

KENTUCKY TEACHERS' RETIREMENT SYSTEM  
SPECIAL MEETING OF THE BOARD OF TRUSTEES  
NOVEMBER 24, 2014

Minutes of Meeting:

After giving proper notice of a special meeting, and a quorum being present, Vice Chair Laura Zimmerman called the KTRS Board of Trustees to order at 9:00 a.m., Monday, November 24, 2014 at the Capital Plaza Hotel, 405 Wilkinson Boulevard, Frankfort, Kentucky.

Members present were:

Tom Shelton, Chair (arrived at 11:15 a.m.)  
Laura Zimmerman, Vice Chair  
Arthur Green  
Hollis Gritton  
Joseph Morgan (via Go To Meeting)  
Ron Sanders  
Ruth Ann Sweazy  
Charles Harman, Proxy for the Commissioner of Education

Others present were:

Gary L. Harbin, Kentucky Teachers' Retirement System  
Eric Wampler, Kentucky Teachers' Retirement System  
Robert Barnes, Kentucky Teachers' Retirement System  
Paul Yancey, Kentucky Teachers' Retirement System  
Kevin Carrico, Kentucky Teachers' Retirement System  
Phil Webb, Kentucky Teachers' Retirement System  
Mark Whelan, Kentucky Teachers' Retirement System  
Jane Gilbert, Kentucky Teachers' Retirement System  
Nathan Van Sickel, Kentucky Teachers' Retirement System  
Kathy Brewer, Kentucky Teachers' Retirement System  
Felicia Penn, Kentucky Teachers' Retirement System  
Tim Mulloy, Peritus Public Relations  
Ed Koebel, Cavanaugh Macdonald  
Bos Todd, Todd Asset Management  
Curt Scott, Todd Asset Management  
Lisa Petrey-Kirk, KEA  
Mary Ruble, KEA  
Brent McKim, Jefferson County Teachers Association

1. Introduction, Overview of Trustee Educational Issues

Mr. Harbin gave an overview of the educational workshop and presented the framework of a plan to fund teachers' pensions. Mr. Harbin's report was informational and the Board took no action.

2. Funding Update

Mr. Barnes reported to the Trustees on funding information that was presented to the Interim Joint Committee on State Government at their meeting held on November 19, 2014. Mr. Barnes' report was informational and the Board took no action.

### 3. Actuarial Concepts for Future Retirement Benefits

Mr. Koebel presented information on the KTRS benefit structure. Mr. Koebel's report was informational and the Board took no action.

#### 3.1. Pension Benefit/Disability Benefit/Medical Benefit/ Sick Leave/Vacation/Comp

Mr. Harbin presented an overview of retirement benefits. Included in his report were statistics from the Social Security Administration, Kentucky Retirement Systems, County Employees Retirement System, the Texas, Ohio, and California teachers retirement systems, and Kentucky Teachers' Retirement System. Mr. Harbin's report was informational and the Board took no action.

### 4. Review of Fiduciary Standards

Mr. Barnes provided a report on fiduciary responsibilities and an ethics overview for the Board of Trustees. Mr. Barnes' report was informational and the Board took no action.

### 5. Medical Insurance Update and MEHP Self-Funding for Prescription Drugs with an MEHP rate change for 2015

Jane Gilbert presented a report on the KTRS medical insurance program for 2015. Included in her report was a recommendation to self-fund the prescription drug portion of the MEHP for 2015.

Board Action: Upon motion duly made by Ms. Sweazy, and seconded by Mr. Sanders, the Board voted unanimously to self-fund the Medicare Part D prescription drug portion of the MEHP and approve the rate up to \$240 per month for the 2015 MEHP PPPM for those retirees fulfilling the necessary service requirements.

### 6. Economic Outlook

Bos Todd and Curt Scott presented information regarding the current status of the economy and the projected economic outlook. The reports by Messrs. Todd and Scott were informational and the Board took no action.

## Adjournment

There being no further business to come before the Board of Trustees, and by unanimous consent of the Board, Chair Shelton declared the meeting adjourned at 3:35 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 15, 2014.

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Tom Shelton, 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 November 24, 2014.

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Felicia Penn, Recording Secretary