series 2008 Diversified	December 2008	0.89
Pathway Capital Management, LLC	Series 2021 Diversified	May 2021	0.68
GCM Grosvenor Diversified Partners, LP	Series 2009 Diversified	June 2009	0.60
<b>Subtotal</b>			<b>12.23%</b>
<b>Total</b>			<b>100.00%</b>

\* Includes cash and cash equivalents.

Note: AEW Capital Management, LP Fund VI, Angelo Gordon & Company Fund III, and Heitman LLC Fund IIII are not shown due to small residual balances.

In addition to the cash equivalent portfolio managed in-house, 35 firms managed 61 different investment portfolios for the System at year end.

Defined Benefit Plans:  
Investment Fees & Commissions  
For the Year Ended June 30, 2023

	Assets Under Management	Fees*
<i>Investment Managers:</i>		
Equity Securities	\$18,631,608,374	\$47,683,734
Debt Securities	5,884,828,588	11,766,819
Real Estate	3,165,194,990	26,860,330
Private Equity	3,852,754,845	14,617,010
<b>Totals</b>	<b>\$31,534,386,797</b>	<b>\$100,927,893</b>
<i>Other Investment Service Fees:</i>		
Securities Lending Agent/Cash Management Fees	\$2,099,913	
Investment Consultant Fees	656,141	
Custodial & Global Out-of-Pocket Expenses	628,373	
<b>Totals</b>	<b>\$3,384,427</b>	

\* Management fees are subject to estimation.

Defined Benefit Plans:  
Brokerage Commissions Paid\*  
For the Year Ended June 30, 2023

	Number of Shares Traded	Commissions	Commissions Per Share
<i>Brokerage Firm, Including Subsidiaries:</i>			
J.P. Morgan Securities	94,314,451	\$333,825	\$0.004
Merrill Lynch & Company	49,969,358	249,238	0.005
BNP Paribas, SA	113,773,593	246,541	0.002
UBS AG	49,247,606	222,128	0.005
Jefferies & Company, Inc.	43,702,878	214,122	0.005
Citigroup, Inc.	91,830,472	181,830	0.002
Capital Institutional Services, Inc.	5,268,908	174,256	0.033
Crédit Lyonnais SA	91,437,288	166,528	0.002
Goldman Sachs & Company	48,321,924	154,180	0.003
Royal Bank of Canada	71,050,966	143,125	0.002
Barclays Capital	14,695,476	143,030	0.010
Sanford C. Bernstein Company, LLC	10,886,191	141,137	0.013
Morgan Stanley & Company	59,959,607	131,856	0.002
National Financial Services, LLC	14,594,291	113,820	0.008
Bank of New York Mellon	11,722,773	108,949	0.009
Instinet, Inc.	66,737,195	104,353	0.002
Macquarie Securities	55,931,869	92,225	0.002
Cowen & Company	2,586,072	81,887	0.032
Northern Trust Securities, Inc.	13,468,120	73,805	0.005
HSBC Securities, Inc.	72,396,399	71,120	0.001
Robert W. Baird & Company	3,275,876	66,216	0.020
Credit Suisse	14,529,483	63,624	0.004
Liquidnet, Inc.	5,182,452	63,217	0.012
Others (less than \$60,000)	88,850,278	574,985	0.006
Commission Recapture Income	n/a	(160,078)	-
<b>Totals</b>	<b>1,093,733,526</b>	<b>\$3,755,919</b>	<b>\$0.003</b>

\* Approximate figures provided by Bank of New York Mellon.

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Actuarial

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**Cavanaugh Macdonald**  
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October 25, 2023

Board of Trustees  
Public Employees' Retirement System  
of Mississippi  
429 Mississippi Street  
Jackson, MS 39201-1005

Dear Board Members:

The basic financial objective of the Public Employees' Retirement System of Mississippi (PERS) is to establish and receive contributions which:

- (1) When expressed in terms of the percents of active member payroll will remain approximately level from generation to generation of Mississippi citizens, and which
- (2) When combined with present assets and future investment return will be sufficient to meet the present and future financial obligations of PERS.

In addition, PERS maintains a funding policy that was revised in 2023. In order to meet the objectives listed above, the System will strive to meet the following funding goals:

- (1) To maintain an increasing trend in the funded ratio over the projection period with an ultimate goal of being approximately 100% funded;
- (2) Require clear reporting and risk analysis of metrics used by the actuary;
- (3) Provide contribution stability as a percentage of payroll.

In order to measure progress toward this fundamental objective and funding policy, PERS has an annual actuarial valuation performed. The valuation (i) measures present financial position, and (ii) establishes contribution requirements that provide for the current cost and level percent of payroll amortization of unfunded actuarial accrued liability over a reasonable period. The Board adopted a new funding policy which sets the funding goals, objectives, and metrics for possible changes in the contribution rate for future valuations.

The latest completed actuarial valuation was based upon data and assumptions as of June 30, 2022. The actuary recommended in this valuation that the current contribution rates of 17.40% of payroll for employers be increased beginning July 1, 2024. The Board has adopted a phased-in approach that will increase the employer contribution by 2 percent each state fiscal year beginning July 1, 2024, and thereafter until the rate reaches the amount recommended by the actuary and approved by the Board. Active members will continue to contribute 9.00% of payroll. There are 144,416 active members as of June 30, 2022.

The total pension liabilities (TPL) for the Governmental Accounting Standards Board Statement No. 67 (GASB 67) are based on the June 30, 2022 actuarial valuation and are rolled forward using actuarial techniques to the measurement date of June 30, 2023. The actuarial assumptions used for the purposes of determining the TPL as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022, including the change to a 7.00% investment return assumption.

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Board of Trustees  
October 25, 2023  
Page 2

The actuarial valuation is based upon financial and participant data, which is prepared by the retirement system staff, assumptions regarding future rates of investment return and inflation, and rates of retirement, turnover, death, and disability among PERS members and their beneficiaries. The data are reviewed by us for internal and year to year consistency as well as general reasonableness prior to its use in the actuarial valuation. It is also summarized and tabulated for the purpose of analyzing trends. The assumptions used in the 2023 GASB 67 report were adopted by the Board of Trustees and were based upon actual experience of PERS during the years 2018 to 2022. Assets are valued according to a market related method that recognizes 20% of the previously unrecognized and unanticipated gains and losses. The actuarial cost method used in valuation and financial disclosure reports is the Entry Age Normal cost method. The Entry Age Normal cost method is the most, commonly used cost method by public plans, and it develops a normal cost rate that tends to be stable and less volatile. The assumptions, methods, and funding policy utilized in this valuation and disclosure reports, in our opinion, are consistent and meet the parameters established by the Actuarial Standards of Practice.

The current benefit structure is outlined in the Actuarial Section. There were no changes in the benefit structure since the last valuation.

The following supporting schedules in the Actuarial Section are prepared by Cavanaugh Macdonald Consulting, LLC:

- Summary of Actuarial Assumptions & Methods
- Summary of Main System Provisions as Interpreted for Valuation Purposes
- Valuation Assets & Funding Progress
- Schedules of Funding Progress – Last 10 Fiscal Years
- Solvency Tests
- Analysis of Financial Experience
- Schedule of Active Member Valuation Data
- Schedule of Retirees Added to and Removed from Rolls

We also provided the Schedule of Changes in Net Pension Liability and related ratios, as well as the Schedule of Employer Contributions in the Financial Section.

Based upon the valuation results, annual projection forecasting and the presumption that future contributions will be made at the necessary level to ensure adequate funding and to meet accounting standards, it is our opinion that the Public Employees' Retirement System of Mississippi continues in sound condition in accordance with the actuarial principles of level percent of payroll financing.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Edward J. Koebel'.

Edward J. Koebel, FCA, EA, MAAA  
Chief Executive Officer





## Cavanaugh Macdonald CONSULTING, LLC

*The experience and dedication you deserve*

October 25, 2023

Board of Trustees  
Public Employees' Retirement System  
of Mississippi  
429 Mississippi Street  
Jackson, MS 39201-1005

Dear Board Members:

The basic financial objective of the Mississippi Highway Safety Patrol Retirement System (HSPRS) is to establish and receive contributions which:

- (1) When expressed in terms of the percents of active member payroll will remain approximately level from generation to generation of Mississippi citizens, and which
- (2) When combined with present assets and future investment return will be sufficient to meet the present and future financial obligations of HSPRS.

In addition, HSPRS maintains a funding policy that was revised in 2023. In order to meet the objectives listed above, the System will strive to meet the following funding goals:

- (1) To maintain an increasing ratio of system assets to accrued liabilities and reach an 100 percent minimum funded ratio in 2047;
- (2) To maintain adequate asset levels to finance the benefits promised to members;
- (3) To develop a pattern of stable contribution rates when expressed as a percentage of member payroll as measured by valuations prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board, with a minimum employer contribution equal to the normal cost determined under the Entry Age Normal funding method.

In order to measure progress toward this fundamental objective, HSPRS has an annual actuarial valuation performed. The valuation (i) measures present financial position, and (ii) establishes contribution requirements that provide for the current cost and level percent of payroll amortization of unfunded actuarial accrued liability over a reasonable period.

The latest completed actuarial valuation was based upon data and assumptions as of June 30, 2022. This valuation indicates that contribution rates of 49.08% of payroll for employers and 7.25% of payroll for active members, along with anticipated contributions as provided by Senate Bill No. 2659 (effective July 1, 2004) and House Bill No. 1015 (effective July 1, 2013), for benefits then in effect, meet the basic financial objective and the goals of the funding policy as listed above. There are 478 active members as of June 30, 2022.

The total pension liabilities (TPL) for the Governmental Accounting Standards Board Statement No. 67 (GASB 67) are based on the June 30, 2022 actuarial valuation and are rolled forward using actuarial techniques to the measurement date of June 30, 2023. The actuarial assumptions used for the purposes of determining the TPL as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022, including the change to a 7.00% investment return assumption.

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Board of Trustees  
October 25, 2023  
Page 2

The actuarial valuation is based upon financial and participant data, which is prepared by the retirement system staff, assumptions regarding future rates of investment return and inflation, and rates of retirement, turnover, death, and disability among HSPRS members and their beneficiaries. The data are reviewed by us for internal and year to year consistency as well as general reasonableness prior to its use in the actuarial valuation. It is also summarized and tabulated for the purpose of analyzing trends. The assumptions used in the 2023 GASB 67 report were adopted by the Board of Trustees and were based upon actual experience of HSPRS during the years 2018 to 2022. Assets are valued according to a market related method that recognizes 20% of the previously unrecognized and unanticipated gains and losses. The actuarial cost method used in valuation and financial disclosure reports is the Entry Age Normal cost method. The Entry Age Normal cost method is the most, commonly used cost method by public plans, and it develops a normal cost rate that tends to be stable and less volatile. The assumptions, methods, and funding policy utilized in this valuation and disclosure reports, in our opinion, are consistent and meet the parameters established by the Actuarial Standards of Practice.

The current benefit structure is outlined in the Actuarial Section. There were no changes in the benefit structure since the last valuation.

The following supporting schedules in the Actuarial Section are prepared by Cavanaugh Macdonald Consulting, LLC:

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- Solvency Tests
- Analysis of Financial Experience
- Schedule of Active Member Valuation Data
- Schedule of Retirants Added to and Removed from Rolls

We also provided the Schedule of Changes in Net Pension Liability and related ratios, as well as the Schedule of Employer Contributions in the Financial Section.

Based upon the valuation results, annual projection forecasting and the presumption that future contributions will be made at the necessary level to ensure adequate funding and to meet accounting standards, it is our opinion that the Mississippi Highway Safety Patrol Retirement System continues in sound condition in accordance with the actuarial principles of level percent of payroll financing.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Edward J. Koebel'.

Edward J. Koebel, FCA, EA, MAAA  
Chief Executive Officer



## Cavanaugh Macdonald CONSULTING, LLC

*The experience and dedication you deserve*

October 25, 2023

Board of Trustees  
Public Employees' Retirement System  
of Mississippi  
429 Mississippi Street  
Jackson, MS 39201-1005

Dear Board Members:

The basic financial objective of the Mississippi Supplemental Legislative Retirement Plan (SLRP) is to establish and receive contributions which:

- (1) When expressed in terms of the percents of active member payroll will remain approximately level from generation to generation of Mississippi citizens, and which
- (2) When combined with present assets and future investment return will be sufficient to meet the present and future financial obligations of SLRP.

In addition, SLRP maintains a funding policy that was revised in 2023. In order to meet the objectives listed above, the System will strive to meet the following funding goals:

- (1) To maintain an increasing ratio of system assets to accrued liabilities and reach a 100 percent minimum funded ratio in 2047;
- (2) To maintain adequate asset levels to finance the benefits promised to members;
- (3) To develop a pattern of stable contribution rates when expressed as a percentage of member payroll as measured by valuations prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board, with a minimum employer contribution equal to the normal cost determined under the Entry Age Normal funding method.

In order to measure progress toward this fundamental objective and funding policy, SLRP has an annual actuarial valuation performed. The valuation (i) measures present financial position, and (ii) establishes contribution rates that provide for the current cost and level percent of payroll amortization of unfunded actuarial accrued liability over a reasonable period.

The latest completed actuarial valuation was based upon data and assumptions as of June 30, 2022. The actuary recommended in this valuation that the current contribution rate of 7.40% of payroll for employers be increased to 8.40% of payroll beginning July 1, 2024. Active members will continue to contribute 3.00% of payroll. There are 174 active members as of June 30, 2022.

The total pension liabilities (TPL) for the Governmental Accounting Standards Board Statement No. 67 (GASB 67) are based on the June 30, 2022 actuarial valuation and are rolled forward using actuarial techniques to the measurement date of June 30, 2023. The actuarial assumptions used for the purposes of determining the TPL as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022, including the change to a 7.00% investment return assumption.

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Board of Trustees  
October 25, 2023  
Page 2

The actuarial valuation is based upon financial and participant data, which is prepared by the retirement system staff, assumptions regarding future rates of investment return and inflation, and rates of retirement, turnover, death, and disability among SLRP members and their beneficiaries. The data are reviewed by us for internal and year to year consistency as well as general reasonableness prior to its use in the actuarial valuation. It is also summarized and tabulated for the purpose of analyzing trends. The assumptions used in the 2023 GASB 67 report were adopted by the Board of Trustees and were based upon actual experience of SLRP during the years 2018 to 2022. Assets are valued according to a market related method that recognizes 20% of the previously unrecognized and unanticipated gains and losses. The actuarial cost method used in valuation and financial disclosure reports is the Entry Age Normal cost method. The Entry Age Normal cost method is the most, commonly used cost method by public plans, and it develops a normal cost rate that tends to be stable and less volatile. The assumptions, methods, and funding policy utilized in this valuation and disclosure reports, in our opinion, are consistent and meet the parameters established by the Actuarial Standards of Practice.

The current benefit structure is outlined in the Actuarial Section. There were no changes in the benefit structure since the last valuation.

The following supporting schedules in the Actuarial Section are prepared by Cavanaugh Macdonald Consulting, LLC:

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- Schedule of Active Member Valuation Data
- Schedule of Retirees Added to and Removed from Rolls

We also provided the Schedule of Changes in Net Pension Liability and related ratios, as well as the Schedule of Employer Contributions in the Financial Section.

Based upon the valuation results, annual projection forecasting and the presumption that future contributions will be made at the necessary level to ensure adequate funding and to meet accounting standards, it is our opinion that the Mississippi Supplemental Legislative Retirement Plan continues in sound condition in accordance with the actuarial principles of level percent of payroll financing.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Edward J. Koebel'.

Edward J. Koebel, FCA, EA, MAAA  
Chief Executive Officer





**Cavanaugh Macdonald**  
**CONSULTING, LLC**  
*The experience and dedication you deserve*

October 25, 2023

Board of Trustees  
Public Employees' Retirement System  
of Mississippi  
429 Mississippi Street  
Jackson, MS 39201-1005

Dear Board Members:

The basic financial objective of the Municipal Retirement System of Mississippi (MRS) is to establish and receive contributions (expressed as a tax on assessed property valuations) which:

- (1) Will be in amounts sufficient, but not more than necessary, to maintain the actuarially soundness of the Funds for all future years (the tax may be increased but not by more than one-half mill per year), and which
- (2) When combined with present assets and future investment return will be sufficient to meet the present and future financial obligations of MRS.

In addition, MRS maintains a funding policy that was revised in 2011. In this funding policy, contributions are extended past 2020 and an employer contribution rate, expressed as a millage rate tax applied to assessed property values, is established beginning in the 2011-2012 fiscal year that will generate an ultimate reserve level equal to a reasonable percentage (initially 100% - 150%) of the next year's projected benefit payment. At that point, employer contributions will be set equal to the fiscal year's projected benefit payments and adjusted as necessary to maintain the assets at the established reserve level.

In order to measure progress toward this fundamental objective, MRS has an annual actuarial valuation performed. The valuation (i) measures present financial position, and (ii) establishes contribution rates that provide for the sustainability of each municipality to ensure all benefit payments are made to the remaining retirees and beneficiaries.

The latest completed actuarial valuations were based upon data and assumptions as of June 30, 2022. These valuations indicate that the current contribution rates, for benefits then in effect, meet the basic financial objective. There were no remaining active members as of June 30, 2022.

The total pension liabilities (TPL) for the Governmental Accounting Standards Board Statement No. 68 (GASB 68) are based on the June 30, 2022 actuarial valuation and are rolled forward using actuarial techniques to the measurement date of June 30, 2023. The actuarial assumptions used for the purposes of determining the TPL as of June 30, 2023 were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2022, including the change to a 5.50% investment return assumption (1.50% less than Mississippi PERS assumption).

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Board of Trustees  
October 25, 2023  
Page 2

The actuarial valuation is based upon financial and participant data, which is prepared by the retirement system staff, assumptions regarding future rates of investment return and inflation, and rates of retirement, turnover, death, and disability among MRS members and their beneficiaries. The data are reviewed by us for internal and year to year consistency as well as general reasonableness prior to its use in the actuarial valuation. It is also summarized and tabulated for the purpose of analyzing trends. The assumptions were adopted by the Board of Trustees and were based upon actual experience of MRS during the years 2018 to 2022. Assets are valued according to a market related method that recognizes 20% of the previously unrecognized and unanticipated gains and losses. The actuarial cost method used in valuation and financial disclosure reports is the Entry Age Normal cost method. The Entry Age Normal cost method is the most commonly used cost method by public plans, and it develops a normal cost rate that tends to be stable and less volatile. The assumptions, methods, and funding policy utilized in this valuation and disclosure reports, in our opinion, are consistent and meet the parameters established by the Actuarial Standards of Practice.

The current benefit structure is outlined in the Actuarial Section.

The following supporting schedules in the Actuarial Section are prepared by Cavanaugh Macdonald Consulting, LLC:

- Summary of Actuarial Assumptions & Methods
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- Schedule of Retirants Added to and Removed from Rolls

We also provided the Schedule of Changes in Net Pension Liability and related ratios, as well as the Schedule of Employer Contributions in the Financial Section.

Based upon the valuation results annual projection forecasting and the presumption that future contributions will be made at the necessary level to ensure adequate funding and to meet accounting standards, it is our opinion that the Municipal Retirement Systems of Mississippi continue in sound condition in accordance with the actuarial principles and requirements of State law.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Edward J. Koebel'.

Edward J. Koebel, FCA, EA, MAAA  
Chief Executive Officer

## Summary of Actuarial Assumptions & Methods

This section presents actuarial information for each of the four defined benefit plans on a funding basis. A description of the plans can be found in Note 1 of the Financial Section. The PERS Board of Trustees and the MHSPRS Administrative Board are responsible for establishing and maintaining the funding policies. All plans use the Entry Age Actuarial Cost Method for both funding and financial reporting purposes. This continues a long-standing practice for all plans and provides a point of consistency between the funding provisions and the GASB 67 requirements.

