

**MINUTES OF MEETING
KENTUCKY RETIREMENT SYSTEMS
BOARD OF TRUSTEES QUARTERLY MEETING
MARCH 11, 2026, AT 10:00 AM, E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the Quarterly Meeting of the Kentucky Retirement Systems Board of Trustees held on March 11, 2026, the following members were present: Lynn Hampton (Chair), David Adkins, Ramsey Bova, Mary Eaves, Prewitt Lane, Keith Peercy, and William Summers, V. Staff members present were KRS CEO John Chilton, Ryan Barrow, Erin Surratt, Michael Lamb, Michael Board, Odette Gwandi, Nathan Goodrich, Carrie Bass, D’Juan Surratt, Kristen Coffey, Connie Pettyjohn, Steve Willer, Ian Blaiklock, Shaun Case, Sherry Rankin, and Mary Hill. Also present were Lealan Miller, Kellie Bergey, and Roger Alfaro from Eide Bailly; Carrie Lovell, Stephanie Heller, Joe Cowles, and Gabe Hellinger from Humana; and David Lindberg and Chris Tessman from Wilshire Advisors, LLC.

1. Ms. Hampton called the meeting to order.

2. Mr. Board read the Legal Public Statement.

3. Ms. Rankin ***Called Roll***.

Ms. Rankin noted that forty-one (41) ***Public Comments*** were submitted. All public comments will be made part of the official record and available in the published minutes.

**Please note, at the time of the meeting, it was believed there were 41 public comments received; however, it was found that many of these were duplicated due to staff error. The correct number of public comments received for this meeting was twenty-six (26).*

4. Ms. Hampton introduced agenda item ***Approval of the November 13, 2025, and December 3, 2025, Minutes***. (Video 00:09:07 to 00:09:37). Mr. Lane made a motion to approve the minutes from the meetings held on November 13, 2025, and December 3, 2025. Ms. Bova seconded and the motion passed unanimously.

5. Ms. Hampton introduced agenda item ***GASB 68 and GASB 75 Proportionate Share Audit Reports for the Kentucky Employees Retirement System.*** (Video 00:09:39 to 00:17:57). Ms. Hampton introduced Mr. Lamb to discuss the proportionate share audits for KERS. Mr. Lamb then introduced Lealan Miller from Eide Bailly to give an overview of the audit reports. Mr. Miller introduced Kellie Bergey and Roger Alfaro as Eide Bailly managers tasked with working on the audits. Mr. Miller gave a brief overview and reported a “clean audit,” stating there were no issue with internal reporting or controls. Ms. Eaves noted some minor edits needed for the reports and Mr. Miller stated that they would be completed before the final reports are issued. Mr. Lamb recognized the Eide Bailly team for their excellent work in their first year serving as outside auditors for KPPA.

Ms. Hampton asked if all reports met deadlines for publication and Mr. Lamb stated that the reports will be available on the website and sent to employers well before the deadline. Ms. Hampton then asked for a motion to accept the KERS draft proportional share audits as presented. Ms. Bova made the motion and Mr. Summers seconded. The motion passed unanimously. Following this motion, the Eide Bailly representatives left the meeting.

6. Ms. Hampton introduced agenda item ***Joint Retiree Health Plan Committee Report.*** (Video 00:18:09 to 00:24:53). Keith Percy introduced Connie Pettyjohn to give an overview of the Joint Retiree Health Plan Committee Report. She highlighted Humana’s annual member satisfaction survey and noted a high level of satisfaction among members regarding plans, usage, and customer care experiences. Ms. Pettyjohn introduced Carrie Lovell from Humana to give a brief overview of 2026 formulary changes. Ms. Surratt clarified that no action was required regarding this informational memo. Ms. Hampton expressed her regret that Dr. Miller could not attend the meeting as it would have been her last one as a KRS Trustee. She stated how much she appreciated her knowledge and hard work with KPPA staff on the retiree health plan.
7. Ms. Hampton introduced agenda item ***Quarterly Financial Reports.*** (Video 00:24:55 to 00:41:59). Mr. Lamb gave an overview of the quarterly financial reports and noted an

increase in fiduciary net positions over all pension plans and insurance plans. Investments overall have also increased, with the largest increase being in public equities. Mr. Lamb explained that the overall net position has improved due to an increase in investment income and employer member contributions combined with a decrease in overall deductions. He then provided details about cash flow for each of the individual pension and insurance plans.

Mr. Lamb provided some information about past due invoices being worked by the Employer Reporting Compliance and Education (“ERCE”) and Legal teams. Mr. Summers asked for some clarification about measures KPPA is taking to collect on past due invoices. Mr. Lamb stated that there is ongoing litigation with one non-compliant employer that will be discussed in closed session and one employer is not currently being billed due to a court order. Other than these instances, employers have been responsive when KPPA staff reach out regarding past due amounts.

Mr. Chilton expressed appreciation for Mr. Lamb and his team for improving the reporting process significantly over the last year and that most of the past due accounts appear to be in relatively good shape. Mr. Lamb then gave kudos to the KPPA Legal and ERCE teams for working diligently to resolve some of the largest balances. It was agreed by all that KPPA should continue doing everything it can to resolve these accounts.

