

**MINUTES OF MEETING
KENTUCKY RETIREMENT SYSTEMS
BOARD OF TRUSTEES MEETING
MARCH 13, 2024, AT 10:00 AM, E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the Meeting of the Kentucky Retirement Systems Board of Trustees held on March 13, 2024 the following members were present: Lynn Hampton (Chair), Ramsey Bova, Mary Eaves, Prewitt Lane, Keith Peercy, Pamela Thompson and William Summers, V. Staff members present were CERS CEO Ed Owens, III, KRS CEO John Chilton, David Eager, Rebecca Adkins, Erin Surratt, Connie Pettyjohn, Michael Board, Victoria Hale, Leigh Ann Davis, Michael Lamb, Connie Davis, D’Juan Surratt, Steve Willer, Anthony Chiu, Brian Caldwell, Katie Park, Shaun Case, and Sherry Rankin. Others present included Chris Tessman and David Lindberg with Wilshire, Adam Gordon and Linda Hinton with the Auditor of Public Accounts, and Tracey Garrison, Larry Loew, and Carla Whaley with Humana.

Ms. Hampton called the meeting to order.

Ms. Hale read the Legal Public Statement.

There being no *Public Comment* submitted, Ms. Rankin called roll.

Ms. Hampton introduced agenda item *Approval of Minutes – December 5, 2023; December 20, 2023; and January 30, 2024 (Video 00:08:44 to 00:09:35)*. A motion was made by Mr. Lane and seconded by Mr. Peercy to approve all minutes as presented. The motion passed unanimously.

Ms. Hampton introduced agenda item *Acceptance of FY 2023 Proportionate Share Audits (Video 00:09:36 to 00:14:12)*. Mr. Adam Gordon with the Auditor of Public Accounts (APA) presented the draft FY 2023 Proportionate Share Audits. End of field work for the audit will be at the next meeting of the Authority on March 21, 2024. Mr. Gordon advised that the full report will be released once approved by the Authority. He stated that there were no findings or issues; therefore, the APA anticipates issuing a modified/clean opinion.

Ms. Eaves made a motion to accept the FY 2023 Proportionate Share Audits as presented. Mr. Summers seconded the motion and the motion passed unanimously.

Ms. Hampton introduced the *Joint Retiree Health Plan Committee Report* (Video 00:14:13 to 00:24:37). Ms. Pettyjohn stated that the Joint Retiree Health Plan Committee met on February 15, 2024. The Committee reviewed an informational presentation from Humana regarding the 2023 Member Satisfaction Results, the Inflation Reduction Act, CMS Call Notices, and 2024 Stars Outreach. Ms. Pettyjohn provided a summary of the information presented.

Open Enrollment (October 1, 2023 to December 31, 2023) statistics were also presented.

Ms. Hampton introduced agenda item *Quarterly Financial Reports* (Video 00:24:38 to 00:38:20). Mr. Lamb reviewed the Quarterly Financial Reports with the KRS Board of Trustees. He reviewed the Combining Statement of Fiduciary Net Position of the Pension Funds as of December 31, 2023. Mr. Lamb briefly reviewed the Combining Statement of Changes in Fiduciary Net Position of the Pension Funds for the six-month period ending December 31, 2023. The KRS Pension Funds Contribution Report was also presented.

Mr. Lamb went on to present the Combining Statement of Fiduciary Net Position of Insurance Funds as of December 31, 2023, and the Combining Statement of Changes in Fiduciary Net Position of Insurance Funds for the six-month period ending December 31, 2023, with the KRS Board of Trustees. Next, he reviewed the KRS Insurance Funds Contribution Report for the six-month period ending December 31, 2023. The KRS Outstanding Invoices by Type and Employer and Penalty Invoices Reports were also presented to the Trustees.

Next, the FY 2023-2024 KPPA Administrative Budget – Budget-to-Actual Summary Analysis for the six-month period ending December 31, 2023, was highlighted by Mr. Lamb. Lastly, the Mr. Lamb briefly reviewed the separation/plan-specific expenses and the JP Morgan Chase Credit Earnings and Fees and Hard Interest Earned for the fiscal year ending June 30, 2024.

Ms. Hampton introduced agenda item *Quarterly Investment Performance Report* (Video 00:38:21 to 00:47:39). The KRS Investment Committee met on February 21, 2024. The Committee reviewed informational items only; therefore, no items required ratification by the KRS Board of Trustees,

reported Mr. Willer. He reviewed plan performance data for the quarter ending December 31, 2023, as presented to the KRS Investment Committee. Mr. Willer provided a brief update on current projects within the KPPA Office of Investments.

Ms. Hampton introduced agenda item *Dentons Bingham Greenebaum Contract (Video 00:47:40 to 00:50:38)*. Ms. Hampton stated that the Dentons Bingham Greenebaum contract renewal had been discussed at a previous meeting. At that time, the KRS Board of Trustees elected to further review the pricing within the contract. Ms. Hampton reported that she and Mr. Chilton met with Dentons Bingham Greenebaum to discuss the services provided by the firm and the pricing. The duration of the personal service contract will run from April 1, 2024, through June 30, 2025, at a flat hourly rate of \$350.00 for all professionals in the firm.

Mr. Lane made a motion to approve the contract with Dentons Bingham Greenebaum as presented. The motion was seconded by Ms. Thompson. Ms. Eaves abstained from the vote; however, the motion passed.

Ms. Hampton introduced agenda item *KRS CEO Update (Video 00:50:39 to 00:55:10)*. Mr. Chilton provided a brief oral report on the happenings since the last meeting of the KRS Board of Trustees. He advised that Trustees will be required to complete their ethics disclosure prior to April 15, 2024. Mr. Chilton also reminded Trustees to use only their KPPA provided email address when conducting/discussing KRS business. Trustee Education requirements and qualifying education topics were also highlighted by Mr. Chilton.

Ms. Hampton introduced agenda item *KPPA Update (Video 00:55:11 to 01:11:05)*. Mr. Eager provided the KRS Board of Trustees with a written KPPA Update. He orally reported on the 2024 Regular Legislative Session and reviewed the status of legislation impacting KPPA. Ms. Adkins elaborated on Mr. Eager's update on obtaining a Louisville Office for the KPPA Office of Investments.

Ms. Hampton introduced agenda item *New Business (Video 01:11:06 to 01:16:16)*. Ms. Hampton stated that the topic she wished to cover had already been discussed. There was no additional new business brought forth by the KRS Board of Trustees.

Ms. Hampton introduced agenda item *Closed Session* (Video 01:16:17 to 01:13:15) and requested a motion to enter closed session to discuss pending litigation pursuant to KRS 61.810(c). A motion was made by Ms. Eaves and seconded by Mr. Lane. The motion passed unanimously.

Mr. Board read the following statement and the meeting moved into closed session: A motion having been made in open session to move into a 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.

Closed Session (Video - Part 2 - 00:00:22 to 00:00:32)

Ms. Hampton called the meeting back to open session. There was no action taken by the KRS Board of Trustees.

There being no further business, Ms. Hampton adjourned the meeting.

Copies of all documents presented are incorporated as part of the Minutes of the Board of Trustees held March 13, 2024, except documents provided during a closed session conducted pursuant to the open meetings act and exempt under the open records act.

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CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Trustees 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

I, the Chair of the Board of Trustees of the Kentucky Retirement Systems, do certify that the Minutes of Meeting held on March 13, 2024, were approved on April 9, 2024.


Chair of the Board of Trustees

I have reviewed the Minutes of the March 13, 2024, Board of Trustees Meeting for content, form, and legality.


Executive Director
Office of Legal Services