Actuarial valuations are performed annually to measure the funding progress of the plans and the total pension liabilities used for accounting purposes. Total pension liabilities are based on the June 30, 2022, valuation rolled forward to the June 30, 2023, measurement date. The net pension liability is equal to the rolled forward total pension liability less the plan's fiduciary net position as of the measurement date.

To validate that the assumptions used to determine the total pension liability are reasonably related to experience, the System requests the actuary to conduct an experience investigation every other year on a rolling four-year period. The investigation considers mortality, retirement, withdrawals and compensation of members, and economic forecasts for inflation and investment rate of return. June 30, 2022, actuarial valuations were prepared using actuarial assumptions adopted by the Board in August 2021 based on the experience investigation for the four-year period ending June 30, 2020.

Actuarial valuations of funding progress are prepared using current contribution rates. Significant methods and assumptions used in the valuations as of the June 30, 2022, valuation date were as follows:

	PERS	MHSPRS	SLRP	MRS
<i>Actuarial Methods:</i>				
Actuarial cost Method	Entry age	Entry age	Entry age	Entry age
Amortization Method	Level percent open	Level percent open	Level percent open	Level dollar closed
Remaining Amortization Period	48.8 years	19.9 years	21.9 years	****
Asset Valuation Method	5-year Smoothed Fair Value	5-year Smoothed Fair Value	5-year Smoothed Fair Value	5-year Smoothed Fair Value
<i>Actuarial Assumptions:</i>				
Investment Rate of Return	7.55%	7.55%	7.55%	7.55%
Salary Increase	2.65-17.90%	3.00-8.56%	2.65%	****
Increase in Benefits after Retirement	3.00%*	3.00%**	3.00%*	Various***

\* Calculated 3.0 percent simple interest to age 55, or to age 60 if hired after June 30, 2011, compounded each year thereafter.

\*\* Calculated 3.0 percent simple interest to age 60, compounded each year thereafter.

\*\*\* Varies depending on municipality.

\*\*\*\* All MRS active employees were retired as of June 30, 2020.

## Public Employees' Retirement System of Mississippi: Statement of Actuarial Assumptions & Methods

Assumptions used in the June 30, 2022, actuarial valuation were adopted by the Board when the *Experience Investigation for the Four-Year Period Ending June 30, 2020*, was adopted August 24, 2021. Following are the assumptions adopted by the Board for this program.

**INTEREST RATE:** 7.55 percent per annum, compounded annually (net of investment expense only). The expected return on assets consists of 2.40 percent price inflation and 5.15 percent real rate of return.

**SALARY INCREASES:** Representative values of the assumed annual rates of salary increases are as follows:

Service	Annual Rates of Salary Increases		
	Merit & Seniority	Base (Economy)	Increase Next Year
0	15.25%	2.65%	17.90%
1	5.25	2.65	7.90
2	2.75	2.65	5.40
3	1.75	2.65	4.40
4	1.25	2.65	3.90
5-7	0.75	2.65	3.40
8-27	0.25	2.65	2.90
28 & over	-	2.65	2.65

**ADMINISTRATIVE EXPENSES:** 0.28 percent of payroll.

**TIMING OF DECREMENTS AND PAY INCREASES:** Middle of year.

**ASSUMED INTEREST RATE ON EMPLOYEE CONTRIBUTIONS:** 2.0 percent.

**MARRIAGE ASSUMPTION:** 85.0 percent married with the husband three years older than wife.

**UNUSED SICK LEAVE:** 0.5 years at retirement.

**MILITARY SERVICE:** 0.25 years at retirement.

**DEFERRED VESTED:** Benefits are assumed to commence at age 60 for Tiers 1, 2, and 3 and at age 65 for Tier 4.

**ASSET VALUATION METHOD:** Fair value five-year smoothing is the method used for asset valuation. The actuarial value of assets recognizes a portion of the difference between the fair value of assets and the expected fair value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20.0 percent of the difference between fair value and expected fair value.

**VALUATION METHOD:** The valuation is prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement, disability, or death. The calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate (7.55 percent for the June 30, 2022, valuation). The calculations consider the probability of a member's death or termination of employment prior to becoming eligible for a benefit and the probability of the member terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable to active members is added to the present value of the expected future payments to current benefit recipients to obtain the present value of all expected benefits payable to the present group of members and survivors.

The employer contributions required to support the benefits of PERS are determined following a level funding approach and consist of a normal contribution and an accrued liability contribution.

Under the entry age normal cost method, the actuarial present value of each member's projected benefits is allocated on a level basis over the member's compensation between the entry age of the member and the assumed exit ages. The portion of the actuarial present value allocated to the valuation year is called the normal cost. The actuarial present value of benefits allocated to prior years of service is called the actuarial liability. The unfunded actuarial liability represents the difference between the actuarial liability and the actuarial value of assets as of the valuation date. The unfunded actuarial liability is calculated each year and reflects experience gains/losses. The accrued liability contribution amortizes the balance of the unfunded actuarial accrued liability over a period of years from the valuation date.

**DEATH AFTER RETIREMENT:** The table for post-retirement mortality used in evaluating allowances to be paid is the PubS.H-2010(B) Retiree Table with males adjusted by 95.0 percent for ages less than 60 then scaled up to 110.0 percent for ages 61 to 75 and 101.0 percent for ages above 77. Females are adjusted by 84.0 percent for ages less than 72 then scaled up to 100.0 percent for ages above 76. The PubS.H-2010(B) Contingent Annuitant Table is used for



contingent annuitants with the following adjustments: 97.0 percent of male rates at all ages and 110.0 percent of female rates at all ages. The PubG.H-2010 Disabled Retiree Table is used for disabled retirees with the following adjustments: 134.0 percent of male rates at all ages and 121.0 percent of female rates at all ages. The projection scale MP-2020 is used to project future improvements in life expectancy generationally.

**SEPARATIONS FROM ACTIVE SERVICE:** Representative values of the assumed annual rates of separation from active service are as follows:

Age	Annual Rates of Service Retirements			
	Male		Female	
	Under 25 Years of Service*	25 Years of Service & Over*	Under 25 Years of Service*	25 Years of Service & Over*
45	-%	25.00%	-%	21.00%
50	-	19.00	-	14.50
55	-	18.00	-	19.75
60	11.25	19.00	13.25	21.50
62	21.00	29.00	18.75	34.00
65	25.50	32.00	30.00	42.25
70	19.50	26.00	23.00	30.00
75	22.00	24.00	21.50	25.00
80	100.00	100.00	100.00	100.00

\*For Tier 4 members, 30 years of service.

Age	Annual Rates of Withdrawals											
	Years of Service											
	0		5		10		15		20		24	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
20	40.00 %	45.00 %	13.00 %	14.00 %	- %	- %	- %	- %	- %	- %	- %	- %
25	34.50	37.00	13.00	12.50	9.00	9.00	-	-	-	-	-	-
30	34.00	35.00	12.00	12.50	6.50	6.50	5.00	5.00	-	-	-	-
35	33.75	30.00	12.00	12.00	6.50	6.25	4.00	4.25	4.00	3.50	-	-
40	33.50	28.00	9.50	9.50	6.00	6.00	4.00	4.25	4.00	3.50	4.00	3.50
45	32.00	27.50	9.50	9.50	5.50	5.75	4.00	4.25	4.00	3.50	4.00	3.50
50	28.00	27.50	9.50	9.50	5.50	5.75	4.00	4.25	4.00	3.50	4.00	3.50
55	25.00	25.00	9.50	9.50	5.50	5.75	4.00	4.25	4.00	3.50	4.00	3.50
60	25.00	25.00	9.50	9.50	5.50	5.75	4.00	4.25	4.00	3.50	4.00	3.50

Age	Annual Rates of			
	Death*		Disability	
	Male	Female	Male	Female
20	0.05%	0.01%	0.01%	0.01%
25	0.06	0.02	0.01	0.01
30	0.06	0.03	0.02	0.02
35	0.07	0.04	0.02	0.02
40	0.09	0.05	0.09	0.05
45	0.12	0.07	0.17	0.10
50	0.18	0.09	0.26	0.17
55	0.26	0.13	0.37	0.29
60	0.40	0.18	0.31	0.25
65	0.64	0.24	0.28	0.22
70	1.17	0.47	0.20	0.15
75	2.14	0.92	0.20	0.15
79	3.48	1.58	0.20	0.15

\*Adjusted Base Rates

## Mississippi Highway Safety Patrol Retirement System: Statement of Actuarial Assumptions & Methods

Assumptions used in the June 30, 2022, actuarial valuation were adopted by the MHSPRS Advisory Board when the *Experience Investigation for the Four-Year Period Ending June 30, 2020*, was adopted August 24, 2021. Following are the assumptions adopted by the PERS Board for this program.

**INTEREST RATE:** 7.55 percent per annum, compounded annually (net of investment expenses only). The expected return on assets consists of 2.40 percent price inflation and 5.15 percent real rate of return.

**SALARY INCREASES:** Representative values of the assumed annual rates of salary increases are as follows:

Age	Annual Rates of		
	Merit & Seniority	Base (Economy)	Increase Next Year
20	5.91%	2.65%	8.56%
25	2.66	2.65	5.31
30	1.84	2.65	4.49
35	1.84	2.65	4.49
40	1.84	2.65	4.49
45	1.35	2.65	4.00
50	0.85	2.65	3.50
55	0.85	2.65	3.50
60	0.35	2.65	3.00

**ADMINISTRATIVE EXPENSES:** 1.00 percent of payroll.

**TIMING OF DECREMENT AND PAY INCREASES:** Middle of year.

**ASSUMED INTEREST RATE ON EMPLOYEE CONTRIBUTIONS:** 2.0 percent.

**MARRIAGE ASSUMPTION:** 100.0 percent married with the husband three years older than wife.

**ASSET VALUATION METHOD:** Fair value five-year smoothing is the method used for asset valuation. The actuarial value of assets recognizes a portion of the difference between the fair value of assets and the expected fair value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20.0 percent of the difference between fair value and expected fair value.

**VALUATION METHOD:** The valuation is prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement, disability, or death. The calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate (7.55 percent for the June 30, 2022, valuation). The calculations consider the probability of a member's death or termination of employment prior to becoming eligible for a benefit and the probability of the member terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable to active members is added to the present value of the expected future payments to current benefit recipients to obtain the present value of all expected benefits payable to the present group of members and survivors.

The employer contributions required to support the benefits of MHSPRS are determined following a level funding approach and consist of a normal contribution and an accrued liability contribution.

Under the entry age normal cost method, the actuarial present value of each member's projected benefits is allocated on a level basis over the member's compensation between the entry age of the member and the assumed exit ages. The portion of the actuarial present value allocated to the valuation year is called the normal cost. The actuarial present value of benefits allocated to prior years of service is called the actuarial liability. The unfunded actuarial liability represents the difference between the actuarial liability and the actuarial value of assets as of the valuation date. The unfunded actuarial liability is calculated each year and reflects experience gains/losses. The accrued liability contribution amortizes the balance of the unfunded actuarial accrued liability over a period of years from the valuation date.

**DEATH AFTER RETIREMENT:** The table for post-retirement mortality used in evaluating allowances to be paid is the PubS.H-2010(B) Retiree Table with males adjusted by 95.0 percent for ages less than 60 then scaled up to 110.0 percent for ages 61 to 75 and 101.0 percent for ages above 77. Females are adjusted by 84.0 percent for ages less than 72 then scaled up to 100.0 percent for ages above 76. The PubS.H-2010(B) Contingent Annuitant Table is used for contingent annuitants with the following adjustments: 97.0 percent of male rates at all ages and 110.0 percent of female rates at all ages. The PubG.H-2010 Disabled Retiree Table is used for disabled retirees with the following adjustments: 134.0 percent of male rates at all ages and 121.0 percent of female rates at all ages. The projection scale MP-2020 is used to project future improvements in life expectancy generationally.

**SEPARATIONS FROM ACTIVE SERVICE:** Representative values of the assumed annual rates of separation from active service are as follows:

#### Service Retirement

Years of Service	Annual Rates of Service Retirement*
5	7.50%
10	7.50
15	7.50
20	7.50
25	20.00
30	15.00
35	35.00
40+	100.00

\* The annual rate of service retirement is 100.0 percent at age 63.

*It is assumed that a member will be granted one and three-quarter years of service credit for unused leave at termination of employment. In addition, it is assumed that, on average, one quarter year of service credit for peace-time military service will be granted to each member.*

#### Withdrawal, Death, and Disability

Age	Annual Rates of					
	Withdrawal		Death*		Disability	
	Less than 20 years of Service	20 or more Years of Service	Males	Females	Non-Duty	Duty
25	7.00%	-%	0.06%	0.02%	0.04%	-%
30	4.00	-	0.06	0.03	0.05	0.01
35	2.75	1.38	0.07	0.04	0.06	0.02
40	2.00	1.00	0.09	0.05	0.08	0.02
45	2.00	1.00	0.12	0.07	0.11	0.02
50	2.00	1.00	0.18	0.09	0.19	0.02
55	-	-	0.26	0.13	0.34	0.01
60	-	-	0.40	0.18	0.58	-

\*Adjusted Base Rates.

## Supplemental Legislative Retirement Plan: Statement of Actuarial Assumptions & Methods

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Assumptions used in the June 30, 2022, actuarial valuation were adopted by the PERS Board of Trustees when the *Experience Investigation for the Four-Year Period Ending June 30, 2020*, was adopted August 24, 2021. Following are the assumptions adopted by the PERS Board for this program.

**INTEREST RATE:** 7.55 percent per annum, compounded annually (net of investment expenses only). The expected return on assets consists of 2.40 percent price inflation and 5.15 percent rate of return.

**PAYROLL GROWTH:** 2.65 percent per annum, compounded annually.

**ADMINISTRATIVE EXPENSES:** 0.28 percent of payroll.

**TIMING OF DECREMENTS AND PAY INCREASES:** Middle of year.

**ASSUMED INTEREST RATE ON EMPLOYEE CONTRIBUTIONS:** 2.0 percent.

**MARRIAGE ASSUMPTION:** 85.0 percent married with the husband three years older than wife.

**ASSET VALUATION METHOD:** Fair value five-year smoothing is the method used for asset valuation. The actuarial value of assets recognizes a portion of the difference between the fair value of assets and the expected fair value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20.0 percent of the difference between fair value and expected fair value.

**VALUATION METHOD:** The valuation is prepared on the projected benefit basis, which is used to determine the present value of each member's expected benefit payable at retirement, disability, or death. The calculations are based on the member's age, years of service, sex, compensation, expected future salary increases, and an assumed future interest earnings rate (7.55 percent for the June 30, 2022, valuation). The calculations consider the probability of a member's death or termination of employment prior to becoming eligible for a benefit and the probability of the member terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable to active members is added to the present value of the expected future payments to current benefit recipients to obtain the present value of all expected benefits payable to the present group of members and survivors.

The employer contributions required to support the benefits of SLRP are determined following a level funding approach and consist of a normal contribution and an accrued liability contribution.

Under the entry age normal cost method, the actuarial present value of each member's projected benefits is allocated on a level basis over the member's compensation between the entry age of the member and the assumed exit ages. The portion of the actuarial present value allocated to the valuation year is called the normal cost. The actuarial present value of benefits allocated to prior years of service is called the actuarial liability. The unfunded actuarial liability represents the difference between the actuarial liability and the actuarial value of assets as of the valuation date. The unfunded actuarial liability is calculated each year and reflects experience gains/losses. The accrued liability contribution amortizes the balance of the unfunded actuarial accrued liability over a period of years from the valuation date.

**DEATH AFTER RETIREMENT:** The table for post-retirement mortality used in evaluating allowances to be paid is the PubS.H-2010(B) Retiree Table with males adjusted by 95.0 percent for ages less than 60 then scaled up to 110.0 percent for ages 61 to 75 and 101.0 percent for ages above 77. Females are adjusted by 84.0 percent for ages less than 72 then scaled up to 100.0 percent for ages above 76. The PubS.H-2010(B) Contingent Annuitant Table is used for contingent annuitants with the following adjustments: 97.0 percent of male rates at all ages and 110.0 percent of female rates at all ages. The PubG.H-2010 Disabled Retiree Table is used for disabled retirees with the following adjustments: 134.0 percent of male rates at all ages and 121.0 percent of female rates at all ages. The projection scale MP-2020 is used to project future improvements in life expectancy generationally.

**SEPARATIONS FROM ACTIVE SERVICE:** Representative values of the assumed rates of separation from active service are as follows:

*Service Retirement*

30.0 percent in an election year, 2.5 percent in a non-election year. All members are assumed to retire no later than age 80. It is assumed that a member will be granted 2.5 years of service credit for unused leave at termination of employment.

*Withdrawal*

15.0 percent in an election year, 2.0 percent in a non-election year.

*Death and Disability*

Age	Annual Rates of		
	Death*		Disability**
	Male	Female	
20	0.05%	0.01%	0.04%
25	0.06	0.02	0.05
30	0.06	0.03	0.07
35	0.07	0.04	0.11
40	0.09	0.05	0.17
45	0.12	0.07	0.23
50	0.18	0.09	0.30
55	0.26	0.13	0.35
60	0.40	0.18	0.40
65	0.64	0.24	-
70	1.17	0.47	-
75	2.14	0.92	-

\* Adjusted Base Rates.

\*\* 93.0 percent are presumed to be non-duty related, and 7.0 percent are assumed to be duty related.

## Municipal Retirement Systems: Statement of Actuarial Assumptions & Methods

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Assumptions used in the June 30, 2022, actuarial valuation were adopted by the PERS Board of Trustees when the *Experience Investigation for the Four-Year Period Ending June 30, 2020*, was adopted on August 24, 2021. Following are the assumptions adopted by the PERS Board for this program.

**INTEREST RATE:** 7.55 percent per annum, compounded annually (net after investment expenses) for prior funding policy rate determination and GASB disclosure. For current funding policy rate determination, 6.05 percent per annum, compounded annually (net after investment expenses).

**VALUATION METHOD:** Unfunded employer liabilities are based on no assumed growth in assessed property values, certified municipal millage rates and 6.05% assumed investment return.

**ASSESSED PROPERTY VALUE RATE OF INCREASE:** No increase, assessed value will remain level over time (used in determining the millage rate under both the prior and current funding policy).

**ASSET VALUATION METHOD:** Fair value five-year smoothing is the method used for asset valuation. The actuarial value of assets recognizes a portion of the difference between the fair value of assets and the expected fair value of assets, based on the assumed valuation rate of return. The amount recognized each year is 20.0 percent of the difference between fair value and expected fair value. Actuarial assets were allocated to individual cities in the same proportion that their fair value of assets was to the total fair value of assets for all cities.

**DEATH AFTER RETIREMENT:** The table for post-retirement mortality used in evaluating allowances to be paid is the PubS.H-2010(B) Retiree Table with males adjusted by 95.0 percent for ages less than 60 then scaled up to 110.0 percent for ages 61 to 75 and 101.0 percent for ages above 77. Females are adjusted by 84.0 percent for ages less than 72 then scaled up to 100.0 percent for ages above 76. The PubS.H-2010(B) Contingent Annuitant Table is used for contingent annuitants with the following adjustments: 97.0 percent of male rates at all ages and 110.0 percent of female rates at all ages. The PubG.H-2010 Disabled Retiree Table is used for disabled retirees with the following adjustments: 134.0 percent of male rates at all ages and 121.0 percent of female rates at all ages. The projection scale MP-2020 is used to project future improvements in life expectancy generationally.

