

KENTUCKY TEACHERS' RETIREMENT SYSTEM
SPECIAL MEETING OF THE GOVERNANCE AND AUDIT COMMITTEE
NOVEMBER 2, 2015

Minutes of Meeting:

After giving proper notice of a special meeting, and a quorum being present, Chair Quin Sutton called the KTRS Governance and Audit Committee to order at 12:33 p.m., Monday, November 2, 2015, in the Board Room of the Teachers' Retirement System, 479 Versailles Road, Frankfort, Kentucky.

Members present:

Quin Sutton, Chair
Ron Sanders, Vice Chair

Others present:

Gary L. Harbin, Kentucky Teachers' Retirement System
Robert Barnes, Kentucky Teachers' Retirement System
Eric Wampler, Kentucky Teachers' Retirement System
Nate Van Sickle, Kentucky Teachers' Retirement System
Felicia Penn, Kentucky Teachers' Retirement System
Kim Nicholl, The Segal Group, Inc.
Matthew Strom, The Segal Group, Inc.

1. Report of the Actuarial Audit by The Segal Group: Ms. Nicholl and Mr. Strom presented the report of the full replication audit. Segal examined the actuarial valuations of the pension and health insurance funds for Fiscal Year ended June 30, 2014, including evaluating the data used in the valuations, replicating the valuations, and evaluating assumptions, methods and conclusions. In addition, Segal reviewed GASB 67 and 68 reports and performed a peer review of the 2005-2010 experience study.

Segal reported to the Committee that this was a clean audit. Segal told the Committee that "KTRS should feel confident that the results of the valuations are reasonable." Segal also noted that the valuations reflect the methods, assumptions and benefit structure of KTRS.

Committee Action: Upon motion duly made by Mr. Sanders, and seconded by Mr. Sutton, the Governance and Audit Committee voted unanimously to accept the report of the audit.

Adjournment: There being no further business to come before the Committee, and upon motion duly made by Mr. Sanders, and seconded by Mr. Sutton, and by unanimous consent of the Committee, Chair Sutton declared the meeting adjourned at 1:12 p.m.

CERTIFICATIONS

We, the Chair of the Governance and Audit Committee and the executive Secretary of the Board of Trustees of the Kentucky Teachers' Retirement System, do certify that the Minutes of Meeting were approved by the Governance and Audit Committee on December 21, 2015.

Quin Sutton, Chair

Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content, and legality.

Robert B. Barnes, Deputy Executive Secretary
and General Counsel

I, Felicia Penn, do certify that I was present at the meeting and duly recorded the actions of the Governance and Audit Committee of the Board of Trustees of the Kentucky Teachers' Retirement System at its meeting on November 2, 2015.

Felicia Penn
Recording Secretary