

**Kentucky Public Pensions Authority
Executive Director Search Committee – Special Meeting
November 16, 2023 at 9:00 AM EST (8:00 AM CT)
Live Video Conference/Facebook Live**

AGENDA

- | | |
|---|-----------------------|
| 1. Call to Order | William O'Mara |
| 2. Opening Statement | Legal Services |
| 3. Roll Call | Sherry Rankin |
| 4. Public Comment | Sherry Rankin |
| 5. Approval of Meeting Minutes – October 27, 2023* | William O'Mara |
| 6. KPPA Executive Director Search* | William O'Mara |
| 7. Closed Session* | William O'Mara |
| 8. Next Meeting Date* | William O'Mara |
| 9. Adjourn* | William O'Mara |

****Committee Action May Be Taken***

**MINUTES OF MEETING
KENTUCKY PUBLIC PENSIONS AUTHORITY
SPECIAL CALLED
AD HOC EXECUTIVE DIRECTOR SEARCH COMMITTEE
OCTOBER 27, 2023, 9:00 A.M., E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the October 27, 2023, Special Called Meeting of the Ad Hoc Executive Director Search Committee of the Kentucky Public Pensions Authority, the following Committee members were present: William O'Mara (Chair), Betty Pendergrass, Lynn Hampton, and Keith Percy. Staff members present were David Eager, Victoria Hale, Carrie Bass, Lori Casey, Shaun Case, Katie Park, and Sherry Rankin.

Mr. O'Mara called the meeting to order.

Ms. Hale read the Opening Statement.

Ms. Rankin called roll.

Ms. Rankin advised that two (2) **Public Comments** were received and read each comment aloud.

1) Submitted by Janice Sexton

I really could use a COLA. On my retirement. I am barely making ends meet. Hardly can afford grocery every month. I don't even make \$25000 a year. I would like to see the legislature live on that. I gave 30 years to state. My husband is disabled and can't work. We had to get so much debt to make it through.

2) Submitted by Larry Totten

Having read the tentative qualifications for the KPPA Executive Director position, and unless I overlooked mention, I was struck by the lack of reference to the successful candidate having investment experience and/or public pension experience. If I missed this, my apologies. I

think part of Mr. Eager's success was that he understood the world of investments and its importance to the successful operation of pension plans. This experience gives him the air of credibility when talking to those outside KPPA - the media but especially legislators. I would assume that this type of experience would show up in resumes, but shouldn't it be mentioned on the front end?

Mr. O'Mara introduced the agenda item **Approval of Minutes – October 19, 2023** (Video 00:12:44 to 00:13:17). Ms. Hampton made a motion to approve the minutes as presented. The motion was seconded by Mr. Peercy and passed unanimously.

Mr. O'Mara introduced the agenda item **KPPA Executive Director Search** (Video 00:13:18 to 01:04:42). First, the Committee Members reviewed the produced list of recruiting sources. There was extensive discussion surrounding the cost of these sources and their potential reach. The Committee chose to utilize Pensions & Investments Option 1 (Print, Digital, & E-mail) at the rate of \$3,351 (4") and all other recruiting sources as presented.

Next, the compensation and salary range for the position was discussed. The 2022 NCPERS Compensation Study and 2022 NASRA Salary Survey were reviewed by the Committee. The results revealed that the salary of the current Executive Director is competitive. Therefore, a salary range of \$200,000.00 to \$228,000.00 was selected by the Committee. This range will be included in the position description along with language indicating that the offered salary is subject to negotiations and qualifications.

Mr. O'Mara suggested two (2) members of the KPPA Ad Hoc Executive Director Search Committee form a working group to further develop the job ad and position description. The working group will present suggestions/drafts to the Committee for approval, said Mr. O'Mara. Ms. Hampton and Mr. O'Mara volunteered to join the working group. However, Ms. Hampton requested that other Committee members be permitted to fill-in should she or Mr. O'Mara be unavailable to attend a meeting of the working group.

Ms. Pendergrass encouraged the working group to include language stating that the ideal candidate should possess knowledge and experience in the field of investments. Mr. O'Mara stated that the importance of collaboration and ability to execute administrative functions would

also be included in the position description. A balance of focus between business operations and external relations with legislators, Governor's Office, the media, etc. is important, added Mr. Eager.

Closed Session – None.

Mr. O'Mara introduced the agenda item ***Next Meeting Date*** (*Video 01:04:43 to 01:09:20*). The next meeting of the KPPA Ad Hoc Executive Director Search Committee was scheduled for Thursday, November 16, 2023, at 9:00 a.m. EST.