## Public Employees' Retirement System: Summary of Main System Provisions as Interpreted for Valuation Purposes

### SUMMARY OF MAIN BENEFIT AND CONTRIBUTION PROVISIONS

The following summary presents the main benefit and contribution provisions of the plan in effect June 30, 2022, as interpreted in preparing the actuarial valuation and as of June 30, 2023, in determining the rollforward of the total pension liability to the measurement date. As used in the summary, "average compensation" means the average annual covered earnings of an employee during the four highest years of service.

To determine the member's four highest years, PERS considers these scenarios:

- » Four highest fiscal years of earned compensation;
- » Four highest calendar years of earned compensation;
- » Combination of the four highest fiscal and calendar years of earned compensation that do not overlap; or
- » Final 48 months of earned compensation prior to termination of employment.

"Covered earnings" means gross salary not in excess of the maximum amount on which contributions were required. "Fiscal year" means a year commencing July 1 and ending June 30. "Credited service" means service while a contributing member plus additional service as described below. "Unused sick and vacation leave" means service credit is provided at no charge to members for unused sick and vacation time that has accrued at the time of retirement. A payment of up to 240 hours leave may be used in the average compensation definition. "Additional service" means additional service credit may be granted for service prior to February 1, 1953, active-duty military service, out-of-state service, professional leave, and non-covered and retroactive service.

The maximum covered earnings and associated contribution rates for employers and members covering the last 10 years are as follows:

Fiscal Date From	Fiscal Date To	Employer Rate	Member Rate	Maximum Covered Earnings
7/1/2013	6/30/2014	15.75%	9.00%	\$255,000
7/1/2014	6/30/2015	15.75	9.00	260,000
7/1/2015	6/30/2017	15.75	9.00	265,000
7/1/2017	6/30/2018	15.75	9.00	270,000
7/1/2018	6/30/2019	15.75	9.00	275,000
7/1/2019	6/30/2020	17.40	9.00	280,000
7/1/2020	6/30/2021	17.40	9.00	285,000
7/1/2021	6/30/2022	17.40	9.00	290,000
7/1/2022	6/30/2023	17.40	9.00	305,000

## Benefits

### SUPERANNUATION RETIREMENT

#### Condition for Retirement

- a) A retirement allowance is paid upon the request of any member who retires and has attained age 60 and completed at least eight years\* of membership service. A retirement allowance may also be paid upon the completion of 25 years of creditable service for members hired prior to July 1, 2011, or upon the completion of 30 years of creditable service for members hired on or after July 1, 2011.
- b) Any member who withdraws from service prior to his or her attainment of age 60 and who has completed at least eight years\* of membership service is entitled to receive, in lieu of a refund of his or her accumulated contributions, a retirement allowance commencing at age 60.

*\*Four years for those who entered the System before July 1, 2007.*

#### Amount of Allowance

The annual retirement allowance payable to a member who retires is equal to:

1. A member's annuity which is the actuarial equivalent of the member's accumulated contributions at the time of his or her retirement, plus
2. For a member hired prior to July 1, 2011, an employer's annuity which, together with the member's annuity, is equal to 2.0 percent of his or her average compensation for each of the first 25 years of creditable service plus 2.5 percent for each year of creditable service over 25 years.
3. For a member hired on or after July 1, 2011, an employer's annuity which, together with the member's annuity, is equal to 2.0 percent of his or her average compensation for each of the first 30 years of creditable service plus 2.5 percent for each year of creditable service over 30 years. An actuarial reduction will be made for each year of creditable service below 30 or for each year of age below 65, whichever is less.

For members hired prior to July 1, 2011, the minimum allowance is \$120 for each year of creditable service.

### EARLY RETIREMENT

#### Condition for Retirement

For members hired on or after July 1, 2011, an actuarially reduced retirement allowance is paid upon the request of any member who retires with less than 30 years of creditable service.

#### Amount of Allowance

The annual actuarially reduced retirement allowance is equal to the benefit in the previous section but reduced for each year of creditable service below 30 or for each year in age below 65, whichever is less.

### DISABILITY RETIREMENT

#### Condition for Retirement

A retirement allowance is paid to a member who is totally and permanently disabled, as determined by the Board of Trustees, and who has accumulated eight or more years\* of membership service.

*\*Four years for those who entered the System before July 1, 2007.*

#### Amount of Allowance

For those who were active members prior to July 1, 1992, and did not elect the benefit structure outlined below, the annual disability retirement allowance payable is equal to a superannuation retirement allowance if the member has attained age 60; otherwise, it is equal to a superannuation retirement allowance calculated as follows:

1. A member's annuity equal to the actuarial equivalent of his or her accumulated contributions at the time of retirement, plus
2. An employer's annuity equal to the amount that would have been payable had the member continued in service to age 60.



For those who became active members after June 30, 1992, and for those who were active members prior to July 1, 1992, who so elected, the following benefits are payable:

1. A temporary allowance equal to the greater of (a) 40.0 percent of average compensation plus 10.0 percent for each dependent child up to a maximum of two, or (b) the member's accrued allowance. This temporary allowance is paid for a period of time based on the member's age at disability, as follows:

Age At Disability	Duration
60 & earlier	to age 65
61	to age 66
62	to age 66
63	to age 67
64	to age 67
65	to age 68
66	to age 68
67	to age 69
68	to age 70
69 & later	one year

For members hired prior to July 1, 2011, the minimum allowance is \$120 per year of creditable service.

2. A deferred allowance commencing when the temporary allowance ceases equal to the greater of (a) the allowance the member would have received based on service to the termination age of the temporary allowance, but not more than 40.0 percent of average compensation, or (b) the member's accrued allowance.

For members hired prior to July 1, 2011, the minimum allowance is \$120 per year of creditable service.

Effective July 1, 2004, a temporary benefit can be paid out of a member's accumulated contribution balance while the member is awaiting a determination for eligibility for disability benefits. Future disability payments, if any, would be offset by advanced payments made from the member's accumulated contributions.

**ACCIDENTAL DISABILITY RETIREMENT**

*Condition for Retirement*

A retirement allowance is paid to a member who is totally and permanently disabled in the line of performance of duty.

*Amount of Allowance*

The annual accidental disability retirement allowance is equal to the allowance payable on disability retirement but not less than 50.0 percent of average compensation. There is no minimum benefit.

**ACCIDENTAL DEATH BENEFIT**

*Condition for Benefit*

A retirement allowance is paid to a spouse and/or dependent children upon the death of an active member in the line of performance of duty.

*Amount of Allowance*

The annual retirement allowance is equal to 50.0 percent of average compensation payable to the spouse and 25.0 percent of average compensation payable to one dependent child or 50.0 percent to two or more children until age 19 (23 if a full-time student). There is no minimum benefit.

## ORDINARY DEATH BENEFIT

### *Condition for Benefit*

Upon the death of a member who has completed at least eight years\* of membership service, a benefit is payable (in lieu of a refund of the member's accumulated contributions) to his or her spouse, if said spouse has been married to the member for not less than one year.

\* Four years for those who entered the System before July 1, 2007.

### *Amount of Allowance*

The annual retirement allowance payable to the lawful spouse of a vested member who dies is equal to the greater of:

1. The allowance that would have been payable had the member retired and elected Option 2, reduced by an actuarially determined factor based on the number of years the member lacked in qualifying for unreduced retirement benefits, or
2. A lifetime benefit equal to 20.0 percent of the deceased member's average compensation, but not less than \$50 per month.

In addition, a benefit is payable to dependent children until age 19 (23 if a full-time student). The benefit is equal to the greater of 10.0 percent of average compensation or \$50 per month for each dependent child up to three.

## RETURN OF CONTRIBUTIONS

Upon the withdrawal of a member without a retirement benefit, his or her contributions are returned to him or her, together with accumulated regular interest thereon.

Upon the death of a member before retirement, his or her contributions, together with the full accumulated regular interest thereon, are paid to his or her designated beneficiary, if any, otherwise, to his or her estate provided no other survivor benefits are payable.

Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by *The Wall Street Journal* on December 31 of each preceding year with a minimum rate of 1.0 percent and a maximum rate of 5.0 percent.

## NORMAL FORM OF BENEFIT

The normal form of benefit (modified cash refund) is an allowance payable during the life of the member with the provision that upon his or her death the excess of his or her total contributions at the time of retirement over the total retirement annuity paid to him or her will be paid to his or her designated beneficiary.

## OPTIONAL BENEFITS

Upon retirement, if they do not select the normal form of benefit, a member may elect to receive his or her allowance in one of the following forms, which are computed to be actuarially equivalent to the applicable retirement allowance.

- Option 1. Reduced allowance with the provision that if the pensioner dies before he or she receives the value of his or her annuity as it was at the time of retirement, the balance shall be paid to his or her beneficiary.
- Option 2. Upon his or her death, his or her reduced retirement allowance shall be continued throughout the life of, and paid to, his or her beneficiary.
- Option 3. Upon his or her death, 50.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary and the other 50.0 percent of his or her reduced retirement allowance to some other designated beneficiary.
- Option 4. Upon his or her death, 75.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.
- Option 4A. Upon his or her death, 50.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.
- Option 4B. A reduced retirement allowance shall be continued throughout the life of the pensioner, but with the further guarantee of payment to the pensioner or his or her beneficiary for a specified number of years certain.
- Option 4C. A member may elect any option with the added provision that he or she shall receive, so far as possible, the same total amount annually (considering both PERS and Social Security benefits) before and after the earliest age at which the member becomes eligible for a Social Security benefit. This option was only available to those who retired prior to July 1, 2004.

A member who elects Option 2, Option 4, or Option 4A at retirement may revert to the normal form of benefit if the designated beneficiary predeceases the retired member or if the retired member divorces the designated beneficiary. A member who elects the normal form of benefit or Option 1 at retirement may select Option 2, Option 4, or Option 4A to provide beneficiary protection to a new spouse if married after retirement.

A member hired prior to July 1, 2011, and who has at least 28 years of creditable service\* or a member hired on or after July 1, 2011, who has at least 33 years of creditable service may select the Partial-Lump-Sum Option (PLSO) at retirement. Under this option, the retiree has the option of taking a partial-lump-sum distribution equal to 12, 24, or 36 times the base maximum monthly benefit. With each lump-sum amount, the base maximum monthly benefit will be actuarially reduced. A member selecting the PLSO may also select any of the regular options except Option 1, the prorated single-life annuity, and Option 4C, the Social Security- leveling provision. The benefit is then calculated using the new reduced maximum benefit as a starting point in applying the appropriate option factors for the reduction.

*\* Or at least age 63 with four years of membership service for those who entered the System before July 1, 2007.*

## POST-RETIREMENT ADJUSTMENTS IN ALLOWANCES

The allowances of retired members are adjusted annually by an amount equal to:

- a) 3.0 percent of the annual retirement allowance for each full fiscal year of retirement prior to the year in which the member reaches age 55\*, plus
- b.) 3.0 percent compounded for each year thereafter beginning with the fiscal year in which the member turns age 55\*.

*\* Age 60 for members hired on or after July 1, 2011.*

A prorated portion of the annual adjustment will be paid to the member, beneficiary, or estate of any member or beneficiary who is receiving the annual adjustment in a lump sum, but whose benefits are terminated between July 1 and December 1.

## CONTRIBUTIONS

Members contribute 9.0 percent of compensation. The Board sets employer contribution rates for PERS, as per Mississippi statute. The adequacy of these rates is checked annually by actuarial valuation. Refer to Note 6 of the basic financial statements for additional information.

## Mississippi Highway Safety Patrol Retirement System: Summary of Main System Provisions as Interpreted for Valuation Purposes

### SUMMARY OF MAIN BENEFIT AND CONTRIBUTION PROVISIONS

The following summary presents the main benefit and contribution provisions of the plan in effect June 30, 2022, as interpreted in preparing the actuarial valuation and as of June 30, 2023, in determining the rollforward of the total pension liability as of the measurement date. As used in the summary, "average compensation" means the average annual covered earnings of an employee during the four highest consecutive years of service. "Covered earnings" means gross salary not in excess of the maximum amount on which contributions were required. "Fiscal year" means a year commencing on July 1 and ending June 30. "Credited service" means service while a contributing member plus additional service as described below. "Unused sick and vacation leave" means service credit is provided at no charge to members for unused sick and vacation time that has accrued at the time of retirement. A payment of up to 240 hours leave may be used in the average compensation definition. "Additional service" means additional service credit may be granted for service prior to July 1, 1958, active-duty military service, and retroactive service.

The maximum covered earnings and associated contribution rates for employers and members covering the last 10 years are as follows:

Date From	Date To	Employer Rate	Member Rate	Maximum Covered Earnings*
7/1/2012	6/30/2018	37.00%	7.25%	\$ -
7/1/2018	6/30/2023	49.08	7.25	-

\* Maximum covered earnings equal wages paid, not to exceed wages paid to the Commissioner of the Department of Public Safety (currently \$183,240).

Effective July 1, 2022, additional contributions from Senate Bill No. 2659 and House Bill No. 1015 are estimated to be \$3,600,000 combined.

### Benefits

#### SUPERANNUATION RETIREMENT

##### Condition for Retirement

- A retirement allowance is payable to any member who retires and has attained age 55 and completed at least five years of membership service, or has attained age 45 and completed at least 20 years of creditable service, or has completed 25 years of creditable service regardless of age. Any member who has attained age 63 shall be retired forthwith.
- Any member who withdraws from service prior to his or her attainment of age 55 but after having completed five or more years of creditable service is entitled to receive, in lieu of a refund of his or her accumulated contributions, a retirement allowance commencing at age 55.

##### Amount of Allowance

The annual retirement allowance payable to a retired member is equal to:

- A member's annuity which is the actuarial equivalent of the member's accumulated contributions at the time of his or her retirement; plus
- An employer's annuity which, together with the member's annuity, is equal to 2.5 percent of his or her average compensation for each year of membership service; plus
- A prior service annuity equal to 2.5 percent of average compensation for each year of prior service.

The aggregate amounts of (2) and (3) above shall not exceed 100.0 percent of average compensation, regardless of service, for retirements on or after January 1, 2000.

The minimum allowance for both service and disability retirement is based on the following table for each year of creditable service, reduced, if necessary, as indicated below.

Years of Service	Monthly Benefit
Less than 10	\$250
10-15	300
15 or more	500

The annual retirement allowance payable to a member who retires under condition (a) above prior to age 55 is computed in accordance with the above formula except that the employer's annuity and prior service annuity are reduced actuarially based on the mortality table and interest rate used in the valuation.

#### DISABILITY RETIREMENT

Non-duty related disability benefits are available to vested members under the age of 55. Vested members age 55 or older are not eligible for disability benefits but may apply for service retirement benefits. For purposes of disability benefits, average annual compensation is calculated using the last two years of salary before retirement.

If a member becomes permanently disabled due to sickness or injury caused or sustained as a direct result of duty, he or she may be eligible for duty-related disability retirement. He or she is covered for this benefit from the first day of employment if he or she has not reached age 55, regardless of his or her years of service. Duty-related disability retirement benefits are calculated at either 50.0 percent of average compensation of the last two years of salary before retirement (this portion is not taxable) or the non-duty-related disability retirement amount, whichever provides the higher benefit.

#### DEATH PRIOR TO RETIREMENT

If a member is vested, the spouse and dependent children may be eligible to receive certain statutory benefits. Claims for non-duty-related death benefits are calculated at 2.5 percent of average compensation for each year of service credit, as calculated under Option 9, Maximum Benefit. Under this option, 50.0 percent of the accrued benefit is payable to the spouse until death, with 25.0 percent of the accrued benefit payable to one dependent child and 50.0 percent of the accrued benefit payable for two or more dependent children (under age 19 and never married or under age 23 if a full-time student and never married). Upon application and approval by the Medical Board, benefits to a physically or mentally disabled child may continue as long as the disability exists.

Coverage for duty-related death benefits begins on the first day of employment and is available to the spouse and dependent children regardless of the member's vesting status. If the member is vested, the spouse and dependent children may be eligible to receive benefits under either non-duty or duty-related death benefit provisions, whichever provided the higher benefit.

Claims for duty-related death benefits are calculated at 50.0 percent of average compensation, payable to the spouse until death, with 25.0 percent of average compensation payable to one dependent child and 50.0 percent of average compensation payable for two or more dependent children (under age 19 and never married or under age 23 if a full-time student and never married). Upon application and approval by the Medical Board, benefits to a physically or mentally disabled child may continue as long as the disability exists.

#### DEATH AFTER RETIREMENT

Upon the death of a highway patrol officer who has retired for service or disability and who has not elected any other optional form of benefit, his widow or her widower is eligible for a benefit equal to 50.0 percent of his or her retirement allowance and each child (but not more than two) who has not attained age 19 (23 if a full-time student) is eligible for a benefit equal to 25.0 percent of his or her retirement allowance. The benefit to the widow or widower is payable for life and to children until they attain age 19 (23 if a full-time student) or for life if they are totally and permanently disabled.

#### REFUND OF CONTRIBUTIONS

Upon a member's termination of employment for any reason before retirement, his or her accumulated contributions, together with regular interest thereon, are refunded. Upon the death of a member who is not eligible for any other death benefit, his or her accumulated contributions, together with regular interest thereon, are paid to his or her beneficiary.

Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by *The Wall Street Journal* on December 31 of each preceding year with a minimum rate of 1.0 percent and a maximum rate of 5.0 percent.

## NORMAL FORM OF BENEFIT

The normal form of benefit is an allowance payable during the life of the member. Upon death the benefits described above are payable.

## OPTIONAL BENEFITS

A member upon retirement may elect to receive his or her allowance in one of the following forms, which are computed to be actuarially equivalent to the applicable retirement allowance.

- Option 1. Reduced allowance with the provision that, if the pensioner dies before he or she receives the value of his or her annuity as it was at the time of retirement, the balance shall be paid to his or her beneficiary.
- Option 2. Upon his or her death, his or her reduced retirement allowance shall be continued throughout the life of, and paid to, his or her beneficiary.
- Option 3. Upon his or her death, 50.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary and the other 50.0 percent of his or her reduced retirement allowance to some other designated beneficiary.
- Option 4. Upon his or her death, 75.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.
- Option 4A. Upon his or her death, 50.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.
- Option 4B. A reduced retirement allowance shall be continued throughout the life of the pensioner, but with the further guarantee of payment to the pensioner or his or her beneficiary for a specified number of years certain.
- Option 4C. A member may elect any option with the added provision that he or she shall receive, so far as possible, the same total amount annually (considering both MHSPRS and Social Security benefits) before and after the earliest age at which the member becomes eligible for a Social Security benefit. This option was only available to those who retired prior to July 1, 2004.
- Option 9. Upon his or her death, the spouse will receive 50.0 percent of the benefit the member was receiving for life. Each dependent child (under age 19 and never married or under age 23 if a full-time student and never married) will receive 25.0 percent of the benefit the member was receiving with a maximum of 50.0 percent for the support and care of two or more children. Any contribution and interest remaining after the member's death and after all monthly benefits due to the spouse and children have been paid will be refunded to designated beneficiaries. If the member marries after retirement while receiving benefits under this option, he or she may apply to Pop-Down to Option 2 to provide 100.0 percent beneficiary protection to the new spouse, or Pop-Down to Option 4 or Option 4A for other beneficiary protections for the new spouse. PLSO is available with this option, if eligible.

A member who elects Option 2, Option 4, or Option 4A at retirement may revert to the normal form of benefit if the designated beneficiary predeceases the retired member or if the retired member divorces the designated beneficiary. A member who elects the normal form of benefit or Option 1 at retirement may select Option 2, Option 4, or Option 4A to provide beneficiary protection to a new spouse if married after retirement.

