TEACHERS' RETIREMENT SYSTEM
of the State of Kentucky

Quarterly Meeting of the
Board of Trustees

A G E N D A

September 21, 2026, 12:30 p.m. ET/11:30 a.m. CT

Board called to order
Roll call

1. Reports for Consent

2. Report of the Investment Committee

3. Report of the Insurance Committee

4. Report of the Governance and Audit Committee

5. Executive Secretary's Observations and Comments

General discussion

Adjournment

The meeting will be in the boardroom at 479 Versailles Road, Frankfort, Kentucky.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: September 21, 2026

SUBJECT: Reports for Consent

1. Consideration/Approval of Minutes

- Quarterly Meeting, Board of Trustees, June 15, 2026
- Special Meeting, Governance and Audit Committee, June 15, 2026

2. Applications for Retirement and Annuity

The list of members who retired in June, July and August is included in the board materials. Attached is a summary of the payments and a comparison to the same period a year ago. The 1,624 initial retirements for the period resulted in monthly payments totaling $6,532,073.38. During the same period last year, 1,515 retirements resulted in monthly payments totaling $5,644,530.87.

3. Survivor Benefits

The list of people qualifying for survivor benefit payments for the quarter ended June 30 is included in the board materials. Twelve survivor benefits commenced with a total monthly payment of $2,591.99.

4. Life Insurance Benefits

The list of payments of life insurance benefits due to death of active and retired teachers for the quarter ended June 30 is included in the board materials. Thirteen payments to the estates or beneficiaries of active teachers and 348 payments to the estates or beneficiaries of retired teachers combined for 361 total payments amounting to $1,766,000. During the same quarter a year ago, 329 payments amounted to $1,596,000.

5. Refunds

The report of refunds for the quarter ended June 30 is included in the board materials. During the quarter, refunds paid consisted of:

Regular withdrawals	429	$5,072,197.84
Deaths	30	$ 622,839.98
Total	459	$5,695,037.82

During the same quarter a year ago, 468 refunds totaled $6,528,521.54.

6. Interim Financial Statements

The Interim Financial Statements for the quarter ended June 30 are included in the board materials.

Recommendation: The executive secretary recommends that the board approve the reports for consent as presented. The Interim Financial Statements are for information.

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
QUARTERLY MEETING OF THE BOARD OF TRUSTEES
JUNE 15, 2026

Minutes of Meeting:
After giving proper notice of a quarterly meeting, and a quorum being present, Chair Brenda McGown called the TRS Board of Trustees to order at 12:30 p.m. ET, Monday, June 15, 2026, in the boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members Present:
Brenda McGown, Chair
Paul Bruce
Hollis Gritton
Dr. Ben Littlepage
Laura Schneider
Louis Straub
Alison Wright
Mark Metcalf, State Treasurer
Marshall Smith, proxy for Education Commissioner

Others Present:
Gary L. Harbin, TRS
Beau Barnes, TRS
Eric Wampler, TRS
Tom Siderewicz, TRS
Mark Whelan, TRS
Tyler Boyd, TRS
Brad Cook, TRS
Grace Dotson, TRS
Courtney Mangione, TRS
Sarah Meehan, TRS
Becky Niece, TRS
Nate Van Sickel, TRS
Jessica VanWinkle, TRS
Beth Atkinson, Office of State Budget Director
Michael Clancy, Legislative Research Commission
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 committee minutes and benefit payment reports:

- Minutes
  - Board of Trustees quarterly meeting, March 16, 2026
  - Governance and Audit Committee special meeting, March 16, 2026
- Applications for retirement and annuity
- Survivor benefits
- Life insurance benefits

- Refunds
- Interim Financial Statements for the quarter ended March 31, 2026

Board Action: The board considered the minutes and benefit payment reports as presented. Upon motion duly made by Ms. Schneider and seconded by Mr. Bruce, the board unanimously approved the reports for consent. The Interim Financial Statements were for information, and the board took no action.

2. Report of Annual Trustee Elections and Board Organizational Matters

Annual Trustee Elections: Mr. Harbin reported the election results for an active teacher trustee and a lay teacher trustee. The election was held in April and May, and Dr. Robbie Fletcher, education commissioner, certified the results on June 5. A copy of the letter certifying the election results is incorporated into the minutes.

Dr. Littlepage was reelected as the active teacher trustee. Corey Chesnut was elected as the lay trustee. Their terms are July 1, 2026, through June 30, 2030.

Election of 2026-2027 Board Chair and Vice Chair: Mr. Harbin reported that KRS 161.340 provides that the board annually shall elect from its membership a chair and a vice chair. Mr. Harbin asked for nominations for the positions for fiscal 2027. Ms. Schneider nominated Dr. Littlepage to serve as chair. Dr. Littlepage nominated Ms. Schneider to serve as vice chair. No other nominations were made.

Board Action: Upon motion duly made by Mr. Bruce and seconded by Ms. Wright, the board unanimously elected Dr. Littlepage as chair for fiscal 2027.

Board Action: Upon motion duly made by Ms. Wright and seconded by Mr. Bruce, the board unanimously elected Ms. Schneider as vice chair for fiscal 2027.

2026-2027 Committee Appointments: Chair McGown reported to the board concerning appointments that will be made for the standing committees of the board.

Board Appointment of Investment Committee: Chair McGown reported to the board on her recommendation for the appointment of seven trustees as members of the Investment Committee and three trustees as alternates. Chair McGown asked for questions or comments. Chair McGown asked the board to act on the appointment of board members to the Investment Committee. Additionally, the executive secretary recommended the board ratify the appointment of a nationally recognized, investment expert to serve as a non-voting member.

Board Action: Upon motion duly made by Mr. Gritton and seconded by Ms. Schneider, the board unanimously voted to appoint Ms. McGown (chair), Dr. Littlepage (vice chair), Mr. Bruce, Mr. Crawford, Ms. Schneider, Mr. Straub and Mr. Underwood as committee members in accordance with KRS 161.250(1)(b)(3); appoint Mr. Chesnut, Ms. Wright and Treasurer Metcalf as alternates; and ratify the appointment of George Philip to serve on the Investment Committee for fiscal 2027.

3. Report of the Investment Committee: Mr. Siderewicz reported to the board concerning the investment performance for the quarter ended March 31 and the quarterly meeting of the Investment Committee held on May 28.

Chair McGown asked for questions or comments. Chair McGown asked the board to act on the report by Mr. Siderewicz.

