

**MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES SPECIAL CALLED MEETING
FEBRUARY 8, 2023, AT 2:00 P.M. ET
VIA LIVE VIDEO TELECONFERENCE**

At the Special Called Meeting of the County Employees Retirement System (CERS) Board of Trustees held on February 8, 2023, the following members were present: Betty Pendergrass (Chair), Dr. Patricia Carver, George Cheatham, Michael Foster, JT Fulkerson, Dr. Merl Hackbart, Dr. Martin Milkman, William O'Mara, and Jerry Powell. Staff members present were CERS CEO Ed Owens, III, David Eager, Rebecca Adkins, Erin Surratt, Michael Board, Victoria Hale, Leigh Ann Davis, Michael Lamb, Connie Davis, Steve Willer, Anthony Chiu, Joe Gilbert, Jared Crawford, Brian Caldwell, D'Juan Surratt, Phillip Cook, Ashley Gabbard, Katie Park, and Sherry Rankin. Others present included Danny White and Janie Shaw with GRS, David Lindberg, Chris Tessman, Craig Morton, and Cian J. Desmond with Wilshire Advisors, LLC. Eric Branco with Johnson Bowman Branco, LLP.

Ms. Pendergrass called the meeting to order.

Mr. Board read the Opening Statement.

Ms. Rankin called roll.

There being no *Public Comment* submitted, Ms. Pendergrass introduced agenda item *Investment Management (Video 00:07:29 to 00:33:01)*. Dr. Hackbart stated that The CERS Investment Committee approved (February 1, 2023) and requests ratification by the CERS Board of Trustees, Ceres Farms, LLC, Maritime Partners American Rivers Fund, and Arctos Sports Partners Fund II as a Real Return Investment Manager, subject to successful contract negotiations. Dr. Hackbart briefly provided background information on each Real Return Investment Manager and advised the Board of Trustees that the KPPA Office of Investments had conducted extensive research and exercised due diligence to review each Investment Manager. Dr. Hackbart made a motion to ratify the Investment Committee's approval of investments of up to \$175 million (each) in Ceres Farms, LLC, Maritime Partners American Rivers Fund, and Arctos Sports Partners Fund II as Real Return Investment Managers for CERS as presented. Mr. Fulkerson seconded the motion. Mr. O'Mara

and Mr. Cheatham commented on the Real Return Investment Managers and Mr. Willer provided additional detail on these investments. Ms. Pendergrass added that Ceres Farms, LLC, and Maritime Partners American Rivers Fund benefit the Kentucky economy. The motion passed unanimously.

Dr. Hackbart introduced another item of discussion, ESG Response to Kentucky State Treasurer. Dr. Hackbart directed the CERS Board of Trustees to the drafted response letter provided in the meeting materials and asked CERS CEO Ed Owens, III, to describe the context and process in drafting the response requested by the State Treasurer. He advised that the presented letter was drafted in collaboration with the KPPA Office of Legal Services and would be sent on behalf of the CERS Board of Trustees and the same letter would also be sent by the KRS Board of Trustees, upon approval. There was brief discussion among the Trustees. Ms. Pendergrass entertained a motion and stated that the CERS Board of Trustees Chair should sign the letter. Mr. Powell made a motion to approve the ESG Response to the Kentucky State Treasurer as presented. Mr. Foster seconded the motion and the motion passed unanimously.

Mr. Powell made a motion to *adjourn* the meeting. The motion was seconded by Mr. Fulkerson and passed unanimously.

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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 County Employees Retirement System, do certify that the Minutes of Meeting held on February 8, 2023, were approved on March 9, 2023.


Chair of the Board of Trustees

I have reviewed the Minutes of the February 8, 2023, Board of Trustees Meeting for content, form, and legality.


Executive Director
Office of Legal Services