

**MINUTES OF MEETING #390  
BOARD OF TRUSTEES  
KENTUCKY RETIREMENT SYSTEMS  
MAY 15, 2014, 9:15 A.M., E.T.  
1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601**

At the Quarterly Meeting of the Board of Trustees held on May 15, 2014, the following members were present: Tommy Elliott, Chair; Mike Cherry, Ed Davis, JT Fulkerson, Joseph Hardesty, Vince Lang, Timothy Longmeyer, Randy Overstreet, Mary Helen Peter, David Rich, Randy Stevens, and William Summers. In addition, staff members present were William Thielen, Karen Roggenkamp, Charlene Haydon, David Peden, Brian Thomas, Ann Case, Todd Coleman, Erica Bradley, Connie Davis, Samantha Payne, Marlane Robinson, Becky Stephens, Connie Pettyjohn, Shawn Sparks, and Leigh Taylor. Also present were Tony Johnson, RVK; Todd Green, Cavanaugh McDonald, Brad Gross, Rebecca Heckler, Jim Carroll, Eva Smith Carroll, Terrence Sullivan, Jonathan Meador, Alix Mattingly, Larry Totten, Lowell Reese, Jana Smith, Greg Woosley, and Kevin Wheatley.

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Mr. Elliott introduced the agenda item *Approval of Minutes*. Following discussion, Mr. Lang moved and was seconded by Sec. Longmeyer to approve the minutes of the April 17, 2014 meeting. The motion passed unanimously.

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Mr. Elliott introduced the agenda item *Introduction and Swearing in of New Trustee*. Ms. Taylor, as Notary, administered the Oath of Office to Mr. William Summers.

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Mr. Elliott introduced the agenda item *Affirmative Action Plan*. Ms. Robinson presented the report to the Board. The report was provided for informational purposes only.

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Mr. Elliott introduced the agenda item *Human Resources Committee Report*. Ms. Robinson presented the actions of the Human Resources Committee May 15, 2014 meeting. Mr. Fulkerson moved and was seconded by Mr. Lang to approve the Human Resources Committee Report. The motion passed unanimously.

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Mr. Elliott introduced the agenda item *Investment Committee Report & Investment Portfolio*. Mr. Peden reviewed the Investment Committee meeting of May 6, 2014 for the Trustees. Mr. Hardesty moved and was seconded by Mr. Summers to ratify the actions of the Investment Committee. The motion carried unanimously. Mr. Peden addressed the differences between KRS and KTRS investment strategies, as well as accusations by Unite Here! against ORG.

*Ms. Smith and Ms. Bradley exited the meeting following this discussion.*

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Mr. Elliott introduced the agenda item *KRS Board Committee Appointments* and thanked the Trustees for serving on the Committees. Mr. Thielen noted that the Board had voted to create another DAC/AAC group and the two committees would meet on alternating months.

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Mr. Elliott introduced the agenda item *Informational Reports*. Mr. Thielen noted the reports for review. These reports were presented for informational purposes only.

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Mr. Elliott introduced the agenda item *Participation of Additional Agencies and Hazardous Positions*. Following discussion, Mr. Lang moved and was seconded by Mr. Davis to approve the positions for hazardous duty coverage and approve the participation of the Todd County Conservation District in CERS. The motion passed unanimously.

The hazardous positions approved are as follows:

Positions for employees who have participation date prior to September 1, 2008:

- Firefighter/Paramedic, City of Fort Mitchell, July 1, 2014
- Deputy Jailer- Class D Coordinator, Hardin County Fiscal Court, July 1, 2014
- Firefighter, Highview Fire District, June 1, 2014
- Patrol Deputy Sheriff, Taylor County Fiscal Court, September 1, 2000

Positions for employees who have participation date after September 1, 2008:

- Fire/EMS Captain, Anchorage Fire and Ambulance Districts, November 1, 2013
- Paramedic/Firefighter, Anchorage Fire and Ambulance Districts, November 1, 2013
- Firefighter/Paramedic, City of Fort Mitchell, July 1, 2014
- Police Officer, City of Stanton, September 1, 2013
- Deputy Jailer – Class D Coordinator, Hardin County Fiscal Court, July 1, 2014
- Firefighter, Highview Fire District, June 1 2014

Mr. Elliott introduced the agenda item *Retiree Health Plan Committee Report*. Mr. Hardesty updated the Trustees on the actions of the May 13, 2014 Committee meeting. Ms. Peter moved and was seconded by Mr. Summers to approve a recommendation that Staff prepare an RFP to provide Medicare Advantage health insurance and related services to the KRS Medicare eligible members for January 1, 2016 through December 31, 2018 with three one-year renewal options. The motion passed unanimously.

