



TRS Board of Trustees

Meeting Summary

July 18-19, 2024

The TRS Board of Trustees met Thursday, July 18 and Friday, July 19, 2024 in person at our Red River Headquarters in Austin. [A recorded webcast](#) of all public meetings is available on our website at www.trs.texas.gov. Once you've opened the video link page, just click on the board segment you'd like to watch.

Read through presentations to the board and committees by clicking on the [board books here](#) and on the hyperlinked titles below.

TRS Headlines

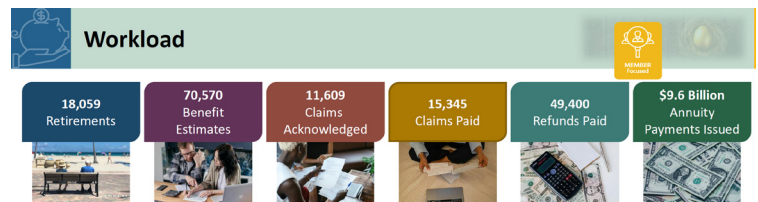
- **Chair Walls Leads His First Meeting, Newly Sworn Trustee Rutherford Joins Board**
- **Health Premiums for TRS-Care Medicare Advantage to go Down, Members to See Special Enrollment Opportunity!**
- **Member Dental & Vision Premiums & Benefits Published**
- **Updated Strategic Asset Allocation is Approved**

Board and Committee Highlights

Chair Robert H. Walls, Jr. opened the meeting by thanking **former Chair Jarvis V. Hollingsworth** for his service and noted the board will recognize Hollingsworth's long tenure at the September board meeting. He also welcomed [Trustee John R. Rutherford](#) who shared his background and exuberance to serve.

Benefits

The happy story of diminishing vacancies on the Chief Benefit Officer's team continues to impress. As of May 31, there were just 12 empty seats among Benefits' 398.5 full-time positions. The upshot of this? TRS members are getting [fantastic contact center wait times and prompt replies to vital requests](#) for services like benefit estimates, refunds and annuity payments. In addition, employers are getting their inquiries handled within 24 hours by the reporting coaches.



View some other great numbers and more positive member comments in the Benefits slide deck from page 17 of the book.

More good news comes from the Health Division. **TRS-Care Medicare Advantage participants can expect premium reductions!** Along with that is a special limited enrolment opportunity. See the [link for members here](#).

How did this happen? The TRS-Care Fund balance is projected to reach \$7 billion in 2029 and remain stable long term. That growing balance is part of a positive recipe that includes federal changes to Medicare benefits and funding along with TRS' thorough plan management.

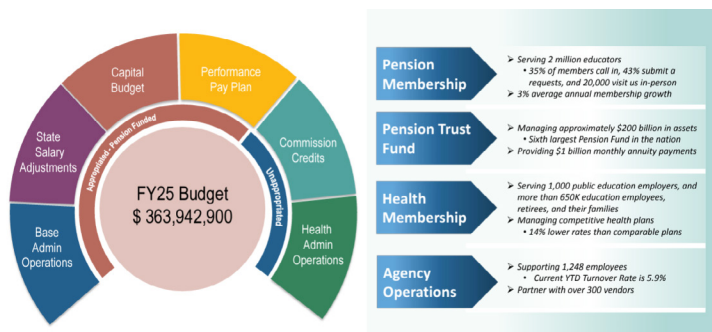
FUND FACT: The 2025 premium cost for a Medicare-only retiree will come down to 4% of their annual annuity from 7%.

Also, TRS-Care Standard rates (non-Medicare eligible) will remain the same for next plan year. Read all about other premium and program changes from page 31 of the Benefits book. The Committee also voted to recommend to the Board the rates and benefits for the new TRS-Care Dental & Vision offerings for all TRS retirees. See page 41 of the book. Our website [lays out these plans here](#). Check out the [promotional video](#), too.

Budget

The **Chief Financial Officer** presented the FY 2025 Administrative Operating Budget that trustees approved. Of interest, TRS is an efficient organization. It costs \$61 per active member and annuitant to administrate our pension. That is still below the peer average of \$117, according to our consultant, CEM.

FUND FACT: The annual cost to administer TRS represents about 0.18% of the value of our pension fund (that value -> \$202 billion in assets).



Investment Management

Trustees voted to recommend to the Board approval of an updated Strategic Asset Allocation (SAA). It's crafted to be more resilient to wherever the financial markets head over the next five years. Read the presentations from page 101 of the IMC book. Our press release [is here](#). Trustees will vote to formally put the 2024 SAA into policy at September's board meeting.

Investment consultant Aon's report (page 11 of the IMC book) showed our pension fund valued at more than \$202 billion as of March 31. That includes investment earnings of more than \$6.8 billion from January through March.

The Chief Investment Officer shared his update for the first quarter, noting a record one-year number for "alpha," or excess return. Also, TRS continues to lead an industry push for improved alignment in hedge fund fees.

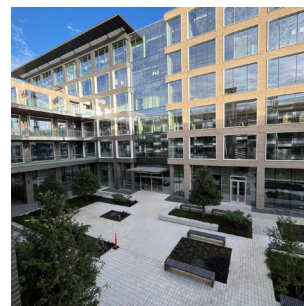
FUND FACT: TRS' Private Markets group has 745 active investments.

Strategic Planning

Just how satisfied are our members? Staff reported that the public and higher ed employers TRS works with are "very satisfied" with the overall level of service we provide them. In fact, that "happiness score" is roughly twice the rate from 2023. View the slides from page 88 of the Strategic Planning book.

Other Topics Discussed

Executive Director Brian Guthrie provided his update and shared photos, including from inside the Bravo building and what will be our new boardroom. Brian expects next July's trustee meeting could very well be the first in the new Mueller headquarters in Austin. The Communications plan is forthcoming to let our two million members know about the 2025 opening of the new Member Experience Center.



Bravo Building at Mueller

Deputy Director Caasi Lamb in her first meeting as deputy shared her focus areas:

- Members first
- TRTA (Texas Retired Teachers Association) regional meetings
- Streamline operations
- Preparations for 2025

[Ombuds Lori LaBrie's report](#) shows her ongoing value to our members. Lori responded to 259 emails among her outreach communications in the first five months of the year. Complaints into TRS were down by HALF from the same period a year ago.

Next Board Meeting

The next board meeting is set for Thursday, Sept. 19 and Friday, Sept. 20, 2024, in person at our Austin headquarters. Access all board materials [online](#), including agendas, board books and a link to the live and recorded webcasts. View [the board schedule](#) on our board meetings calendar page. Visit www.trs.texas.gov to find board of trustees' information under the [About TRS](#) tab. And remember, you can always follow TRS on social media via our [Facebook](#), [X](#) (Twitter), [YouTube](#), [Instagram](#) and [LinkedIn](#) pages.