There being no further business, Mr. O'Mara ***adjourned*** the meeting.

The remainder of this page left blank intentionally.

CERTIFICATION

I do certify that I was present at this meeting, and I have recorded above the action of the Committee 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 connection with this meeting.

Recording Secretary

I, as Chair of the Ad Hoc Executive Director Search Committee of the Kentucky Public Pensions Authority, do certify that the Minutes of the meeting held on October 27, 2023, were approved by the KPPA Ad Hoc Executive Director Search Committee on November 16, 2023.

Committee Chair

I have reviewed the Minutes of the KPPA Ad Hoc Executive Director Search Committee meeting on October 27, 2023, for form, content, and legality.

Office of Legal Services

Executive Director Short Ad for Print

Executive Director of the Kentucky Public Pensions Authority (KPPA)

KPPA, which manages \$24 billion in assets, with over 250 employees who serve over 421,000 members and beneficiaries, is seeking an Executive Director to replace its current Executive Director, who has announced his retirement.

Detailed information about this opportunity can be found at: kyret.ky.gov (*this will need to be updated with an accurate link*).

Interested parties should contact Lori Casey at lori.casey@kyret.ky.gov.

An Equal Opportunity Employer, including disability/veterans.

Dave Eager, Lori Casey & Vicki Hale's Draft ED Ad. (rev. 11/3/2023)

Executive Director of the Kentucky Public Pensions Authority-KPPA

Position Information

KPPA, which manages \$24 billion in assets and serves over 421,000 members and beneficiaries in 3 pension trusts and an insurance trust, broken down into 10 funds, is seeking an Executive Director. The current Executive Director, David Eager, recently announced plans to retire.

KPPA is in the fifth straight year of improved funding, targeting all 10 funds to be fully funded by 2049. Currently, 4 funds have already reached that goal. Moody's and Fitch recognized this improvement when they increased the State's bond ratings. Further, KPPA is recognized for its innovations and participation in national retirement associations.

Role, Responsibilities and Qualifications

Candidates should be capable of leading and managing a staff of over 250 who support the members and beneficiaries and investment of assets, and working collaboratively, fostering positive relationships, with key legislators, the Governor's Office, 3 Boards, and serving as the agency's spokesperson.

Experience working in a state and/or municipal retirement system(s), a political environment and with statutes and regulations is preferred and demonstrated leadership skills which promote diversity and a culture of continuous improvement is required.

The ideal candidate will be someone whose personal values reflect the core values of KPPA: integrity, accountability, transparency, trustworthiness, and commitment to public service.

Compensation will relate to the candidate's experience and credentials. The salary ranges between \$200K and \$230K. The position is in Frankfort, KY. The agency maintains a hybrid work schedule and many employees choose to live in the surrounding areas such as Louisville or Lexington.

Environment

Kentucky is a great place to live. KPPA is an equally great place to work. In our last employee survey, 94% of employees stated they feel they are part of a team.

For more detailed information on the Executive Director position, [click here](#).

Parties interested in applying for the Executive Director position should contact Lori Casey at lori.casey@kyret.ky.gov.

Commented [BC(1)]: Hyperlink to Exec Director pamphlet.

An Equal Opportunity Employer, including disability/veterans.



EXECUTIVE DIRECTOR

Kentucky Public Pensions Authority (KPPA)
Frankfort, KY



KPPA is a state government agency responsible for the investment of funds and administration of pension and health insurance benefits for over 421,000 active, inactive and retired state and local government employees, state police officers, and non-teaching staff of local school boards and regional universities.



The Kentucky State Capitol in Frankfort.



KYRET.KY.GOV



502-696-8800
1-800-928-4646

INTRODUCTION

The Kentucky Public Pensions Authority is searching for a new Executive Director to lead the organization, due to the pending retirement of the current Executive Director. KPPA administers three retirement and health insurance systems covering state and local government employees and the State Police. Together, the systems have \$24 billion in assets.

THE IDEAL CANDIDATE

The ideal candidate will have experience leading organizations of similar scale and complexity and be a highly ethical professional possessing outstanding interpersonal, technical, and management skills. They will be able to immediately assume a leadership role and have a track record of maintaining strong teams, achieve effective results, and engaging staff for maximum development.

The Executive Director will build consensus and maintain trust, mutual respect, and close relationships and collaborate with senior government executives, legislators, the Boards, the Executive team, and all internal and external stakeholders including professional organizations. The Executive Director will maintain and build a diverse, effective team that consistently delivers excellent customer service.

