

MINUTES OF MEETING #389
BOARD OF TRUSTEES
KENTUCKY RETIREMENT SYSTEMS
APRIL 17, 2014, 9:00 A.M., E.T.
1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601

At the Annual Meeting of the Board of Trustees held April 17, 2014, the following members were present: Randy Overstreet, Dan Bauer, Mike Cherry, Ed Davis, Tommy Elliott, JT Fulkerson, Joseph Hardesty, Vince Lang, Timothy Longmeyer, Mary Helen Peter, David Rich and Randy Stevens. In addition, staff members present were William Thielen, Karen Roggenkamp, Rebecca Stephens as proxy for Charlene Haydon, David Peden, Brian Thomas, Todd Coleman, Chris Miller, Scarlett Consalvi, Erica Bradley, Connie Davis, Samantha Payne, Marlane Robinson, Shawn Sparks, and Leigh Taylor. Also present were Brad Gross, Larry Totten, Jim Carroll, Eva Smith-Carroll, Bev Zehnder, Floyd Parrish, Charles Klunder, Melvin Schafer, Helen Cottingim, Shirley Clark, Sarah Hurst, and Jim McNair.

Mr. Overstreet introduced the agenda item *Approval of Minutes*. Following discussion, Mr. Elliott moved and was seconded by Mr. Rich to approve the minutes of the February 20, 2014 meeting. The motion passed unanimously.

Mr. Overstreet introduced the agenda item *Introduction and Oath of Office*. Ms. Taylor, as Notary, administered the Oath of Office to Ms. Mary Helen Peter, Mr. Vince Lang, and Mr. Randy Stevens.

Mr. Overstreet introduced the agenda item *Election of KRS Board of Trustees Officers – Chair and Vice Chair*. After making several remarks about the position of Board chair, including the fact that he was not a candidate for the position, Mr. Overstreet opened the floor to nominations. Mr. Cherry thanked Mr. Overstreet for his service as Chair and nominated Mr. Elliott. As there were no other nominations, Mr. Elliott was elected Chair of the KRS Board of Trustees by acclamation.

Mr. Thielen opened the floor for nominations for Vice Chair. Secretary Longmeyer nominated Dr. Bauer; Mr. Rich nominated Mr. Davis. Dr. Bauer was elected by majority vote to the position of Vice Chair of the KRS Board of Trustees.

Mr. Elliott introduced the agenda item *CERS Elected Position Vacancy*. Mr. Thielen stated that applications from three candidates had been provided to board members prior to the meeting and that an additional application from Ms. Helen Cottingim was being provided in hard copy form at the meeting. He indicated that Ms. Cottingim's interest was not known until some time after the board's February 20, 2014 meeting and that it was up to the board to decide whether to consider her application. The Board decided by consensus that Ms. Cottingim's application would be considered. Ms. Davis passed out ballots to the Trustees for voting. Secretary Longmeyer moved and was seconded by Mr. Overstreet to suspend the Board Election Policy and Procedures and elect an applicant via written ballot. The motion passed by majority vote. Ms. Davis tallied the written ballots and Mr. Summers was elected by majority vote of the remaining trustees.

Mr. Elliott introduced the agenda item *Employee Service Recognition Awards*. Ms. Robinson noted the KRS employees recognized at the annual meeting for their service.

The following employees received five year service awards:

Regina Ramirez, Chad Bryan, Shaun Case, Kevin Lee, Martin Miller III, Vincent Tan, Connie Davis, David Peden, Soumya Kademakki, Marilee Ganesan, Hongling Liu, Leah Locknane.

The following employees received ten year service awards:

Kristin Rasiar, Christy Boone, Bennie Good, Dominique McKinley, Leigh Ann Jordan, Debra Bowman, Jean Licklitter, Jeffrey Pritchett, Melissa Gaines, D'Juan Surratt, June Ann Kirkpatrick, Melissa Bramblett, Phyllis Spellers.

The following employees received fifteen year service awards:

Ann Case, Michael Curtsinger, Rachael Young, Liza Welch, Lori Wells, Pamela Hirschler, Nathan Rome, Rebecca Adkins, Chanceny Perkins, Jennifer Yates, Jody Carson, Kelly Newton, Wes Crosthwaite, Wesley Smith, Kevin Gaines.

This report was provided for informational purposes only.

