

**MINUTES OF MEETING
KENTUCKY RETIREMENT SYSTEMS
SPECIAL CALLED
BOARD OF TRUSTEES MEETING
DECEMBER 17, 2024, AT 12:00 PM, E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the Special-Called Meeting of the Kentucky Retirement Systems Board of Trustees held on December 17, 2024, the following members were present: Lynn Hampton, David Adkins, Ramsey Bova, Mary Eaves, Prewitt Lane, Keith Percy, and Pamela Thompson. Staff members present were KRS CEO John Chilton, Ryan Barrow, Rebecca Adkins, Steve Willer, Brian Caldwell, Anthony Chiu, Joe Gilbert, Carrie Bass, Victoria Hale, Ashley Gabbard, Phillip Cook, Sandy Hardin, and Sherry Rankin. Others in attendance included Craig Morton, Chris Tessman, and David Lindberg with Wilshire.

1. Ms. Hampton called the meeting to order.
2. Ms. Hale read the Legal Public Statement.
3. Ms. Rankin called roll.

Ms. Hampton introduced agenda item **Public Comment** (*Video 00:05:50 to 00:05:57*), and Ms. Rankin indicated there were no public comments.

4. Ms. Hampton introduced agenda item **Real Return Investment Recommendation** (*Video 00:05:57 to 00:22:32*). Mr. Lane noted that the Investment Committee met earlier today and stated that the KRS Board is convening to ratify the recommendation made by the Committee. Mr. Willer began with a summary of the investment and provided an update on the current portfolio status. He reviewed the KRS Pension Portfolio, highlighting the Real Return Allocations and their impact and rationale.

He then invited Mr. Anthony Chiu to present the proposed investment by the KPPA Investment Staff in the ITE Rail Fund, L.P. Mr. Chiu explained it is an open-ended fund managed by Industrial Transportation Equipment. Mr. Chiu reviewed the details of this proposal, concluding that given the attractive risk/reward profile, compelling market opportunity, and current Real Return allocations, the Staff recommends an investment of up to \$100 million to be shared among all KERS and SPRS portfolios, pending successful legal negotiations. When fully funded, this investment would represent approximately 1.0% to 1.1% of Plan assets, depending on market value fluctuations. It is anticipated that this investment would be funded by unwinding proxy positions and utilizing existing cash based on the specific needs of each portfolio. The expected net return for this investment is projected to be between 6% and 9%. Following the presentation, Mr. Chiu and Mr. Willer addressed and answered questions posed by the Trustees.

A motion was made by Mr. Adkins to ratify the Investment Committee's recommendation to invest up to \$100 million in the ITE Rail Fund, L.P., subject to successful contract negotiations. Mr. Lane seconded the motion. The motion passed unanimously.

5/6. With no closed session business to address, Ms. Hampton *adjourned* the meeting.

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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 December 17, 2024, were approved on March 12, 2025.



Chair of the Board of Trustees

I have reviewed the Minutes of the December 17, 2024, Board of Trustees Meeting for content, form, and legality.



Executive Director Office of
Legal Services