

**MINUTES OF MEETING #418**  
**BOARD OF TRUSTEES KENTUCKY RETIREMENT SYSTEMS**  
**MEETING SEPTEMBER 13, 2018 AT 10:00A.M.**  
**1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601**

At a Regular Meeting of the Board of Trustees held on September 13, 2018 the following members were present: David Harris (Chair), Joe Brothers, John Chilton, Raymond Connell (arrived at 10:05), William Cook, John Farris (arrived at 10:09), JT Fulkerson, David Gallagher, Sherry Kremer, Matthew Monteiro, Keith Peercy, Jerry Powell, Neil Ramsey, David Rich, and Sec. Thomas Stephens. Staff members present were David Eager, Karen Roggenkamp, Mark Blackwell, Erin Surratt, Rich Robben, Connie Davis, Kristen Coffey, Connie Pettyjohn, Katherine Rupinen, Joseph Bowman, Shaun Case, Shawn Sparks, Shauna Miller, Jared Crawford, Kimberly Smith, Ann Case, Joe Gilbert and Alane Foley. Also present were Larry Totten, Chris Schaefer, Paul Harnice, Michele Hill, Shellie Hampton, and Tracey Garrison (Humana).

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Mr. Harris called the meeting to order.

Ms. Alane Foley called roll.

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Mr. Harris introduced agenda item *Approval of Minutes- June 7, 2018*. Mr. Brothers moved and was seconded by Secretary Stephens to approve the minutes as presented. The motion passed unanimously.

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Mr. Harris introduced agenda item *Retiree Health Plan Committee Report and Recommendations*. Ms. Connie Pettyjohn provided an update to the Board from the last Committee meeting. Mr. Rich asked that Mr. Powell serve as the Vice-Chair of the Committee and add Mr. Kelly Downard as a Retiree Health Plan Committee Member. Mr. Powell moved and was seconded by Mr. Ramsey to approve this request. The motion passed unanimously.

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Mr. Harris introduced the agenda item *Investment Committee Report and Recommendations*. Mr. Robben provided an investment activity and performance update to the Board. Mr. Farris moved

and was seconded by Mr. Cook to approve the Investment Committee Report and recommendations, including ratification of the new asset allocation policy, the IFM Fund, the Lord Abbett Fund and the Barings Fund. The motion passed unanimously.

Ms. Karen Roggenkamp and Ms. Erin Surratt advised the Board that the Actuarial Subcommittee met on August 28, 2018. The Subcommittee voted to continue using the current 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. The effective date of this change would be 07/01/2019. Mr. Fulkerson made a motion and was seconded by Mr. Percy to approve the Actuarial Subcommittee Report and recommendations as presented to the Board. The motion passed unanimously.

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Mr. Harris introduced agenda item *Audit Committee Report*.

Ms. Karen Roggenkamp provided information on *Hazardous Duty Position Requests*. Mr. Rich moved and was seconded by Mr. Ramsey to approve the position requests. The motion passed unanimously.

Ms. Karen Roggenkamp provided information on *CERS Agency Participation Request*. Mr. Powell moved and was seconded by Mr. Monteiro to approve this request. The motion passed unanimously.

Mr. Chilton and Ms. Kristen Coffey requested that the Board approve the Audit Committee Charter as presented. Mr. Brothers moved and was seconded by Mr. Ramsey to approve this request. The motion passed unanimously.

Ms. Karen Roggenkamp provided an overview of the *Financial Statements*. This was for informational purposes only.

Ms. Kristen Coffey provided an update to the Board regarding the *SPRS Election*. Mr. Chilton moved and was seconded by Mr. Powell to accept the recommendation. The motion passed unanimously.

Ms. Kristen Coffey provided an update to the Board regarding the APA Audit. This was for informational purposes only.

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Mr. Harris introduced agenda item *Involuntary Cessation Regulations Approval*. Mr. Joe Bowman is asking the Board to approve and adopt the Involuntary Cessation Regulation as presented to the Board. Mr. Rich moved and was seconded by Mr. Powell to approve and adopt. This motion passed unanimously.

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Mr. Harris introduced agenda item *Legislative Issues*. Mr. David Eager discussed the following with the Board; Process for the Board to work with staff on Legislative Issues, SB2 Code of Ethics, Retired Re-Employed Employer Contributions, CERS Separation and SB 151 Update.

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Ms. Shauna Miller provided an educational presentation on the Member Services Division. This was for informational purposes only.

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Mr. Harris introduced agenda item *KRS Update*. Mr. David Eager provided updates to the Board on staffing at KRS and retirement trends. This was for informational purposes only.

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Mr. Harris introduced agenda item *Closed Session*. Mr. Powell moved and was seconded by Mr. Ramsey 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.

Mr. Harris called the meeting back in to open session.

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There being no further business, Mr. Brothers made a motion and was seconded by Mr. Powell to adjourn the meeting at 12:39 p.m. to meet again on November 8, 2018 or upon the call of the Executive Director or the Chair of the Board of Trustees.

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Copies of all documents presented are incorporated as part of the Minutes of the Board of Trustees as of September 13, 2018

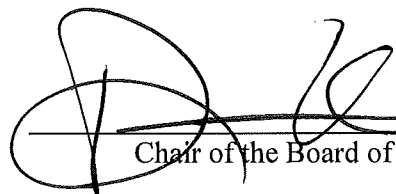
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**CERTIFICATION**

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.

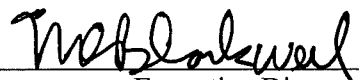
  
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Recording Secretary

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 418, held on September 13, 2018, were approved on November 8, 2018.

  
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Chair of the Board of Directors

  
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Executive Director

I have reviewed the Minutes of the September 13, 2018 Board of Trustees Meeting for content, form, and legality.

  
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Executive Director  
Office of Legal Services