

The Board of Trustees of the Teachers Retirement System of Georgia met in its annual meeting on May 15, 2024, 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. Kenneth Dyer, Dr. Marion R. Fedrick, Mr. Greg S. Griffin and Dr. William G. Sloan. Trustees participating via Zoom were 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, Mr. Eddy A. Hicks, Mr. Mike Jackson, Ms. Dina N. Jones, Ms. Sonya M. Kinley, Mr. Thomas W. McMurry and Ms. Vonnie B. Stewart.

Ms. Shelley Seinberg was present as legal counsel.

Visitors in attendance were: Ms. Margaret Ciccarelli, Mr. Sean DeVetter, Mr. John Garrett, Mr. Ed Koebel, Mr. Christopher McGraw, 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

Dr. Fedrick made a motion to adopt the March 27, 2024, Board of Trustees meeting minutes and the Investment Committee meeting minutes for March 27, 2024, and April 24, 2024. Mr. Dyer seconded the motion. The motion was unanimously adopted.

#### Item 2

Dr. Evans presented an operational update. Financial Services was awarded its 36<sup>th</sup> Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association (GFOA). Communications and Outreach Division completed 21 workshops, which included a Post-Retiree Seminar at Clayton State University and the first Mid-Career Beneficiary Update Event at Savannah Technical College. Contact Management Call Center processed 16,095 calls for March and 17,449 for April. Members Services Outreach Division attended 15 events, reached 14 counties and had 297 total attendees (virtual and in-person). The May 1, 2024, benefit payroll showed the maximum plan continues to be the most popular plan elected by members at 57%. There were 133,380 benefits recipients who received an average monthly benefit of \$3,602, with a monthly total benefit payroll of \$516.5 million. The average age of retirement was 60 years. Work items processed, detailed statistical information and updates for each division were reviewed.

Dr. Evans thanked Dr. Fedrick for her dedicated service to the Board of Trustees for the last nine years and introduced Mr. Christopher McGraw as the new Board of Regents trustee beginning July 1, 2024.

#### Item 3

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

- 3.1 Assets restricted for pensions were \$101.7 billion, a 10.4% increase from April 2023.
- 3.2 Total contributions recognized year-to-date as of April 30, 2024, were \$3.4 billion while benefit payments made were \$5.2 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 72.9%. Dr. Branch made a motion to approve the expense fund. Mr. Dyer seconded the motion. The motion was unanimously adopted.

Item 4

The legislative report was provided for information.

Item 5

Dr. Evans presented the FY 2025 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 2025 be set as follows:

Employees of the Board of Regents	5.87% (3.37% + 2.50%)
All Others	4.86% (2.36% + 2.50%)

Dr. Fedrick made a motion to adopt the recommended maximum percentage salary increase for FY 2025. Mr. Dyer seconded the motion. The motion was unanimously adopted.

Item 6

Mr. Ed Koebel from Cavanaugh Macdonald Consulting presented the results of the June 30, 2023, actuarial valuation. Highlights for 2023 were: the market value investment return was positive 11.9% for FY 2023; actuarial value return was below assumed rate, approximately 4.9% 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 2.4% increase in active membership and 8.2% increase in payroll.

The actuarial valuation indicated FY 2026 contribution rates of 6.00% for the employee rate and 21.91% 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, 2023, actuarial valuation. Mr. Dyer seconded the motion. The motion was unanimously adopted.

Item 7

Ms. Simonds called for a motion to adopt the FY 2026 employer contribution rate of 21.91% and the employee contribution rate of 6.00%. Mr. Dyer 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 of a retiree of the Teachers Retirement System held by Ms. Deborah K. Simonds would expire on June 30, 2024. Ms. Simonds presented information on the position and called for a motion. Dr. Sloan made a motion to re-elect Ms. Deborah K. Simonds 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 2025 committee assignments as amended for adoption. Dr. Branch made a motion to adopt the committee assignments as presented. Dr. Fedrick seconded the motion. The motion was unanimously adopted.

There being no further business to discuss, Ms. Simonds adjourned the meeting at 11:40 a.m.

  
Deborah K. Simonds  
Chair

  
L. C. Evans  
Executive Director