

KENTUCKY TEACHERS' RETIREMENT SYSTEM  
SPECIAL MEETING OF THE BOARD OF TRUSTEES  
DECEMBER 9, 2015

Minutes of Meeting:

After giving proper notice of a special meeting, and a quorum being present, Chair Arthur Green called the KTRS Board of Trustees to order at 11 a.m., Wednesday, December 9, 2015, in the Board Room of the Teachers' Retirement System Office, 479 Versailles Road, Frankfort, Kentucky.

Members present were:

Arthur Green, Chair  
Joseph Morgan, Vice Chair  
Mary Adams (arrived at 11:08)  
Hollis Gritton  
Quin Sutton  
Alison Wright  
Todd Hollenbach, State Treasurer  
Charles Harman, Proxy for the Commissioner of Education (arrived at 12:32)

Others present were:

Gary L. Harbin, Kentucky Teachers' Retirement System  
Robert Barnes, Kentucky Teachers' Retirement System  
Eric Wampler, Kentucky Teachers' Retirement System  
Mark Whelan, Kentucky Teachers' Retirement System  
Jane Gilbert, Kentucky Teachers' Retirement System  
Greg Hall, Kentucky Teachers' Retirement System  
Nathan Van Sickle, Kentucky Teachers' Retirement System  
Felicia Penn, Kentucky Teachers' Retirement System  
Brad Smith, Mountjoy Chilton Medley  
Michelle Deans, Mountjoy Chilton Medley  
Eric Gary, Cavanaugh Macdonald Consulting  
Steve Starkweather, Office of Financial Management  
Mike Wynn, Courier Journal  
John Cheves, Lexington Herald  
Kevin Wheatley, Time Warner Cable/CN2

1. Report by Mountjoy Chilton Medley – Audit for the Year Ended June 30, 2015: Brad Smith and Michelle Deans, Mountjoy Chilton Medley, reported to the Board on the audit of KTRS's financial statements for the year ended June 30, 2015.

Chair Green asked for questions or comments. Chair Green asked the Board to take action on the auditor's report.

Board Action: Upon motion duly made by Mr. Hollenbach, and seconded by Dr. Morgan, the Board accepted the report of Mountjoy Chilton Medley on the audit of KTRS's financial statements for the year ended June 30, 2015.

2. Report by Cavanaugh Macdonald Consulting – Valuations for Year Ended June 30, 2015: Eric Gary, Cavanaugh Macdonald Consulting, presented the Report of the Actuary on the Annual Pension Valuation prepared as of June 30, 2015 and the Report of the Actuary on the Annual Valuation of the Retiree Medical and Life Insurance Plans as of June 30, 2015.

Chair Green asked for questions or comments. Chair Green asked the Board to take action on the actuary's reports.

Board Action: Upon motion duly made by Mr. Gritton, and seconded by Mr. Hollenbach, the Board voted unanimously to approve the Reports of the Actuary on the Annual Valuations.

3. Report on Funding Policy: Mr. Harbin reported to the Board concerning proposed amendment to the Policy on Annual Retirement Appropriations Payable by the State.

Chair Green asked for questions or comments. Chair Green asked the Board to take action on the proposed amendment.

Board Action: Upon motion duly made by Dr. Morgan, and seconded by Ms. Adams, the Board voted unanimously to approve the proposed amendment to the Policy on Annual Retirement Appropriations Payable by the State as presented.

4. Report of the Governance and Audit Committee: Mr. Wampler reported that the Governance and Audit Committee met in special session on November 2, 2015. The Committee reviewed and accepted the report of the full scope audit by the Segal Company.

Chair Green asked for questions or comments. Chair Green asked the Board to take action on the report of the Governance and Audit Committee.

Board Action: Upon motion duly made by Mr. Hollenbach, and seconded by Mr. Sutton, the Board voted unanimously to accept and ratify the Report of the Governance and Audit Committee held on November 2, 2015.

Adjournment: There being no further business to come before the Board of Trustees, and by unanimous consent of the Board, Chair Green declared the meeting adjourned at 12:47 p.m.

#### CERTIFICATIONS

We, the Chair 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 Board on December 21, 2015.

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Arthur Green, Chair

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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.

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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 Board of Trustees of the Kentucky Teachers' Retirement System at its meeting on December 9, 2015.

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Felicia Penn, Recording Secretary