

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
BOARD OF TRUSTEES QUARTERLY MEETING MINUTES
DECEMBER 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 10 a.m., Monday, December 16, 2024, in the TRS boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members present:

Brenda McGown, Chair
Dr. Ben Littlepage, Vice Chair
Paul Bruce
William Crawford
Hollis Gritton
Laura Schneider
Louis Straub
Josh Underwood
Mark Metcalf, 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
Tom Siderewicz, Teachers' Retirement System
Mark Whelan, Teachers' Retirement System
Brad Cook, Teachers' Retirement System
Jon Cordray, Teachers' Retirement System
Lindsey Davis, 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
Michael Clancy, Legislative Research Commission
Sam Burchett, State Treasurer's Office
Russell Webber, State Treasurer's Office

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

- 1.1.1. Quarterly Meeting, Board of Trustees, September 16, 2024
- 1.1.2. Special Meeting, Board of Trustees, November 25, 2024
- 1.1.3. Special Meeting, Insurance Committee, September 16, 2024
- 1.1.4. Special Meeting, Legislative Committee, September 16, 2024
- 1.1.5. Special Meeting, Governance and Audit Committee, November 15, 2024

- 1.1.6. Special Meeting, Legislative Committee, November 15, 2024
- 1.1.7. Special Meeting, Personnel Committee, November 25, 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 Mr. Straub and seconded by Ms. Schneider, 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 September 30 and the activities of the Investment Committee from the November 21 quarterly meeting.

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

Board Action: Upon motion duly made by Mr. Straub and seconded by Mr. Gritton, the board voted unanimously to accept and ratify the committee's report.

3. Report of the Governance and Audit Committee: Mr. Wampler reported that the Governance and Audit Committee held a special meeting on November 15, 2024. The committee accepted the actuarial valuations as of June 30, as presented by Cavanaugh Macdonald Consulting, for the Retirement Annuity Trust and for the health insurance and life insurance trusts. Additionally, the committee accepted the report on the audit of the financial statements for the year ended June 30 as presented by the staff from the Auditor of Public Accounts.

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

Board Action: Upon motion duly made by Mr. Straub and seconded by Mr. Bruce, the board voted unanimously to accept the committee's report.

4. Report of the Legislative Committee: Mr. Barnes reported on the December 16 special meeting of the Legislative Committee, where the committee approved the proposed housekeeping bill for the 2025 legislative session.

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

Board Action: Upon motion duly made by Ms. Schneider and seconded by Mr. Metcalf, the board unanimously accepted and ratified the committee's report.

5. Report of the Personnel Committee: Ms. McGown reported that the Personnel Committee met November 25 to review the performance of the executive secretary. The committee unanimously voted to recommend to the board to amend the contract with the executive secretary replacing the current four-year term with a four-year term from January 1, 2025, through December 31, 2028. Additionally, the committee recommended that the executive secretary receive the same salary increase available to TRS employees.

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

Board Action: Upon motion duly made by Mr. Bruce and seconded by Dr. Littlepage, the board unanimously voted to accept and ratify the committee's report.

6. Report of the Scholarship Committee: The Scholarship Committee held a special meeting on December 16. The committee received a report on the background of the Junita Losey Scholarship and the scholarship fund's investment strategy and cash flow. The committee voted unanimously to recommend to the board grants of \$2,000 to each of the eight public universities in Kentucky for a one-year scholarship and \$2,000 for a scholarship for a Campbell County High School senior who intends to major in education at a Kentucky public university for the 2025-2026 year.

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

Board Action: Upon motion duly made by Mr. Straub and seconded by Dr. Littlepage, the board unanimously voted to accept and ratify the committee's report.

7. Executive Secretary's Observations and Comments: Mr. Harbin informed the board of the 2024 Standards Award for Funding and Administration from the Public Pension Coordinating Council; the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada; meetings attended by the executive secretary; upcoming publication of the Annual Comprehensive Financial Report (ACFR) and 2025 board meeting dates. The report was informational, and the board took no action.

Adjournment: There being no further business to come before the board and upon motion duly made by Ms. Schneider and seconded by Mr. Straub, Chair McGown declared the meeting adjourned at 11:15 a.m.

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 March 17, 2025.

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 December 16, 2024.

Margaret Hockensmith
Recording Secretary