



## **TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

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R. Stanley Rupnik, Executive Director & Chief Investment Officer

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### **MINUTES**

#### **Board Meeting**

**October 24, 2025**

A meeting of the Board of Trustees of the Teachers' Retirement System of the State of Illinois (TRS) was held on October 24, 2025, at the TRS office, 2815 West Washington Street, Springfield, Illinois. Trustee Matt Hunt (President) called the meeting to order at 9:58 AM. Roll call attendance was taken with the following Trustees present: Trustee Beth Anderson, Trustee Heather Becker, Trustee Duffy Blackburn, Trustee Marsha Byas, Trustee Sean Casey, Trustee Mike Goetz, Trustee Andy Hirshman, Trustee Matt Hunt, Trustee Mia Jazo-Harris (departed at 12:23 PM), Trustee Rainy Kaplan, Trustee Maureen Mena, Trustee Tony Sanders, and Trustee Doug Strand. A quorum was present.

Others in attendance: Stan Rupnik, Executive Director & Chief Investment Officer; Sally Antonacci, Chief of Staff; Chelsea Duis, Executive Administrator; Emily Peterson, General Counsel; Cyndi Fain, Deputy General Counsel; Deron Bertolo, Chief Financial Officer; Gloria Lasley, Chief Operating Officer; Lori Dour, Chief Benefits Officer; Janelle Gurnsey, Chief Communications & Engagement Officer; Teri Taylor, Director of Internal Audit; John Gerding, Chief Technology Officer; Michelle Kissel, Director of Human Resources; Kyle Thornton, Systems Engineer; Logan Bettenhausen, Service Desk Specialist; Ghiané Jones, Deputy Chief Investment Officer; Amy Reynolds, Director of Research; Holly Walton, Purchasing Manager; Jessica Culotti of Reinhart Boerner Van Deuren (Fiduciary Counsel); and Matt Strom and Dan Siblik of Segal (Actuarial).

Remote attendees: David Miller (Former TRS Trustee); Terri Worth, Pension Administration System (PAS) Program Director; Ian Bray of RVK Inc. (Investment Consultant); and Laura Jeske and David Nickerson of Segal (Actuarial).

Visitors: Bob Kaplan

#### **Public Comment**

None.

#### **Minutes**

A draft of the August 1, 2025, minutes of the Board meeting was sent to the Board members for review. On a motion by Trustee Sanders, seconded by Trustee Blackburn, the minutes were approved by unanimous voice vote. Documentation is on file.

#### **Executive Session Minutes**

A draft of the August 1, 2025, executive session minutes of the Board meeting was sent to the Board members for review. On a motion by Trustee Byas, seconded by Trustee Goetz, the minutes were approved by unanimous voice vote. Documentation is on file.

### Former Trustee Recognition

Former Trustee David Miller was recognized by staff and fellow Trustees with a resolution of recognition. Documentation is on file.

### Committee Reports

#### Investment Committee

Trustee Hunt (Committee Chair Pro Tem) reported that the Investment Committee met on October 23, 2025, and presented the consent agenda. On a motion by Trustee Blackburn, seconded by Trustee Sanders, it was resolved to approve the consent agenda. The following items were approved by action taken in the consent agenda motion.

1. To approve the fiscal year 2026 Global Income Strategies Review Plan, as presented.
2. To approve the fiscal year 2026 Private Debt & Private Credit Tactical Plan, as presented.
3. To approve the fiscal year 2026 aspirational MWBE utilization goals, as presented. The recommendation includes:
  - Maintaining the aspirational goal for utilization of MWBE asset managers of 23%.
  - Maintaining the Domestic Equity MWBE brokerage aspirational utilization goal of 40%.
  - Maintaining the International Equity MWBE brokerage aspirational utilization goal of 17%.
  - Maintaining the Global Income MWBE trading aspirational utilization goal of 17%.
  - Maintaining the existing investment management fee aspirational goal range of 8.0 – 11.5% of total fees paid.

If approved, the aspirational goals will be included in the TRS Investment Policy, Section 20: Improving Access to the TRS Investment Process.

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

#### Deferred Compensation Plan Committee

Trustee Hunt (Committee Chair) reported that the Deferred Compensation Plan Committee met on October 23, 2025. On a motion by Trustee Sanders, seconded by Trustee Byas, it was resolved to approve the proposed revisions to the Investment Policy Statement for the Teachers' Retirement System of the State of Illinois 457(b) Deferred Compensation Supplemental Savings Plan.

