

**GENERAL ASSEMBLY RETIREMENT SYSTEM OF ILLINOIS
MEETING NO. 280**

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF TRUSTEES**

July 15, 2025

A regular meeting of the Board of Trustees of the General Assembly Retirement System was held on Tuesday, July 15, 2025, at 10:00 a.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
Senator Napoleon Harris
Representative Tom Ryder, Retired

The following trustees were absent:

Senator Chapin Rose
Representative Barbara Hernandez

Others in attendance were:

Timothy B. Blair, Secretary
Jeff Houch, Associate Secretary
Angie Ackerson, GARS Division Manager
Samantha Goetz, SRS General Counsel
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

With a quorum present, Chairman Martwick called the meeting to order at 10:05 a.m.

ELECTION OF 2025 OFFICERS

Chairman Martwick announced the election of 2025 officers was in order. He opened the meeting for nominations and indicated that he was willing to continue serving as Chair. Representative Hammond nominated Senator Martwick and the nomination was seconded by Senator Harris. Senator Martwick nominated Representative Hammond as Vice-Chairperson for 2025, and the nomination was seconded by Senator Harris. No further nominations were offered, and Senator Martwick and Representative Hammond were elected unanimously.

PUBLIC COMMENTS

Chairman Martwick asked if there were any members of the public in attendance who wished to make comments. There were none.

REPORT OF CONSULTING ACTUARIES

Annual Review of Economic Assumptions. Alex Rivera and Heidi Barry of Gabriel, Roeder, Smith & Company, presented the review of actuarial assumptions. Mr. Rivera stated

the experience review was conducted to compare actual experience over the three-year period from 2021 through 2024 with actuarial assumptions, as required under PA 99-0232. He added the review is done to determine if the assumptions to be used for the June 30, 2025, actuarial valuation are still adequate.

Mr. Rivera stated they are recommending changes to the current economic assumptions for the June 30, 2025, actuarial valuation and turned the presentation over to Heidi Barry to provide details on the economic assumption review. Ms. Barry stated they recommend maintaining the investment return assumption of 6.5% and increasing the current price inflation assumption from 2.25% to 2.40%, the current wage inflation assumption from 2.50% to 2.65%, and the individual salary increase assumption from 2.50% to 2.65%. She directed the Board to the GRS report for a detailed analysis and supporting documentation for the recommendations.

Ms. Barry then presented the demographic assumption review. She noted they recommend maintaining the mortality tables to the Pub-2010 Above-Median Income General Healthy Retiree and Employee Mortality Tables with no adjustments and future mortality improvements using the MP-2021 scale. She added they recommend maintaining the normal retirement rates for Tier 2 and decreasing the Tier 1 rates to better reflect recent observed experience. Ms. Barry noted they recommend maintaining the current turnover rate of 7 percent for all members and lowering the assumption that future members will elect to opt out of the pension system from 45 percent to 35 percent. She added that if the recommended assumptions are adopted, there would be a very minor impact on the actuarial accrued liability and statutory contributions.

At the conclusion of her presentation, Ms. Barry asked if there were any questions from trustees. Seeing none, Chairman Martwick asked for a motion to approve the assumptions as presented. Representative Hammond moved to approve the actuarial assumptions as presented. The motion was seconded by Senator Harris. A roll call vote was taken, and the motion passed unanimously. Chairman Martwick thanked Mr. Rivera and Ms. Barry and excused them from the remainder of the meeting.

A copy of the GRS 2024 Actuarial Experience Study for the period July 1, 2021 through June 30, 2024, is maintained in the GARS office and made part of these minutes as *Exhibit A*.

REPORT OF THE ILLINOIS STATE BOARD OF INVESTMENT (ISBI)

Scott Richards, ISBI Senior Investment Officer, directed the Board's attention to the March 31, 2025, Performance Report and noted the Fund is currently valued at approximately \$27.02 billion and returned 3.3% through the 3rd quarter of FY 25, trailing the benchmark by 40 basis points.

