



December 23, 2024

Mississippi Speaker of the House Jason White
Mississippi Lieutenant Governor Delbert Hosemann
Mississippi Senate Appropriations Chair Briggs Hopson
Mississippi House Appropriations Chair John Read

Dear Gentlemen:

Please see the attached independent actuarial assessments (GRS and Cheiron) for PERS in accordance with the recent changes in state law as reflected by the passage of SB 3231. Also attached is the annual valuation from the plan's regular consulting actuary (CavMac). All three actuarial firms have similar results, which are consistent with last year, and all three firms recommend additional funding for PERS. Further, the independent assessments have an estimated fiscal impact for each employer, including state agencies, cities, counties, and school systems. I have provided a one-page summary of the key results from each firm and a one-page summary of the estimated cost increase by employer type for your convenience.

Also, the PERS Board voted to recommend to the Legislature an actuarially determined contribution (ADC) of 25.92 percent of payroll for PERS, as recommended by CavMac and supported by the independent actuarial reports from GRS and Cheiron. We recognize that implementation of future rate increases is now under the purview of the Legislature and that the increases may be phased in or funded in a different way. For your information, additional scenarios to this effect are included on page 2 of the CavMac report. However, consistent with all three actuarial firms, our recommendation is the ADC of 25.92 percent under the percent of payroll method.

Please let me know if you have any questions or require additional information. Thank you for your consideration.

Sincerely,

H. Ray Higgins, Jr.
Executive Director

Table listing Board of Trustees members: Kelly Breland (State Employees, Chair), Bill Benson (County Employees, Vice Chair), Kimberly Hanna (Municipal Employees), George Dale (Retirees), Chris Graham (Gubernatorial Appointee), Randy D. McCoy (Retirees), David McRae (State Treasurer), Brian Rutledge (Institutions of Higher Learning Employees), Jay Smith (Public Schools, Community/Jr. Colleges), and Terrance Yarbrough (State Employees).