A member who qualifies for an unreduced retirement allowance may select the PLSO at retirement. Under this option, the retiree has the option of taking a partial-lump-sum distribution equal to 12, 24, or 36 times the base maximum monthly benefit. With each lump-sum amount, the base maximum monthly benefit will be actuarially reduced. A member selecting this option may also select any of the regular options except Option 1, the prorated single-life annuity, and Option 4C, the Social Security-leveling provision. The benefit is then calculated using the new reduced maximum benefit as a starting point in applying the appropriate option factors for the reduction.

## POST-RETIREMENT ADJUSTMENTS IN ALLOWANCES

The allowances of retired members are adjusted annually by an amount equal to:

- a) 3.0 percent of the annual retirement allowance for each full fiscal year of retirement prior to the year in which the member reaches age 60\*, plus
- b) 3.0 percent compounded for each year thereafter beginning with the fiscal year in which the member turns age 60\*.

A prorated portion of the annual adjustment will be paid to the member, beneficiary, or estate of any member or beneficiary who is receiving the annual adjustment in a lump sum, but whose benefits are terminated between July 1 and December 1.

Those members who retired on or before July 1, 1999, received an ad hoc benefit increase in the amount of \$3.50 per month for each full fiscal year of retirement through June 30, 1999, plus \$1 per month for each year of credited service. The benefits were increased July 1, 1999.

*\* This age will be reduced in five phases to age 55 if the actuary certifies that reducing the age will not result in the amortization period of the unfunded accrued liability exceeding 20 years.*

## CONTRIBUTIONS

Members contribute 7.25 percent of compensation, and the employer contributes 49.08 percent of compensation. Funds from SB269 and HB1015 are also provided.

## Supplemental Legislative Retirement Plan: Summary of Main System Provisions as Interpreted for Valuation Purposes

### SUMMARY OF MAIN BENEFIT AND CONTRIBUTION PROVISIONS

The following summary presents the main benefit and contribution provisions of the plan in effect June 30, 2022, as interpreted in preparing the actuarial valuation and as of June 30, 2023, in determining the rollforward of the total pension liability to the measurement date. As used in the summary, "average compensation" means the average annual covered earnings of an employee during the four highest years of service.

To determine the member's four highest years, PERS considers these scenarios:

- » Four highest fiscal years of earned compensation;
- » Four highest calendar years of earned compensation;
- » Combination of four highest fiscal and calendar years of earned compensation that do not overlap; or
- » Final 48 months of earned compensation prior to termination of employment.

"Covered earnings" means gross salary not in excess of the maximum amount on which contributions were required. "Fiscal year" means a year commencing July 1 and ending June 30. "Eligibility service" means service while a contributing member of PERS plus additional service as described below. "Credited Service" means service while a contributing member of SLRP plus additional service as described below. "Unused sick and vacation leave" means service credit is provided at no charge to members for unused sick and vacation time that has accrued at the time of retirement. A payment of up to 240 hours of leave may be used in the average compensation definition. "Additional service" means additional service credit may be granted for service prior to July 1, 1989, including active-duty military service. "Attribution" means a period for the normal cost is based on entry into PERS even for members who first participated in SLRP at a later age than PERS.

The maximum covered earnings and associated contribution rates for employers and members covering the last 10 years are as follows:

Date From	Date To	Employer Rate	Member Rate	Maximum Covered Earnings
7/1/2012	6/30/2013	7.40%	3.00%	\$250,000
7/1/2013	6/30/2014	7.40	3.00	255,000
7/1/2014	6/30/2015	7.40	3.00	260,000
7/1/2015	6/30/2017	7.40	3.00	265,000
7/1/2017	6/30/2018	7.40	3.00	270,000
7/1/2018	6/30/2019	7.40	3.00	275,000
7/1/2019	6/30/2020	7.40	3.00	280,000
7/1/2020	6/30/2021	7.40	3.00	285,000
7/1/2021	6/30/2022	7.40	3.00	290,000
7/1/2022	6/30/2023	7.40	3.00	305,000

### Benefits

#### SUPERANNUATION RETIREMENT

##### *Condition for Retirement*

- a) A retirement allowance is paid upon the request of any member who retires and has attained age 60 and completed at least eight years\* of membership service under PERS. A retirement allowance may also be paid upon the completion of at least 25 years of creditable service under PERS for members hired prior to July 1, 2011, or upon the completion of 30 years of creditable service for members hired on or after July 1, 2011.



- b) Any member who withdraws from service prior to his or her attainment of age 60 and who has completed at least eight years\* of membership service under PERS is entitled to receive (in lieu of a refund of his or her accumulated contributions) a retirement allowance commencing at age 60.

*\*Four years for those who entered the System before July 1, 2007.*

#### *Amount of Allowance*

The annual retirement allowance payable to a member who retires under condition a) above is equal to:

1. A member's annuity which is the actuarial equivalent of his or her accumulated contributions at the time of his or her retirement, plus
2. An employer's annuity which, together with the member's annuity, is equal to 1.0 percent of his or her average compensation for each of the first 25 years of creditable service plus 1.25 percent for each year of creditable service over 25 years.

The minimum allowance is \$60 per year of creditable service.

### **DISABILITY RETIREMENT**

#### *Condition for Retirement*

A retirement allowance is paid to a member who is totally and permanently disabled, as determined by the Board and has accumulated eight or more years\* of membership service.

*\* Four years for those who entered the System before July 1, 2007.*

#### *Amount of Allowance*

For those who were active members prior to July 1, 1992, and did not elect the benefit structure outlined below, the annual disability retirement allowance payable is equal to a superannuation retirement allowance if the member has attained age 60, otherwise it is equal to a superannuation retirement allowance calculated as follows:

1. A member's annuity equal to the actuarial equivalent of his or her accumulated contributions at the time of retirement, plus
2. An employer's annuity equal to the amount that would have been payable had the member continued in service to age 60.

For those who became active members after June 30, 1992, and for those who were active members prior to July 1, 1992, who so elected, the following benefits are payable:

1. A temporary allowance equal to the greater of (a) 40.0 percent of average compensation plus 10.0 percent for each dependent child up to a maximum of two, or (b) the member's accrued allowance. This temporary allowance is paid for a period of time based on the member's age at disability, as follows:

Age At Disability	Duration
60 & earlier	to age 65
61	to age 66
62	to age 66
63	to age 67
64	to age 67
65	to age 68
66	to age 68
67	to age 69
68	to age 70
69 & later	one year

*For those hired prior to July 1, 2011, the minimum allowance is \$60 per year of service credit.*

2. A deferred allowance commencing when the temporary allowance ceases equal to the greater of:
  - (a) the allowance the member would have received based on service to the termination age of the temporary allowance, but not more than 20.0 percent of average compensation, or
  - (b) the member's accrued allowance.

For those hired prior to July 1, 2011, the minimum allowance is \$60 per year of service credit.

Effective July 1, 2004, a temporary benefit can be paid out of a member's accumulated contribution balance while the member is awaiting a determination for eligibility for disability benefits. Future disability payments, if any, would be offset by advanced payments made from the member's accumulated contributions.

## ACCIDENTAL DISABILITY RETIREMENT

### *Condition for Retirement*

A retirement allowance is paid to a member who is totally and permanently disabled in the performance of duty.

### *Amount of Allowance*

The annual accidental disability retirement allowance is equal to the allowance payable on disability retirement but not less than 25.0 percent of average compensation. There is no minimum benefit.

## ACCIDENTAL DEATH BENEFIT

### *Condition for Benefit*

A retirement allowance is paid to a spouse and/or dependent children upon the death of an active member in the line of performance of duty.

### *Amount of Allowance*

The annual retirement allowance is equal to 25.0 percent of average compensation payable to the spouse and 12.5 percent of average compensation payable to one dependent child or 25.0 percent to two or more children until age 19 (23 if a full-time student). There is no minimum benefit.

## ORDINARY DEATH BENEFIT

### *Condition for Benefit*

Upon the death of a member who has completed at least eight years\* of membership service, a benefit is payable (in lieu of a refund of the member's accumulated contributions) to his or her spouse, if said spouse has been married to the member for not less than one year.

\* Four years for those who entered the System before July 1, 2007.

### *Amount of Allowance*

The annual retirement allowance payable to the lawful spouse of a vested member who dies is equal to the greater of:

1. The allowance that would have been payable had the member retired and elected Option 2, reduced by an actuarially determined factor based on the number of years the member lacked in qualifying for unreduced benefits, or
2. A lifetime benefit equal to 20.0 percent of the deceased member's average compensation, but not less than \$25 per month.

In addition, a benefit is payable to dependent children until age 19 (23 if a full-time student). The benefit is equal to the greater of 5.0 percent of average compensation or \$25 per month for each dependent child up to three.

## RETURN OF CONTRIBUTIONS

Upon the withdrawal of a member without a retirement benefit, his or her contributions are returned to him or her, together with accumulated regular interest thereon.

Upon the death of a member before retirement, his or her contributions, together with the full accumulated regular interest thereon, are paid to his or her designated beneficiary, if any, otherwise, to his or her estate provided no other survivor benefits are payable.

Effective July 1, 2016, the interest rate on employee contributions shall be calculated based on the money market rate as published by *The Wall Street Journal* on December 31 of each preceding year with a minimum rate of 1.0 percent and a maximum rate of 5.0 percent.

## NORMAL FORM OF BENEFIT

The normal form of benefit is an allowance payable during the life of the member with the provision that, upon his or her death, the excess of his or her total contributions at the time of retirement over the total retirement annuity paid to him or her will be paid to his or her designated beneficiary.

## OPTIONAL BENEFIT

Upon retirement, if they do not select the normal form of benefit, a member may elect to receive his or her allowance in one of the following forms, which are computed to be actuarially equivalent to the applicable retirement allowance:

- Option 1. Reduced allowance with the provision that if the pensioner dies before he or she receives the value of the member's annuity as it was at the time of retirement, the balance shall be paid to his or her beneficiary.
- Option 2. Upon his or her death, his or her reduced retirement allowance shall be continued throughout the life of, and paid to, his or her beneficiary.
- Option 3. Upon his or her death, 50.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary and the other 50.0 percent of his or her reduced retirement allowance to some other designated beneficiary.
- Option 4. Upon his or her death, 75.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.
- Option 4A. Upon his or her death, 50.0 percent of his or her reduced retirement allowance shall be continued throughout the life of, and paid to, a designated beneficiary.
- Option 4B. A reduced retirement allowance shall be continued throughout the life of the pensioner, but with the further guarantee of payment to the pensioner, or his or her beneficiary for a specified number of years certain.
- Option 4C. A member may elect any option with the added provision that the member shall receive, so far as possible, the same total amount annually (considering both SLRP and Social Security benefits) before and after the earliest age at which the member becomes eligible for a Social Security benefit. This option was only available to those who retired prior to July 1, 2004.

A member who elects Option 2, Option 4, or Option 4A at retirement may revert to the normal form of benefit if the designated beneficiary predeceases the retired member or if the member divorces the designated beneficiary.

A member who elects the normal form of benefit or Option 1 at retirement may select Option 2, Option 4, or Option 4A to provide beneficiary protection to a new spouse if married at retirement.

A member who has at least 28 years of creditable service\* under PERS may select a PLSO at retirement. Under this option, the retiree has the option of taking a partial lump-sum distribution equal to 12, 24, or 36 times the base maximum monthly benefit. With each lump-sum amount, the base maximum monthly benefit will be actuarially reduced. A member selecting the PLSO may also select any of the regular options except Option 1, the prorated single-life annuity, and Option 4C, the Social Security-leveling provision. The benefit is then calculated using the new reduced maximum benefit as a starting point in applying the appropriate option factors for the reduction.

*\*Or at least age 63 with four years of membership service for those who entered PERS before July 1, 2007.*

## POST-RETIREMENT ADJUSTMENTS IN ALLOWANCES

The allowances of retired members are adjusted annually by an amount equal to:

- a) 3.0 percent of the annual retirement allowance for each full fiscal year of retirement prior to the year in which the member reaches age 55, plus
  - b) 3.0 percent compounded for each year thereafter beginning with the fiscal year in which the member turns age 55\*.
- \* Age 60 for members hired on or after July 1, 2011.*

A prorated portion of the annual adjustment will be paid to the member, beneficiary, or estate of any member or beneficiary who is receiving the annual adjustment in a lump sum, but whose benefits are terminated between July 1 and December 1.

## CONTRIBUTIONS

Members currently contribute 3.0 percent of covered earnings. The employer contributes 7.4 percent of covered earnings.

## Municipal Retirement Systems: Summary of Main System Provisions as Interpreted for Valuation Purposes

### SUMMARY OF BENEFIT PROVISIONS EVALUATED

The following summary presents the main provisions of the plans in effect June 30, 2022, as interpreted in preparing the actuarial valuation. As used in the summary, "average compensation" means the average compensation of a member during the six-month period prior to receipt of an allowance.

#### *Benefits*

#### SERVICE RETIREMENT

##### *Condition for Retirement*

A retirement allowance is payable to any member who retires and has completed at least 20 years of creditable service, regardless of age.

Any general employee member who has attained age 70 and any firefighter or police officer who has attained age 65 shall be retired forthwith.

##### *Amount of Allowance*

The annual retirement allowance payable to a retired member is equal to:

1. 50.0 percent of average compensation, plus
2. 1.7 percent of average compensation for each year of credited service over 20.

The aggregate amount of (1) and (2) above shall not exceed 66.67 percent (87.0 percent for the city of Clinton) of average compensation, regardless of service.

#### DISABILITY RETIREMENT

##### *Condition for Retirement*

A retirement allowance is payable to any member who is not eligible for a service retirement benefit but who becomes totally and permanently disabled, either physically or mentally, regardless of creditable service, if the disability is due to causes in the performance of duty. If the disability is not due to causes in the performance of duty, the member must have completed at least five years of creditable service to be eligible for retirement.

##### *Amount of Allowance*

The annual disability retirement allowance payable is equal to 50.0 percent of his or her salary at the time of retirement, if the disability is due to causes in the performance of duty.

If the disability is not due to causes in the performance of duty, the allowance is equal to 2.5 percent times credited service, not in excess of 20, times his or her salary at the time of retirement for firefighters and police officers, and average compensation for general employees.

#### DEATH BENEFIT

##### *Condition for Benefits*

A benefit is payable upon the death of a member under the following conditions:

- a) The member has retired;
- b) The member is eligible to retire;
- c) The death is in the line of duty; or
- d) The death is not in the line of duty but occurs after the member has five years of credited service.

The benefit is payable to the surviving spouse until remarriage and to children under age 18, to dependent children through age 23 when full-time students, and to dependent children of any age if handicapped. For the cities of Clarksdale, Columbus, Gulfport, Hattiesburg, Jackson, McComb, Meridian, Vicksburg, and Yazoo City, benefits payable to spouses do not cease upon remarriage.

### Amount of Benefits

The annual benefit payable, under all conditions in the case of firefighters and police officers and under other than condition (c) in the case of general employees is equal to 2.5 percent of average compensation for each year of credited service up to 20 and 1.7 percent of average compensation for each year over 20, with a maximum benefit of 66.67 percent (87.0 percent for the city of Clinton) of average compensation.

For general employee members under condition (c), the annual benefit payable is equal to 50.0 percent of salary at the time of death.

### MINIMUM ALLOWANCES

The minimum monthly allowance paid to members from the following municipalities, for all retirement and death benefits, are:

Biloxi	\$600
Columbus	500
Gulfport	500
Hattiesburg	750
Jackson	500
Meridian	600
Tupelo	750
Vicksburg	1,515

### POST-RETIREMENT ADJUSTMENTS IN ALLOWANCES

The allowances of certain retired members are adjusted annually by a COLA on the basis of the annual percentage change in each fiscal year of the Consumer Price Index.

Those cities' adjustments are limited as follows:

- Biloxi: 3.0 percent per year for each full fiscal year of retirement after June 30, 2000, for all retirees and beneficiaries with the COLA being compounded beginning with the state fiscal year in which the retired member turns age 55. This is in addition to the previously granted maximum of 3.0 percent per year (not to exceed 9.0 percent) for all members who retired on or before December 31, 1995.
- Clarksdale: Maximum of 2.5 percent per year for all retirees and beneficiaries
- Clinton: Maximum of 2.5 percent per year (not to exceed 10.0 percent) for service retirements only.
- Columbus: Maximum of 2.5 percent per year (not to exceed 25.0 percent) for all retirees and beneficiaries.
- Greenville: Maximum of 2.5 percent per year (not to exceed 25.0 percent) for all retirees and beneficiaries.
- Gulfport: Maximum of 3.0 percent per year (not to exceed 27.0 percent) for each fiscal year of retirement after June 30, 2002, for all retirees and beneficiaries. This is in addition to the previously granted COLA of 2.0 percent per year (not to exceed 6.0 percent) for those retiring before July 1, 2001. All Gulfport retirees and beneficiaries who were receiving a retirement allowance as of June 30, 2002, were granted a monthly ad hoc benefit increase of \$2 per month for each year of service plus \$2 per month for each full fiscal year retired.
- Hattiesburg: 2.5 percent per year for all retirees and beneficiaries (not to exceed 32.0 percent).
- Jackson: Maximum aggregate increase of 19.5 percent for service and disability retirements only.
- Laurel: 2.0 percent per year, compounded annually (maximum of three years) for each fiscal year of retirement after June 30, 2002, for all retirees and beneficiaries. COLA increases begin at the later of age 60 or after one full fiscal year of retirement.
- McComb: Maximum of 2.5 percent per year for all retirees and beneficiaries (not to exceed 10.0 percent).
- Meridian: All Meridian retirees and beneficiaries who were receiving a retirement allowance as of June 30, 1999, were granted a 3.9 percent ad hoc benefit increase. Beginning in fiscal year 2022, all retirees and beneficiaries were granted a 2.0 percent increase per year.
- Pascagoula: Maximum of 2.5 percent per year for all retirees and beneficiaries (not to exceed 15.0 percent).

Tupelo: All Tupelo retirees and beneficiaries received an increase of 5.0 percent in allowances effective December 1, 1991. Additionally, ad hoc increases were granted as follows, provided the member had been retired for at least one full fiscal year.

09/30/1995	3.00%
09/30/1997	3.00
09/30/1998	3.00
09/30/1999	2.00
09/30/2000	3.00
09/30/2001	2.34
09/30/2010	2.00
09/30/2014	2.00
09/30/2015	3.00
09/30/2016	3.00
09/30/2017	2.00
09/30/2018	3.00
09/30/2019	3.00
09/30/2020	1.00
09/30/2021	1.00

Vicksburg: 3.0 percent per year for all retirees and beneficiaries.

Yazoo City: Maximum of 2.5 percent per year (not to exceed 25.0 percent) for all retirees and beneficiaries.

Post-retirement adjustments are included in System liabilities for future increases for the cities of Biloxi, Clinton, Columbus, Greenville, Gulfport, Hattiesburg, Jackson, Laurel, McComb, Meridian, Pascagoula, Vicksburg, and Yazoo City.

## CONTRIBUTIONS

Funding policies established by Mississippi statutes provide the rates of employer contributions for MRS. The adequacy of these rates are checked annually by actuarial valuation. The following table provides a comparison of employer required contributions to actual contributions received for MRS [dollars in thousands]:

Fiscal Year 7/1 - 6/30	Valuation Date 6/30	Annual Required Contribution (A)	Actual Contribution** (B)	Difference (B-A)	Percentage Contributed
2013-14	2013	\$19,344	\$20,395	\$1,051	105.40%
2014-15	2014	18,338	19,346	1,008	105.50
2015-16	2015	18,034	18,542	508	102.80
2016-17	2016	17,694	17,731	37	100.20
2017-18	2017	17,393	17,610	217	101.20
2018-19	2018	16,695	17,114	419	102.50
2019-20	2019	16,778	16,614	164	99.00
2020-21	2020	17,118	14,907	2,211	87.10
2021-22	2020*	14,826	15,426	600	104.00
2022-23	2021	12,192	-	-	N/A
2023-24	2022	13,054	-	-	N/A

\* Methodology for the annual required contribution was changed to match cash flow projections that calculate the certified millage rates beginning with the fiscal year ending 6/30/2022.

