

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 1



Board of Trustees Meeting Agenda

Wednesday, August 27, 2025

1:00 P.M.

- I. Call to Order (*Mr. Bill Benson, Chair*)
 - A. Invocation
 - B. Pledge of Allegiance
 - C. Approval of Agenda
 - D. Approval of Minutes – June 25, 2025
 - E. Employee of the Quarter – October – December 2025
- II. Report of the Administrative Committee (*Dr. Jay Smith, Committee Chair*)
 - A. Regulation 65: Earned Compensation for the Public Employees' Retirement System of Mississippi – Initial Adoption
 - B. Tier 5 Regulation Amendments – Initial Adoption
 - C. PERS Funding Policy
 - D. Other
- III. Report of Claims Committee (*Mr. Terrance Yarbrough, Committee Chair*)
 - A. Modify Joinder Agreement – City of Guntown
- IV. Report of the Defined Contribution Committee (*Dr. Brian Rutledge, Committee Chair*)
 - A. Hybrid Defined Contribution Plan Document – Initial Adoption
 - B. Other
- V. Report of the Investment Committee (*Dr. Randy McCoy, Committee Chair*)
 - A. TA Reality Fund XIV
 - B. Tier 5 DC Investment Lineup
 - C. ACWI x US Growth Search
 - D. Other
- VI. Retiree Insurance Advisory Committee
 - A. Approval for Medicare Supplement Open Enrollment and Other Recommendations
- VII. Disability Appeal Committee
- VIII. Staff Reports
 - A. Retiree Report
 - B. Investment Report
- IX. Adjourn

Board Members:

Mr. Bill Benson, *Board Chair*
Mr. George Dale, *Board Vice Chair*
Mr. Kelly Breland
Mr. Chris Graham
Ms. Kim Hanna

Dr. Randy McCoy
State Treasurer David McRae
Dr. Brian Rutledge
Dr. Jay Smith
Mr. Terrance Yarbrough

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 2

The Public Employees' Retirement System of Mississippi (PERS) Board of Trustees met Wednesday, August 27, 2025, at 429 Mississippi Street, Jackson, MS 39201. This meeting was duly announced to the public Tuesday, August 12, 2025, at 3:09 p.m., on the Public Meetings Notice website of the Mississippi Department of Finance and Administration, as well as was posted in the PERS lobby, on the PERS website, and on the PERS YouTube channel.

BOARD MEMBER ATTENDEES

In Person: Board Chair Mr. Bill Benson, Mr. Kelly Breland, Mr. George Dale, Mr. Chris Graham, Ms. Kimberly Hanna, Dr. Randy McCoy, State Treasurer David McRae, Dr. Brian Rutledge, Dr. Jay Smith, and Mr. Terrance Yarbrough.

Via Teleconference: None.

Absent: None.

Current Board Vacancies: None.

LEGISLATIVE LIAISON ATTENDEES

In Person: Representative Karl Oliver, Senator Daniel Sparks, and Representative John Read.

STAFF ATTENDEES

In Person: Executive Director Ray Higgins; Chief Investment Officer Charles Nielsen; Counsel and Policy Advisor Davetta Lee; Member and Employer Services Deputy Director Mason Frantom; Benefit Services Deputy Director Lisa Green; Deputy Director Administrative Services Melanie Estridge; Jason Clark, David DeGuire, and Clay Busby, Investments; Chief Technology Officer Mike Lowry; Billy Means, Maurice Gilliam, and Loren Cameron, Information Technology; Comptroller Tracy Day; Christy Smith, Accounting; Benefit Payments Program Administrator Tiffany Jennings; Employer Reporting Program Administrator Alisa Evans; Member Account Support Program Administrator Chris Hudson; Alexis White, Emily Chisholm, Nisha Tindal, Deborah Flanagan, Sylissa Franklin, Aquavia Mingo, Tamera Thomas, Tia Garland, and Arneka Fisher, Member Account Support; Communications Specialist Christine Anderson; and Communications Director Shelley Powers.

GUEST ATTENDEES

In Person: Assistant Attorney General Jessica Jasper; Will Harper, Joint Legislative Committee on Performance Evaluation and Expenditure Review; Lee Pittman, Mississippi Legislative Budget Office; and Mike Larsen, Mississippi Retired Public Employees' Association.

CALL TO ORDER

Board Chair Benson called the meeting to order at 1 p.m.

INVOCATION

Dale gave the invocation.

PLEDGE OF ALLEGIANCE

Dale led the Pledge of Allegiance.

AGENDA

- **Motion:** To approve the meeting agenda.
 - **Made by:** McCoy.
 - **Seconded by:** Rutledge.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

MINUTES

- **Motion:** To approve the minutes of the June 25, 2025, PERS Board of Trustees' meeting.
 - **Made by:** Breland.
 - **Seconded by:** Yarbrough.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 3

EMPLOYEE OF THE QUARTER

Benson presented the Employee of the Quarter for October 2025 through December 2025 to Fisher.