*Ms. Robinson exited the meeting during the above presentation.*

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Mr. Elliott introduced the agenda item *Audit Committee Report*. Mr. Cherry recapped the audits discussed during the May 1, 2014 Committee meeting. He noted that the Audit Committee lacked a quorum at its May 1 meeting; therefore, did not take any official action. He also stated that action regarding proposed amendments to the KRS Travel Policy was deferred until the next meeting of the Audit Committee. Finally, Mr. Cherry moved and was seconded by Ms. Peter to authorize expenditures related to the information technology audit. The motion passed unanimously.

*Ms. Pettyjohn and Mr. Sparks exited the meeting during the above presentation.*

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Mr. Elliott introduced the agenda item *2008-2013 Actuarial Experience Study*. Todd Green with Cavanaugh McDonald presented the results of and recommendations arising from the actuarial experience study and answered questions from the Trustees. The Board took no action on the recommendations of the experience study.

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Mr. Elliott called for a short recess and the room emptied. *During the break, Mr. Green and Ms. Stephens exited the meeting.*

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Mr. Elliott called the meeting back to order and introduced the agenda item *Financial Statements as of March 31, 2014*. Mr. Coleman provided the unaudited quarterly financial statements to the Trustees. This report was presented for informational purposes only. Ms. Roggenkamp presented the agenda item *Budget to Actual Expense Quarterly Report*. This report was presented for informational purposes only.

*Mr. Meador, Ms. Mattingly, and Mr. Wheatley exited the meeting following these presentations.*

Fire Apparatus Operator, Mount Washington Fire Protection District, March 1, 2014  
Fire Training Officer, Mount Washington Fire Protection District, March 1, 2014  
Fire Captain, Mount Washington Fire Protection District, March 1, 2014  
Fire Chief, Mount Washington Fire Protection District, March 1, 2014  
Deputy Sheriff, Taylor County Fiscal Court, June 1, 2014

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Mr. Elliott introduced the agenda item *Perimeter Park West Inc., Annual Shareholder Meeting*. In order to conduct this meeting, Mr. Elliott called for a recess of the KRS Board of Trustees Meeting and the meeting was suspended. Mr. Elliot then called to order the KRS Perimeter Park West, Inc, Annual Shareholder Meeting; all members of the shareholder, except Dr. Bauer, were present. Mr. Cherry moved and was seconded by Mr. Davis to elect Dr. Bauer, Mr. Lang, and Mr. Hardesty by acclamation to serve on the KRS Perimeter Park West, Inc. Board from May 15, 2014 for a one year term or until their successors are elected. The motion passed unanimously. Mr. Elliott then adjourned the KRS Perimeter Park West, Inc. Annual Shareholder Meeting and reconvened the KRS Board of Trustees Meeting.

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*Katherine Rupinen entered the meeting.*

Mr. Elliott introduced the agenda item *Board Retreat Discussion and Decision*. Mr. Thielen announced that since all Trustees were available to attend a retreat on October 23-24, 2014, the retreat would be held on those dates. Mr. Lang moved and was seconded by Mr. Davis to hold the retreat at the Embassy Suites in Covington, Kentucky. The motion passed unanimously.

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Mr. Elliott introduced the agenda item *Other Business*. Mr. Thielen provided the Trustees with an update on GASB 67/68 and Trustee Training Information. These reports were for informational purposes only.

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Mr. Elliott introduced the agenda item *Contracts*. Mr. Thielen provided background on the recent printing RFP and the remaining extensions available on the Gateway Publishing Contract. Ms. Peter moved and was seconded by Mr. Hardesty to approve a one-year extension for Gateway Publishing from July 1, 2014 through June 30, 2015. The motion passed unanimously.

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Mr. Elliott introduced the agenda item *Pending Litigation*. Per Mr. Thomas, as there were no developments since the Annual Meeting of the Board, there was no need to enter closed session. The report was provided for informational purposes only.

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There being no further business, the meeting was adjourned at 12:07 p.m. to meet on September 11, 2014 at 9:00 a.m. or upon the call of the Board Chair or the Executive Director. Copies of all documents presented are incorporated as part of the minutes of the Board of Trustees as of May 15, 2014.

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## CERTIFICATION

I do certify that I was present at this meeting, and I have recorded above the action of the Committee 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 connection with this meeting.

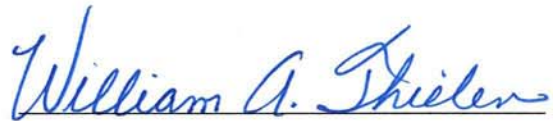


Recording Secretary

We, the Chair of the Board of Trustees of the Kentucky Retirement Systems and Executive Director of KRS, do certify that the Minutes of Meeting No. 390 held on May 15, 2014, were approved on September 11, 2014.



Chair



Executive Director

I, Brian C. Thomas, have reviewed the Minutes of the May 15, 2014 Board of Trustees Meeting for form, content, and legality.



General Counsel