

**MINUTES OF MEETING
COUNTY EMPLOYEES RETIREMENT SYSTEM
SPECIAL-CALLED
INVESTMENT COMMITTEE MEETING
MAY 13, 2025, 2:00 P.M., E.T.
VIA LIVE VIDEO TELECONFERENCE**

At the May 13, 2025, Special-Called County Employees Retirement System Investment Committee Meeting, the following Committee members were present: Dr. Merl Hackbart (Chair), George Cheatham, William O'Mara, and Tommy McGraw. Staff members present were Ryan Barrow, Erin Surratt, Mike Lamb, Michael Board Victoria Hale, Steve Willer, Joe Gilbert, Shaun Case, Sherry Rankin, and Sandy Hardin. Also in attendance were CERS CEO Ed Owens III; David Lindberg and Marc Friedberg with Wilshire; and Eric Branco with Johnson, Branco, & Brennan LLP.

1. Dr. Hackbart called the meeting to order.
2. Mr. Branco read the Legal Opening Statement.
3. Ms. Rankin called roll.
4. Dr. Hackbart introduced agenda item ***Public Comment***. Ms. Rankin indicated that no public comments were submitted for consideration. (*Video 00:07:33 to 00:07:40*).
5. Dr. Hackbart introduced agenda item ***Investment Recommendation*** (*Video 00:07:40 to 00:42:00*). Mr. Willer presented a proposal to extend the HIG Capital Partners V fund term by one year until July 1, 2026. Originally a 2013 fund, it had undergone previous extensions, including one that reduced management fees from 2% to 1%. Despite strong performance, staff recommended against approval due to the lack of further fee concessions.

Committee members discussed private equity exit challenges, noting that economic conditions have slowed realizations. Wilshire supported the extension but emphasized the importance of negotiating favorable terms.

Following an extensive review of the topic, Mr. Cheatham made a motion to adopt the investment staff's recommendation to abstain and not approve the one-year term extension for HIG Capital V. Mr. McGraw seconded the motion. The motion passed unanimously.

Next, Mr. Willer presented a recommendation to approve an amendment to the Limited Partnership Agreement (LPA) for the Adams Street Private Credit Fund 3, extending the final admission date to March 31, 2026. The fund, launched in 2023 with a target size of \$2.7 billion, has raised approximately \$1.7 billion. CERS committed up to \$175 million, plus an additional potential co-investment of the same amount, rolling over exposure from Fund 2. The fund has shown strong early performance, and the extension would allow for additional investor commitments, increasing fund size and improving cost efficiency for existing investors. Market conditions remain favorable for private credit, and Adams Street continues to deploy capital at attractive terms. Wilshire provided comments supporting the extension, noting considerations related to multiple closings and valuation adjustments.

After careful deliberation, Mr. Cheatham made a motion to adopt the investment staff'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 March 31, 2026. Mr. O'Mara seconded the motion. The motion passed unanimously.

6. There being no further business, Dr. Hackbart ***adjourned*** the meeting.

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CERTIFICATION

I do certify that I was present at this meeting, and I have recorded above the action of the Committee 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 connection with this meeting.

Recording Secretary

I, as Chair of the County Employees Retirement System Investment Committee of the Board of Trustees of the County Employees Retirement System, do certify that the Minutes of the meeting held on May 13, 2025, were approved by the County Employees Retirement System Investment Committee on May 28, 2025.

CERS Investment Committee Chair

I have reviewed the Minutes of the County Employees Retirement System Investment Committee Meeting on May 13, 2025, for form, content, and legality.

Office of Legal Services