

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
BOARD OF TRUSTEES QUARTERLY MEETING MINUTES
SEPTEMBER 16, 2024

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 12:30 p.m. ET, Monday, September 16, 2024, in the TRS boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members present:

Brenda McGown, Chair
Dr. Ben Littlepage, Vice Chair
Paul Bruce
Hollis Gritton
Laura Schneider
Louis Straub
Josh Underwood
Alison Wright
Robert Guillette, proxy for State Treasurer
Marshall Smith, proxy for 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
Grace Dotson, Teachers' Retirement System
Jane Gilbert, Teachers' Retirement System
Greg Hall, Teachers' Retirement System
Margaret Hockensmith, Teachers' Retirement System
Courtney Mangione, Teachers' Retirement System
Tom Siderewicz, Teachers' Retirement System
Nathan Van Sickel, Teachers' Retirement System
Mark Whelan, Teachers' Retirement System
Michael Clancy, Legislative Research Commission
Beth Atkinson, Office of State Budget Director

1. Reports for Consent: Chair McGown asked the board to review and act on the Reports for Consent, including the following minutes and benefit payment reports

1.1 Minutes

- Board of Trustees quarterly meeting, June 17, 2024
- Governance and Audit Committee special meeting, June 17, 2024
- Benefits and Funding Committee special meeting, June 17, 2024
- Legislative Committee special meeting, June 17, 2024

1.2. Applications for Retirement and Annuity

1.3. Survivor Benefits

- 1.4. Life Insurance Benefits
- 1.5. Refunds
- 1.6 Interim Financial Statements

Board Action: The board considered the minutes, benefit payment reports and Interim Financial Statements as presented. Upon motion duly made by Ms. Schneider and seconded by Mr. Underwood, the board unanimously approved the minutes and benefits reports in the Reports for Consent. The Interim Financial Statements were for information, 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 June 30 and the activities of the Investment Committee from the August 22 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. Bruce, the board voted unanimously to accept and ratify the report of the Investment Committee.

3. Report of the Insurance Committee: Ms. Dotson reported on the September 16 special meeting of the Insurance Committee and its recommendation for the 2025 rate for the TRS Medicare Eligible Health Plan (MEHP) and 2025 health insurance benefit supplement for the Kentucky Employees' Health Plan (KEHP).

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the report of the Insurance Committee and approve the MEHP rate for 2025.

Board Action: Upon motion duly made by Ms. Schneider and seconded by Mr. Bruce, the board voted unanimously to approve a rate of \$210 per month in 2025 for the MEHP, which includes a combined UnitedHealthcare Medicare Advantage plan and Express Scripts Medicare Part D drug plan, for those retirees fulfilling the necessary service requirements.

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the report of the Insurance Committee and approve the KEHP health insurance benefit supplement for 2025.

Board Action: Upon motion duly made by Ms. Schneider and seconded by Mr. Gritton, the board voted unanimously to approve a health insurance benefit supplement for the KEHP up to \$885.30 per month in 2025 for those retirees fulfilling the necessary service requirements. This includes a KEHP administrative fee of \$8 per person per month (PPPM).

Ms. Gilbert also presented regarding discussions with federal agencies and the Kentucky congressional delegation related to cost containment and process efficiencies on behalf of MEHP participants and TRS.

4. Report of the Legislative Committee: Mr. Barnes reported on the September 16 special meeting of the Legislative Committee, where the committee approved administrative regulations for filing with the Legislative Research Commission. Those are amendments to the Calculation of Final Average Salary regulation (102 KAR 1:340) and the Employer Reports regulation (102 KAR 1:195) to include sick leave reporting.

Board Action: Upon motion duly made by Ms. Wright and seconded by Mr. Smith, the board unanimously accepted and ratified the report of the Legislative Committee.

5. Executive Secretary's Observations and Comments: Mr. Harbin reported to the board on the Trustee Education Program, the GASB reports 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 Ms. Wright, Chair McGown declared the meeting adjourned at 1:20 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 December 16, 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 September 16, 2024.

Margaret Hockensmith
Recording Secretary