Board Action: Upon motion duly made by Mr. Bruce and seconded by Mr. Straub, the board unanimously accepted and ratified the report of the Investment Committee.

4. Report of the Governance and Audit Committee: The Governance and Audit Committee held a special meeting on June 15 prior to the board meeting. The committee reviewed the report of the internal auditor for fiscal 2026 work and approved the following annual business items:

- The internal auditor's fiscal 2027 work plan
- Resolution Regarding Purchases or Sales of Investment Instruments

    BE IT RESOLVED, by the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, that the executive secretary or chief investment officer be, and they hereby are, authorized and empowered to execute purchases or sales of all investment instruments in the name of, or belonging to, the Teachers' Retirement System of the State of Kentucky, its nominee name "KENTRES," or its title holding organizations in any capacity and includes all investment instruments of the retirement system provided for in KRS 161.220 to 161.716 and KRS 161.990, whether designated retirement annuity, life insurance, health insurance trust or the Kentucky Teachers' Retirement System insurance trust.
- Transfer of interest
- Transfer of reserve funds
- Fiscal 2027 Administrative Expense Fund Budget
- Internal Revenue Code Section 415(b) limit
- Personnel matters

The committee also heard a report on the GASB 68 and 75 reports.

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 Mr. Gritton and seconded by Dr. Littlepage, the board unanimously accepted and ratified the report of the Governance and Audit Committee.

6. Executive Secretary's Observations and Comments: Mr. Harbin reported to the board on the number of retirements; activities of the Public Sector Healthcare Roundtable; recent meetings of

the executive secretary; staff contributions to the work of national and state organizations; the GASB 68 and 75 audit reports; and the next meeting.

Resolution Honoring Hollis Gritton: At Chair McGown's direction, Mr. Harbin read a resolution recognizing Mr. Hollis Gritton for his service as a trustee. A copy of the resolution is incorporated into the minutes.

Adjournment: There being no further business to come before the board, upon motion duly made by Treasurer Metcalf and seconded by Dr. Littlepage, the board voted to adjourn at 1:09 p.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 September 21, 2026.

__________________________________ __________________________________

Ben Littlepage, Ed.D., 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, Jessica VanWinkle, 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 June 15, 2026.

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Jessica VanWinkle
Recording Secretary

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
SPECIAL MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE
JUNE 15, 2026

Minutes of Meeting:
After giving proper notice of a special meeting, and a quorum being present, Chair Ben Littlepage called the Governance and Audit Committee to order at 11:30 a.m. ET, Monday, June 15, 2026, in the boardroom at 479 Versailles Road, Frankfort, Kentucky.

Members present:
Dr. Ben Littlepage, Chair
Hollis Gritton, Vice Chair
Paul Bruce
Marshall Smith, Alternate
Louis Straub, Alternate

Others present:
Brenda McGown, Trustee
Gary L. Harbin, TRS
Beau Barnes, TRS
Eric Wampler, TRS
Tyler Boyd, TRS
Brad Cook, TRS
Nathan Van Sickel, TRS
Jessica VanWinkle, TRS
Mark Whelan, TRS

1. Review of Fiscal 2026 Audit Activities: Mr. Cook presented the report of the internal auditor concerning work performed in fiscal 2026. No action was requested.

2. Recommendation of Fiscal 2027 Audit Work Plan: Mr. Cook reviewed the fiscal 2027 audit work plan and requested its approval.

3. Report on the Resolution Regarding Purchases or Sales of Investment Instruments: Mr. Harbin reported to the committee concerning the resolution regarding the purchases and sales of investment instruments. The executive secretary recommended adoption of the following resolution.

BE IT RESOLVED, by the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, that the executive secretary or chief investment officer be, and they hereby are, authorized and empowered to execute purchases or sales of all investment instruments in the name of, or belonging to, the Teachers' Retirement System of the State of Kentucky, its nominee name "KENTRES" or its title holding organizations in any capacity and includes all investment instruments of the retirement system provided for in KRS 161.220 to 161.990, whether designated retirement annuity, life insurance, health insurance trust or the Kentucky Teachers' Retirement System insurance trust.

4. Report on the Transfer of Interest: KRS 161.440 requires that a transfer of interest be made from the Guarantee Fund to other funds, except the Expense Fund and Health Insurance Trust. The executive secretary recommended that authority be granted to make the required transfer of funds as of July 1, 2026.

5. Report on the Transfer of Reserve Funds: KRS 161.420 requires the transfer of an amount equal to the accounts of members retiring on July 1, along with an equal amount from the State Accumulation Fund, and periodically throughout the year, to the Allowance Reserve Fund. The executive secretary recommended that authority be granted to make the required transfers during fiscal 2027.

6. Report on the Fiscal 2027 Administrative Expense Fund Budget: The state budget adopted by the legislature sets amounts that the retirement system may expend for administration during a fiscal year. The allowable budget of $21,915,700 was approved by the legislature for fiscal 2027. A copy of the proposed fiscal 2027 administrative budget was provided to the committee, and the executive secretary recommended its approval in the amount of $21,915,700, as provided for in the state budget.

7. Report on the Internal Revenue Code 415(b) Limit: KRS 161.611 authorizes a retirement benefit plan for the sole purpose of enabling TRS to apply the same formula for determining benefits payable to all members whose benefits under the retirement system are limited by Section 415 of the Internal Revenue Code. This plan requires annual transfers from employer contributions to fund the limited benefit. The executive secretary recommended that authority be granted for the executive secretary to make the required transfers.

8. Report on Personnel Matters: The executive secretary recommended authorization to approve salary advancements to all eligible TRS employees as provided by TRS's employee compensation plan consistent with the pay increase in the state budget for state employees during fiscal 2027.

9. GASB 68 and 75 Audit Reports: Mr. Whelan reported on the GASB 68 and 75 reports.

Committee Action: Upon motion duly made by Mr. Gritton and seconded by Mr. Straub, the committee unanimously approved items No. 2 through No. 8 as presented and reported the actions to the board for ratification and approval.

Adjournment: There being no further business to come before the committee, upon motion duly made by Mr. Bruce, seconded by Mr. Straub and by unanimous consent of the committee, Chair Littlepage declared the meeting adjourned at 11:56 a.m. ET.

CERTIFICATIONS

We, the chair of the Governance and Audit Committee 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 on September 21, 2026.

______________________________ _______________________________________

Paul Bruce, 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, Jessica VanWinkle, do certify that I was present at the meeting and duly recorded the actions of the Governance and Audit Committee of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on June 15, 2026.

