

**MINUTES OF MEETING #383**  
**BOARD OF TRUSTEES**  
**KENTUCKY RETIREMENT SYSTEMS**  
**JULY 25-26, 2013, 8:30 A.M., E.T.**  
**LOUISVILLE MARRIOTT**  
**280 WEST JEFFERSON, LOUISVILLE, KENTUCKY 40202**

At the Special Called Meeting of the Board of Trustees held on October 4, 2012, the following members were present: Randy Overstreet, Chair; Dr. Daniel Bauer, Vice-Chair; Mike Cherry, Ed Davis, Tommy Elliott, JT Fulkerson, Joseph Hardesty, Bobby Henson, Sec. Tim Longmeyer, Betty Pendergrass, and Susan Smith. In addition, staff members present were William Thielen, TJ Carlson, Charlene Haydon, Karen Roggenkamp, Connie Pettyjohn, Jennifer Jones, and Leigh Taylor. Also present were Tom Cavanaugh and Todd Green, Cavanaugh McDonald Consulting; Stephanie Heller, David Fox, and Carla Whaley, Humana; Alex Fontana, Rebecca Heckler, and Mary Helen Peter.

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Mr. Overstreet welcomed all attendees and presented the agenda for the meeting.

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Mr. Overstreet introduced the agenda item *Swearing In of New Trustees*. Ms. Taylor administered the Oath of Office to Mr. Fulkerson and Mr. Hardesty. Mr. Fulkerson and Mr. Hardesty were welcomed by all to the Board of Trustees.

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Mr. Overstreet introduced the agenda item *KRS Medicare Eligible Health Insurance Update*. Ms. Heller presented *KRS Medicare Advantage Update* for review and discussion. This presentation was provided for informational purposes only.

*During the discussion, Frank and Rose Nett entered the meeting. Chris Schelling (KRS) also entered the meeting during the discussion.*

Mr. Overstreet called for a short recess and the room emptied.

*Ms. Pettyjohn, Ms. Heller, Mr. Fox, and Ms. Whaley exited the meeting during the break.*

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Following the break, Mr. Overstreet introduced the agenda item *Actuarial 101 / GASB 67 and 68 Revisited / KRS Experience Study*. Mr. Thielen introduced Mr. Cavanaugh and Mr. Green to the Trustees. Mr. Cavanaugh and reported on *Actuarial Valuation Basics* and *GASB 67/68*; Mr. Green reported on *Five Year Experience Study, and Draft Funding Policy* for review and discussion. These presentations were provided for informational purposes only.

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Mr. Overstreet introduced the agenda item *Placement Agent Education*. Mr. Overstreet introduced Mr. Shelling who presented *The Role of Placement Agents* for review and discussion. This presentation was provided for informational purposes only.

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Following the presentation, the meeting was suspended for lunch and the room emptied.

*During the break, Mary Beth Braitman (Ice Miller) and David Peden (KRS) joined the meeting.*

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Mr. Overstreet reconvened the meeting after lunch and introduced the agenda item *Trustee Fiduciary Responsibility and Qualified Plan Status*. Ms. Braitman presented on fiduciary responsibilities for review and discussion. The presentation was provided for informational purposes only.

*During the presentation, Libby Cantrill (PIMCO) entered the meeting.*

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Mr. Overstreet introduced the agenda item *The Investment Environment*. Mr. Carlson introduced Ms. Cantrill, who presented *From Cliff to Ceiling: What's Next from Policymakers* for review and discussion. The presentation was provided for informational purposes only.

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Mr. Overstreet called for a short recess and the room emptied.

*During the break Ms. Cantrill exited the meeting; Connie Davis (KRS) entered the meeting.*

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Mr. Overstreet called the meeting back into session. The following KRS Executive Staff members gave presentations for review and discussion: Mr. Thielen provided an overall view of KRS; Ms. Haydon presented on member services; Ms. Roggenkamp presented on operations; Ms. Jones

provided a legal update; Mr. Carlson reviewed the investment outlook; and Ms. Davis provided a review of Internal Audit. These presentations were provided for informational purpose only.

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The meeting was recessed at 4:36 p.m. until July 26, 2013 at 8:30 a.m.

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The meeting reconvened at 8:30 a.m. on July 26, 2013. The following members were present: Randy Overstreet, Chair; Dr. Daniel Bauer, Vice-Chair; Mike Cherry, Ed Davis, Tommy Elliott, JT Fulkerson, Bobby Henson, Sec. Tim Longmeyer, Betty Pendergrass, and Susan Smith. In addition, staff members present were William Thielen, TJ Carlson, Charlene Haydon, Karen Roggenkamp, Connie Pettyjohn, James Issac, Jennifer Jones, and Leigh Taylor.

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Mr. Overstreet called the meeting back into order and introduced Ms. Pettyjohn, who presented *Medicare Parts C and D: Fraud, Waste and Abuse Training* for review and discussion. The presentation was provided for informational purposes only.

*Scarlett Consalvi and Mark McChesney (both KRS) entered the meeting during the presentation.*

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Mr. Overstreet introduced James Issac, who presented *KRS Social Media Project* for discussion and review. The presentation was provided for informational purposes only.

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Mr. Overstreet called for a short recess and the room emptied.

*During the break Ms. Consalvi, Ms. Pettyjohn, Mr. McChesney, and Mr. Issac exited the meeting; John Steffen and Frank and Rose Nett entered the meeting.*

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Mr. Overstreet called the meeting back to order and introduced John Steffen, Executive Director of the Kentucky Executive Branch Ethics Commission, who presented *Executive Branch Ethics Requirements*. The presentation was provided for informational purposes only.

*Amye Bensenhaver entered the meeting during the presentation.*

Mr. Overstreet called for a short recess and the room emptied.

*Mr. Steffen exited the meeting during the break.*

Mr. Overstreet called the meeting back to order and introduced Amye Bensenhaver from the Office of the Attorney General. Ms. Bensenhaver presented *An Overview of Kentucky's Open Meetings Act*. This presentation was provided for informational purposes only.

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There being no further business, the meeting adjourned at 12:18 p.m. to meet on August 15, 2013, or upon the call of the Chair, Executive Director, or at the request of five members of the Board of Trustees.

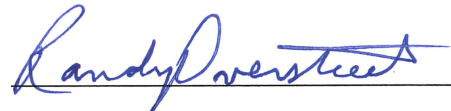
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**CERTIFICATION**

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 Special Meeting No. 383, held on July 25-26, 2013, were approved on August 15, 2013.

  
Chair

  
Executive Director

I, Jennifer A. Jones, have reviewed the Minutes of the July 25-26, 2013 special Board of Trustees Meeting for form, content and legality.

  
Interim General Counsel