

MINUTES OF MEETING #415
BOARD OF TRUSTEES KENTUCKY RETIREMENT SYSTEMS
MEETING FEBRUARY 15, 2018 AT 10:00A.M.
1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601

At the Meeting of the Board of Trustees held on February 15, 2018 the following members were present: John Farris (Chair), John Chilton, William Cook, Kelly Downard, JT Fulkerson, David Gallagher, David Harris, Vince Lang, Matthew Monteiro, Keith Percy, Betty Pendergrass, Mary Helen Peter, Jerry Powell, Neil Ramsey, David Rich, and LaDonna Koebel as proxy for Secretary Stephens. Staff members present were David Eager, Karen Roggenkamp, Mark Blackwell, Erin Surratt, Rich Robben, Connie Davis, Kristen Coffey, Connie Pettyjohn, Shawn Sparks, Katherine Rupinen, Joseph Bowman, Shaun Case, Ann Case, and Alane Foley. Also present were Larry Totten, Chris Biddle, Michele Hill, Rebecca Heckler, Steve Starkweather, Bo Cracraft, and Carey Bishop. Larry Loew and Carla Whaley from Humana were also present.

Ms. Alane Foley called roll.

Mr. Farris acknowledged Mr. Vince Lang as this will be his final meeting. He thanked him for his service over the years.

Mr. Farris introduced agenda item *Approval of Minutes – December 7, 2017*. Mr. Lang moved and was seconded by Ms. Peter to approve the minutes. The motion passed unanimously.

Mr. Farris introduced the agenda item *Audit Committee Report*. Ms. Kristen Coffey was introduced by Mr. Eager; she is the new Division Director of Internal Audit.

Ms. Coffey provided an update to the Board regarding the KERS election, SPRS election and the APA Audit. This was for informational purposes only.

Ms. Roggenkamp provided details to the Board regarding *Approval of Hazardous Duty Positions*. These were approved at the February 1, 2018 Audit Committee Meeting. Mr. Lang moved and was seconded by Mr. Powell to ratify this approval. The motion passed unanimously.

Ms. Roggenkamp gave an overview of the *Quarterly Financial Statements as of December 31, 2018, Net Position Cash Flows and Administrative Expenses*. These were all presented for informational purposes only.

Mr. Farris introduced agenda item *Applications to Voluntarily Cease Participation in KERS*. Ms. Erin Surratt gave details on the two agencies requesting to cease participation; Kentucky Bar Association and Child Watch Counseling and Advocacy Center. Ms. Peter moved and was seconded by Ms. Pendergrass to accept the application to voluntarily cease participation in KERS. The motion passed unanimously.

Mr. Farris introduced agenda item *Investment Committee and Investment Portfolio Quarterly Report*. Mr. Harris and Mr. Robben provided an investment update to the Board. This was for informational purposes only.

Mr. Farris introduced agenda item *Retiree Health Care Committee Report*. Mr. Lang and Ms. Connie Pettyjohn advised that the Retiree Health Care Committee voted to cover the cost of Telehealth for the Medical Only and Medicare Advantage Mirror self-insured plans effective April 1, 2018. An additional administrative fee of \$0.20 per member per month (PMPM) would be incurred for those individuals enrolled in the Medical Only and Medicare Advantage Mirror Plans. This would increase the PMPM for the administrative fee from \$31.50 to \$31.70 (or an increase of approximately \$9,677.00 annually). The claims payment for each Telehealth service utilized is \$49.00 compared to an estimated \$42.00 per office visit and \$293.00 for an emergency room visit. Mr. Lang moved and was seconded by Mr. Powell to ratify the vote made by the Retiree Health Care Committee. The motion passed unanimously.

Mr. Farris introduced agenda item *Legislative Update*. Mr. Eager and Mr. Sparks provided an update to the Board. This was for informational purposes only.

Mr. Farris introduced agenda item *KRS Administrative Update*. Ms. Cassandra Weiss provided a summary on the model procurement code. Ms. Erin Surratt provided a retiree benefit update and Mr. Shawn Sparks provided an update on website development. These were all provided for informational purposes only.

Mr. Eager discussed Kentucky Retirement Systems: Our Six Mandates and reviewed a DRAFT agenda for an educational meeting day at the KRS offices on May 16, 2018.

Mr. Powell made a motion and was seconded by Mr. Chilton to go into closed session; the motion carried. Mr. Farris read the following statement and the meeting moved into closed session: A motion having been made in open session to move into closed session for a specific purpose, and such motion having carried by majority vote in open, public session, the Board shall now enter closed session to consider litigation, pursuant to KRS 61.810(1)(c), because of the necessity of protecting the confidentiality of the Systems' litigation strategy and preserving any available attorney-client privilege. All public attendees exited the meeting.

Mr. Farris called the meeting back into open session. There were no actions taken during closed session.

There being no further business, Mr. Fulkerson moved and was seconded by Mr. Downard to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 11:47 a.m. to meet again on April 19, 2018 or upon the call of the Interim Executive Director or the Chair of the Board of Trustees.

Copies of all documents presented are incorporated as part of the Minutes of the Board of Trustees as of February 15, 2018.

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CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Directors on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in conjunction with this meeting.

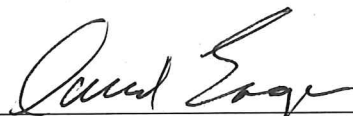


Recording Secretary

We, the Chair of the Board of Directors of the Kentucky Retirement Systems and Executive Director of the Kentucky Retirement Systems, do certify that the Minutes of Meeting Number 415, held on February 15, 2018, were approved on April 19, 2018.

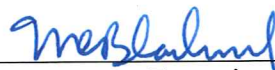


Chair of the Board of Directors



Interim Executive Director

I have reviewed the Minutes of the February 15, 2018 Board of Trustees Meeting for content, form, and legality.



Executive Director
Office of Legal Services