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Jessica VanWinkle
Recording Secretary

Teachers' Retirement System of Kentucky
Initial Applications for Retirement and Annuity
2026

	June	July	August	Total	Same Period 2025
Handicapped Child	*0* $0.00	*0* $0.00	*0* $0.00	*0* **$0.00**	*0* **$0.00**
Disability Retirement	*2* $5,487.91	*7* $23,726.18	*13* $39,669.05	*22* **$68,883.14**	*20* **$65,889.54**
Service Retirement	*314* $1,177,960.20	*898* $3,705,685.98	*389* $1,573,136.82	*1601* **$6,456,783.00**	*1,494* **$5,576,052.83**
Beneficiary of Member Eligible to Retire	*0* $0.00	*1* $6,407.24	*0* $0.00	*1* **$6,407.24**	*1* **$2,588.50**
TOTALS	*316* **$1,183,448.11**	*906* **$3,735,819.40**	*402* **$1,612,805.87**	*1624* **$6,532,073.38**	*1,515* **$5,644,530.87**

Reports for Consent
Member Account Refunds
For the period April 2026 - June 2026

Active Refunds	Count	Net Refund	Taxes Withheld	Rollovers	Total
April	176	822,056.88	205,494.07	956,263.49	1,983,814.44
May	110	718,513.71	179,628.45	419,189.88	1,317,332.04
June	143	846,739.53	211,684.84	712,626.99	1,771,051.36
Total	429				5,072,197.84

Deceased Refunds	Count	Net Refund	Taxes Withheld	Rollovers	Total
April	8	102,939.85	3,504.77	88,380.28	194,824.90
May	10	8,753.22	2,183.65	194,101.09	205,037.96
June	12	50,814.89	9,286.53	162,875.70	222,977.12
Total	30				622,839.98

Total Refunds	Count	Net Refund	Taxes Withheld	Rollovers	Total
April	184	924,996.73	208,998.84	1,044,643.77	2,178,639.34
May	120	727,266.93	181,812.10	613,290.97	1,522,370.00
June	155	897,554.42	220,971.37	875,502.69	1,994,028.48
Total	459				5,695,037.82

TEACHERS' RETIREMENT SYSTEM

OF THE STATE OF KENTUCKY

INTERIM FINANCIAL STATEMENTS

QUARTER ENDED JUNE 30, 2026

(FAIR VALUE - UNAUDITED)

Statements of Plan Net Assets
as of June 30, 2026 and 2025
(Fair Value - Unadjusted & Unaudited)

	Retirement Annuity Trust		Health Insurance Trust		Life Insurance Trust		Other Funds		TOTAL	
	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025	FY 2026	FY 2025
ASSETS										
Cash	$ 208,678,850	$ 225,094,170	$ 307,491,400	$ 146,069,251	$ 318,761	$ 416,746	$ 385,355	$ 183,305	$ 516,874,366	$ 371,763,472
Receivables										
Contributions	56,450,214	50,510,743	17,974,856	14,201,383	43,676	39,981	865	-	74,469,611	64,752,107
State of Kentucky	83,397,496	46,913,058	224,473	-	544,734	307,498			84,166,703	47,220,556
Investment Income	70,910,593	67,162,242	11,765,576	13,064,841	292,748	300,375	3,832	4,189	82,972,749	80,531,647
Investment Sales Receivable	54,048,365	35,539,895	5,448,439	6,340,030	987	3,207			59,497,791	41,883,132
Other Receivables	27,855	27,696	71,997,096	53,076,378					72,024,951	53,104,074
Due from Other Funds	14,781,374	12,391,597							14,781,374	12,391,597
Total Receivables	279,615,897	212,545,231	107,410,440	86,682,632	882,145	651,061	4,697	4,189	387,913,179	299,883,113
Investments at Market Value										
Short Term Investments	675,861,893	408,085,593	97,943,590	154,235,574	9,239,156	6,412,195	390,780	391,675	783,435,419	569,125,037
Bonds and Mortgages	3,814,594,730	3,468,774,136	441,306,480	384,292,079	11,993,293	13,583,627	200,562	202,454	4,268,095,065	3,866,852,296
Stocks	19,657,891,312	17,258,891,199	2,899,120,786	2,253,560,495	83,727,122	72,505,772	846,244	676,639	22,641,585,464	19,585,634,105
Alternative Investments	2,591,121,671	2,300,693,070	302,970,519	275,496,532	8,261,831	7,051,647			2,902,354,021	2,583,241,249
Real Estate	1,746,350,217	1,741,122,706	194,620,221	189,603,933	8,667,073	7,962,075			1,949,637,511	1,938,688,714
Additional Categories	2,906,845,684	2,873,335,848	555,072,190	534,169,297	3,421,210	3,350,477			3,465,339,084	3,410,855,622
Total Investments	31,392,665,507	28,050,902,552	4,491,033,786	3,791,357,910	125,309,685	110,865,793	1,437,586	1,270,768	36,010,446,564	31,954,397,023
Capital Assets (net of accumulated depreciation)	3,585,680	4,316,898							3,585,680	4,316,898
Total Assets	31,884,545,934	28,492,858,851	4,905,935,626	4,024,109,793	126,510,591	111,933,600	1,827,638	1,458,262	36,918,819,789	32,630,360,506
LIABILITIES										
Liabilities										
Accrued Expenses and Other Liabilities	3,335,745	3,268,037	15,949,114	35,606,280	509,297	299,240			19,794,156	39,173,557
State of Kentucky	-	-	-	3,993,644	-	-			-	3,993,644
Investment Purchases Payable	79,157,112	74,903,999	10,811,119	18,496,099	1,471	975	-	-	89,969,702	93,401,073
Investment Fees Payable	21,919,385	19,962,231	3,002,035	2,579,102	88,353	82,442	-	-	25,009,773	22,623,775
Due to Other Funds	-	-	14,516,413	12,166,798	258,316	219,353	6,644	5,446	14,781,373	12,391,597
Total Liabilities	104,412,242	98,134,267	44,278,681	72,841,923	857,437	602,010	6,644	5,446	149,555,004	171,583,646
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	$ 31,780,133,692	$ 28,394,724,584	$ 4,861,656,945	$ 3,951,267,870	$ 125,653,154	$ 111,331,590	$ 1,820,994	$ 1,452,816	$ 36,769,264,785	$ 32,458,776,860

