

**MINUTES OF MEETING  
KENTUCKY RETIREMENT SYSTEMS  
QUARTERLY INVESTMENT COMMITTEE  
AUGUST 28, 2018, 9:00 A.M., E.T.  
1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601**

At the August 28, 2018 Quarterly Investment Committee Meeting, the following Committee members were present: Neil Ramsey (Chair), William Cook, Kelly Downard, John Farris, Sherry Kremer, Dave Harris, Keith Percy and Jerry Powell. Board of Trustee, Betty Pendergrass, was also present. Staff members present were David Eager, Karen Roggenkamp, Rich Robben, Anthony Chiu, Andy Kiehl, Joe Gilbert, Ann Case, Natalie Young, Shaun Case, Jared Crawford, Kristen Coffey, Dale DeVore, David Ziegler, Joe Bowman, Erin Surratt, Connie Davis, Cassandra Weiss and Alane Foley.

Mr. Ramsey called the meeting to order and Ms. Alane Foley called roll.

Mr. Ramsey introduced the agenda item *Approval of Minutes- June 27, 2018*. Mr. Harris moved and was seconded by Mr. Powell to approve the minutes as presented. The motion passed unanimously.

Mr. Ramsey introduced agenda item *Investment Staff Activities Update*. Mr. Rich Robben provided an update to the Investment Committee on performance and investment activity. This was provided for informational purposes only.

Mr. Ramsey introduced agenda item *ETF Market Presentation*. Mr. Rich Robben introduced Mr. Rob Melton, Mr. Brad Kotler and Mer. David Settles from State Street Global Advisors. This presentation was for informational purposes only.

Mr. Ramsey introduced agenda item *Barings European Real Estate Fund*. Mr. Rich Robben and Mr. Andy Kiehl introduced Ms. Valeria Falcone, Mr. Kevin Ryan and Mr. James Fink from Barings to provide an overview to the Committee on Barings European Value Add Fund I. KRS

staff is recommending an investment up to \$175MM in this fund. Mr. Farris moved and was seconded by Mr. Cook to approve this investment. The motion passed unanimously.

Mr. Ramsey called for a short recess.

Mr. Ramsey called the meeting back into session and introduced agenda item *Transparency Legislation Compliance Update*. Mr. David Eager updated the Committee regarding KRS transparency compliance. This was provided for informational purposes only.

Mr. Ramsey introduced agenda item *Private Equity Program Review*. Mr. Anthony Chiu and Mr. Marc Friedberg from Wilshire provided a Private Equity update to the Committee. This was for informational purposes only.

Mr. Ramsey introduced agenda item *Cash Equitization Overlay Strategy Update*. Mr. Andy Kiehl, KRS staff and the Committee discussed futures overlay. This was for informational purposes only.

Mr. Ramsey introduced agenda item *Core Fixed Income Benchmark Review*. Mr. Rich Robben introduced Mr. Dave Lindburg, Mr. Chris Tessman and Mr. Craig Morten from Wilshire. They provided an update to the Committee. This was for informational purposes only.

Mr. Ramsey advised the committee that the Actuarial Committee met prior to the Investment Committee and approved a rate of 7.50% for service purchase types of Recontribution of Refund, Omitted with Interest, Installment Purchase of Service Agreements (IPS contracts), delinquent Pension Spiking invoices and member reinstatements and use 5.25% discount rate for benefit payments. Ms. Kremer moved and was seconded by Mr. Harris to ratify this motion. The motion passed unanimously.

Mr. Ramsey introduced agenda item *Closed Session*. Mr. Powell moved and was seconded by Mr. Harris to go in to closed session. The motion passed unanimously.

Mr. Ramsey 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.

The meeting was called back into open session.


There being no further business, Mr. Powell moved and was seconded by Mr. Downard to adjourn the meeting at 12:19 p.m. The next meeting of the Investment Committee is scheduled for 9:00 a.m. November 7, 2018. Copies of all documents presented are incorporated as part of the minutes of the Investment Committee meeting held August 28, 2018.

## CERTIFICATION

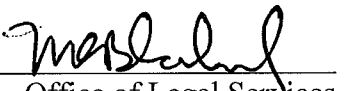
I do certify that I was present at this meeting and I have recorded above the action of the Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in connection with this meeting.

  
Recording Secretary

I, as Chair of the Investment Committee of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Minutes of the meeting held on August 28, 2018 were approved by the Investment Committee on November 7, 2018

  
Committee Chair

I have reviewed the Minutes of the Investment Committee Meeting on August 28, 2018 for form, content, and legality.

  
Office of Legal Services