Benson thanked the Member Account Support staff in attendance for all their hard work.

REPORT OF THE ADMINISTRATIVE COMMITTEE

Committee Chair Smith reported that the Administrative Committee met the morning of August 27, 2025. He presented the following items to the Board for consideration:

Regulation 65: Earned Compensation

Smith presented the Board with the following staff-recommended revision to PERS Board Regulation 65 for initial adoption:

Regulation 65 defines the term "earned compensation" for purposes of reporting compensation to the Public Employees' Retirement System of Mississippi (PERS). The proposed amendment to Regulation 65 would create § 107 to provide clarity regarding earned compensation for coroners and deputy coroners.

The effective date of the proposed amendment will be January 1, 2026.

- **Motion:** To provide initial approval of staff-recommended changes, effective January 1, 2026, to Regulation 65 to create § 107 to provide clarity regarding earned compensation for coroners and deputy coroners.
 - **Made by:** Smith.
 - **Seconded by:** Breland.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum A – Regulation 65)

Tier 5 Regulation Amendments

Smith presented the Board with PERS board regulations 14, 28, 32, 35, 48, 51, 54, 57, 61, and 64 for initial adoption of revised language that includes Tier 5, which will go into effect March 1, 2026.

- **Motion:** To approve the initial adoption of revised PERS board regulations 14, 28, 32, 35, 48, 51, 54, 57, 61, and 64.
 - **Made by:** Smith.
 - **Seconded by:** McCoy.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum B – Tier 5 Regulation Amendments)

PERS Funding Policy

Smith presented the Board with a minor wording change to the funding policy as discussed in committee.

- **Motion:** To approve a minor update to the PERS funding policy to reflect continuous usage of the most recently completed actuarial experience study approved by the Board rather than listing out the specific time period.
 - **Made by:** Smith.
 - **Seconded by:** Hanna.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum C – PERS Funding Policy)

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 4

Smith said the committee also held a lengthy discussion on the following items: Tier 5 ad hoc Cost-of-Living Adjustment, the effect of PERS on Mississippi's Moody rating, the recent Legislative Hearing with the House Select Committee on PERS, the need for additional funding, and future agenda placement of the defined contribution side of the Tier 5 hybrid plan. No committee action was taken on any of these items.

REPORT OF THE CLAIMS COMMITTEE

Committee Chair Yarbrough reported that the Claims Committee met the morning of August 27, 2025. He presented the following item to the Board for consideration:

Modify Joinder Agreement

Yarbrough presented the Board with a staff recommendation for modification to the existing City of Guntown Joinder Agreement to include the city's board of aldermen for retirement coverage with an effective date of September 1, 2025.

- **Motion:** To approve modification to the existing City of Guntown Joinder Agreement to include the city's board of aldermen for retirement coverage with an effective date of September 1, 2025, as recommended by staff.
 - **Made by:** Yarbrough.
 - **Seconded by:** Dale.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum D – Guntown Joinder Agreement Modification)

REPORT OF THE DEFINED CONTRIBUTION COMMITTEE

Committee Chair Rutledge reported that the Defined Contribution Committee met the morning of August 26, 2025, and heard a market update and performance review from Callan, an annual review of the Mississippi Deferred Compensation, and some miscellaneous updates. He also presented to the Board the following:

Watchlist

Rutledge presented the Board with a staff recommendation to add T. Rowe Price International Growth Trust to the Deferred Compensation Watchlist because its rolling five-year relative performance has lagged the benchmark.

- **Motion:** To add T. Rowe Price International Growth Trust to the Deferred Compensation Watchlist as recommended by staff.
 - **Made by:** Rutledge.
 - **Seconded by:** Graham.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum E – Defined Contribution Watchlist)

Hybrid Defined Contribution Plan Document

Rutledge presented the Board for initial adoption of the Hybrid Defined Contribution Plan Document.

- **Motion:** To make initial adoption of the Hybrid Defined Contribution Plan Document as recommended by staff.
 - **Made by:** Rutledge.
 - **Seconded by:** Yarbrough.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 5

(Addendum F – Hybrid Defined Contribution Plan Document)

REPORT OF THE INVESTMENT COMMITTEE

Committee Chair McCoy reported that the Investment Committee met August 26, 2025. He said the committee heard a market update and performance review from Callan, updates from REIT managers CenterSquare and Cohen & Steers, and various miscellaneous updates. McCoy said Callan verified that the FY 2025 return was 11.66 percent, which placed PERS in the top 20 percent of its peer group of pensions across the United States. He also reported that the FYTD for 2026 is currently 2.46 percent. McCoy then presented the following for Board consideration.

Watchlist

McCoy presented the Board with a staff recommendation to initiate a search to replace Baillie Gifford ACWI ex US All Cap for its rolling three-year relative performance lag against the benchmark peer group.