Statements of Changes in Plan Net Assets
For the Twelve Months Ended June 30, 2026 and 2025
(Fair Value - Unadjusted & Unaudited)

	Retirement Annuity Trust		Health Insurance Trust		Life Insurance Trust		Other Funds		TOTAL	
	FY 2026	**FY 2025**	**FY 2026**	**FY 2025**	**FY 2026**	**FY 2025**	**FY 2026**	**FY 2025**	**FY 2026**	**FY 2025**
ADDITIONS										
Contributions										
Employer- State Paid	$ 1,467,073,196	$ 1,311,423,491	$ 114,914,403	$ 104,648,371	$ 2,686,574	$ 2,723,129	$ -	$ -	$ 1,584,674,173	$ 1,418,794,991
Employer- LSD, Other	81,006,704	83,712,219	133,280,071	133,429,904	888,174	803,254	326,751	-	215,501,700	217,945,377
Member- Active	417,834,061	404,088,671	165,684,385	161,421,917			50,473	65,714	583,568,919	565,576,302
Member- Retired			66,539,796	63,927,584					66,539,796	63,927,584
Recovery Income			246,264,912	183,753,942					246,264,912	183,753,942
Total Contribution	1,965,913,961	1,799,224,381	726,683,567	647,181,718	3,574,748	3,526,383	377,224	65,714	2,696,549,500	2,449,998,196
Investment Income/(Loss)										
Net Appreciation/(Depreciation) in Fair Value of Investments	3,640,714,853	2,625,957,677	544,914,036	345,680,348	16,394,484	10,782,853	158,485	81,334	4,202,181,858	2,982,502,212
Interest	258,274,580	247,117,993	49,622,956	52,117,751	752,363	861,092	31,778	32,392	308,681,677	300,129,228
Dividends	249,819,036	234,232,759	25,304,932	21,158,547	714,987	703,260	10,845	9,341	275,849,800	256,103,907
Real Estate, Gross	28,559,967	26,126,325							28,559,967	26,126,325
Securities Lending, Gross	55,831,741	47,280,270	2,872,735	35,615	769,131	832,188	11,753	10,565	59,485,360	48,158,638
Gross Investment Income	4,233,200,177	3,180,715,024	622,714,659	418,992,261	18,630,965	13,179,393	212,861	133,632	4,874,758,662	3,613,020,310
Less Investment Expense	(85,446,313)	(81,387,131)	(10,674,816)	(9,619,074)	(322,870)	(297,376)	-	-	(96,443,999)	(91,303,581)
Less Securities Lending Expense	(50,742,660)	(42,363,441)	(2,633,365)	(31,819)	(709,251)	(777,287)	(10,783)	(9,546)	(54,096,059)	(43,182,093)
Less Real Estate Expense	(268,974)	-					-		(268,974)	-
Net Investment Income	4,096,742,230	3,056,964,452	609,406,478	409,341,368	17,598,844	12,104,730	202,078	124,086	4,723,949,630	3,478,534,636
Total Additions	6,062,656,191	4,856,188,833	1,336,090,045	1,056,523,086	21,173,592	15,631,113	579,302	189,800	7,420,499,130	5,928,532,832
DEDUCTIONS										
Benefits	2,633,835,577	2,522,487,471			6,813,065	5,825,052	209,519	98,500	2,640,858,161	2,528,411,023
Refunds of Contributions	28,348,831	32,448,673					407	-	28,349,238	32,448,673
Under 65 Insurance Expenses			138,071,031	148,993,602					138,071,031	148,993,602
Over 65 Insurance Expenses			285,280,323	271,750,462					285,280,323	271,750,462
Administrative Expense	15,062,675	14,664,182	2,349,616	2,222,010	38,963	33,593	1,198	568	17,452,452	16,920,353
Total Deductions	2,677,247,083	2,569,600,326	425,700,970	422,966,074	6,852,028	5,858,645	211,124	99,068	3,110,011,205	2,998,524,113
Net Increase (Decrease)	3,385,409,108	2,286,588,507	910,389,075	633,557,012	14,321,564	9,772,468	368,178	90,732	4,310,487,925	2,930,008,719
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS										
Beginning of year	28,394,724,584	26,108,136,077	3,951,267,870	3,317,710,858	111,331,590	101,559,122	1,452,816	1,362,084	32,458,776,860	29,528,768,141
Ending of period	$ 31,780,133,692	$ 28,394,724,584	$ 4,861,656,945	$ 3,951,267,870	$ 125,653,154	$ 111,331,590	$ 1,820,994	$ 1,452,816	$ 36,769,264,785	$ 32,458,776,860

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: September 21, 2026

SUBJECT: Report of the Investment Committee

1. Investment Committee Meeting and Actions

The Investment Committee met August 28 and approved investments of $50 million from the Retirement Annuity Trust and $10 million from the Health Insurance Trust in Audax Private Equity VIII; $50 million from the Retirement Annuity Trust and $10 million from the Health Insurance Trust in NGP Natural Resources XIV; and $50 million from the Retirement Annuity Trust and $10 million from the Health Insurance Trust in GCM Grosvenor Secondary Opportunities IV.

The committee also approved the proxy voting report for the quarter ended June 30, and reported it to the board. As required by law, the report will be published on the TRS website.

The committee also was informed of corrected prior quarterly proxy voting reports being posted to the website.

Outside investor State Street reported its portfolios.

2. Performance

The Retirement Annuity Trust portfolio returned 8.67% for the quarter, and 15.04% for the fiscal year. The Health Insurance Trust portfolio returned 9.21% for the quarter and 16.06% for the fiscal year. Each was in line with its policy index.

A detailed investment performance report is attached, as is the quarterly transaction report.

3. Staff's Comments on Economic and Market Conditions

Advancing off March's lows, U.S. equities led developed markets, initially driven by large-cap growth and semiconductor names before the rally widened into small- and mid-cap stocks by quarter end. In early June, the public listing of SpaceX provided another barometer of U.S. stock market sentiment. Growth stocks decisively outperformed value stocks, and small-cap stocks recovered after lagging earlier in the year. Developed international markets posted positive returns, but trailed the U.S. market after outperforming in prior quarters. Emerging markets equities were the top performing region.

Fixed income markets ultimately posted positive returns after experiencing volatility through the quarter because of shifting inflation expectations surrounding the status of the Strait of Hormuz.

Recommendation: The executive secretary recommends that the board accept and ratify the Report of the Investment Committee.