Mr. Richards reviewed several asset classes, noting the Fixed Income Composite returned 4.9% for the fiscal year-to-date, slightly underperforming the benchmark return of 5%, and the Core Fixed Income and Treasury Inflation Protected Securities Composite (TIPS) returned 4.4% and 5.3%, respectively, for the same period. He added that the Domestic Equity Composite returned 4.2% through March 31, 2025, exceeding the benchmark by 3 basis points, while the International Equities Composite rose 3% and underperformed the benchmark of 4.5% for the same period.

Mr. Richards noted that the Private Equity portfolio returned 0.9% through the third quarter of FY25 as there is an additional reporting lag for this asset class. He concluded his report and asked if there were any questions.

Chairman Martwick thanked Mr. Richards for his report and excused him from the remainder of the meeting. Trustee Hammond moved to approve the ISBI report, and Trustee Harris seconded the motion, and the motion was approved unanimously.

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

MINUTES OF PREVIOUS MEETING

Chairman Martwick presented the minutes of Meeting No. 279 held on January 7, 2025, for approval. Copies of the minutes were previously provided to trustees for review. Trustee Hammond moved to approve the minutes of the January 7, 2025 meeting as presented. The motion was seconded by Trustee Harris, and it passed unanimously.

REPORT OF CHAIRMAN

There were no reports offered.

REPORT OF ANY TRUSTEE

There were no reports offered.

REPORT OF ADMINISTRATIVE SECRETARY

Preliminary Review of FY 26 Operations Budget. Secretary Blair requested \$391,200 for the FY 26 operations budget, an increase of \$12,680, or 3.35%, from the FY 25 operations budget. He noted the request reflects a \$7,520 increase in the Personal Services line to fund a 3.95% COLA in July and steps equivalent to those provided in the AFSCME contract. He stated the budget for contractual services increased by \$3,900, with an increase in the Auditor General fee in FY 26, which is offset by a \$20,000 decrease in Actuarial Services as there is only a review of economic assumptions in FY26. Secretary Blair noted the budget request reflects a \$2,200 increase in the Group Insurance line.

Representative Hammond made a motion to adopt the FY 26 operations budget request of \$391,200. Senator Harris seconded the motion, and it was approved unanimously.

An official copy of the preliminary FY 26 budget request has been placed on file and made a part of these minutes as *Exhibit C*.

December 31, 2024 and March 31, 2025 Financial Statements. Secretary Blair stated that in FY 25 total receipts to date were approximately \$21.1 million, with disbursements of \$21.3 million, and the cash balance stood at \$6.2 million at the end of the 3rd quarter of FY 25.

There being no questions, Chairman Martwick asked for a motion to approve the December 31, 2024, and March 31, 2025, financial statements. Representative Hammond

moved to adopt the financial statements. Senator Harris seconded the motion, and all were in favor.

Official copies of these Financial Statements have been placed on file and made a part of these minutes as *Exhibit D*.

FY 25 Funding Update. Secretary Blair stated that the Comptroller's Office continues to make the State contributions in an expedient manner and that GARS is up to date on receiving contributions. He stated the Comptroller's Office has already paid the July and November 2025 contributions and indicated they plan to pay half of the October contributions with the August payment in early August.

REPORT OF JRS MANAGER

Angie Ackerson stated that since the last Board meeting, three new retirement annuities totaling \$13,525.88 per month, and two survivor annuities totaling \$10,800.34 per month were processed. She added that one termination refund, and one error refund were processed since the last meeting, totaling \$26,734.19. Representative Hammond moved to approve the annuities and refunds as presented. Senator Harris 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 reminded the Trustees the next Board meeting is scheduled for October 24, 2025, at 1 p.m. in Chicago. There being no further business, Chairman Martwick asked for a motion to adjourn. Representative Hammond moved to adjourn the meeting. The motion was seconded by Senator Harris and the meeting was adjourned at 10:50 a.m.

Timothy B. Blair, Administrative Secretary

Date: _____

APPROVED:

Senator Robert F. Martwick, Chairman