

**GENERAL ASSEMBLY RETIREMENT SYSTEM OF ILLINOIS
MEETING NO. 281**

**MINUTES OF THE ANNUAL MEETING
OF THE BOARD OF TRUSTEES**

October 24, 2025

The annual meeting of the Board of Trustees of the General Assembly Retirement System of Illinois was held on Friday, October 24, 2025, at 1:00 p.m. in Room S200 of the Michael Bilandic Building, 160 North LaSalle Street, Chicago, Illinois with a videoconference location at the System's Springfield Office, 2101 South Veterans Parkway, Springfield, Illinois.

Roll Call was taken with the following trustees in attendance:

- Senator Robert Martwick, Chairperson
- Representative Norine Hammond, Vice-Chairperson
- Representative Kam Buckner
- Representative Barbara Hernandez
- Senator Napoleon Harris
- Representative Tom Ryder, Retired

The following trustees were absent:

- Senator Chapin Rose

Others in attendance were:

- Timothy B. Blair, Secretary
- Jeff Houch, Associate Secretary
- Angie Ackerson, GARS Division Manager
- Samantha Goetz, SRS General Counsel
- Jennifer Koelle, Senior Investment Officer, Illinois State Board of Investment
- Scott Richards, Senior Investment Officer, Illinois State Board of Investment
- Alex Rivera, Consulting Actuary, Gabriel, Roeder, Smith & Company
- Heidi Barry, Consulting Actuary, Gabriel, Roeder, Smith & Company
- Jeff Tebeau, Consulting Actuary, Gabriel, Roeder, Smith & Company

With a quorum present, Chairman Martwick called the meeting to order at 1:05 p.m.

ELECTION OF 2026 OFFICERS

Chairman Martwick announced the election of 2026 officers was in order and opened the meeting for nominations. Chairman Martwick indicated that he was willing to continue serving as Chair if nominated. Representative Hammond nominated Senator Martwick as Chairman and the nomination was seconded by Trustee Hernandez. Senator Martwick then nominated Representative Hammond as Vice-Chairperson for 2026, and the nomination was seconded by Trustee Hernandez. No further nominations were offered, and Senator Martwick and Representative Hammond were re-elected unanimously.

PUBLIC COMMENTS

Chairman Martwick asked if there were any members of the public in attendance who wished to address the Board. There were no members of the public in attendance and no comments were submitted.

REPORT OF CONSULTING ACTUARIES

Alex Rivera, Jeff Tebeau and Heidi Barry of Gabriel, Roeder, Smith & Company presented draft copies of the FY 25 GARS actuarial valuation. Mr. Rivera noted the purpose of the valuation is to measure the funded status of the System on June 30, 2025, and to determine the required State contribution for FY 27. He reminded the Board that Public Act 100-0023 modified the State's funding policy to smooth State contribution rate increases or decreases due to actuarial assumptions changes, over a five-year period in equal annual amounts. Mr. Rivera then turned the presentation over to Mr. Tebeau.

Mr. Tebeau presented the valuation results, noting the actuarial accrued liability decreased from \$366.3 million on June 30, 2024, to \$363.2 million on June 30, 2025. He indicated the market value of assets increased by \$7.1 million to \$97.4 million, which increased the funded ratio on a market value basis from 24.7% to 26.8%. Mr. Tebeau noted that the actuarial value of assets increased from approximately \$90.7 million to \$96.2 million, which increased the funded ratio based on the actuarial value of assets from 24.8% to 26.5%. He directed the Trustees' attention to a slide showing that the funded ratio is expected to slowly increase until FY 33, and then rapidly increase to 90% in FY 45.

Mr. Tebeau stated that in FY 25, employer contributions totaled \$26.2 million, employee contributions were \$1.6 million, and benefits and expenses were \$28.7 million, resulting in negative cash flow of \$0.9 million. He stated that the FY 27 State Contribution rate decreased from 208.386% of payroll to 181.535% of payroll, and the contribution amount decreased \$800,000 from FY 26, to \$25.6 million. He pointed out that the actuarially determined contribution (ADC) is \$27.9 million, or \$2.2 million higher than the amount required by the statutory funding plan. He indicated the ADC amortization amount for FY 27 was based on a 15-year closed period as of July 1, 2025.

Mr. Tebeau concluded by asking if there were any questions regarding the June 30, 2025 actuarial valuation or the preliminary FY 27 State contribution certification. Representative Hernandez moved to accept the draft FY 25 actuarial valuation and to preliminarily certify the FY 27 employer contribution of \$25,650,000. Representative Hammond seconded the motion, and the motion was approved unanimously. Chairman Martwick thanked Mr. Rivera, Mr. Tebeau and Ms. Barry and excused them from the remainder of the meeting.

A copy of the presentation materials is maintained in the GARS office and made part of these minutes as *Exhibit A*.

REPORT OF THE ILLINOIS STATE BOARD OF INVESTMENT (ISBI)

Jennifer Koelle, ISBE Senior Investment Officer, directed the Board's attention to the June 30, 2025, Performance Report and noted the Fund was valued at \$28.7 billion, an increase

of 9.7% since June 30, 2024. She added that the portfolio returned 6.2% for the fourth quarter of FY 25, beating the policy benchmark by 70 basis points.

