

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY  
REGULAR QUARTERLY MEETING OF THE BOARD OF TRUSTEES  
SEPTEMBER 16, 2019

Minutes of Meeting:

After giving proper notice of a regular quarterly meeting, and a quorum being present, Chair Alison Wright called the TRS Board of Trustees to order at 12:30 p.m., Monday, September 16, 2019, in the boardroom of the Teachers' Retirement System of the State of Kentucky, 479 Versailles Road, Frankfort, Kentucky.

Members present:

Alison Wright, Chair  
Hollis Gritton, Vice Chair  
William Alverson  
John Boardman  
Frank Collecchia  
Brenda McGown  
Lynn Patterson  
Laura Schneider  
Joshua Underwood  
Allison Ball, State Treasurer  
Charles Harman, proxy for Commissioner of Education

Others present:

Gary L. Harbin, Teachers' Retirement System  
Robert Barnes, Teachers' Retirement System  
Eric Wampler, Teachers' Retirement System  
Tom Siderewicz, Teachers' Retirement System  
Karen Ashby, Teachers' Retirement System  
Mark Whelan, Teachers' Retirement System  
Nate Van Sickle, Teachers' Retirement System  
Jane Gilbert, Teachers' Retirement System  
Greg Hall, Teachers' Retirement System  
Felicia Penn, Teachers' Retirement System  
Noah Friend, Office of the State Treasurer  
Teresa Sanders, Office of the State Budget Director

1. Reports for Consent: Chair Wright reviewed the draft minutes of the June 17, 2019, quarterly meeting of the Board of Trustees. Chair Wright asked the board to act on the minutes.

Board Action: The board considered the minutes of the quarterly meeting of the board held on June 17, 2019. Upon motion duly made by Treasurer Ball and seconded by Mr. Underwood, the board unanimously approved the minutes as written.

Chair Wright reviewed the draft minutes of the June 17, 2019, special meeting of the Legislative Committee. Chair Wright asked the committee to act on the minutes.

Committee Action: The committee considered the minutes of the special meeting of the Legislative Committee held on June 17, 2019. Upon motion duly made by Ms. Schneider and seconded by Ms. McGown, the committee unanimously approved the minutes as written.

Chair Wright reviewed the draft minutes of the June 17, 2019, special meeting of the Insurance Committee. Chair Wright asked the committee to act on the minutes.

Committee Action: The committee considered the minutes of the special meeting of the Insurance Committee held on June 17, 2019. Upon motion duly made by Mr. Harman and seconded by Mr. Boardman, the committee unanimously approved the minutes as written.

Applications for Retirement and Annuity, Survivor Benefits, Life Insurance Benefits and Refunds: Mr. Wampler reported to the board regarding benefit payments. Chair Wright asked the board to act on the report of benefit payments.

Board Action: Upon motion duly made by Dr. Patterson and seconded by Mr. Gritton, the board approved the applications for retirement and annuity, survivor benefits, life insurance benefits and refunds as reported.

Interim Financial Statements: The board considered the report on the Interim Financial Statements for the quarter ended June 30, 2019. The report was informational, and the board took no action on the Interim Financial Statements.

2. Report of the Investment Committee: Mr. Siderewicz reported to the board concerning the activities of the Investment Committee and investment performance for the quarter ended June 30, 2019, and the quarterly meeting of the Investment Committee held on August 22, 2019.

Chair Wright asked for questions or comments. Chair Wright asked the board to act on the report by Mr. Siderewicz.

Board Action: Upon motion duly made by Mr. Harman and seconded by Mr. Underwood, the board voted unanimously to accept and ratify the report of the Investment Committee.

3. Report of the Legislative Committee: Mr. Barnes reported that the Legislative Committee met in special session on September 16, 2019, prior to the quarterly meeting of the board. The Legislative Committee took the following action:

- Approval of staff-recommended changes to six administrative regulations.

Board Action: Upon motion duly made by Ms. McGown and seconded by Ms. Schneider, the board voted unanimously to accept and ratify the report of the Legislative Committee.

4. Report of the Insurance Committee: Ms. Gilbert reported that the Insurance Committee met in special session on September 16, 2019, prior to the quarterly meeting of the board. The Insurance Committee took the following actions:

- TRS MEHP 2020: a rate up to \$224 per month for the 2020 TRS MEHP (combined United Healthcare Medicare Advantage and Express Scripts Medicare Part D) for those retirees fulfilling the necessary service requirements; and
- KEHP 2020: a medical insurance benefit supplement up to \$660.04 per month for those retirees fulfilling the necessary service requirements and an administrative fee of \$7.44 per person per month. (The state budget may increase the administrative fee beginning in July 2020. Staff will report to the committee any increase in the administrative fee for plan year 2020.)

Chair Wright asked for questions or comments. Chair Wright asked the board to act on the report of the Insurance Committee.

Board Action: Upon motion duly made by Ms. Schneider and seconded by Dr. Patterson, the board voted unanimously to accept and ratify the report of the Insurance Committee.

5. Report of the Governance and Audit Committee: Mr. Wampler reported to the board that the committee met in special session on September 16, 2019, prior to the quarterly board meeting.

Auditor of Public Accounts special audit: The committee received a report on the Examination of Certain Policies, Procedures, Controls, and Transparency Compliance Activities of Retirement Systems in Kentucky prepared by the Kentucky State Auditor of Public Accounts. The report was informational, and the committee took no action.

GASB 75 report: The committee received a report on GASB No. 75. The report was informational, and the committee took no action.

TRS board funding policy: The committee received a report on staff's proposed changes to Board Governance Manual Appendix 17, Policy on Annual Funding for Retirement Annuity Trust, Health Insurance Trust and Life Insurance Trust. The committee voted unanimously to approve proposed changes to the funding policy and recommend ratification to the board.

Chair Wright asked for questions or comments. Chair Wright asked the board to act on the report of the Governance and Audit Committee.

Board Action: Upon motion duly made by Mr. Collecchia and seconded by Mr. Alverson, the board voted to accept and ratify the report of the Governance and Audit Committee. Treasurer Ball said she was voting no at this time.

6. Executive Secretary's Observations and Comments: Mr. Harbin reported to the board on the Trustee Education Program; the November 2019 Trustee Workshop; GASB Statement Nos. 67, 68, 74 and 75; \$70 million received for funding the state's portion of Shared Responsibility; executive secretary's meetings; and the next meeting of the board. The executive secretary's report was informational, and the board took no action.

Adjournment: There being no further business to come before the board, upon motion duly made by Mr. Underwood, seconded by Ms. Schneider and by unanimous consent of the board, Chair Wright declared the meeting adjourned at 1:59 p.m.

#### CERTIFICATIONS

We, the chair and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the Minutes of Meeting were approved by the board on December 16, 2019.

---

Alison Wright, 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 Board of Trustees of the Teachers' Retirement System of the State of Kentucky at its meeting on September 16, 2019.

---

Felicia Penn  
Recording Secretary