Final

Teachers' Retirement System of the State of Kentucky
Retirement Annuity Trust
Quarterly Investment Performance
Gross Returns
For the Period Ended June 30, 2026

	Market Value	Last Qtr	FYTD	1-Year	3-Year*	5-Year*	10-Year*	20-Year*
TOTAL PLAN	$ 31,393,017,536.71	8.67	15.04	15.04	13.21	7.47	10.31	8.28
Policy Benchmark		*9.49*	*16.93*	*16.93*	*14.25*	*8.65*	*10.52*	-
Total Equity	$ 19,858,131,923.22	13.44	21.04	21.04	18.38	9.46	13.32	9.61
Domestic Equity	$ 12,988,846,970.34	15.20	22.44	22.44	19.75	11.39	14.86	11.04
S&P 1500 Index		*15.28*	*22.87*	*22.87*	*20.22*	*13.01*	*15.18*	*11.29*
All-Cap Equities	$ 738,396,468.18	10.23	13.45	13.45	15.76	10.52	-	-
Russell 3000 Index		*15.43*	*22.81*	*22.81*	*20.35*	*12.30*	-	-
Large-Cap Equities	$ 10,475,455,089.66	15.23	21.74	21.74	20.68	12.15	15.42	11.25
S&P 500 Index		*15.20*	*22.33*	*22.33*	*20.61*	*13.41*	*15.51*	*11.39*
Mid-Cap Equities	$ 1,037,048,023.33	14.57	25.99	25.99	14.90	6.64	11.46	9.51
S&P 400 Index		*14.47*	*25.89*	*25.89*	*15.41*	*9.07*	*11.65*	10.09
Small-Cap Equities	$ 737,947,389.17	21.08	38.65	38.65	17.20	7.83	11.78	9.80
S&P 600 Index		*19.70*	*37.50*	*37.50*	*16.05*	*7.37*	*11.52*	*9.67*
International Equity	$ 6,869,284,952.88	10.22	18.32	18.32	15.44	5.44	10.23	-
MSCI AC World Ex US		*14.69*	*28.27*	*28.27*	*19.42*	*9.35*	*10.46*	-
Fixed Income	$ 3,864,717,893.28	0.93	4.06	4.06	4.42	0.37	2.03	4.04
Bloomberg Barclays Govt/Credit Index		*0.70*	*3.32*	*3.32*	*3.97*	*-0.10*	*1.59*	*3.39*
Real Estate	$ 1,746,350,217.30	1.01	4.22	4.22	0.36	5.08	6.00	7.32
In House Real Estate Equity	$ 422,100,305.86	1.52	6.20	6.20	5.46	5.20	6.44	7.32
CPI plus 2%		*1.19*	*5.53*	*5.53*	*5.10*	*6.29*	*5.36*	*4.58*
Core Real Estate	$ 807,497,817.19	1.31	5.10	5.10	-0.73	5.03	6.06	-
NCREIF ODCE (VW) Index		*1.49*	*4.45*	*4.45*	*-0.62*	*2.73*	*4.63*	-
Non-Core Real Estate	$ 516,752,094.25	0.12	1.32	1.32	-1.68	5.73	8.17	-
NCREIF Property Index		*1.24*	*4.86*	*4.86*	*1.07*	*3.21*	*4.66*	-
Private Equity	$ 2,591,121,670.79	1.99	11.00	11.00	8.71	10.77	13.35	-
Mature Private Equity	$ 1,589,389,657.10	0.36	6.56	6.56	6.72	9.57	11.36	-
S&P 500 Index plus 3%		*16.06*	*11.85*	*11.85*	*24.23*	*16.81*	*18.97*	-
Private Equity < 5 Years	$ 1,001,732,013.69	4.68	19.52	19.52	11.85	13.71	-	-
Additional Categories (Evergreen and Non-Evergreen)	$ 2,463,399,146.97	1.54	5.57	5.57	8.29	5.42	6.17	-
B of A Merrill Lynch U.S. High Yield Master II Constrained		*2.45*	*5.75*	*5.75*	*8.79*	*4.13*	*5.69*	-
Timberland	$ 507,698,895.89	1.02	2.28	2.28	5.66	6.42	3.35	-
NCREIF Timberland Index		*0.95*	*4.42*	*4.42*	*6.50*	*8.50*	*5.54*	-
Cash (Unallocated)	$ 361,597,789.26	0.93	4.03	4.03	4.82	3.64	2.37	1.83
90 Day T-Bill		*0.88*	*3.84*	*3.84*	*4.64*	*3.52*	*2.34*	*1.67*

Total Trust Gross Return for 30-year period* **8.00**

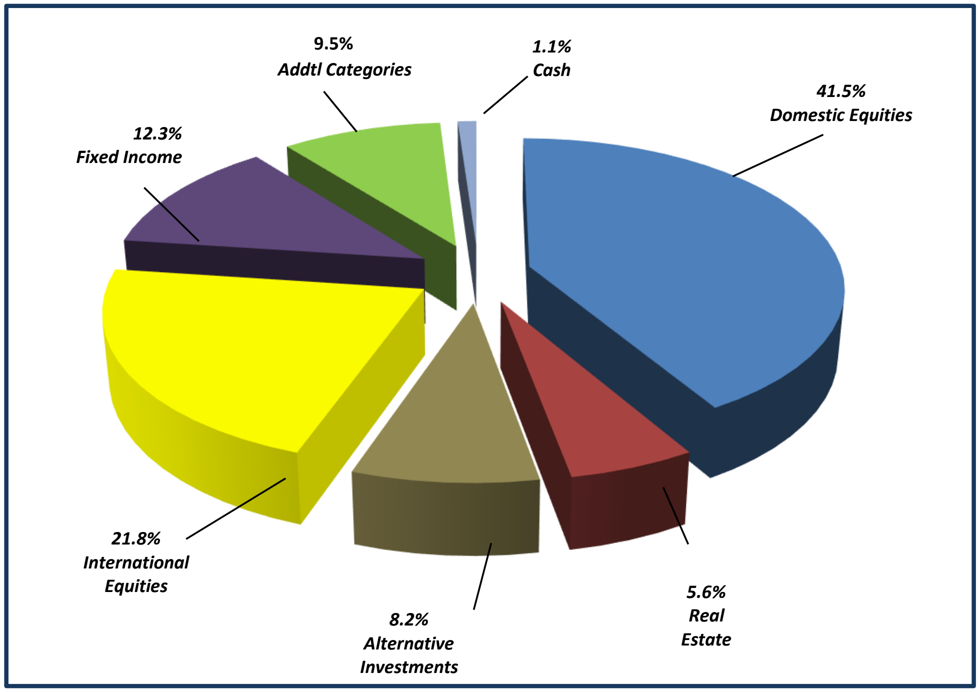
*Returns are annualized for periods longer than one year

** Prior to July 1, 2008, TRS did not benchmark overall fund performance. Effective July 1, 2008, the Board of Trustees approved a Policy Index that represents the returns of appropriate benchmarks for the various asset classes weighted by the mid-point of the strategic range for the current fiscal year.

