

The regular meeting of the board of Trustees of the Policemen's and Fire Fighters' Retirement Fund of the Lexington Fayette Urban County Government was held on Wednesday, August 11, 2021 at 9:01 a.m..

Those attending with voting privileges were: Mayor Gorton, Chief Wells, Chief Weathers, Erin Hensley, Jonathan Bastian, Ken Armstrong, Trey Abell, Tommy Puckett and Roger Vance. Those attending without voting privileges: Susan Combs, Board Secretary, Roger Wright, legal counsel for the fund. Absent was John Maxwell, Larry Kinnard and Chris Conley.

Mayor Gorton opened the meeting. John Jackson from Callan presented the quarterly report. Highlights, the total fund assets stood at 996.50MM, an increase of approximately 463.7 MM from the first quarter. In the last year, the total fund returned 29.78% vs 28.50% for the policy benchmark. This performance ranked ahead of 85% of its peers. In the last three and five-year periods, the Fund posted 13.25% and 13.20% annualized returns respectively. These returns rank in the top decile of its peer universe. Mr. Jackson also recommended that funds be transferred from public equities (2.6 Domestic Equities and 1.4% International Equities) to Fixed Income to eliminate the underweight and keep in line with our asset allocation. A motion by Jonathan Bastian moved to approve the above request from Callan, Chief Wells, seconded the motion. Motion approved.

Dale Morgan presented the treasurer's report. He referred to the documentation that was distributed earlier regarding cash receipts and disbursements. The current value of the fund was \$1,009,052,748.865. A motion to approve the transfer authorization letter was made by Roger Vance and second by Ken Armstrong. Motion approved.

Board minutes for June and July, 2021 was presented. A motion by Chief Wells and seconded by Chief Weathers to approve minutes as presented.

Purchase of ghost time for Michael Painter and Paul Stewart were presented. A motion from Roger Vance and seconded by Jonathan Bastian to approve the above ghost time contracts. Motion approved.

Purchase military payback for Daniel Bohnen, Justin Gilliam and Stephen Parker were presented. A motion from Trey Abell and seconded by Jonathan Bastian to approve the above military payback contracts. Motion approved.

Widow's annuity for Mrs. Judy Arvin and Diane Lawless were presented. A motion to approve was made by Tommy Puckett and seconded by Roger Vance. Motion approved.

The Board's attorney, Roger Wright presented an updated version of our ghost time/military time contract. Mr. Wright explained that the old contract included items that are stated in the KRS statutes and personal information that could be kept in their file. A motion by Trey Abell to approve and implement immediately the new contract presented along with attached the specific statute governing the purchase of ghost time for the employee to keep. The motion was seconded by Chief Weathers. Motion approved.

Commission Hensley asked the Board if they wanted to have the same audit testing that was completed by the auditors from Strothman from last year. The cost should not exceed \$3,000.00. A motion by Commission Hensley to have Strothman complete the additional testing on the pension fund, this motion was seconded by Commissioner Armstrong. Motion approved.

Disbursements were approved following a motion by Jonathan Bastian and seconded by Roger Vance.

Disbursements for August:

1. Payroll	\$	6,213,985.49 est.
2. Wallingford Law - qualify plan	\$	880.00
Total	\$	6,214,865.49 est.

The application of Officer Timothy Dawson, Division of Police, for a service retirement effective August 2, 2021 was submitted. Jonathan Bastian moved to approve Mr. Dawson's service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of Lt. Ronald Keaton, Division of Police, for a service retirement effective August 7, 2021 was submitted. Jonathan Bastian moved to approve Mr. Keaton's service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of Officer Donald Childers, Division of Police, for a service retirement effective August 14, 2021 was submitted. Jonathan Bastian moved to approve Mr. Childers' service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of Sgt. John Huddleston, Division of Police, for a service retirement effective August 15, 2021 was submitted. Jonathan Bastian moved to approve Mr. Huddleston's service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of Officer Susan Kettenring, Division of Police, for a service retirement effective August 21, 2021 was submitted. Jonathan Bastian moved to approve Mrs. Kettenring's service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of Sgt. Aundria Elam, Division of Police, for a service retirement effective August 27, 2021 was submitted. Jonathan Bastian moved to approve Ms. Elam's service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of Sgt. Jason Rothermund, Division of Police, for a certificate service retirement effective August 16, 2021 was submitted. Jonathan Bastian moved to approve Mr. Rothermund's certificate service retirement. Motion was seconded by Tommy Puckett. Motion approved.

The application of FF John Gentry, Division of Fire, for a service retirement effective July 26, 2021 was submitted. Trey Abell moved to approve Mr. Gentry's service retirement. Motion was seconded by Chief Wells. Motion approved.

The application for Officer Jerry Ziegler, Division of Police for a total and permanent occupational disability was submitted. Jonathan Bastian moved to send to appropriate doctors, motion seconded by Roger Vance. Motion approved.

The application of FF A.J. Laughlin, Division of Fire, for total and permanent occupational disability was submitted. Chief Wells moved to approve the occupational disability at the appropriate rate, motion seconded by Trey Abell. Motion approved.

Joyce Halcomb, wife of Donald Halcomb, Division of Fire, passed away on May 31, 2021

Carroll Warren, Division of Fire, passed away on July 10, 2021

Ivan Lawless, Division of Fire, passed away on July 26, 2021

Foxie Blanton, Division of Fire, passed away on Aug. 6, 2021

Sub-Committee Updates

Continuation of Benefits sub-committee - No update.

Legislative sub-committee - will schedule a meeting towards the end of August

Organizational sub-committee - Trey Abell gave the update since Lt. Kinnard was not in attendance. The sub-committee reviewed several issues. First, the committee had extensive conversations with Callan regarding investing in Private Equities and Infrastructure. The committee all agreed that this was not the time to add new investment opportunities and to stay the course. They reviewed the new ghost time/military contract and agreed to present to the board as a whole for approval. Discussed a worker's compensation issue that is effecting individuals that are looking to retire but have recently been on worker's compensation leave. There is no easy fix and might require a statute change. The legislative sub-committee will look at this further. The last item was discussing the name change for the pension fund. All members agreed that this should be moved to the legislative sib-committee since it would require a statute change.

With no further discussion the meeting adjourned at 10:19 a.m.

Secretary