Mr. Lamb then moved on to the Administrative Budget and highlighted some specific line items. Overall, he noted everything is on track to come in just at or under budget for the year. It was also noted that following the approval of the budget last year, KPPA received additional fund allocations from the Office of State Budget. He then briefly mentioned the hybrid allocations across all five (5) systems and the interest earned from the J.P. Morgan accounts.

Mr. Summers again stated that he wanted to ensure everything is being done to resolve past due accounts for transparency. Mr. Lamb agreed and explained that the ERCE team has formed a Task Force focused on ensuring employer compliance moving forward.

8. Ms. Hampton introduced agenda item ***Optional Break***. As no break was needed, Ms. Hampton moved on to the next agenda item.

9. Ms. Hampton introduced agenda item ***Quarterly Investment Performance Report and Recommendations***. (Video 00:42:22 to 01:05:32). Mr. Lane introduced Steve Willer to discuss the pension portfolios. Mr. Willer noted the portfolios all outperformed benchmarks during the quarter, the fiscal year (“FY”) to date, and the last twelve (12) calendar months. Mr. Willer gave a brief overview of the total fund attribution and then highlighted a multi-statistic graph provided by Wilshire, showing the efficiency of the performance produced by the portfolios.

Mr. Willer went on to highlight renegotiated fee schedules with managers. He recognized Joe Gilbert for successfully renegotiating management fees with seven (7) of fourteen (14) public equity managers, resulting in annual fee savings of approximately \$4.6 million. This action brought twelve (12) of the active managers into the least expensive quartile and one (1) more is just outside of the lowest quartile.

Mr. Willer provided an update on market performance and noted the impact of tariffs, anxiety about AI, and geopolitical risk factors, noting that market volatility has been very headline driven of late. Regarding public equity, non-U.S. markets have seen steep declines, but the U.S. market has shown resilience. The impact on markets by the conflict in the Middle East will be determined largely by duration and the sustained interruption to oil flows, but he stated that investment staff remain vigilant and optimistic.

Ms. Eaves asked about any trends to be learned by managers willing to reduce their fees and Mr. Willer stated there is broad pressure on the asset management industry overall, including those participating in private markets. Ms. Bova stated she appreciated the willingness of the investment team to take advantage of lower fees.

Mr. Lindberg provided a brief update on private investment benchmarks and the necessity of Internal Rate of Return (“IRR”) measurement. Ms. Eaves inquired about the percentage

of private equity related to total investments and Mr. Tessman noted that while private equity is currently under target, public equity is overweight and offsetting the underweight in private equity. Mr. Willer and Mr. Lindberg explained that this is a very common issue.

Ms. Hampton requested a motion to ratify the Investment Committee's adoption of a neutralizing approach for benchmarking of the Private Equity allocation as presented. Ms. Bova made the motion to ratify and Mr. Lane seconded. The motion passed unanimously.

10. Ms. Hampton introduced agenda item ***Update on KERS Trustee Election***. (Video 01:05:34 to 01:06:50). Ms. Hampton introduced Kristen Coffey to give an update on the KERS Trustee Election. Voter turnout was 4.08 % with final results due by the end of the week.
11. Ms. Hampton introduced agenda item ***KRS CEO Update***. (Video 01:06:54 to 01:08:45). Mr. Chilton gave an update on his activities during the last quarter, including attending several committee meetings, monthly litigation meetings with Mr. Board, regular discussions with external legal staff, and meetings with the CERS Chair and CEO.
12. Ms. Hampton introduced agenda item ***KPPA Executive Director's Update***. (Video 01:08:48 to 01:16:30). Mr. Barrow gave his quarterly update about the goings on at KPPA offices, including a few internal moves by staff, strategic plan and implementation, and upcoming Trustee training. The Legislative update included some information about House Bill ("HB") 887 that was recently filed. He stated that KPPA Employee survey data is available in the board materials for review with a formal presentation to come at a later time. Finally, Mr. Barrow highlighted KPPA Kudos including the Information Technology ("IT") Security team, Lori Casey, Jody Carson, and James Isaacs. Ms. Eaves provided feedback for the employee survey and noted some discrepancies on some of the bar graphs. These corrections were noted and will be remedied before the survey results are presented to the KPPA Board.

Ms. Hampton asked for an update on the new building plans in Louisville. Mr. Barrow asked to table that discussion until a later date in order to respect the timeline requested by the Secretary, but encouraged everyone to read HB 887 in the meantime.

13. Ms. Hampton introduced agenda item ***Resolution for Cooperation***. (Video 01:16:35 to 01:23:03). Ms. Hampton asked Mr. Lane to assume duties as Chair so she may present the Resolution for Cooperation sent to her from CERS Trustee William O'Mara. She gave a brief history of the Kentucky Retirement Systems and their respective Boards, regulations set forth by the Kentucky Legislature, and KPPA staff tasked with administering the systems. She then explained the proposed resolution seeks to communicate, cooperate, and coordinate between all three (3) Boards to conduct efficient management and oversight. She highlighted over-performing investments, outstanding member service provided by KPPA staff, and the responsiveness to the Boards by the KPPA administrative staff.