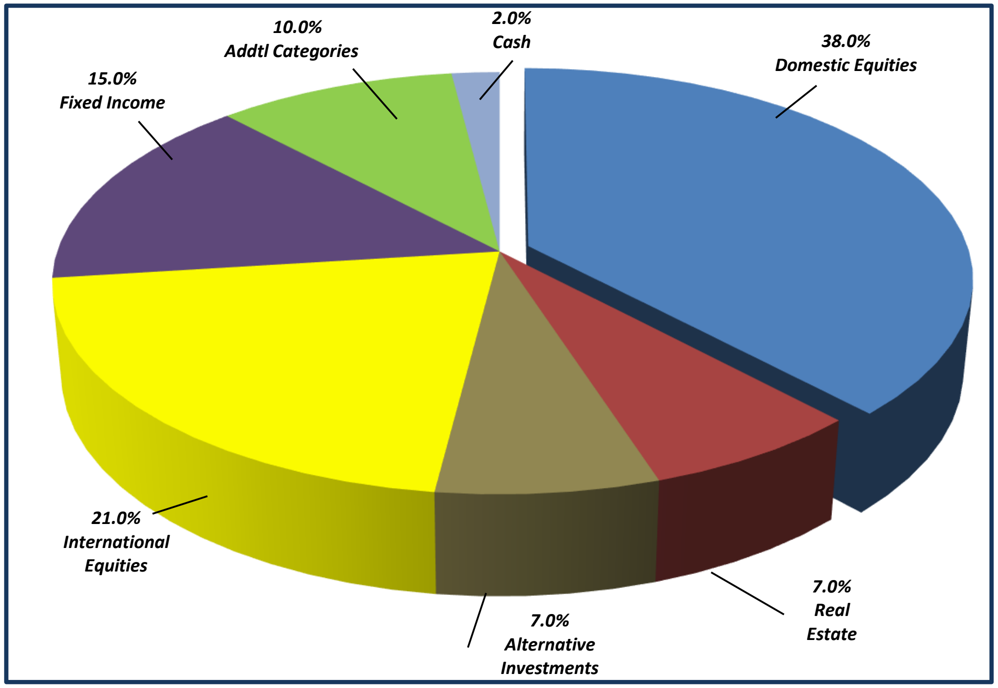
Teachers' Retirement System of Kentucky
Quarterly Investment Update
For the period ended June 30, 2026

($ in millions)	$'s	6/30/2026 Actual %	3/31/2026 Actual %	Target %	Strategic Ranges
Domestic Equities	$12,988.8	41.5%	39.3%	38.0%	31.0-48.0%
Real Estate	1,746.4	5.6%	6.0%	7.0%	4.0 - 10.0%
Alternative Inv.	2,591.1	8.2%	8.7%	7.0%	4.0 - 10.0%
International Equities	6,869.3	21.8%	21.5%	21.0%	16.0 - 27.0%
Fixed Income	3,864.7	12.3%	13.0%	15.0%	8.0 - 22.0%
Addtl Categories	2,971.1	9.5%	10.1%	10.0%	4.0 - 15.0%
Cash	361.6	1.1%	1.4%	2.0%	1.0 - 5.0%
Total	**$31,393.0**	**100.0%**	**100.0%**	**100.0%**	

ACTUAL %



TARGET %



FINAL

Teachers' Retirement System of the State of Kentucky
Health Insurance Trust
Quarterly Investment Performance
Gross Returns
For the Period Ended June 30, 2026

	Market Value	Last Qtr	FYTD	1-Year	3-Year*	5-Year*	10-Year*	20-Year*
TOTAL PLAN	$ 4,491,033,786.00	9.21	16.06	16.06	13.78	8.35	10.40	-
Policy Benchmark		*9.27*	*16.65*	*16.65*	*14.30*	*8.42*	*10.24*	-
Total Equity	$ 2,912,709,438.11	14.12	22.84	22.84	19.26	10.26	12.94	-
Domestic Equity	$ 1,823,745,407.35	14.94	20.63	20.63	19.42	3.29	-	-
S&P 500 Index		*15.20*	*22.33*	*22.33*	*20.61*	*13.41*		-
Russell 3000		*15.43*	*22.81*	*22.81*	*20.35*	*12.30*	-	-
International Equities	$ 1,088,964,030.76	12.79	26.32	26.32	18.42	-	-	-
MSCI AC World ex USA IMI Index		*14.02*	*27.15*	*27.15*	*19.09*	-	-	-
Fixed Income	$ 446,018,179.56	0.83	3.87	3.87	4.87	1.25	2.28	-
Barclays Government Credit		*0.70*	*3.32*	*3.32*	*3.97*	*-0.10*	*1.59*	-
Real Estate	$ 194,620,220.82	1.08	2.98	2.98	-1.17	6.14	8.08	-
Core Real Estate	$ 108,070,563.45	1.13	4.29	4.29	-0.30	6.27	6.94	-
NCREIF ODCE (VW)		*1.49*	*4.45*	*4.45*	*-0.62*	*2.73*	*4.63*	-
Non-Core Real Estate	$ 86,549,657.37	1.01	1.38	1.38	-2.32	5.78	8.69	-
NCREIF Property Index		*1.24*	*4.86*	*4.86*	*1.07*	3.21	4.66	-
Private Equity	$ 302,970,518.91	0.83	10.07	10.07	7.45	10.55	14.14	-
Mature Private Equity	$ 141,779,323.31	-2.55	2.09	2.09	3.26	9.54	12.62	-
S&P 500 plus 3%		*16.06*	*25.99*	*25.99*	*24.23*	*16.81*	*25.05*	-
Private Equity < 5 Years	$ 161,191,195.60	4.31	19.21	19.21	12.36	10.90	-	-
Additional Categories								
B of A Merrill Lynch High Yield Master II	$ 569,257,268.89	1.85	5.79	5.79	8.54	5.13	6.13	-
Cash (Unallocated)								
90 Day T-Bill	$ 65,458,159.71	1.12	4.10	4.10	4.74	3.79	2.46	-
		0.88	*3.84*	*3.84*	*4.64*	*3.52*	*2.34*	-

*Returns are annualized for periods longer than one year

** Prior to July 1, 2015, TRS did not benchmark overall fund performance. Effective July 1, 2015, the Board of Trustees approved a Policy Index that represents the returns of appropriat benchmarks for the various asset classes weighted by the mid point of the strategic range for the current fiscal year.