Mr. Elliott introduced the agenda item *Board Room Audio/Visual Presentation*. Mr. Thielen introduced Chris Miller, who provided a demonstration of the new Audio/Visual system equipment in the Boardroom. This report was provided for informational purposes only.

Following the presentation, Mr. Elliott called for a short break and the room emptied.

Mr. Elliott called the meeting back into session and introduced the agenda item *KRS Progress Reports for Calendar Year 2013*. Mr. Thielen, Ms. Roggenkamp, Ms. Stephens, Mr. Peden, and Mr. Thomas reviewed prior year performance and future plans for KRS. This report was provided for informational purposes only.

Mr. Elliott introduced the agenda item *Trustee Education Report*. Ms. Valentine reviewed the requirements for Trustees and distributed certificates of completion. This report was presented for informational purposes only.

Mr. Elliott introduced the agenda item *Investment Report*. Mr. Peden presented an overview of the monthly and quarterly Investment Reports available to the Trustees and public at Committee meetings and on the KRS website. This presentation was provided for informational purposes only.

Mr. Elliott introduced the agenda item *SPRS 2015 Election Update/Election Application Form*. Ms. Davis reviewed the upcoming SPRS 2015 election information. Mr. Thielen reviewed the proposed election ballot for candidates. Ms. Peter suggested a language change to reflect that the information would be printed, as submitted, with the election ballot and that the sample language illustrated how the information would be displayed. Mr. Cherry suggested a numerical limit on the number of words should be imposed. Mr. Lang moved and was seconded by Mr. Cherry to accept the proposed election application form with the proposed changes. The motion passed unanimously.

Mr. Elliott introduced the agenda item *Legislative Update*. Mr. Thielen provided an update on the activities during the recent General Assembly session. This report was presented for informational purposes only.

Mr. Elliott introduced the agenda item *Conflict of Interest Statements*. Mr. Thielen reviewed the Internal Conflict of Interest Policy for the Trustees. This presentation was provided for informational purposes only.

Mr. Elliott introduced the agenda item *Committee Appointments* and noted he would make the appointments at a future time after contacting the trustees and discussing their interests.

Mr. Elliott introduced the agenda item *Other Business*. Mr. Thielen reviewed the Employer Group Waiver Plan (EGWP) contract with the Centers for Medicare and Medicaid Services (CMS). After discussion, Mr. Hardesty moved and was seconded by Mr. Cherry to end the EGWP contract with CMS. The motion passed unanimously.

Mr. Thielen updated the Trustees on the status of the spring newsletter, the KRS website contents, and the Trustee Training Retreat. This presentation was provided for informational purposes only.

Katherine Rupinen and Bob Kellerman entered the meeting during the above discussion.

Mr. Elliott introduced the agenda item *Pending Litigation*. Mr. Davis moved and was seconded by Mr. Cherry to enter closed session. The motion passed unanimously. Mr. Elliott read the following statement and the meeting moved into closed session: A motion having been made in open session to move into a closed session for a specific purpose, and such motion having carried by majority vote in open, public session, the Board entered 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 attendees except the Trustees, Mr. Thielen, Ms. Haydon, Ms. Roggenkamp, Mr. Peden, Mr. Thomas, Mr. Kellerman, Ms. Rupinen, and Ms. Taylor exited the meeting.

Mr. Elliott called the meeting into open session. There being no further business, the meeting was adjourned at 1:15 p.m. to meet on May 15, 2014 at 9:00 a.m. or upon the call of the Chair, Executive Director, or at the request of seven members of the Board. Copies of all documents presented are incorporated as part of the minutes of the Board of Trustees as of April 17, 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.

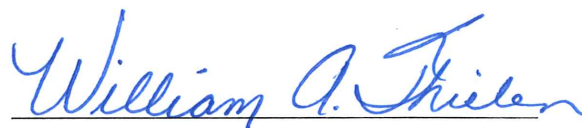


Recording Secretary

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. 389 held on April 17, 2014, were approved on May 15, 2014.

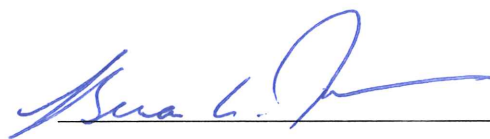


Chair



Executive Director

I, Brian C. Thomas, have reviewed the Minutes of the April 17, 2014 Board of Trustees Meeting for form, content, and legality.



General Counsel