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

### Rules and Personnel Committee

Trustee Sanders (Committee Chair) reported that the Rules and Personnel Committee met on October 23, 2025. On a motion by Trustee Goetz, seconded by Trustee Becker, it was resolved to authorize staff to initiate the promulgation of proposed amendments to TRS administrative rules, as presented, and to authorize staff to make nonmaterial modifications as may be required during the promulgation process.

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

### Claims Hearing Committee

Trustee Mena (Committee Chair) reported that the Legislative Committee met on October 23, 2025. On a motion by Trustee Jazo-Harris, seconded by Trustee Mena, it was resolved to adopt the Recommended Decision of the Claims Hearing Committee in the administrative review appeal of Lynda Kurowski. The Board's decision shall be communicated to Ms. Kurowski in writing within 30 days.

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

### Audit Committee

Trustee Blackburn (Committee Chair) reported that the Audit Committee met on October 24, 2025. On a motion by Trustee Kaplan, seconded by Trustee Strand, it was resolved to approve the Internal Audit Charter, as presented. The motion was approved by unanimous voice vote.

### Working Groups Update

Trustee Hunt gave an update regarding the Technology Working Group, which met prior to former Trustee David Miller's resignation from the Board. Due to quorum requirements, the Investment Working Group and Strategic Plan Working Group have not met since the last Board meeting. Working group meetings may resume after a Trustee is appointed to a vacancy.

### Strategic Plan

Sally Antonacci, Chief of Staff, provided an update on the FY2026 business plan for the FY2024-2028 Strategic Plan. Documentation is on file.

### Executive Director's Report

### FY 2025 Preliminary Actuarial Valuation and Certification of Results, including FY 2027 Funding Requirements for TRS

On or before November 1 each year, the Board is required to submit its certification for statutory contributions under the Illinois Pension Code, and on or before November 15 each year, the certification

of state contributions for the Teacher Health Insurance Security (THIS) Fund to the Governor, General Assembly, and others.

Matt Strom and Dan Siblik of Segal presented the preliminary results of the System's actuarial valuation of its assets and liabilities as of June 30, 2025. Included in the presentation was the summary of state contributions required under the Illinois Pension Code for the Board's consideration. Documentation is on file.

The unfunded liability decreased in FY2025 from \$83,637,551,666 in 2024 to \$83,069,894,854 in 2025. The funded ratio based on the actuarial value of assets increased from 45.8% in 2024 to 47.8% in 2025. TRS ended fiscal year 2025 with \$77.3 billion in assets. The total FY2027 state contribution, including guaranteed minimum annuity reserve, is \$6.594 billion.

On a motion by Trustee Blackburn, seconded by Trustee Kaplan, it was resolved to accept the results of the preliminary June 30, 2025, actuarial valuation report as presented by the System's actuary, Segal Consulting:

- In accordance with Illinois statute, to propose to certify an FY 2027 state funding amount of \$6,594,062,236, including \$200,000 for minimum retirement benefits.
- In accordance with the board's funding policy, to propose to certify an FY 2027 state funding amount of \$11,177,466,698, including \$200,000 for minimum retirement benefits.

This proposed certification will be submitted to the State Actuary, the Governor, and the General Assembly, along with the actuarial assumptions, calculations, and data upon which this proposed certification is based.

The board will consider any changes in actuarial assumptions recommended by the State Actuary's preliminary report due on or before January 1, before finalizing its certification of the required State contributions at its December 2025 regular board meeting.

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

#### Final Certification of FY 2027 THIS Fund State Contribution

On a motion by Trustee Anderson, seconded by Trustee Kaplan, it was resolved to certify \$141,801,757 as the required state contribution to the Teacher Health Insurance Security (THIS) Fund for FY 2027, as presented by Segal Consulting and detailed in the supporting certification.

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

#### Legislative Update

Janelle Gurnsey, Chief Communications & Engagement Officer, provided a state legislative update.

*(Trustees Anderson and Byas departed the meeting at 11:58 AM.)*

### Financials

The financial reports for the quarter ended June 30, 2025, were sent to Trustees for review. Documentation is on file. On a motion by Trustee Sanders, seconded by Trustee Mena, it was resolved:

To approve the financial statement and schedule of expenditures for the quarter ending June 30, 2025, as presented.