Teachers' Retirement System of Kentucky

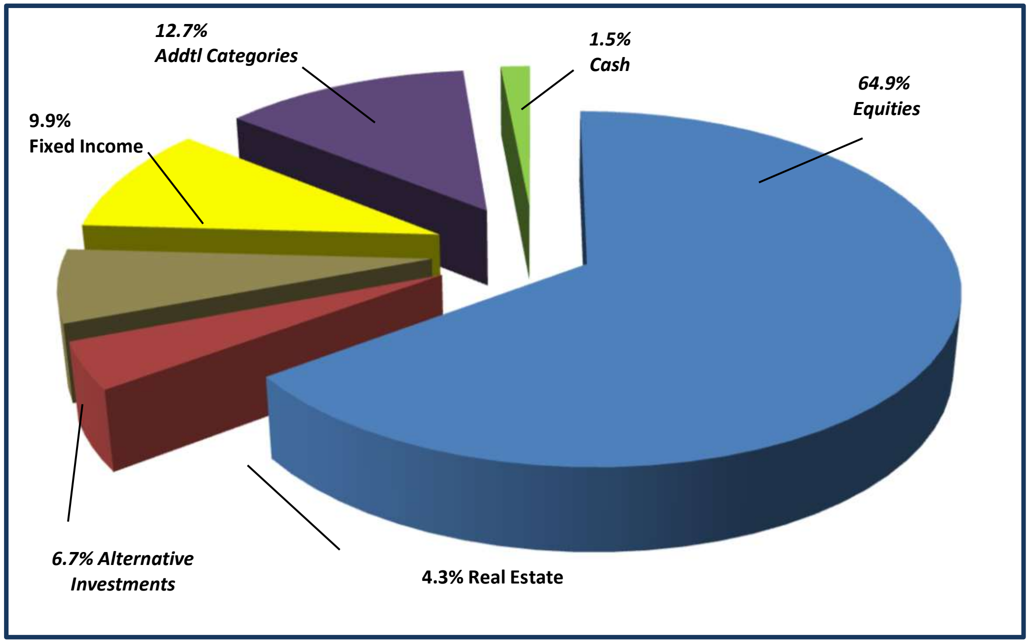
Insurance Trust Fund

Quarterly Investment Update

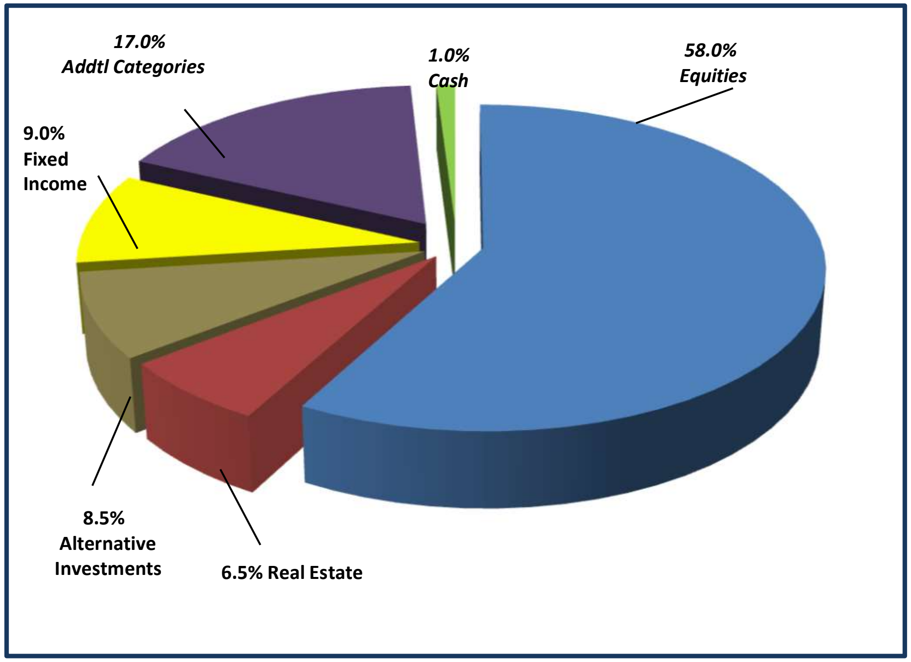
For the period ended June 30, 2026

($ in thousands)	$'s	6/30/2026 Actual %	3/31/2026 Actual %	Target %	Strategic Ranges
Equities	$2,912,709.4	64.9%	62.0%	58.0%	51.0 - 64.0%
Real Estate	$194,620.2	4.3%	4.6%	6.5%	4.0 - 12.0%
Alternative Inv.	$302,970.5	6.7%	7.3%	8.5%	5.0 - 12.0%
Fixed Income	$446,018.2	9.9%	10.8%	9.0%	6.0 - 14.0%
Addtl Categories	$569,257.3	12.7%	13.5%	17.0%	14.0 - 25.0%
Cash	$65,458.2	1.5%	1.8%	1.0%	0.0 - 5.0%
Total	**$4,491,033.8**	**100.0%**	**100.0%**	**100.0%**	

ACTUAL %



TARGET %



TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: September 21, 2026

RE: Report of the Insurance Committee

On September 21, prior to the quarterly board meeting, the Insurance Committee will meet. Thereafter, the committee will report to the board on the following matters:

1. KEHP open enrollment. Open enrollment for the Kentucky Employees' Health Plan (KEHP) will be discussed.

2. KEHP supplement for 2027. A health insurance benefit supplement is being recommended to the committee for the KEHP up to $1,133.30 per month in 2027 for those retirees fulfilling the necessary service requirements. This includes a KEHP administrative fee of $8.20 per person per month.

3. MEHP rate for 2027. A rate is being recommended to the committee of up to $200 per month for the 2027 TRS Medicare Eligible Health Plan (MEHP), which includes a combined Humana Medicare Advantage plan and Express Scripts Medicare Part D drug plan, for those retirees fulfilling the necessary service requirements.

