

**MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM
BOARD OF TRUSTEES SPECIAL-CALLED MEETING
MAY 13, 2025, AT 2:30 P.M. ET
VIA LIVE VIDEO TELECONFERENCE**

At the Special-Called Meeting of the County Employees Retirement System Board of Trustees held on May 13, 2025, the following members were present: George Cheatham, Dr. Patricia Carver, Michael Foster, J. T. Fulkerson, Dr. Merl Hackbart, William O'Mara, Tommy McGraw, and Steven Webb. Staff members present were CERS CEO Ed Owens III, Ryan Barrow, Erin Surratt, Mike Lamb, Victoria Hale, Nathan Goodrich, Steve Willer, Joe Gilbert, Ashley Gabbard, Shaun Case, Sandy Hardin, and Sherry Rankin. Others present included David Lindberg with Wilshire and Eric Branco with Johnson, Branco & Brennan, LLP.

1. Mr. Cheatham called the meeting to order.
2. Mr. Branco read the Opening Statement.
3. Ms. Rankin called Roll.

Mr. Cheatham introduced agenda item ***Public Comment***. No public comments were submitted for consideration.

4. Mr. Cheatham introduced agenda item ***Chairman's Corner*** (00:10:12 to 00:11:00). Mr. Cheatham acknowledged the presence of a quorum and expressed gratitude to everyone for making time to attend the meeting. He noted the frequency of recent meetings, with two occurring within a short span of two weeks. Looking ahead, he mentioned that additional meetings may be necessary over the next 10 to 12 months.
5. Mr. Cheatham introduced agenda item ***Investment Office Recommendation*** (Video 00:11:00 to 00:30:33). Dr. Hackbart provided an update on the CERS Investment Committee's recent meeting, where they reviewed two staff recommendations. The first

recommendation concerned the continuation of HIG Capital, which the committee opted to abstain from voting on rather than approving the continuation. The second item discussed was the continuation proposal with Adams Street, which received staff approval and was also supported by Wilshire. The Investment Committee unanimously voted to recommend approval of this continuation. Dr. Hackbart then turned the discussion over to Mr. Steve Willer, who provided additional context and details on both recommendations, as well as address any questions.

Mr. Willer provided a high-level overview of the discussions and decisions made in the investment committee meeting regarding the HIG Capital Partners V fund extension. HIG Capital has proposed an amendment to the LPA to extend the fund's term by one additional year, moving its final term to July 1, 2026. Despite the fund's strong performance—with a net IRR above 22% and a 2X DPI—this latest extension does not include management fee reductions, unlike previous ones. Given that CERS holds only 1.8% of the total fund, the committee acknowledged the extension would likely be approved regardless of its vote and opted to abstain.

Following a thorough discussion, Mr. Webb made a motion to ratify the Investment Committee's recommendation to abstain and not approve the one-year term extension for HIG Capital V. Dr. Hackbart seconded the motion. The motion passed unanimously.

Next, Mr. Willer explained that the Investment Committee approved an amendment to extend the final admission date for Adams Street Private Credit Fund III from May 31, 2025, to March 31, 2026. The extension allows the fund to accept new investors for a longer period, increasing its size, diversifying its portfolio, and spreading fixed costs. CERS has committed \$175 million to Fund III and an additional \$175 million to a co-investment sidecar vehicle, which benefits from no management or performance fees. The fund has performed well, with a net IRR above 30% and a MOIC of 1.1. Given favorable market conditions, the recommendation to approve the extension was accepted by the committee.

Dr. Hackbart made a motion to ratify the Investment Committee's recommendation to approve an amendment to the Amended and Restated LPA with Adams Street Private Credit Fund III to extend the Final Admission Date to May 31, 2026. Mr. Fulkerson seconded the motion. The motion passed unanimously.

6. There being no further business, Mr. Cheatham **adjourned** the meeting.

Copies of all documents presented are incorporated as part of the Minutes of the Board of Trustees held May 13, 2025, 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, the Chair of the Board of Trustees of the County Employees Retirement System, do certify that the Minutes of Meeting held on May 13, 2025, were approved on June 9, 2025.

Chair of the Board of Trustees

I have reviewed the Minutes of the May 13, 2025, Board of Trustees Meeting for content, form, and legality.

Executive Director
Office of Legal Services