

MINUTES OF MEETING #426
BOARD OF TRUSTEES KENTUCKY RETIREMENT SYSTEMS
QUARTERLY MEETING DECEMBER 5, 2019 AT 10:00A.M.
1270 LOUISVILLE ROAD, FRANKFORT, KENTUCKY 40601

At the Quarterly Meeting of the Board of Trustees held on December 5, 2019 the following members were present: David Harris (Chair), Joe Brothers, John Chilton, Kelly Downard, JT Fulkerson, Joseph Grossman, Sherry Kremer, Prewitt Lane, Matthew Monteiro, Keith Peercy, Betty Pendergrass, Jerry Powell, David Rich and Sec. Thomas Stephens. Staff members present were David Eager, Rebecca Adkins, Erin Surratt, Mark Blackwell, Kathy Rupinen, Vicki Hale, Connie Davis, Rich Robben, Kristen Coffey, Shawn Sparks, Ann Case, Jared Crawford, Shaun Case, Phillip Cook and Alane Foley. Also present were Larry Totten, Jim Carroll, Joe Sonka, Michele Hill, Teresa Sanders, Steve Starkweather, Tracey Garrison and Eric Kennedy.

Mr. Harris called the meeting to order.

Ms. Alane Foley called roll.

Mr. Harris introduced agenda item *Approval of Minutes- November 14, 2019*. A motion was made by Mr. Downard and was seconded by Mr. Fulkerson to approve the minutes as presented. The motion passed unanimously.

There being no *Public Comment*, Mr. Harris introduced agenda item *Actuarial Valuations*. Mr. Eager introduced Ms. Janie Shaw who joined the meeting via telephone. They provided an overview of the 2019 actuarial valuation report. Ms. Pendergrass moved and was seconded by Mr. Powell to accept the report as presented. The motion passed unanimously.

Sec. Stephens made a motion and was seconded by Mr. Fulkerson to adopt the KERS and SPRS employer contribution rates and recommend to the Kentucky General Assembly the rates contained in the blue table below for fiscal years 2020-2021 and 2021-2022 as well as adopt the CERS rates as contained in the blue table below for fiscal year 2020-2021. The motion passed unanimously.

Employer Contribution Rates for FY 2020-2021				
Plan	Pension	Insurance	2019 Valuation Calculated Rates	Contribution Rate for Fiscal Year 2020- 2021*
CERS Non-Hazardous	26.21%	5.78%	31.99%	26.95%
CERS Hazardous	46.31%	10.47%	56.78%	44.33%
KERS Non-Hazardous	80.98%	12.03%	93.01%	93.01%
KERS Hazardous	38.71%	0.00%	38.71%	38.71%
SPRS	136.12%	20.85%	156.97%	156.97%

* Contribution rates for the CERS system are limited to a 12% increase in the contribution rates from the prior fiscal year in accordance with KRS 61.565. The fiscal year 2021 contribution rates for the KERS and SPRS systems will require budgeting during the 2020 regular session of the KY General Assembly.

Mr. Harris introduced agenda item *Audit Committee Report*. Mr. Chilton introduced Joseph Overhultz and Simon Keemer from Dean Dorton. They provided a review of the financial statement audit for FY ending June 30, 2019. This was for informational purposes only.

Mr. Harris introduced agenda item *Review and Approval of the Comprehensive Annual Report (CAFR) for Year Ending June 30, 2019*. Ms. Adkins provided an overview and a draft was provided to the Trustees for review. Mr. Chilton moved and was seconded by Mr. Powell to accept the CAFR as presented. The motion passed unanimously.

Mr. Harris introduced agenda item *Approval of the Legislative Committee Bylaws*. Rob Guass and Audra Ferguson Allen from Ice Miller joined the meeting via telephone. Discussions between KRS staff and the Trustees concluded with the decision not to establish the Legislative Committee.

Mr. Harris introduced agenda item *Litigation Committee Appointments and IPS Subcommittee Review*. Mr. Harris assigned Mr. Percy (Chair), Mr. Connell and Mr. Fulkerson to the Litigation Committee and Mr. Lane (Chair), Mr. Monteiro and Mr. Downard to the IPS Subcommittee.

Mr. Harris introduced agenda item *Legislative Issues Update*. Mr. Eager provided a legislative update. Mr. Eager also provided a *KRS Update*. These were provided for informational purposes only.

Mr. Harris introduced agenda item *Other Business*. Mr. David Eager provided updates regarding the retirement trends, staffing update and Trustee Education.

A motion was made by Mr. Monteiro and seconded by Sec. Stephens 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 1:20 p.m. by Mr. Powell and seconded by Mr. Fulkerson to adjourn the meeting, to meet again on February 20, 2020 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 December 5, 2019 except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

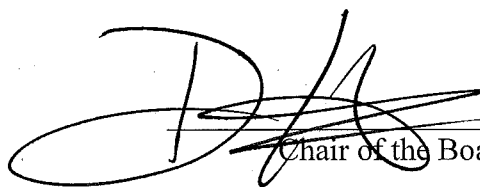
CERTIFICATION

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 426, held on December 5, 2019, were approved on February 20, 2020.

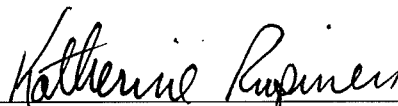


Chair of the Board of Directors



Executive Director

I have reviewed the Minutes of the December 5, 2019 Board of Trustees Meeting for content, form, and legality.



Executive Director
Office of Legal Services