Following her remarks, Ms. Hampton made a motion to adopt the Resolution for Communication, Cooperation, and Coordination between KPPA, KRS, and CERS. Ms. Eaves seconded and the motion passed unanimously. Before moving on, Mr. Summers stated that the policies set forth in the Resolution are what the Legislature originally intended and the Boards should be working together as a normal practice.

14. Ms. Hampton introduced agenda item KPPA ***Closed Session***. (Video 01:23:22 to 01:23:01) and requested a motion to enter closed session to discuss pending litigation pursuant to KRS 61.810(c). A motion was made by Mr. Lane and seconded by Mr. Summers. The motion passed unanimously.

Ms. Hampton 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 other attendees exited the

meeting.

Closed Session (Video - Part 2 - 00:00:25 to 00:01:04)

Ms. Hampton reconvened the open session and noted no action had been taken during the closed session.

15. There being no further business, 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 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 11, 2026, were approved on April 16, 2026.

Chair of the Board of Trustees

I have reviewed the Minutes of the March 11, 2026, Board of Trustees Meeting for content, form, and legality.

Executive Director
Office of Legal Services

Public Comments Received for KRS Meeting held on March 11, 2026

*All comments presented in the format and order in which they were received

1. Donald Wells Estes – *“To the readers of this message, I thank you for your attention. My question is when will the retirees receive a Cost of Living increase. I retired in December 2008 and have received only one increase since then in 2009. That increase was just 0.75 percent.”*
2. Dave Carty – *“I wish to express my strong support of HB 406 and equally strong opposition to HB 500.”*
3. Bonita Redding – *“Retired and haven't had an increase since 2011. That is 15 years. Punished for decisions out of my control. f”*
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5. Patricia C McDaniel – *“Please support HB 406 which will provide a 13th pension check for retirees. I am 82 years old on a fixed income after serving 33 years in state government. Your consideration of this matter is greatly appreciated.”*
6. Teresa Michelle Canada – *“I want you to support HB 406 & implement the additional pension check for KERS retirees. Thank you!”*
7. Donna Crain Drury – *“Retired state government employees deserve the 13th check for their longevity with dedication public service.”*
8. Gene Blackburn – *“I want it to support HB 406 and for Krs retirees.”*
9. Jane Oliver – *“Working with no (or maybe a tiny percent 1 or 2 times) for 10 + years) didn't help anybody get the retirement they deserve. Obviously the cost of everything goes up every year further diminishing retirement income. Do something good for your folks who stuck with you Kentucky! Thank you”*
10. Donna Sullivan – *“Please vote for the 1 time check at the end of the year for retirees. This should happen EVERY year if you do not get a COLA. Have been retired since 2019 and have not received a single pay raise in that time. PLEASE VOTE ON THIS, IT IS TRULY NEEDED.”*
11. Jeff Gentry – *“Vote yes to securing a 13th retirement for all KERS, CERS and state police retirees”*
12. Doris Bibb Kistner – *“Please pass HB 406. thank you. The money is there and it's time to move us up to the top of all the many other considerations. we have seen many of our number leave us and never get the check that says thank you for your service all those years . You should pass this bill this time.”*
13. Sherry Kelley – *“Please support HB 406 and implement the additional pension check for CERS retirees”*
14. Melinda Dunn – *“I'm for the one time check for CERS retirees. Thank you”*
15. Karen Sue Edwards – *“In support of the one time check for CERS retirees”*
16. James Michael Edwards – *“In support of one time check for CERS retirees”*
17. Dennis Cartwright – *“Please fight to give Ky State Retirees a cost of living allowance. They deserve it and sacrificed many years of State service. Thank you!”*
18. Deborah Creed – *“Please pass House Bill 406 for state retirees. We worked tirelessly for years to support the function of state government and this is money that is desperately needed.”*
19. Mark Irwin – *“Please offer some cola or 13th check for all CERS retirees. I haven't had a cola since I retired in 2017. Some people haven't had one since 2011. Our pensions have been degraded by*

inflation up to 40%. We gave up a better paycheck in the private sector for a secure pension. Please honor your commitment in this matter. Thank you Mark Irwin"

20. Janice Osborne – *"Pass this bill!"*

21. Philip Thompson – *"Please vote for HB 406. We haven't had a cost of living adjustment in over 10 years"*

22. Pamela Surritt – *"I can only speak for my house hold. We were living paycheck to paycheck Now we are totally broke BEFORE payday. I'm not understanding why it's so hard. We all worked for Year's....Retirees..... why would we not need an increase. I mean everything is just as high for us as everyone else."*

23. Jeff Lizer – *"I support HB 406 and request CERS to pass an additional 13th check for retirees."*

24. Sandra Whisman – *"I support KPPA retirees receiving a 13th pension check since a COLA is not in the works for 2026."*

25. James Michael Edwards – *"Yes on 13 checks for cers retirees"*

26. Darnell McIntosh – *"Retirees would very much appreciate a 13th check. Maybe current employees would be willing to contribute more if they were guaranteed a COLA during retirement. I know I would if I was still working."*