

TEACHERS' RETIREMENT SYSTEM OF THE STATE OF KENTUCKY
MEETING OF THE INVESTMENT COMMITTEE
NOVEMBER 9, 2017

Minutes of Meeting:

After giving proper notice of a special meeting, and a quorum being present, Chair Ron Sanders called the TRS Investment Committee to order at 9 a.m., Thursday, November 9, 2017, in the Boardroom of the Teachers' Retirement System office, 479 Versailles Road, Frankfort, Kentucky.

Members present:

Ron Sanders, Chair
Hollis Gritton, Vice Chair
Mary Adams
John Boardman
Frank Collecchia
Laura Schneider
Bevis Longstreth (non-voting member)
George Philip (non-voting member)

Others present:

Gary L. Harbin, Teachers' Retirement System
Robert Barnes, Teachers' Retirement System
Eric Wampler, Teachers' Retirement System
Greg Hall, Teachers' Retirement System
Tom Siderewicz, Teachers' Retirement System
Karen Ashby, Teachers' Retirement System
John Browning, Teachers' Retirement System
Norman Combest, Teachers' Retirement System
Kenny Domilise, Teachers' Retirement System
Mike Nohalty, Teachers' Retirement System
Felicia Penn, Teachers' Retirement System
P. J. Kelly, Aon Hewitt
Bo Cracraft, Legislative Research Commission
Curt Scott, Todd Asset Management
Jack Holden, Todd Asset Management
David Lerner, Shenkman Capital Management
Matt Russ, Shenkman Capital Management

1. Consideration/Approval of Minutes: The Investment Committee considered the minutes of the previous meeting held on August 24, 2017.

Committee Action: Upon motion duly made by Mr. Gritton, and seconded by Ms. Adams, the minutes of meeting held on August 24, 2017 were unanimously approved.

2. Reports by TRS Staff

2.1. CIO Observations and Comments: Mr. Siderewicz reported to the committee the information on the Quarterly Investment Update for the quarter ending September 30, 2017. Mr. Siderewicz's report was informational, and the committee took no action.

2.2. Quarterly Report on Securities Litigation: Mr. Wampler presented the Securities Litigation Report detailing information on securities litigation activities during the quarter ending September 30, 2017. Mr. Wampler's report was informational, and the committee took no action.

2.3. Report on Alternative Investments: Ms. Ashby reported to the committee on the TRS Private Equity Portfolio for the quarter ending September 30, 2017. Ms. Ashby's report was informational, and the committee took no action.

2.4. Life Insurance Trust Discussion: Mr. Domilise reported on the life insurance fund proposed asset allocation targets and ranges.

Committee Action: Upon motion duly made by Mr. Boardman, and seconded by Mr. Collecchia, the committee unanimously approved the life insurance fund proposed asset allocation targets and ranges as presented.

2.5. Securities Lending Report: Mr. Siderewicz reported to the committee on TRS's securities lending performance for the period up to September 30, 2017. Mr. Siderewicz's report was informational and the committee took no action.

2.6. Discussion on Investment Management: Mr. Siderewicz presented an analysis of TRS investment fees and performance. Mr. Siderewicz's report was informational, and the committee took no action.

2.7. Report on Internally Managed Portfolios: Mr. Siderewicz presented the report on internally managed portfolios for the quarter ending September 30, 2017. The report was informational, and the committee took no action.

The committee recessed for lunch at 12 p.m. and resumed its meeting at 12:34 p.m.

3. Quarterly Reports by Managers

3.1. Todd Asset Management: Representatives from Todd Asset Management presented a report on the TRS funds managed by the firm. The report was informational, and the committee took no action.

3.2. Shenkman Capital Management: Representatives from Shenkman Capital Management presented a report on the TRS funds managed by the firm. The report was informational, and the committee took no action.

Adjournment: There being no further business to come before the committee, and upon motion duly made by Mr. Gritton, and seconded by Mr. Collecchia, Chair Sanders declared the meeting adjourned at 1:12 p.m.

CERTIFICATIONS

We, the chair of the Investment Committee and the executive secretary of the Board of Trustees of the Teachers' Retirement System of the State of Kentucky, do certify that the minutes of meeting were approved by the Investment Committee on February 22, 2018.

Ronald Sanders, Chair

Gary L. Harbin, Executive Secretary

I, Robert B. Barnes, do certify adherence to the Kentucky Open Meetings Act, KRS 61.800 et seq., in the conduct of this meeting. I have reviewed the minutes for form, content and legality.

Robert B. Barnes, Deputy Executive Secretary
and General Counsel

I, Felicia Penn, do certify that I was present at the meeting and duly recorded the actions of the Investment Committee of the Board of Trustees of the Teachers' Retirement System of Kentucky at its meeting on November 9, 2017.

Felicia Penn, Recording Secretary