

Municipal Police Employees' Retirement System
Minutes of the Audit, Finance, and Risk Management Committee Meeting
December 17, 2025

The Audit, Finance, and Risk Management Committee of the Municipal Police Employees' Retirement System held a meeting on Wednesday, December 17, 2025.

I. Call to Order

Committee Chairman Chief Edwin Bergeron, Jr. called the meeting to order at 10:23 a.m.

II. Roll Call

Members Present

Chief Edwin Bergeron, Jr. (Committee Chair)
Chief Beth Westlake
Major Raymond Burkart, Jr.

Members Absent

None

Others Present

Lt. Tyrone Warren, MPERS Board member
Mr. Julius Roberson, State Treasurer's Designee
Mr. Benjamin Huxen II, MPERS, Executive Director and General Counsel
Ms. Taylor Camp, MPERS, Chief Financial Officer
Ms. Melissa Frazier, MPERS, Benefits Administrator
Ms. Emily Thurston, MPERS, System Analyst
Ms. Sheri Morris, Daigle, Fisse, & Kessenich
Ms. Laura Gail Sullivan, Attorney
Mr. Jeffrey Hamilton, DHHM
Ms. Michelle Cunningham, DHHM
Mr. James Lachney, ACI
Ms. Adrienne Bordelon, OSE
Mr. David Barnes, NEPC
Mr. Tyler Brannan, Curran Actuarial Consulting, Ltd.
Ms. Sarah Daniel, MPERS, Accounts Analyst
Ms. Karen Correll, MPERS, Membership Analyst
Ms. Christie Ziadeh, MPERS, Benefits Analyst
Ms. Erin Estilette, Curran Actuarial Consulting (remote)

III. Public Comment

There were no public comments.

IV. Approval of the April 16, 2025, Committee Meeting Minutes

Motion by Chief Beth Westlake, seconded by Major Raymond Burkart, Jr., to approve the minutes of the Committee meeting held April 16, 2025. Without objection, the motion carried.

V. New Business

A. Presentation and Recommendation to the Board Regarding Acceptance of the Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2025, and June 30, 2024 (Action Item)

Ms. Cunningham with the audit firm, DHHM, presented the audit report on the June 30, 2025 financial statements for MPERS. Mr. Hamilton was also present as the audit manager. Ms. Cunningham stated that an unmodified opinion was issued for the financial statements, indicating no significant deficiencies in internal controls or material weaknesses, and no material noncompliance with laws and regulations. She stated overall it was a very good audit report.

Ms. Cunningham placed an emphasis on the total pension liability, which increased by \$74 million from June 30, 2024, to June 30, 2025. She went on to briefly explain the duties and responsibilities of management as well as the auditor. The audit followed accounting standards and the items outlined in the engagement letter. There were no significant Governmental Accounting Standards Board (GASB) changes that would affect the financial statements. In addition, the audit firm evaluated estimates within the financial statements to make sure they were reasonable. The significant estimates were noted with the fair value of investments being the most significant one. There were no uncorrected misstatements, no difficulties encountered in performing the audit, and no disagreements with management. Ms. Cunningham noted that the audit report included basic financial statements, statement of fiduciary net position, statement of changes in fiduciary net position, income statements, and footnotes, as well as the required supplementary information.

Ms. Cunningham then reviewed the balance sheet and stated that the total assets at the end of 2025 were \$3.1 billion and for 2024 it was \$2.8 billion, which was stated as an increase of \$293 million. MPERS' fair value of investments drove this increase with a \$275 million increase from 2024 to 2025. The investment contract value, which is the money set aside for DROP payments, went up \$4.7 million and the cash went up about \$7.5 million. Ms. Cunningham noted that while there was an increase of about \$3.2 million in total liabilities, it was not a significant increase from one year to the next. The total net position was at \$3.1 billion, which is a \$280 million increase. The total contributions increased by \$21 million, largely due to increased employer contributions. There was an increase in active membership from 5,636 in 2024 to 5,782 in 2025. The net investment income increased by \$50 million and total additions showed a \$71 million increase. The biggest increase was in the net investment income which was up \$50 million.

Ms. Cunningham then reviewed expenses and stated that MPERS' total deductions for 2025 increased from 2024 by \$880,000. Benefit payments increased about \$2.2 million, which was a function of an increase in the actual monthly benefits and DROP payments. DROP payments decreased from 2024 to 2025. Administrative expenses went up only slightly by about \$363,000. The biggest driver of this was the new standard that was implemented on compensated absences, which accounts for half of this increase at \$154,000. Ms. Cunningham noted this was not cash money going out, it was a record of liability for those compensated absences.

Ms. Cunningham stated that the net income for 2025 increased by \$73 million compared to 2024 primarily due to increased income with stable deductions. After a quick review, Ms. Cunningham stated that MPERS' average money-weighted rate of return was 6.3%, which was close to the discount rate of 6.75%. The total pension liability did go up about \$1.1 billion over the past 10 years, but the net assets available to fund that liability went up about \$1.3 billion, which means MPERS' assets are growing faster than the liability. This resulted in a funded percentage of 81.94%. Ms. Cunningham noted that this was the second highest percentage over the last 10 years. Ms. Cunningham stated that she expected MPERS to receive a Certificate of Excellence award, as they have in the last few years.

Then Ms. Cunningham concluded her presentation by reviewing the findings of the census data testing. When looking at a number of MPERS' participating employers they saw some discrepancies with date of entry and date of birth. She went on to review some of the participating employers and their specific discrepancies. The board discussed the findings of the census data testing where a sample of the employers are reviewed each year. There were discussions regarding how to move forward with corrections made on all employers who have discrepancies. Ms. Camp stated that each year after the audit report, MPERS does go line by line to make sure that all discrepancies are addressed and corrected and that she and Mr. Huxen are in discussions on best practices with these.

Motion by Chief Beth Westlake, seconded by Major Raymond Burkart, Jr., to accept the Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2025, and June 30, 2024, as presented. Without objection, the motion carried.

B. Recommendation to the Board Regarding an Increase to the FY 2026 Capital Budget for Unanticipated Variable Air Volume (VAV) System Replacement (Action Item)

The Committee discussed the unanticipated replacement of the variable air volume (VAV) units due to them being undersized. The existing VAV units were found to be different from the original building plans. Because they are undersized, it has affected their heating ability, especially in the evenings. A

representative addressed the committee and proposed the replacement of the undersized VAV units with appropriately sized ones. The initial cost was expected to be approximately \$59,287 but due to recent increases, the final cost estimate was updated to \$60,638.50. The Committee discussed whether multiple bids were solicited with clarification given that one contractor was utilized due to their involvement in previous work on the system, which avoided the additional costs of hiring an independent mechanical engineer.

Motion by Major Raymond Burkart, Jr., seconded by Chief Beth Westlake, to approve the increase to the FY 2026 Capital Budget for Unanticipated VAV system replacement, as presented. Without objection, the motion carried.

VI. Other Business


There was no other business.

VII. Adjourn


A motion was made by Chief Beth Westlake, seconded by Major Raymond Burkart, Jr., to adjourn the meeting at 10:50 a.m. Without objection, the motion carried.

The next meeting date is May 13, 2026.

To the best of my knowledge, the foregoing minutes accurately represent the actions taken at the meeting held December 17, 2025.



Chief Edwin Bergeron, Jr.
Audit, Finance, and Risk Management
Committee Chairman



Ben Huxen,
Executive Director and General Counsel