\*\* Actual contribution information not yet available for the most recent two years.

## Changes in Plan Provisions

The Mississippi Legislature ended its 2023 legislative session with no changes to the Mississippi Code of 1972 plan provisions of the Public Employees' Retirement System of Mississippi.

## Asset Valuation & Funding Progress

### ACTUARIAL ASSET VALUATION

As of June 30, 2023, valuation assets and funding progress of the System are based on the June 30, 2022, actuarial valuation. Funding of the actuarial accrued liability is intended to help users assess each plan's funding status on a going-concern basis and assess progress being made in accumulating sufficient assets to pay benefits when due. Actuarial values of assets for PERS, MHSPRS, SLRP, and MRS are based on a smoothed fair-value basis that recognizes 20.0 percent of the unrecognized and unanticipated gains and losses. The actuarial valuation of assets recognizes assumed investment income fully each year. Differences between actual and assumed investment income are recognized in equal increments over a five-year period beginning with the current year.

The following table presents the actuarial change in asset valuation for the year ended June 30, 2022 [in thousands]:

	PERS	MHSPRS	SLRP	MRS	TOTAL
Asset Valuation as of June 30, 2021	<b>\$30,768,251</b>	<b>\$403,748</b>	<b>\$19,980</b>	<b>\$140,258</b>	<b>\$31,332,237</b>
Contributions and Other Revenue	1,826,424	21,832	852	15,741	1,864,849
Benefit Payments and Refunds	(3,255,666)	(40,656)	(1,687)	(30,509)	(3,328,518)
Administrative Expenses	(15,926)	(319)	(12)	(315)	(16,572)
<b>Net</b>	<b>29,323,083</b>	<b>384,605</b>	<b>19,133</b>	<b>125,175</b>	<b>29,851,996</b>
Expected Total Investment Return for 2022 (7.55%) *	2,604,298	35,217	1,701	11,479	2,652,695
5-year smoothing of gains and losses	(54,181)	(604)	(26)	(408)	(55,219)
<b>Asset Valuation as of June 30, 2022</b>	<b>\$31,873,200</b>	<b>\$419,218</b>	<b>\$20,808</b>	<b>\$136,246</b>	<b>\$32,449,472</b>

\* Net of investment expenses.

## REMAINING AMORTIZATION PERIOD

The components of the change in the computed unfunded actuarial accrued liability amortization period are presented in the following table. The plans that comprise MRS are closed and have a funding policy that provides for property tax to be sufficiently levied within limits established by Mississippi statutes to provide for a declining amortization period for each municipality.

Actual remaining amortization periods as of June 30, 2022, were as follows:

	PERS	MHSPRS	SLRP
Previously Reported Period	50.9 years	21.0 years	25.1 years
<i>Change Due To:</i>			
Normal Amortization	(1.0)	(1.0)	(1.0)
Actuarial Experience	(1.3)	0.8	(1.6)
Assumption Method Changes	-	0.3	-
Plan Amendments	-	(0.6)	-
Additional Assumed Contributions	-	-	-
Contribution Experience	0.2	(0.6)	(0.6)
Computed Period	48.8 years	19.9 years	21.9 years

For PERS, the primary reason for the decrease in the amortization period was the higher than anticipated payroll increases for 2022, which was more than the payroll growth scale used in the level percent of payroll amortization methodology.

The amortization period for MHSPRS decreased by 1.1 years, the result of normal amortization of the unfunded actuarial accrued liability.

For SLRP, the primary reason for the decrease in the amortization period is better than expected economic and demographic experience in addition to the normal amortization of the liability.



## Schedules of Funding Progress

### Last 10 Fiscal Years

[in thousands]

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (AAL) Entry Age (B)	Unfunded AAL (UAAL) (B-A)	Percent Funded (A/B)	Annual Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
<b>PERS</b>						
6/30/13	\$20,490,555	\$35,542,848	\$15,052,293	57.70%	\$5,823,578	258.50%
6/30/14	22,569,940	37,015,288	14,445,348	61.00	5,834,687	247.60
6/30/15	24,387,161	40,364,584	15,977,423	60.40	5,904,827	270.60
6/30/16	25,185,078	41,997,513	16,812,435	60.00	6,022,533	279.20
6/30/17	26,364,446	43,166,491	16,802,045	61.10	6,038,229	278.30
6/30/18	27,455,702	44,396,161	16,940,459	61.80	5,999,231	282.40
6/30/19	28,024,611	46,006,859	17,982,248	60.90	6,144,916	292.60
6/30/20	28,629,205	47,354,464	18,725,259	60.50	6,287,441	297.80
6/30/21	30,768,251	50,204,296	19,436,045	61.30	6,246,077	311.20
6/30/22	31,873,200	52,000,143	20,126,943	61.30	6,454,760	311.80
<b>MHSPRS</b>						
6/30/13	\$271,097	\$431,575	\$160,478	62.80%	\$25,816	621.60%
6/30/14	295,298	445,822	150,524	66.20	25,554	589.00
6/30/15	316,149	477,803	161,654	66.20	25,505	633.80
6/30/16	324,894	494,101	169,207	65.80	27,380	618.00
6/30/17	339,114	497,992	158,878	68.10	28,845	550.80
6/30/18	352,415	527,428	175,013	66.80	29,555	592.20
6/30/19	362,591	541,925	179,334	66.90	31,811	563.70
6/30/20	373,511	561,662	188,151	66.50	32,346	581.70
6/30/21	403,748	573,134	169,386	70.40	29,780	568.80
6/30/22	419,219	604,084	184,865	69.40	33,759	547.60
<b>SLRP</b>						
6/30/13	\$13,554	\$19,978	\$6,424	67.80%	\$6,695	96.00%
6/30/14	14,899	20,240	5,341	73.60	6,918	77.20
6/30/15	16,098	21,213	5,115	75.90	6,861	74.60
6/30/16	16,447	21,259	4,812	77.40	6,862	70.10
6/30/17	17,208	21,849	4,641	78.80	6,928	67.00
6/30/18	17,945	22,319	4,374	80.40	6,833	64.00
6/30/19	18,428	22,934	4,506	80.40	6,937	65.00
6/30/20	18,472	23,485	5,013	78.70	6,891	72.70
6/30/21	19,980	25,402	5,422	78.70	8,030	67.50
6/30/22	20,808	26,133	5,325	79.60	8,180	65.10
<b>MRS</b>						
6/30/13	\$153,241	\$349,588	\$196,347	43.80%	\$794	24,728.80%
6/30/14	157,970	340,385	182,415	46.40	727	25,091.50
6/30/15	162,616	341,525	178,909	47.60	579	30,899.70
6/30/16	159,160	330,663	171,503	48.10	419	40,931.50
6/30/17	157,674	321,747	164,073	49.00	321	51,113.10
6/30/18	154,749	307,457	152,708	50.30	200	76,354.00
6/30/19	147,671	296,006	148,335	49.90	95	156,142.10
6/30/20	140,731	286,436	145,705	49.10	-	N/A
6/30/21	140,258	274,426	134,168	51.10	-	N/A
6/30/22	136,246	265,490	129,244	51.30	-	N/A

See Schedule of Employer Contributions on page 54.

## Solvency Tests

(in thousands)

	Actuarial Accrued Liabilities for:				Portions of Accrued Liabilities Covered by Assets		
	(1) Accumulated Employee Contributions Including Allocated Investment Earnings	(2) Retirees & Beneficiaries Currently Receiving Benefits	(3) Active & Inactive Members Employer-Financed Portion	Net Position Available for Benefits	(1)	(2)	(3)
<b>PERS</b>							
6/30/13	\$5,053,888	\$20,789,551	\$9,699,409	\$20,490,555	100.00%	74.30%	-%
6/30/14	5,277,944	22,033,588	9,703,756	22,569,940	100.00	78.50	-
6/30/15	5,379,226	24,012,624	10,972,734	24,387,161	100.00	79.20	-
6/30/16	5,468,859	25,390,774	11,137,880	25,185,078	100.00	77.70	-
6/30/17	5,534,403	26,686,958	10,945,130	26,364,446	100.00	78.10	-
6/30/18	5,570,524	27,874,365	10,951,272	27,455,702	100.00	78.50	-
6/30/19	5,626,602	29,109,623	11,270,634	28,024,611	100.00	76.90	-
6/30/20	5,710,182	30,220,083	11,424,199	28,629,205	100.00	75.80	-
6/30/21	5,728,172	31,821,655	12,654,469	30,768,251	100.00	78.70	-
6/30/22	5,749,289	33,106,303	13,144,551	31,873,200	100.00	78.90	-
<b>MHSPRS</b>							
6/30/13	\$23,706	\$306,273	\$101,596	\$271,097	100.00%	80.80%	-%
6/30/14	24,411	317,825	103,586	295,298	100.00	85.20	-
6/30/15	24,827	338,459	114,517	316,149	100.00	86.10	-
6/30/16	25,791	343,635	124,675	324,894	100.00	87.00	-
6/30/17	26,922	349,850	121,220	339,114	100.00	89.20	-
6/30/18	27,581	358,342	141,505	352,415	100.00	90.60	-
6/30/19	27,244	372,526	142,155	362,591	100.00	90.00	-
6/30/20	26,382	389,269	146,011	373,511	100.00	89.20	-
6/30/21	24,844	417,468	130,822	403,748	100.00	90.80	-
6/30/22	23,951	442,965	137,169	419,219	100.00	89.20	-
<b>SLRP</b>							
6/30/13	\$2,416	\$11,909	\$5,652	\$13,554	100.00%	93.50%	-%
6/30/14	2,638	11,920	5,682	14,899	100.00	100.00	6.00
6/30/15	2,862	12,329	6,023	16,098	100.00	100.00	15.10
6/30/16	2,485	13,758	5,016	16,447	100.00	100.00	4.10
6/30/17	2,636	13,799	5,414	17,208	100.00	100.00	14.30
6/30/18	2,693	13,840	5,786	17,945	100.00	100.00	24.40
6/30/19	2,701	14,282	5,951	18,428	100.00	100.00	24.30
6/30/20	2,145	16,356	4,984	18,472	100.00	99.80	-
6/30/21	2,331	16,275	6,796	19,980	100.00	100.00	20.20
6/30/22	2,611	16,053	7,469	20,808	100.00	100.00	28.70
<b>MRS</b>							
6/30/13	\$1,483	\$343,770	\$4,335	\$153,241	100.00%	44.10%	-%
6/30/14	1,342	334,937	4,106	157,970	100.00	46.80	-
6/30/15	1,101	337,039	3,385	162,616	100.00	47.90	-
6/30/16	867	327,525	2,271	159,160	100.00	48.30	-
6/30/17	667	319,346	1,734	157,674	100.00	49.20	-
6/30/18	442	305,791	1,223	154,749	100.00	50.50	-
6/30/19	220	295,261	525	147,671	100.00	49.90	-
*6/30/20	-	-	-	-	100.00	-	-
*6/30/21	-	-	-	-	-	-	-
*6/30/22	-	-	-	-	-	-	-

\* The solvency test indicates the coverage of current assets to the different categories of the actuarial accrued liability. First, coverage is applied to accumulated employee contributions with interest for active employees, then to pension obligations for retirees and beneficiaries, and lastly to the employer financed position of active and inactive member benefits. As the Plan only has retired members remaining, all assets are committed to pension obligations for retirees and beneficiaries. Every year, the actuaries calculate millage rates that are applied to assessed property values for each of the Muni plans that are sufficient to maintain an asset reserve of approximately 100% to 150% of their upcoming year's projected benefit payouts.

Analysis of Financial Experience  
Gains & Losses in Accrued Liabilities Resulting from Differences Between  
Assumed Experience & Actual Experience  
For The Year Ended June 30, 2022

[in thousands]

Type of Activity	Gain (Loss) for Year			
	PERS	MHSPRS	SLRP	MRS
<b>Age &amp; Service Retirements:</b> If members retire at older ages, there is a gain. If younger ages, a loss.	\$200.0	\$(1,070.2)	\$38.7	\$ -
<b>Disability Retirements:</b> If disability claims are less than assumed, there is a gain. If more claims, a loss.	(1,900.0)	61.0	11.7	-
<b>Death-in-service Benefits:</b> If survivor claims are less than assumed, there is a gain. If more claims, a loss.	(2,700.0)	89.9	5.3	-
<b>Withdrawal from Employment:</b> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(97,200.0)	(82.6)	(97.2)	-
<b>Pay Increase:</b> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	(376,900.0)	(4,679.6)	94.1	-
<b>New Members:</b> Additional unfunded accrued liability will produce a loss.	(97,700.0)	(454.4)	(60.6)	-
<b>Investment Income:</b> If there is a greater investment income than assumed, there is a gain. If less income, a loss.	281,700.0	4,065.3	198.0	1,039.8
<b>Death After Retirement:</b> If retirants live longer than assumed, there is a loss. If not as long, a gain.	33,600.0	706.5	(63.3)	1,013.3
<b>Other:</b> Miscellaneous gains & losses, data adjustments, timing of financial transactions, etc.	(119,400.0)	(2,897.1)	14.4	(319.3)
<b>Gain (or Loss) During Year from Financial Experience</b>	(380,300.0)	(4,261.2)	141.1	1,733.8
<b>Non-recurring Items:</b> Adjustments for plan amendments, software changes, assumption changes, or method changes.	-	(13,327.6)	-	(2,678.8)
<b>Composite Gain (or Loss) During Year</b>	\$(380,300.0)	\$(17,588.8)	\$141.1	\$(945.0)

## Schedule of Active Member Valuation Data

Valuation Date	Active Members				
	Number of Employers	Number of Employees	Annual Payroll	Annual Average Pay	Increase in Average Pay
<b>PERS</b>					
6/30/13	873	161,744	\$5,823,577,978	\$36,005	(0.20)%
6/30/14	871	161,360	5,834,686,655	36,159	0.40
6/30/15	868	157,215	5,904,827,181	37,559	3.90
6/30/16	862	154,104	6,022,532,933	39,081	4.10
6/30/17	861	152,382	6,038,228,708	39,626	1.40
6/30/18	858	150,687	5,999,230,701	39,813	0.50
6/30/19	854	150,651	6,144,915,630	40,789	2.50
6/30/20	853	149,855	6,287,441,467	41,957	2.90
6/30/21	855	145,673	6,246,076,841	42,877	2.20
6/30/22	859	144,416	6,454,760,163	44,696	4.20
<b>MHSPRS</b>					
6/30/13	1	520	\$25,815,787	\$49,646	5.80 %
6/30/14	1	495	25,553,765	51,624	4.00
6/30/15	1	518	25,504,676	49,237	(4.60)
6/30/16	1	484	27,380,162	56,571	14.90
6/30/17	1	470	28,845,478	61,373	8.50
6/30/18	1	511	29,555,411	57,838	(5.80)
6/30/19	1	522	31,811,231	60,941	5.40
6/30/20	1	511	32,345,730	63,299	3.90
6/30/21	1	478	29,780,428	62,302	(1.60)
6/30/22	1	478	33,758,750	70,625	13.4
<b>SLRP</b>					
6/30/13	5	175	\$6,695,359	\$38,259	(2.60)%
6/30/14	5	175	6,917,939	39,531	3.30
6/30/15	5	174	6,861,166	39,432	(0.30)
6/30/16	5	171	6,862,262	40,130	1.80
6/30/17	5	174	6,928,085	39,817	(0.80)
6/30/18	5	174	6,832,961	39,270	(1.40)
6/30/19	5	170	6,937,075	40,806	3.90
6/30/20	5	171	6,890,817	40,297	(1.20)
6/30/21	5	173	8,029,670	46,414	15.20
6/30/22	4	174	8,179,673	47,010	1.30
<b>MRS</b>					
6/30/13	17	16	\$793,841	\$49,615	(7.90)%
6/30/14	17	14	727,347	51,953	4.70
6/30/15	17	11	579,267	52,661	1.40
6/30/16	17	8	419,000	52,375	(0.50)
6/30/17	17	6	321,243	53,541	2.20
6/30/18	17	4	199,742	49,936	(6.70)
6/30/19	17	2	94,871	47,436	(5.00)
6/30/20	17	-	-	-	N/A
6/30/21	17	-	-	-	N/A
6/30/22	17	-	-	-	N/A

Schedule of Retirants Added to & Removed from Rolls  
Last Ten Fiscal Years

	Added		Removed		Increase Due to Annual COLA	Rolls at End of Year		Increase in Annual Allowances	Average Annual Allowances
	Number	Annual Allowances	Number	Annual Allowances		Number	Annual Allowances		
PERS									
6/30/13	6,276	\$120,592,399	(2,891)	\$(47,237,330)	\$48,758,557	90,214	\$1,874,720,385	6.97 %	\$20,781
6/30/14	6,159	120,190,296	(2,869)	(48,955,768)	52,368,041	93,504	1,998,322,954	6.59	21,372
6/30/15	5,907	117,113,206	(3,073)	(55,158,128)	56,044,620	96,338	2,116,322,652	5.90	21,968
6/30/16	6,548	132,970,248	(3,403)	(59,603,335)	59,355,139	99,483	2,249,044,704	6.27	22,607
6/30/17	6,219	123,938,697	(3,442)	(62,470,173)	64,233,789	102,260	2,374,747,017	5.59	23,223
6/30/18	5,985	121,870,115	(3,272)	(64,186,324)	68,319,584	104,973	2,500,750,392	5.31	23,823
6/30/19	6,101	129,095,132	(3,230)	(67,416,138)	72,575,289	107,844	2,635,004,675	5.37	24,433
6/30/20	5,645	121,134,338	(3,608)	(76,727,172)	76,182,083	109,881	2,755,593,924	4.58	25,078
6/30/21	6,502	133,897,944	(4,225)	(93,663,207)	79,655,197	112,158	2,875,483,858	4.35	25,638
6/30/22	6,634	140,675,196	(4,330)	(94,287,872)	83,654,923	114,462	3,005,526,105	4.52	26,258
MHSPRS									
6/30/13	23	\$642,344	(23)	\$(596,871)	\$622,206	713	\$25,835,619	2.65 %	\$36,235
6/30/14	28	1,113,236	(21)	(661,028)	678,533	720	26,966,360	4.38	37,453
6/30/15	22	890,167	(18)	(480,408)	700,417	724	28,076,536	4.12	38,780
6/30/16	26	833,870	(26)	(830,278)	701,887	724	28,782,015	2.51	39,754
6/30/17	22	717,225	(20)	(694,187)	758,789	726	29,563,842	2.72	40,722
6/30/18	17	787,728	(18)	(494,512)	757,399	725	30,614,457	3.55	42,227
6/30/19	28	1,186,864	(19)	(812,457)	826,033	734	31,814,897	3.92	43,345
6/30/20	21	1,202,084	(15)	(613,918)	941,045	740	33,344,108	4.81	45,060
6/30/21	39	2,196,435	(18)	(1,029,029)	932,376	761	35,443,890	6.30	46,575
6/30/22	35	2,117,341	(11)	(1,072,205)	931,161	785	37,420,187	5.58	47,669
SLRP									
6/30/13	20	\$77,003	(5)	\$(26,497)	\$24,226	188	\$1,121,404	7.14 %	\$5,965
6/30/14	6	32,688	(7)	(44,780)	30,165	187	1,139,477	1.61	6,093
6/30/15	8	58,303	(10)	(95,910)	31,718	185	1,133,588	(0.52)	6,128
6/30/16	28	177,207	(6)	(57,546)	24,514	207	1,277,763	12.72	6,173
6/30/17	6	31,300	(8)	(64,321)	34,729	205	1,279,471	0.13	6,241
6/30/18	6	34,983	(4)	(42,480)	32,574	207	1,304,548	1.96	6,302
6/30/19	11	72,406	(3)	(43,651)	39,575	215	1,372,878	5.24	6,385
6/30/20	25	216,379	(5)	(64,124)	40,523	235	1,565,656	14.04	6,662
6/30/21	3	14,393	(5)	(26,951)	43,712	233	1,596,810	1.99	6,853
6/30/22	1	2,970	(4)	(34,377)	48,814	230	1,614,217	1.09	7,018
MRS									
6/30/13	40	\$896,085	(77)	\$(1,083,209)	\$195,722	1,941	\$35,105,891	0.02 %	\$18,086
6/30/14	29	485,121	(80)	(1,041,083)	173,544	1,890	34,723,473	(1.09)	18,372
6/30/15	40	731,337	(81)	(1,119,680)	143,234	1,849	34,478,364	(0.71)	18,647
6/30/16	46	842,966	(97)	(1,365,194)	132,268	1,798	34,088,404	(1.13)	18,959
6/30/17	34	712,490	(78)	(1,174,872)	125,506	1,754	33,751,528	(0.99)	19,243
6/30/18	36	674,428	(96)	(1,530,600)	102,334	1,694	32,997,690	(2.23)	19,479
6/30/19	37	736,820	(97)	(1,441,224)	130,022	1,634	32,423,308	(1.74)	19,843
6/30/20	34	654,407	(83)	(1,386,860)	128,512	1,585	31,819,367	(1.86)	20,075
6/30/21	34	633,039	(109)	(1,724,751)	117,892	1,510	30,845,547	(3.06)	20,428
6/30/22	31	613,357	(97)	(1,612,065)	130,790	1,444	29,977,629	(2.81)	20,760

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Statistical

Statistical



## Statistical Report

The objective of the statistical section is to provide additional historical perspective, context, and details to assist readers in understanding and using the information in the financial statements and required supplementary information. Statistical data for each plan is obtained from the System's internal resources and the actuarial valuation (the most recent being as of June 30, 2022). As of June 30, 2023, the System had no outstanding debt.