Ms. Koelle then discussed the Fund's strategic asset allocation, noting that ISBI methodically deploys assets in a public market equivalent when a private asset class is underweight. She briefly reviewed asset allocation, noting that private market asset classes are underweight 0.8% in Private Equity, 1.3% in Private Credit, 0.2% in Infrastructure, and 0.5% in Real Estate. Ms. Koelle added that 51% of the Fund's assets are managed by emerging and minority-owned firms and that 55.2% of the portfolio's assets are passively managed. She announced that ISBI selected RVK as their investment consultant, replacing Meketa. She then passed the presentation over to Scott Richards, Senior Investment Officer.

Mr. Richards reported that the Fixed Income portfolio returned 6.8% for the year ending June 30, 2025, exceeding the benchmark return of 6.5% for the period. He stated the U.S. Equity portfolio added 15.4%, beating the benchmark by 10 basis points. Mr. Richards added the Non-U.S. Equities portfolio gained 15.2% but significantly underperformed the benchmark return of 17.8% for the period. He reported that the Private Credit portfolio earned 10.7% for the period, versus a benchmark return of 7.5%.

Mr. Richards concluded his report by noting the Infrastructure portfolio outperformed the relevant benchmark, with an 11.1% return compared to a benchmark return of 6.3% but the Real Estate portfolio underperformed the benchmark with a 1.4% return, while the benchmark returned 3.1%.

Chairman Martwick thanked Ms. Koelle and Mr. Richards for the report. Representative Hernandez moved to approve the ISBI report, and Representative Hammond seconded the motion. The motion was approved unanimously. A copy of the June 30, 2025, Quarterly Update is maintained in the ISBI office and made part of these minutes as *Exhibit B*.

MINUTES OF PREVIOUS MEETING

Chairman Martwick presented the minutes of Meeting No. 280 held on July 15, 2025, for approval. Copies were previously submitted to the trustees for review. Senator Martwick moved to approve the July 15, 2025 minutes, seconded by Representative Hammond and all voted in the affirmative.

REPORT OF CHAIRMAN

There were no reports offered.

REPORT OF ANY TRUSTEE

There were no reports offered.

REPORT OF ADMINISTRATIVE SECRETARY

Final Review of FY 26 Operations Budget. Secretary Blair requested \$385,540 for the FY 26 operations budget, an increase of \$7,020, or 1.85%, from the FY 25 operations budget. He indicated there was a \$8,640 increase in the personnel related expenses to fund a 3.95% COLA in July 2025 and "steps" equivalent to those provided in the AFSCME CBA. Secretary Blair

requested a \$2,200 increase in the Group Insurance line, noting the increase was offset by a \$1,040 decrease in the Contractual line and a \$1,950 decrease in the IT line. He told the Board that the JRS Board of Trustees had already approved the JRS portion of requested FY 26 operations budget at the August 1, 2025 JRS Board meeting.

Chairman Martwick asked if there were any questions on the FY 26 operations budget request. Seeing none, he asked for a motion to approve the request. Representative Hernandez moved to adopt the FY 26 operations budget of \$385,540. Representative Hammond seconded the motion, and it was approved unanimously.

A copy of the FY 2026 budget is included in these minutes as *Exhibit C*.

June 30, 2025 Financial Statement. Secretary Blair began his presentation by stating that in FY 25 total receipts were \$28.1 million and disbursements totaled just over \$28.7 million, and the cash balance was \$5.6 million at the end of FY 25.

Chairman Martwick asked for a motion to approve the June 30, 2025 financial statements. Representative Hernandez moved to adopt the June 30, 2025 financial statements and Representative Hammond seconded the motion; all voted in favor.

Copies of these Financial Statements are on file and made a part of these minutes as *Exhibit D*.

FY 26 Funding Update. Secretary Blair stated that the Comptroller's Office is current in making the monthly State contributions and that some monthly contributions were made early.

2026 Meeting Dates. Secretary Blair reviewed a list of 2026 GARS Board meeting dates.

Friday, January 9, 2026, 1:00 p.m.

Wednesday, April 22 2026, 9:00 a.m.

Friday, October 23, 2025, 1:00 p.m.

A motion was made by Representative Hernandez to approve the dates. Representative Hammond seconded the motion and the 2026 meeting dates were approved unanimously.

REPORT OF MANAGER

Angie Ackerson provided that since the last Board meeting, GARS staff processed two retirement annuities totaling \$2,849.47 per month and four new survivor annuities totaling \$5,297.88 per month. She noted that GARS staff processed one survivor contribution refund of \$9,302.86. Representative Hernandez moved to approve the annuities and refunds as presented. Representative Hernandez seconded the motion, and it was approved unanimously.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

There was no new business.

ADJOURNMENT

Chairman Martwick told the Trustees the next Board meeting would be on Friday, January 9, 2026, at 1:00 p.m. with meeting locations in Chicago and Springfield, and the meeting was adjourned.

Timothy B. Blair, Administrative Secretary

Date: _____

APPROVED:

Senator Robert F. Martwick, Chairman