



Cavanaugh Macdonald

CONSULTING, LLC

The experience and dedication you deserve

February 24, 2015

Mr. Robert B. Barnes
Deputy Executive Secretary of Operation
Kentucky Teachers' Retirement System
479 Versailles Road
Frankfort, KY 40601-3800

Actuarial Impact – House Bill 500 GA – 15 RS BR 1362
AA Statement 1 of 1

Dear Beau:

As requested, we have prepared an actuarial analysis of the impact of House Bill 500 – 15 RS BR 1362 on the Kentucky Teachers' Retirement System. Most of the provisions of the legislation appear to be only in the nature of technical corrections and would have a negligible impact on the Retirement System. However, changes to provisions in KRS 161.612 and 161.661 relating to disability retirement would require minor changes to eligibility and benefits and would produce a slight savings to the System over time.

If you have any questions, please do not hesitate to contact us.

Sincerely,

Edward J. Koebel, EA, FCA, MAAA
Principal and Consulting Actuary

Cathy Turcot
Principal and Managing Director

EJK:kc

S:\Kentucky Teachers\Correspondence\2015 Correspondence\Actuarial Impact - House Bill 500 - 15 RS BR 1362.docx