### *Financial Trends*

#### 126 Changes in Net Position – Last 10 Fiscal Years

The schedule of changes in net position contains historical information related to the System's revenues (in the form of contributions and investment earnings), deductions (primarily retirement annuities), changes in net position, and ending net position restricted for benefits.

Increases to net position of the System's plans are from the excess of investment earnings and contributions over deductions. Over the last 10 years, investment income has fluctuated with the economy, with net investment earnings/losses ranging from an \$8.9 billion gain in 2021 to a \$3.0 billion loss in 2022. The increase in contributions over time is attributable to employer contribution rate increases, as well as wage increases over the 10-year period.

Retirement annuities account for approximately 96.0 percent of the total deductions for the System and have increased steadily over the 10-year period. The drivers of this increase include an increase in the number of retirees, a higher average compensation on which annuities for new retirees are computed, and the 3.0 percent compounded annual cost-of-living adjustment for retirees of the PERS, MHSPRS, and SLRP plans.

### *Operating Information*

- 130 Benefit & Refund Payments by Type
- 134 Average Benefit Payments
- 138 Retired Members by Type of Benefit
- 141 Analysis of Employer & Member Contributions

These schedules provide information on retiree benefits and refunds as presented in the most recent actuarial valuation. Retiree information includes total number and dollar amount by type of retirement (service, disability, and survivor), as well as average monthly benefit based on years of service and retirement option selected by retirees. Additionally, a summary of employer by type and the associated employer and member contribution amounts is provided for the current and prior year.

### *Demographic & Economic Information*

- 142 Total Active Members by Attained Age & Years of Service
- 144 System Benefit Payments by County
- 145 Ten Largest Participating Employers
- 146 Public Agencies Covered by State Retirement Annuity

The schedules of active members by age and years of service summarize relevant details about the composition of each plan's membership as reported in the actuarial valuation. Members are grouped by age to show the length of service and associated payroll totals. The schedule of benefit payments by county provides the location of benefit recipients with their associated annuity payments and accordingly, the economic contribution to areas within the state of Mississippi and beyond. The ten largest participating employers schedule shows those employers with the most covered employees in PERS, a multi-employer plan.

## Changes in Net Position

### Last 10 Fiscal Years

[in thousands]

#### Public Employees' Retirement System of Mississippi

Fiscal Year	Member Contributions			Employer Contributions		Net Investment Income/(Loss)	Other Revenues	Total Additions
	Beginning Net Position	Amount	Percent*	Amount	Percent*			
2014	\$21,686,911	\$549,528	9.00%	\$969,674	15.75%	\$3,905,728	\$885	\$5,425,815
2015	24,877,119	557,909	9.00	996,478	15.75	827,666	670	2,382,723
2016	24,906,556	572,574	9.00	1,021,261	15.75	130,900	633	1,725,368
2017	24,135,016	570,066	9.00	1,019,084	15.75	3,436,144	604	5,025,898
2018	26,543,097	570,807	9.00	1,018,163	15.75	2,385,913	51	3,974,934
2019	27,763,190	580,941	9.00	1,038,108	15.75	1,701,321	38	3,320,408
2020	28,206,602	594,711	9.00	1,171,805	17.40	856,935	22	2,623,473
2021	27,827,394	594,876	9.00	1,169,679	17.40	8,736,632	6	10,501,193
2022	35,216,597	615,421	9.00	1,211,004	17.40	(2,980,325)	10	(1,153,890)
2023	30,791,116	661,986	9.00	1,303,563	17.40	2,234,354	12	4,199,915

Fiscal Year	Pension Benefits	Refunds	Administrative Expenses	Total Deductions	Changes in Net Position	Ending Net Position
2014	\$2,099,843	\$121,532	\$14,232	\$2,235,607	\$3,190,208	\$24,877,119
2015	2,219,240	119,356	14,690	2,353,286	29,437	24,906,556
2016	2,367,709	112,926	16,273	2,496,908	(771,540)	24,135,016
2017	2,477,914	113,707	26,196	2,617,817	2,408,081	26,543,097
2018	2,609,415	124,306	21,120	2,754,841	1,220,093	27,763,190
2019	2,747,397	108,042	21,557	2,876,996	443,412	28,206,602
2020	2,878,073	104,851	19,757	3,002,681	(379,208)	27,827,394
2021	2,995,255	101,044	15,691	3,111,990	7,389,203	35,216,597
2022	3,134,859	120,807	15,925	3,271,591	(4,425,481)	30,791,116
2023	3,237,085	115,517	16,446	3,369,048	830,867	31,621,983

\* Percentage of annual covered payroll.

## Changes in Net Position

### Last 10 Fiscal Years

[in thousands]

#### Mississippi Highway Safety Patrol Retirement System

Fiscal Year	Beginning Net Position	Member Contributions		Employer Contributions		Net Investment Income/(Loss)	Other Revenues	Total Additions
		Amount	Percent*	Amount	Percent*			
2014	\$287,456	\$1,963	7.25%	\$13,500	37.00%	\$51,575	-	\$67,038
2015	326,032	1,938	7.25	13,695	37.00	10,812	-	26,445
2016	323,207	2,128	7.25	14,755	37.00	1,704	-	18,587
2017	311,612	2,147	7.25	14,809	37.00	44,499	-	61,455
2018	341,719	2,271	7.25	15,128	37.00	30,855	-	48,254
2019	357,305	2,340	7.25	19,375	49.08	22,144	-	43,859
2020	366,165	2,428	7.25	20,144	49.08	11,196	-	33,768
2021	364,102	2,378	7.25	19,563	49.08	115,761	-	137,702
2022	463,984	2,356	7.25	19,476	49.08	(39,468)	-	(17,636)
2023	405,372	2,621	7.25	20,837	49.08	29,536	-	52,994

Fiscal Year	Pension Benefits	Refunds	Administrative Expenses	Total Deductions	Changes in Net Position	Ending Net Position
2014	\$28,220	\$42	\$200	\$28,462	\$38,576	\$326,032
2015	28,909	163	198	29,270	(2,825)	323,207
2016	29,913	52	217	30,182	(11,595)	311,612
2017	31,001	144	203	31,348	30,107	341,719
2018	32,315	103	250	32,668	15,586	357,305
2019	34,671	16	312	34,999	8,860	366,165
2020	35,455	48	328	35,831	(2,063)	364,102
2021	37,433	67	320	37,820	99,882	463,984
2022	40,522	135	319	40,976	(58,612)	405,372
2023	41,122	161	359	41,642	11,352	416,724

\* Percentage of annual covered payroll.

**Changes in Net Position**  
**Last 10 Fiscal Years**  
[in thousands]

*Supplemental Legislative Retirement Plan*

Fiscal Year	Beginning Net Position	Member Contributions		Employer Contributions		Net Investment Income/(Loss)	Other Revenues	Total Additions
		Amount	Percent*	Amount	Percent*			
2014	\$14,374	\$208	3.00%	\$514	7.40%	\$2,605	\$-	\$3,327
2015	16,453	207	3.00	511	7.40	552	-	1,270
2016	16,456	208	3.00	514	7.40	86	-	808
2017	15,768	212	3.00	522	7.40	2,264	-	2,998
2018	17,342	207	3.00	513	7.40	1,412	-	2,132
2019	18,036	214	3.00	525	7.40	1,287	-	2,026
2020	18,609	207	3.00	512	7.40	554	-	1,273
2021	17,995	245	3.00	604	7.40	5,732	-	6,581
2022	22,951	245	3.00	607	7.40	(1,964)	-	(1,112)
2023	20,139	255	3.00	629	7.40	1,477	-	2,361

Fiscal Year	Pension Benefits	Refunds	Administrative Expenses	Total Deductions	Changes in Net Position	Ending Net Position
2014	\$1,216	\$22	\$10	\$1,248	\$2,079	\$16,453
2015	1,220	37	10	1,267	3	16,456
2016	1,454	32	10	1,496	(688)	15,768
2017	1,397	17	10	1,424	1,574	17,342
2018	1,410	18	10	1,438	694	18,036
2019	1,442	-	11	1,453	573	18,609
2020	1,857	20	10	1,887	(614)	17,995
2021	1,608	5	12	1,625	4,956	22,951
2022	1,687	-	13	1,700	(2,812)	20,139
2023	1,653	5	13	1,671	690	20,829

\* Percentage of annual covered payroll.

**Changes in Net Position**  
**Last 10 Fiscal Years**  
[in thousands]

*Municipal Retirement Systems*

Fiscal Year	Beginning Net Position	Member Contributions		Employer Contributions		Net Investment Income/(Loss)	Other Revenues	Total Additions
		Amount	Percent*	Amount	Percent*			
2014	\$166,648	\$78	**	\$20,337	**	\$28,453	\$-	\$48,868
2015	180,092	45	**	19,344	**	5,692	-	25,081
2016	169,986	53	**	18,542	**	846	-	19,441
2017	154,627	31	**	17,732	**	20,605	-	38,368
2018	158,570	25	**	17,610	**	13,066	-	30,701
2019	155,314	15	**	17,114	**	9,297	-	26,426
2020	148,463	8	**	16,614	**	4,197	-	20,819
2021	136,781	-	**	14,907	**	39,519	-	54,426
2022	159,572	-	**	15,741	**	(12,812)	-	2,929
2023	131,677	-	**	14,357	**	8,818	-	23,175

Fiscal Year	Pension Benefits	Refunds	Administrative Expenses	Total Deductions	Changes in Net Position	Ending Net Position
2014	\$35,014	\$3	\$407	\$35,424	\$13,444	\$180,092
2015	34,799	1	387	35,187	(10,106)	169,986
2016	34,429	-	371	34,800	(15,359)	154,627
2017	34,070	-	355	34,425	3,943	158,570
2018	33,604	-	353	33,957	(3,256)	155,314
2019	32,935	-	342	33,277	(6,851)	148,463
2020	32,170	-	331	32,501	(11,682)	136,781
2021	31,336	-	299	31,635	22,791	159,572
2022	30,509	-	315	30,824	(27,895)	131,677
2023	29,686	-	287	29,973	(6,798)	124,879

\* Percentage of annual covered payroll.

\*\* Employee and employer rates vary among the 19 systems that comprise the Municipal Retirement Systems.

Benefit & Refund Payments by Type:  
Public Employees' Retirement System of Mississippi  
Last 10 Fiscal Years

*Number of Participants by Type of Benefit*

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths*
2013	73,830	6,030	10,354	90,214	19,920	-
2014	76,665	6,229	10,610	93,504	20,700	-
2015	79,156	6,352	10,830	96,338	19,479	-
2016	82,145	6,430	10,908	99,483	13,026	449
2017	84,825	6,485	10,950	102,260	13,003	633
2018	87,277	6,506	11,190	104,973	12,407	454
2019	89,811	6,514	11,519	107,844	12,502	416
2020	91,642	6,471	11,768	109,881	10,101	423
2021	93,630	6,394	12,134	112,158	9,150	611
2022	95,976	6,251	12,235	114,462	10,311	665

*Total Payments by Type of Benefit*  
[in thousands]

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths*
2013	\$1,804,812	\$120,342	\$40,506	\$1,965,660	\$108,365	\$-
2014	1,930,284	127,537	42,022	2,099,843	121,532	-
2015	2,042,728	133,454	43,058	2,219,240	119,356	-
2016	2,182,627	140,619	44,464	2,367,710	106,644	6,282
2017	2,289,330	143,292	45,292	2,477,914	108,652	5,055
2018	2,415,631	146,835	46,949	2,609,415	118,638	5,668
2019	2,548,245	150,741	48,411	2,747,397	103,716	4,326
2020	2,411,483	128,432	215,679	2,755,594	99,218	5,633
2021	2,517,981	129,746	227,757	2,875,484	91,774	9,270
2022	2,637,791	130,179	237,556	3,005,526	111,142	9,664

\* Information unavailable prior to 2016.

Benefit & Refund Payments by Type:  
Mississippi Highway Safety Patrol Retirement System  
Last 10 Fiscal Years

*Number of Participants by Type of Benefit*

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths*
2013	510	19	184	713	9	-
2014	516	17	187	720	9	-
2015	525	17	182	724	13	-
2016	526	17	181	724	3	1
2017	528	16	182	726	7	-
2018	534	17	174	725	6	-
2019	544	17	173	734	1	-
2020	556	16	168	740	3	1
2021	575	13	173	761	3	1
2022	591	13	181	785	8	-

*Total Payments by Type of Benefit*  
[in thousands]

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths*
2013	\$25,476	\$522	\$1,054	\$27,052	\$112	\$-
2014	26,595	526	1,099	28,220	42	-
2015	27,295	501	1,113	28,909	163	-
2016	29,153	509	249	29,911	42	10
2017	30,175	518	308	31,001	144	-
2018	31,455	554	306	32,315	103	-
2019	33,757	583	331	34,671	16	-
2020	28,639	421	4,284	33,344	42	6
2021	30,667	339	4,438	35,444	42	24
2022	32,230	347	4,843	37,420	134	-

\* Information unavailable prior to 2016.

Benefit & Refund Payments by Type:  
Supplemental Legislative Retirement Plan  
Last 10 Fiscal Years

*Number of Participants by Type of Benefit*

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths*
2013	150	2	36	188	4	-
2014	149	2	36	187	5	-
2015	145	2	38	185	7	-
2016	167	2	38	207	2	1
2017	168	1	36	205	1	1
2018	168	1	38	207	2	1
2019	173	1	41	215	-	-
2020	191	1	43	235	3	-
2021	186	1	46	233	1	-
2022	183	1	46	230	-	-

*Total Payments by Type of Benefit*  
[in thousands]

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths*
2013	\$1,104	\$13	\$65	\$1,182	\$25	\$-
2014	1,123	13	80	1,216	22	-
2015	1,126	13	81	1,220	37	-
2016	1,341	15	97	1,453	9	22
2017	1,314	11	72	1,397	12	5
2018	1,332	10	68	1,410	13	5
2019	1,361	11	70	1,442	-	-
2020	1,252	8	305	1,565	19	-
2021	1,242	9	346	1,597	6	-
2022	1,250	9	355	1,614	-	-

\* Information unavailable prior to 2016.



Benefit & Refund Payments by Type:  
Municipal Retirement Systems  
Last 10 Fiscal Years

Number of Participants by Type of Benefit

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths**
2013	1,260	71	610	1,941	4	-
2014	1,216	70	604	1,890	7	-
2015	1,170	66	613	1,849	1	-
2016	1,110	64	624	1,798	-	-
2017	1,070	59	625	1,754	-	-
2018	1,014	57	623	1,694	-	-
2019	974	51	609	1,634	-	-
2020	923	46	616	1,585	-	-
2021	870	38	602	1,510	-	-
2022	824	35	585	1,444	-	-

Total Payments by Type of Benefit \*  
[in thousands]

Fiscal Year	Service	Disability	Survivor	Total	Refunds	
					Terminated	Deaths**
2013	\$25,787	\$817	\$8,623	\$35,227	\$34	\$-
2014	25,382	816	8,816	35,014	3	-
2015	24,824	761	9,214	34,799	1	-
2016	24,085	744	9,600	34,429	-	-
2017	23,456	688	9,926	34,070	-	-
2018	22,807	657	10,140	33,604	-	-
2019	22,093	612	10,230	32,935	-	-
2020	20,885	557	10,377	31,819	-	-
2021	19,954	479	10,413	30,846	-	-
2022	19,182	449	10,346	29,977	-	-

\* Individual MRS COLA increases are paid if funding is available.

\*\* Information unavailable prior to 2016.

