

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
QUARTERLY MEETING OF THE BOARD OF TRUSTEES
MARCH 18, 2024

Minutes of Meeting:

After giving proper notice of a quarterly meeting and a quorum being present, Chair Brenda McGown called the Teachers' Retirement System of the State of Kentucky Board of Trustees to order at 12:40 p.m. ET, Monday, March 18, 2024. The meeting was conducted in the TRS boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members present:

Brenda McGown, Chair
John Boardman, Vice Chair
Paul Bruce
Hollis Gritton
Dr. Ben Littlepage
Laura Schneider
Louis Straub
Josh Underwood
Alison Wright
Mark Metcalf, State Treasurer
Marshall Smith, proxy for Interim Education Commissioner

Others present:

Gary L. Harbin, Teachers' Retirement System
Robert Barnes, Teachers' Retirement System
Eric Wampler, Teachers' Retirement System
Brad Cook, Teachers' Retirement System
J.P. Cordray, Teachers' Retirement System
Grace Dotson, Teachers' Retirement System
Jane Gilbert, Teachers' Retirement System
Greg Hall, Teachers' Retirement System
Margaret Hockensmith, Teachers' Retirement System
Becky Niece, Teachers' Retirement System
Tom Siderewicz, Teachers' Retirement System
Mark Whelan, Teachers' Retirement System
Clay Skaggs, State Treasurer's office
Russell Webber, State Treasurer's Office

1. Reports for Consent: Chair McGown reviewed and asked the board to act on the draft minutes of the following board and committee meetings:

- December 18, 2023, quarterly Board of Trustees meeting
- December 18, 2023, Special Meeting, Scholarship Committee
- December 18, 2023, Special Meeting, Insurance Committee
- January 10, 2024, Appeals Committee

Board Action: The board considered the minutes as presented. Upon motion duly made by Mr. Boardman and seconded by Dr. Littlepage, the board unanimously approved the minutes as written.

Applications for Retirement and Annuity, Survivor Benefits, Life Insurance Benefits and Refunds: Mr. Wampler reported to the board regarding benefit payments. Chair McGown asked the board to act on the report of benefit payments.

Board Action: Upon motion duly made by Mr. Bruce and seconded by Mr. Boardman, the board approved the applications for retirement and annuity, survivor benefits, life insurance benefits and refunds as reported.

Interim Financial Statements: The board considered the report on the interim financial statements for the quarter ended December 31, 2023. The report was informational, and the board took no action.

2. Report of the Investment Committee: Mr. Siderewicz reported to the board concerning the investment performance for the quarter ended December 31 and the activities of the Investment Committee from the February 22, 2024, quarterly meeting.

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the report of the Investment Committee.

Board Action: Upon motion duly made by Dr. Littlepage and seconded by Mr. Underwood, the board voted unanimously to accept and ratify the report of the Investment Committee.

3. Report of the Governance and Audit Committee: Mr. Wampler reported that the Governance and Audit Committee held a special meeting on March 18. The committee approved the annual renewal of administrative services contracts and the investment experts for fiscal year 2025. The committee also recommended the board adopt the Second Amendment to the TRS 403(b) Tax-Sheltered Annuity Program.

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the report of the Governance and Audit Committee.

Board Action: Upon motion duly made by Ms. Schneider and seconded by Mr. Boardman, the board voted unanimously to accept and ratify the report of the Governance and Audit Committee, including adopting the Second Amendment to the TRS 403(b) Tax-Sheltered Annuity Program.

4. Legislative Update: Mr. Barnes reported to the board concerning the 2024 regular session of the General Assembly. Mr. Barnes' report was informational, and the board took no action.

5. Annual Review of Disability Earnings Limitation: The board heard a report concerning the provisions of KRS 161.661(12), which allows the board to increase the disability earnings limitation by the percentage increase in the annual average of the Consumer Price Index (CPI) for

all urban consumers for the most recent calendar year as published by the Federal Bureau of Labor Statistics (BLS) not to exceed 5%. In January, the BLS published the CPI for all urban consumers for calendar 2023 as a 3.4% increase. The executive secretary recommended that the disability earnings limitation be increased by 3.4% to \$48,723 effective for calendar 2024.

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the recommendation.

Board Action: Upon motion duly made by Mr. Underwood and seconded by Ms. Wright, the board voted unanimously to increase the disability earnings limitation by 3.4% to \$48,723 effective for calendar 2024 as allowed under KRS 161.661(12).

6. Executive Secretary's Observations and Comments: Mr. Harbin reported to the board on the Statement of Financial Disclosure, the Member Nominating Committee for board positions, the Junita Losey Scholarship Fund and the executive secretary's meetings.

Adjournment: There being no further business to come before the board and upon motion duly made by Ms. Schneider and seconded by Mr. Underwood, Chair McGown declared the meeting adjourned at 1:23 p.m. ET.

CERTIFICATIONS

We, the chair and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the minutes of meeting were approved by the board on June 17, 2024.

Brenda McGown, Chair

Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content and legality.

Robert B. Barnes, Deputy Executive Secretary
and General Counsel

I, Margaret Hockensmith, do certify that I was present at the meeting and duly recorded the actions of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on March 18, 2024.

Margaret Hockensmith
Recording Secretary