

MINUTES OF MEETING #423
BOARD OF TRUSTEES KENTUCKY RETIREMENT SYSTEMS
QUARTERLY MEETING MAY 16, 2019 AT 10:00A.M.
1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601

At the Quarterly Meeting of the Board of Trustees held on May 16, 2019 the following members were present: David Harris (Chair), Joe Brothers, John Chilton, Raymond Connell, William Cook, Kelly Downard, John Farris, David Gallagher, Sherry Kremer, Matthew Monteiro, Keith Percy, Betty Pendergrass, Jerry Powell, David Rich and Sec. Thomas Stephens. Staff members present were David Eager, Erin Surratt, Kathy Rupinen, Joe Bowman, Vicki Hale, D’Juan Surratt, Ann Case, Connie Davis, Connie Pettyjohn, Rich Robben, Jared Crawford, Kristen Coffey, Shawn Sparks and Alane Foley. Also present were Larry Totten, Michele Hill, Joe Graviss, Lesley Bilby, Tom Loftus, John Wade, Tyler Offerman, Teresa Sanders, Jim McWilliams, Brian Wilkerson, Stacy Woodrum, Eric Kennedy, Kelci Webb, Scott Whitaker, William Codell, Kris Mann, Zach Ireland, Seth Dawson, Cara Stewart, Joni Jenkins, Sarah Bishop, Larry Loew, Carla Whaley and Ray DeBolt.

Mr. Harris called the meeting to order.

Ms. Alane Foley called roll.

Mr. Harris introduced agenda item *Approval of Minutes- April 18, 2019*. A motion was made by Mr. Brothers and seconded by Mr. Powell to approve the minutes as presented. The motion passed unanimously.

Mr. Harris introduced agenda item *Public Comment*. Mr. John Wade spoke to the Board Members regarding assumptions and employee contribution rates.

Mr. Harris introduced agenda item *Investment Committee and Portfolio Update*. Mr. Robben provided details to the Board regarding investment performance and staff activities. Mr. Chilton moved and was seconded by Mr. Farris to ratify the recommendation of the Investment Committee to invest up to \$75 mil in Middle Ground Partners I. The motion passed by majority vote (Ms. Pendergrass dissenting).

Mr. Harris introduced agenda item *Audit Committee Report*. Ms. Connie Davis provided an overview of the *Proportionate Share Audit*. Ms. Pendergrass moved and was seconded by Mr. Brothers to approve the audit as presented. The motion passed unanimously.

Ms. Connie Davis presented *Financial Statements and Budget-to-Actual Expenses*, Ms. Ann Case presented *Cash Flow/ Net Position Reports*. These reports were presented for informational purposes only.

Mr. D’Juan Surratt reviewed the *CERS Agency Participation* request with the Board. Sec. Stephens moved and was seconded by Mr. Powell to approve Nelson County Emergency 911 Dispatch Center participation in CERS under non-hazardous coverage. The motion passed unanimously. Ms. Pendergrass abstained.

Mr. D’Juan Surratt reviewed *Hazardous Duty Position* requests with the Board. Sec. Stephens moved and was seconded by Mr. Powell to approve hazardous duty coverage as presented. The motion passed unanimously. Ms. Pendergrass abstained.

Mr. Harris introduced agenda item *Retiree Health Plan Committee Report*. Ms. Connie Pettyjohn provided an update to the Board from the last Retiree Health Plan Committee meeting. This was provided for informational purposes only.

Mr. Harris introduced agenda item *Fiduciary Liability Insurance*. Mr. Eager reviewed the insurance renewal options with the Board. Ms. Pendergrass moved and was seconded by Mr. Percy to choose self-insurance until the Board can discuss additional details and review options of insurance versus self-insurance. The motion passed unanimously.

Mr. Harris introduced agenda item *Committee Assignment Approval*. A copy of committee assignments was provided to the Board Members. No action was taken. This was provided for informational purposes at this time.

Mr. Harris introduced agenda item KRS Update. Mr. Eager discussed proposed legislation and KRS facilities. Ms. Erin Surratt discussed IT Security.

A motion was made by Mr. Rich and seconded by Mr. Chilton to go in to closed session. The motion passed unanimously.

Mr. Harris 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. No action was taken.

There being no further business, a motion was made at 12:25 p.m. by Mr. Rich and seconded by Mr. Powell to adjourn the meeting, to meet again on September 12, 2019 or upon the call of the Executive Director or the Chair of the Board of Trustees. The motion passed unanimously.

Copies of all documents presented are incorporated as part of the Minutes of the Board of Trustees held May 16, 2019, except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

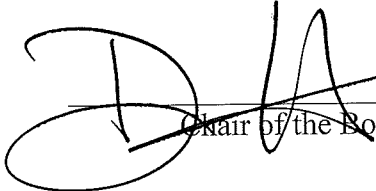
CERTIFICATION

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.

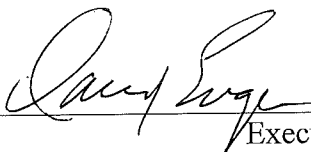


Recording Secretary

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 423, held on May 16, 2019, were approved on September 12, 2019.




Chair of the Board of Directors



Executive Director

I have reviewed the Minutes of the May 16, 2019 Board of Trustees Meeting for content, form, and legality.



Executive Director
Office of Legal Services