Roll call resulted in affirmative voice votes from Trustees Becker, Blackburn, Casey, Goetz, Hirshman, Hunt, Jazo-Harris, Kaplan, Mena, Sanders, and Strand.

*(Trustee Byas returned to the meeting at 12:07 PM.)*

### PAS Modernization Update

Gloria Lasley, Chief Operating Officer, provided an update regarding the PAS Modernization project. Documentation is on file.

*(Trustee Jazo-Harris departed the meeting at 12:23 PM. Trustee Anderson returned to the meeting at 12:25 PM.)*

### **RECESS**

The meeting recessed at 12:25 PM and resumed at 12:59 PM.

### Board Policy Manual Revisions

Emily Peterson, General Counsel, and Jessica Culotti of Reinhart Boerner Van Deuren presented proposed revisions to the Board Policy Manual. Documentation is on file. Revisions include updates to the Code of Ethics and Conduct and the Communications, Education, and Travel Policies.

On a motion by Trustee Sanders, seconded by Trustee Goetz, it was resolved to adopt the proposed revisions to the TRS Board of Trustees Policies Manual, as presented.

Roll call resulted in affirmative voice votes from Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Kaplan, Mena, Sanders, and Strand.

### Fiduciary Education

Emily Peterson; Janelle Gurnsey; Cyndi Fain, Deputy General Counsel; and Jessica Culotti of Reinhart Boerner Van Deuren presented an interactive education session on Trustee communications. Documentation is on file.

*(Trustee Hirshman departed the meeting at 2:07 PM.)*

**Standing Committees and Working Group Assignments**

To fill vacancies on standing committees and working groups due to the resignation of former Trustee David Miller, proposed updates to the FY2025-FY2026 standing committees and working group assignments were presented. Documentation is on file.

On a motion by Trustee Sanders, seconded by Trustee Kaplan, it was resolved:

To approve the updates of the standing committees, as presented.

<b>Audit Committee:</b>	Duffy Blackburn, Chair Rainy Kaplan, Vice Chair Sean Casey Mia Jazo-Harris Doug Strand
<b>Claims Hearing Committee:</b>	Maureen Mena, Chair Andy Hirshman, Vice Chair Mia Jazo-Harris Beth Anderson (alternate)
<b>Deferred Compensation Plan Committee:</b>	Matt Hunt, Chair Doug Strand, Vice Chair Beth Anderson Marsha Byas Maureen Mena
<b>Investment Committee:</b>	Matt Hunt, Chair Marsha Byas, Vice Chair All Trustees
<b>Legislative Committee:</b>	Beth Anderson, Chair Mike Goetz, Vice Chair Marsha Byas Sean Casey
<b>Rules and Personnel Committee:</b>	Tony Sanders, Chair Marsha Byas, Vice Chair Heather Becker Mike Goetz Mia Jazo-Harris

Motion carried by unanimous voice vote.

*(Trustee Hirshman returned to the meeting at 2:10 PM.)*

### Board Travel/Education Requests

There were no requests for Board travel.

*(Trustee Hunt departed the meeting at 2:15 PM.)*

### Executive Session

A motion was made by Trustee Kaplan, seconded by Trustee Sanders, that the Board enter into executive session to discuss matters as authorized and permitted under the following exceptions set forth by the Open Meetings Act: sale or purchase of securities, investments, or investment contracts [5 ILCS 120/2(c)(7)]; security procedures and the use of personnel and equipment to respond to an actual, threatened, or reasonably potential danger to the safety of employees, students, staff, the public, or public property [5 ILCS 120/2(c)(8)]; and litigation, when an action against, affecting, or on behalf of the public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent [5 ILCS 120/2(c)(11)].

Roll call resulted in affirmative voice votes from Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Kaplan, Mena, Sanders, and Strand.

The public meeting closed at 2:18 PM.

*(Trustee Hunt returned to the meeting at 2:24 PM.)*

No action was taken during executive session.

The public meeting reconvened at 2:45 PM. Roll call attendance was taken with the following trustees present: Trustees Anderson, Becker, Blackburn, Byas, Casey, Goetz, Hirshman, Hunt, Kaplan, Mena, Sanders, and Strand. Trustee Jazo-Harris was not in attendance.

### Trustee Comments

None.

### Adjournment

There being no further business to be brought before the Board, a motion was made by Trustee Sanders, seconded by Trustee Goetz, to adjourn the meeting at 2:45 PM. Motion passed by unanimous voice vote.



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Stan Rupnik, Executive Director & Chief Investment Officer