The Executive Director will be adept at decision-making and establishing clear roles and responsibilities and possess the ability to navigate conflicts and differences of opinion that can arise in the public arena is essential in this role. The Executive Director will deliver operational excellence, provide oversight of all program areas, and ensure the efficient and effective functioning of KPPA.

A dedication to the success of the organization will serve the next Executive Director well.

QUALIFICATIONS

The candidate must be able to demonstrate the following:

- Experience executing multi-year, large-scale plans, and projects;
- Exposure to and involvement in relationships with boards, government agencies, and external stakeholders;
- Posses values that reflect the core values of the KPPA—transparency, integrity, accountability, humility, trustworthiness, and competence;
- Financial experience in a complex financial environment;
- Familiarity with actuarial principles and practices as they relate to pension plans; and
- Ability to focus on fiduciary responsibilities.

The candidate should also possess the following critical competencies:

- Shaping strategy
- Driving change
- Delivering results
- Influencing collaboratively
- Leading teams
- Developing talent

Graduate of a college or university with a bachelor's degree or equivalent is required.

To be considered for this position, the candidate will need to include a cover letter, a detailed resume, and four references with your application. Your resume should include the staff size and budget that you have managed for each position that you have held.

HOW TO APPLY

Parties interested in applying for the Executive Director position should contact Lori Casey, Director of Human Resources, at lori.casey@kyret.ky.gov.



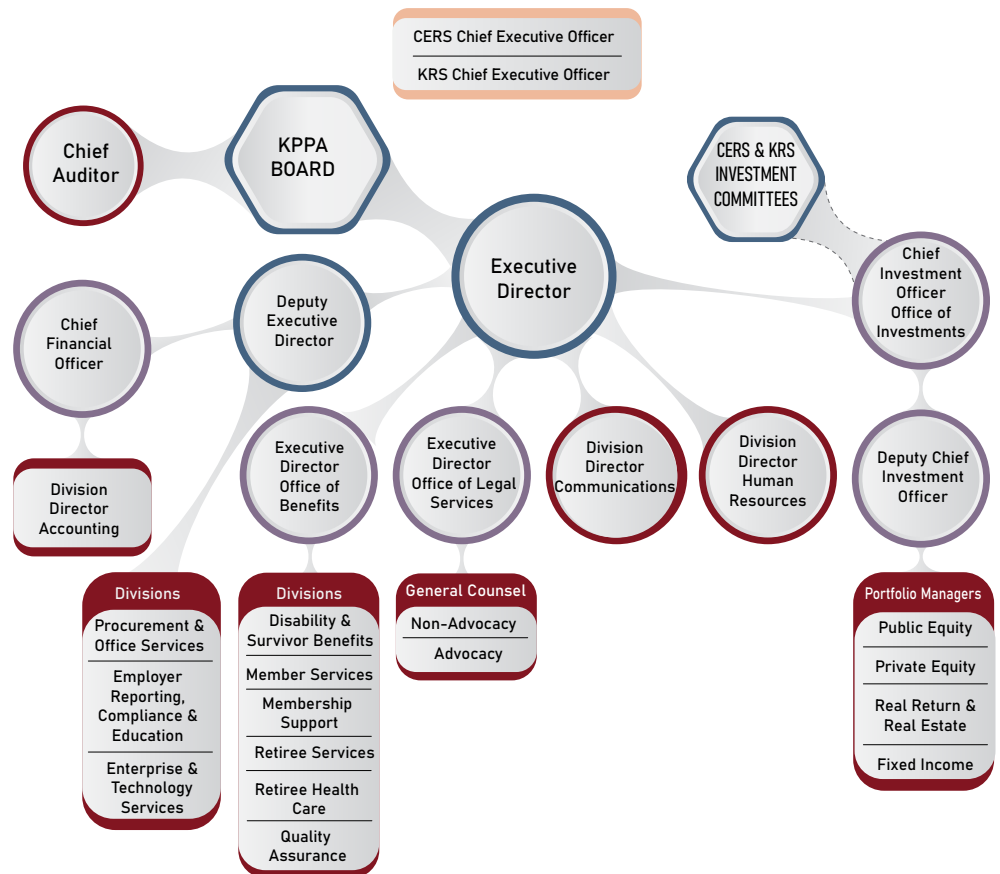
The deadline to apply is Monday, January 15, 2024.

KENTUCKY PUBLIC PENSIONS AUTHORITY (KPPA)

KPPA administers three retirement systems and an insurance trust on behalf of the County Employees Retirement System (CERS), Kentucky Employees Retirement System (KERS), and State Police Retirement System (SPRS). Together, the systems cover more than 421,000 active, inactive and retired members. Combined retirement and insurance assets were \$23.9 billion as of June 30, 2023.