Any actions by the Insurance Committee will be reported to the board with a request for those actions to be accepted and ratified.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: September 21, 2026

SUBJECT: Report of the Governance and Audit Committee

The Governance and Audit Committee will meet September 21 prior to the quarterly board meeting. Any actions by the committee will be reported to the board.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: September 21, 2026

SUBJECT: Report of the Governance and Audit Committee

The Governance and Audit Committee met September 21 prior to the quarterly board meeting.

1. TRS 4 Disability retirement regulation
The committee authorized filing an emergency administrative regulation and a regular administrative regulation to create a disability retirement benefit for TRS 4 members with at least five years of service credit that provides an annuity benefit using a 2% multiplier that replaces at least 35% of the member's salary not to exceed 50% of the salary.

2. Experience study for the five-year period ending June 30, 2025
The committee accepted the report of the experience study for the five-year period ending June 30, 2025, and adopted the actuary's recommended resolution for tables of rates.

3. Request for proposals – generator
The committee authorized the issuance of a request for proposals for a new emergency generator for the 479 building.

Recommendation: The executive secretary recommends that the board accept and ratify the Report of the Governance and Audit Committee, including adopting the actuary's recommended resolution for tables of rates.

TO: Board of Trustees of the Teachers' Retirement System of the State of Kentucky

FROM: Gary L. Harbin, CPA
Executive Secretary

DATE: September 21, 2026

SUBJECT: Executive Secretary's Observations and Comments

1. Trustee Education Program: The TRS Board of Trustees always has been devoted to timely and relevant training on matters related to the administration of TRS. The board expressed its dedication to continuing education on November 17, 2008, when it adopted the Teachers' Retirement System Trustee Education Program in accordance with KRS 161.250(3)(c). Chapter 3, subparagraph 6 of the policy provides that the executive secretary will report concerning this program each year at the September board meeting.

From July 2025 through June 2026, trustees accumulated a combined 569.5 hours of approved training in accordance with the program. The training activities included a mix of programs and activities presented by national retirement associations, TRS staff and TRS service providers with expertise in investments, law and actuarial concepts. Topics covered a broad range of subjects, including pension and health insurance benefits administration, investment concepts, legal compliance, fiduciary duty and other matters that enhance the effectiveness of trustees in fulfilling their roles and satisfying their duties under law.

TRS staff also assisted with providing specific training to trustees. TRS staff presented a one-day workshop that focused primarily on investment concepts, ethics and governance matters.

2. Annual Trustee Workshop: TRS staff is planning a one-day trustee workshop that will focus on current issues in the administration of TRS. Staff anticipates presentations on funding, plan design, actuarial issues, investment concepts, ethics, governance and other matters. The trustee workshop tentatively is scheduled for Monday, November 23, 2026.

3. GASB Statement Nos. 67 and 68: In 2012, the Governmental Accounting Standards Board (GASB) approved two statements concerning the accounting and financial reporting of pensions by state and local governments and pension plans. Statement No. 67, *Financial Reporting for Pension Plans,* addresses financial reporting for state and local government pension plans. Statement No. 68, *Accounting and Financial Reporting for Pensions*, establishes accounting and financial reporting requirements for governments that provide their employees with pensions.

Because of some concern expressed previously as to how these accounting standards apply to Kentucky school districts, particularly whether these accounting standards would affect the budgets of the districts, two important points should be noted.

First, as a reminder, GASB standards generally apply only to financial reporting. They do not mandate how a governmental pension plan is to be funded. In Kentucky, the commonwealth has a statutory obligation to provide pension funding through the employer retirement contributions it makes on behalf of teachers and administrators and payments toward the unfunded liability. As such, the responsibility for making employer contributions and addressing the unfunded liability of TRS 1, TRS 2 and TRS 3 rests with the commonwealth, not the local school districts. These GASB accounting standards do not change the funding responsibility. GASB accounting standards do not require school districts to make employer contributions to TRS.

Second, while these GASB accounting standards impose financial reporting standards on governmental employers regarding pension liability, Kentucky is different from most other states in that Kentucky teachers and administrators generally are treated as employees of the commonwealth for pension and other purposes. Given this circumstance, GASB has confirmed that the commonwealth is responsible for reporting the annual required contributions and pension liabilities. Furthermore, GASB also has confirmed that Kentucky schools are not required to report a share of the pension liability in district financial statements.

TRS published the accounting information required under Statement No. 67 in TRS's annual financial report for the fiscal years ending June 30, 2025, and 2024.

TRS has published the GASB Statement No. 68 report prepared as of and for the year ended June 30, 2025 for use by the state and other TRS employers. TRS's report was audited by the external auditor, which expressed the opinion that the schedules present fairly, in all material respects, the employer allocation and other matters addressed.

GASB Statement Nos. 74 and 75: In 2015, GASB approved two statements concerning the accounting and financial reporting of other postemployment benefits (OPEB) by state and local governments and benefit plans. Statement No. 74, *Financial Reporting for Postemployment Benefits Other Than Pension Plans,* addresses financial reporting for OPEB plans. Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, establishes new accounting and financial reporting requirements for governments that provide their employees with OPEB.

TRS published the accounting information required under Statement No. 74 in TRS's annual financial report for the fiscal years ending June 30, 2025, and 2024.

TRS has published the GASB Statement No. 75 report prepared as of and for the fiscal year ended June 30, 2025, for use by the state and other TRS employers. TRS's report was audited by the external auditor, which expressed the opinion that the schedules present fairly, in all material respects, the employer allocation and other matters addressed.

The GASB Statement Nos. 68 and 75 reports and the audit reports are available for review.

4. Executive Secretary's Meetings: The executive secretary has had meetings with several groups recently and will report to the board concerning the following:

June 22	Meeting with Todd Asset Management
June 23	Meeting with Fort Washington
August 4	Meeting with Healthsperien

August 5	Meeting with Todd Asset Management
August 11	Meeting with Auditor for Public Accounts staff
August 13	Meeting with Todd Asset Management
August 21	Meeting with MulloyBorland
August 24	Meeting with Sagitec
August 28	Presented at Kentucky Retired Teachers Association Fall Workshop in Jefferson County
August 28	Meeting with CavMac
September 1	Attended Know Your Rx Coalition (KYRx) quarterly board meeting
September 9	Timber management meeting
September 11	Meeting with KPPA
September 16	Meeting with CavMac
September 17	Meeting with Public Sector HealthCare Roundtable and KYRx

7. Next Meeting: The next quarterly meeting of the board will be December 21.