Average Benefit Payments:  
Public Employees' Retirement System of Mississippi

Retirement Effective Dates: July 1, 2012 to June 30, 2022	Years Credited Service							
	0-9	10-14	15-19	20-24	25	26-29	30	31+
<b>2013</b>								
Average Monthly Benefit	\$442	\$695	\$964	\$1,422	\$1,925	\$2,017	\$2,188	\$2,931
Average Final Salary	\$30,487	\$34,404	\$36,876	\$41,550	\$47,768	\$48,862	\$49,470	\$56,341
Number of Active Retirants	915	901	740	758	496	1,121	224	1,121
<b>2014</b>								
Average Monthly Benefit	\$465	\$712	\$999	\$1,384	\$1,871	\$1,993	\$2,283	\$2,954
Average Final Salary	\$31,044	\$35,356	\$37,962	\$40,947	\$47,490	\$48,732	\$51,456	\$57,022
Number of Active Retirants	751	945	815	663	505	1,146	232	1,102
<b>2015</b>								
Average Monthly Benefit	\$458	\$688	\$977	\$1,346	\$1,834	\$1,989	\$2,217	\$2,899
Average Final Salary	\$29,781	\$33,585	\$37,938	\$40,770	\$46,461	\$48,614	\$50,908	\$57,019
Number of Active Retirants	599	898	774	693	494	1,072	230	1,147
<b>2016</b>								
Average Monthly Benefit	\$512	\$701	\$1,054	\$1,638	\$1,879	\$2,118	\$2,400	\$3,196
Average Final Salary	\$31,771	\$34,459	\$39,422	\$45,571	\$46,533	\$50,536	\$52,472	\$59,306
Number of Active Retirants	751	997	874	1,048	402	1,204	234	1,038
<b>2017</b>								
Average Monthly Benefit	\$476	\$727	\$1,013	\$1,656	\$1,948	\$2,106	\$2,446	\$3,093
Average Final Salary	\$31,990	\$37,033	\$39,332	\$47,400	\$49,568	\$50,461	\$55,156	\$59,849
Number of Active Retirants	732	938	859	1,014	369	1,174	190	943
<b>2018</b>								
Average Monthly Benefit	\$485	\$722	\$1,057	\$1,767	\$2,024	\$2,174	\$2,534	\$3,179
Average Final Salary	\$32,660	\$37,608	\$39,878	\$49,009	\$52,289	\$52,205	\$57,261	\$60,427
Number of Active Retirants	672	933	849	1,047	348	1,080	192	864
<b>2019</b>								
Average Monthly Benefit	\$476	\$730	\$1,156	\$1,852	\$2,091	\$2,316	\$2,469	\$3,356
Average Final Salary	\$33,243	\$36,871	\$42,708	\$51,686	\$52,874	\$55,298	\$55,458	\$65,639
Number of Active Retirants	730	930	870	1,127	359	1,062	204	819
<b>2020</b>								
Average Monthly Benefit	\$495	\$780	\$1,218	\$1,881	\$1,995	\$2,307	\$2,635	\$3,166
Average Final Salary	\$34,969	\$38,904	\$45,180	\$52,942	\$51,515	\$56,787	\$60,150	\$61,884
Number of Active Retirants	641	844	787	1,037	339	1,062	192	838
<b>2021</b>								
Average Monthly Benefit	\$484	\$798	\$1,171	\$1,724	\$2,081	\$2,203	\$2,731	\$3,198
Average Final Salary	\$34,676	\$39,370	\$43,511	\$49,033	\$52,995	\$54,445	\$62,496	\$62,914
Number of Active Retirants	775	1,026	971	1,186	365	1,098	200	881
<b>2022</b>								
Average Monthly Benefit	\$476	\$864	\$1,133	\$1,885	\$2,040	\$2,379	\$2,553	\$3,087
Average Final Salary	\$35,214	\$42,232	\$42,668	\$51,950	\$51,494	\$57,956	\$58,253	\$61,825
Number of Active Retirants	740	1,008	918	1,339	424	1,209	173	823

Average Benefit Payments:  
Mississippi Highway Safety Patrol Retirement System

Retirement Effective Dates: July 1, 2012 to June 30, 2022	Years Credited Service							
	0-9	10-14	15-19	20-24	25	26-29	30	31+
2013								
Average Monthly Benefit	\$662	\$710	\$-	\$1,173	\$1,696	\$2,860	\$-	\$3,270
Average Final Salary	\$21,844	\$36,998	\$-	\$31,852	\$28,673	\$54,158	\$-	\$54,646
Number of Active Retirants	1	2	-	3	2	11	-	4
2014								
Average Monthly Benefit	\$-	\$-	\$402	\$2,013	\$-	\$2,756	\$3,899	\$4,528
Average Final Salary	\$-	\$-	\$15,019	\$54,344	\$-	\$51,233	\$69,760	\$68,011
Number of Active Retirants	-	-	1	5	-	8	5	9
2015								
Average Monthly Benefit	\$-	\$-	\$1,831	\$1,719	\$1,978	\$4,054	\$-	\$4,758
Average Final Salary	\$-	\$-	\$45,652	\$30,832	\$36,845	\$51,500	\$-	\$67,378
Number of Active Retirants	-	-	3	3	2	10	-	4
2016								
Average Monthly Benefit	\$315	\$-	\$-	\$2,078	\$-	\$3,013	\$1,729	\$5,059
Average Final Salary	\$53,306	\$-	\$-	\$45,948	\$-	\$37,841	\$50,692	\$51,223
Number of Active Retirants	3	-	-	6	-	13	1	3
2017								
Average Monthly Benefit	\$338	\$996	\$556	\$2,928	\$1,186	\$2,670	\$4,606	\$3,493
Average Final Salary	\$19,660	\$45,533	\$22,016	\$67,683	\$28,912	\$54,518	\$72,101	\$47,950
Number of Active Retirants	1	1	1	6	2	6	4	1
2018								
Average Monthly Benefit	\$-	\$1,307	\$2,491	\$3,100	\$-	\$3,562	\$4,826	\$5,101
Average Final Salary	\$-	\$31,380	\$68,832	\$60,334	\$-	\$68,126	\$77,928	\$75,940
Number of Active Retirants	-	1	2	4	-	1	2	7
2019								
Average Monthly Benefit	\$-	\$455	\$2,112	\$3,375	\$3,943	\$4,902	\$5,824	\$5,690
Average Final Salary	\$-	\$56,574	\$53,477	\$77,544	\$75,696	\$84,403	\$93,541	\$82,712
Number of Active Retirants	-	3	6	9	1	1	1	7
2020								
Average Monthly Benefit	\$-	\$2,247	\$2,673	\$3,797	\$3,751	\$-	\$-	\$6,127
Average Final Salary	\$-	\$70,328	\$72,280	\$73,365	\$72,571	\$-	\$-	\$91,720
Number of Active Retirants	-	1	1	5	4	-	-	10
2021								
Average Monthly Benefit	\$-	\$2,073	\$2,071	\$3,751	\$5,042	\$4,935	\$4,757	\$6,336
Average Final Salary	\$-	\$63,446	\$85,505	\$46,027	\$61,918	\$70,663	\$24,044	\$59,803
Number of Active Retirants	-	1	2	10	3	12	3	8
2022								
Average Monthly Benefit	\$-	\$-	\$2,756	\$3,827	\$4,385	\$5,445	\$-	\$5,346
Average Final Salary	\$-	\$-	\$68,698	\$54,435	\$54,702	\$77,453	\$-	\$84,018
Number of Active Retirants	-	-	6	8	6	10	-	5

Average Benefit Payments:  
Supplemental Legislative Retirement Plan

Retirement Effective Dates: July 1, 2012 to June 30, 2022	Years Credited Service							
	0-9	10-14	15-19	20-24	25	26-29	30	31+
<b>2013</b>								
Average Monthly Benefit	\$168	\$183	\$463	\$550	\$-	\$731	\$-	\$-
Average Final Salary	\$27,925	\$29,576	\$36,140	\$39,581	\$-	\$38,727	\$-	\$-
Number of Active Retirants	6	7	1	4	-	2	-	-
<b>2014</b>								
Average Monthly Benefit	\$-	\$345	\$491	\$473	\$-	\$580	\$-	\$-
Average Final Salary	\$-	\$34,404	\$34,871	\$39,301	\$-	\$43,165	\$-	\$-
Number of Active Retirants	-	2	2	1	-	1	-	-
<b>2015</b>								
Average Monthly Benefit	\$164	\$740	\$721	\$-	\$579	\$-	\$-	\$1,032
Average Final Salary	\$18,636	\$68,228	\$37,912	\$-	\$34,791	\$-	\$-	\$42,949
Number of Active Retirants	2	2	2	-	1	-	-	1
<b>2016</b>								
Average Monthly Benefit	\$250	\$350	\$487	\$654	\$522	\$-	\$-	\$1,200
Average Final Salary	\$36,600	\$39,878	\$35,211	\$39,774	\$41,482	\$-	\$-	\$42,238
Number of Active Retirants	6	6	4	7	2	-	-	3
<b>2017</b>								
Average Monthly Benefit	\$181	\$-	\$609	\$452	\$732	\$-	\$-	\$-
Average Final Salary	\$29,821	\$-	\$37,791	\$28,378	\$40,932	\$-	\$-	\$-
Number of Active Retirants	2	-	1	2	1	-	-	-
<b>2018</b>								
Average Monthly Benefit	\$33	\$-	\$538	\$513	\$-	\$-	\$-	\$1,285
Average Final Salary	\$20,840	\$-	\$40,101	\$41,549	\$-	\$-	\$-	\$41,618
Number of Active Retirants	2	-	1	2	-	-	-	1
<b>2019</b>								
Average Monthly Benefit	\$169	\$373	\$637	\$742	\$-	\$739	\$-	\$960
Average Final Salary	\$24,873	\$42,782	\$42,043	\$42,480	\$-	\$40,655	\$-	\$44,126
Number of Active Retirants	3	2	1	2	-	1	-	2
<b>2020</b>								
Average Monthly Benefit	\$245	\$334	\$551	\$799	\$-	\$969	\$-	\$713
Average Final Salary	\$36,523	\$40,009	\$32,107	\$39,044	\$-	\$34,675	\$-	\$42,095
Number of Active Retirants	3	2	5	7	-	4	-	3
<b>2021</b>								
Average Monthly Benefit	\$192	\$-	\$-	\$-	\$-	\$815	\$-	\$-
Average Final Salary	\$32,589	\$-	\$-	\$-	\$-	\$44,865	\$-	\$-
Number of Active Retirants	2	-	-	-	-	1	-	-
<b>2022</b>								
Average Monthly Benefit	\$123	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Average Final Salary	\$31,733	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Number of Active Retirants	1	-	-	-	-	-	-	-

Average Benefit Payments:  
Municipal Retirement Systems

	Years Credited Service			
	25	26-29	30	31+
Retirement Effective Dates: July 1, 2012 to June 30, 2020*				
<b>2013</b>				
Average Monthly Benefit	\$-	\$3,490	\$-	\$4,379
Average Final Salary	\$-	\$63,310	\$-	\$72,947
Number of Active Retirants	-	1	-	4
<b>2014</b>				
Average Monthly Benefit	\$-	\$-	\$-	\$2,778
Average Final Salary	\$-	\$-	\$-	\$47,160
Number of Active Retirants	-	-	-	2
<b>2015</b>				
Average Monthly Benefit	\$-	\$-	\$2,898	\$2,912
Average Final Salary	\$-	\$-	\$51,253	\$56,520
Number of Active Retirants	-	-	1	2
<b>2016</b>				
Average Monthly Benefit	\$-	\$-	\$-	\$3,479
Average Final Salary	\$-	\$-	\$-	\$44,155
Number of Active Retirants	-	-	-	3
<b>2017</b>				
Average Monthly Benefit	\$-	\$-	\$-	\$2,424
Average Final Salary	\$-	\$-	\$-	\$43,631
Number of Active Retirants	-	-	-	2
<b>2018</b>				
Average Monthly Benefit	\$-	\$-	\$-	\$3,738
Average Final Salary	\$-	\$-	\$-	\$67,277
Number of Active Retirants	-	-	-	2
<b>2019</b>				
Average Monthly Benefit	\$-	\$-	\$-	\$3,427
Average Final Salary	\$-	\$-	\$-	\$53,998
Number of Active Retirants	-	-	-	2
<b>2020</b>				
Average Monthly Benefit	\$-	\$-	\$-	\$3,024
Average Final Salary	\$-	\$-	\$-	\$47,435
Number of Active Retirants	-	-	-	2

\* All active employees were retired as of June 30, 2020.

Retired Members by Type of Benefit  
June 30, 2022

Public Employees' Retirement System of Mississippi

Amount of Monthly Benefit *	Option Selected **					
	Life	Opt. 1	Opt. 2	Opt. 3	Opt. 4	Opt. 4A
\$1 - 500	15,366	664	2,566	212	193	432
501 - 1,000	15,738	663	2,940	226	289	904
1,001 - 1,500	12,993	623	3,055	239	359	1,093
1,501 - 2,000	10,660	470	2,778	165	407	1,206
2,001 - 2,500	7,893	315	2,155	110	300	1,169
2,501 - 3,000	4,914	175	1,257	49	225	735
3,001 - 3,500	3,050	115	839	27	144	498
3,501 - 4,000	1,705	61	468	17	67	267
4,001 - 4,500	1,008	29	324	5	62	226
4,501 - 5,000	556	15	166	4	30	120
Over 5,000	1,028	23	482	9	108	297
<b>Totals</b>	<b>74,911</b>	<b>3,153</b>	<b>17,030</b>	<b>1,063</b>	<b>2,184</b>	<b>6,947</b>

Amount of Monthly Benefit *	Opt. 4B	Opt. 4C***	Opt. 5	PLSO 1 YR.***	PLSO 2 YR.***	PLSO 3 YR.***
\$1 - 500	1,766	144	25	577	473	2,152
501 - 1,000	1,598	660	40	933	657	2,192
1,001 - 1,500	1,479	829	47	935	780	3,103
1,501 - 2,000	1,355	372	22	815	849	3,692
2,001 - 2,500	1,102	104	14	854	735	3,129
2,501 - 3,000	696	39	11	631	490	1,790
3,001 - 3,500	417	14	6	497	356	999
3,501 - 4,000	226	8	-	284	187	489
4,001 - 4,500	139	3	-	178	122	329
4,501 - 5,000	70	1	-	85	46	177
Over 5,000	161	2	-	176	100	325
<b>Totals</b>	<b>9,009</b>	<b>2,176</b>	<b>165</b>	<b>5,965</b>	<b>4,795</b>	<b>18,377</b>

\* Excluding Cost-of-Living Adjustment

\*\* Option Selected:

Life – return of contributions;

Opt. 1 – return of member's annuity;

Opt. 2 – 100.0 percent survivorship;

Opt. 3 – 50.0 percent / 50.0 percent dual survivorship;

Opt. 4 – 75.0 percent survivorship;

Opt. 4A – 50.0 percent survivorship;

Opt. 4B – years certain and life;

Opt. 4C – Social Security leveling;

Opt. 5 – pop up;

PLSO – Partial-Lump-Sum Option.

\*\*\* Included in other options.

Retired Members by Type of Benefit  
June 30, 2022

Mississippi Highway Safety Patrol Retirement System

Amount of Monthly Benefit *	Option Selected **					
	Life	Opt. 1	Opt. 2	Opt. 3	Opt. 4	Opt. 4A
\$1 - 500	21	-	1	-	-	-
501 - 1,000	80	-	1	1	-	-
1,001 - 1,500	44	-	3	-	-	-
1,501 - 2,000	22	-	9	2	-	1
2,001 - 2,500	12	-	8	-	-	1
2,501 - 3,000	8	-	9	1	-	2
3,001 - 3,500	13	1	10	-	-	-
3,501 - 4,000	5	-	-	1	1	3
4,001 - 4,500	1	2	5	-	-	2
4,501 - 5,000	1	-	1	-	-	-
Over 5,000	1	-	1	1	-	-
<b>Totals</b>	<b>208</b>	<b>3</b>	<b>48</b>	<b>6</b>	<b>1</b>	<b>9</b>

Amount of Monthly Benefit *	Opt. 4B	Opt. 4C***	Opt. 9	PLSO 1 YR.***	PLSO 2 YR.***	PLSO 3 YR.***
\$1 - 500	-	-	3	-	-	-
501 - 1,000	2	1	8	-	1	1
1,001 - 1,500	1	3	19	2	-	7
1,501 - 2,000	2	3	56	1	1	9
2,001 - 2,500	2	1	80	10	3	14
2,501 - 3,000	4	2	65	5	5	32
3,001 - 3,500	1	-	73	8	5	33
3,501 - 4,000	3	-	49	8	8	19
4,001 - 4,500	2	-	42	5	6	17
4,501 - 5,000	-	-	24	4	1	12
Over 5,000	-	-	74	8	9	19
<b>Totals</b>	<b>17</b>	<b>10</b>	<b>493</b>	<b>51</b>	<b>39</b>	<b>163</b>

\* Excluding Cost-of-Living Adjustment

\*\* Option Selected:

Life – return of contributions;

Opt. 1 – return of member's annuity;

Opt. 2 – 100.0 percent survivorship;

Opt. 3 – 50.0 percent / 50.0 percent dual survivorship;

Opt. 4 – 75.0 percent survivorship;

Opt. 4A – 50.0 percent survivorship;

Opt. 4B – years certain and life;

Opt. 4C – Social Security leveling;

Opt. 9 – maximum benefit with pop-down provision;

PLSO – Partial-Lump-Sum Option.

\*\*\* Included in other options.

Retired Members by Type of Benefit  
June 30, 2022

Supplemental Legislative Retirement Plan

Amount of Monthly Benefit *	Option Selected **					
	Life	Opt. 1	Opt. 2	Opt. 3	Opt. 4	Opt. 4A
\$1 - 100	6	-	6	-	-	-
101 - 200	16	1	16	-	1	-
201 - 300	16	1	13	2	1	2
301 - 400	23	-	11	-	-	2
401 - 500	13	1	8	2	-	-
501 - 600	5	-	5	3	-	1
601 - 700	9	-	7	-	-	1
701 - 800	6	-	5	-	1	-
801 - 900	4	-	2	-	1	1
901 - 1,000	2	1	3	-	-	-
Over 1,000	6	-	2	-	1	1
<b>Totals</b>	<b>106</b>	<b>4</b>	<b>78</b>	<b>7</b>	<b>5</b>	<b>8</b>

Amount of Monthly Benefit *	Opt. 4B	Opt. 4C***	Opt. 5	PLSO	PLSO	PLSO
				1 YR.***	2 YR.***	3 YR.***
\$1 - 100	3	1	-	-	-	1
101 - 200	1	-	-	-	-	5
201 - 300	2	-	-	1	-	2
301 - 400	7	-	-	2	-	7
401 - 500	3	-	-	1	2	5
501 - 600	2	-	-	-	1	6
601 - 700	1	-	-	-	2	2
701 - 800	-	-	-	1	1	2
801 - 900	-	-	-	-	-	3
901 - 1,000	2	-	-	-	1	2
Over 1,000	1	-	-	2	1	3
<b>Totals</b>	<b>22</b>	<b>1</b>	<b>-</b>	<b>7</b>	<b>8</b>	<b>38</b>

\* Excluding Cost-of-Living Adjustment

\*\* Option Selected:

Life – return of contributions;

Opt. 1 – return of member's annuity;

Opt. 2 – 100.0 percent survivorship;

Opt. 3 – 50.0 percent / 50.0 percent dual survivorship;

Opt. 4 – 75.0 percent survivorship;

Opt. 4A – 50.0 percent survivorship;

Opt. 4B – years certain and life;

Opt. 4C – Social Security leveling;

Opt. 5 – pop up;

PLSO – Partial-Lump-Sum Option.

\*\*\* Included in other options.



Analysis of Employer & Member Contributions  
Public Employees' Retirement System of Mississippi  
For Fiscal Years Ended June 30, 2023 & 2022

[contributions in thousands]

	Employer		Member		Total Contributions	Percent
	Units	Contributions	Number	Contributions		
2023						
State Agencies	106	\$216,773	24,922	\$111,100	\$327,873	16.68%
State Universities	9	200,290	17,220	102,722	303,012	15.42
Public Schools	140	518,842	61,095	265,317	784,159	39.90
Community/Junior Colleges	15	57,008	5,835	29,136	86,144	4.38
Counties	82	117,476	14,671	59,340	176,816	9.00
Municipalities	244	122,315	15,526	62,744	185,059	9.42
Others	265	70,859	6,716	31,627	102,486	5.20
Totals	861	\$1,303,563	145,985	\$661,986	\$1,965,549	100.00%
2022						
State Agencies	106	\$201,764	24,466	\$103,416	\$305,180	16.71%
State Universities	9	186,639	16,774	95,669	282,308	15.46
Public Schools	140	475,637	60,787	243,281	718,918	39.36
Community/Junior Colleges	15	55,476	5,761	28,330	83,806	4.59
Counties	82	108,665	14,486	54,972	163,637	8.96
Municipalities	242	114,491	15,404	58,751	173,242	9.49
Others	265	68,332	6,738	31,002	99,334	5.43
Totals	859	\$1,211,004	144,416	\$615,421	\$1,826,425	100.00%

Note: Above table excludes MHSPRS, SLRP, and MRS contributions. Classification amounts are established at the time entities join PERS. Classification amounts may differ from those identified through other sources.