- **Motion:** To initiate a search to replace Baillie Gifford ACWI ex US All Cap as recommended by staff.
 - **Made by:** McCoy.
 - **Seconded by:** Hanna.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum G – Defined Benefit Watchlist)

TA Reality Fund XIV

McCoy presented the Board with a staff recommendation to make a \$75 million commitment to TA Reality Fund XIV. With PERS being a returning investor to TA Reality value-add funds, and by participating in the initial closing period ending in October, with a commitment of \$75 million, PERS qualifies for multiple fee reduction incentives.

- **Motion:** To approve staff recommendation to make a \$75 million commitment to TA Reality Fund XIV.
 - **Made by:** McCoy.
 - **Seconded by:** Breland.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum H – TA Reality Fund XIV)

Tier 5 DC Investment Lineup

McCoy presented the Board with a staff recommendation that the investment offerings for the defined contribution portion of the new retirement Tier 5 be the same as what is offered currently in the Mississippi Deferred Compensation Plan for the advantages it would provide to employees and employers.

- **Motion:** To approve the same investment offerings for Tier 5 as what is offered currently in the Mississippi Deferred Compensation Plan, as recommended by staff.
 - **Made by:** McCoy.
 - **Seconded by:** Yarbrough.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum I – Tier 5 DC Investment Lineup)

ACWI xUS Growth Search

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 6

McCoy presented the Board with criteria to search for an ACWI ex-US Growth Equity manager to replace Baillie Gifford for a \$750 million allocation. The manager will be benchmarked against the MSCI ACWI ex-US IMI and the Callan Non-US Equity peer group along with any additional candidates PERS would like to include in the search.

- **Motion:** To approve search criteria for an ACWI ex-US Growth Equity manager to replace Baillie Gifford with a \$750 million allocation, as recommended by staff.
 - **Made by:** McCoy.
 - **Seconded by:** Hanna.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum J – ACWI xUS Growth Search)

REPORT OF THE RETIREE INSURANCE ADVISORY COMMITTEE

Higgins presented the Board with a Retiree Insurance Advisory Committee's recommendation to renew the PERS-sponsored Retiree Medical Insurance Plan (Medicare supplement underwritten by Transamerica) for calendar year 2026 with some changes to the plan, as well as its recommendation for an open enrollment for the plan to run from October 1, 2025, to November 30, 2025.

- **Motion:** To approve renewing the PERS-sponsored Retiree Medical Insurance Plan with Transamerica, changes to the plan, and an open enrollment period for the plan from October 1, 2025, to November 30, 2025.
 - **Made by:** Rutledge.
 - **Seconded by:** McRae.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum K – Retiree Medical Insurance Plan)

REPORT OF THE DISABILITY APPEALS COMMITTEE

Higgins presented the recommendations to the Board of the Disability Appeals Committee (DAC).

The DAC heard sworn testimony, received evidence, and gave due consideration to the applicable laws and regulations for the following case:

PERS No. 25-06 – This matter came on for hearing before the DAC July 28, 2025. The DAC submits to the Board of Trustees its Proposed Statement of Facts, Conclusions of Law, and Recommendation that the Claimant's request for duty-related disability benefits be denied.

PERS No. 25-07 – This matter came on for hearing before the DAC July 28, 2025. The DAC submits to the Board of Trustees its Proposed Statement of Facts, Conclusions of Law, and Recommendation that the Claimant's request for non-duty related disability benefits be granted.

- **Motion:** To accept the findings of the DAC and approve the DAC recommendations.
 - **Made by:** Hanna.
 - **Seconded by:** Breland.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum L – Report of the Disability Appeals Committee)

MINUTES | BOARD OF TRUSTEES

Public Employees' Retirement System of Mississippi

August 27, 2025 | PERS Board Room and Live Streamed via YouTube

Page 7

RETIREE REPORT

Higgins presented the Retiree Report for the Board's approval.

- **Motion:** To approve the Retiree Report.
 - **Made by:** Smith.
 - **Seconded by:** Graham.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum M - Retiree Report)

INVESTMENT REPORT

Higgins presented the Investment Report. He requested board approval of this report, as well as of all trades and transactions performed by the PERS Investments division since the June 25, 2025, board meeting.

- **Motion:** To approve the Investment Report, as well as all trades and transactions performed by the PERS Investments division since the June 25, 2025, board meeting.
 - **Made by:** Rutledge.
 - **Seconded by:** Graham.
 - **Discussion:** None.
 - **Voting for:** Benson, Breland, Dale, Graham, Hanna, McCoy, McRae, Rutledge, Smith, and Yarbrough.
 - **Voting against:** None.
 - **Not Present:** None.
 - **Duly Passed.**

(Addendum N - Investment Report)

ADJOURN

- **Motion:** To adjourn.

Benson called the meeting adjourned at 1:15 p.m.

Respectfully Submitted,

H. Ray Higgins, Jr.
Executive Director
Public Employees' Retirement System

Mr. Bill Benson
Chair
PERS Board of Trustees

HRH