Governance of the systems rests with two nine-member Boards of Trustees: the Kentucky Retirement Systems Board governs KERS and SPRS while the CERS Board governs CERS. Each Board has a Chief Executive Officer.

A third body, the KPPA Board, includes four members each from the KRS and CERS Boards. This Board oversees administrative functions of the systems. Daily system activities, including administrative support, investment management, benefits counseling, legal services, and accounting and payroll functions are performed by a staff of around 250 professional employees working as the KPPA.





ABOUT KPPA

FULLY FUNDED BY 2049

With four of the 10 plans already fully funded, KPPA's actuary projects that all pension and insurance funds will be fully funded by 2049, based on the most recent actuarial valuation and the closed amortization period set in statute, provided the systems receive the full Actuarially Determined Employer Contribution each year and all actuarial assumptions are met. Those same projections show that benefits will be secure going forward due to steps taken over the past ten years, including the passage of legislation and adoption of internal policies designed to put the funds on solid financial footing. [Read more](#)

ECONOMIC IMPACT

In Fiscal Year 2023, KPPA paid over \$2 billion in ongoing pension benefits to Kentuckians. KPPA's pension payments support state economic activity, with 93% paid to in-state residents. Payments per Kentucky county range from \$1.2 million to \$369 million annually providing a consistent revenue stream for all local economies.

COMMONWEALTH'S RATINGS BOOSTS

Both S&P Global Ratings and Fitch Ratings raised their credit ratings for the Commonwealth in Fiscal Year 2023. Among the factors they cited were more stable budgets that did not rely on one-time finance measures, improved governance, and efforts to strengthen long-term financial stability.

Governor Andy Beshear said on June 29, "We're showing everyone that our economy is booming, our pension systems are strong and our fiscal house is in order due to strong management."

CERS, KERS and SPRS BENEFITS

Our [Summary Plan Description](#) provides comprehensive information about retirement and insurance benefits. Each plan provides benefits based on the member's participation date.

GOVERNANCE

Laws passed during the 2020 and 2021 Regular Session of the Kentucky General Assembly made significant changes to the governance and administrative structure of the Kentucky Retirement Systems, now known as the Kentucky Public Pensions Authority. [Read more](#)

PUBLIC PENSION OVERSIGHT BOARD (PPOB)

Created by the Kentucky General Assembly in 2013, the PPOB assists the General Assembly with its review, analysis, and oversight of the administration, benefits, investments, funding, laws and administrative regulations, and legislation pertaining to KPPA. [Read more](#)

ANNUAL REPORTS

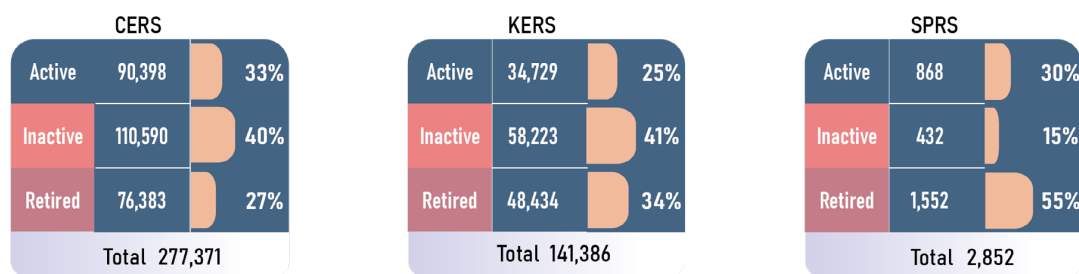
An [Annual Comprehensive Financial Report \(ACFR\)](#) is issued to report the financial and actuarial status of all funds. A [Summary Annual Financial Report \(SAFR\)](#) is also published, highlighting key points from the ACFR.

POSITIVE TRENDS

Since 2017, the General Assembly and successive administrations have shown their dedication to strengthening the retirement systems' financial positions. Thanks to prudent investment management, conservative assumptions, and funding approved by the General Assembly over and above the actuarially determined contribution (ADC) for KERS and SPRS, as well as recent changes in some actuarial assumptions for CERS, the funded ratio of all three pension systems has improved each of the past five years.

MEMBERSHIP

As of Fiscal Year 2023, there are 421,609 total members in CERS, KERS and SPRS.



