

**MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM BOARD OF TRUSTEES
FINANCE COMMITTEE JUNE 2, 2022 AT 2:00 P.M.
VIA LIVE VIDEO TELECONFERENCE**

At the meeting of the County Employees Retirement System Board of Trustees Finance Committee held on June 2, 2022 the following members were present: William O'Mara, JT Fulkerson and George Cheatham. Staff members present were CERS CEO Ed Owens, III and KRS CEO John Chilton, Rebecca Adkins, Erin Surratt, Victoria Hale, Steve Willer, Elizabeth Smith, Connie Davis, D'Juan Surratt, Ann Case, Ashley Gabbard, Glenna Frasher, and Sherry Rankin.

Mr. O'Mara called the meeting to order.

Ms. Hale read the Legal Opening Statement.

Ms. Rankin called the roll.

Since there was no public comment submitted, Mr. O'Mara introduced agenda item *Approval of Minutes – November 3, 2021*. A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the minutes as presented. The motion carried unanimously.

Mr. O'Mara introduced agenda item *Quarterly Financial Reports*. Ms. Adkins reviewed the Combining Statement of Fiduciary Net Position for the Pension Funds and the Combining Statement of Changes in Fiduciary Net Position for Pension Funds, Combining Statement of Fiduciary Net Position for the Insurance Funds, Combining Statement of Changes in Fiduciary Net Position for Insurance Funds, KPPA Administrative Expenses – Budget to Actual Analysis for CERS system, Contribution Reports for both Pension Funds and Insurance Funds, Outstanding Invoice Report and Penalty Waiver Report. These reports were provided for informational purposes only.

Mr. O'Mara introduced agenda item *Hazardous Duty Requests*. Mr. D'Juan Surratt provided details on agencies requesting hazardous duty coverage for the following positions:

<u>Agency</u>	<u>Position</u>	<u>Effective Date</u>
City of Nicholasville	Deputy Fire Operations Chief	7/1/2022
City of Russell	School Resource Officer	1/1/2022
Adair County Fiscal Court	Emergency Management Director	9/1/2021
City of Munfordville	Police Officer Patrolman	9/1/2021
Boone County Fiscal Court	Deputy Director	6/1/2022

Mr. Surratt stated that Kentucky Public Pensions Authority has reviewed these requests and determined that they meet the statutory guidelines for Hazardous Duty coverage. Mr. Surratt requested approval from this Committee of these positions receiving hazardous classification. A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to approve the hazardous duty requests as presented. The motion passed unanimously.

Mr. O'Mara introduced the agenda item *Preliminary Strategic Plan Discussion*. Mr. O'Mara stated that the CERS Board has taken measures to begin a Strategic Plan and has requested that each standing committee to create goals for their respective committee. Mr. O'Mara asked Mr. Owens to review the preliminary draft of the Strategic Objectives for the CERS Finance Committee. Mr. O'Mara indicated that this presentation is for informational purposes only. Mr. Owens introduced the two (2) goals that the CERS Finance Committee for discussion. Goal #1 is to adopt an Administrative Cost Allocation plan to establish policy for accounting entry allocations to specific plans. He stated that this goal is primarily the continuation of work that is currently being done in the Expense Allocation Work Group. He stated that Goal #2 is to establish a framework for administrative budget development and Board approval prior to submission to the Governor's State Budget Director. This is to ensure that the Finance Committee reviews the administrative budget submission prior to the ratification of the CERS and KPPA Boards.

Mr. O'Mara introduced the agenda item *Other Financial Updates*. Ms. Adkins indicated that there were no other financial updates from staff. Mr. O'Mara asked if any of the committee members had any other financial updates. There being none, Mr. O'Mara opened the floor for a motion to adjourn the meeting.

A motion was made by Mr. Fulkerson and seconded by Mr. Cheatham to adjourn the meeting. The motion passed unanimously.

Copies of all documents presented are incorporated as part of the Minutes of the CERS Finance Committee meeting held June 2, 2022 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, William O'Mara, the Chair of the County Employees Retirement System Finance Committee, do certify that the Minutes of Meeting held on June 2, 2022 were approved on August 24, 2022.


Chair of the CERS Finance Committee

I have reviewed the Minutes of the June 2, 2022 CERS Finance Committee Meeting for content, form, and legality.


Executive Director
Office of Legal Services