Total Active Members by Attained Age & Years of Service:  
Public Employees' Retirement System of Mississippi  
June 30, 2022

Attained Age	Active Member Years of Service							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30+	Numbers	Valuation Payroll
Under 20	361	-	-	-	-	-	-	361	\$7,476,006
20-24	6,071	41	-	-	-	-	-	6,112	191,368,167
25-29	10,678	2,113	22	-	-	-	-	12,813	482,530,738
30-34	7,310	6,293	1,657	35	-	-	-	15,295	637,260,295
35-39	6,040	4,471	4,957	1,843	37	-	-	17,348	785,830,349
40-44	5,330	3,779	3,607	5,155	1,732	28	-	19,631	951,304,295
45-49	4,569	3,343	3,037	3,396	4,164	994	9	19,512	969,208,075
50-54	4,292	3,034	2,828	2,998	3,216	2,303	481	19,152	927,712,270
55-59	3,575	2,691	2,359	2,566	2,627	1,521	957	16,296	733,019,319
60-64	2,353	2,134	1,683	1,739	1,650	1,031	952	11,542	504,672,156
65-69	946	919	632	530	455	307	388	4,177	178,065,922
70 & Over	543	409	346	287	226	139	227	2,177	86,312,571
<b>Totals</b>	<b>52,068</b>	<b>29,227</b>	<b>21,128</b>	<b>18,549</b>	<b>14,107</b>	<b>6,323</b>	<b>3,014</b>	<b>144,416</b>	<b>\$6,454,760,163</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 45.1 years  
Service: 10.4 years  
Entry Age: 35 years  
Annual Pay: \$44,696

Total Active Members by Attained Age & Years of Service:  
Mississippi Highway Safety Patrol Retirement System  
June 30, 2022

Attained Age	Active Member Years of Service							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30+	Numbers	Valuation Payroll
Under 25	11	-	-	-	-	-	-	11	\$625,962
25-29	60	1	-	-	-	-	-	61	3,424,770
30-34	45	17	8	-	-	-	-	70	4,086,236
35-39	17	14	26	8	-	-	-	65	4,143,634
40-44	15	6	30	37	7	-	-	95	6,870,937
45-49	4	1	14	29	25	8	-	81	6,602,560
50-54	6	1	7	17	21	15	1	68	5,578,476
55-59	-	-	1	2	8	10	3	24	2,200,106
60-64	-	-	-	-	-	3	-	3	226,069
65 & Over	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>158</b>	<b>40</b>	<b>86</b>	<b>93</b>	<b>61</b>	<b>36</b>	<b>4</b>	<b>478</b>	<b>\$33,758,750</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 41.1 years  
Service: 12.2 years  
Annual Pay: \$70,625

Total Active Members by Attained Age & Years of Service:  
Supplemental Legislative Retirement Plan  
June 30, 2022

Attained Age	Active Member Years of Service							Totals	
	0-4	5-9	10-14	15-19	20-24	25-29	30+	Numbers	Valuation Payroll
Under 25	-	-	-	-	-	-	-	-	\$-
25-29	2	-	-	-	-	-	-	2	90,419
30-34	4	2	-	-	-	-	-	6	274,372
35-39	3	3	-	-	-	-	-	6	271,567
40-44	10	3	4	-	-	-	-	17	747,802
45-49	12	2	5	2	1	-	-	22	1,026,804
50-54	2	11	12	1	-	-	-	26	1,198,701
55-59	10	9	9	1	2	-	-	31	1,501,059
60-64	6	4	5	3	2	1	-	21	1,000,446
65-69	2	5	4	2	-	3	2	18	834,950
70 & Over	3	1	7	4	-	4	6	25	1,233,553
<b>Totals</b>	<b>54</b>	<b>40</b>	<b>46</b>	<b>13</b>	<b>5</b>	<b>8</b>	<b>8</b>	<b>174</b>	<b>\$8,179,673</b>

While not used in the financial computations, the following group averages are computed and shown because of their general interest:

Age: 56.6 years  
Benefit Service: 10.7 years  
Eligibility Service: 16.0 years  
Annual Pay: \$47,010

## System Benefit Payments by County

June 30, 2023

[amounts paid in thousands]

County	Number of Payments	Amount Paid	County	Number of Payments	Amount Paid
Adams	1,367	\$34,966	Lowndes	1,819	\$49,971
Alcorn	1,453	37,664	Madison	4,874	176,995
Amite	428	9,846	Marion	853	22,383
Attala	897	22,299	Marshall	819	19,323
Benton	231	5,547	Monroe	1,243	31,986
Bolivar	1,624	43,854	Montgomery	585	15,679
Calhoun	529	12,683	Neshoba	1,020	25,413
Carroll	521	13,629	Newton	918	22,907
Chickasaw	649	16,017	Noxubee	357	8,480
Choctaw	400	9,983	Oktibbeha	2,599	102,045
Claiborne	382	10,225	Panola	1,317	33,459
Clarke	693	14,927	Pearl River	1,483	33,769
Clay	710	19,905	Perry	481	10,343
Coahoma	986	28,928	Pike	1,388	36,571
Copiah	1,124	30,409	Pontotoc	895	24,429
Covington	785	20,162	Prentiss	896	24,873
Desoto	2,167	53,109	Quitman	262	6,165
Forrest	3,621	110,614	Rankin	6,983	217,230
Franklin	356	8,740	Scott	896	22,092
George	769	17,507	Sharkey	226	6,387
Greene	416	9,488	Simpson	1,231	30,105
Grenada	915	23,789	Smith	602	13,975
Hancock	1,126	27,258	Stone	863	21,936
Harrison	5,672	156,486	Sunflower	982	24,168
Hinds	10,899	323,899	Tallahatchie	502	12,112
Holmes	749	18,014	Tate	923	25,227
Humphreys	293	8,220	Tippah	882	21,781
Issaquena	34	602	Tishomingo	657	14,894
Itawamba	998	25,881	Tunica	297	6,526
Jackson	4,273	115,548	Union	1,016	26,744
Jasper	667	14,719	Walthall	440	11,036
Jefferson	432	11,342	Warren	1,526	42,671
Jefferson Davis	435	8,904	Washington	1,759	45,526
Jones	2,902	74,091	Wayne	659	15,590
Kemper	393	9,162	Webster	675	17,761
Lafayette	2,568	93,633	Wilkinson	328	8,170
Lamar	1,521	39,895	Winston	781	22,553
Lauderdale	2,974	78,454	Yalobusha	734	18,066
Lawrence	586	13,840	Yazoo	873	22,370
Leake	772	18,897	<b>Mississippi</b>	<b>109,109</b>	<b>\$3,029,843</b>
Lee	2,751	78,872	<b>Out-of-Country</b>	34	926
Leflore	1,214	33,753	<b>Out-of-State</b>	11,531	278,777
Lincoln	1,183	32,371	<b>Total</b>	<b>120,674</b>	<b>\$3,309,546</b>

## Ten Largest Participating Employers

Participating Employer	2023			2014		
	Covered Employees	Rank	Percentage of Total System	Covered Employees	Rank	Percentage of Total System
<i>Public Employees' Retirement System</i>						
University Medical Center	7,090	1	4.86%	7,718	1	4.61%
Desoto County Board of Education	4,128	2	2.83	3,945	3	2.36
Mississippi State University	3,815	3	2.61	3,875	4	2.31
Mississippi Department of Human Services	3,125	4	2.14	3,448	5	2.06
Jackson Municipal Separate Schools	2,981	5	2.04	4,277	2	2.55
Mississippi Department of Transportation	2,558	6	1.75	3,357	6	2.01
Rankin County Board of Education	2,475	7	1.70	2,328	9	1.39
University of Mississippi	2,327	8	1.59	2,104	10	1.26
Harrison County Board of Education	1,916	9	1.31	1,734	-	1.04
Corrections Department	1,872	10	1.28	2,918	7	1.74
All Other	113,698	-	77.89	131,696	-	78.67
<b>Totals (861 Employers)</b>	<b>145,985</b>		<b>100.00%</b>	<b>167,400</b>		<b>100.00%</b>

## Public Agencies Covered by State Retirement Annuity

### *Participating Employers Covered by Law*

State Agencies  
State Universities  
Community/Junior Colleges  
Public School Districts

### *Participating Employers Covered by Separate Agreement*

Counties

### *Local Governmental Entities Covered by Separate Agreement*

#### *Municipalities*

Aberdeen	Crenshaw	Itta Bena	Nettleton	Shannon
Ackerman	Crosby	Iuka	New Albany	Shaw
Algoma	Crystal Springs	Jackson	New Augusta	Shelby
Amory	Decatur	Jonestown	New Hebron	Sherman
Anguilla	De Kalb	Jumpertown	Newton	Shubuta
Arcola	D'lo	Kilmichael	North Carrollton	Shuqualak
Artesia	Derma	Kosciusko	Noxapater	Silver City
Ashland	D'Iberville	Lake	Ocean Springs	Sledge
Baldwyn	Drew	Lambert	Okolona	Smithville
Bassfield	Duck Hill	Laurel	Olive Branch	Soso
Batesville	Durant	Leakesville	Osyka	Southaven
Bay Springs	Ecru	Leland	Oxford	Starkville
Bay St. Louis	Edwards	Lena	Pachuta	State Line
Beaumont	Ellisville	Lexington	Pascagoula	Stonewall
Belmont	Enterprise	Liberty	Pass Christian	Sturgis
Belzoni	Ethel	Long Beach	Pearl	Summit
Benoit	Eupora	Louin	Pelahatchie	Sumner
Bentonla	Falkner	Louise	Petal	Sumrall
Biloxi	Farmington	Louisville	Philadelphia	Sunflower
Blue Mountain	Flora	Lucedale	Picayune	Tailorsville
Booneville	Florence	Lula	Plantersville	Tchula
Boyle	Flowood	Lumberton	Polkville	Terry
Brandon	Forest	Lyon	Pontotoc	Tishomingo
Brookhaven	French Camp	Maben	Poplarville	Tremont
Brooksville	Fulton	Macon	Port Gibson	Tunica
Bruce	Gautier	Madison	Potts Camp	Tupelo
Bude	Gloster	Magee	Prentiss	Tutwiler
Burnsville	Gluckstadt	Magnolia	Puckett	Tylertown
Byhalia	Golden	Mantachie	Purvis	Union
Byram	Goodman	Marietta	Quitman	Vaiden
Caledonia	Greenville	Marion	Raleigh	Vardaman
Calhoun City	Greenwood	Marks	Raymond	Verona
Canton	Grenada	Mathiston	Renova	Vicksburg
Carthage	Gulfport	Mayersville	Richland	Walnut
Cary	Guntown	McComb	Richton	Walnut Grove
Centreville	Hatley	McLain	Ridgeland	Walthall
Charleston	Hattiesburg	Meadville	Rienzi	Water Valley
Chunky	Hazlehurst	Mendenhall	Ripley	Waveland
Clarksdale	Heidelberg	Meridian	Rolling Fork	Waynesboro
Cleveland	Hernando	Merigold	Rosedale	Weir
Clinton	Hickory	Metcalfe	Roxie	Wesson
Coffeetille	Hickory Flat	Mize	Ruleville	West
Coldwater	Hollandale	Monticello	Saltillo	West Point
Collins	Holly Springs	Moorhead	Sallis	Wiggins
Columbia	Horn Lake	Morton	Sandersville	Winona
Columbus	Houlka	Moss Point	Sardis	Woodland
Como	Houston	Mount Olive	Sebastopol	Woodville
Corinth	Indianola	Myrtle	Seminary	Yazoo City
Crawford	Inverness	Natchez	Senatobia	

## Public Agencies Covered by State Retirement Annuity

(continued)

### *Juristic Entities*

Adams County Airport Commission  
 Adams County Soil & Water Conservation District  
 Bogue Philia Drainage District  
 Bolivar County Soil & Water Conservation District  
 Booneville Gas & Water System  
 Brookhaven Park & Recreation  
 Caledonia Natural Gas District  
 Calhoun County Soil & Water Conservation District  
 Canton Convention & Visitors Bureau  
 Canton Municipal Utilities  
 Canton Redevelopment Authority  
 Chickasawhay Natural Gas District  
 Choctaw County Economic Development District  
 Claiborne County Human Resource Agency  
 Clarksdale Park Commission  
 Clarksdale Public Utilities  
 Cleary Water, Sewer & Fire District  
 Coahoma County Soil & Water Conservation District  
 Coast Coliseum & Convention Center  
 Columbus Light & Water Department  
 Copiah County Human Resource Agency  
 Corinth-Alcorn Airport Board  
 Corinth-Alcorn Convention & Agriculture Exposition Center  
 Corinth-Alcorn County Recreation Commission  
 Corinth City Water Department  
 Covington County Soil & Water Conservation District  
 Culkin Water District  
 Delta Blues Museum  
 Desoto County Convention & Visitors Bureau  
 Desoto County Regional Utility Authority  
 Desoto County Soil & Water Conservation District  
 Diamondhead Fire Protection District  
 East Leflore County Water & Sewer District  
 Economic Development of Jones County  
 Emergency Management District  
 Forrest County Soil & Water Conservation District  
 Glendale Utility District  
 Golden Triangle Cooperative Service District  
 Golden Triangle Regional Airport  
 Golden Triangle Regional Solid Waste Management Authority  
 Greenville Port Commission  
 Greenwood Tourism Commission  
 Greenwood Utilities Commission  
 Grenada County Civil Defense  
 Grenada County Soil & Water Conservation District  
 Gulf Park Estates St. Andrew Fire Protection District  
 Gulf Regional Planning Commission  
 Gulfport-Biloxi Regional Airport Authority  
 Hancock County Human Resource Agency  
 Hancock County Planning Commission  
 Hancock County Port & Harbor Commission  
 Hancock County Soil Conservation District  
 Hancock County Utility Authority  
 Hancock County Water & Sewer District  
 Harrison County Development Commission  
 Harrison County Soil & Water Conservation District

Harrison County Utility Authority  
 Hattiesburg Tourism Commission  
 Hinds County Soil & Water Conservation District  
 Holly Springs Utility Department  
 Itawamba County Soil & Water Conservation District  
 Jackson Convention & Visitors Bureau dba Visit Jackson  
 Jackson County Emergency Communications District  
 Jackson County Port Authority  
 Jackson County Utility Authority  
 Jackson Municipal Airport Authority  
 Kiln Water & Fire District  
 Kosciusko Water & Light Department  
 Lafayette County Soil & Water Conservation District  
 Lamar County Soil & Water Conservation District  
 Lauderdale County Emergency Medical Service District  
 Lauderdale County Soil & Water Conservation District  
 Laurel Airport Authority  
 Lee County Soil & Water Conservation District  
 Levee Commission Yazoo MS Delta  
 Levee Commissioners  
 Louisville Electric System  
 Louisville Water System  
 Macon Electric & Water Department  
 Madison County Economic Development Authority  
 Madison County Nursing Home  
 Madison County Soil & Water Conservation District  
 Marion County Soil & Water Conservation District  
 Mental Health & Retardation, Region III (NE MS)  
 Mental Health & Retardation, Region IV (Corinth)  
 Mental Health & Retardation, Region VI (Greenwood)  
 Mental Health & Retardation, Region VIII (Brandon)  
 Mental Health & Retardation, Region X (Weems)  
 Mental Health & Retardation, Region XI (SW MS)  
 Mental Health & Retardation, Region XIV (Singing River)  
 Meridian Airport Authority  
 Mid-Mississippi Development District  
 Mississippi Gulf Coast Regional Convention & Visitors Bureau  
 Municipal Energy Agency of Mississippi  
 Natchez-Adams County Port Commission  
 Natchez Convention Promotion Commission  
 Natchez City of Waterworks  
 Neshoba County Soil Conservation District  
 New Albany Electric Department  
 Newton County Soil Conservation District  
 Northeast Mississippi Natural Gas District  
 Northeast Mississippi Regional Water Supply District  
 NRoute Transit Commission  
 Okolona Electric Department  
 Oxford Electric Department  
 Oxford Tourism Council  
 Panola County Soil & Water Conservation District  
 Pearl River County Soil & Water Conservation District  
 Philadelphia-Neshoba County Park Commission  
 Pike County Soil Conservation District  
 Pine Belt Region Solid Waste Management Authority  
 Pontotoc County Soil & Water Conservation

**Public Agencies Covered by State Retirement Annuity**  
(continued)

*Juristic Entities (continued)*

Prentiss County Soil & Water Conservation District	Tupelo Airport Authority
Rankin-Hinds Pearl River Flood	Tupelo Coliseum Comm District
Reservoir Fire Protection District	Tupelo Water & Light Department
Ridgeland Tourism Commission	Union County Soil & Water Conservation District
Rosedale-Bolivar County Port Commission	Vicksburg Bridge Commission
Runnelstown Utility District	Vicksburg Convention & Visitors Bureau
Scenic Rivers Development Alliance	Walthall County Soil & Water Conservation District
Sebastopol Natural Gas District	Warren County Soil & Water Conservation District
Simpson County Parks & Recreation	Wayne County Economic Development District
South Madison County Fire Protection District	Wayne County Soil & Water Conservation District
South Mississippi Fair Commission	West Jackson County Utility District
Starkville Electric Department	West Point Electric System
Stone County Soil & Water Conservation District	West Point Water Department
Stone County Utility Authority	West Rankin Utility Authority
Sunflower County Soil & Water Conservation District	Winston County Economic Development
Tallahatchie County Soil & Water Conservation District	Winston County Soil & Water Conservation District
Tennessee-Tombigbee Waterway Development Authority	Yalobusha Water & Sewer District
Tunica County Airport Commission	Yazoo City Public Service Commission
Tunica County Healthcare	Yazoo County Convention & Visitors Bureau
Tunica County Tourism Commission	Yazoo County Soil & Water Conservation District
	Yazoo-Mississippi Delta Joint Water Management District
	Yazoo Recreation Commission

*Housing Authorities*

Attala County	Hattiesburg	MS Reg. V-Newton	Shelby
Baldwyn	Hazlehurst	MS Reg. VI-Jackson	South Delta Region
Bay Waveland	Holly Springs	MS Reg. VII-McComb	Starkville
Biloxi	Itta Bena	MS Reg. VIII-Gulfport	Summit
Booneville	Iuka	Mound Bayou	Tupelo
Canton	Jackson	Natchez	Vicksburg
Clarksdale	Laurel	Oxford	Water Valley
Columbus	Louisville	Picayune	Waynesboro
Corinth	McComb	Pontotoc	West Point
Forest	Meridian	Sardis	Winona
Greenwood	MS Reg. IV-Columbus	Senatobia	Yazoo City

*Local Hospitals*

Claiborne County Medical Center	Jefferson County	South Sunflower County
Field Memorial Community	Magnolia Regional Health Center	Tippah County
Franklin County Memorial	North Sunflower Medical Center	

*Local Libraries*

Amory Municipal	Harrison County	Neshoba County Public
Benton County	Hattiesburg-Petal-Forrest County	Northeast Regional
Bolivar County	Humphreys County	Noxubee County
Carnegie Public	Jackson-George Regional	Oktibbeha County
Carroll County	Jackson-Hinds	Pearl River County
Central Mississippi Regional	Jennie Stephens Smith	Pike-Amite-Walthall County
Choctaw County	Judge George W. Armstrong	Pine Forest Regional
Columbus-Lowndes Public	Kemper-Newton County Regional	Sharkey-Issaquena County
Copiah-Jefferson Regional	Lamar County	South Mississippi Regional
Covington County	Laurel-Jones County	Sunflower County
Dixie Regional	Lee-Itawamba County	Tallahatchie County
East Mississippi Regional	Lincoln-Lawrence-Franklin	Tombigbee Regional
Elizabeth Jones	Madison County-Canton Public	Washington County
Evans Memorial	Marks-Quitman County	Waynesboro-Wayne County
First Regional	Marshall County	Wilkinson County
Greenwood-Leflore Public	Meridian-Lauderdale County	Yalobusha County
Hancock County	Mid-Mississippi Regional	Yazoo Library Association
Harriette Person Memorial		





## **PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF MISSISSIPPI**

429 Mississippi Street | Jackson, MS | 39201-1005

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