OUR SIX MANDATES

1. Strive for appropriate funding for all plans.
2. Provide members with efficient access to information and helpful counseling to meet their individual needs.
3. Manage the assets in accordance with each plan's needs while adding value to a passive portfolio.
4. Communicate effectively with all constituents, while ensuring appropriate transparency.
5. Maintain a work environment that promotes employee inclusion and diversity, effectiveness, morale, safety, and retention.
6. Insist on a culture of continuous enhancement to everything we do.



FRANKFORT AND CENTRAL KENTUCKY

Frankfort, Kentucky, is nestled in the Kentucky River valley half an hour away from Lexington, an hour from Louisville, and 75 minutes from Cincinnati. As the nation's fourth-smallest state capital, Frankfort blends small-town charm and affordability with the bustle and culture of a larger city. It sits at the crossroads of government, business, horse racing, bourbon distilling, agriculture, and industry. The Bluegrass region of Central Kentucky touches the Midwest, the South and the Appalachian foothills. Within a day's drive, you can reach Nashville, Chicago, Atlanta, Washington, D.C., Atlantic beaches, or Florida and the Gulf Coast.

But you don't have to go that far to be amazed. From Frankfort, you can bicycle on rolling country lanes past Triple Crown winners grazing the horse farms of the Bluegrass. You can kayak, canoe, or fish on scenic Elkhorn Creek. You can watch the world's

fastest horses and jockeys at Churchill Downs or Keeneland. You can dine on locally-sourced food prepared by award-winning chefs. And you can wind down the evening at a speakeasy or a bourbon library in downtown Frankfort.

If you like the outdoors, you can fish 45 major lakes and 90,000 miles of streams throughout the state. You can rock climb, hike mountain trails, or zipline through underground caves. You can camp in one of 38 state parks, or boat on the state's myriad lakes, rivers, and streams. Kentucky has more navigable miles of water than any state except Alaska.

You'll keep more of your money, too, because your dollar buys roughly 10% more in Kentucky than in the nation overall. Housing costs, healthcare costs, and food costs are lower – just about everything costs less in Kentucky.



An Equal Opportunity Employer, including disability/veterans.



KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

1260 Louisville Road • Frankfort, Kentucky 40601
kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822



Platform	Cost	Target Audience/Reach	Requirements	Run Time
Government Finance Officers Association (GFOA)	\$150 for active government members \$250 for associate members (private sector) \$500 for non-members	Over 2,000 unique page views per week	No character limit	4 weeks
Handshake	Free	College alumni	No character limit	Unlimited
International City/County Management Association (ICMA)	Member - \$450 Non-Member - \$600	Local Government Professionals/12,000 visitors per month	Some limit – 150 characters	60 days
LinkedIn Recruiting	Free	Anyone	Free targeted recruiting, Can link to KPPA career page	Unlimited
National Association of Public Pension Attorneys (NAPPA)	Free for members	Public Pension Attorneys	No character limit. Can post job or link to KPPA career page.	Unlimited
National Association of State Retirement Administrators (NASRA)	Free for members	Public Sector Retirement / More than 2,000 page-views per month	No character limit	60 days
National Conference of Public Employee Retirement Systems (NCPERS)	Free for members	Pension Industry	No character limit. Can link to KPPA career page	Unknown/Blog posts appear to update monthly

National Institute on Retirement Security (NIRS)	N/A	N/A	Do not post jobs	N/A
Pensions & Investments (P&I)	Option #1 - \$2,678 - \$9,379 Option #2 - \$2,346	Retirement & Investment Executives, Asset Owners, Managers and Consultants	See below	60 days

Pensions & Investments (P&I)

Option 1 - Print, Digital & E-mail

- One print ad in Pensions & Investments' Careers section
- 60-day posting on P&I Careers
- Minimum of 10 listings on P&I Daily e-mail
- Minimum of 8 listings on the P&I Digest e-newsletters
- Minimum of 2 listings on P&I Online Insider
- Minimum of 1 listing on P&I Issue Alert
- Minimum of 1 listing on P&I Editors' Picks

Option 1 Rate

2" - \$2,678
4" - \$3,351
6" - \$4,422
8" - \$5,493
10" - \$6,436
12" - \$7,370
16" - \$9,379

Option 2 – Digital & E-mail

- Up to 60-day posting on Pionline.com/careers
- Minimum of 10 listings on P&I Daily e-mail
- Minimum of 8 listings on the P&I Digest e-newsletters
- Minimum of 2 listings on P&I Online Insider
- Minimum of 1 listing on P&I Issue Alert
- Minimum of 1 listing on P&I Editors' Picks

No limit on size and can include live links

Option 2 Rate

\$2346