

# **PUBLIC PENSION OVERSIGHT BOARD**

## **Minutes**

**October 21, 2025**

### **Call to Order and Roll Call**

The seventh meeting of the Public Pension Oversight Board (PPOB) was held on October 21, 2025, at 2:30 PM in Room 154 of the Capitol Annex. Senator Jimmy Higdon, Chair, called the meeting to order, and the secretary called the roll.

### **Present were:**

Members: Representative Walker Thomas, Co-Chair; Senator Jimmy Higdon, Co-Chair; Senators Greg Elkins, Shelley Funke Frommeyer, Christian McDaniel, Michael J. Nemes, and Mike Wilson; and Representatives David Hale, Adrielle Camuel, Robert Duvall, Ken Fleming, DJ Johnson, and James Tipton; and Allison Ball (Jeremy Sylvester, by proxy) and Victor Maddox (Christopher Thacker, by proxy).

Guests: Brad Gross, Committee Staff Administrator (CSA), PPOB, Legislative Research Commission (LRC).

LRC Staff: Michael Clancy, Shawn Sparks, and Angela Rhodes.

### **Approval of Minutes**

A motion was made by Senator Wilson and seconded by Representative Johnson to approve the minutes of the September 23, 2025, meeting. Minutes were approved by voice vote without objection.

### **Annual Investment Review**

Brad Gross, CSA, PPOB, LRC, discussed the annual investment review for the 2025 fiscal year-end. He reviewed total assets, performance and peer comparisons, allocations and peer comparisons, investment fees and expenses, net cash flow, assumed rates of return, statutory requirements, and benchmarks.

In response to Senator Funke Frommeyer, Mr. Gross stated he would need to follow-up regarding whether the actuary includes a specific pension spiking assumption in the valuation.

Chair Higdon commented that the General Assembly appropriated an additional \$500 million towards the Teachers' Retirement System (TRS) in the 2017 and 2018 budget to help pay down the unfunded liability, and asked what that number will be for the next budget cycle. Mr. Gross referred to the August 2025 TRS presentation to the PPOB which included a total state projected contribution of \$1.7B for FY 27 and \$1.8B for FY 28 for the statutorily required amounts and the actuarially determined employer contribution (ADEC).

Senator McDaniel commented one positive the state retirement systems currently have going for them is that the better funded the plans are, the more money they have left over after paying short-term obligations to invest in longer term, higher risk investments, which will generate greater returns and help grow the funds further.

### **Adjournment**

There being no further business, the meeting was adjourned.