

The Board of Trustees of the Teachers Retirement System of Georgia met in its annual meeting on May 10, 2023, at 10:30 a.m. via in person and Zoom Video/Audio Conference. Trustees present in person were Ms. Deborah K. Simonds, Chair, Dr. Jason L. Branch, Mr. Thomas W. Norwood and Dr. William G. Sloan. Trustees participating via Zoom were Dr. Marion R. Fedrick, Mr. Steven N. McCoy and Ms. Miriam M. Shook.

TRS staff members present were: Dr. L. C. (Buster) Evans, Ms. Laura L. Lanier, Mr. R. Cory Buice, Ms. K. Paige Donaldson, Ms. Tacarri Glass, Mr. Eddy A. Hicks, Ms. Dina N. Jones, Ms. Sonya M. Kinley, Mr. Thomas W. McMurry and Ms. Vonnie B. Stewart.

Mr. Bryan Webb and Ms. Mary Catherine Greaber were present as legal counsel.

Visitors in attendance were: Mr. Sean DeVetter, Mr. John Garrett, Mr. Tom Horkan, Ms. Emily Jones, Mr. Ed Koebel, Mr. Dan Powers, Ms. Toni Smith, Ms. Karen Solheim, Mr. Don Splinter, Mr. Austin Trott and Ms. Lisa Underwood.

Ms. Simonds called the meeting to order and welcomed board members, staff and visitors to the meeting.

Item 1

Mr. Norwood made a motion to adopt the March 22, 2023, Board of Trustees meeting minutes and the Investment Committee meeting minutes for March 22, 2023, and April 26, 2023. Dr. Sloan seconded the motion. The motion was unanimously adopted.

Item 2

Dr. Evans presented an operational update. Communications and Outreach Division conducted 63 events reaching 6,022 total attendees (virtual and in-person) and provided a Statewide Virtual Employer Update. Senior Leadership Team attended strategic planning session facilitated by Carl Vinson Institute of Government. The benefit payroll for May 1, 2023, showed there were 145,211 total payees who received an average monthly benefit of \$3,540, with a monthly total benefit payroll of \$494.1 million. The average service credit for those retirees was 25.55. The Maximum Plan remained the most elected by retirees at 57%. Dr. Evans recognized Ms. Tacarri Glass, newest Member Services Retirement Specialist, on her outstanding customer service provided to a TRS member. Work items processed, detailed statistical information and updates for each division were reviewed.

Item 3

Ms. Lanier reported on the financial statements and expense fund as follows:

- 3.1 Assets restricted for pensions were \$92.2 billion, less than one percent decrease from April 2022.
- 3.2 Total contributions recognized year-to-date as of April 30, 2023, were \$3.2 billion while benefit payments made were \$4.9 billion.
- 3.3 The expense fund remained on target with normal operations. Year-to-date with 83.3% of the year completed, TRS has expended 73.7%. Dr. Branch made a motion to approve the expense fund. Mr. Norwood seconded the motion. The motion was unanimously adopted.

Item 4

The legislative report was provided for information.

Item 5

Dr. Evans presented the FY 2024 maximum percentage increase allowed for the two-year salary calculation. Based on the information received from the Board of Regents and the Department of Education and in accordance with O.C.G.A. § 47-3-120(d), Dr. Evans recommended the salary increases allowable for the calculation of retirement for FY 2023 be set as follows:

Employees of the Board of Regents	5.53% (3.03% + 2.50%)
All Others	4.97% (2.47% + 2.50%)

Mr. Norwood made a motion to adopt the recommended maximum percentage salary increase for FY 2024. Dr. Branch seconded the motion. The motion was unanimously adopted.

Item 6

Mr. John Garrett and Mr. Ed Koebel from Cavanaugh Macdonald Consulting presented the results of the June 30, 2022, actuarial valuation. Highlights for 2022 were: the market value investment return was negative 12.8% for FY 2022; actuarial value return was below assumed rate, approximately 5.5% using 5-year smoothing and discount rate for valuing liabilities is 6.90%; and funded ratio was down and unfunded liability and contribution requirement were up primarily due to valuation asset growth less than expected and salary increases more than expected. There was a 1.1% increase in active membership and 3.9% increase in payroll.

The actuarial valuation indicated FY 2025 contribution rates of 6.00% for the employee rate and 20.78% for the employer rate would be sufficient to support the benefits of the System in accordance with the Board's funding policy. Dr. Branch made a motion to accept the June 30, 2022, actuarial valuation. Mr. Norwood seconded the motion. The motion was unanimously adopted.

Item 7

Ms. Simonds called for a motion to adopt the FY 2025 employer contribution rate of 20.78% and the employee contribution rate of 6.00%. Mr. Norwood made a motion to adopt the rates. Dr. Sloan seconded the motion. The motion was unanimously adopted.

Item 8

Ms. Simonds announced the current term for the position held by Mr. Thomas W. Norwood would expire on June 30, 2023. Ms. Simonds presented information on the position and called for a motion. Dr. Branch made a motion to re-elect Mr. Thomas W. Norwood to the Board of Trustees. Dr. Fedrick seconded the motion. The motion was unanimously adopted.


Item 9

- 9.1 The Trustees voted by ballot. Ms. Simonds was re-elected as Chair.
- 9.2 The Trustees voted by ballot. Dr. Branch was re-elected as Vice-Chair.
- 9.3 The Trustees voted by ballot. The following Trustees were elected to the Investment Committee: Branch, Dyer, Griffin, Norwood, Simonds and Sloan.

Item 10

Ms. Simonds presented the FY 2024 committee assignments as amended for adoption. Dr. Branch made a motion to adopt the committee assignments as presented. Mr. Norwood seconded the motion. The motion was unanimously adopted.

There being no further business to discuss, Ms. Simonds adjourned the meeting at 11:42 a.m.



Deborah K. Simonds
Chair



L. C. Evans
Executive Director