

**MINUTES OF A MEETING
KENTUCKY WORKERS' COMPENSATION FUNDING COMMISSION
BOARD OF DIRECTORS**

May 17, 2023

Opening of Meeting:

1. A regular meeting of the Board of Directors, Kentucky Workers' Compensation Funding Commission was held, both in person and by remote video conference, on May 17, 2023, in Frankfort, Kentucky. Madam Chair Judy Long called the meeting to order.
2. Ms. Angela Calloway announced the meeting will be recorded in accordance with Kentucky Revised Statute 61.835.
3. Madam Chair Long verified the press notice and asked for a roll call.

Directors Present:

4. Judy Long, Self-Insured Employers Representative
Matt Wingate, Designee for Secretary Jeff Noel, Cabinet for Economic Development
Tim Feld, Insurance Advisory Organization Representative
Ryan Barrow, Designee for Secretary Holly M. Johnson, Finance & Administration Cabinet
Lucretia Johnson, Designee for Secretary Jamie Link, Education & Labor Cabinet
Mark Isaacs, Labor Representative

Others Present:

5. Lisa King, Executive Director, KWCFC
Olivia Orrender, Audit Review Manager, KWCFC
Kim Hay, Director, Fiscal Operations, KWCFC
Marcus Roland, General Counsel, KWCFC
Angela Calloway, Fiscal Services Officer, KWCFC
Tyler Paske, Insurance Compliance Auditor, KWCFC
Ryan Robinson, Insurance Compliance Auditor, KWCFC
Lisa Fernandez, Fiscal Auditor, KWCFC
David Rogan, Director of Portfolio Management, Conning Inc.

Approval of Minutes:

6. Mr. Ryan Barrow made a motion to approve the March 22, 2023 Regular Meeting Minutes. Mr. Mark Isaacs seconded the motion. Motion carried.

Investment Report: David Rogan, Conning, Inc. (report on file for referral)

7. Mr. David Rogan presented an update on the Special Fund investment portfolio. He discussed the current economic and future capital market outlook through March 31, 2023, including developments in the banking industry. He also presented the portfolio reports and analysis and portfolio detail for the Self-Insurance Fund through March 31, 2023.
8. Mr. Tim Feld made the motion to accept the Investment Report as presented to the Board. Mr. Ryan Barrow seconded the motion. Motion carried.

Financial Report: Kim Hay (report on file for referral)

9. Mr. Kim Hay reviewed the year-to-date budget versus actual expenses for KWCFC, the year-to-date internal financial statements, and fiscal year-to-date interagency transfers made by KWCFC for the period ending April 30, 2023. Mr. Hay also presented the year-to-date internal financial statements for the Self-Insurance Fund for the period ending April 30, 2023.
10. Mr. Matt Wingate made the motion to accept the financial reports as presented to the Board. Mr. Tim Feld seconded the motion. Motion carried.

Audit & Collections Update: Lisa King (report on file for referral)

11. Ms. Lisa King presented an update on the number of audits ongoing and completed.
12. Mr. Tim Feld made the motion to accept the Audit and Collections report as presented. Mr. Mark Isaacs seconded the motion. Motion carried.

Contract Update: Lisa King

13. Ms. Lisa King updated the Board on the status of the audit contract process. She stated the Request for Proposal (RFP) was posted, bids received and scored. Ms. King is seeking approval from the Board to affirm the staff's selection.

14. Mr. Ryan Barrow made a motion to affirm the Funding Commission staff's vendor selection for financial audit services contract, not to exceed a total annual cost of \$28,325, with option to renew as outlined in the RFP. Mr. Mark Isaacs seconded the motion. Motion carried.

Executive Director Update: Lisa King

15. Ms. Lisa King gave a brief presentation from the NCCI Symposium.

Regulatory Update: Marcus Roland

16. Mr. Marcus Roland updated the Board on the regulation amendments and reported they are moving along smoothly. He and Lisa King met with the Administrative Regulation Review Sub-Committee. He stated the regulation should be in effect no later than September but that will depend upon whether the subject matter committee puts it on their agenda. If it is not on their agenda, it will be effective after 90 days. If they do put it on the agenda, regardless of whether they review it, once they recess, it will become effective.

17. Mr. Tim Feld asked when the new regulations will become enforced. KWCFB will update the industry on the timeline.

Executive Session:

18. Madam Chair Long asked for a motion to go into Executive Session under KRS 61.810 (1) (c), (f) and (j) to discuss litigation, personnel, and penalty waivers.

19. Mr. Tim Feld made a motion to go into Executive Session. Mr. Ryan Barrow seconded the motion. Motion carried.

Open Session:

20. Mr. Ryan Barrow made a motion to return to Open Session. Mr. Matt Wingate seconded the motion. Motion carried.

Other Business:

21. Ms. Lisa King presented the FY 2024 Board meeting dates for consideration as follows:

July 26, 2023	January 24, 2024
September 27, 2023	March 27, 2024
November 15, 2023	May 15, 2024

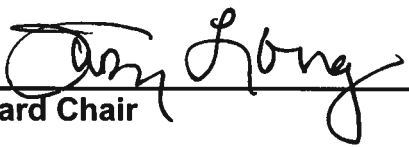
22. Mr. Matt Wingate made a motion to approve the proposed Fiscal Year 2024 Board meeting dates. Mr. Tim Feld seconded the motion. Motion carried.

New Business:

23. No new business.

Adjournment:

24. Mr. Ryan Barrow made a motion to adjourn. Mr. Tim Feld seconded the motion. Motion carried.


Board Chair